

To : **China Construction Bank (Asia) Corporation Limited**

STANDBY LETTER OF CREDIT AND BANK GUARANTEE APPLICATION AND AGREEMENT

Date: _____

Please mark "X" as appropriate.

No. _____ (for Bank use only)

Dear Sirs,

We request you to issue at our risk in all respects an irrevocable Standby Letter of Credit and/or Bank Guarantee (the "Undertaking") on the terms and conditions set out below and accompanying this application:

Full teletransmission Airmail (with without brief preliminary teletransmission) Courier Service

In Favor of (Beneficiary) (Please insert full name and address)	For Account of (Applicant) A/C No. _____ (Please insert full name and address)
Amount and Currency :	Advising Bank (If Blank, Your Correspondent Bank)
Expiry Date and Place of Expiry DAY MONTH YEAR In <input type="checkbox"/> Hong Kong <input type="checkbox"/> Other: _____	

FOR HONOUR BY ACCEPTANCE OF DRAFTS DRAWN BY THE BENEFICIARY AT (TENOR) _____ ON YOU, YOUR BRANCH OR YOUR CORRESPONDENT OR AGENT AT YOUR OPTION OR YOU MAY WAIVE DRAFT REQUIREMENT.

Covering _____

Documents required: _____

All documents to be forwarded in one cover, by airmail/courier service, unless otherwise stated under Special Instructions.

All banking charges are for account of the beneficiary or the applicant.

Special Instructions: _____

In case of queries, contact _____ via telephone No. _____

THE APPLICATION AND THE UNDERTAKING SHALL BE SUBJECT TO THE TERMS AND CONDITIONS ACCOMPANYING THIS APPLICATION AND OF THE DOCUMENTS RELATING TO STANDBY LETTER OF CREDIT AND BANK GUARANTEE INCLUDING YOUR "GENERAL AGREEMENT BY CUSTOMER(S)" EXECUTED BY US AND ON FILE WITH YOU (AS THEY MAY BE AMENDED FROM TIME TO TIME).

Authorized Signature(s) and Company Chop

For Bank Use Only	AML Hot List Checked	Signature Verified
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Bills Department : 11/F, Devon House, 979 King's Road, Hong Kong • SWIFT: CCBQ HK AX
Enquiry Hotline: 3718 3008

TERMS AND CONDITIONS FOR STANDBY LETTER OF CREDIT AND BANK GUARANTEE

The following are the terms and conditions upon which the Undertaking is issued by China Construction (Asia) Corporation Limited ("you"):

1. We, the applicant for the Undertaking, acknowledge that, unless otherwise agreed, you are under no obligation to accept this application for the issue of the Undertaking. You may accept this application by issuing the Undertaking in accordance with the terms and conditions set out in this application. Upon your issuance of the Undertaking, this application will constitute an agreement between us with terms and conditions set out or referred to below and references to this application below shall include the agreement so constituted.
2. Unless these terms and conditions or subsequent amendments otherwise expressly provide, this application and the Undertaking (if in the form of a standby letter of credit) are subject to the Uniform Customs and Practice for Documentary Credits or the International Standby Practices of the International Chamber of Commerce at the time of the issuance of the standby letter of credit.
3. We shall forthwith on demand (1) pay to you an amount equal to each amount demanded of or paid out by you in respect of the Undertaking (in the same currency as the amount paid by you and together with interest at the rate specified in Clause 5 from the date of payment by you to the date that amount is received by you); (2) promptly and fully indemnify you, your branches, offices, officers, employees, correspondents and/or agents and keep you, your branches, offices, officers, employees, correspondents and/or agents fully indemnified on demand against all liabilities, claims, demands, losses, damages, taxes, costs, charges and expenses of any kind (including, without limitation, legal fees on a full indemnity basis) which may be suffered or incurred by you, your branches, offices, officers, employees, agents and/or correspondents and all actions or proceedings which may be brought by or against you, your branches, offices, officers, employees, agents and/or correspondents whether in contract, tort or otherwise arising from or in connection with this application or the Undertaking ("**Expenses**") and shall forthwith reimburse you upon demand for any such Expenses which you may incur. We also agree to provide you upon your demand with funds to meet all disbursements, acceptances and other payments made or to be made under or in connection with the Undertaking including commissions, interests and charges.
4. We irrevocably and unconditionally authorise you to make all payments and comply with all demands which may be claimed or made under the Undertaking which in your opinion appears on its face to comply with the Undertaking without any reference to or further authority from us and without any inquiry by you. We agree that any payment you made in accordance with or purporting to be in accordance with the Undertaking shall be binding upon us and shall be accepted by us as conclusive evidence that you were authorised to make such payment or to comply with such demand. In this respect, you are not responsible for:
 - (a) performance or breach of any underlying transaction;
 - (b) action or omission of others even if the other person is chosen by you or your correspondent or agent;
 - (c) observance of law or practice other than the law and practice of Hong Kong Special Administrative Region ("**Hong Kong**").
5. Overdue amounts payable by us to you under or in connection with this application or the Undertaking shall bear interest and be payable by us at an overdue interest rate equal to two percent (2%) per annum above your Base Rate (as specified in the relevant facility letter) or 1 month LIBOR (as selected by you) both before and after judgment and shall be calculated on a daily basis and compounded both before and after demand or judgment according to your usual practice. Such interest shall continue to be charged until you have irrevocably and unconditionally received in full all sums owing by us to you.
6. Should we fail to perform any of our obligations to you (whether under or in connection with this application or the Undertaking or otherwise) or should any bankruptcy, winding-up or other insolvency proceedings be commenced or filed by or against us or, in your opinion there occurs a material adverse change in our business, assets or financial condition (an "**Event of Default**") (and we undertake to notify you immediately if any Event of Default occurs), then at any time after the occurrence of an Event of Default:
 - (a) you may by notice to us at any time declare all or any of our obligations and liabilities to you under this application or the Undertaking (whether present or future, actual or contingent, joint or several, secured or unsecured, primary or collateral) to be immediately due and payable;
 - (b) your obligation, if any, to give additional (or continue) credit or financial accommodations of any kind to us shall immediately terminate;
 - (c) subject to the consent of the beneficiary under the Undertaking (if necessary), you may cancel the whole or the unused balance of the Undertaking, and all Expenses resulting from such cancellation shall be borne and paid to you by us on demand;
 - (d) you may without prior notice to us sell any securities and/or other properties charged to or deposited with you in connection with our liabilities when, how and on such terms as you think fit and apply the net proceeds of sale thereof in or towards discharge or satisfaction of any of our liabilities (actual or contingent) to you;
 - (e) you may apply or appropriate any monies now or after the date of this application standing to the credit of our accounts with you and/or you may debit any of our accounts with you to satisfy our liabilities to you and for such purposes you may convert, at our cost and expense, at your rate quoted on the day of settlement any monies standing to the credit of any such account into any other currency;
 - (f) upon your demand, we shall pay to you cash cover in respect of the Undertaking in an amount equal to your maximum contingent liability in respect of the Undertaking. Such cash cover provided may at your option either (i) be held as continuing security for our obligations under this application and the Undertaking or (ii) applied towards reducing your liabilities under the Undertaking. Only on the unconditional and irrevocable satisfaction of all your liabilities (actual or contingent) under or in connection with this application or the Undertaking will you be required to repay to us the amount which you certify to be the amount remaining after satisfaction of all such liabilities; and
 - (g) upon your demand, we shall pay to you a fee certified by you to be equal to 2% per annum of your maximum contingent liability under the Undertaking, such fee to be calculated daily from the date that the relevant Event of Default occurs.
7. The Undertaking, by its nature, is a separate transaction from the sales or other contract on which it may be based and you are in no way concerned with or bound by such contract(s), even if any reference whatsoever to such contract(s) is included in this application or the Undertaking. Consequently, your undertaking to pay, accept and pay and/or fulfil any other obligation under the Undertaking depends on the presentation of documents and an examination of required documents on their face and is not subject to claims or defences by us resulting from our relationship with you or the beneficiary under the Undertaking.
8. Upon your request, we shall at our cost and expense furnish further security in form and substance satisfactory to you from time to time in amounts and/or values which is in your opinion sufficient to secure any of our liabilities to you under this application and the Undertaking and if required by you we shall procure the registration of such security with the appropriate authority(ies).
9. We will at our cost and expense and upon your request promptly and duly execute any document and take any action required by you to give effect to the terms and conditions of this application and the Undertaking.
10. Each of the rights, powers and remedies given to you by this application and the Undertaking are additional to all other rights, powers and remedies given to you under any other document (including the "General Agreement by Customer(s)" where the same has been previously signed and delivered to you by us and may be amended from time to time), security or law. Neither you nor your branches, offices, agents or correspondents shall be responsible for any discrepancy, description, quality, quantity, value or delivery of any goods, the correctness, accuracy, genuineness, regularity, validity or effect of any documents, drafts and /or bill of exchange presented to you under the Undertaking ("**Documents**"), general or particular conditions stipulated in any Document or any delay or derivation from instructions relating to shipments. You shall not be responsible for any goods, documents or items in your possession beyond the exercise of reasonable care in respect of such goods, documents or items. You shall not be liable in any way whatsoever for the default or negligence of any duly selected agent or correspondent or for any loss in transit.
11. You may resort for your own benefit to any other means of payment at any time and in any order you think fit without in consequence diminishing our liability under this application and the Undertaking and you may enforce any rights under this application either for the payment of the ultimate balance after resorting to other means of payment or for the balance due at any time notwithstanding that other means of payment have not been resorted to and in the latter case without entitling us to any benefit from such other means of payment so long as any money remains due or owing or payable (whether actual or contingent) from or by us to you.
12. This application and the Undertaking shall be governed by and construed in accordance with the laws of the Hong Kong. We irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong to settle any disputes in connection with this application or the Undertaking and irrevocably appoint the agent named below to accept service of any proceedings on our behalf before the courts of Hong Kong in connection with this application and the Undertaking.
Name and address of the company incorporated in Hong Kong (if any) appointed to accept service*
..... Hong Kong.
[*Complete unless the customer (if a company) is incorporated in Hong Kong or is a foreign company registered under section 333 of the Companies Ordinance of Hong Kong or (if a partnership, sole proprietorship or an individual(s)) is(are) ordinarily resident in Hong Kong.]
13. In this application references to the singular include the plural and vice versa. If this application is signed by two or more persons, their liabilities shall be joint and several and any notice or demand by you shall be deemed to be served on each of them if served on any of them. References to "you" include your branches in any part of the world, your correspondents, your agents and your successor and assigns. This application will remain valid until notification by you of its cancellation.