



This contract, herein referred by reference no. _____ dated _____ is entered between M/s _____ referred as Applicant/Buyer and M/s _____ herein referred as beneficiary/supplier.

Whereas,

1) The supplier has undertaken an obligation towards the buyer to supply _____ (commodity/services) within a period of _____ (days/month/year) ending _____ 2004/2005, more specifically mentioned in the Pro-forma invoice No. _____ dated _____

a) It is resolved that the buyer shall establish a Letter of Credit, hereafter referred as LC, as per terms stipulated therein in the Pro-forma Invoice as per clause no.1.

b) The buyer is entitled to incorporate a pre shipment inspection clause in the letter of credit to be opened through their bankers i.e. requiring that the goods will be shipped by the sellers only after pre shipment inspection as per terms and conditions mentioned in the related L/C or that the letter of credit may contain special condition/s or clause/s at the request of the buyer and amendments to this clause/s shall be at the sole discretion of LC issuing bank. Any amendment/endorsement or verification of any document pertaining to the said LC in regard to this clause/s shall be at the sole discretion of the issuing bank. In the eventuality of acceptance of such request, the applicant shall ensure provision of 100 % cash margin to the LC issuing Bank as per credit terms stipulated therein for the applicant

c) It is agreed and confirmed between the buyer and the supplier that neither party shall raise any claims against the LC issuing bank, if it refuses to issue the amendment on the basis of non fulfillment of credit terms stipulated therein for the applicant.

d) It is hereby confirmed by the buyer and seller that trade transaction as referred in clause 1 above constitute a genuine business trade transaction. Both the parties further indemnify the bank that they will not misuse the credit instrument in any other way except as specified above.

e) We, the applicant and beneficiary irrevocably declare and undertake not to claim the refund of the banking charges and commissions once paid to you for this transaction and will not approach any court of law for any reason whatsoever with regard to this LC transaction.

f) This contract is considered as binding document as is a binding part of LC and shall be governed by and construed in accordance with the laws of Cook Islands. The undersigned are fully empowered by resolution of corporate resolutions to do so bind and commit. This contract supersedes any other binding obligation or document on the said LC. We agree that the failure to comply with any of the procedures terms and conditions of this contract will be binding on both parties i.e., the applicant and the beneficiary.

Signed by

Safal International FZC

Company Stamp

Signed by

Magnadata Int'l Ltd.

Company stamp