

## TERMS AND CONDITIONS ON NEGOTIATION OF DOCUMENTARY BILLS

In relation to negotiation of documentary bills, the provisions set forth in the Agreement on Bank Transactions, Agreement for Foreign Exchange Transactions, General Agreement for Credit Transactions and/or other standard or general agreements and/or appendices governing credit/banking transactions and/or facilities, signed by us and separately submitted to you shall apply.

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## TERMS AND CONDITIONS ON COLLECTION OF DOCUMENTARY BILLS (WITH L/C)

In relation to collection of documentary bills, the following terms and conditions shall apply:

1. Selection of Collecting Bank and Method of Transmittal of Bills, etc.  
MUFG Bank, Ltd., (hereinafter called the "Bank") shall at its discretion select the Bank's other offices and/or other banks (hereinafter called the "Collecting Bank") which the Bank shall utilize in order to carry out the collection of bills of exchange, promissory notes, checks, receipts, or other documents similar thereto, drawn for the purpose of receiving payment for export goods or other payment of monies receivable from a party in a foreign country (hereinafter called the "Documents") unless specifically instructed in writing or in the application.
2. Warranty of Genuineness of Bills and Documents, etc.  
The Bank shall be neither liable nor responsible for the genuineness and validity of the Bills and the Documents submitted to the Bank and endorsements, etc. made thereon. The applicant shall bear all damage, if any, caused by forgeries, alterations or any other defects of the Bills and the Documents and endorsements, etc.
3. Commissions, Charges, Expenses, etc.
  - (1) All commissions, charges and expenses incurred by the Bank and the Collecting Bank regarding the operation of collection shall be paid by the applicant at the time of request for collection of the Bills and Documents or forthwith upon demand from the Bank.
  - (2) The preceding paragraph (1) shall also apply to the cases where the Bank has made inquiries about the fate of collection, whether or not the said inquiry was made at the request of the applicant and/or to the cases where the Bank has made replies, etc. to the inquiries from the Collecting Bank.
  - (3) Any cost and expenses arising in connection with the preservation of the rights under the Bills or the preservation of the Documents or goods described in the Documents (hereinafter called the "Goods") shall be paid by the applicant forthwith upon demand from the Bank.
  - (4) The rate and manner of computation of commissions, charges and expenses and foreign exchange rate applicable thereto referred to in the preceding two paragraphs shall be as prescribed by the Bank. The Bank shall at its discretion deduct these commissions, charges and expenses from the proceeds of the collected Bills, if the Bank deems it necessary.
4. Delivery of Documents  
Delivery of the Documents attached to the Bills with letters of credit to the applicants for issuance of the letter of credit, buyers of the Goods, etc. shall be made in accordance with the terms and conditions of the letters of credit, and in the absence of specific instructions in the letters of credit, the Bank or the Collecting Bank may make delivery of such Documents pursuant to applicable laws and regulations or prevailing practices at the place of acceptance, place of payment or place of discharge, as the case may be. The Bank or the Collecting Bank may modify the terms of delivery if there arise reasonable and probable causes to necessitate preservation of rights of the Bank or the Collecting Bank or if such modification is considered necessary to comply with applicable laws and regulations or prevailing practices at the place of acceptance, place of payment or place of discharge, as the case may be.
5. Making of Protest
  - (1) Unless the application for collection contains express instructions, the Bank shall be exempted from the obligation to make protest (or other legal formalities required to be taken under foreign laws in lieu of protest; hereinafter the same) for non-acceptance or non-payment.
  - (2) Should a protest not be made despite express instructions contained in the applicant's written application for collection, if the Bank has instructed the Collecting Bank to that effect, the Bank shall not be held responsible.
  - (3) The Bank or the Collecting Bank may have a protest made at the applicant's expense of whether or not the applicant has made a request to that effect.
6. Handling of Goods  
Even in cases where the party obligated to pay a Bill rejects payment or acceptance of or confirmation of the debt under the Bills, the Bank or the Collecting Bank shall have no obligation to take actions for the preservation of the Goods such as unloading, customs clearance, warehousing, insuring or reselling the Goods.
7. Refundment  
If, because of laws, regulations, customs at the place of payment or any reason, the payment or the proceeds of the collected bills to the Bank from the Collecting Bank has been revoked or the repayment of the proceeds of the collected bills has been requested by the Collecting Bank, the applicant shall assume obligation to refund the face amount of the Bills and shall immediately repay to the Bank such amount plus interest, charges and expenses thereon at the rate as prescribed by the Bank, regardless of whether or not the Bills have been returned. The foreign exchange rate applicable to the foregoing case will be the Bank's applicable exchange rate at the time of the refund.
8. Return of the Bills and Documents
  - (1) In respect of unpaid Bills to be returned to the applicant, if any, the same shall be returned through the branch office of the Bank, by which the applicant's request for collection of the Bills was accepted.
  - (2) If it is impossible to retrieve the Bills because of the laws, regulations, and/or local customs and practices in the countries where the Bills are to be paid or any other reasons, the Bank shall not be obligated to return the Bills to the applicant and all subsequent damage, if any, shall be borne by the applicant.

9. Exemption

Under no circumstances shall the Bank be held responsible for any loss or damage arising from:

- (1) Delay in arrival, loss, damage, etc. of the Bills and the Documents during transit.
- (2) The act and/or omissions of the Collecting Bank.
- (3) Exchange fluctuation, delay or failure in obtaining the proceeds of the Bills due to suspension of business/insolvency/bankruptcy of the Collecting Bank, and/or application of the laws, and/or any other unavoidable causes.
- (4) Force majeure and/or any other causes beyond the Bank's control.

10. Prohibition of Transfer or Pledge

The applicant cannot transfer or pledge to others the right under the Bills submitted for the collection.

11. Uniform Customs and Practice for Documentary Credits

Matters not mentioned in the preceding provisions shall be subject to Uniform Customs and Practice for Documentary Credits (2007 revision), ICC Publication NO. 600 or any subsequent revisions as established by the International Chamber of Commerce.