

DEFINITIONS

(These definitions are applicable to the Agreement and the Application):

“Agreement” means the document entitled “Application and Agreement for Commercial Letter of Credit” as the same may be amended or modified from time to time with the written consent of the Applicant and the Bank and include the Application and the transactions contemplated thereby & hereby
“Application” means the application portion which is on the front page of this document.
“Event of Default” means each event set forth in paragraph 10 of this Agreement as an Event of Default.
“Guarantor” means any present or future guarantor of the Obligations or any of them.
“Instrument” means any drafts, receipt, acceptance, teletransmission (including but not limited to telex) or cable, or other written demand for payment.
“Obligation” means any and all obligations of Applicant to Bank now existing or hereafter arising under this Agreement or otherwise, absolute or contingent.
“Property” means goods and merchandise and any and all documents relative thereto, securities, funds, chooses in action, any and all other forms of personal property.
“Taxes” means any present or future taxes, levies, imposts, deductions, charges, or withholdings, imposed by a relevant taxation authority or other authority whether foreign or domestic and whether local, state or federal, and all liabilities with respect thereto, excluding taxes imposed on net income and all income, and franchise taxes of the United States of America and any political subdivisions thereof.
“Uniform Customs and Practice” means the Uniform Custom and Practice for documentary credits (2007 Revision), International Chamber of Commerce Publication No. 600 or any subsequent revision thereof.

TO: EAST WEST BANK

In consideration of the issuance by the Bank of the Credit as requested in this Agreement, the Applicant hereby agrees with the Bank as follows with respect to the Credit:

1. **Reimbursement Obligation.** The applicant will pay the Bank, on demand, at the Bank’s principal office, in immediately available funds, the amount required to pay each Instrument. Such payment shall be made with interest at the rate agree upon between the Bank and the Applicant as evidenced by a separate promissory note signed by the Applicant, if any with respect to such payments from the date of the Bank’s payment of such Instrument to the date of reimbursement. If the Instrument is in foreign currency, such payment shall be United States of America currency at the Bank’s selling rate for cable transfers to the place of payment of the Instrument current on the date of payment or of the Bank’s settlement of its obligation, as the Bank may require. If, for any cause, on the date of payment or settlement, as the case may be there is no selling rate or other rate of exchange generally current in California for effecting such transfers, the Applicant will pay the Bank on demand an amount in United States of America currency equivalent to the Bank’s actual cost of settlement of its obligation however or whenever the Bank shall make such settlement with interest at the rate provided in the second sentence of this paragraph to the date of payment. The Applicant will comply with all governmental exchange regulations now or hereafter applicable to the credit or Instrument or payments related thereto and will pay the Bank, on demand, in United States of America currency, such amount as the Bank may be or may have been required to expend on account of such regulations. The Bank may debit the Applicant’s demand deposit account, and any other account or accounts maintained by the Applicant with any office of the Bank, or any subsidiary or affiliate thereof (now or in the future), and apply the proceeds to the payment of any and all amounts owed by the Applicant to the Bank under this Agreement.

2. **Payment of Fees, Expenses, Interest and Increased Costs.** (a) The applicant will pay the Bank, on demand, the Bank’s fees and all charges, costs and expenses paid or incurred by the Bank in connection with the Credit, and interest where chargeable, including fees and costs of counsel in connection with the preparation, performance or enforcement of this Agreement. Unless otherwise agreed:(i) commission payable under this Agreement shall be at the rate customarily charged by the Bank at the time in like circumstances; and (ii) interest payable hereunder on amounts not paid when due shall be at 5% points over the rate of interest otherwise payable on such amount. (b) In addition to commission, fees, and amounts otherwise payable with respect to the issuance of the Credit, the Applicant shall pay to the Bank on demand such amounts as the Bank in its sole discretion determines are necessary to compensate if for any costs attributable to its issuing or having outstanding such Credit resulting from the application of any law or regulation applicable to the Bank regarding any reserve, assessment, capital adequacy or similar requirement relating to letters of credit or the reimbursement agreements with respect thereto or other similar liabilities or assets or the Bank whether existing at the time of issuance of the Credit or adopted thereafter, provided, however, that in the case of a sale of a participation in any of the rights and/or obligations under this Agreement all amounts payable by the Applicant under this paragraph 2(b) shall be determined as if the Bank had not sold such participation. The Application acknowledges that there may be various methods of allocating cost (including costs of maintaining capital sufficient to permit issuance of the Credit) to the Credit and agrees that the Bank’s allocation for purposes of determining the costs referred to above shall be conclusive and binding upon the applicant provided such allocation is made in good faith.

3. **Payments to be free and Clear of Taxes.** Any and all payments made to Bank with this Agreement shall be made free and clear of and without deduction for Taxes. If the Applicant shall be required by law to deduct any Taxes from or in respect of any sum payable in connection with their Agreement: (i) The sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Agreement) Bank shall receive an amount equal to the sum Bank would have received had no such deductions been made, (ii) the Applicant shall make such deductions, and (iii) the Applicant shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. Within 30 days after the date of any payment of taxes, the applicant will furnish to Bank the original or a certified copy of a receipt evidencing payment thereof.

4. **Licenses and Insurance for Property.** The applicant agrees (a) to procure promptly any necessary import, export or other licenses for the import, export or shipping of the Property referred to in or shipped under, pursuant to or in connection with the Credit; (b) to keep such Property adequately covered by insurance in amounts, against risks and with companies satisfactory to Bank; and (c) to assign the policies or certificates of insurance to Bank, or to make the loss or adjustment, if any, payable to Bank at its option. Should the insurance or any Property referred to in or shipped under, pursuant to or in connection with the Credit for any reason be unsatisfactory to Bank, Bank may, at the Applicant’s expenses, obtain insurance satisfactory to Bank.

5. **Collateral, demand for Additional Collateral.** As collateral for the payment of any and all Obligations, the applicant hereby grants to Bank a security interest in (i) any and all deposits and deposit accounts of Applicant, documents of title, policies or certificates of insurance and other documents accompanying or relating to drafts drawn under the Credit and any and all other Property of the Applicant, now or hereafter in Bank’s possession or under Bank’s control and any and all Property shipped under or in connection with the Credit or in any way relating thereto or to any of the drafts drawn thereunder (whether or not such documents are released to or upon the order of the Applicant in trust or otherwise) and (ii) any and all proceeds and products of the foregoing. Insofar as any Property which may be held by Bank, or for Bank’s account as collateral hereunder may be released to or upon the order of the Applicant, the Applicant will sign and deliver to Bank on demand such form of trust receipt or other form of security agreement covering such Property as may be satisfactory to Bank, it being agreed that Bank’s rights as specified therein shall be in furtherance of an in addition to (but not in limitation of) Bank’s rights hereunder. In addition, the applicant agrees on demand of Bank to deliver, convey, transfer or assign to Bank additional collateral of a value and character satisfactory to Bank, including without limitation such deeds of trust, security agreements, financing statements and other documents as Bank shall at any time request. Applicant agrees to pay all filing and recording fees related to the perfection of any security interests granted to Bank in accordance with this paragraph.

6. **Proper Drawing, Bank’s Honoring.** The Bank may accept or pay any Instrument presented on or before the expiration date of the Credit set forth in the Agreement. Except insofar as written instructions may be given by a person purporting to be an authorized representative of the Applicant expressly to the contrary, (a) in the event shipment(s) in excess of the quantity called for under the Credit are made, the Bank may honor the related Instrument(s) or other documents in an amount or amounts not exceeding the amount of the Credit; and (b) the Bank may honor, as complying with the terms of the Credit and the Agreement, any Instrument or other document otherwise in order signed or issued by a person purporting to be an administrator, executor, trustee in bankruptcy, debtor in possession, assignee for the benefit of creditor, liquidator, receiver or other legal representative of the party authorized under the Credit to draw or issue such Instruments or other documents.

7. **Warranties.** Applicant warrants and represents that no shipment or payment to be made in connection with the Credit is in violation of United States of America export, currency control or other laws or regulations.

8. **Amendment, change, Modification, No Waiver.** Applicant acknowledges that the acceptance and consent of the Beneficiary is required for any amendment, change or modification to the Credit or any Instruments or documents called for thereunder and that the original terms of the Credit will remain in force until the Beneficiary communicates its acceptance of the amendment or until the Beneficiary tenders documents conforming to the Credit and to the not yet accepted amendments which will be deemed to be notification of acceptance of the amendment by the Beneficiary. As of that moment, the Credit will be amended. In the event of any amendment, change or modification, with the consent of Applicant, with respect to the Credit or any Instruments or documents called for thereunder, including waiver of noncompliance of any such Instruments or documents with the terms of the Credit, this agreement shall be binding upon the Applicant with regard to the Credit as so amended, changed or modified, and to any action taken by the Bank or any of its correspondents relating thereto. No amendment, change, waiver or modification to which the Bank has consented shall be deemed to mean that the Bank will consent or has consented to any other or subsequent request to amend, change, modify or waive a term of the Credit. The Bank shall not be deemed to have waived any of its rights hereunder, unless the Bank or is authorized agent shall Have signed such waiver in writing. No such waiver, unless expressly as stated therein, shall be

effective as to any transaction which occurs subsequent to the date of such waiver, nor as to any continuance of a breach after such waiver.

9. **Agreement and Acknowledgments; Indemnification.** It is also agreed that: (a) user(s) of the Credit shall not be deemed agents of the Bank; (b) none of the Bank, its affiliates, subsidiaries, or its correspondents shall be responsible for (I) failure of any Instrument to bear any reference to the Credit, or inadequate reference in any Instrument to the Credit, or failure of documents (other than documents expressly required to be presented under the Credit) to accompany any Instrument at negotiation, or failure of any person to note the amount of any Instrument on the reverse of the Credit, or to surrender or to forward documents apart from Instrument as required in the terms of the Credit, each of which provisions, if contained in the Credit itself, it is agreed may be waived by the Bank; or (ii) errors, omissions, interruptions or delays in transmission, or delivery of any messages, by mail or electronic transmission or by oral instruction, whether or not they may be in cipher. (c) The Bank shall not be in responsible for any act, error, neglect or default, omission, insolvency or failure in business of any of its correspondents; (d) the occurrence of any one or more of the contingencies or force majeure events refer to in the Uniform Custom and Practice or in the preceding clauses or subparagraphs (b) and (c) shall not affect, impair, or prevent the vesting of any of the Bank’s rights or powers hereunder or the Applicant’s obligation to make payment; (e) the Applicant shall promptly examine:(i) the copy of the Credit (and any amendments thereof) set to it by the Bank; and (ii) all Instruments and document delivered to it from time to time, and, in the event of any claim of noncompliance with Applicant’s instructions or other irregularity, the Applicant will immediately notify the Bank thereof in writing, the Applicant being conclusively deemed to have waived any such claim against the Bank and its correspondents unless such notice is given as aforesaid; and (f) any action, inaction or omission on the part of the Bank or any of its correspondents, under or in connection with the Credit or the related Instruments, documents or Property, if in good faith, shall be binding upon the Applicant and shall not place the Bank or any of its correspondents under any liability to the Applicant and in no event shall the Bank or any correspondent be liable for any special , consequential or punitive damages. The Applicant agrees to hold the Bank, each affiliate and subsidiary of the Bank, and the correspondents of any of them, indemnified and harmless against any and all claims, loss, liability or damage, including reasonable counsel fees and costs, howsoever arising from or in connection with this Agreement, including, without limitation, any such claim, loss, liability or damage arising out of any transfer, sale, delivery, surrender or endorsement of any document at any time held by the Bank or any of its affiliates or subsidiaries, or held for the account of any of them by any correspondent of any of them or arising out of any action for injunctive or other judicial or administrative relief and affecting, directly or indirectly, the Bank or such affiliate or subsidiary or arising by reason of Taxes assessed against Bank or such affiliate or subsidiary in connection with this Agreement and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally asserted.

10. **Events of Default.**(a) Any and all Obligations of the Applicant to the Bank, whether now existing or hereafter incurred (including the future obligation to pay hereunder), shall become and be due and payable forthwith without notice or demand upon the happening of any one or more of the following (each and “event of Default”): (I) the Bank in good faith deems itself insecure at any time; or (ii) the death or dissolution of the Applicant or any Guarantor, or (iii) any obligation and/or liability of the Applicant or any Guarantor to the Bank or any of its affiliates or subsidiaries is not paid or performed when due; or (iv) any event of default as such is defined under any material agreement to which the Applicant or any Guarantor is a party remains uncured after any appropriate cure period thereunder, or (v) the applicant or any Guarantor shall become insolvent (however such insolvency may be evidenced or defined) or commit any act or bankruptcy or insolvency, or make a general assignment for the benefit of creditors; or (vi)the Applicant or any Guarantor shall suspend the transaction of its usual business or be expelled or suspended from any exchange; or (vii) and application is made by any judgment creditor of the applicant or any Guarantor for an order directing the Bank to pay over money or to deliver Property or other assets, or (viii) a petition in bankruptcy shall be filed by or against the Applicant or any Guarantor, or (ix) a petition shall be filed by or against the Applicant or any Guarantor or any proceeding shall be instituted by or against the Applicant or any Guarantor for any relief under any bankruptcy or insolvency laws or any law relating to the relief of debtors, readjustment of indebtedness, reorganization, composition or extensions; or (x) any governmental authority, or any court at the instance of any governmental authority, shall take possession of any substantial part of the property of the applicant or any Guarantor or shall assume control over the affairs or operations of the Applicant or any Guarantor, or (xi) a receiver or custodian shall be appointed of, or a writ or order of attachment or garnishment shall be issued or made against, any of the now owned or hereafter acquired Property or assets of the Applicant or any Guarantor.

11. **Remedies.**(a) Upon the occurrence or continuance of an Event of Default, the Applicant or any Guarantor shall, on demand, make such payment as the Bank may require. Further, Bank may, in addition to and not in limitation of any rights and remedies provided in this Agreement or any other agreement or document, exercise in respect of the Property or other assets which are collateral for the Obligations, all the rights and remedies under applicable law including, without limitation, those of a secured party under the California Uniform Commercial Code. (b) In the event that a temporary restraining order, an injunction (preliminary or permanent) or any similar order is issued in connection with the Credit or any Instrument or documents relating thereto, which order, injunction or similar order may apply, directly or indirectly, to the Bank, the Applicant shall make such payment as the Bank require.

12. **Continuing rights and Obligations.** The Bank’s rights hereunder shall continue unimpaired, and the Applicant shall be and remain obligated in accordance with the terms and provisions hereof. No delay, extension of time, renewal, compromise or other indulgence which may occur or be granted by the Bank, shall impair the Bank’s rights or powers hereunder. If the Applicant is a partnership, its obligations hereunder shall continue in force, and apply, notwithstanding any change in the membership of such partnership whether arising from the death or retirement of one or more partners or the accession of one or more new partners. If the Applicant is a banking institution, the Applicant hereby appoints the Bank to issue the Credit in accordance with, and subject to, this Agreement. If more than one Applicant signs this Agreement, each of them shall be jointly and severally liable hereunder and all the terms and provisions regarding liabilities, obligations, Property and other assets of such entities and/or persons shall apply to any liabilities, obligations, Property and other assets of any and all of them.

13. **Instructions; No Liability.** Instructions (Whether by oral, telephone, teleprocess or other means) may be honored by the Bank when received from anyone purportedly to be authorized to give such instructions for the Applicant. Applicant agrees to furnish the Bank with written confirmation of each such instruction signed by the person giving such instruction, or other authorized personnel, but the Bank’s responsibility with respect to any instruction shall not be affected by its failure to receive or the content of such confirmation, and in the event of any such discrepancy the original instructions shall govern. The Bank shall have no responsibility to notify Applicant of any discrepancies between Applicant instructions and its written confirmation. The Bank shall be fully protected in, and shall incur no liability to the Applicant for, acting upon any oral, telephone, teleprocess or other instructions which the Bank in good faith believes to have been given by any authorized person, and in no event shall the Bank be liable for special, consequential or punitive damages. The Bank may, at its option, use any means of verifying any instructions received by it. The Bank also may, at its option, refuse to act on any oral, telephone, teleprocess or other instruction or any part thereof, without incurring any responsibility for any loss, liability or expense arising out of such refusal.

14. **No Waiver of Bank’s Right of Set-Off.** It is expressly recognized and acknowledged by the applicant that notwithstanding anything to the contrary contained herein, the Bank does not waive its common law or statutory rights of set-off or any other rights generally available to creditors.

15. **Assignment.** This Agreement may not be assigned by the Applicant without the prior written consent of the Bank. The Bank may assign or sell participation in all or any part of the rights and/or obligations under this Agreement. Applicant consents to the dissemination of information relating to the Applicant in connection with any such proposed assignment of sale. This Agreement and all right, obligations and liabilities hereunder shall be binding upon and inure to the benefit of the Bank and the Applicant and their respective successors and permitted assigns.

16. **Headings.** The headings used in this Agreement are for convenience of reference only and shall not define or limit the provisions of this Agreement.

17. **Applicable Law.** This Agreement and all rights, obligations, liabilities, claims and disputes arising out of or relating to this Agreement and the Credit shall be governed by the Uniform Customs and Practice and by the laws of the State of California, to the extent that such laws are not inconsistent with the Uniform Customs and Practice and without reference to principles of conflict of laws.

18. **Wording in documents.** The Bank shall have no liability to Applicant with respect to the content of any of the provisions in the documents presented under the Credit, even though the Applicant May have consulted with the Bank regarding the specific language to be used in such provisions, or the Bank may have suggested certain language to be used or, as an accommodation to the Applicant, assisted the Applicant with the drafting of such provisions. The Applicant acknowledges that it is not relying on the advice of the Bank as to what is included in, or omitted from any of the provisions in the documents presented under the Credit and that it has adopted each provision in any document required to be presented under the Credit as its own provision and agrees that under on circumstances shall the Bank be liable for any general, consequential, special or punitive damages that may arise out of or in connection therewith.

19. **Jurisdiction and Venue; Service of Process; Appointment of Agent; Waiver.** Applicant hereby consents to the exclusive jurisdiction of any court of record of the State of California or of any United States District Court within the State of California over the person of the Applicant, and agrees that such court shall be proper forum for any action or suit brought be the Bank. Service of process in any action or suit arising out of or in connection with this Agreement may be made upon the Applicant by mailing a copy of the summons to the Applicant either at the address set forth in this Agreement or at the Applicant’s last address appearing in the Bank’s records. THE APPLICANT WAIVES: (A) THE RIGHT TO TRIAL BY JURY IN THE EVENT OF ANY LITIGATION IN RESPECT OF ANY MATTER ARISING UNDER THIS AGREEMENT OR THE CREDIT OR THE OTHER DOCUMENTS AND INSTRUMENT WHETHER OR NOT OTHER PERSONS ARE ALSO PARTIES THERETO; (B) ANY IMMUNITY IT OR ITS PROPERTY OR OTHER ASSETS MAY NOW OR HEREAFTER HAVE FROM SUIT, JURISDICTION, ATTACHMENT (WHETHER PRIOR TO JUDGMENT OR IN AID OF EXECUTION), EXECUTION OR OTHER LEGAL PROCESS; AND (C) ANY CLAIM AGAINST THE BANK FOR CONSEQUENTIAL OR SPECIAL DAMAGES. NOTICE OF ACCEPTANCE OF THIS AGREEMENT BY THE APPLICANT IS WAIVED.