

APPLICATION FOR PACKING LOAN


To: SHANGHAI COMMERCIAL BANK LIMITED
HONG KONG

Date:

In consideration of your agreeing to grant me/us a packing loan to the amount of _____ (the "Loan") against the documentary credit as described in the table below (the "Credit"), I/we hereby undertake and confirm as follows: -

1. All money advanced under the Loan shall be used solely for the purchase, production, storage, insurance and/or preparation for sale or shipment of the goods referred to in the Credit (the "Goods").
2. I/We assign to you absolutely all my/our rights, title, interests and benefits in and to all the proceeds receivable under the Credit. Until full discharge of all amounts due to you from me/us under the Loan together with interest at such rate as you may from time to time charge and all fees, charges, commissions, costs and expenses incurred by you in connection with the Loan (collectively "Indebtedness"), the Goods and their sale proceeds will be held separate from all other transactions, goods or sale proceeds and in trust for you and that we will keep the Goods insured to their full value against all risks at my/our own costs and expenses. Any amount payable to me/us under the insurance policy shall be held in trust for you and dealt with at your direction.
3. I/We shall deliver to you the original Credit (including any amendments) and undertake to present documents in full compliance with the terms and conditions of the Credit to you prior to the date as may be required by you from time to time and shall not accept any amendment or cancellation of the Credit without your written consent. The proceeds under the Credit shall be used exclusively for the repayment of the Indebtedness. If the value of the Goods or the proceeds under the Credit at any time falls below the amount of Loan, I/we agree and undertake to pay you such deficiency by cash payment immediately.
4. I/We shall repay the Indebtedness to you on the applicable due date of the Loan, subject to your overriding right of repayment on demand.
5. I/We represent that the Goods, Credit and the relevant proceeds are free from any security interest(s) and encumbrance(s) and I am/we are the sole and beneficial owner thereof. We undertake not to create any security interest(s) and encumbrance(s) over the Goods, Credit and the relevant proceeds.
6. I/We shall provide you with cash or other collaterals in such form and value as you may require from time to time. To secure the discharge of my/our obligations to you under this Application, you are irrevocably authorized to debit any of my/our account(s) with you and you shall have a lien over all my/our property which is in or coming into your possession or control, for custody or any other reasons and whether or not in the ordinary course of banking business, with power for you to sell such property and apply the proceeds of sale, after deduction of expenses, to satisfy the Indebtedness.
7. I/We shall indemnify you, your agents and correspondents on demand on a full indemnity basis against all liabilities, claims, demands, damages, losses, taxes, charges, costs and expenses of any kind (including legal fees) which may be suffered or incurred by you or any of them and all actions, or proceedings which may be brought by or against you or any of them whether in contract, tort or otherwise arising from or in connection with the Loan and/or this Application, unless due to your negligence or wilful default of you, your agents or correspondents.
8. I/We hereby authorize you to transfer the amount of the Loan to my/our account number described in the table below.
9. If this Application is executed by more than one person, the obligations and liabilities of each of us shall be primary as well as joint and several.
10. This Application is subject to the terms and conditions of General Letter of Hypothecation and other agreement(s) (if any) executed by me/us. In case of conflict, the terms of this Application shall prevail.
11. This Application is governed by and shall be construed in accordance with the laws of the Hong Kong Special Administrative Region.

Credit No.:	Issuing Bank:
Credit Amount:	
Description of Goods:	Bills A/C No.:
Latest Shipment / Delivery Date (DD/MM/YYYY) :	A/C No. to be credited:

For Bank Use Only <i>DC% (as loan amount):</i> <i>Int. Rate:</i> <i>Comm:</i> Approved By: <i>Officer</i> _____ <i>Manager</i> _____		
	Authorized Signature(s) and Chop	
	Name of Contact:	Tel. No.: