

**Pledge and Trust Receipt  
Terms and Conditions**

1. The Document(s) and the Goods have been and will continue to be in pledge to the Bank as a continuing security.
2. The Document(s) are released to us exclusively for the purpose of taking delivery of the Goods and/or selling the Goods for the Bank to buyer(s) at market value on normal trade terms. If so required by the Bank, we shall obtain the Bank's prior consent on the sale price and trade terms of such sale and forthwith forward to the Bank copies of the relevant sale invoices.
3. We shall hold the Document(s), the Goods and the relevant sale proceeds in trust for the Bank, and solely to the Bank's order. The Bank may at any time take possession of the Goods and/or the Document(s) at the Bank's sole discretion. We shall pay the sale proceeds to the Bank immediately upon receipt without any set-off or deduction.
4. The trust receipt loan (the "T/R Loan") granted to us in relation to the documentary credit or bill specified below is repayable on demand or on the applicable due date, whichever is earlier.
5. We shall provide the Bank with cash or other collaterals in such form and value as the Bank may require from time to time. To secure the discharge of our obligations to the Bank under this agreement, the Bank is irrevocably authorised to debit our account(s) with the Bank, and the Bank shall have a lien over all our properties in the Bank's possession, with power to sell or dispose of such properties at any time for satisfaction of our obligations. The Bank is entitled to demand and receive the sale proceeds of the Goods from buyer(s) or any person(s) directly and give valid receipt for the same without reference to us.
6. We shall upon the Bank's request forthwith return the Document(s) and/or Goods to the Bank and comply promptly and fully with any instructions which the Bank may give as to the manner of dealing with the Document(s) and/or Goods.
7. We shall keep the Bank informed of the whereabouts of the Document(s) and/or Goods and of any change in the conditions, market price, quality or quantity of the Goods. The Bank is authorised to enter into any premises so as to inspect or secure possession of the Goods, to remove and dispose of the Goods by sale or otherwise to deal with the Goods as the Bank may consider appropriate.
8. We shall keep this transaction, the Document(s), the Goods and all relevant sale proceeds separate from any other transaction, document(s), goods or proceeds and shall not permit the Goods to be encumbered or to be processed or altered without the Bank's prior consent.
9. We shall keep the Goods fully insured against all insurable risks and shall hold the policies and any insurance proceeds in trust for the Bank. In the event of loss or damage, we shall notify the Bank in writing immediately and shall at our own expense take all necessary action to claim under the insurance. We shall account to the Bank immediately for any monies received from the insurers and to make good any deficiency.
10. We shall pay all freights, warehouse, dock, transit and other charges, rent and all other costs of and in connection with the Document(s) and/or Goods.
11. We shall indemnify the Bank and the Bank's delegate(s) on demand (on a full indemnity basis) against all liabilities, losses, damages, demands, expenses and costs (including legal fees), proceedings or actions which the Bank or the Bank's delegate(s) may suffer or incur under or in connection with the release of Document(s) to us or otherwise in relation to the Goods.
12. We acknowledge and agree that the information duly completed by us and/or any of the Bank's staff shall be, in the absence of manifest error conclusive evidence of our acknowledged receipt of the Document(s) and booking of the T/R Loan.
13. This agreement is also subject to the General Security Agreement Relating to Goods, General Customer Agreement and other agreements previously signed and delivered to the Bank by us, if any. In case of conflict, the terms of this agreement shall prevail to the extent of conflict.
14. This agreement is governed by and shall be construed in accordance with the laws of the Hong Kong SAR.