



## Application for Processing Export Trade Transactions

To : Hang Seng Bank Limited, Trade Services, Customer Unit \_\_\_\_\_

Customer Ref No. (Draft / Invoice)
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Date(DD/MM/YY)
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Please complete in BLOCK LETTERS and "√" where appropriate. Please submit the full application form including the "Terms and Conditions".

### Part A – Customer Instructions

We (the "Customer") present to you the attached draft and / or documents (the "Documents") for disposal in accordance with the following instructions and subject to the Terms and Conditions of Application for Processing Export Trade Transactions:

**FOR COLLECTION:**

- FINANCING under D/P or D/A ( by PURCHASING the enclosed bill of exchange with aval or payment undertaking)
- PAYMENT to us after proceeds received under D/P or D/A

**FOR DOCUMENTARY CREDIT as identified below ("DC"):**

- NEGOTIATION / PURCHASE / PREPAYMENT / ADVANCE under the DC
  - after receipt of acceptance from DC Issuing Bank
- PAYMENT to us after receipt of funds from DC issuing bank or nominated bank under the DC without your financing
  - checking of documents is requested
  - (Note: No checking of documents will be performed unless the Bank agrees to the Customer's request to do so.)
- Other (please specify): \_\_\_\_\_

Drawer / Beneficiary (Full Name and Address)	
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Name of Contact Person	Trade Account No.
Tel. No.	Fax No.

DC No. (for DC only)
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Drawee / Applicant (Full Name and Address)
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DC Issuing Bank (for DC) / Collecting Bank's Name and Address (for Collection)
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Bill Currency and Amount (in figures)
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Tenor	<input type="checkbox"/> sight / <input type="checkbox"/> _____ days sight / <input type="checkbox"/> _____ ( )
Place of receipt	( )
Shipment from	( )
Shipment to	( )
Final destination	( )
Goods description	( )
Country of origin	( )

Number of Documents attached:

Document	Original	Copy	Document	Original	Copy	Document	Original	Copy
Draft			Commercial Invoice			Courier Receipt		
Insurance			Customs Invoice			Shipment Advice		
Signed Bills of Lading			Packing List			Other Documents, please specify:		
Inspection Certificate			Certificate of Origin					
Non-negotiable Bills of Lading			Air Transport Document					
Beneficiary Certificate			Forwarder's Cargo Receipt					
GSP Form A			Cargo Receipt					

Documents to be forwarded by **COURIER** in one lot unless stated otherwise in the DC or instructed otherwise

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OB54-R10(YX) 1-6 07/20 E

Customer Ref No. (Draft / Invoice)

**Part A – Customer Instructions (Cont.)**

Instructions for Bills **NOT** under Documentary Credit please follow as marked “√”

<input type="checkbox"/>		Release Documents against PAYMENT	
<input type="checkbox"/>		Release Documents against ACCEPTANCE	
<input type="checkbox"/>	JC/JD	ACCEPTANCE / PAYMENT may be deferred until arrival of carrying vessel	
<input type="checkbox"/>	JH	PROTEST for Non-acceptance and / or Non-payment	Note: If no instructions are given regarding protest, the Bank will assume that protest is <b>NOT</b> required.
<input type="checkbox"/>	JG	DO NOT PROTEST	
<input type="checkbox"/>	JK	In case of need refer to below Agent:  who will assist you to obtain acceptance/payment but who has no authority to amend the terms of the bill.	
<input type="checkbox"/>	JN	From Proceeds deduct _____ to be paid to above Agent	
<input type="checkbox"/>		If Unpaid / Unaccepted, store and insure Goods	
<input type="checkbox"/>		COLLECT charges from the DRAWEEES	
<input type="checkbox"/>		DEDUCT charges from the PROCEEDS	
<input type="checkbox"/>	KA	Collect interest @ _____ % p.a. (base on 360 or 365 days in a year) from the drawees from date of _____ (DD/MM/YY) until date of _____ (DD/MM/YY)	
<input type="checkbox"/>		WAIVE interest and / or collection charges if refused	
<input type="checkbox"/>	JE	DO NOT WAIVE interest and/or collection charges if refused	
<input type="checkbox"/>	P	Payment to be advised by Cable	

For Back-to-Back Credit (if applicable)

A back-to-back credit no. \_\_\_\_\_ (“**Back-to-Back DC**”) has been issued by you against the DC. You are irrevocably authorised (but not obliged) to utilise the documents presented under the Back-to-Back DC for the drawing of the DC irrespective of discrepancies or irregularities that may appear on the documents presented under the Back-to-Back DC (all of which, if any, are hereby waived).

Other Instructions / Remarks

Insurance to be covered by (in case the insurance document is not included for financed export bills (DC and non-DC))

Drawee / Applicant       Ultimate supplier       Ultimate buyer

**Part B – Proceeds Disposal Details**

Please follow instructions marked “√” :

<input type="checkbox"/>	Credit Our A/C No.: _____	Currency: _____
	Use Exchange Contract No. _____ to convert proceeds (if applicable)	
<input type="checkbox"/>	Deduct: _____	For repayment of Export Loan No.: _____
<input type="checkbox"/>	Proceeds to settle	<input type="checkbox"/> Back-to-Back DC <input type="checkbox"/> Import Documents <input type="checkbox"/> Transfer DC Documents
	Ref Number: _____	Amount: _____

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OB54-R10(YX) 2-6 07/20 E

Customer Ref No. (Draft / Invoice)

**Part C – Charges**

Account Number to be debited for all Bank Charges (if applicable)

Currency

**Part D – Information of the Third Party Referral**

Is this application referred by a Third Party?

No

Yes (Please fill in the particulars of the Third Party below)

Full Name of the Third Party

Contact Telephone No.

Name of Contact Person

Certificate of Incorporation/Business Registration Certificate No.

Amount of fees Charged/to be Charged by the Third Party for Referring this application

HKD

**Part E – Declaration**

We have read and understood the Terms and Conditions of Application for Processing Export Trade Transactions set out below in this application, and we agree to be bound by such terms and conditions.

We confirm and certify that the information given above in relation to whether or not this application was referred by a third party is true and correct in all respects. In addition, we confirm the particulars of the third party given above and the amount of fees charged or to be charged by the third party (if any) for referring this application to us is true and correct in all respects.

**To borrow or not to borrow? Borrow only if you can repay!**

**For Bank Use**

Usance Start Date:

Refer Code:

Transit Period:

ECIC Drawee No.:

Date:

Data recorded on:

Transaction approved on:

1st Checker:

Entered By

Bill Type

2nd Checker:

Approved By

Complying presentation: Y / N

Remarks

Authorised Signature(s) and Company Stamp (if applicable)

**X**

Please use signature(s) and stamp filed with the Bank

S.V.

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OB54-R10(YX) 3-6 07/20 E

## Terms and Conditions

1. In this application,

“**Bank**” or “**you**” means Hang Seng Bank Limited of 83 Des Voeux Road Central, Hong Kong and its successors and assigns and, where the context permits, includes the Bank’s delegate(s) under this application;

“**Financing**” means:-

- (a) in the case of a DC transaction:-
  - (i) where the Bank is the nominated bank under the DC, any negotiation, purchase and/or prepayment (as the case may be) by the Bank under the DC;
  - (ii) where the Bank is not the nominated bank under the DC, any advance to the Customer under the DC; or
- (b) in the case of a D/A or D/P transaction, any advance to the Customer under such transaction, and the term “**finance**” shall be construed accordingly; and

“**HSBC Group**” means HSBC Holdings plc, its affiliates, subsidiaries, associated entities and any of their branches and offices (together or individually), and “**member of the HSBC Group**” has the same meaning.

2. This application is subject to the Uniform Customs and Practice for Documentary Credits (“**UCP**”) (for documentary credit transactions) or Uniform Rules for Collections (“**URC**”) (for D/A and D/P transactions) of the International Chamber of Commerce to which the relevant transactions are subject. This application is also subject to the Trade Financing General Agreement, the business terms governing the Customer’s account(s) and any other agreements previously signed by the Customer and delivered to the Bank (including the latest facility letter in relation to trade transactions and facilities). In case of conflict, the terms of this application shall prevail.

3. Unless otherwise agreed by the Bank in writing or except where the Bank is the confirming bank, any Financing provided by the Bank under the DC or the D/A or D/P transaction is with full recourse against the Customer notwithstanding that the UCP or other applicable rules may provide otherwise. Any Financing provided by the Bank is also subject to the Bank’s overriding right of repayment on demand of (i) all monies, obligations and liabilities which shall from time to time be due, owing or incurred in whatsoever manner to the Bank by the Customer whether actually or contingently, solely or jointly and whether as principal or surety; (ii) interest on the amounts referred to under (i), both before and after any demand or judgment; and (iii) costs and expenses of the Bank in enforcing its rights under this application on a full indemnity basis, and such overriding right of repayment on demand shall include the right to call for cash cover on demand for prospective and contingent liabilities. The Customer shall repay the Bank on demand (without raising any defence or objection) any Financing obtained from the Bank together with interest (calculated from the date of Financing) at the interest rate stipulated in the relevant facility letter or any other agreement between the Bank and the Customer (if any) or otherwise determined by the Bank. Without limiting the generality of the above, the Customer undertakes to repay any Financing plus interest under the DC on demand if the Bank, due to whatever reasons, does not receive full and punctual payment(s) under the DC including, but not limited to, the occurrence of any of the following situations:

- (a) the issuing, confirming or nominated bank holds the view or alleges that the Documents are non-compliant notwithstanding the fact that the Bank may consider otherwise; or
- (b) the issuing, confirming or nominated bank fails to honour its payment obligations under the DC or reimburse the Bank on time due to insolvency, foreign exchange control, any court order, injunction, fraud or allegation of fraud, illegality, unauthorised act, commercial dispute or any other reasons.

4. If the Customer requests the Bank to finance a D/A transaction by way of purchasing the enclosed bill of exchange with the support of aval or payment undertaking, this application also constitutes the Customer’s request to the Bank to negotiate and purchase (“**Purchase**”) (i) all of the Customer’s rights, title and interests in and to the bill of exchange enclosed in the D/A instruction drawn on and/or accepted by the Drawee (the “**B/E**”); and (ii) all the Customer’s rights to receive payment under and in connection with the B/E and the related supporting aval or payment undertaking issued by the Collecting Bank (including, without limitation, the proceeds of the B/E and the aval or payment undertaking). The Customer agrees and undertakes with the Bank that the Customer shall procure the Collecting Bank to issue an aval or payment undertaking to the Bank in form and substance satisfactory to the Bank within 30 days after this application. The Bank’s Purchase of the B/E is regarded as a Financing under this application.

5. If the amount (if any) actually received by the Bank under the DC or the D/A or D/P transaction is insufficient for discharge of the Financing plus any applicable interest in full, the Customer shall immediately pay to the Bank any shortfall. Without prejudice to the generality of the foregoing, where the amount received under the DC or the D/A or D/P transaction is in the currency other than the currency of Financing, the Bank may convert the amount received into the currency of Financing at the spot rate of exchange determined by the Bank at the time of conversion, and the Customer shall indemnify the Bank against any shortfall if the converted amount is less than the Financing plus any applicable interest.

6. The Customer may enter into a foreign exchange contract (whether deliverable or non-deliverable) or other derivative contracts with the Bank on terms satisfactory to the Bank for hedging purposes (collectively, “**hedging contracts**”). If any amount is payable by the Bank to the Customer in respect of any hedging contract entered into between the Bank and the Customer, the Bank may:-

- (a) apply such amount towards discharge of the Financing amount plus any applicable interest; and/or
- (b) without prejudicing other rights of the Bank, at any time set-off and apply such amount payable by the Bank against and/or towards satisfaction of the Financing amount plus any applicable interest without any notice or reference to the Customer.

7. The Customer shall pay all the fees and charges in connection with the transaction contemplated in this application. The Bank is hereby authorised to deduct or debit all the relevant fees, charges and any amount owed by the Customer to the Bank from the proceeds received under the DC or the D/A or D/P transaction, the Financing proceeds and/or any of the Customer’s account(s) maintained with the Bank.)

8. The Customer shall indemnify the Bank and the Bank’s delegate(s) on demand against all liabilities, losses, payments, damages, demands, claims, expenses and costs (including legal fees on a full indemnity basis), proceedings or actions which the Bank or the Bank’s delegate(s) may suffer or incur under or in connection with the provision of any Financing or services to the Customer (except caused by the Bank’s gross negligence or wilful default).

9. The Bank is irrevocably authorised (but is not obliged) to (i) utilise the presented documents under the Back-to-Back DC for drawing of the DC; (ii) negotiate the presented documents, prepay a deferred payment undertaking incurred by the Bank, purchase a draft accepted by the Bank under the DC or make any advance to the Customer under the DC; and (iii) directly apply the Financing proceeds of, or the payment proceeds received under, the DC to settle the corresponding drawing(s) under, and/or the Customer's obligations and liabilities owed to the Bank arising out of or in connection with, the Back-to-Back DC without first crediting such proceeds to the Customer's account with the Bank, irrespective of discrepancies or irregularities that may appear on the documents presented under the Back-to-Back DC (all of which, if any, are hereby waived by the Customer).
10. As continuing security for the Customer's obligations and liabilities to the Bank, the Bank shall have and the Customer hereby grants (i) a pledge and lien over the Documents; and (ii) a pledge over the goods represented by the Documents insofar as such goods are in or come into the Bank's actual or constructive possession. The Bank has full authority (but no obligation) at the Bank's discretion to store and insure the pledged goods at the Customer's risk and cost. If the Customer fails to duly perform and discharge its obligations and liabilities to the Bank, the Bank is authorised to (at any time, without prior notice to or consent from the Customer or any other person and in such manner as the Bank thinks fit) sell, dispose of or otherwise deal with any of the Documents and the pledged goods. The Bank may apply the net proceeds of any sale, disposition or dealing of the Documents or the pledged goods in or towards discharge of the Customer's obligations and liabilities to the Bank in such order and manner as the Bank may determine.
11. The Bank shall not be responsible or liable for any delay in remittance or loss in exchange during transmission or in the course of providing any services to the Customer. The Bank shall also not be responsible or liable for any act, omission, default, suspension, insolvency or bankruptcy of any correspondent, agent or sub-agent, nor shall the Bank be responsible or liable for any loss or delay of any documents in transit or in the possession of any correspondent, agent or sub-agent notwithstanding that the Bank may choose such courier company, correspondent or agent.
12. In the event that any of the Bank's offices, branches, correspondents or agents is involved in providing any service to the Customer, the Customer undertakes to pay, and provide the Bank with fund to meet, all payments, interest, commission, charges, disbursements and expenses of whatever nature, due to or incurred or defrayed by any of the Bank's offices, branches, correspondents or agents.
13. If the Bank provides Financing under the DC or the D/A or D/P transaction, (i) the Customer shall ensure that all monies payable under or in connection with the DC or the D/A or D/P transaction are paid to the Bank for discharge of the Customer's obligations and liabilities owed to the Bank and the Bank shall have the right to collect such monies and to apply them for discharge of the Customer's obligations and liabilities; (ii) such rights of the Bank shall not prejudice the Bank's rights acquired through the Financing (whether pursuant to the UCP or general law); and (iii) the Customer shall co-operate fully with the Bank and render to the Bank all assistance it requires in the collection and enforcement of any payments under or in connection with the DC or the D/A or D/P transaction, whether by legal proceedings or otherwise.
14. If the Bank is a confirming bank under the DC, the Bank shall, notwithstanding the confirmation, reserve the right not to honour or negotiate, and retain the right of recourse against the Customer for any DC payment or Financing made by the Bank plus interest (calculated from the date of such DC payment or Financing at the interest rate stipulated in the relevant facility letter or any other agreement between the Bank and the Customer (if any) or otherwise determined by the Bank) if the issuing bank is not obliged to pay to the Bank any amount(s) expressed to be payable under the terms of the DC, on the ground of any injunction or other court order, or due to any actual or alleged fraud, illegality, unauthorised act or the like in which the Customer is or is alleged to be involved.
15. If the Bank checks the Documents under the DC, the Bank may (but is not obliged to) notify the Customer verbally or in writing any discrepancy(ies) in the Documents. Any record of the Bank regarding such notification shall be conclusive evidence on such matter. The Bank does not assume any responsibility for the accuracy or completeness of the checking or the Bank's opinion as to documentary compliance with the DC terms and the Bank shall not be liable to the Customer for any loss, liability, damages or consequences arising from such checking or opinion, including any delay that may result or any omission to identify any discrepancies which may exist in the Documents.
16. If there is any discrepancy in the Documents presented under the DC but the Bank provides any Financing under the DC at the request of the Customer:-
  - (a) the Customer authorises the Bank, its branches and correspondents to give the issuing bank, nominated bank and/or confirming bank of the DC such indemnity (in form and substance as the issuing bank, nominated bank and/or confirming bank may require) against any loss or consequence arising from the non-compliance with the terms of the DC (including the discrepancies) in order to obtain the issuing bank's, confirming bank's and/or drawee's acceptance and/or payment of the DC;
  - (b) the Customer shall indemnify the Bank and its delegate(s) on demand or provide the Bank with any cash or collateral in such form and value as the Bank may require against all liabilities, losses, demands, expenses, proceedings, actions, claims, costs (including legal fees on a full indemnity basis) and damages of any kind which the Bank or its delegate(s) may suffer, sustain or incur under or in connection with this application or the Financing;
  - (c) the Customer further irrevocably and unconditionally undertakes to refund to the Bank on demand, any monies received by the Customer and pay the Bank all charges, expenses and interest at such rate from time to time as determined by the Bank in the event of the non-acceptance or non-payment in respect of the Documents by the issuing, nominated and/or confirming bank due to whatever reasons including (without limitation) any disagreement between the Bank and any of them in respect of the conformity of the Documents; and
  - (d) the Bank's rights in this clause shall be in addition, and without prejudice, to its other rights of recourse and indemnity against the Customer under other provisions of this application.
17. The Bank shall have the right and absolute discretion to engage, select and/or delegate to agents, correspondents and/or courier companies for the delivery of the Documents. The Customer undertakes to pay the Bank for the provision of or arrangement for such delivery services at such rate as may from time to time be determined by the Bank. The Customer acknowledges that the Bank may pay to or receive from any agent, correspondent or courier company charges, commissions, fees, rebates or other payments and the Bank shall not be liable to account for or disclose to the Customer any profit or benefit derived by it.

18. Each of the persons signing this application (in his own personal capacity and as authorised representative(s) of the Customer) warrants and represents to the Bank that all documents presented or to be presented for Financing or collection purpose relate to the sale of goods/service as described in those documents and the Customer has shipped or delivered the goods (or has performed the service) to the buyer and acknowledges that the Bank will rely on such warranty and representation when assessing this application. The Customer acknowledges that presentation of forged or fraudulent documents can render a person liable to prosecution.
19. The Customer makes the following representations:
- (a) neither the Customer nor any of its subsidiaries, directors, officers, employees, agents, or affiliates is an individual or entity ("**Person**") that is, or is owned or controlled by Persons that are: (i) the subject of any sanctions issued, administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), the US Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, the Hong Kong Monetary Authority or any local authority or enforcement body in the jurisdiction of the Customer having similar function as any of the aforesaid bodies (collectively, "**Sanctions**"), or (ii) located, organised or resident in a country or territory that is, or whose government is, the subject of Sanctions; and,
  - (b) any required import or export licences applicable to or relating to the Documents, the DC, the D/A or D/P bill (collectively the "**Trade Documents**") have been obtained and the Customer certifies its compliance in all material respects with foreign and domestic laws and regulations pertaining to each jurisdiction in which it operates and to each Trade Document and the subject matter of each such Trade Document including, if applicable, the shipment and financing of the goods described in any such Trade Document.
20. The Customer acknowledges and agrees that:
- (a) the Bank, HSBC Group, and HSBC Group's service providers are required to act in accordance with the laws and regulations of various jurisdictions, including those which relate to Sanctions and the prevention of money laundering, terrorist financing, bribery, corruption and tax evasion;
  - (b) the Bank may take, and may instruct other members of the HSBC Group to take, to the extent it or such member is legally permitted to do so under the laws of its jurisdiction, any action (a "**Compliance Action**") that the Bank or any other member, in its sole discretion, considers appropriate to act in accordance with Sanctions or domestic and foreign laws and regulations. Such Compliance Action may include but is not limited to the interception and investigation of any payment, communication or instruction; the making of further enquiries as to whether a person or entity is subject to any Sanctions; and the refusal to issue, pay, renew, extend or transfer any Trade Document or to process any transaction or instruction that does not conform with Sanctions;
  - (c) neither the Bank nor any member of HSBC Group will be liable for any loss, damage, delay, or a failure of the Bank to perform its duties under this application arising out of or relating to any Compliance Action taken by the Bank, its service providers, or any HSBC Group member in its sole discretion; and
  - (d) the Customer will indemnify the Bank for all losses, costs, damages, claims, actions, suits, demands and liabilities (together, the "**Compliance Action Losses**") suffered or incurred by or brought against the Bank arising out of or relating to any Compliance Action, unless such Compliance Action Losses are solely and directly caused by the gross negligence or wilful misconduct of the Bank.
21. In addition to clause 3 of these terms and conditions, the Bank shall have a right of recourse to the Customer and/or shall not be obliged to pay the Customer if the Bank does not receive payment (or there is delay in any such payment) under the DC or the D/A or D/P transaction (as the case may be) specified in this application as a result of any anti-money laundering, terrorist financing or sanction laws or regulations that may prohibit such payment, including, without limitation, those economic sanctions issued, administered or enforced by OFAC, the US Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, the Hong Kong Monetary Authority, and the local authority or enforcement body in the jurisdiction of the Customer having similar function as any of the aforesaid bodies, and the Customer will reimburse the Bank for any amount paid to the Customer by the Bank and for any loss or damage suffered by the Bank as a result of non-payment, together with interest from the date of payment or the date upon which the Bank incurs such loss or damage, as the case may be.
22. In case insurance policy of the underlying goods is not included in the Documents, the Customer certifies that the underlying contract does not require insurance coverage from the Customer and that insurance has been covered by the drawee or ultimate buyer.
23. In this application, any reference to "person" includes a company, partnership or sole proprietorship. If the Customer includes two or more persons, the obligations and liabilities of these persons under this application shall be joint and several. If the Customer is a firm or body unincorporate, "the Customer", "we" or "us" means the sole proprietor or (as the case may be) each of the present and future partners of the firm.
24. The Bank's rights under this application shall be additional and without prejudice to its rights under any other agreements or general law.
25. No person other than the Bank and the Customer will have any right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623, Laws of Hong Kong) to enforce or enjoy the benefit of any of the provisions of this application.
26. This application is governed by and shall be 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.

OB54-R10(YX) 6-6 07/20 E