

PACKING CREDIT NO.

Date: _____

UNDERTAKING FOR REPAYMENT OF PACKING CREDIT

(1) In consideration of your granting, at my/our request, a loan of up to the sum of Dollars _____ Hong Kong Currency(HK\$ _____) (the "Loan") by way of packing credit against the Letter of Credit (the "Credit"), for the goods particulars and details of which are set out below (the "Goods"),

L/C No.	Issued by	Description of goods	Amount

Please credit loan proceeds to our HKD A/C No. _____ in case of queries please contact Mr/Miss _____ I/we hereby irrevocably and unconditionally undertake and agree with you as follows:-

- (a) I/we jointly and severally undertake to repay to you on demand all amounts due to you from me/us together with interest thereon at the rate of _____ percent per annum or at such higher or other rates as you may from time to time charge and such interest to be payable monthly on the last day of each month without deduction.
 - (b) I/We shall use the Loan solely for the production, purchase, storage, insurance and/or preparation for sale or shipment of the Goods.
 - (c) I/we shall place in your custody the original or advice of the Credit and that I/we shall not accept any amendment to or cancellation of the Credit without your prior written consent.
 - (d) I/We acknowledge that the Goods shall be dealt with by me/us as your agent and held by me/us on trust for you until full repayment of the Loan, interest thereon and all costs and charges in relation thereto and absolute discharge of all liabilities owed to you. I/We shall fully insure the Goods at my/our expense against all risks and shall deliver to you or hold to your order the policy or policies of insurance duly endorsed until such repayment and discharge.
I/We shall pay any sums received in respect of such insurances relating to the Goods, to you, immediately on receipt, without any set-off or deduction.
 - (e) The proceeds of the Credit shall be used exclusively for the repayment of the Loan, interest thereon and all costs and charges in relation thereto. All documents as required under the Credit will be delivered, in full compliance with the terms and conditions of the Credit, to you for negotiation as soon as received and prior to the expiration date of the Credit and I/We authorize you to reimburse yourselves out of the proceeds of such negotiation and I/we jointly and severally undertake to pay you the balance, if any, remaining unsatisfied on demand by you forthwith.
 - (f) In the event of partial shipment and drawings under the Credit, such drawings shall be applied in reduction of the amount of the Loan, any interest thereon or any other costs and charges in relation thereto.
 - (g) Notwithstanding anything contained herein, I/we jointly and severally undertake to repay the Loan, interest thereon and all costs, charges and expenses in relation thereto on or before the expiration date of the Credit or immediately upon your demand and in the case of the value of the Goods at any time falling below the amount of the Loan, I/we shall make up such deficiency by an immediate cash payment.
 - (h) I/we shall at all times fully indemnify you, your officers, employees and agents from and against all claims, actions, demands and proceedings which may be brought by or against you or any of them and all liabilities, loss, costs, damages and expenses of any kind which may be incurred or sustained by you or any of them in connection with or pursuant hereto.
- (2) You may (but not obliged to), at any time and without notice to me/us or my/our authority, apply any credit balance to which I am/we are entitled on any account with you in or towards satisfaction of my/our obligations and liabilities hereunder. For this purpose, you are authorised to purchase, at such exchange rate(s) at such relevant time(s) as you may at your sole discretion determine, such other currencies as may be necessary to effect such application with the moneys standing to the credit of such account and that I/we shall be solely responsible for any and all costs, fees, expenses and charges (including bank charges) in connection with such currency conversion and payable to you forthwith upon demand.
 - (3) You are authorised to exercise a lien over all of my/our property coming into your possession or control, for custody or any other reason and whether or not in the ordinary course of banking business, with power for you to sell such property, if necessary, and apply the net proceeds thereof to satisfy my/our obligations and liabilities hereunder.
 - (4) This instrument shall be binding on my/our legal representatives and successors. I/We shall not be entitled to assign or transfer any of my/our rights and/or obligations under this instrument. Where this instrument is signed by or on behalf of more than one person, it shall be binding on all and each of them jointly and severally, in which event none of them shall be entitled to any rights or remedies of a surety as regards the rights, liabilities and obligations of any other of them. If signed by or on behalf of a firm, it shall be binding jointly and severally on all and each of the persons from time to time carrying on business in the name of the firm or under the name in which the business of such firm, may from time to time be continued notwithstanding the retirement or death of any partner or the introduction of any further partner.
 - (5) The provisions herein shall remain in full force and effect and I/we shall not be released from any of my/our obligations and liabilities hereunder notwithstanding the death, bankruptcy, liquidation, incapacity or any settlement of account or other matters whatsoever and is in addition to and shall not merge with or otherwise prejudice or affect your contractual or other right or remedy or any guarantee or other security (whether created by the deposit of documents or otherwise) now or hereafter held by or available to you.
 - (6) Any notice or demand by you shall be sufficiently given if left at or sent by post to my/our last known address registered with you or such other address(es) to be notified to you in writing from time to time and every notice or demand so given shall be deemed to have been served at the time of leaving it at such address or on the second day or the seventh day (if overseas) following the day of posting.
 - (7) This instrument shall be governed by and construed in all respects in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong") and I/we hereby irrevocably submit to the jurisdiction of the Courts of Hong Kong, but it shall be opened to you to enforce this instrument in the Courts of any other competent jurisdiction and that the taking of any suit, action or proceedings arising out of or in connection with this instrument in one or more jurisdictions shall not preclude the taking of such suit, action or proceedings in any other jurisdiction, whether concurrently or not.

S.V.

Address: _____

Authorized Signature(s) and Company Chop

AML Hot List Checked

	FOR BANK USE ONLY				
L/C Amount					
Expiry Date					
Date of Advance	Amount of Advance	Ratio of Advance	Interest Rate	Due Date	Approved By

REPAYMENT RECORD

Date	Our Bill No.	Amount Repaid	Balance	Interest	Officer's Initial