**Payment of Acquisition Price**

This Letter of Direction – Payment of Acquisition Price (the “Agreement”) is effective [DATE],

**BETWEEN: [LENDER NAME]** (the "Lender"), a company organised and existing under the laws of the [Country] of [COUNTRY], located:

 [YOUR ADDRESS]

**AND: [YOUR COMPANY]** (the "Borrower"), a company organised and existing under the laws of the [Country] of [COUNTRY], with its head office located at:

 [ADDRESS]

WHEREAS [LENDER] made a financing proposal to [BORROWER] dated [DATE], which the Borrower accepted on [DATE] (the “Proposal”);

WHEREAS the Lender and the Borrower have entered into a certain Contract of Loan and Hypothec dated concurrently herewith providing, inter alia, for the loan by the Lender to the Borrower of the sum of [AMOUNT] (the “Loan Proceeds”) for the purpose of assisting the Borrower in the acquisition of the equipment listed in [SPECIFY] (the “Equipment”) from [SPECIFY COMPANY], upon the terms and conditions set out therein (the “Contract”);

WHEREAS [SPECIFY NAME] (the “Surety”) has executed a certain Guarantee, Assignment and Postponement of Claim with respect to the obligations of the Borrower under the Contract in favour of the Lender, which the Lender has accepted (the “Guarantee”);

WHEREAS certain of the closing and post-closing items set out in the closing agenda annexed hereto (the “Agenda”) and certain of the conditions set out in the Proposal have not yet been met;

WHEREAS the Lender has tendered to [SPECIFY] in trust a cheque in the amount of [AMOUNT] in lawful currency of [COUNTRY] (the “Funds”), which amount represents the aggregate of the disbursement of the Loan Proceeds by the Lender in the amount of [AMOUNT] in lawful currency of [COUNTRY] and the payment of the balance of the acquisition cost for the Equipment (“Balance of Cost”) by the Borrower, to be held by [SPECIFY] as herein directed.

NOW THEREFORE THE LENDER AND THE BORROWER HEREBY JOINTLY DIRECT [SPECIFY] AS FOLLOWS:

1. [SPECIFY] is to deposit the Funds in its trust account, pending receipt of written confirmation jointly from the Lender and the Borrower (the “Joint Confirmation”) that all closing and post-closing items set out in the Agenda have been accomplished and that all conditions set out in the Proposal have been met, and in particular, without limiting the generality of the foregoing, that the Contract has been registered at the Register for Personal and Movable Real Rights without adverse entries, and that the Borrower has delivered to the Lender a waiver and subordination from its bankers and that Lender’s counsel has reviewed same and declared it to be satisfactory.
2. Such Joint Confirmation shall be delivered to [SPECIFY] in writing with specific reference to this Letter of Direction by registered mail or delivered by hand and shall be deemed to have been duly delivered [NUMBER] days after being placed in the post and mailed by registered mail (provided there are no postal disruptions), or upon receipt if delivered by hand, as follows, or on the date following the date of expedition if sent by telecopier:

[NAME]

[ADDRESS]

[COUNTRY]

[COUNTRY]

Attention : [SPECIFY NAME]

Telecopier Number : [FAX NUMBER]

1. Upon receipt of the Joint Confirmation, [SPECIFY] shall deliver a cheque in the amount of [AMOUNT] in lawful currency of the [COUNTRY] payable to the order of [SPECIFY], to [SPECIFY] at [ADDRESS], in payment of the acquisition cost for the Equipment. All interest accrued on the Funds attributable to the Loan Proceeds shall be paid at that time to the Lender and all interest accrued on the Funds attributable to the Balance of Cost shall be paid at that time to the Borrower.
2. In the event that [SPECIFY] does not receive the Joint Confirmation on or before [DATE], [SPECIFY] shall forthwith thereafter return an amount equal to the Loan Proceeds to the Lender together with all interest accrued thereon and return an amount equal to the Balance of Cost to the Borrower together with all interest accrued thereon, the Lender and the Borrower shall be released for all purposes from all their respective obligations under the Proposal and the Contract, and the Contract, the Proposal and the Guarantee shall be deemed to be reziliated, to be without effect and to have created no obligations between the parties thereto.
3. [SPECIFY] shall be deemed to have been released and discharged by the Lender and the Borrower from its obligations under this Letter of Direction upon the payment of the Funds and the interest accrued thereon in accordance with the provisions hereof.
4. [SPECIFY]’s obligations hereunder shall be confined to dealing with the Funds in accordance with this Letter of Direction and for reasonable diligence in the performance of its duties set forth herein. If at any time in the performance of its duties under this Letter of Direction, [SPECIFY] relies on any information, records, books or documents or it is necessary for [SPECIFY] to act upon any demand or notices in writing purportedly executed or issued by or on behalf of any of the parties hereto, it shall not be necessary for [SPECIFY] to ascertain whether or not the person or persons who have executed, signed or otherwise issued or authenticated the said information, records, books, accounts or writings is authorised to so execute, sign, issue or authenticate such a writing, or that they are the persons named herein or in writing or otherwise to pass upon any requirements of such instruments that may be essential for the validity or the authenticity of such information, records, books or accounts.
5. [SPECIFY] shall have all powers to deal with the Funds as may be necessary to give effect to the terms of this Letter of Direction, subject, however, to the limitations hereinabove provided.
6. The Lender and the Borrower mutually covenant and agree with [SPECIFY] to save [SPECIFY] harmless and to reimburse [SPECIFY] fully from time to time and at all times against all loss, costs, charges, damages and expenses which [SPECIFY] Agent may, at any time or at times hereafter, bear, sustain, suffer or be put to for or by reason of or on account of [SPECIFY] acting as holder of the Funds with respect to this matter or anything relating hereto.
7. [SPECIFY] shall not be liable for any loss arising out of any act or omission to act, or for any error in judgment, in the execution of the agency herein created so long as it or its servants act in good faith.
8. The Borrower and the Lender shall, at all times, whether during the term of or after the termination of the agency herein created, indemnify and save harmless [SPECIFY] from and against any liability of any kind whatsoever that may be imposed upon it by reason of its acts or omissions under the agency herein created.
9. Without restricting the generality of the aforementioned indemnities, the Borrower and the Lender covenant and agree that in the event that proceedings should hereafter be taken in any court respecting the matters referred to in this Letter of Direction, [SPECIFY] shall not be obliged to defend any such proceedings or take any proceedings in court or enter any appearance to such proceedings until the Borrower and the Lender shall have indemnified [SPECIFY] by good, and sufficient security is given against the [SPECIFY]’s costs of such proceedings.
10. Should any provision or condition of this Letter of Direction be or become illegal or non-enforceable, it or they shall be considered separate and severable from the Letter of Direction and the remaining provisions and conditions hereof shall remain in force and be binding upon the parties hereto as though the said provision or provisions or conditions had never been included.
11. This Letter of Direction may be amended only by written agreement duly executed by all the parties hereto.
12. This document may be executed in one or more counterparts each of which when executed shall be deemed to be an original and such counterparts together shall constitute but one and the same instrument.
13. This document shall be governed by and construed in accordance with the laws of [COUNTRY] and the laws of [COUNTRY] applicable therein.

IN WITNESS WHEREOF the parties have signed this Letter of Direction as of the date first hereinabove mentioned.

LENDER BORROWER

Authorized Signature Authorized Signature

Print Name and Title Print Name and Title