

## Bill Discounting Against Buyer Risk Application Form

Standard Chartered Bank

Date: \_\_\_\_\_

Bank Ref: \_\_\_\_\_

**APPLICATION FOR DISCOUNTING AGAINST BUYER RISK OF:** ☐ Bill of Exchange ☐ Promissory Note

<b>Applicant</b> (the "Applicant"/ "We" / "Our") (Company Name & Address):        Tel: Contact Person: Applicant's Ref:	<b>Buyer</b> (Company Name & Address):        Is the Buyer a Related Party <sup>1</sup> ? <input type="checkbox"/> Yes <input type="checkbox"/> No  Tel: Email: Contact Person:					
<b>Documents enclosed for processing</b>						
<b>Ref No</b>	<b>Date of instrument</b>	<b>Drawee /Maker</b>	<b>Tenor</b>	<b>Currency</b>	<b>Amount (in fig)</b>	<b>Amount (in words)</b>
Additional information on instrument (including, without limitation, particulars of acceptance)						
<b>Documents attached</b>	<b>Bill of exchange</b>	<b>Promissory Note</b>	<b>Invoice</b>	<b>Transport Documents</b>	<b>Contracts of Sale</b>	<b>Others</b>
Original						
Copies						

<sup>1</sup> A Related Party refers to a person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, the Seller, and includes persons connected with the related party. Persons connected with the related party include (but shall not be limited to) (a) relatives of a related party who is an individual, (b) directors and shareholders of a related party which is a body corporate, and their relatives, (c) bodies corporate Controlled by persons connected with a related party, (d) trustees of a trust under which a related party or persons connected with the related party are beneficiaries, and (e) partners of a related party. "Control" means where one person (either directly or indirectly and whether by share capital, voting power, contract or otherwise) has the power to appoint and/or remove the majority of the members of the governing body of another person or otherwise controls or has the power to control the affairs and policies of that other person and that other person is taken to be "Controlled" by the first person.

**Processing instructions**

- (a) At the Bank's sole discretion and provided the terms and conditions of the Bill of Exchange / Promissory Note are acceptable to SCB, please discount the aforementioned Bill of Exchange / Promissory Note against buyer risk after acceptance.
- (b) in respect of the discounting, please remit/pay/credit the proceeds of Bill of Exchange / Promissory Note less the discounting fees or any other charges:
- ☐ to our A/c No. \_\_\_\_\_
- ☐ telegraphic transfer of the funds to our account with:
- \_\_\_\_\_
- ☐ to repay: \_\_\_\_\_
- ☐ other instructions: \_\_\_\_\_
- (c) if the Bank decides not discount, please return the documents to us at our sole and entire risk.

**The Seller agrees to be bound by the terms and conditions in the Standard Terms and the Trade Service Supplement – Bill Discounting against Buyer Risk.**

**Seller's Signature(s)**

**S.V.**

**Date:**

## Trade Service Supplement Bill Discounting Against Buyer Risk

This Trade Service Supplement supplements the Standard Terms and applies to a Service involving the discounting/purchase of bills of exchange/promissory notes relating to an underlying trade related transaction.

1. **Definitions:** In this Trade Service Supplement and elsewhere in the Agreement, the following definition will apply

"**Agreement**" is as defined in the Standard Terms and includes this Trade Service Supplement which relates to a Trade Service.

"**Security**" means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation.

2. We enclose with this application a bill of exchange / promissory note which we submit to the Bank for discounting (at the Bank's sole discretion) without recourse to us (save as set out below) together with, where applicable, the original invoice, transport documents and contracts of sale.
3. In consideration for the purchase or discounting of the bill of exchange / promissory note, we hereby authorize the Bank, at its absolute discretion and without our consent:
  - (a) to arrange for acceptance of the bills of exchange / issuance of the promissory note and/or extend the due date for payment thereof upon such conditions as the Bank deems appropriate;
  - (b) to accept full or partial payment from buyers or acceptors before maturity under rebate or discount; and
  - (c) to commence any legal action or proceedings in our name if necessary.
4. Without prejudice to any other representation, warranty or undertaking, we further represent, warrant and undertake to the Bank that:
  - (a) we have and/or will fully and duly perform our obligations in relation to the underlying transaction related to the bill of exchange/promissory note;
  - (b) we have taken and obtained all necessary corporate and other action and consents to duly and validly authorise the entry, execution and performance hereunder and the bill of exchange /promissory note has been duly indorsed to the Bank by duly authorized signatories on our behalf;
  - (c) we are the sole legal and beneficial owner of bill of exchange/promissory note, free from any Security or any third party rights or claims;
  - (d) we have not obtained and shall not obtain any financing against the bill of exchange / promissory note and we are not aware of any other reason which may jeopardize the Bank's rights and remedies under the bill of exchange / promissory note;
  - (e) the bill of exchange/promissory note is valid, binding and legally enforceable under the terms thereof; and
  - (f) in the case of a bill of exchange, it has been duly accepted by duly authorized signatories on behalf of the buyer.
5. Notwithstanding any other term in this Agreement, we agree to indemnify the Bank and its successors and assigns in full and at all times to keep the Bank fully and completely indemnified from and against all Losses which may be made or incurred or suffered by the Bank directly or indirectly in relation to the bill of exchange / promissory note arising from:
  - (a) failure to pay by the buyer on the maturity date of the bill of exchange / promissory note:
    - (i) by reason of a court injunction; or
    - (ii) as a result of or in connection with a commercial dispute between us and the buyer; or
    - (iii) by reason of an allegation of fraud on our part being made by the buyer.

- (b) any tax, fee or other payment paid or payable by the Bank by reason of the Bank holding or exercising any of its rights in respect of the bill of exchange / promissory note.