

To: HSBC Bank Middle East Limited - Algeria Branch ("HSBC")

Application For Irrevocable Standby Documentary Credit

Subject to ISP 98 (by default if not ticked) UCP 600

1. Applicant (Name and address)	2. Date: <input type="text" value="D"/> <input type="text" value="D"/> <input type="text" value="M"/> <input type="text" value="M"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/>	3. DC No:
Contact person: Phone no. Fax/email	4. Import account No:	
6. Beneficiary (Name and address) Contact person: Phone no. FaX/email	5. Currency and Amount in figures:	
	7. Currency and Amount in words	
	8. Expiry date <input type="text" value="D"/> <input type="text" value="D"/> <input type="text" value="M"/> <input type="text" value="M"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/> at the counters of HSBC Bank Middle East Limited –Algeria Branch.	
9. Partial drawings <input type="checkbox"/> Allowed <input type="checkbox"/> Not allowed		

Please establish an Irrevocable Standby Credit as follows: Documents Required:

- a. Beneficiary's drafts to be drawn at sight on HSBC Bank Middle East Limited - Algeria Branch.
- b. Beneficiary's signed statement: certifying that the amount drawn hereunder represents and covers the default value of invoice(s).
- c. Beneficiary's signed statement: certifying that the beneficiary has made shipment of the required goods and has supplied the required documents to buyer and has not been paid at sight within _____ days from the invoice date/shipment date/date of transport documents.

(the documents referred to in (a) to (c) above, and any other documents relating to the Goods, the "Documents")

11. Advising bank:

12. Description of goods (Be brief but specific) :
(the "Goods")

13. Additional conditions:

To be continued on separate continuation sheets attached herewith (which must be duly signed and stamped).

14. Conditions:

a. Except so far as otherwise expressly stated, this Standby Documentary Credit is issued subject to:

International Standby Practices ISP98 (ISP98) and any revision or amendments thereto.

We hereby acknowledge that we have fully read and understood the provisions of ISP98 as well as the documentary credit provisions set out in Law No.27 of 2006 (Commercial Code). Terms used herein shall, unless the context otherwise requires, have the same meanings as are set out in ISP98. We further agree that in the event of any conflict between provisions of this Standby Documentary Credit and ISP98, this Standby Documentary Credit shall prevail.

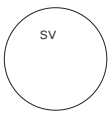
Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce No 600 ("UCP") and any revision or amendments thereto.

We hereby acknowledge that we have fully read and understood the provisions of UCP as well as the documentary credit provisions set out in in Law No.27 of 2006 (Commercial Code). Terms used herein shall, unless the context otherwise requires, have the same meanings as are set out in UCP. We further agree that in the event of any conflict between provisions of this Standby Documentary Credit and UCP, this Standby Documentary Credit shall prevail.

We agree and acknowledge to any disclaimers by you on the effectiveness of documents and on the transmission of messages and acknowledge that where a bank claims to have paid/accepted/negotiated under this Standby Documentary Credit, its good faith and the fact of payment/acceptance/negotiation thereof shall be presumed in the absence of the evidence in the contrary.

b. We agree to take out in the manner and to the extent required by you all insurance necessary for the full protection of your interest in the Goods, and on your behalf and subject to your instructions to prosecute or to ensure the prosecution of any claim that may arise under any insurance and to pay the proceeds thereof to you and to provide evidence of the insurance if called upon to do so.

- c. You are authorized to make any additions to the documents specified under this Standby Documentary Credit which you may consider necessary to ensure compliance with government regulations, and we agree to consent to such amendment and shall procure the consent of the beneficiary, but you are not obliged to do so.
- d. We certify that neither the beneficiaries named nor the suppliers of the Goods are subject to boycott or blacklisting. We further certify that the import of the Goods is not prohibited or restricted and that we hold and undertake to exhibit to you a valid import license where such license required.
- e. Drafts may be drawn clauséd "without recourse" if the drawers so require.
- f. This Standby Documentary Credit and the drawing (s) thereunder are to be subject to the terms of the Facilities Offer Letter and the Standby DC Counter Indemnity executed by us and given to you.
- g. You may advise and/ or restrict negotiations under this Standby Documentary Credit to your own offices or to any correspondent of your choice unless otherwise agreed.
- h. The words "we", "our" and "us" shall be read as "I", "my" or "me" if this application is signed by or on behalf of an individual.
- i. You are authorized at your sole discretion and without obligation to do so whenever you consider it advisable customary or appropriate to waive or delete the following from the instructions contained on the first page in this application namely: "Drafts to be drawn at sight on HSBC Bank Middle East Limited Algeria Branch" and we agree to consent to such amendment and shall procure the consent of the beneficiary.
- j. In the absence of any instructions to the contrary specified in "Additional Conditions" on the first page, you are authorized to instruct any bank or branch concerned to dispatch any draft(s) and/or any documents by one or more mails or other method of conveyance at your sole discretion.
- k. We undertake on demand to reimburse you in respect of all payments and to discharge all liabilities which you may make or incur for us at our request or on our behalf in connection with this Standby Documentary Credit including (without prejudice to the generality of the foregoing) any liabilities that you may incur as a result of your allowing any drawer and /or negotiating bank/ confirming bank to obtain reimbursement before you have had any opportunity to inspect any documents in connection with this Standby Documentary Credit and to pay interest from the date of the same having being made or incurred until repayment both before and after any demand made at the stipulated rate by you.
- l. We will not assign our interest in this Standby Documentary Credit to any third party without your and the beneficiary's prior written consent.
- m. We confirm that in the event of any future amendment to the Documentary Credit that we shall fully (and not partially) obtain the beneficiary's express consent to the proposed amendment prior to issuance of the amendment. We will also advise the beneficiary that if the beneficiary fails to notify its acceptance to the amendment then any complying presentation under this Standby Documentary Credit will be deemed to be a notification of acceptance of such amendment by the beneficiary.
- n. We hereby grant in your favour security over the Documents and the Goods by way of pledge, charge and assignment, in each case to the full extent possible by law, as security for any amounts owing to you in connection with this Standby Documentary Credit. On and at any time after, you shall be entitled to exercise all rights, powers and remedies conferred on you by law as a secured party in relation to the Documents and the Goods
- o. We agree, at our sole cost and expense, to execute such documentation and/or take such action as you require to (i) grant any security interest in your favour over the Documents and/or the Goods, and (ii) to perfect, preserve or enforce your contractual rights and/or any security interest in respect of the Documents and the Goods
- p. We acknowledge that it is HSBC's policy to comply with all relevant laws and regulations, including anti-terrorism anti-money laundering and sanction laws and regulations including, without limitation, those sanctions issued by the European Union, the United Nations, the government of the United States and the US Office of Foreign Asset Control or any other restrictive measures.
- q. We acknowledge that You may take, and may instruct members of the HSBC Group to take, any action which the You in Your sole discretion considers appropriate to prevent or investigate crime or the potential breach of sanctions regimes or any other restrictive measures or to act in accordance with relevant laws, regulations, sanctions regimes, international and national guidance, relevant HSBC Group procedures and/or the direction of any public, regulatory or industry body relevant to any member of the Group. This includes the interception and investigation of any payment, Communication or Instruction, and the making of further enquiries as to whether a person or entity is subject to any sanctions regime. Such action may include but is not limited to: the interception and investigation of any payment messages, instructions or other information sent in relation to the 'Standby Documentary Credit'; or making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity.
- r. Neither You nor any member of the HSBC Group will be liable for loss (whether direct, consequential or loss of profit, data or interest) or damage suffered by any party arising out of any delay or failure by You or any member of the HSBC Group in performing any of its duties under these terms and conditions or other obligations caused in whole or in part by any steps which You, in Your sole and absolute discretion, considers appropriate under applicable laws and regulations.

15. All other bank charges to A/C of: <input type="checkbox"/> Ourselves <input type="checkbox"/> Beneficiary All your charges to A/C of: <input type="checkbox"/> Ourselves <input type="checkbox"/> Beneficiary	FOR BANK USE ONLY Signature verified
16. In case of need please contact:	Fax indemnity <input type="checkbox"/> Held <input type="checkbox"/> Not held
17. <div style="text-align: center;"></div> Authorised Signature(s) and Company Stamp (if applicable)	Standby DC indemnity submitted <input type="checkbox"/> Yes <input type="checkbox"/> No Management approval

STANDBY DOCUMENTARY CREDIT INDEMNITY

Counter Indemnity

(Beneficiary name and address)

1. IN CONSIDERATION OF your giving or continuing to give a Guarantee / Indemnity / Bond / Standby Documentary Credit to _____ (* Beneficiary's Name and address) substantially in the form attached ("The Guarantee" which expression shall include any extension or modification thereto, including but not limited to transfer in whole or in part to another beneficiary, whether or not any such extension or modification is made at the request or with the consent of the undersigned).

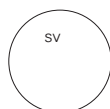
I / We

Of _____ (Applicant's name and address)

HEREBY UNCONDITIONALLY AND IRREVOCABLY AGREE TO INDEMNIFY You (which expression shall include your successors and assigns) against all actions, claims, demands, liabilities, losses, damages, costs, charges and expenses of whatever nature which may result or which you may sustain, suffer or incur in connection with or arising in any way whatsoever out of the Guarantees, and TO PAY to you forthwith all moneys and liabilities whatsoever which may from time to time be claimed or demanded from you, or which you shall pay or become liable to pay or sustain, suffer or incur under or by reason of or in connection with the Guarantee.

2. YOU shall be paid for so long as the Guarantee is in force, and until it is returned to you a commission at the rate of _____ Percent per annum on your maximum contingent liability under the Guarantee, such commission to be payable Pro-Rata for the Guarantee Period in advance on the date of issue of the Guarantee, (it being understood that in computing the amount of any sum falling due and payable under this paragraph in respect of any period, it shall be assumed that the amount on which commission will accrue on any day in that period will throughout the period be what it was on the first day thereof but that, if such proves not to be the case, that will be taken into account in computing the amount of any sum subsequently falling due and payable under this paragraph).
3. YOU are hereby irrevocably authorized and empowered by the undersigned, without making prior demand, to debit the accounts of the undersigned with any moneys from time to time payable under this Counter-Indemnity and, in the event of a debit balance or a debit balance in excess of any agreed overdraft limit resulting there from, to charge interest on such moneys to the date of repayment (notwithstanding any demand or any judgment obtained by you or any other matter whatsoever) at a prevailing overdraft interest rate or at such higher rate as may from time to time be payable on such account upon such days and upon such terms as you may from time to time be payable on such account upon such days and upon such terms as you may from time to time determine, and such interest shall be compounded in the event of it not being punctually paid in accordance with your usual practice, but without prejudice to your right to require payment of such interest.
4. YOU are hereby further irrevocably authorized and empowered by the undersigned to pay immediately any amounts demanded from you or which you from time to time become liable to pay under or by reason of the Guarantee without any reference to or further authority from the undersigned and without being under any duty to enquire whether any claims or demands on you have been properly made, notwithstanding that the validity of any such claim or demand or the amount thereof shall be in dispute.
5. THE undersigned hereby agrees to accept any claim or demand on you as conclusive evidence that you were liable to pay and any payment made pursuant to such demand which purports to be in accordance with the Guarantee as binding upon the undersigned.
6. ANY step taken by you in good faith under or in connection with the Guarantee shall be binding on the undersigned and shall not place you under any liability to the undersigned.
7. YOU may at any time without prior reference to the undersigned determine the Guarantee or reduce your liability there under.
8. (a) ALL sums payable under this Counter-Indemnity shall be paid to you in Algeria or otherwise as you may from time to time direct, without any deduction or withholding for or on account of any present or future taxes, levies, imposts, duties or other charges, fees, withholdings, restrictions or conditions and without set-off or counterclaim or any deduction whatsoever.
(b) IF the undersigned is compelled by law to make any such deduction or withholding, the undersigned will ensure that the amount deducted or withheld does not exceed the minimum legal liability thereof, and will promptly pay to you such additional amount as will result in the net amount received by you being equal to the full amount which would have been receivable had there been no deduction or withholding.
(c) If the effect of any, or a change in any, law or regulation is to increase the cost to you of advancing, maintaining or funding this facility or to reduce the effective return to you, the undersigned hereby agrees to make payment on demand of such amounts as you consider necessary as compensation thereof.
9. ALL payments hereunder shall be made, at your option, either in the currency in which payments made or liabilities incurred by you under the Guarantee are denominated, or in the currency commonly in use in any of the principal places of business of the undersigned or in Algerian dinars.

10. YOU shall have a lien on and be entitled to retain as security for the liabilities of the undersigned hereunder any cheques, drafts, bills, notes or negotiable or non-negotiable instruments and any stocks, shares or marketable or other securities and property of all kinds of the undersigned from time to time held by you, whether for safe custody or otherwise. In addition, the undersigned hereby agrees to provide cash cover and / or other form of acceptable security sufficient to fully secure your contingent liability under the Guarantee if at any time this is demanded by you.
11. THIS Counter-Indemnity shall not be anyway discharged or diminished, nor shall the liability of the undersigned be affected by reason of you from time to time, without knowledge or consent of the undersigned, varying, realizing or releasing any of the same, or granting any time, indulgence or concession or compounding with any person or concurring in accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment or determining, varying reducing, or extending the terms of the Guarantee or by anything done or omitted which but for this provision might operate to exonerate the undersigned.
12. THE undersigned hereby waives all rights of subrogation and agrees not to claim any set off or counterclaim against any other person liable or to claim or prove in competition with you in the event of the bankruptcy, liquidation, winding up or insolvency of any such person, or to have the benefit of or share in any guarantee, indemnity or security now or hereafter held by you, until you have been fully indemnified against all matters referred to in paragraphs 1 and 2 hereof.
13. THIS Counter-Indemnity is in addition to any other guarantee indemnity, assurance, pledge, lien, bill, note, mortgage, charge, debenture or other security, right, power or remedy now or hereafter held by or available to you.
14. A demand shall, without prejudice to any other effective mode of making the same, be deemed to have been sufficiently made hereunder on the undersigned if served on the undersigned or his personal representatives personally (or, in the case of a joint stock company, on any one of the Directors thereof personally, or, in the case of a limited liability company, on any one of the partners or managers thereof personally), or left or sent by post to the undersigned, or his personal representative at his or their usual or last known place of abode or business (or, in the case of a joint stock company or limited liability company, at its head office), and shall be assumed to have reached the address within 24 hours of posting, and in proving such service it shall be sufficient to prove that the demand was properly addressed and posted.
15. THE undersigned agrees that no time for limitation of liability in respect of this Counter-Indemnity shall begin to run in favour of the undersigned unless and until you shall have made demand on the undersigned, and if more than one demand is made, then only from the date and to the extent of each demand respectively.
16. WHERE this Counter-Indemnity is signed by more than one person the expression "the undersigned" shall be construed as referring to each such person individually and to any one or more of such persons collectively, and the agreements, undertakings, obligations and liabilities of the undersigned herein contained are joint and several and shall be construed accordingly, and none of the undersigned shall be entitled to any rights or remedies, legal or equitable, of a surety as regards the indebtedness, obligations or liabilities of any other of the undersigned.
17. EACH of the undersigned agrees and consents to be bound by this Counter-Indemnity, notwithstanding that any others who were intended to sign or to be bound by these presents may not do so or be effectually bound hereby, and notwithstanding that this Counter-Indemnity may be invalid or unenforceable against any one or more of the undersigned, whether or not the deficiency is known to you.
18. YOU shall be at liberty to release any one or more of the undersigned from this Counter-Indemnity, to compound with or otherwise vary or agree to vary the liability of, or to grant time or other indulgence to, or make other arrangements with, any one or more of the undersigned, without prejudicing or affecting your rights, powers and remedies against any others of the undersigned.
19. THE undersigned agrees that his liability to you shall remain outstanding until the expiry of one calendar month after the return to you for cancellation by the beneficiary of the Guarantee, or in the event that the Guarantee has been destroyed or lost or if otherwise not available for return to you, the expiry of one calendar month after the receipt of written notice from the beneficiary of the Guarantee that you are released from all liability there under. This Clause shall not prejudice any liability of the undersigned arising hereunder prior to the date of cancellation of the Guarantee or the date of receipt of the said written notice (as the case may be).
20. WHERE this Counter-Indemnity is signed on behalf of a firm, all agreements undertakings, obligations and liabilities shall be binding both on the present partners, shareholders, directors, managers and on the persons from time to time carrying on business in the name of such firm or under the name in which the business of such firm may from time to time be continued.
21. We undertake to provide you at your request with any deeds, agreements, invoices, supply contracts, notices or otherwise any documents in relation to the underlying arrangement with the beneficiary on the basis of which you issue the Documentary Credit.
22. THIS Counter-Indemnity shall be governed by and construed in all respects in accordance with the Algerian laws
23. THE undersigned hereby irrevocably submits to the non-exclusive jurisdiction of the Courts of Algeria, but it shall be open to you to enforce this Counter-Indemnity in the courts of any other competent jurisdiction.
24. IF any one or more provisions of this Counter-Indemnity, or any part thereof, shall be declared or adjusted to be illegal, invalid or unenforceable under any applicable law, such illegality, invalidity or unenforceability shall not vitiate any other provisions of this Counter-Indemnity, which shall remain in full force, validity and effect.



Authorised Signature(s) and Company Stamp (if applicable)

