Lease BG SBLC MTN and LTN Application and Term Sheet

Banks Instruments Limited | Hong Kong | Draft Template - Not for Execution

Regulatory capacity: any regulated activity described in this template must be performed only under the verified licence or exemption [INSERT], or by the named licensed third-party provider [INSERT]. Any security amount is contractual transaction security under definitive documents and is not a bank deposit or customer deposit with Banks Instruments Limited.

Purpose

This form records a request to lease the defined use or benefit of a bank guarantee, standby letter of credit, medium term note or long term note for a stated period. A lease does not transfer ownership unless the definitive agreement expressly says so. Use, presentation, pledge, monetization and return rights must be precisely defined.

Transaction details

- Lessee legal name: [INSERT]
- Instrument: [BG SBLC MTN LTN]
- Currency and face value: [INSERT]
- Provider and lawful owner: [INSERT]
- Issuing bank, country and rating criteria: [INSERT]
- Beneficiary or account designation: [INSERT]
- Lease term and instrument expiry or maturity: [INSERT]
- Proposed wording and governing rules: [INSERT]
- Delivery and settlement route: [SWIFT EUROCLEAR OTHER]
- Permitted use: [INSERT]

Commercial terms

- Lease fee: [INSERT]
- Provider and arrangement fees: [INSERT]
- Contractual performance security amount or collateral: [INSERT]
- Legal, custody and transmission charges: [INSERT]
- Broker commission schedule: [INSERT]
- Payment trigger and refund conditions: [INSERT]

Lessee obligations

The lessee shall use the instrument only for the approved purpose, comply with wording and bank restrictions, preserve the provider's rights, avoid unauthorized transfer or encumbrance, and complete any discharge, return or expiry procedure. It shall disclose any proposed lender, monetizer, custodian or sub beneficiary before contact.

Process and conditions

The lessee submits KYC, proof of fee capacity, receiving bank readiness and transaction purpose. Banks Instruments and the provider complete due diligence and agree wording, delivery, fees and protections. Definitive lease, escrow or trustee and bank communication documents are then executed. Delivery occurs only after all conditions are satisfied and both banks approve the route.

Any target timetable is measured from complete satisfaction of conditions and is not guaranteed. Any non performance amount must be separately negotiated, entered in the executed schedule and documented with funding evidence, triggers, exclusions and remedy procedure.

Acknowledgements

The lessee understands issuer credit, authenticity, transferability, custody, market, legal, operational and timing risks. A leased instrument may be unacceptable to a proposed bank or financing party and may not generate proceeds.

Lessee: [NAME TITLE SIGNATURE DATE]

Provider: [NAME TITLE SIGNATURE DATE]

Banks Instruments Limited: [NAME TITLE SIGNATURE DATE]