

Received, upon the trust hereinafter mentioned, from BDO UNIBANK, INC. (the "Bank"), the goods and merchandise ("Goods"), the property of the said Bank, which are covered by the bill of lading and / or delivery receipt as follows:

Entrustee				
Business Address				L/C No.
				IB No.
Invoice Value of Goods	Bank Charges	Conversion Rate	Amount of Obligation	Maturity Date
Description of Goods				

Original Documents Delivered Under Trust Receipt

- | | | |
|---|---|--|
| <input type="checkbox"/> Commercial Invoice | <input type="checkbox"/> Packing List | <input type="checkbox"/> Certificate of Analysis |
| <input type="checkbox"/> Bills of Lading | <input type="checkbox"/> Insurance Policy Certificate | <input type="checkbox"/> Certificate of Inspection |
| <input type="checkbox"/> Airway Bills of Lading | <input type="checkbox"/> Certificate of Origin | <input type="checkbox"/> Others |

And in consideration thereof, I/We HEREBY AGREE TO HOLD THE SAID GOODS IN TRUST FOR THE SAID BANK AS ITS PROPERTY, with permission to sell them for its account at not less than the invoice value of the Goods plus all charges and expenses, but without authority to make any other disposition whatsoever of the said Goods, or of any part thereof (or the proceeds thereof or title thereto) or in any manner to encumber the same by means of conditional sale, pledge, chattel mortgage, assignments, or any other kind of lien or encumbrance. In case of sale of the Goods, I/We agree to turn-over the proceeds thereof to the Bank as soon as received, to apply against the amount of obligation under this Trust Receipt and for the payment of any other indebtedness of mine/ours, whether due or not yet due to the Bank. The Bank shall not in any manner be responsible as principal or as vendor under any sale contract made by me/us. In case of non-sale of the Goods, I/We agree to return the Goods to the Bank immediately upon demand or within _____.

This Trust Receipt is executed for the purpose of securing the payment of the Obligation as specified above, including all interests, penalties, bank charges, reimbursements, and other obligations I/We owe to the Bank, whether direct or indirect, principal or secondary, absolute or contingent, as provided in the pertinent/related documents the cost of collecting the same and other expenses which the Bank may incur in connection with or as an incident to this Trust Receipt, as well as my/our faithful compliance with the terms and conditions of this Trust Receipt and of separate instruments under which the obligations hereby secured were obtained including amendments thereon.

I/We shall pay all amounts payable hereunder in the currency of the obligation and immediately available funds at the principal office of the Bank not later than 11:00 a.m. on the Maturity Date indicated above. Any payment to the Bank shall be applied first against costs, losses, expenses, and indemnities due hereunder, then against fees due to the Bank, then against default penalty if any, then against interest due on the obligation, and thereafter, against the amount of the obligation then due and payable, and thereafter to the prepayment of the obligation.

I/We hereby waive our right under Article 1252 of the Civil Code of the Philippines to designate the application of its payment and irrevocably authorize the Bank or its assigns to apply such payment to any of my/our existing obligations to the Bank or its assigns, at the Bank's sole discretion.

All payments due to the Bank hereunder, whether principal, interest, penalties, fees or otherwise, shall be made without set-off or counterclaim, and free and clear of and without any deduction or withholding on account of any taxes (including, without limitation, the final or withholding tax on interest payable to the Bank hereunder and gross receipts tax and/or value-added tax thereon), all of which shall be for my/our account and paid by me/us directly to the relevant taxing or other authority when due. If I/We shall be required by law to make any deduction or withholding in respect of taxes from any payment hereunder, the sum payable shall be increased as will result in the receipt by the Bank, after such deduction or withholding, of the amount that would have been received if such deduction or withholding had not been required. I/We shall forward to the Bank copies of the official receipt or other evidence acceptable to the Bank establishing the rate and payment of taxes within ten (10) calendar days of such payment.

If this Trust Receipt is denominated in any foreign currency, any foreign exchange loss shall be for my/our account.

I/We hereby represent and warrant as follows: (i) in case the Entrustee is a corporation, the corporation is duly organized and existing in good standing under the laws of the Philippines; (ii) I/We have full legal right, power and authority to execute and deliver this Trust Receipt and to perform my/our obligations hereunder; (iii) my/our execution, delivery and performance of this Trust Receipt do not and will not contravene any law, regulation, or other directive of any government authority and do not or will not result in a breach of, or constitute a default or require any consent under, any contractual obligation binding upon me/us or any of my/our assets; and (iv) this Trust Receipt has been duly executed and constitutes my/our legal, valid and binding obligation enforceable in accordance with the terms hereof.

The books of the Bank shall be deemed final and conclusive evidence concerning the Loan amount due to me/us.

I/We undertake to keep the Goods insured for their full value against fire, theft, and all other risks, the sum insured to be payable in case of loss to Bank, with the understanding that the Bank shall not be chargeable with the corresponding storage and insurance premium, and to deliver the corresponding insurance policies to the Bank immediately upon acquisition without need of any demand. I/We undertake to fully pay such storage, insurance premium and all other expenses incurred in connection with the Goods, whether it is in my/our possession or in the possession of the Bank for any reason that I/We do not or can not take delivery of the Goods. The non-delivery of the Goods to me/us shall not extinguish my/our obligations hereunder. I/We agree not to secure any additional insurance over the Goods without the consent of the Bank and without properly endorsing the policy in favor of the Bank. Loss or damage to the Goods from fortuitous event or force majeure, or from its nature or from my/our fault or negligence shall be for my/our account.

All duties, imports, taxes, stamps, freight, transportation storage and other charges and expenses that maybe due or may hereafter become due on or against the Goods and/or documents covered hereby shall be for my/our account.

I/We also agree to keep the Goods or products manufactured thereon or the proceeds thereof either wholly or in part whether in the form of money, bills receivable, or accounts, separate and capable of identification as the property of the Bank. I/We also agree not to lend, rent out, use or demonstrate said Goods and/or documents pertaining thereto.

I/We agree to pay interest in favor of the Bank on the amount of obligation due/which may become due under this Trust Receipt at the rate of _____% per annum. Interest not paid when due shall be compounded at _____% per annum from the due date. In the event of default by me/us on my/our obligation under this Trust Receipt, I/We further agree to pay the Bank an additional amount equivalent to _____% per annum of the amount due from date of default until fully paid. Furthermore, nothing contained in this Trust Receipt shall in any way affect, vary or impair any of the provisions of the Letter of Credit under which the Goods have been purchased, or the terms, conditions or provisions of the agreement under which said Letter of Credit was issued.

The Bank may at any time cancel this trust and take possession of the Goods or of the proceeds of the same as may then have been sold, wherever the Goods or proceeds may then be found, and all the provisions of this Trust Receipt shall apply to and be deemed to include the Goods if the same shall have been made up or used in the manufacture of any other goods or merchandise, and the Bank shall have the same rights and remedies against the Goods in their manufactured state or the product of said manufacture, as they would have had such Goods remained in their original state and irrespective of the fact that other and different merchandise may have been used in completing such manufacture.

Whenever the Bank finds it necessary, I/We shall submit an accounting or such reports, relating to the Goods as the Bank shall require, and/or shall permit the Bank's representatives or agents to inspect the Goods as well as my/our books and records especially those pertaining to the disposition of the Goods and/or the proceeds thereof.

Upon my/our refusal, for any reason, to return the Goods to the Bank, I/We hereby give authority to the Bank to enter my/our premises where the Goods are or may be located, by use of force, if necessary, and seize and take actual possession thereof without any judicial order or any other power or permission than herein granted. I/We agree and acknowledge that all the goods / merchandise / chattels / machineries / equipment in my/our possession or that of my/our agent, of such similar as that of the Goods shall be conclusive proof that said goods / merchandise / chattels / machineries / equipment form part of the Goods not sold or used in the manner authorized herein.

If any of the following Events of Default shall have occurred:

- 1) I/We shall default in the payment when due of the obligation, any installment thereof, or any other amount payable hereunder;
- 2) I/We shall default in the due performance or observance of any other covenant contained herein or in any agreement under which the Bank issued the letter of credit under the terms of which the Goods were purchased,

and such default shall remain unremedied for a period of five (5) calendar days after I/We shall have received written notice thereof from the Bank;

3) Any statement, representation, or warranty I/We have made hereunder, in my/our application with the Bank or any other document delivered or made pursuant thereto shall prove to be incorrect or untrue in any material respect;

4) I/We or any of my/our subsidiaries or affiliates shall fail to pay or default in the payment of any installment of the principal or interest relative to, or fails to comply with or to perform, any other obligations, or commits a breach or violation of any of the terms, conditions or stipulations, of any agreement, contract or document with the Bank or any third person or persons to which I/We or any of my/our subsidiaries or affiliates is a party or privy, whether executed prior to or after the date hereof, under which credit has or may have been extended to me/us, my/our subsidiary or affiliate by the Bank or such third person or persons or under which I/We have agreed to act as guarantor, surety or accommodation party, which, under the terms of such agreement, contract, document, guaranty or suretyship, including any agreement similar or analogous thereto, shall constitute a default or is defined as an event of default thereunder; or,

5) I/We or any of my/our subsidiaries or affiliates shall become insolvent or unable to pay my/our/its debts as they mature, or take advantage of insolvency, moratorium, or other laws for the relief of debtors, there shall be commenced against me/us or any of my/our subsidiaries or affiliate any proceeding under such laws, or any judgment or order is entered by a court of competent jurisdiction for the appointment of a receiver, trustee or the like to take charge of all or substantially all of my/our assets;

6) Any act or deed or judicial or administrative proceeding in the nature of expropriation, confiscation, nationalization, intervention, acquisition, seizure, or condemnation of or with respect to me/us, the business and operations, management, or ownership thereof, or its capital stock, property or assets, or any substantial portion thereof undertaken or instituted by any government, governmental agency, or authority, present or future, of the Republic of the Philippines;

7) Any of the concessions, permits, rights, franchises, or privileges required for the conduct of my/our business and operations or for its enjoyment of certain tax exemptions and/or other privileges shall be revoked, cancelled or otherwise terminated, or the free and continued use and exercise thereof shall be curtailed or prevented, or the occurrence of any act in general, whether similar or not to the foregoing, in such manner as materially and adversely to affect my/our financial condition or operations as reasonably determined by the Bank;

8) There shall have occurred a material change in the business, assets or financial circumstances or condition of me/us (including without limitation, the making of any investment unrelated to my/our business, excessive losses due to having made unnecessary investments of having exposed itself to unnecessary risks the undertaking of a major expansion program or permitting earnings before interest and taxes to fall below a level which would be necessary to service the interest expense on present and future loan obligation) which, in the reasonable opinion of the Bank, would adversely affect my/our ability to perform my/our obligations hereunder;

9) In case the interest rate provided herein is subject to adjustment, and I/We do not accept the new interest rate by the Bank;

10) Any adverse circumstance occurs, which in the reasonable opinion of the Bank, materially or adversely affects my/our ability to perform my/our obligations hereunder;

11) An attachment or garnishment of or levy upon any of my/our properties is made; and/or

12) The Goods or this Trust Receipt or any document related thereto or any other document which serves as security for the Loan shall for any reason (at any time after their execution and delivery) become ineffective, impaired or ceases to be in full force and effect or be declared null and void or the applicability thereof to the Loan is disaffirmed by me/us, or any right or lien established or created in favor of the Bank, in and under the Goods is lost or otherwise impaired; then, and in any such event, all my/our obligations hereunder shall become immediately due and payable, and the Bank may cancel this trust, and thereupon take possession of the Goods and/or such proceeds as may then have been realized therefrom, and have the Goods and the proceeds of such sale applied in accordance with the provisions of Section 7 of Trust Receipts Decree (P.D. No. 115).

I/We shall immediately give notice to the Bank of any average, damage, non-shipment, shortage, nondelivery or other happening not in the usual and ordinary course of business.

I/We hereby undertake to sign any further agreement or agreements and to deliver to the Bank on demand, any additional security, satisfactory to the said Bank which it may deem advisable to require from me/us for the better protection of its rights or should the market value of the Goods suffer any decline. I/We also give to the said Bank a lien on all property given unto or left in its possession, or which may hereafter come into the possession of the said Bank for my/our account, including my/our deposit account with said Bank; it being understood that this obligation shall continue and remain in full force and shall be applicable to all transactions between the Bank and myself/ourselves, notwithstanding any change in the individuals or in the membership of the firm or firms that parties to or are concerned with this contract, whether such change shall arise from the accession of one or more partners or from the death or succession of any member or members. This agreement is binding upon the parties herein, their respective successors, endorsees and assignees; provided that any and all assignment or transfers must be with the Bank's prior written consent, which it shall give at its sole discretion.

Should it become necessary for the Bank to avail of the services of an attorney-at-law to enforce any or all of its rights under this contract, I/We shall jointly and severally pay to the Bank for and as attorney's fees, the sum equivalent to 15% of the total amount involved, principal and interest then unpaid, but in no case less than P 20,000 whether actually incurred or not, exclusive of all costs or fees allowed by law. Amounts unpaid under this paragraph shall bear interest at the rate of _____% per annum, or at such other rate which the Bank may fix, from the date due until paid, plus all other bank charges. In the event of default by me/us in any obligation or breach of any of the terms and conditions of this Trust Receipt, I/We further agree to pay the Bank an additional amount equivalent to _____% per annum of the amount due from date of default until fully paid as liquidated damages.

My/Our liability for payment at maturity of any accepted draft, bill of exchange or indebtedness whatsoever shall not be extinguished or modified:

- 1) Because the Goods delivered by the Bank hereunder are misdescribed, or as represented, or are not delivered, or are not cleared through customs, or are impounded or held by the Government.
- 2) Because of any priority, act of war, or restriction, or the use, transportation, hypothecation, or disposal thereof imposed by any administrative, political or legislative enactments, regulations or orders whatsoever;
- 3) Because of the non-shipment or government appropriation of the same, or of any seizure or destruction or damage thereto, whether insured against or not.

If this Trust Receipt is signed by two or more parties, it shall be the joint and several undertaking of such parties.

I/We likewise hereby irrevocably constitute and appoint the Bank as my/our attorney-in-fact with full power and authority and without the necessity of prior notice, to negotiate, sell and transfer by public or private sale any of my/our stocks, securities, bonds or personal properties of which the Bank may be in possession and to apply the proceeds of such sale disposition to the payment of my/our obligations to the Bank.

No failure to exercise and no delay in exercising on the part of the Bank of any right, power or privilege hereunder or any other document executed in connection herewith, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right of power. The rights and remedies herein provided shall be cumulative, may be exercised concurrently and shall not be exclusive of any rights or remedies of the Bank granted by law.

I/We hereby acknowledge to have received all the documents covering the Goods mentioned in this Trust Receipt, as noted hereunder, which are considered integral part hereof. I/We hereby agree that our acknowledgment of the delivery or receipt of Goods shall be conclusive proof that the Goods so delivered and received are in good and marketable condition, suited for the purpose herein contracted.

The Bank is hereby authorized to complete this Trust Receipt, if undated, as of the day the Loan is made and to complete this Trust Receipt in any other particulars according to the terms upon which the Loan is made.

