

Standard Form Letter of Indemnity to be given in return for Delivering Goods Without Production of the Original Bill of Lading Incorporating a Bank's Agreement to join in the Letter of Indemnity

(MUST BE ON INDEMNITOR'S LETTERHEAD)

[insert date]

To: Orient Overseas Container Line Limited ("OOCL") and its affiliates,
The Carrier
The owners of the Vessel (hereinafter defined)

Dear Sirs

Vessel: [insert name of ship]

Voyage: [insert load and discharge ports as stated in the bill of lading]

Goods: [insert description of goods]

Bill of Lading: [insert identification numbers, date and place of issue]

The Goods was shipped on the Vessel by [insert name of shipper] and consigned to [insert name of consignee or party to whose order the bill of lading is made out, as appropriate] for delivery at [insert name of final destination stated in the bill of lading] but the bill of lading has not arrived and we, [insert name of party requesting delivery], (the "Requestor") hereby request you to deliver the said Goods to [insert name of party to whom delivery is to be made] at [insert place where delivery is to be made] without production of the original bill of lading (the "Request"). Unless otherwise provided herein, capitalised terms used herein without definition shall have the meaning given to them in the Bill of Lading.

In consideration of your complying with the Request, we hereby agree as follows:-

1. To indemnify you, your servants and agents and to hold all of you harmless in respect of any liability, loss, damage or expense of whatsoever nature which you may sustain by reason of delivering the Goods in accordance with the Request.
2. In the event of any proceedings being commenced against you or any of your servants or agents by reason of delivering the Goods in accordance with the Request, to provide you or them on demand with sufficient funds to defend the same.
3. If, in connection with the delivery of the Goods, the Vessel, or any other vessel or property in the same or associated ownership, management or control, should be arrested or detained or should the arrest or detention thereof be threatened, or should there be any interference in the use or trading of the vessel (whether by virtue of a caveat being entered on the ship's registry or otherwise howsoever), to provide on demand such bail or other security as may be required to prevent such arrest or detention or to secure the release of such vessel or property or to remove such interference and to indemnify you in respect of any liability, loss, damage or expense caused by such arrest or detention or threatened arrest or detention or such interference, whether or not such arrest or detention or threatened arrest or detention or such interference may be justified.
4. As soon as all original bills of lading for the Goods shall have come into our possession, to deliver the same to you, or otherwise to cause all original bills of lading to be delivered to you, whereupon our liability hereunder shall cease.
5. The liability of each and every person under this indemnity shall be joint and several and shall not be conditional upon your proceeding first against any person, whether or not such person is party to or liable under this indemnity.
6. This indemnity shall be governed by and construed in accordance with English law and each and every person liable under this indemnity shall at your request submit to the jurisdiction of the High Court of Justice of England.
7. Each of the persons signing this indemnity represents, warrants and guarantees that he/she has full and proper legal authority to do so on behalf of the party for whom he/she signs.

Yours faithfully
For and on behalf of
[insert name of Requestor]

.....
Authorised Signatory

We, [insert name of the Bank], hereby agree to join in this Indemnity providing always that the Bank's liability:-

1. shall be to make payment to you forthwith on your written demand in the form of a signed letter certifying that the amount demanded is a sum due to be paid to you under the terms of the Indemnity and has not been paid to you by the Requestor or is a sum which represents monetary compensation due to you in respect of the failure by the Requestor to fulfill its obligations to you under the Indemnity. For the avoidance of doubt the Bank hereby confirms that such compensation shall include, but not be limited to, payment of any amount in order to enable you to arrange the provision of security to release the Vessel (or any other vessel in the same or associated ownership, management or control) from arrest or to prevent any such arrest or to prevent any interference in the use or trading of the Vessel, or other vessel as aforesaid.

2. subject to proviso 3 below, shall terminate on [date six years from the date of the Indemnity] (the 'Termination Date'), except in respect of any demands for payment received by the Bank hereunder at the address indicated below on or before that date.

3. shall be extended at your request from time to time for a period of two calendar years at a time provided that:-

(a) the Bank shall receive a written notice signed by you and stating that the Indemnity is required by you to remain in force for a further period of two years, and

(b) such notice is received by the Bank at the address indicated below on or before the then current Termination Date.

Any such extension shall be for a period of two years from the then current Termination Date. However, in the event of the Bank receiving a written notice signed by you, on or before the then current Termination Date, stating that legal proceedings have been commenced against you as a result of your having delivered the Goods as specified in the Indemnity, the Bank agrees that its liability hereunder will not terminate until receipt by the Bank of your signed written notice stating that all legal proceedings have been concluded and that any sum or sums payable to you by the Requestor and/or the Bank in connection therewith have been paid and received in full and final settlement of all liabilities arising under the Indemnity.

4. shall be governed by and construed in accordance with the law governing the Indemnity and the Bank agrees to submit to the jurisdiction of the court stated within the Indemnity.

It should be understood that, where appropriate, the Bank will only produce and deliver to you all original bills of lading should the same come into the Bank's possession, but the Bank agrees that, in that event, it shall do so.

The Bank agrees to promptly notify you in the event of any change in the full details of the office to which any demand or notice is to be addressed and which is stated below and it is agreed that you shall also promptly notify the Bank in the event of any change in your address as stated above.

Please quote the Bank's Indemnity Ref in all correspondence with the Bank and any demands for payment and notices hereunder.

Each of the persons signing this indemnity represents, warrants and guarantees that he/she has full and proper legal authority to do so on behalf of the party for whom he/she signs.

Yours faithfully

For and on behalf of

[insert name of bank]

[insert full details of the office to which any demand or notice is to be addressed]

.....
Signature