

### Terms and Conditions for Letters of Credits

This Terms and Conditions for FransiTrade Services, is an integral part of the FransiGlobal Service Agreement Serial Number XX-XX-XXXXX dated on / / signed between the undersigned ("Customer") and Banque Saudi Fransi ("Bank").

#### In consideration of the Bank the Customer agrees to the following terms and conditions;

I / We hereby authorize you to debit our account with the marginal deposit in SR / in foreign currency as per the agreed percentage of the full value of this credit plus your commission and charges. When the margin is in Saudi Riyals, it is clearly understood that the exchange transaction to cover the full value of the amount claimed under this drawing will be debited to our account at the rate of foreign exchange prevailing on the date of settlement. When the margin is made in foreign currency, it is understood that the exchange transaction for the said margin has been duly registered at the rate of foreign exchanges prevailing at the time of constituting the said margin being considered as provision in foreign currency. At the time of settlement, the remaining balance of the amount drawn under this credit has to be debited to our account at the rate which will be prevailing on the date of settlement. If the credit is not utilized for any reason, the margin constituted at the time of insurance of the said credit will be left at our disposal strictly as registered. We agree to hold you harmless for any devaluation and / or difference in exchange due to changes in the foreign exchange rate which may be applicable to this credit. In consideration of your issuing the above credit, I / We hereby bind myself / ourselves in respect of the following:

1. I / We will print the full message, transmitted to Banque Saudi Fransi, once same is approved by me / our authorized persons, at my / our end for my / our records. Any request from us communicated to Banque Saudi Fransi through Fransi Trade, "e-Channel", will be considered as official and binding on me / us.
2. Banque Saudi Fransi will refer to me / us and obtain my / our written authorization via Fransi Trade, e-Channel or in writing in the event any amendment / changes are to be made to the original message, communicated to Banque Saudi Fransi, relating to the value, currency and the terms and conditions stated therein. Banque Saudi Fransi will not take any further action until such time I / we provides written and or via "e-Channel", such instructions.
3. Banque Saudi Fransi has the right to draw my / our attention in writing in the event of any ambiguity; contradictory and or incomplete instructions are given in my / our request to issue or amend letter of Credits. If I / We fails to clarify to the satisfaction of Banque Saudi Fransi within seven (7) banking days from the date of its first communication sent to the me / us in this regard, Banque Saudi Fransi will cancel the request received, without further communication with me / us.
4. We understand that unless expressly stated otherwise, a request to issue or amend a letter of credit authorizes the issuing bank to supplement or develop the terms in a manner necessary or desirable to permit the use of the credit in line with paragraph number 02 of International Standard Banking Practice, ICC Publication No 681.
5. Banque Saudi Fransi will process the issuance and or amendment of Letters of Credits during normal banking hours on advertized Banking days. Requests received on weekends will only be reviewed on the following Banking day.
6. I / We agree(s) to pay the draft(s) and or the bill value, drawn under the credit on first presentation and to pay all charges and expenses of whatsoever kind or nature incurred by the Bank, its agents or correspondents, including the commission payable to the Bank and its correspondents or agents.

If the Draft/ Bill value is in foreign currency and if I / We request(s) Banque Saudi Fransi to debit my / our SAUDI Riyal account, then the exchange rate that applies on the day of settlement / payment will be applied.

7. If I / We defaults in due payment of Principal, commission or charges or any part thereof, as aforesaid, then the Bank is authorized at any time, and in addition to:
  - i. Its right to offset any amounts due by the Bank to the Customer against such Payment, and
  - ii. Other legal recourse it may then have, to sell, publicly or privately the goods against which the documents are drawn, and to act in all respects, as if the Bank had been direct consignees of the goods, charging such commission and being so accountable, as is usual between a merchant and his correspondent in ordinary cases, the proceeds to be applied in payment of all sums disbursed by the Bank for freight, insurance or other charges, and of all expenses attending for sale and of the principal sum and commission thereon, and upon any payment made under the powers and authorities herein contained. And lastly, the balance, if any may be retained and applied by the Bank towards the payment of any claims or demand (whether arising upon direct transaction or otherwise) which the Bank may have against the Customer and whether or not the same may be then due or ascertained.

In case of loss of the goods before their arrival at destination I / We undertake(s) to pay immediately to the Bank the principal amount negotiated plus charges, expenses and commissions.

Eventually the Bank shall be at liberty to obtain the amount payable under the insurance policy/certificate and for that purpose the Bank shall be entitled to use the Customer's name, and if further necessary, I / We undertake(s) to do all that may be needed to enable the Bank to obtain payment from the underwriters.

In case the net proceeds of the goods or of the said amounts received from the underwriters shall fail to cover the principal and sundries, I (the Customer) shall remain responsible for any deficiency.

8. The SWIFT / Mail advising the Credit shall be dispatched at Customer's risk and cost, and the Bank will not to be held liable for any delay, mistakes or omissions that may arise in its transmission or delivery or by reason of its acting upon any such defective mail/ Swift, nor shall the Bank be under any responsibility for the validity of



documents taken in connection with this authority, nor for any error or defect of quantity, quality, value, weight, or description of any goods and it is further agreed that the Bank's right to reimbursement from me / us for bills negotiated under this authority shall not be prejudiced or affected by any invalidity, insufficiency, irregularity or miss description arising in any of the documents, or for any delay in shipments transshipments, or arrival of goods.

9. At any time either on or after issuing the Credit, whenever and as many times as the Bank may deem it necessary, I / We undertake(s) to pay on demand such margin as the Bank may, in its absolute discretion, consider necessary as further security for the fulfillment of my / our obligations. The Bank may also debit my / our account with the Bank with such a sum if and when it deems it necessary, before or after giving notice to that effect.

10. If on account of interruption of communications with the country where the Credit is available, or due to any other cause it cannot be ascertained for the time being to what extent the Beneficiary has availed himself of the Credit or if any other obstruction arises, I / We shall not be entitled to demand release of any security given or be discharged of its obligations until the situation has been cleared.

11. In case of need the Bank may procure for the account and at the expense of me / us such insurance as it may deem necessary, this however not being an obligation of the Bank.

12. I / We further confirm that we / me aware of the regulations governing the boycott and non-dealing with countries as specified by the regulatory authorities and declare that the company with whom the Credit is opened is not on the black list. The Customer accepts full responsibility for compliance with such regulations and for the consequences of any deviation or non-compliance.

13. In case of dispute regarding the interpretation of the terms of the Credit, it is understood that the regulations laid down in the Uniform Customs and Practice for Documentary Credit, 2007 revision, ICC Publication No 600 and or any subsequent revision, if any, will apply.

14. The Customer and the Bank hereby irrevocably submit to the exclusive jurisdiction of the Committee of Banking Disputes, in case of any dispute arising in connection herewith.

15. For Incoming / outgoing documentary collection transactions, "Fransi Trade" will only be used as a medium for communication, in that to send and receive instructions and notifications from us (customer) and the bank "Banque Saudi Fransi"

#### Terms and Conditions for Letters of Guarantee

This Terms and Conditions for FransiTrade Services, is an integral part of the FransiGlobal Service Agreement Serial Number XX-XX-XXXXX dated on / / signed between the undersigned ("Customer") and Banque Saudi Fransi ("Bank").

In consideration of the Bank issuing for the Customer's account Letters of Guarantee, Bonds or other like instruments ("Guarantee") in favor of a beneficiary or beneficiaries ("Beneficiary") the Customer agrees to the following terms and Conditions:

1. I / We are obliged to print the full message, transmitted to Banque Saudi Fransi, once same is approved by their authorized persons, at their end for their records.

Any request from the customer communicated to Banque Saudi Fransi through Fransi Trade, "e-Channel", will be considered as official and binding on the client.

2. Banque Saudi Fransi shall have the right to refer to the customer and obtain their written authorization via Fransi Trade, "e-Channel" or in writing in the event any amendment / changes are to be made to the original message, communicated to Banque Saudi Fransi, relating to the value, currency and the terms and conditions stated therein. Banque Saudi Fransi will not take any further action until such time the client provides written and or via e-Channel, such instructions.

3. Banque Saudi Fransi shall have the right to also draw client's attention in writing in the event of any ambiguity, contradictory and or incomplete instructions are given in their request to issue or amend letter of Guarantees. If the customer fails to clarify to the satisfaction of Banque Saudi Fransi within seven (7) banking days from the date of its first communication sent to the client in this regard, Banque Saudi Fransi will cancel the request received, without further communication with the client.

4. Banque Saudi Fransi will process the issuance and or amendment of Letters of Guarantees during normal banking hours on advertized Banking days. Requests received on weekends will only be reviewed on the following Banking day.

5. Unless the Bank expressly agrees otherwise with the Customer in writing, the Guarantee is unconditional, irrevocable and independent from any contract. The Customer acknowledges and agrees that the Bank must pay the Beneficiary on the Beneficiary's first request satisfying the terms for a demand or subsequent demands under the Guarantee and regardless of

i. Any change in the conditions of the underlying contract; ii. Any extension of underlying contract;

iii. Any change in the scope of work or the nature of the work to be performed under the underlying contract;

iv. Any contract, dispute, omission, act or proceeding by the Customer or the Beneficiary or any third party; or

v. Any other objection whatsoever by the Customer or any third party.

6. The Customer hereby undertakes to promptly pay to the Bank, and in all cases to keep the Bank harmless and indemnified for all amounts paid to the Beneficiary and all claims, demands, fees/commission, service charges, costs (including without limitation legal fees), expenses and other liabilities whatsoever arising in connection with the Guarantee or the enforcement of the Bank's rights. The Bank has the right and the Customer hereby grants the Bank a right of set-off over all the accounts of the Customer in its books. The Bank is hereby authorized to debit the Customer's accounts (without the prior approval of or prior notice to (the Customer) for any amount

payable to the Beneficiary pursuant to the Guarantee and for any fees/commission, service charges, costs (including without limitation legal fees), expenses and other liabilities which may be incurred in connection with the Guarantee or the enforcement of the Bank's rights.

7. The Customer further agrees that if sufficient funds are available, the Bank may (at its option and without the prior approval of or prior notice to the Customer) block funds in any of the accounts of the Customer in its books and hold such funds as security for the Customer's liabilities hereunder. The Customer further agrees that upon the Bank's first demand the Customer shall immediately deposit with the Bank, as security for any and all of its liabilities hereunder, funds sufficient to cover the value of the Guarantee plus all fees, commissions charges or other amounts payable by the Customer in connection with the Guarantee and/or the enforcement of the Bank's rights. Failure by the Customer to immediately abide by such demand of funds by the Bank shall authorize the Bank to claim and recover from the Customer by any means of recover, the total amount of the Guarantee.

8. The Customer agrees that unless the text of the Guarantee provides otherwise or unless the Bank expressly agrees otherwise with the Customer in writing, in the event the Bank receives a written notice from the Beneficiary requesting the Bank to extend the validity date of the Guarantee prior to its stated expiry date or the expiry date of any extension thereof, the Bank may (at its sole discretion and without obtaining the Customer's approval or giving it notice and irrespective of any objection by the Customer) either:

- i. Extend the Guarantee from its original expiration date or from the expiration date of any extension request or
- ii. Pay the beneficiary the value of the Guarantee.

9. The Customer shall pay the Bank a fee/commission on the amount of the Guarantee at the rate specified by the Bank, such fee to be paid in advance on the date of issue of the Guarantee and the date(s) of any extension(s).

10. The Customer agrees that the issuance of a Guarantee by the Bank in connection with a particular contract shall not obligate the Bank to issue any further Guarantee required under that contract, nor will it obligate the Bank to increase the amount of the Guarantee or to extend its term.

11. Any dispute with respect to the Guarantee shall be resolved exclusively in the Kingdom of Saudi Arabia, according to the Saudi law, regulations, decisions, rules and instructions, by the Committee of Banking Disputes.

Banque Saudi Fransi	The client
Name .....	Name .....
Job Title\ BSF ID .....	Job Title .....
Signature .....	Signature .....
Date .....	Date .....

Bank ID Number: .....	Date: .../.../.....	<b>For Bank Use Only</b>
Business Line: .....	Region: .....	

**Sales Regional Manager**

Name .....

Signature .....

**Sales Manager**

Name .....

Signature .....

Signature and Authority of Agreement Signatory(s) Verified and Agreement held in Custody	Date: .../.../.....
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Name: ..... Position Title: ..... Signature: .....

**Authorized official of Regional CAU**