

# APPLICATION FOR ISSUING AN IRREVOCABLE DOCUMENTARY CREDIT



Date:

I/WE HEREBY REQUEST YOU TO ISSUE AN IRREVOCABLE DOCUMENTARY CREDIT UPON THE FOLLOWING TERMS AND CONDITIONS.		To be advised by: <input type="checkbox"/> FULL CABLE <input type="checkbox"/> BRIEF CABLE <input type="checkbox"/> AIRMAIL	
Advising Bank:		(50) Applicant (Name and Address):	
(20) Credit No. (For bank use only):		(59) Beneficiary (Name and Address):	
(31C) Issuing Date (For bank use only):		(32B) Amount in figures: Amount in words:	
(31D) Expiry date and Place:		(39) L/C Amount tolerance: <input type="checkbox"/> Plus / <input type="checkbox"/> Minus _____ %	
(41D) Available with Issuing Bank/Any Bank/Advising Bank by Negotiation /Payment /Acceptance /Deferred Payment (42C) Beneficiary's draft <input type="checkbox"/> at sight <input type="checkbox"/> _____ days _____, interest for beneficiary's account for full invoice value drawn on you/your correspondent against the following conditions and documents required. (43P) Partial shipments <input type="checkbox"/> Allowed <input type="checkbox"/> Prohibited. (43T) Transshipment <input type="checkbox"/> Allowed <input type="checkbox"/> Prohibited. (44E) Port of Loading/Airport of Departure _____ (44F) Port of Discharge/Airport of Destination _____ (44C) Latest Date of Shipment _____ (45A) Evidencing shipment of (goods): <input type="checkbox"/> FOB <input type="checkbox"/> CFR <input type="checkbox"/> CIF <input type="checkbox"/> _____			
Applicant (Company Stamp & Signature)			Signature Verified

## APPLICATION FOR ISSUING AN IRREVOCABLE DOCUMENTARY CREDIT



(46A) Documents required:

- ☐ Signed commercial invoice in five copies indicating this credit number.
- ☐ Full set of clean on board ocean Bills of Lading made out to the order of First Commercial Bank, Ltd. notify applicant, marked "Freight ☐ Collect / ☐ Prepaid" and indicating this credit number.
- ☐ Clean Air Waybill consigned to First Commercial Bank, Ltd. notify applicant, marked "Freight ☐ Collect/ ☐ Prepaid" and indicating this credit number.
- ☐ Insurance policy or certificate in duplicate, endorsed in blank for 110% of invoice value, stipulating that claims are payable in Singapore in the same currency and including:
  - ☐ 1982 Institute Cargo Clauses (A)
  - ☐ 1982 Institute Cargo Clauses (B)
  - ☐ 1982 Institute Cargo Clauses (C)
  - ☐ 1982 Institute Cargo Clauses (Air)
  - ☐ 1982 Institute War Clauses (Cargo)
  - ☐ 1982 Institute Strikes Clauses (Cargo)
  - ☐
- ☐ Packing List in \_\_\_\_\_ copies signed by beneficiary.
- ☐ Other documents:

(47A) Additional conditions:

(48) Presentation period: Documents to be presented within \_\_\_\_\_ calendar days after the date of shipment but within the validity of this credit.

(49) Confirmation: ☐ Confirmed: Confirming charges are for ☐ Applicant's/ ☐ Beneficiary's account  
☐ Without

(71B) All banking charges except our opening charges are for beneficiary's account.

\*\*\* Please debit all opening charges and/or margin payment to our account no. \_\_\_\_\_ with you.

Applicant (Company Stamp & Signature)	Signature Verified	Made by	Approved	General Manager

A print-out copy of the LC ISSUING TERMS AND CONDITIONS duly signed must be furnished.

## **LC ISSUING TERMS AND CONDITIONS**

**IN CONSIDERATION OF YOUR OPENING** the credit as requested herein, the applicant agrees as follows:

1. **IT IS UNDERSTOOD THAT** the Bank is at liberty and without notice to me/us to convert foreign currency drafts and documents drawn under a Sight Credit at the Bank's selling rate on the date such drafts and documents are received; and in the case of a Term Credit, the rate ruling would be the Bank's selling rate on the date the draft matures for payment, and such conversion into Singapore Dollars equivalent shall be binding on me/us.

2. **COMMISSION INTEREST AND OTHER CHARGES.** The applicant agrees to pay you on demand your commission, all expenses and charges paid or incurred by you (including expenses of collection, or of exercise of any rights as to security or otherwise, and legal fees), any correspondents' charges, and interest from date of payment to date of reimbursement.

3. **PRESENTATION OF DOCUMENTS.** Except as otherwise expressly provided herein, you and/or your correspondents may:

(a) Receive and accept as "Bill of Lading" any document(s) issued or purporting to be issued by or on behalf of any carrier which acknowledge(s) receipt of property for transportation, whatever the specific provisions of such document(s), and any such bill of lading issued by or on behalf of an ocean carrier may be accepted by you as an "Ocean Bill of Lading" whether or not the entire transportation is by water;

(b) If the credit specifies shipments in installment within stated periods and one or more shipments are not made by the designated date, honour drafts relative to subsequent shipments made on time;

(c) Accept or pay as complying with the terms of credit any drafts, otherwise in order, which may be signed by or issued to the administrator or executor of or the trustee in bankruptcy of, or any receiver of, the property of, the party in whose name the credit provides that any drafts should be drawn.

The applicant will inform you promptly whether or not discrepancies reported to you by the applicant are waived.

4. **LICENSES.** The applicant will procure promptly necessary import, export or shipping licenses for the property covered by the credit, comply with all governmental regulations, foreign or domestic (including exchange regulations) with regard thereto or the financing thereof, and furnish to you, at your request, certificates evidencing the foregoing, and on demand, pay to you any amount you may be required to expend in respect thereto.

5. **INSURANCE.** The applicant will at its own expense at all times keep fully insured with responsible companies acceptable to you, all property to which the credit relates against fire, loss at sea, war risk or any other risks to which said property may be subject, assign the policies or certificates thereof to you or make loss payable to you, at your option, and furnish you upon request evidence of compliance with the foregoing. If you at any time deem such insurance inadequate for any reason, you may procure such insurance as you deem necessary at the expense of the applicant. Until payment by the applicant of all amounts due to you in respect of credits opened and of all indebtedness and liability of the applicant to you on any account the insurance money payable is to be held as available to you and if received by the applicant shall be paid to you forthwith and until so paid shall be held by the applicant on your behalf.

6. **CHARGE.** All documents received by you or your agents under any such credit and the goods represented thereby shall be held by you as security for the due payment by the applicant of all money due to you by the applicant in respect of credits opened and of the money hereinbefore mentioned and of all the indebtedness or liability of the applicant to you from time to time on any account. The applicant agrees to assign to you the rights of the applicant as unpaid seller to transfer the goods into your control and that until payment by the applicant of such money due to you the proceeds of the sales of the goods are to be held available to you and if received by the applicant shall be paid to your forthwith and until so paid shall be held by the applicant on your behalf.

7. **POWER OF SALE.** On arrival of the goods you shall be at liberty to have them warehoused in your name and insured against fire but without obligation on you so to warehouse and insure and you will be in no way responsible for any loss or damage entailed through your omission so to warehouse and insure. Without prejudice to any other rights or remedies to which you may be entitled the applicant agrees that if the applicant fails to repay on demand all money due by the applicant to you from time to time as aforesaid you may without notice or further consent of any persons interested sell the goods in such manner and at such times as you may think fit and apply the net proceeds of any such sale in or towards the discharge of such money and the applicant undertakes to pay you on demand the amount of any deficiency remaining after such sale together with all usual commission charges and expenses and interest.

8. **GENERAL LOAN AND COLLATERAL AGREEMENT.** The provisions of the general loan and collateral agreement heretofore executed by the applicant and on file with you are hereby incorporated by reference in this agreement and shall be applicable hereto.

9. **TRUSTS RECEIPTS.** If any property shipped or documents representing the same are released by you to or upon the order of the applicant when any obligation of the applicant to you remains outstanding, the applicant will sign and deliver to you on demand with applicable law and in such form as you may request, and pay all necessary filing fees. Your rights herein are in addition to your rights under any applicable law.

10. **RESPONSIBILITY OF YOU AND YOUR CORRESPONDENTS.** Neither you nor your correspondents shall be responsible for (a) the acts or omissions of any beneficiary of the credit or transferee of the credit, if transferable; (b) the existence, nature, amount, condition, or delivery of the property purporting to be represented by documents, or any variance from descriptions therein or the existence of any liens or encumbrances upon such property; (c) the nature, validity, form, sufficiency, genuineness or collectability of any documents (including insurance) or instruments, or of any endorsement thereof; (d) any irregularity in connection with shipment, including any default, oversight or fraud by the shipper or any others in connection with the property or documents or the shipment, non-shipment or transmittal thereof, or delay in arrival thereof, failure to arrive or failure to give notice of shipment on arrival thereof; (e) the obtaining, character, adequacy, validity or genuineness of any insurance or the solvency or responsibility of any insurer; (f) errors, omissions, interruptions or delays in transmission or delivery of any messages, however sent and whether or not in code or cipher; (g) any act or omission or insolvency or failure in business of any other person (including any correspondent); and (h) without limiting the foregoing, any act or omission in good faith.

The applicant will indemnify you and hold you harmless from all loss, damage, liability or expenses by reason of any act or omission pursuant to the instructions of the applicant, or otherwise arising from or in connection with the credit, and the occurrence of any one or more of the above contingencies shall not affect or impair your rights and powers hereunder or the obligation of the applicant to reimburse you hereunder.

11. **RIGHTS CUMULATIVE: NO WAIVER.** The rights and remedies herein expressly specified are cumulative and not exclusive of any which you would otherwise have. No delay by you in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right. No right or remedy hereunder shall be deemed to have been waived unless you shall have signed such waiver in writing, nor shall any waiver, unless otherwise expressly stated therein, be applicable to any matters occurring subsequent to the date thereof or to any continuance of the matters waived after such date.

12. **MODIFICATION OF CREDIT AND/OR REFINANCING OF TRANSACTIONS EFFECTED THEREUNDER.** In case of any extension or renewal of the credit, increase or other modification of its terms, or the further financing or refinancing of any transaction effected under the credit as, for example, on a temporary advance, banker's acceptance or loan, with or without further documentation or agreement, this agreement shall continue to be binding upon the applicant in all respects with regard to the credit as so extended, renewed, increased or modified and to any transaction so financed or refinanced

13. **UNIFORM CUSTOMS.** The applicant agrees that the credit is to be subject to the Uniform Customs and Practice for Commercial Documentary Credits of the International Chamber of Commerce, which are in effect on the date of issue.

14. **BINDING EFFECT.** This agreement shall be binding upon the applicant, the heirs, executors, administrators, successors and assigns of the applicant, and shall insure to the benefit of, and be enforceable by you, your successors, transferees and assigns. If this agreement should be terminated or revoked by operation of law, the applicant will indemnify and save you harmless from any loss which may be suffered or incurred by you in acting hereunder prior to or subsequent to the receipt by you, your successors, transferees or of notice in writing of such termination or revocation. If any party hereto shall be a partnership, this agreement shall remain in force and applicable notwithstanding any change in the individuals comprising the partnership and shall include any altered or successor partnership, but the predecessor partnerships and their partners shall not thereby be released from any liability.

15. **AGREEMENT FOR USANCE CREDIT.** The applicant promises to strictly observe the following special conditions, and also promises to carry out all the duties on the part of the applicant and to indemnify your Bank from any loss or damage which may arise in connection with this transaction.

(1) The applicant hereby authorizes you or your correspondent bank to accept draft(s) on our behalf provided that the draft(s) is/are drawn in conformity with terms of this credit.

(2) The usance charges accrued from usance draft(s) under this credit shall be paid by us in currency of the draft at the rate of \_\_\_\_\_ percent per annum for \_\_\_\_\_ days (from the date of acceptance to the date of maturity) for the face amount of draft(s).

(3) When the relative shipping documents under this credit have arrived at your Singapore Branch, we undertake to surrender to your Bank, immediately and unconditionally upon your written or oral request, our promissory note(s) in the same currency of the draft, made out to the order of your Bank in the amount of invoice value plus usance charges, and payable on the same date of the maturity of the draft(s) held by you or your correspondent banks.

(4) On the date of maturity of the import draft(s) the applicant promises to settle with your bank in Singapore Dollars the cash equivalent to the draft(s) amount and the relative usance charges, calculated at your selling rate prevailing on the date of maturity.

I/We agree to the terms and conditions set out above and the accompany APPLICATION FOR ISSUING AN IRREVOCABLE DOCUMENTARY CREDIT shall form the basis on which the Bank is to process and issue and Irrevocable Documentary Credit at the Bank's discretion.

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Applicant (Company Stamp & Signature)