

Terms & Conditions for Application for Shipping Guarantee

In consideration of the Customer applying for Shipping Guarantee using Business Internet Banking of United Overseas Bank Limited ("The Bank"), the Customer hereby:

1. Confirms that no other bank is involved in this transaction;
2. Agrees to pledge and deliver to the Bank the goods/Bills of Lading or other title or accompanying documents (hereinafter collectively referred to as "The Documents") to the goods when the Customer or the Customer's agent receives them, and thereafter to hold the goods under trust receipt on the Terms and Conditions for Trust Receipt;
3. Warrants to the Bank that the approximate value of the goods is as stated in the Shipping Guarantee application and the Customer is entitled to receive the Documents and the goods;
4. Agrees to hold the goods on storage as the Bank's property with liberty to sell and accounting for and paying the proceeds to the Bank as soon as they are received;
5. Agrees to keep the goods fully insured at the Customer's charge, the policy money being payable to the Bank in case of loss and undertake to furnish proof of this at any time, if so requested by the Bank;
6. Agrees to do all other acts and things necessary to protect and preserve unimpaired the Bank's property in the goods and the Documents;
7. Undertakes to deliver the goods to the Bank if and when called upon;
8. Declares that neither the goods nor the Documents have been mortgaged, charged, hypothecated or pledged to any person, company or firm and the Customer hereby further undertakes and agrees that neither the goods nor the Documents will be so mortgaged, charged, hypothecated or pledged without the Bank's written consent;
9. Agrees to pay to the Bank on demand all monies which the Bank may be required to pay under or in connection with the Shipping Guarantee together with interest thereon at such rate as the Bank may prescribe from time to time calculated from the date of payment by the Bank to the date the Customer pays the Bank in full;
10. Allows the Bank in its absolute discretion and without reference to the Customer notwithstanding any instructions by the Customer to the contrary to compromise, settle, pay or resist any claim arising out of the release of the goods to the Customer without releasing the Customer from its liability to the Bank;
11. Authorises the Bank without prior notice to the Customer to debit and set-off the credit balances in the Customer's account(s) (including time deposit(s) whether such deposits have matured or not) with the Bank or any of the Bank's branches in other jurisdictions with all monies due from the Customer to the Bank hereunder;
12. Waives all rights that the Customer may have at law to reject the Documents tendered under the abovementioned Letter of Credit/Collection Bill and agrees to accept the Documents as tendered;
13. Irrevocably authorises the Bank to pay all drawings or drafts drawn under the abovementioned Letter of Credit/Collection Bill notwithstanding and in spite of any irregularities or discrepancies between the documents called for thereunder and the Documents tendered; such irregularities or discrepancies to include but shall not be limited to any delay in the tender or presentation of any of the Documents or the incorrectness in the amount of any draft or the terms of any Document;
14. Undertakes to indemnify and to keep the Bank fully indemnified and completely indemnified and saved harmless at all times from and against all claims, demands, costs, proceedings and expenses of whatsoever nature (including solicitor and client costs) which the Bank may incur or suffer in respect of the goods or the Shipping Guarantee or the breach of any warranty or undertaking herein;
15. Agrees that the Customer's liability hereunder shall not be limited or in any way affected by the abovementioned value of the goods; and
16. Agrees that the Customer's obligations hereunder shall remain in full force and effect until the Shipping Guarantee is returned to the Bank for cancellation.