

**Application For Packing Loan**

To: **OCBC Bank (Hong Kong) Limited**  
**Hong Kong**

Date:

**Re: Packing Loan for HK\$**

under Documentary Credit ("DC") No. \_\_\_\_\_  
issued by \_\_\_\_\_

under Purchase Order ("PO") No. \_\_\_\_\_ dated \_\_\_\_\_  
between \_\_\_\_\_

and the undersigned

In consideration of your advancing to us at our request up to sum of Hong Kong Dollars

(HK\$ \_\_\_\_\_) by way of Packing Loan (the "**Loan**") against the above DC and/or PO (as the case may be) (collectively, the "**Documents**") for covering the under-mentioned goods (the "**Goods**");

We hereby undertake and agree with you as follows :-

1. The issuing bank and all the terms and conditions of the DC must be acceptable to you.
2. The proceeds of the Loan will be used solely for the purchase, production, storage, insurance and/or preparation for sale or shipment of the Goods.
3. We shall pay interest on the Loan at the interest rate charged by you. Subject to your overriding right of demand, we will repay the Loan and any accrued interest to you on the applicable due date of the Loan.
4. We hereby lodge with and pledge to you for custody the original or a certified true copy of the DC and all amendments (if any) or PO (as the case may be) and undertake to deliver all future amendments of the Documents to you immediately upon receipt by us. We represent and warrant that no other financing has been obtained from any other financial institutions in connection with the above-mentioned Documents. We shall not accept any amendment to or cancellation of the Documents without your prior written consent and shall not dispose of or otherwise deal with the Goods except for the purpose of making a valid drawing under the Documents.
5. We represent that the Goods, DC and the relevant proceeds (the "**Assets**") are free from any security interest(s) and encumbrance(s) and we are the sole and beneficial owner of the Assets. We undertake not to factor, sell or otherwise dispose of the proceeds of the Goods or DC or create any encumbrance(s) or security interest(s) over the Assets, apart from the Loan. We also undertake to present documents in strict compliance with the terms and conditions of the DC to the Bank on or before the time limit(s) prescribed in the DC.
6. If you agree to negotiate the presented documents, purchase the draft accepted by you, prepay the deferred payment undertaking incurred by you under the DC, make any advance(s) against the presented documents or present the documents to the DC issuing bank or the purchaser for payment (as the case may be), we irrevocably authorize you to apply the relevant proceeds to discharge the Loan together with any costs and expenses incurred by you and any commissions or interest charged by you in connection with the Loan and/or to discharge any other debts owed by us to you (the "**Indebtedness**") in any manner or order that you think appropriate.
7. We acknowledge and declare that until full discharge of the Indebtedness, (i) all Goods will be dealt with by us as your agent (depository, storekeeper, forwarding agent etc.) and the sales proceeds will be held by us in trust for you; (ii) we shall fully insure the Goods at our expense for value of the DC against all risks with an insurer approved by you and hold the policy and proceeds of such insurance to your order or, upon your request, arrange the policy to be issued or endorsed in your favour; and (iii) we will keep the Goods and the sales proceeds separate from other transactions, goods or sales proceeds. Any monies payable to us under the insurance policy shall be held in trust for you and dealt with at your direction.
8. We assign to you absolutely all our rights, title, interests and benefits in and to all the proceeds receivable under the Documents and undertake to indemnify you against any balance which may remain unpaid under the Documents for whatever reason.
9. We agree that you may insure the Goods at our costs should we fail to insure the Goods as required under this application.
10. In the case of the value of the Goods or the proceeds under the DC should at any time fall below the amount of the Indebtedness, we promise and undertake to make up such deficiency by cash payment immediately.
11. 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 our obligations to you under this application, you are irrevocably authorized to debit our account(s) with you and you shall have a lien over all our properties in your possession, with power to sell or dispose of such properties at any time for satisfaction of our obligations.
12. We shall indemnify you and your delegate(s) on demand (on a full indemnity basis) against all liabilities, losses, payments, damages, demands, expenses and costs (including legal fees), proceedings or actions which you or your delegate(s) may suffer or incur in connection with the Loan and any DC negotiation, prepayment or purchase effected under the DC.
13. If this application is executed by more than one party, the obligations and liabilities of each of us under this application are primary as well as joint and several.
14. Save as otherwise provided in Clause 12 hereof, the operation of the Contracts (Rights of Third Parties) Ordinance (Cap.623) is hereby excluded.
15. This application is governed by and shall be construed in accordance with the laws of Hong Kong SAR and we agree to submit to the non-exclusive jurisdiction of the Hong Kong Courts.

**REMARKS:**

Please credit the proceeds into our account No. \_\_\_\_\_

If there are any queries, please contact Mr. / Ms. \_\_\_\_\_ by Tel. \_\_\_\_\_

FOR BANK'S USE ONLY		
Line Checked by:	Signature Verified:	Control No.:

\_\_\_\_\_  
Authorized Signature(s) and Company Chop