

LETTER OF CREDIT APPLICATION

Approved by the Board of JSC "Rietumu Banka" on 3 February 2012, Minutes No. 7

___/___/20___

Client _____
(Client full name)

Financial security account No (FOR BANK USE ONLY) _____

Registration No / Unified Registration No _____

Address _____

represented by: _____ acting under _____
(name, surname)

Current Account No with JSC "Rietumu Banka" _____

Representative ID _____

1. Please issue Letter of Credit (L/C) at our expense in accordance with the following instructions:

(please mark X if appropriate)

1.1. L/C value: Amount (in figures) _____ Currency _____

Currency and amount (in words) _____

1.2. In favour of Beneficiary _____
(full name)

Address, details _____

Beneficiary bank _____
(Bank name, details, SWIFT/BIC)

1.3. **Type of L/C** Irrevocable Transferable Confirmed Standby

1.4. **Partial shipments** Allowed Prohibited

1.5. **Transshipment** Allowed Prohibited

1.6. **Shipment from** _____ **to** _____

no later than by _____/_____/20___

1.7. **Short Description of Goods (Services), Unit Price, Quantity** _____

1.8. **Delivery terms** (Incoterms 2000/ 2010): FOB EX WORKS CIF Others: _____

1.9. **L/C is available:** at sight payment by acceptance

by deferred payment for _____ days by negotiation

with the Bank _____
(Bank name)

1.10. Documents required:

Invoice originals copies

Transport document:

Bill of lading originals non-negotiable copies

RWB originals copies

CMR originals copies

Airway bill originals copies

Transport document to be issued by _____, consigned to
_____, notify party _____

Packing list: originals copies

Certificate of origin: originals copies, issued by _____

Certificate of quality: originals copies, issued by _____

Other documents: _____

1.11. Period for documents presentation days after transport documents date but no later than L/C expiry date.

1.12. Commission fees: Bank commissions Client pays Seller pays

Commission of Correspondent bank Client pays Seller pays

Commission of Beneficiary bank Client pays Seller pays

1.13. Validity of L/C:

1.13.1. L/C expiry date ____/____/20 ____

1.13.2. L/C expiry place _____

1.13.3. Additional conditions of L/C _____

2. Preconditions for issuing of L/C:

2.1. The Amount of L/C has been paid to the Financial security account.

2.2. The commissions have been paid to the Bank.

3. The Bank has the rights:

3.1. To transfer the funds in the Amount of the L/C, which will serve as the security of the L/C, from the Client Current account with the Bank to the Financial security account without the Client's authorisation and any additional document processing (based on this Application). The respective amount of the funds transferred to the Financial security account in line with the provisions of this clause will be kept there:

1. up to 7 (seven) days after the expiry of the L/C, if the L/C is available with the Bank, or;

2. until the Bank pays it to the Beneficiary, or;

3. until the Bank receives a confirmation that the Bank is released from liabilities if the L/C is available with another bank, but no longer than 45 (forty five) days after the L/C expiry date;

3.2 To write off (without the Client's authorisation and any additional document processing (based on this Application) the commissions for the L/C from the Client Current account with the Bank, as well as all other possible charges and commissions in accordance with the Rates and Fees Schedule of Banking Services, as well as commissions and expenses of other banks involved, if the Beneficiary refuses to reimburse them.

4. The usage of the L/C value:

4.1. If the Bank receives the Documents (mentioned in Clause 1.10) pursuant to Sections 1 and 2, the Client authorises the Bank without fulfilment of any additional procedures/actions and any additional document processing (based on this Application) to write off the Amount of the L/C (fractional) from the Financial security account in the required amount and to pay the claim without the Client's authorisation.

5. Financial security:

5.1. The Client pledges as a financial security all his/her existing and future financial resources (money, except banknotes and coins) in the amount of the L/C value in any currency that is available on the Financial security account.

5.2. The Financial security ensures the discharge of claims (Secured financial liabilities), that the Beneficiary can bring against the Bank in line with the L/C.

5.3. The Financial security guarantees the payment of any and all claims arising from the L/C.

5.4. The Client is liable to the extent of the Financial security for the required and reasonable expenses, which the Bank has incurred in connection with the L/C. If the Financial security fails to cover all Secured financial liabilities, expenses and/or losses incurred by the Bank in connection with the L/C, the Bank is entitled to initiate recovery procedure on all Client's property in the amount required to cover the Secured financial liabilities, the Bank's expenses and losses.

5.5. The Bank blocks the Financial security and the Client is not entitled to use it until the Bank is released from liabilities in line with the issued L/C.

6. Representation and warranties of the Client:

6.1. The Client is the sole and legal owner of the Financial security and has the right to dispose of it freely.

6.2. The Client acknowledges that until submitting this application to the Bank, neither the Financial security as an aggregation of property, nor a separate part of the Financial security as a part of the aggregation of property is pledged, alienated to third persons, no restriction or seizure is imposed on it, no encumbrances, limitations and disputes exist, and that the activities mentioned before shall not be carried out during the term of this application without prior written permission of the Bank.

7. Dispute settlement and applicable legislation:

7.1. The performance of the conditions of the L/C is governed either by "Uniform Customs and Practice for Letters of Credit" 600 (2007 revision).

7.2. The applicable laws and regulations of the Republic of Latvia regulate legal relations between the Bank and the Client.

7.3. Any dispute between the Bank and the Client is settled by mutual negotiations. Any negotiations related to the dispute settlement shall be documented in writing.

7.4. Any dispute which the Parties fail to settle by negotiations will be referred at the claimant's choice either to a corresponding court of general jurisdiction of the Republic of Latvia or the Arbitration Court of the Association of Latvian Commercial Banks in Riga. If the dispute is considered in the Arbitration Court, it is examined according to the Charter, General Terms and Regulations on Costs of the Arbitration Court. The arbitrator's decision is final, may not be appealed and is binding on the Parties. The number of judges is 1 (one). The Parties entrust the Chairperson of the Arbitration Court of the Association of Latvian Commercial Banks to appoint the judge. The language of the settlement of a dispute referred to the Arbitration Court is Latvian.

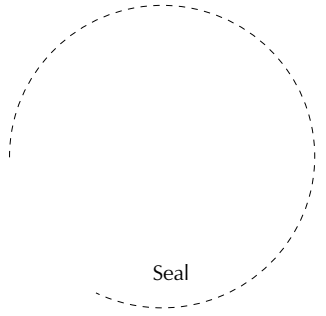
8. Client Signature:

_____ (name, surname)

_____ (signature)

Rietumu ID

Test Key _____



9. Liabilities of the Bank:

9.1. The Bank agrees with the information mentioned in this application and accepts it as a binding agreement between the Bank and the Client.

9.2. In accordance with this application, recognised as an agreement, the Bank issues the

L/C No _____

10. The Bank's officer:

_____ (name, surname)

_____ (signature)