

**To: AGRICULTURAL BANK OF CHINA LIMITED
HONG KONG BRANCH**

Date: _____

Application for Shipping Guarantee

We, _____ (name) (the “**Customer**”), hereby request Agricultural Bank of China Limited, Hong Kong Branch (the “**Bank**”, which expression shall include its successors, assigns and transferees) to:

- ☐ endorse the attached * bill of lading / air waybill / other transport document (no. _____) and release it to the Customer
- ☐ sign or countersign the attached letter of indemnity/guarantee dated _____ in favour of _____
(state name of carrier, forwarding agent or shipping company) to facilitate the Customer to take delivery of the goods set out in the Schedule below (the “**Goods**”)

* Delete the inapplicable

In consideration of the Bank’s endorsing and/or releasing the attached transport document or (as the case may be) signing or countersigning the attached letter of indemnity/guarantee at the request of the Customer, in order to facilitate the Customer to take delivery of the Goods, the Customer hereby undertakes and agrees with the Bank as follows:-

1. The Customer 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, actions and other consequences which the Bank or the Bank’s delegate(s) may suffer or incur under or in connection with the Goods (or their release) and/or the signing or countersigning of the letter of guarantee/indemnity by the Bank and/or any endorsing or releasing of the transport document by the Bank pursuant to the Customer’s request in this application (except caused by the Bank’s gross negligence or wilful misconduct).
2. The Customer agrees to redeem and deliver the letter of indemnity/guarantee (if any) to the Bank for cancellation immediately upon receipt of the relevant bills of lading or transport documents.
3. The Customer declares and represents that the Goods are, to the best of the Customer’s knowledge, not encumbered in favour of any person nor will this be done by the Customer other than to the Bank.
4. The Bank is hereby authorised (but not obliged) (i) to honour any drawings made under the documentary credit, collection or any import bills relating to the Goods and to pay the invoiced amount of the Goods without examining any of the presented documents; and (ii) to utilise the bills of lading or other transport document in the Bank’s possession for the redemption of the letter of indemnity/guarantee from the relevant carrier, forwarding agent or shipping company. The Customer irrevocably undertakes to reimburse the Bank on demand in respect of such drawings or payments together with all charges, expenses and interest irrespective of any discrepancy(ies) or irregularities that may appear in such drawings or documents (all of which, if any, are hereby waived) and/or even if the Goods, drawings or payments are unacceptable to the Customer due to whatever reasons.
5. The Goods and the documents to which the Goods relate (collectively, the “**Documents**”) are and will continue to be pledged to the Bank as a continuing security. The Goods and the Documents are released to the Customer exclusively for the purpose of taking delivery of and selling the Goods and the Customer shall pay the sale proceeds of the Goods to the Bank immediately upon receipt without any set-off or deduction. The Customer will hold the Documents, the Goods and their sale proceeds in trust for the Bank, in the Bank’s name and solely to the Bank’s order, and shall keep them separate from any other documents, goods or proceeds. The Bank may at any time take possession of, sell or otherwise deal with the Documents, the Goods and/or the proceeds in such manner as it considers appropriate. The Bank may apply the net proceeds of any sale, disposition or dealing of the Documents or the Goods in or towards the discharge of the Customer’s obligations and liabilities to the Bank in such order and manner as the Bank may determine.
6. The Customer declares to the Bank that the value of the Goods does not exceed the value of the Goods specified in this application. The Customer shall keep the Goods fully insured at its own expense and will furnish proof of this at any time, if requested to do so by the Bank.
7. If so required by the Bank, the Customer shall pay cash margin or provide collateral to the Bank in an amount or value sufficient to cover any payment that is or may be required to be made by the Bank under or in connection with the attached transport document, letter of indemnity, guarantee or the release of the Goods, and any actual or contingent obligations and liabilities of the Customer owed to the Bank under or in connection with this application.
8. Any cash margin paid to the Bank pursuant to or in connection with this application (“**Cash Margin**”) will be transferred and held in the Bank’s name and control. 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 obligations and liabilities of the Customer to the Bank. 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, application and/or transfer.
9. The Customer shall pay to the Bank all the fees, charges and commissions as agreed and the Bank is hereby irrevocably authorised to debit the Customer’s account(s) for any amount owed or payable by the Customer to the Bank. Any monies debited from the Customer’s account(s) or otherwise received by the Bank for settlement of any obligation or liability of the Customer may, at the Bank’s sole discretion, be converted into the currency of the relevant obligation or liability at the prevailing exchange rate determined by the Bank (or any other agreed exchange rate, if any) to effect such settlement.

10. This application is subject to any agreement previously signed by the Customer and delivered to the Bank. In case of conflict, terms of this application shall prevail to the extent of conflict.
11. If the Customer includes two or more persons, the obligations and liabilities of these persons under this application shall be joint and several.
12. This application 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.

L/C No. _____

Documentary Collection No. _____

SCHEDULE

B/L or A WB No. _____

Marks and Nos.	Packages	Description	Where From	Vessel	Value of Goods

Yours faithfully,

Authorised Signature(s) of the Customer

Tel No.:

Fax No.:

Contact Person:

S.V. VISA

For Bank Use: S/G No.