

**To: HSBC Bank Middle East Limited**

## OMNIBUS TRUST RECEIPT AGREEMENT

Date:   -   -

Office: \_\_\_\_\_

I/We will from time to time:-

- a. Request that you release documents of title (the "Documents") to goods, produce, chattels or other personal property (the "Goods"), whether pursuant to a Collection or a Documentary Credit, where payment for such Goods is deferred in accordance with the terms of the relevant Credit, or where we request you to advance to me/us a Trust Receipt Advance sufficient to pay for the Goods to enable the release of Documents.

OR

- b. where Goods are supplied against Advance Payment or on an Open Account request that you advance to me/us a Trust Receipt Advance sufficient to pay for the Goods.

I/We hereby agree that any such request shall be subject to the terms of this Agreement and to the terms of the agreement dated \_\_\_\_\_ the Facilities Agreement) made between me/us and you, and may be amended, varied, renewed or replaced from time to time. Terms defined in the Facilities Agreement shall, unless the context otherwise requires, have the same meaning in this Agreement.

I/We confirm that you shall not be under any obligation or commitment to agree to any request for release of any Documents or Goods or to grant a Trust Receipt Advance.

I/We, as legal and beneficial owner, hereby assign and transfer to you all my/our rights, title and interest in and to the Goods and Documents in (conditional) settlement (in whole or in part) of all principal, interest (including compound interest) fees and other moneys which are owing or which may at any time become due or owing by me/us to the Bank in respect of, or in connection with, any facility (including any provided by the Facilities Agreement) that the Bank has made available to me/us for the issue (or otherwise) and/or financing of the above Goods or Documents (the "Secured Debt") on the following terms and conditions and subject to discharge of the Secured Debt in full:-

1. I/We will acknowledge that I/We have received the Documents and will hold and deal with the same, and also the Goods and all and any proceeds of sale thereof, as agent(s) for you and in respect of any sale or disposal of the Goods or Documents, and as agent(s) on your behalf and not otherwise. Each such receipt to be read in conjunction with this Agreement.
2. Without prejudice, to clause (1) above, I/We will hold the Documents and will only deal with the same for the following purposes and on the following terms:
  - i. I/We will require the Documents in order to obtain and take delivery of the Goods on your behalf. Any sales of any of the Goods shall be on your behalf only. I/We expressly acknowledge that the Goods remain subject to the assignment by way of security contemplated in your favour by this Agreement until sale and I/We hereby undertake to act as your agent(s) for the sale of the Goods and to receive and to pay to you the proceeds of such sale (the "Sale Proceeds") (without set-off or any deduction whatsoever) specifically and immediately upon the receipt thereof of each portion thereof: as the case may be. I/We further undertake, not to sell or otherwise dispose of the Goods or any part thereof on credit or for any non-monetary consideration or for less than the full market value without obtaining your prior written consent;
  - ii. Prior to any sale of the goods on your behalf of, in respect of any Goods not sold at any sale, I/We will properly store and warehouse on your behalf and in your name, or otherwise as directed by you, all such Goods and will hold the same as your agent(s) on your behalf and advise you, at all times, of their location;

- iii. I/We will insure the Goods on your behalf against all insurable risks, on such terms as you may request, and will hold the policies of insurance on your behalf and in case of loss or damage howsoever caused, I/We will immediately pay over to you all moneys received from the insurers or otherwise (the "Insurance Proceeds") and, until such payment, will hold the same on trust for you and as your agent(s) on your behalf;
  - iv. I/We hereby acknowledge that you shall have no liability or responsibility to me/us, or to any other third party, for the correctness, validity or sufficiency of the Documents or for the existence, quantity, quality, condition, value or delivery, or otherwise, of the Goods;
  - v. Any sale or other disposal of the Goods or part thereof shall (if requested by you) be made by me/us only to purchaser(s) to whom I/We am/are not indebted (whether actually or contingently) or under any liability whatsoever; and
  - vi. I/We shall advise you immediately of any change or deterioration in the state of quality, or otherwise, of the Goods and shall keep the same, and the Documents, free from any mortgage, charge, pledge, lien or other encumbrance whatsoever.
  - vii. At the request of the Bank, I/We undertake to allow access to the Bank's authorised staff to my/our premises for physical inspection of Goods.
3. I/We undertake to return to you forthwith on your request at any time (irrespective of whether the purpose set out herein has been completed or not and without prejudice to my/our obligations under clause 7 below) the documents and/or any other documents received by me/us in exchange therefore and to comply fully and promptly with any instructions which you may give me/us as to the manner of dealing with the Goods or any of them or regarding the removal, storage or the disposal of the same at my/our expense by sale arranged by you or otherwise.
4. I/We further undertake that this transaction shall be kept separate from all other transactions and that the Documents, the Goods and any Sale Proceeds or, if applicable, Insurance Proceeds thereof shall at all times be kept separate and distinct and capable of identification from any other documents, goods or proceeds of sale relating to or arising from any other transaction.
5. I/We hereby acknowledge that a certificate signed by any of your duly authorized officers showing the amount of the Secured Debt owing at any time shall be binding upon me/us for all purposes.
6. I/We hereby agree to indemnify you (and your correspondents and agents), from time to time, against all losses, actions, proceedings, claims, expenses, demands, liabilities and damages which you may incur for any act or omission of any nature whatsoever in connection with your release to me/us of the Documents or otherwise in relation to the Goods.
7. I/We hereby acknowledge that I/We shall remain at all times liable to you on demand for the immediate payment and discharge in full of the Secured Debt and shall remain so liable to the extent that the Sale Proceeds or, if applicable, the Insurance Proceeds shall be insufficient (in your sole opinion) to discharge the Secured Debt in full.
8. The security constituted by this Agreement shall be in addition to and shall be independent of every other security which you may at any time hold for the Secured Debt or any part thereof
9. If I/We shall at any time fail to perform and observe any of the terms and conditions contained in this Agreement, you shall be entitled, but not obliged, to take such steps as you may deem necessary to make good such failure, and all expenses and costs incurred and/or any money paid out by you in connection therewith shall be treated as part of the Secured Debt.
10. If this Agreement is, or purports to be, signed or executed by or on behalf of more than one person (other than in relation to you):
- i. the liability of each such person hereunder shall be joint and several and every agreement and undertaking herein shall be construed accordingly; and
  - ii. the liability of anyone such person hereunder to you shall not be discharged or affected in any way by (a) reason of the invalidity, avoidability or unenforceability in respect of any other such person of this Agreement or any other security which the Bank may hold in relation to the Secured Debt or any part thereof: or, (b) you releasing, discharging, compounding with or varying the liability hereunder of, or making any other arrangement with, any other such person.

11. All costs, charges and expenses (including legal fees) incurred by me/us in complying with my/our obligations hereunder shall be borne by me/us.
12. We agree that, in relation to any jurisdiction the courts of which would or would not recognise or give effect to the trust expressed to be created by this Agreement, the relationship of you to us shall be construed as one of principal and agent respectively but, to the extent permissible under the laws of such jurisdiction, all other provisions of this Agreement (in particular the contractual provisions contained herein) shall have full force and effect between us.
13. If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement shall in any way be affected or impaired thereby.
14. This Agreement shall be governed by and construed in accordance with the laws of the Kingdom of Bahrain and the applicable and I/We hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Bahrain provided that such submission shall not prejudice your rights to bring proceedings against me/us in any other jurisdiction.

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Authorised Customer Signature

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for and behalf HSBC Bank Middle East Limited