



Application and Agreement for Standby Letter of Credit or Guarantee

Date:
 YYYYMMDD

Commercial Clients: Please fax your completed and signed application to your branch or Trade Operations via fax: 1800-450-7774

Small Business Clients: Please fax your completed and signed application to your branch/AMBP

For assistance with the completion of this form, please contact the Trade Service Centre Help Line: **1-800-757-4525**

Capital Markets Account Clients: Please fax your completed application to GLA Trade: 416-364-3670
Branch: For Small Business Clients, send directly to BSC via eCourier/PEGA

For Commercial clients, send directly to Trade Ops via fax: 1-800-450-7774
As per attached format/sample

PLEASE ISSUE: Standby Letter of Credit Demand Guarantee

1. CUSTOMER AND CONTACT INFORMATION

Name of Applicant:

Name of Beneficiary:

Address:

Address:

Contact:

Contact:

Telephone:

Fax:

Telephone:

2. APPLICATION DETAILS

Currency:

Amount:

EDC - Export Development Canada

Draft

Standby L/C or Guarantee with built in changes in amount

3. PURPOSE: As per attached Details as below

7. DELIVERY INSTRUCTIONS:

(Complete if known for (ii) and mandatory when (iii) is selected)

4. EXPIRY DATE: One year from date of issue
Specific Date

5. EXTENSION:

Automatically extend this standby L/C or Guarantee

Notification time for non-extension:

Standby L/C or Guarantee issued under the laws of a country other than Canada

Specify Country:

Standby L/C or Guarantee issued in favour of Canadian or Provincial Government containing a Delayed Claim Benefit

(Complete when (ii) and 'An Agent' dropdown above is selected)

6.

TERMS AND CONDITIONS

In consideration of Royal Bank of Canada (hereinafter called the "**Bank**") issuing, honouring, revising and amending a standby letter of credit or guarantee (hereinafter called the "**Credit**") at the request of the person(s) (herein collectively called the "**Customer**", their liabilities herein being joint and several) whose signature(s) appears on these terms and conditions, such terms and conditions forming part of the Application and Agreement for Standby Letter of Credit or Guarantee (the "**Application**") and subject to modifications in the Credit which may be made by the Bank from time to time, the Customer covenants and agrees with the Bank as follows:

1. The Customer shall provide for all bills of exchange, drafts, cable and written demands for payments and receipts drawn or issued under a Credit (a "**Drawing**") by payment of the amounts thereof to the Bank in accordance with the following provisions:
 - (a) a Drawing in the currency of the place of issue of the Credit shall be provided for by payment in that currency.
 - (b) a Drawing in a currency other than the currency of the place of issue of the Credit (a "**Foreign Currency**") shall be provided for by payment in the currency of the place of issue of the Credit in an amount determined by applying the Bank's current announced rate of exchange for converting such foreign currency to the currency of the place of issue of the Credit to the amounts due under the Credit, or with the Bank's approval in such Foreign Currency, by bankers' demand draft or telegraphic transfer approved by the Bank; and
 - (c) payment will be made on demand of the Bank, at any time and from time to time, whether before, at or after maturity of the Credit, together with interest from the date the Drawing was honoured by the Bank.
2. The Customer shall pay the Bank's fees (including, without limitation, any legal and documentation fees) and expenses incurred by the Bank in connection with the Credit or these terms and conditions, including the enforcement of its rights under the Credit or these terms and conditions with interest thereon.
3. The Customer shall pay the Bank's fees and charges at the prevailing rate for issuing, renewing, honouring, revising and making amendments to standby letters of credit or guarantees. The Customer shall reimburse the Bank that amount which compensates the Bank for any additional cost or reduction in income caused by: (i) an imposition of or increase in taxes on amounts payable by the Customer to the Bank in connection with the Credit or these terms and conditions, other than taxes on the overall net income of the Bank; (ii) an imposition of or increase in reserve or similar requirement against assets of, or deposits in or for the account of loans by, or any other acquisition of funds by, the Bank; (iii) a change in any requirement of the Bank relating to capital adequacy; or (iv) the imposition of any other condition with respect to the Credit by any government, governmental body or agency, tribunal or regulatory authority, through any directive, regulation, request or requirement with which financial institutions operating in the relevant jurisdiction are accustomed to or have generally complied, whether or not having the force of law.
4. The Customer shall pay interest on all overdue payments, fees and charges. Any interest payable hereunder is payable at the rate of interest announced from time to time by the Bank as the reference rate then in effect for determining interest rates on commercial loans in the relevant currency and location. Such interest shall be calculated daily and shall be payable monthly with interest on overdue interest at the same rate as on the principal.
5. Notwithstanding any other provision of these terms and conditions, the Bank may at any time or from time to time, without notice to the Customer or to any other person, set-off, appropriate and apply any and all deposits (general and special) by or for the benefit of the Customer with any branch of the Bank, whether matured or unmatured, and regardless of currency and any other indebtedness of the Bank to the Customer, against and on account of the amounts payable to, or the liabilities of the Customer to, the Bank under these terms and conditions, irrespective of whether or not the Bank has made any demand for payment pursuant to the provisions of these terms and conditions or the amounts payable are due or the liabilities are contingent.
6. If, in the Application, an automatic extension of the Credit has been requested, the Credit will be extended without amendment for a further period equal in duration to the period specified in the Application, unless 15 days prior to the time at which the Bank is required to give notice of non-renewal of the Credit to the beneficiary: (i) the Customer notifies the Bank in writing that the Credit is not to be renewed, or (ii) the Bank notifies the Customer in writing that the Bank will not renew the Credit.
7. The Bank may, in its sole discretion, use any agent or correspondent to advise, confirm or issue the Credit or carry out any other act or deed in connection with the Credit.
8. These terms and conditions and the obligations hereunder shall continue in force and apply notwithstanding any change for any cause or in any manner whatsoever in the composition or membership of any firm which is a party hereto or may be a user of the Credit.
9. In case of renewal or extension of the Credit or any bills drawn hereunder or any increase in the amount of the Credit or any modification in any of its terms, all obligations of the Customer under these terms and conditions shall subsist and apply to and in respect of such bills and the Credit related thereto as so renewed, extended, increased or modified.
10. If the Credit is not honoured or partially honoured, it may only be cancelled or retired on a day other than its maturity date with the written consent of the beneficiary of such Credit and the return of the original Credit to the Bank.
11. Neither the Bank nor its agents or correspondents shall be liable for any loss resulting from (i) any act or omission pursuant to the Customer's instructions, (ii) any other act or omission of the Bank or its agents or correspondents other than arising from their gross negligence or willful misconduct, (iii) the default or error in or misinterpretation of or default or delay in the sending, transmission, arrival or delivery of any message, document or payment, whether in cipher or not, by post, telegraph, cable, wireless or otherwise, (iv) any bill or document accepted, paid or acted upon by the Bank or its agents or correspondents being in any or all respects invalid, insufficient, fraudulent, forged or discrepant or any bill not bearing a sufficient reference to the Credit, (v) any act, default, omission, insolvency or failure in business of any other person (including any agent or correspondent), or (vi) any matter beyond the Bank's control.

12. Notwithstanding the form of any action or claim which may be asserted by the Customer, the liability of the Bank under these terms and conditions or any document delivered or Credit issued will be limited in the aggregate to actual and direct money damages not exceeding the total fees and charges paid by the Customer to the Bank in connection with the Credit. In no event will the Bank be liable for any indirect, consequential or exemplary damages whatsoever, including loss of profits, or for any claims against or other liabilities of the Customer in respect of any third party, whether for breach of warranty, negligence or otherwise, even if the Bank has been advised or been given notice of such a possibility.
13. The Customer shall indemnify the Bank from and against all losses, damages, expenses and liabilities (including legal fees and expenses), which the Bank may incur by reason of: (i) issuing, honouring and amending the Credit (including, without limitation, such losses, damages, expenses and liabilities that might arise by reason of complying with local laws, customs and regulations rendering invalid any provision of the Credit, including, without limitation, provisions dealing with the expiration thereof); (ii) the fraud, forgery or illegal actions of others or the Bank's performance of the obligations of a confirmer that wrongfully dishonours a confirmation; (iii) any action taken, admitted or suffered to be taken in good faith in reliance upon any instruction (including, without limitation, any modification to instructions provided on the Application), application, request or order from the Customer or upon other instrument, document or electronic communication reasonably believed by the Bank to be genuine; or (iv) otherwise arising out of the non-compliance by the Customer with any of these terms and conditions.
14. Except as otherwise expressly stated, a Standby Letter of Credit shall be subject to International Standby Practices 1998, ICC Publication No.590 as revised from time to time, or if specifically requested and agreed to by the Bank, to Uniform Customs and Practice for Documentary Credits, 2007 revision, International Chamber of Commerce (ICC) Publication No. 600. A Demand Guarantee is subject to Uniform Rules for Demand Guarantees, ICC Publication No. 758 and subsequent revisions.
15. No failure to exercise and no delay in exercising on the part of the Bank, any right, power or privilege hereunder shall operate as a waiver thereof nor shall any partial or single exercise of any other right, power or privilege preclude any other right, power or privilege. No amendment, modification or waiver of any provision of these terms and conditions shall be effective unless it is in writing, duly signed by the Bank and the Customer, and then the amendment, modification or waiver will be effective only in the specific instance, for the specific purpose and for the specific length of time for which it is given by the Bank. These terms and conditions and the obligations hereunder are in addition to and not in substitution for any other obligations or security held by the Bank for satisfaction of the Customer's obligations. The remedies herein provided are cumulative and are not exclusive of any other right or remedy provided by law, in equity or under any agreement or instrument.
16. These terms and conditions shall continue in full force and effect until the expiration of the Credit, but notwithstanding any such expiration, these terms and conditions shall continue in full force and effect until all obligations then outstanding under the Credit have been paid in full and all rights of the Bank hereunder have been satisfied or other arrangements for the securing of such rights satisfactory to the Bank have been made.
17. These terms and conditions shall be binding upon the heirs, executors, administrators, assigns or successors of the Customer and shall inure to the benefit of and be enforceable by the Bank, its successors and assigns.
18. The Credit is subject to all laws, customs and regulations which may be in force in any place of negotiation or payment thereof as well as any laws specifically designated by the Customer. The Customer further agrees that when such foreign laws are designated, these terms and conditions will be subject, at the Bank's sole discretion to these same laws. If any provision of these terms and conditions is or becomes prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate, affect or impair any of the remaining provisions hereof or render unenforceable the provision in any other jurisdiction.
19. The Customer has expressly requested that this document be drawn up and executed in the English language. Le client a expressément demandé que ce document soit rédigé et signé en langue anglaise.

THE CUSTOMER HEREBY ACKNOWLEDGES, AGREES AND RATIFIES THE PROVISIONS OF THE APPLICATION AND OF THE TERMS AND CONDITIONS SET OUT ABOVE AND FORMING PART OF THE APPLICATION.

Name of Borrower:

Authorized Person No.1 Signature

Authorized Person No.2 Signature

Name:

Name:

Title:

Title:

FOR BANK USE ONLY

SRF No. (Applicant):	Debit:	Applicant	Borrower
BRR Rating:	Debit Account at Transit:		
Facility No:	CAD	USD	Acct. No:
Borrower Name (if other than applicant):			
Borrower SRF:		Transit No:	