

Application to Countersign Letter of Indemnity for Non-Surrender of Bill of Lading



Stamp
RM10.00

The Manager,
AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD
200501036909 (719057-X)

Date :

Dear Sirs,

We present herewith Letter of Indemnity dated _____ ("the Letter of Indemnity") whereby we have agreed to indemnify and Messrs

address _____

in consideration of their releasing for delivery to us to our order for the undermentioned goods (to which we claim to be entitled) without production of the relevant Bill(s) of Lading or other document(s) of title and request your counter-signature to our Letter of Indemnity. It is agreed and understood by us that you will only countersign the said indemnity on the understanding that the facts stated in the documents in question and in this application form are true and accurate in all material particulars, and we hereby confirm and warrant such truth and accuracy to you.

B.L. No	Marks	Quantity and Description of Goods	Shipped By	Port of Shipment	Port of Discharge

Approximate value (Foreign Currency):.....
.....

In consideration of your countersigning the Letter of Indemnity we hereby agree:-

1. That we, we our heirs, executors, administrators, successors and assigns shall at all times indemnify and keep you, your heirs, executors, administrators, successors and assigns fully and completely indemnified against all liabilities in respect thereof and against all suits, proceedings, claims costs and expenses of whatsoever kind or nature (including legal costs on solicitors and client basis) which may be taken or made against you or incurred or become payable by you in respect thereof.
2. We shall accept all documents presented and pay or accept presentation and pay at maturity all drafts drawn in respect of such goods notwithstanding any discrepancy therein.
3. That we shall endeavour to obtain the Bill of Lading or other documents of title to the said goods and on their respect procure your release from your guarantee and return the indemnity agreement to you for cancellation within a reasonable time but in any event not exceeding two (2) months from the date hereof.
4. That until cancellation of the Letter of Indemnity and until due payment of all drafts and documents relating to the said goods the Bill of Lading and other documents of title thereto if made out to us or to our order shall on their receipt by us be endorsed to you and that in any event the said goods shall be received by us or our order to hold the same and the proceeds thereof in trust on your behalf.
5. We confirm that to the best of our knowledge no other bank is involved in the transaction and that it is expected the Bill of Lading will either be received by you in due course or will be sent to us indirectly by the shipper. We also agree to keep the cargo fully insured and will furnish proof of this at any time if requested to do so by you.
6. We confirm that our liability hereunder shall extend not only to the full value of the goods but also to any further or other liability which may be incurred by you in consequence of your countersigning for us and joining with us in the Letter of Indemnity notwithstanding any statement of value therein contained, including all or any costs which you may incur or become liable to pay.

7. We hereby acknowledge that until production and delivery of the said Bill of Lading and the termination or cancellation of the said indemnity or until your liability thereunder is ascertained and the amount thereof paid to you, we shall remain indebted to you in the said sum and in the taking of any accounts between you and us or on the closing of our account with you for any reason whatsoever you will be entitled to set off the said amount against any credit which we may have. You may at anytime debit the said sum against us in our current account with you.

8. Without in any way affecting any of the provisions in this Agreement, the Applicant /Buyer acknowledge and agree that if any kind of service tax or any tax, charge or levy of a similar nature is required by any law to be paid in respect of any financing, banking services or provision of account provided by the Bank under or in relation to, this Agreement such tax, charge or levy shall be included in the Indebtedness and shall be paid by the Applicant /Buyer. In the event the Applicant /Buyer fails to pay to the Bank the abovementioned tax, the Bank is hereby authorised at any time to debit from any of the Applicant /Buyer's account maintained with the Bank towards payment of the said tax subject to written notification to the Applicant /Buyer.

9. We hereby confirm that the said bill(s) has/have been hypothecated or in any way pledged with any person or company whatsoever and we hereby undertake not to hypothecate or pledged or deal with the same in any manner whatsoever to prejudice your interest therein.

10. I/We undertake and confirm that I am/we are in full compliance of the Strategic Trade Act 2010 ("STA") and am/are not involved/engaged in any activity(ies) prohibited by the STA, such activity(ies) to be known as "STA related activities". I/We understand that the Bank may use all information gathered for verification purposes to ensure compliance with the STA. In the event that I/we subsequently become involved in the STA related activities, I/we undertake to immediately notify the Bank in writing of such involvement/engagement. I/We acknowledge and agree that the Bank shall take such action as is deemed necessary, including notifying the regulators of the STA (which includes but is not limited to the Ministry of International Trade and Industry) of my/our involvement/engagement in the STA related activities. I/We accept that the Bank may at its discretion decline our application, without any further reference to us. I/We agree and acknowledge that the Bank is absolved of all and any liabilities to me/us in this regard.

11. This Counter Indemnity is governed by and construed in accordance with Malaysian law so far as it complies with the principles of shariah and the Malaysian Courts shall here exclusive jurisdiction.

Shipping Guarantee No. :

Letter of Credit :

Collection / Invoice No. :

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Authorised Signatories