

MARGIN PAYMENT LETTER

IMPORTANT NOTICE TO CUSTOMER

This is an important document. Please read the terms and conditions of this document carefully and make sure you understand them. This document is legally binding on the Customer when signed.

TO: **NANYANG COMMERCIAL BANK, LIMITED (the “Bank”)**

Date (YYYY/MM/DD): _____ 填表日期

In consideration of the Bank (i) issuing or procuring, agreeing to issue or procure, the issuance of the documentary credit, letter of guarantee or standby letter of credit as described below or (ii) signing or countersigning of the letter of indemnity / letter of guarantee / shipping guarantee or endorsing the transport document(s) or consent to obtain a fresh set of switched bill(s) of lading or such other transaction or service as described below or (iii) providing any financing (including any negotiation, prepayment, purchase, advance or other financing) to us under the export trade transaction as described below or (iv) entering into any transaction with us as described below (the “**Transaction**”) at our request subject to such terms and conditions as the Bank may determine, we, the customer named below (the “**Customer**”), shall immediately pay and transfer the cash margin amount stated below (the “**Cash Margin**”) to the Bank and we hereby agree that the Bank is authorised to debit our account with the Bank as described below for payment of the Cash Margin to the Bank. We agree to the terms and conditions contained herein.

Name of the Customer:	申請人名稱
Documentary credit / letter of guarantee / standby letter of credit / shipping guarantee no.:	信用證/擔保函/備用信用證/貨運擔保提貨號碼
Financing under the export trade transaction (please specify the export trade transaction e.g. “export documentary credit” / “export D/A collection” / “export D/P collection” and the reference no.):	如屬出口貿易交易項下融資，請註明出口貿易交易種類及參考編號
Others (please specify the type of transaction / service and the reference no.):	如屬其他業務，請註明交易/服務種類及參考編號
Our a/c no.:	戶口號碼
Currency and Amount of the sum to be withdrawn from the account as Cash Margin:	扣賬貨幣及金額

Terms and Conditions

- In this letter, the following definitions shall apply, unless the context otherwise provides:
 - “**Liabilities**” means all present and future obligations and liabilities due, owing or incurred in whatsoever manner to the Bank by the Customer (whether actual or contingent and whether solely or jointly and whether as principal or surety or in any other capacity) directly or indirectly arising from or in connection with the Transaction, including without limitation, the Customer’s obligations and liabilities to pay, reimburse and indemnify the Bank in connection with the Transaction; and
 - “**Security Interest**” means any mortgage, charge, assignment, transfer, disposal, pledge, lien, rights of set-off, arrangement for retention of title, hypothecation or trust arrangement for the purpose of, or which has the effect of, granting or conferring security.
- If the Bank expressly agrees that any interest may accrue on the Cash Margin, all interest accrued on the Cash Margin shall be deemed to be part of the Cash Margin and be governed by and subject to the terms and conditions of this letter. Except as otherwise agreed by the Bank, no interest will accrue on the Cash Margin.
- The Cash Margin will be transferred to the Bank and held in the Bank’s name and control. Unless the Bank otherwise agrees, the Cash Margin shall not be repayable or refundable (in whole or in part) nor shall it constitute a debt owed by the Bank to the Customer or any other person until and unless the Bank is satisfied that all the Liabilities have been unconditionally and irrevocably paid and discharged in full.
- The Customer represents and warrants that:-
 - The Cash Margin is free from any Security Interest or any other interest of any third party (except in favour of the Bank); and
 - The Customer is acting as principal (and not as agent or trustee for any other person) in respect of the Cash Margin and this letter.
- None of the Cash Margin and the rights and benefits relating thereto is capable of being assigned by the Customer to any third party or being the subject of any interest of any third party or any Security Interest (except in favour of the Bank). Unless otherwise agreed by

the Bank, any purported assignment of, or creation of any Security Interest or other interest in favour of any third party over, the Cash Margin or the rights and benefits relating thereto by the Customer will be void.

6. The Customer shall not, and shall have no right to, withdraw, sell, dispose of, deal with, encumber or grant or suffer to arise any third party rights or claims over or against, the whole or any part of the Cash Margin.
7. The Bank has the right, at any time without notice or demand, to set off, apply and/or transfer the Cash Margin against and/or towards satisfaction of all or any of the Liabilities and if the Bank does so, the Cash Margin shall be reduced by the amount of such set-off, application and/or transfer.
8. If the Cash Margin and the Liabilities are in different currencies, the Bank may convert any of them at the prevailing exchange rate as may be absolutely determined by the Bank at its discretion for the purpose of the set-off.
9. If any of the Liabilities is unliquidated or unascertained, the Bank may set off in an amount estimated by it in good faith to be the amount of that liability.
10. The Bank may (in its sole and absolute discretion) regard any amount of the Cash Margin as due and repayable when such amount of the Cash Margin is applied by the Bank towards satisfaction of the Liabilities or is set off against the Liabilities.
11. The Customer shall pay to the Bank all the fees, charges and commissions as agreed and the Bank is hereby authorised to deduct from the Cash Margin all the relevant fees, charges, commissions and any amount owed by the Customer to the Bank in connection with the Transaction.
12. Nothing in this letter is intended to create or does create in favour of the Bank any mortgage, charge, lien, pledge, encumbrance or other Security Interest. The rights of the Bank under this letter shall be in addition and without prejudice to any right of set-off, offset, combination of accounts, lien, right of retention or withholding or similar right or requirement to which the Bank is at any time otherwise entitled (whether by operation of law, contract or otherwise).
13. The Customer may not assign or transfer any of its rights or obligations under this letter. The Bank may assign any of its rights hereunder to any other person and disclose to its professional advisers and any actual or potential assignee any information in connection with this letter.
14. The Applicant certifies that no shipment, person or transaction involved in this application is in violation of any applicable sanction or embargo imposed by any laws, executive orders, regulations or directives of the Government and/or authorities of the United States of America, the United Nations, any international organisation or any other relevant jurisdiction (“**Sanctions**”) or any anti-money laundering laws, regulations, requirements or measures. Should documents be presented involving any person, country/region, entity, vessel or individual listed in or otherwise subject to any Sanction or any anti-money laundering laws, regulations, requirements or measures, the Bank has the right to refuse to pay, handle or process the documents and the transaction contemplated in this application, and the Bank shall not be liable for any delay or failure to pay, process or return such documents or for any related disclosure of information.
15. **Third Party Rights**
 - (a) Subject to Clause 15(c), a person who is not a party to this Application has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) (the “**Third Parties Ordinance**”) to enforce or to enjoy the benefit of any term of this Application.
 - (b) Notwithstanding any term of this Application, the consent of any person who is not a party to this Application is not required to rescind or vary this Application at any time.
 - (c) Any director, officer, employee, affiliate or agent of the Bank may, by virtue of the Third Parties Ordinance, rely on any provision of this Application (including without limitation any indemnity, limitation or exclusion of liability) which expressly confers rights or benefits on that person.
16. If any provision of this letter is or becomes illegal, invalid or unenforceable in any jurisdiction, that will not affect:
 - (a) the validity or enforceability in that jurisdiction of any other provision of this letter; or
 - (b) the validity or enforceability in other jurisdictions of that or any other provision of this letter.
17. This letter is governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region (“**Hong Kong**”) and the Customer agrees to submit to the non-exclusive jurisdiction of the Hong Kong courts.

For and on behalf of the Customer

FOR BANK USE ONLY	
V. SIG.	Total number of attachment(s): _____ page(s)

授權人有效簽署

Authorised Signatory(ies) of the Customer
(Bills A/C no.: _____) 押匯戶口賬號

附件頁數

Attachment(s): _____ page(s)