



To: **Cathay United Bank**

Date :

The Applicant hereby requests Cathay United Bank (the "Bank") to advance the draft under L/C No. _____ (the "Advance").

Amount of draft: _____ Issuing bank: _____

The L/C terms and conditions stipulate:

Whereas the following discrepancy(ies) under the relevant documents is/are noted:

- | | | |
|--|--|--|
| <input type="checkbox"/> L/C expired. | <input type="checkbox"/> Partial shipment. | <input type="checkbox"/> Documents combined. |
| <input type="checkbox"/> Late shipment. | <input type="checkbox"/> Short shipment. | <input type="checkbox"/> Late presentation. |
| <input type="checkbox"/> Amount overdrawn. | <input type="checkbox"/> Over shipment. | <input type="checkbox"/> _____ |

1. The Applicant hereby agrees without objection that it shall hold harmless and indemnify Cathay United Bank (and its agents and correspondents) for all liability, claims, losses and damages arising from advances for draft amounts due to the above mentioned discrepancy(ies). Without prejudice to the generality of the foregoing:
(a) the Applicant authorises the Bank, its agents and correspondents to give the drawees or the issuing, nominated and/or confirming bank of the L/C (as the case may be), such indemnity or guarantee against all loss and consequences arising from the discrepancies as they may require in order to obtain acceptance and/or payment and/or reimbursement (as the case may be) under the L/C.
(b) The Applicant agrees to indemnify the Bank by payment on demand against all actions, claims, demands and proceedings and against all liabilities, losses, costs and expenses whatsoever that may be incurred, sustained or paid by the Bank arising from such indemnity or guarantee, or by reason of the Bank's negotiation or other financing under the L/C notwithstanding the discrepancy(ies) under the relevant documents (whether or not such discrepancy(ies) are noted herein).
2. The Advance is subject to full recourse against the Applicant on demand for the advanced amount together with interest (calculated from the date of Advance) at the interest rate stipulated in the relevant agreement between the Applicant and the Bank or (in the absence of agreement) as reasonably determined by the Bank in accordance with its practices, without the Applicant raising any defence or objection. Without prejudice to the foregoing, the Applicant shall also refund the advanced amount and reimburse all charges, expenses and interest at such rate from time to time determined by the Bank in the event of the non-acceptance or non-payment or non-reimbursement by the issuing, nominated and/or confirming bank of the L/C for any reason whatsoever, including any disagreement in respect of the conformity of any documents.
3. Save as expressly provided to the contrary herein, a person who is not a party to a contract arising from this letter has no right under the Contracts (Rights of Third Parties) Act (Cap. 53B) to enforce or to enjoy the benefit of any term of such contract.
4. This letter of indemnity shall be governed by and construed in accordance with the laws of Singapore, and the Applicant hereby irrevocably submits to the non-exclusive jurisdiction of the Singapore courts in respect of any proceedings in relation to this letter of indemnity.
5. The Applicant shall fully indemnify the Bank against all costs and expenses (including legal fees) incurred by the Bank in connection with the enforcement of or the preservation of any rights under this letter of indemnity, or any corollary/ancillary matter.

Applicant under this Letter of Indemnity (Beneficiary)



(Specimen Signature / Chop/Seal)

Signature
Verification