



Habib Bank Zurich (Hong Kong) Limited, a Restricted Licence Bank

APPLICATION FOR PACKING CREDIT LOAN

To: **HABIB BANK ZURICH (HONG KONG) LIMITED, a Restricted Licence Bank** (the "Bank")

Date

We, _____ (the "Applicant"), refer to the facility letter and/or the service letter (as the case may be) (as amended or supplemented from time to time) (the "Letter") issued by the Bank to the Applicant in relation to packing credit loan financing facility (the "Loan"). Subject to the terms of the Letter, the Applicant hereby:

1. applies for the drawdown of the Facility on the following terms (the "Loan"):

- | | |
|-----------------------------|--------------------------|
| i. Drawdown Amount: ₹ _____ | ii. Drawdown Date: _____ |
| iii. Loan Period: _____ | days |

against the documentary credit ("DC") or purchase order ("PO") with particulars as detailed below:

DC		PO	
i. DC issued by:		i. PO issued by:	
ii. DC No.:		ii. PO No.:	
iii. DC Currency & Amount: ₹ _____		iii. PO Currency & Amount: ₹ _____	
iv. Latest Presentation / Expiry Date:			
Description of Goods:			

2. irrevocably authorises and instructs the Bank to pay the drawdown amount to the Supplier with the following instructions:

- | | |
|--|-------------|
| i. Currency & Amount (to be remitted): ₹ _____ | |
| ii. Supplier's Name: | |
| iii. Supplier's Account No: | |
| iv. Supplier's Address: | |
| v. Supplier's Banker: Name: | SWIFT Code: |
| vi. Intermediate Banker: Name: | SWIFT Code: |
| vii. Message (restricted to 70 characters): | |
| viii. Remittance Transaction Charges: | |
| All local and overseas charges borne by Beneficiary | |
| All local and overseas charges borne by Applicant | |
| Local charges borne by Applicant & overseas by Beneficiary | |

3. undertakes and agrees with the Bank as follows:

- i. The issuing bank and all the terms and conditions of the DC or PO must be acceptable to the Bank.
- ii. Unless otherwise specified, the duration of the Packing Credit Loan is deemed to be up to the DC expiry date or the granted tenor of packing credit loan, whichever is earlier.
- iii. The proceeds of the Loan shall solely be used for the purchase, production, storage, insurance and/or preparation for sale or shipment of the goods called for under the DC or PO (the “Goods”).
- iv. The Applicant hereby (i) lodges with and pledges to the Bank the original DC and all amendments (if any); (ii) undertakes to deliver all future amendments of the DC to the Bank immediately upon receipt by the Applicant; and (iii) undertakes to present documents in strict compliance with the terms and conditions of the DC to the Bank on or before the time limit(s) prescribed in the DC.
- v. The Applicant undertakes to present documents in connection with the export of the Goods (the “Export Documents”) to the Bank for processing and settlement of this Loan within ten (10) days of shipment date and/or before expiry of the DC whichever is earlier.
- vi. The Applicant shall not accept any amendment to or cancellation of the DC or PO (as the case may be) without the Bank’s prior written consent and shall not dispose of or otherwise deal with the Goods except for the purpose of making a valid drawing under the DC.
- vii. The Applicant shall pay interest on the Loan at the interest rate as determined by the Bank from time to time. Subject to the Bank’s overriding right of demand, the Applicant will repay the Loan and any accrued interest to the Bank on the applicable due date of the Loan.
- viii. If the Bank agrees to negotiate the presented documents, prepay the deferred payment undertaking incurred by the Bank or purchase the draft accepted by the Bank under the DC or present the documents to the DC issuing bank or PO issuer for payment, the Applicant irrevocably authorises the Bank to apply the relevant proceeds to discharge the Loan together with any interest, commissions, costs, expenses or other charges at such rate determined by the Bank in connection with the Loan and/or to discharge any other debts owed by the Applicant to the Bank (collectively the “Indebtedness”) in any manner or order that the Bank thinks appropriate.
- ix. The Applicant represents that the Goods, the DC, the Export Documents and the relevant proceeds (the “Assets”) are free from any security interest and encumbrance and the Applicant is the sole and beneficial owner of the Assets. The Applicant undertakes not to assign, sell or otherwise dispose of the proceeds of the Goods, the Export Documents or DC or create any encumbrance or security interest over the Assets, apart from the Loan.
- x. The Applicant acknowledges and declares that until full discharge of the Indebtedness, (i) all Goods will be dealt with by the Applicant as the Bank’s agent and the Goods and sale proceeds will be held by the Applicant in trust for the Bank; (ii) the Applicant shall fully insure the Goods at the Applicant’s expense against all risks and hold the policy and proceeds of such insurance to the Bank’s order; and (iii) the Applicant will keep the Goods and the sale proceeds separate from other transactions, goods or sale proceeds. Any monies payable to the Applicant under the insurance policy shall be held in trust for the Bank and dealt with at the Bank’s direction.
- xi. Without prejudice to the Bank’s rights to act as a Nominated Bank (as defined under the UCP) under the DC including to provide Financing under the DC, the Applicant hereby assigns absolutely to the Bank, by way of outright assignment, all the present and future rights, title, interests and benefits of the Applicant in and to the receivables and proceeds payable to the Applicant in connection with the DC and the Export Documents and the Applicant shall execute such document(s) and do such act(s) as the Bank may require to perfect such assignment.
- xii. In case the value of the Goods, the Export Documents or the DC proceeds at any time fall below the amount of the Indebtedness, the Applicant undertakes to make up such deficiency by cash payment immediately.
- xiii. The Applicant shall provide the Bank with cash or other collaterals in such form and value as the Bank may require from time to time. To secure the Indebtedness and any financing provided under the DC, the Bank is irrevocably authorised to debit the Applicant’s account(s) maintained with the Bank and the Bank shall have a lien over all the Applicant’s properties in the Bank’s possession, with power to sell or dispose of such properties at any time for satisfaction of the Applicant’s obligations.
- xiv. The Applicant undertakes that it shall indemnify the Bank and the Bank’s delegate(s) on demand (on a full indemnity basis) against all liabilities, losses, payments, damages, demands, claims, expenses and costs (including legal fees), proceedings or actions which the Bank or the Bank’s delegate(s) may suffer or incur under or in connection with this application, the Loan and any financing provided under the DC.
- xv. This application is subject to the Master Agreement for Bills Transactions and Trade Finance, General commercial agreement and / or the Standard Terms and Conditions for Banking Facilities as are in effect from time to time and any other agreement(s) previously signed and delivered to the Bank by the Applicant, if any. In case of conflict, terms of this application shall prevail to the extent of such conflict.

- xvi. Each of the persons signing this application (both in his/her own personal capacity and as an authorised representative of the Applicant) warrants and represents to the Bank that the underlying transaction is a genuine trade transaction. The Applicant acknowledges that the Bank will rely on such warranty and representation when assessing this application. Each signatory fully acknowledges that presentation of forged or fraudulent documents or making any misrepresentation can be a criminal offence.
- xvii. The Applicant acknowledges and agrees that the Bank would refuse to process any transaction which may violate or breach any sanctions, anti-money laundering or counter-terrorist financing laws, regulations, rules, guidelines and procedures promulgated by the United Nations, the European Union, the United States of America, the United Kingdom, the Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”), the People’s Republic of China and all other jurisdictions to which it is subject (“Sanctions”). The Applicant agrees that the Bank will not be liable for any claims, losses, damages, costs or expenses suffered by any person in connection with the Bank’s refusal to process any such transactions. The Applicant certifies that no shipment or transaction involved in this application is in violation of any Sanctions.
- xviii. This application shall be governed by and construed in accordance with the laws of Hong Kong and the Applicant agrees to submit to the non-exclusive jurisdiction of the Hong Kong courts.

Authorised Signature(s) and Company Chop	

For Bank’s use		
Financing %:	PL No.:	
Loan Due Date:		
Signature verified	Entry passed	Approved

Date	Related Bill Ref.	LN payment #	Refund	Outstanding	Initials

Print	Reset
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