

**To: HSBC Bank Middle East Limited – Algeria Branch**

## INSTRUCTION for EXPORT TRADE COLLECTION/NEGOTIATION

<input type="checkbox"/> Documents to be sent on collection basis to importer's bank. <input type="checkbox"/> Documents to be sent for avalization by importer's bank <input type="checkbox"/> Please purchase the bill under our facility limits. <input type="checkbox"/> Please discount the bill under bank risk at negotiation/ on acceptance. Subject to acceptable Issuing Bank risk	<input type="checkbox"/> Documents under DC for negotiation/payment/ acceptance by the Bank <input type="checkbox"/> Documents under DC to be sent to restricted bank for negotiation/payment /acceptance <input type="checkbox"/> Documents under confirmed DC for negotiation/payment/ acceptance by the Bank (as per clause No. 10 of terms and conditions)
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We hand you drafts and/or documents as specified below for disposal in accordance with the instructions mentioned herein.

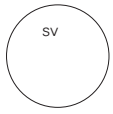
Where you have issued facilities to us pursuant to a Facilities Offer Letter, these instructions shall also be subject to the terms of that Facilities Offer Letter signed by us. In the event of any dispute or contradiction between these instructions and the Facilities Offer Letter, these instructions shall prevail.

<b>Drawer/Beneficiary</b> (Name and Address)  Contact person:  Phone no.  FaX/email	Documentary Credit Ref. or Collection Ref.  Invoice Ref.  Bill Currency and Amount (in figures)  Bill Currency and Amount (in words)		
<b>Drawee</b> (for Collection) / <b>Applicant</b> (for DC)	Interest / Charges  <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Tenor</td> <td style="width: 50%;">Due Date</td> </tr> </table>	Tenor	Due Date
Tenor	Due Date		
<b>Present to Bank</b> (for Collection) / <b>Issuing Bank</b> (for DC)	Description of Goods (be brief but specific)  (the "Goods")		

**Documents enclosed (please indicate the number of originals and copies)**

	Original	Copies		Original	Copies		Original	Copies
Drafts			Cert. of origin			Insp. Cert.		
Invoices			Insurance			Bene. Cert		
B/L or AWB			Packing list			TCN/TWB		
Shipment adv.			Weight list			Original DC		

**Please follow the instructions marked 'V' below and subject to below Terms and Conditions**

For Collection documents only	For documents drawn under DC only
Release documents against <input type="checkbox"/> Payment <input type="checkbox"/> Acceptance Collect your charges from <input type="checkbox"/> Us <input type="checkbox"/> Drawee Collect drawee bank charges from <input type="checkbox"/> Us <input type="checkbox"/> Drawee Charges <input type="checkbox"/> May be waived <input type="checkbox"/> May not be waived For non-payment/non-acceptance: <input type="checkbox"/> Protest <input type="checkbox"/> Do not protest Collect interest @      % start from      until date of payment.	<input type="checkbox"/> Check documents and advise discrepancies to us for correction. <input type="checkbox"/> Request restricted bank to forward documents to the issuing bank for acceptance / payment. <input type="checkbox"/> Obtain issuing bank's approval for any discrepancies before forwarding documents to them for acceptance/payment. <input type="checkbox"/> Send documents to issuing bank without checking.
Insurance instruction:	 Authorized Signature & Co. stamp <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-top: 5px;">                         D D M M Y Y Y Y                     </div>
Please credit proceeds to A/C no.	
Charges to be debited from A/C no.	

For Bank use only					
<b>Bill Ref No</b>				<b>Charges</b>	<input type="checkbox"/> Applicant <input type="checkbox"/> Beneficiary
<b>Checked</b>	<input type="checkbox"/> 1st	<input type="checkbox"/> 2nd	Reimburse	<input type="checkbox"/> Claim / MT 754	<input type="checkbox"/> Remit
<b>Remarks</b>					

**Terms and Conditions**

1. We agree to pay to the Bank on first demand the full amount due (as determined by the Bank) under any and all bills negotiated, whether by way of discount or otherwise, accepted or endorsed by the Bank or for which the Bank has advanced funds against, whether or not drawn under a Documentary Credit, which was dishonored or not paid on their maturity date. Non-payment of a bill shall be deemed to have taken place as at the date the Bank has not received unconditionally the whole sum due.
2. Except for bill negotiation under Documentary Credits confirmed by the Bank, we will reimburse the Bank on demand for any advances made against any documents which have not been properly taken up on presentation or in respect of which payment has not been duly made to the Bank.
3. Unless the bill is drawn and/or documents are presented under an Irrevocable Documentary Credit issued or confirmed by the Bank, we agree that:
  - a. Notwithstanding our instruction not to protest the bill, the Bank retains recourse on us in the event of dishonour.
  - b. The Bank shall not be responsible for any act, omission, default, suspension, insolvency and bankruptcy of any correspondent, agent or sub-agent.
  - c. The Bank shall not be responsible for any delay in remittance or loss in exchange during transmission or in the course of collection.
  - d. The Bank shall not be responsible for loss or delay of any bill of exchange or documents in transit or in the possession of any correspondent agent or sub-agent.
4. Representations and undertakings:
  - a. We represent that we validly exist under the law of our jurisdiction of incorporation and have the full power and authority to enter into, and perform the transactions contemplated by, these instructions and any other document entered into in connection with these instructions.
  - b. We shall maintain in full force and effect any authorization required to enable us to perform our obligations under these instructions and to ensure the legality, validity, enforceability or admissibility in our jurisdiction of incorporation of these instructions.
  - c. Except in the ordinary course of our business activities and for full market value, we shall not (i) sell, transfer, or otherwise dispose of any part of our assets, nor make any loans, grant any credit or give any guarantee or indemnity to, or for the benefit of, any person or otherwise voluntarily assume any liability, whether actual or contingent, in respect of any obligation of any other person or (ii) create or permit to exist any pledge, mortgage, charge, assignment, hypothecation, encumbrance or any other security interest, or other arrangement having the effect of a security interest, over any of our assets, including without limitation future revenues, to secure obligations to other creditors.

- d. We shall maintain insurance on and in relation to our business and assets with reputable underwriters or insurance companies against such risks and to such extent as is usual for companies carrying on a business the same as or similar to that of ours. The Bank reserves the right to renew any of our insurance policies on its own accord if the renewed insurance policy is not submitted to the Bank one week before the expiry date of the existing insurance policy. The Bank may debit any account of ours for the insurance premium and other charges for renewing or maintaining our insurance policy.
  - e. We shall, upon demand by the Bank, at our sole cost and expense, execute and deliver all such documents and instruments to perform all such things as the Bank may consider necessary in connection with these instructions and expedient for giving the Bank the full benefit of the security contemplated by these instructions.
  - f. We hereby represent and undertake to the Bank that:
    - i. the documents and goods are and will at all times be in our sole beneficial ownership, free from any mortgage, charge, pledge, lien or other encumbrances whatsoever except those which arise by virtue of these instructions;
    - ii. we will endorse the documents in favour of the Bank, deposit the documents with the Bank or to its order and note in our records the interest of the Bank in the documents and the goods;
    - iii. we will pay all costs of, and incidental to, the transportation and storage of the goods;
    - iv. we will inform the Bank of any event which it becomes aware of which may adversely affect the ability of the buyer to complete the purchase of the goods;
    - v. we will not, nor will we attempt to, encumber, transfer, sell, dispose or otherwise deal with the documents and/or the goods except as otherwise directed by or with the prior permission of the Bank;
    - vi. we will keep the goods separate from any other property of ours or other persons;
    - vii. we will not permit the goods to be processed or altered in any way without the prior written consent of the Bank; and
    - viii. we will not take any action which might prejudice the value of the goods and/or the effectiveness of these instructions
  - g. We undertake that, at the request of the Bank from time to time, we will:
    - i. provide the Bank with such information concerning the documents and the goods and any proposed sale of goods as the Bank may require;
    - ii. keep the Bank informed of the whereabouts of the goods and of any change in the condition, quality or quantity of the goods; and
    - iii. procure the prompt release of the Bank from any guarantee, indemnity or other commitment which the Bank may have provided in respect of the documents and/or the good.
5. Payments
- a. All payments required to be made under these instructions shall be made by us to the Bank as specified by the Bank in the currency of denomination in which the respective payment is due. We irrevocably authorize the Bank to debit any of our accounts with all amounts due under these instructions including interest (and compound interest), default interest, commissions, charges and expenses at such times as the same become due and payable under these instructions, and to transfer such sums to the Bank provided that we shall remain liable in respect of all such sums.
  - b. All payments to be made by us to the Bank shall be made without set-off or counterclaim and without any deduction or withholding whatsoever. If we are obliged by law to make any deduction or withholding from any such payments the amount due from us in respect of such payments shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Bank receives a net amount equal to the amount the Bank would have received if there had been no such deduction or withholding.
  - c. We authorize the Bank to apply any credit balance to which we are entitled on any account held with the Bank or any other member of the HSBC Group in satisfaction of any sum due and payable from us to the Bank or any other member of the HSBC Group under these instructions but unpaid and, for this purpose, the Bank and any other member of the HSBC Group is authorized to purchase with the monies standing to the credit of any such account such other currencies as may be necessary to effect such application.
6. Authorizations
- We authorize the Bank:
- a. to appoint any other person as its correspondent, nominee or agent in connection with these instructions and the Bank may delegate any of its powers under these instructions to such person;
  - b. to land and store the goods and to arrange for their shipment and to inspect the goods at any time;
  - c. to notify any other person of its interest in the documents and the goods; and
  - d. to pay all amounts due or demanded from the bank or debited to any of the Bank's accounts under or in connection with any commitments which the Bank may have provided in respect of the documents and/or goods, without in any such case requiring proof of our (or any other person's) agreement what the amounts so demanded or debited are or were due or that any demand was properly, justifiably or validly made and notwithstanding that we may dispute the validity of any such demand or debit, and we shall accept any payment made thereunder or in connection therewith as binding upon us.
7. Collections are subject to Uniform Rules for Collections (1995 Revision), International Chamber of Commerce publication No. 522 (the "Collection Rules") as well as the documentary credit provisions of Law No. 27 of 2006 (Commercial Code). The Bank will seek all the benefits of the indemnities and exclusion of liabilities as applicable to these instructions under the Collection Rules.
8. Drawings under Documentary Credits are subject to Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce No. 600.
9. The Bank has full authority (but no obligation) at its discretion to store and insure goods at our risk and cost.

10. For bill negotiation under Documentary Credits confirmed by the Bank:
- a. We agree that upon the negotiation/finance of clean documents by the Bank under a confirmed letter of credit, we will co-operate fully with the Bank and render to the Bank all assistance it requires in the collection of any outstandings and the enforcement of payment thereof, whether by legal proceedings or otherwise, including the provision of evidence and witnesses, and the execution of any further documents required to perfect title to the debt.
  - b. The Bank shall have the right of recourse to us under its confirmation if the issuing bank is not obliged to pay to it any amount(s) expressed to be payable under the terms of the credit, by any injunction or other court order, or if the Bank suffers any other loss or damage, due to any fraud, illegality, unauthorized act or the like in which we are involved.

11. Security

- a. We hereby grant in favour of the Bank security over the Goods and the relevant documents by way of pledge, charge and assignment, in each case to the full extent possible by law, as security for any amounts owing to the Bank in connection with a documentary credit/documentary collection.
- b. On and at any time after, the Bank shall be entitled (without notice or demand) to exercise all rights, powers and remedies conferred on it by law as a secured party in relation to the Goods and the relevant documents, including (and without limitation) the right to:
  - i. sell, assign, transfer or otherwise deal (so far as it is legally able) with the documents and/or goods, or any of them or to apply to a court for an order for the sale of the documents and/or goods, or any of them and apply the proceeds of such sale in, or towards, the discharge of our obligations under these instructions;
  - ii. credit any suspense or impersonal account, at the Bank's discretion, all sums held, received, received or realised by the Bank under these instructions and hold the same for so long as the Bank thinks fit pending application in or towards satisfaction of our obligations under these instructions;
  - (iii) make any arrangement or compromise with any other person in relation to the documents and/or goods or any of them; and/or
  - (iv) do all such other acts and things as it may consider necessary or desirable with regard to any of the aforementioned matters.
- c. Without prejudice to any of the Bank's other rights contained herein, the bank is authorised to exercise a lien over all our property coming into the possession or control of the Bank, custody or any other reason and whether or not in the ordinary course of banking business, with the power for the Bank to sell such property to discharge our obligations under these instructions.
- d. All moneys received by the Bank upon enforcement of these instructions shall be applied by it (unless otherwise mandatorily required by law) first in discharging all costs and expenses (including legal fees) incurred in enforcing this Agreement, secondly in or towards the discharge of any interest or other amounts (not being principal) owing to the Bank and forming party of our obligations under these instructions and thirdly in or towards the discharge and balance of our obligations under these instructions, any balance thereof being paid to ourselves.

12. The words "we", "our" and "us" shall be read as "I", "my" or "me" if these instructions are signed by or on behalf of an individual.

13. We acknowledge that it is the Bank'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 measure.

14. We acknowledge that You may take, and may instruct members of the HSBC Group to take, any action which the Bank in its sole discretion considers appropriate to prevent or investigate crime or the potential breach of sanctions regimes or any other restrictive measure 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 Documentary Credit or Documentary Collection'; 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.

15. 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 the Bank 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.

16. These instructions shall be governed by and construed in accordance with the Algerian laws. We irrevocably submit to the exclusive jurisdiction of the Algerian courts but such submission shall not prejudice the right of the Bank to bring proceedings against us in any other jurisdiction or court.

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