



APPLICATION FOR IRREVOCABLE
STANDBY LETTER OF CREDIT

To: HSBC Bank USA, National Association
Trade and Supply Chain
2 Hanson Place, 14th Floor
Brooklyn, NY 11217

L/C NO. (FOR BANK USE ONLY)

DATE:

Please issue for our account an irrevocable Standby Letter of Credit as set forth below by:

- AIRMAIL, AIRMAIL, VIA COURIER, AIRMAIL, WITH SHORT PRELIMINARY CABLE ADVICE, FULL CABLE

Table with 2 columns: IN FAVOR OF (BENEFICIARY) and FOR ACCOUNT OF (APPLICANT). Includes fields for AMOUNT, TYPE OF CURRENCY, and AMOUNT IN NUMBERS AND WORDS.

AVAILABLE BY DRAFTS AT SIGHT DRAWN ON YOURSELVES ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

- NONE
BENEFICIARY'S SIGNED STATEMENT, WORDED AS FOLLOWS (KINDLY STATE EXACT WORDING THAT IS TO APPEAR ON THE STATEMENT ACCOMPANYING THE DRAFT).
OTHER DOCUMENTS:
SPECIAL INSTRUCTIONS TO BE AN INTEGRAL PART OF THIS APPLICATION IF NECESSARY, ATTACH ADDENDUM AND SIGN IN ADDITION TO THIS APPLICATION).

We hereby certify that the transactions covered by the Credits are not prohibited under the Foreign Assets Control Regulations of the United States Treasury Department or Tax Reform Act of 1976 as amended or the Export Administration Act of 1977 as amended or related laws and regulations thereto and that any transfer of moneys covered by the Credits conforms in every respect with all existing United States laws and Government regulations.

Each Credit shall be subject to the Uniform Customs and Practice for Documentary Credits (UCP) most recently published by the International Chamber of Commerce (ICC) or if so elected by the Applicant in this application, by International Standby Practices 1998, ICC Publication 590 in effect at the same time of the issuance of such Credit (ISP 98). The provisions herein are supplemental to, and not in substitution of said UCP (or, as applicable, ISP 98) to the extent consistent with the provisions of this Agreement. This Agreement shall be construed under the laws of New York State, as the same may be in effect from time to time, except to the extent such laws are inconsistent with said UCP (or, as applicable, ISP 98).

Check the Box Election

Each Credit shall be subject to (check one):

- International Standby Practices 1998, ICC Publication 590
Uniform Customs and Practice for Documentary Credits

## STANDBY LETTER OF CREDIT AGREEMENT

To: HSBC Bank USA, National Association

Dear Sirs:

For the purpose of inducing you to issue your standby Letters of Credit (herein called the "Credits") upon application by the Applicant who has executed the application on the reverse side and for other valuable consideration, receipt of which is hereby duly acknowledged, the Applicant hereby agrees as follows with respect to the Credits:

1. As to drafts, demands or drawings under, or purporting to be under the Credits which are payable in United States Currency, we agree in the case of each sight draft, to reimburse you at your office in immediately available funds on demand, and in the case of each time draft, at the date of maturity of such time draft, the amount due on such draft, or, if so demanded by you, to pay at your office in advance the amount to pay such draft. If no draft is to be presented under any Credit, we agree to pay you upon demand for any amounts paid by you under any Credit in conformity with the terms of such Credit. In all instances you have the right to set-off any amount due you under any Credit against any account at any branch of yours, your subsidiaries or affiliates.

2. As to drafts, demands or drawings under, or purporting to be under, the Credits which are payable in currency other than United States Currency we agree: in the case of each sight draft, demand or drawing to reimburse you at your office, on demand, the equivalent of the amount paid in United States Currency as determined by your rate of exchange, on the day such draft, demand or drawing was paid, for the purchase of the currency in which such draft, demand or drawing is drawn.

3. We agree to pay you, on demand, your usual commission and all charges and expenses paid or incurred by you or your correspondents in connection therewith, including costs of reserve requirements, if any.

4. If for any reason you make payment under the Credits prior to your receipt of the aforementioned funds from the undersigned, we agree to pay you interest per annum at a rate equal to the then publicly announced HSBC Bank USA, National Association Prime Rate, as it may change from time to time, plus 3% covering the period commencing from the day of your payment and ending upon your receipt of the funds we remit to you for the actual days elapsed on the basis of a 360-day year.

5. We agree that in the event of any extension of the maturity or time for presentment of drafts, or documents, or any other modification of the terms of any Credits, at the request of any of us, with or without notification to the others, or in the event of any increase in the amount of any Credits at our request, this agreement shall be binding upon us with regard to such Credits so increased or otherwise modified, to drafts, documents and property covered thereby, and to any action taken by you or any of your correspondents in accordance with such extension, increase or other modification.

6. Applicant agrees that failure of the applicant to object in writing to the issuers payment and/or acceptance of any drawings under a credit by the earlier of (A) 5 days after the date the applicant receives the documents and (B) 5 days after the date the applicant receives any notice including but not limited to advices of payment that the Issuer has paid and/or accepted a conforming presentation under the documentary credit shall be conclusively deemed to be an acceptance by the applicant that the presentation is in conformity with the terms and conditions of the credit. Both the Issuer and the applicant agree that 5 days is a reasonable time.

7. The users of the Credits shall be deemed our agents and we assume all risk for their acts or omissions. Neither you nor your correspondents shall assume any liability to anyone for failure to pay or to accept if such failure is due to any restriction in force at time and place of presentment, and we agree to indemnify you and hold you harmless from any consequences that may arise therefrom. Neither you nor your correspondents shall be responsible for verifying the existence of any act, condition or statement made by any party in relation to their drawing or presentment under the Credits or in verifying or passing judgment on the reasonableness of any statement made by any party in relation to their drawing or presentment under the Credits; for the validity, sufficiency or genuineness of documents, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; for failure to give any notice; for any breach of contract between the

beneficiary of the Credits, and ourselves or any of us. Furthermore, neither you nor your correspondents shall be responsible for errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, wireless or otherwise, whether or not they be in cipher, nor shall you be responsible for any error, neglect, or default of any of your correspondents; and none of the above shall affect, impair, or prevent the vesting of any of your rights or powers hereunder. In furtherance and extension and not in limitation of the specific provisions hereinbefore set forth, we agree that any action taken or not taken by you or by any correspondent of yours, under or in connection with the Credits or the relative drafts, documents or property if taken or not taken in good faith, shall be binding on us and shall not put you or your correspondents under any resulting liability to us, except if due solely to your gross negligence or willful misconduct.

8. We agree to procure promptly any licenses or certificates that may be required in the execution of the contract, agreement or understanding underlying the Credits, and to provide you, as you may anytime require or request, with copies of documents, agreements or other information and evidence. Such requests may extend to financial or other information regarding the undersigned which the undersigned agrees to provide in a prompt manner.

9. As security for the payment or performance of all our present or future obligations or liabilities of any and all kinds to you, whether incurred by us as maker, endorser, drawer, acceptor, guarantor, accommodation party or otherwise, due or to become due, secured or unsecured, absolute or contingent, joint or several, and howsoever or whensoever acquired by us (all of which are herein collectively referred to as "Obligations"), we hereby grant to you a security interest and a lien in and upon any of our property, or property in which we may have an interest, which is now or may at any time hereafter come into your possession or control, or in the possession or control of your subsidiaries or affiliates, or into the possession or control of any other party acting in your behalf, whether for the express purpose of being used by you as collateral security or for safekeeping or for any other different purpose, including such property as may be in transit by mail or carrier for any purpose or covered or affected by any documents in your possession or control or in the possession or control of your subsidiaries or affiliates, or in the possession or control of any third party acting in your behalf.

10. Upon our failure to pay any Obligations when becoming or made due, as aforesaid, you shall have, in addition to all other rights and remedies allowed by law, the rights and remedies of a secured party under the Uniform Commercial Code as in effect in the State of New York at any time and, without limiting the generality of the foregoing, you may immediately, without demand of performance and without notice of intention to sell or of time or place of sale or of redemption or other notice or demand whatsoever to us, all of which are hereby expressly waived, and without advertisement, sell at public or private sale grant options to purchase or otherwise realize upon, in New York or elsewhere, the whole or from time to time any part of the collateral upon which you shall have a security interest or lien as aforesaid, or any interest which the undersigned may have therein, and after deducting from the proceeds of sale or other disposition of said collateral all expenses (including but not limited to reasonable attorney's fees for legal services of every kind and other expenses as set forth below) shall apply the residue of such proceeds toward the payment of any of the Obligations, in such order as you shall elect, we remaining liable for any deficiency remaining unpaid after such application. If notice of any sale or other disposition is required by law to be given, we hereby agree that a notice sent at least five days before the time of any intended public sale or of the time after which any private sale or other disposition of the said collateral is to be made, shall be reasonable notice of such sale or other disposition. At any such sale or other disposition you may yourself purchase the whole or any part of the said collateral sold, free from any right of redemption on the part of us, which right is hereby waived and released. We agree that the said collateral secures, and further agree to pay on demand, all expenses (including but not limited to reasonable

attorney's fees for legal services of every kind and cost of any insurance and payment of taxes or other charges) of, or incidental to, the custody, care, sale or collection of, or realization upon, any of the said collateral or in any way relating to the enforcement or protection of your rights hereunder. We further agree that if at any time or from time to time you shall retain an attorney for the enforcement or protection of your rights hereunder, then such reasonable attorney's fees shall be 20% of the amounts then owing on the Obligation or Obligations with respect to which such attorney was retained and that upon each such retention said attorney's fees will be immediately due and owing.

11. You shall not be deemed to have any of your rights waived hereunder unless you or your authorized agent shall have signed such waiver in writing. No failure on your part to exercise and no delay in exercising any right, remedy or power hereunder shall operate as a waiver thereof nor shall any single or partial exercise by you of any right, remedy or power hereunder preclude any other or future exercise of any other right, remedy or power.

12. The word "property" as used in this agreement includes cash proceeds, deposit accounts, goods and documents relative thereto, securities, funds, and any and all other forms of property, whether real, personal or mixed and any right or interest therein.

13. If this agreement is signed by one individual, the terms "we", "us", shall be read throughout as "I", "my", "me" as the case may be. If this agreement is signed by two or more parties, it shall be the joint and several agreement of such parties.

14. The Obligations hereof shall continue in force, and apply, notwithstanding any change in the membership or ownership of any partnership or corporation undersigned, and the Obligations hereof shall bind the personal representatives successors and assigns of the undersigned, and all rights, benefits and privileges hereby conferred on you shall be and hereby are extended to and conferred upon and may be enforced by your successors and assigns.

15. We further agree that your rights, remedies, powers, security interests and liens hereunder shall continue unimpaired and that we shall be and remain obligated in accordance with the terms hereof notwithstanding the partial exercise by you of any right, remedy or power, or the release or substitution of any of the said collateral hereunder, at any time or times, or of any rights or interests therein, or any delay, extension of time, renewal, release, substitution or addition of parties, compromise or other indulgence granted by you, in reference to any of the Obligations, or any promissory note, draft, document, bill of

exchange or other instrument given in connection therewith, the undersigned hereby waiving all notice of any delay, extension, release, substitution, renewal, compromise or other indulgence, and hereby consenting to be bound as fully and effectually as if we had expressly agreed thereto in advance.

16. We agree that all Obligations of the undersigned to you, although contingent and not matured, shall become due and payable upon the occurrence of any one of the following events: admission in writing or telex of our inability to pay any debt when due; a violation of any of the terms and conditions of this Agreement, be it willful or involuntary, not expressly waived by you; a default in the payment of any interest or fee due and payable to you, your assigns or successors; a default under any borrowed money obligation; the existence of a condition which would materially and adversely affect the ability of the undersigned to operate its business as an ongoing venture; the dissolution or the complete or partial liquidation of the undersigned; or if the undersigned generally shall not pay its debts as they become due (within the meaning of the Bankruptcy Code of 1978 and any amendments thereto) or be the subject of any insolvency proceedings, or if the undersigned shall make an assignment for the benefit of its creditors or a trustee, receiver, intervenor, or custodian appointed for the purposes of reorganization or liquidation of the undersigned.

17. Each and every right, remedy and power hereby granted to you or allowed you by law or other agreement shall be cumulative and not exclusive the one of any other and may be exercised by you from time to time.

18. Notices and demands under this agreement shall be in writing and will be sufficient if delivered by hand, by first class mail postage prepaid or by registered mail addressed to the undersigned or to you at our respective principal places of business.

19. We agree that all Credits issued under this Agreement shall be irrevocable.

**IN CONSIDERATION OF THE ESTABLISHMENT OF THE CREDIT SUBSTANTIALLY AS APPLIED FOR HEREIN, WE HAVE READ THE TERMS AND CONDITIONS SET FORTH IN THE AGREEMENT ON THE REVERSE SIDE OF THIS APPLICATION AND WE AGREE THAT THEY ARE MADE PART OF THIS APPLICATION FOR A STANDBY LETTER OF CREDIT AND ARE HEREBY ACCEPTED BY US.**

<b>FOR BANK USE ONLY</b>	<b>APPROVED</b>		
	SIGNATURE		
	PRINT NAME		
	CAP/WLI OFFICER CODE		
	DEPARTMENT		
	TELECOMM		
	CIN NO. OR TIN/SSN		
	FACILITY NO		
	COST CENTER		PURPOSE CODE
	PER ANNUM RATE %	CHARGE DDA	SEND BILL
	UP FRONT	ARREARS	MONTHLY
	QUARTERLY	SEMI-ANNUAL	ANNUAL
	OTHER CHARGES Issuance Fee (Preparation Commission) \$		
	AMENDMENT FEE \$		PAYMENT COMMISSION \$
PARTICIPATION <input type="checkbox"/> Yes <input type="checkbox"/> No		If Yes, Attach Separate Memo	
SIC CODE		COUNTRY OF ULTIMATE RISK	

APPLICANT
ADDRESS
AUTHORIZED SIGNATURE(S)

**PLEASE SIGN OFFICIALLY**

ACCOUNT NUMBER		

**(The following is to be executed if  
the applicant is not also the account party)**

**AUTHORIZATION AND AGREEMENT OF ACCOUNT PARTY**

To: **HSBC Bank USA, National Association (Bank)**

We join in the request to Bank to issue the Credit described above (Credit), naming us as Account Party. In consideration thereof, we irrevocably agree that: (i) the above Applicant has the sole right to give instructions and make agreements and amendments with respect to the foregoing application, the Credit and the disposition of documents, (ii) we shall have no right, claim, set off or defense against Bank or Bank's correspondents respecting any matter arising in connection therewith; and (iii) we shall be jointly and severally liable with Applicant for all obligations owing to Bank in connection with the foregoing application, the agreement executed by Applicant with respect thereto, and the Credit. We agree that Applicant is authorized to assign or transfer to Bank all or any part of our obligations arising in connection with this transaction and any security therefor. Upon such assignment or transfer, Bank will be vested with all power and rights in respect of the obligations and security transferred or rights in respect of the obligations and security transferred or assigned to Bank.

Name \_\_\_\_\_  
ACCOUNT PARTY – AS INDICATED ON FRONT

Address \_\_\_\_\_

By \_\_\_\_\_

**PLEASE READ AGREEMENT CAREFULLY**