

The undersigned (hereinafter the "Client") requests that National Bank of Canada (the "Bank") issue an irrevocable documentary credit (the "Credit") substantially as set forth below and forward same through a selected correspondent by SWIFT. Such issuance shall be subject to the general terms and conditions appended hereto.

Numbers appearing in square brackets refer to the SWIFT field number and are specified herein for information purposes only.

[40A] The Credit is to be: (if left blank, the Credit will be non-transferable): Transferable Non-transferable
[49] Confirmation (if left blank, Credit will be unconfirmed) Confirmed Unconfirmed
[31D] Date and place of Expiry: _____ Place: _____
 (YYYY MM DD) (if left blank, will be "our counter")

CLIENT:

Name (legal name): _____
 Civic address: _____
 Contact person: _____ Phone number: _____
 Email address: _____
 Account to debit (drawing): _____ Account currency: _____ Transit: _____
 Account to debit (fees): _____ Account currency: _____ Transit: _____
 Foreign exchange contract no.: _____

Notes: For transactions in CAD, EURO and USD, drawing(s) and fees will be payable in the transaction's currency. For all other currencies, drawing(s) and fees will be calculated on the equivalent value in Canadian dollars.

[50] APPLICANT (to appear in Credit if different from the Client):

Name: _____
 Civic address: _____

[59] BENEFICIARY (information for the contact person is optional)

Name: _____
 Civic address: _____
 Contact person: _____ Phone number: _____
 Email address: _____

[57A] BENEFICIARY'S BANK AND CONTACT INFORMATION

Name: _____
 Civic address: _____
 SWIFT address (if known): _____

[32B] CURRENCY CODE
[32B] AMOUNT (in figures)

Select...

[39A] PERCENTAGE OF CREDIT AMOUNT TOLERANCE

+ _____ % (may require adjustments to quantity and unit prices in the description of goods and/or services, field 45A)
 - _____ %

[41A] CREDIT AVAILABLE BY (payment terms):

Payment (at sight)
 [42P] Deferred payment _____ days after sight _____ days after transport document date payable on _____
 YYYYY MM DD
 [42M] Mixed payments (please complete if mixed payment details apply); for example: 50% of credit amount at sight, 50% of credit amount 30 days after the transport document)

 Other: _____

[43P] PARTIAL DRAWINGS OR SHIPMENTS

(if left blank, will be allowed)

Allowed Not allowed
 Conditional: _____

[43T] TRANSSHIPMENTS

(if left blank, ill be allowed)

Allowed Not allowed
 Conditional: _____

SHIPMENT
[44A] Place of Taking in Charge/Dispatch from/Place of Receipt:

[44F] Port of Discharge/Airport of Destination:

[44E] Port of Loading/Airport of Departure:

[44B] Place of Final Destination/For Transportation to/Place of Delivery:

Complete either option as applicable.

[44C] **LATEST SHIPMENT DATE:** Date (YYYY MM DD) _____

[44D] **SHIPMENT PERIODS:** (insert shipment schedule, optional)

[45A] BRIEF DESCRIPTION OF GOODS AND/OR SERVICES

Quantity, description of goods and/or services, P.O. number and date. The Bank must be able to identify the nature of goods.

Shipping terms (Incoterm and version followed by named place or port, if applicable).

2020 Incoterms: Select...

If other Incoterms: _____

[Incoterms, Version (AAAA)]

Port/Airport/Place: _____

Final destination of goods and/or services (MANDATORY) Select all that apply

This information is for the exclusive use of the bank and will not be communicated to the Beneficiary.

- Shipped and/or Delivered to Applicant/Client's address indicated above
- Shipped and/or Delivered to Applicant/Client at a different address (Indicate complete address; if more than one address, please use an attachment)

- Shipped/Delivered to a third party other than the **Applicant/Client**
(Indicate complete address of third party; if more than one address, please use an attachment)

[46A] REQUIRED DOCUMENTS: (select only the required documents)

- 1. Commercial invoice(s) _____ original(s) and _____ copy(ies)
- 2. Canada Customs invoice(s) _____ original(s) and _____ copy(ies)
- 3. Packing list(s) _____ original(s) and _____ copy(ies)
- 4.1 Certificate(s) of origin _____ original(s) and _____ copy(ies)
- 4.2 GSP form A _____ original(s) and _____ copy(ies)
- 5. Insurance (to be completed if covered by the Beneficiary)
 Insurance certificate or policy or declaration under open cover covering:
 "all risks," risks of war, strikes, riots and civil commotions (S.R.C.C.), or
 (specify risks to be covered):

for _____ % (minimum coverage of 110%) of goods value, with claims

payable in (specify country): _____

- 6. Transport document (select)
 Full set of transport documents covering at least two different modes of transport (multimodal or combined transport) consigned to the order of National Bank of Canada marked freight collect or prepaid and notified to:

Full set of bill of Lading (covering port to port shipment) consigned to the order of National Bank of Canada marked freight collect or prepaid and notified to:

Air transport document consigned to applicant marked freight collect or prepaid and notified to:

Specifications (if any) for transport documents

GENERAL CONDITIONS

In consideration of the Bank's issuance of the Credit, the Client agrees as follows (for the purpose of these General Conditions, reference to the Credit shall include any amendment thereto):

- 1. Authorization to pay.** The Bank is hereby irrevocably authorized and directed to pay the amount of any demand for payment purportedly made under the Credit by the Beneficiary (or any receiver, assignee for the benefit of creditors, trustee in bankruptcy, secured party or other like person that the Bank believes in good faith to be entitled to the Beneficiary's claim under the Credit).
- 2. Undertaking to pay.** The Client shall reimburse all sums which the Bank shall pay under the Credit. The Client undertakes to pay the applicable fees to the Bank for the services rendered to it by the Bank in connection with the Credit, in accordance with the fee structure in effect from time to time at the Bank and available on its site <https://www.nbc.ca/content/dam/bnc/entreprise/pdf/tarification/business-fee.pdf>. The Client will also pay i) all the fees and commissions required by the Bank's correspondent banks for the issuance of the Credit and the operations resulting therefrom and ii) all costs (including legal costs) incurred and all damaged suffered by the Bank and its correspondent banks by reason of any dispute concerning the Credit and the operations resulting therefrom. All amounts due to the Bank shall be payable on demand with interest at the rate applicable to an overdraft in the Client's account (or, where applicable, the rate specified in the Client's credit agreement with the Bank). At the Bank's choice, these amounts may be i) debited from the Client's account specified in the application or any other Client account held with the Bank or ii) considered as advances to the Client. Any amount due in foreign currency may, at the Bank's discretion, be converted into Canadian currency at the Bank's spot rate in effect on the day of conversion (or, where applicable, at the rate as per the relevant foreign exchange contract entered into by the Client).
- 3. Issuance and appointment of correspondent banks.** The Bank may elect, at its sole discretion and particularly for certain countries, to issue the Credit or cause the Credit to be issued by a third-party institution. Any such third-party issuance shall be deemed issued by the Bank for the purposes of these General Conditions. The Bank is further authorized to appoint any other bank or financial institution (each a "Correspondent Bank") for services and actions required in connection with the Credit. The Bank may use the services of a Correspondent Bank other than the one requested by the Client. Nothing herein shall oblige the Bank to issue the Credit.
- 4. Documents:** If the Bank determines that the documents submitted during a presentation do not comply with the conditions of the Credit, the Bank may, at its sole discretion and without being obligated to do so, request the Client have any discrepancies rectified. The Client undertakes to examine the copies of documents and notify the Bank immediately if the discrepancies are acceptable, failing which the Bank may refuse the presentation. Merchandise may arrive prior to the documents, particularly if they are sent by plane. If the merchandise arrives before the documents and they are consigned to the Bank, the importer may only take possession of it upon the Bank's written authorization. By obtaining the Bank's authorization or by otherwise taking possession of the merchandise, the Client irrevocably waives the right to be opposed to a potential discrepancy or incompliance of the documents.
- 5. Security on the documents and goods.** All documents described herein or related to the goods (including those replacing same, collectively referred to as the "Documents") as well as all goods covered thereby, are hereby assigned and pledged to the Bank and may be held by the Bank as security for the payment of all amounts due hereunder and for all other obligations of the Client to the Bank, present and future, direct and indirect. If the Client is or becomes in possession of Documents or goods covered by the Bank's security, the Client shall hold same as depositary and trustee for the Bank, to which it shall remit same on demand. This security shall be governed by the *Bank Act*, without however limiting the rights the Bank may have under any other law or agreement.
- 6. Security on the proceeds from the goods.** This security shall also extend to the proceeds from the sale of the goods covered by the Documents, including any instrument or security received in payment as well as any claim against the purchasers. If the Client receives the proceeds of such sale, it shall hold same as depositary and trustee for the Bank and shall remit same to the Bank immediately.
- 7. Insurance.** The Client shall cause the goods covered by the Documents to be constantly insured for its full insurable value against damages caused by theft, fire and all other risks against which a prudent administrator would insure the goods. The Bank is hereby designated as the Beneficiary of all policies relating to the goods and the Client shall cause such designation to be recorded in these policies. The Client shall deliver or cause to be delivered to the Bank a copy of each policy. If the Client fails to fulfill the obligations contained in this paragraph, the Bank may, without being bound to do so, take insurance in respect of the goods for an amount it considers appropriate and, in such case, the premiums paid by the Bank shall be reimbursed by the Client.
- 8. Recourses.** Upon the Client's default to pay any sum owed to the Bank or upon the Client's default to perform any one of its obligations to the Bank or if the Client becomes insolvent, the Bank is authorized, without being bound to do so, to sell, in whole or in part, the Documents or the goods covered thereby; for that purpose, the Bank may take possession of these goods and use the premises occupied by the Client. The Bank shall have discretion as to the manner, time and place of such sale, and such sale may take place without any notice to the Client (other than the notice under the *Bank Act*, where applicable), without any formal procedure and without any obligation to advertise the sale or to sell at a public auction. The Bank shall have discretion as to how the proceeds of such sale shall be applied: the Bank may deduct from these proceeds all costs incurred by it with respect to the Documents, the goods or their sale.
- 9. Rights of the Bank.** The Bank's rights hereunder or under the documents are in addition to and not in substitution of the rights resulting from any other agreement or guarantee. The rights conferred on the Bank shall benefit any successor of the Bank, including any entity resulting from the amalgamation of the Bank with another person.
- 10. Responsibility of the Bank.** Neither the Bank nor any Correspondent Bank shall be liable for any punitive, exemplary, indirect or special damages in connection with the Credit requested or issued under this Agreement. Without limitation, the Bank shall not be responsible for i) the form, sufficiency, accuracy, genuineness, falsification or legal effect of Documents or for the conditions stipulated in such Documents, or superimposed thereon, ii) the description, quantity, weight, quality, condition, packing, delivery, value or existence of the goods represented by such documents or iii) the good faith, or acts or omissions, solvency, performance or standing of any consignor, carrier or insurer of such goods or any other person whomsoever. Furthermore and in accordance with the UCP, the Bank shall not be liable for i) the consequences arising out of delay, loss in transit, mutilation or other errors arising in the transmission of the Credit, messages or Documents, ii) errors in translation or iii) failure of any Correspondent Bank or other bank to carry out instructions transmitted by the Bank.
- 11. Electronic communication.** Any electronic communication, including communication by phone, computer or by means of any other electronic transmission or communication methods, including facsimile transmission and email, purportedly received from the Client shall be deemed to be duly authorized by and binding upon the Client. The Bank is authorized to act upon any such communication and give full effect to any instructions or requests thus presented (including any acceptance of discrepancies), provided that it believes in good faith that such instructions or request come from a person authorized to act on behalf of the Client. The electronic transmission (by fax, by scanned attachment to an email or by any other technological medium or computer system chosen by the Bank) of a document signed by the Client has the same effect as if the Client had manually delivered to the Bank a copy of this document signed by them. The Bank is further authorized to transmit any notice relating to the Credit to the Client's fax number or email appearing in this application and any notice so transmitted shall be deemed delivered to the Client as of the sending date. The Client acknowledges that the Bank offers no implicit or explicit guarantee regarding the confidentiality of the information exchanged between them electronically. The Client releases the Bank from any and all liability incidental to the use of such communication methods.
- 12. Governmental requirements.** The Client acknowledges that the issuance of the Credit is subject to legislation applying to anti-money laundering and anti-terrorist financing measures. The Client hereby certifies that the import of goods described in the Credit is not prohibited or restricted and undertakes to fully cooperate with and deliver to the Bank any documents required by any governmental/regulatory authorities.
- 13. Rules relating to documentary credits.** Except as otherwise provided herein, the latest version of the Uniform Customs and Practice for Documentary Credits, 2007 revision, International Chamber of Commerce Publication No. 600 (or any subsequent revision prevailing at the time of issuance) (the "UCP") shall govern the Credit and the rights and obligations of the Bank and of the Client with respect to operations resulting from the Credit. UCP are therefore deemed to be part of this application and the Client acknowledges being aware of them. The Client also declares their understanding of the scope of sections 7(c) and 12(b) of UCP 600 (nomination for acceptance or deferred payment undertaking). For all matters not covered by the UCP, the laws applicable in the Province of Québec shall apply to the relationship established by this application. The courts of the district of Montréal shall have exclusive jurisdiction to adjudicate any claim, action or proceeding in connection with the Credit or this Application.

Signed at: _____ Signed at: _____

Date: _____ Date: _____

First name and last name of Client's authorized signatory/ies

First name and last name of Client's authorized signatory/ies

X

Client's authorized signature(s)

X

Client's authorized signature(s)