

Application for the issue of an irrevocable documentary credit

Date of this application		Date and Place of expiry of credit	
Applicant's Full name & address.		Beneficiary's Full name & address.	
Contact person: _____ Tel No: _____ Email address: _____		Amount in Figures	
<input type="checkbox"/> To be issued by airmail <input type="checkbox"/> With pre-advice by teletransmission/ Swift <input type="checkbox"/> To be issued by teletransmission / SWIFT		Amount in Words	
Confirmation of the credit by Advising bank <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> authorized if requested by Beneficiary.		Credit available with nominated bank <input type="checkbox"/> By acceptance } of beneficiary's draft at <input type="checkbox"/> By negotiation } _____ drawn on yourself <input type="checkbox"/> By payment at sight <input type="checkbox"/> By deferred payment at _____ against presentation of documents detailed herein.	
Credit is Transferable <input type="checkbox"/> Yes <input type="checkbox"/> No			
Partial shipments <input type="checkbox"/> allowed <input type="checkbox"/> not allowed	Transhipment <input type="checkbox"/> allowed <input type="checkbox"/> not allowed		
Shipment terms Not later than: _____ For transportation From _____ to: _____		Incoterms 2000 <input type="checkbox"/> FOB/FCA <input type="checkbox"/> CFR <input type="checkbox"/> CIF/CIP <input type="checkbox"/> Others <input type="checkbox"/> DDP <input type="checkbox"/> CIP <input type="checkbox"/> CPT <input type="checkbox"/> Ex-works	
Goods (Brief description without excessive details)			
Documents to be presented by beneficiary <input type="checkbox"/> Duly signed commercial invoice in 4 fold in English stating that the invoice is in all respect correct and true both as regards the prices and description of goods referred to therein and the country of origin or manufacture of the goods is _____ <input type="checkbox"/> Full set of at least 3 originals + 2 non negotiable on board Marine/Multimodal transport Bill of lading duly signed by the issuer marked Freight prepaid/payable at destination, made out to the order of Abu Dhabi Commercial bank/to order and blank endorsed and notify;- _____ <input type="checkbox"/> Third original of airway Bill _____ duly signed by the issuer showing goods consigned to Abu Dhabi <input type="checkbox"/> Original Land consignment note } Commercial Bank and freight/postage prepaid/payable at destination <input type="checkbox"/> Air Postparcel/Courier receipt } indicating date of despatch and notify: _____ <input type="checkbox"/> Insurance policy or Certificate in duplicate, blank endorsed for at least 110% CIF value covering institute cargo 1982A clause from ware house to ware house, Institute war clause, Institute strike, Riots & Civil commotions clause showing claims payable in UAE. <input type="checkbox"/> Certificate of _____-origin in duplicate issued/certified by Chamber of Commerce showing the full name and address of the manufacturers, name of exporting country and company. <input type="checkbox"/> Packing list in duplicate issued by the Beneficiary showing the details of packing and net/gross weights. <input type="checkbox"/> A certificate from the carrier, Master or their agents certifying that goods have been shipped on a vessel which is not prohibited from entering Arab ports for any reason and is not over 25 years and have established and maintained a regular pattern of trading and an advertised schedule to load and unload at specified ports. <input type="checkbox"/> Original Invoice and Certificate of origin must be legalized by UAE Embassy or Consulate and Invoice must show the Harmonized system commodity code applicable to the product shipped. <input type="checkbox"/> Delivery order in original duly signed and dated by _____ <input type="checkbox"/> <input type="checkbox"/>			
Insurance will be covered by us through:			
Shipping marks:			
Documents to be presented within _____ days after the date of shipment but within validity of the credit.			
Additional conditions: Charges: LC issuing Bank charges are for our/ Beneficiary's account. Confirmation charges (if any), Advising, negotiating and reimbursing banks's charges (Postage / Courier and teletransmission included) and commissions to be for Beneficiary's / applicant's account. Fees for authentication of invoice and certificate of origin in terms of the requirement of to be for beneficiary's / applicant account			

We request you to issue on our behalf and for our account your irrevocable credit in accordance with the above instructions (marked (X) where appropriate.)

This credit will be Subject to Uniform Customs and Parctice for Documentary Credits (2007 Revision, Publication No. 600 of the International Chamber of Commerce, Paris France), insofar as they are applicable.

We authorize you to debit our account no.

with the margin , your commission, postage, correspondent charges, value of documents and other expenses. **In consideration of your issuing and or subsequently amending from time to time at our request, such documentary credit, we hereby confirm having read and understood the conditions printed overleaf and agree with the same and hold ourselves legally bound by the agreement governing Lettre of Credit.**

For Bank's use only

Signature verified		Approved by	
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Name, stamp and authorized signature (s) of applicant (P.T.O.)

Conditions/ Agreement governing the Issue of a Documentary Credit

1. The Applicant authorizes the Bank to effect insurance at their cost if the documents called for do not include insurance policies or certificate acceptable to the Bank for the CFR value plus at least 10 pct.
2. The Applicant authorizes the Bank to make any additions to the documents specified under this credit which the Bank consider necessary to ensure compliance with the local government regulations but without any obligation on the part of the Bank.
3. The Applicant confirms that they hold valid Import license and the Beneficiary named and the suppliers of the goods are not black listed. The Applicant further certifies that the goods prescribed are not prohibited or restricted entry at the port of destination.
4. The Applicant understands and agrees that the Bank will not be held liable for any acts or omissions by their correspondent(s) or beneficiary (ies), nor for the existence, character, quality or quantity of the merchandise and the documents, nor for the validity or genuineness of the documents or endorsements thereon, nor for the time, place manner in which the shipment(s) are made nor for partial or incomplete shipment(s), or whether there is no shipment at all.
5. The Applicant understands and agrees that the Bank will not be held liable for the character or genuineness of the insurance nor for the sloveny of the insurer nor for any delay in arrival nor for any loss or damage which may happen to any such merchandise during its transit and or after its arrival , or the non arrival of either the documents or the goods, nor for delay on giving, or failure to give, notice of arrival or any other notice, nor for any errors, omissions or delays with respect to the delivery of mail, cables or wires.
6. The Applicant undertakes to pay/reimburse the Bank on first demand or at maturity any sum or sums that the Bank certifies the Applicant in such demand that it has paid together with the intres due from the date of negotiation to the date of payment and any and all costs that it has incurred, in connection with the credit.
7. The Applicant undertakes andd agrees to effect all payments to the Bank, in U.A.E Dirhams at the rate of exchange prevailing at the Bank or the sole discretion of the Bank.
8. The Applicant also undertakes to pay all fees as per the approved tariff, due to the Ministry of Finance and Industry of the U.A.E in lieu of authentication of documents, in case Invoice and Certificate of origin duly legalized by a U.A.E embassy of consulate are not submitted by the Beneficiary and or if the amount deducted/paid by the beneficiary is less than that the amount payable to the U.A.E Ministry of Finance and Industry.
9. The Applicant understands, agrees and authorizes the Bank that if default is made in due payment of principal, interest, commission and charges as aforesaid, the Bank shall be entitled without any further consent on the part of the Applicant to sell the goods or the documents of title thereto either by public or private treaty and to act in all respect as if the Bank had been the direct consignee of the goods and to utilize the proceeds for the payment of all principal sums and commissions disbursed by the Bank including for the freight, insurance or other cahrges and of all expenses incurred for the sale. Should there be any deficiency, the Applicant also agrees to be responsible for same until full settlement has been obtained by the Bank of the amount due to them.
10. The Applicant undertakes to pay on first demand at any /either time on or after establishing the credit, whenever and as many times, any sum or sums that the Bank in its absolute discretion may require the Applicant to pay, or further to pay as prepayment, in additional security for the fulfillment of his obligations to the Bank, as may be considered necessary or desirable by the Bank.
11. The Applicant agrees that the Bank may hold all the prepayments received in the margin account and the Bank shall be under obligation to pay any sums held by it in the margin account to the Applicant until the Bank in its sole discretion determined that it has received all amounts due to it in connection with the credit.
12. In consideration of the Bank agreeing to issue the credit, the Applicant shall, if request by the Bank prior to issue of such credit, provide to the Bank such Guarantee pledges, charges or othere security(ies) in a form satisfactory to the Bank as the Bank may request.
13. The Applicant agrees that if in consequence of any interruption of communications with the country where the credit is available or due to any other reasons,the Bank cannot ascertained for the time being to what extent the beneficiary has availed himself of the credit or if any other obstruction of whatever nature arises, the Applicant shall have no right to demand release of any security or prepaid margins given to the Bank or to demand to be released from any obligations unless and until such reasons, obstacles or obstructions have, in the opinion of the Bank., ceased to exist and until the settlement of accounts has taken place to the entire satisfaction of the Bank.
14. The Applicant agrees that the Bank is authorized to pay to its correspondents for his account and at his risk, such sum or sums as these correspondents may require or the Bank may want to pay as margin in security for the obligations of the Bank in relation to the credit issued, or to facilitate the settlement of negotiations under the credit.
15. The Applicant agrees that all and any bills of exchange and or documents presented under the credit will travel for his account and at his risk irrespective of now and how many sets they travel. The Applicant acknowledges his responsibility for the payment to the Bank of any sum or sums that Bank may have paid or that have been debited to the Bank without or before the Bank being in possession of such bills of exchange and or documents.
16. The Aoolicant understands and agrees that when and as soon as the Bank is satisfied that beneficiary,s bills of exchange and documents whether negotiated or not, conform to the terms and conditions of the credit, thr Bank shall accept or as the case may be pay the bills of exchange and take up the documents.
17. The Applicant agrees that any request made by him to the Bank for the release of documents against payment and or under Trust receipt and or under acceptance and or deferred payment shall be deemed to constitute his acceptance of such documents and this irrevocable authorization to the Bank to debit to the Applicant's account on the due date all sums owed by him to the Bank in connection with the credit. The Applicant furhter agrees that if there shall be an insufficient amount standing to the credit of his account on due date or if his account has become overdrawn in excess of any limit approved by the Bank, the Bank may classify such amounts as overdue in the name of the Applicant and levy overdue penal charges as applicable from time to time
18. The Applicant agrees that the above conditions and provisions shall also govern any and all extensions, increase and or other amendments to the terms of the credit that the Bank may be prepared to make at the request of the Applicant.
19. The Applicant understands and agrees that if he takes possession of the merchandise before the Bank has received the documents, all and any rights to refuse the documents upon its receipt for not being in conformity with the terms and conditions of the credit are irrevocably lost both to the Bank and to himself.
20. The Applicant further declares that this agreement shall not be affected by his or any partner's death but shall remain in full force and effect and shall continue to be binding notwithstanding any changes which may from time to time take place by death or otherwise however in the partners or continuation of his or company and this agreement does not supersede but is an addition to any Letter of Hypothecation already signed or hereafter to be signed by him in favour of the Bank.
21. The Applicant agrees that the bank is authorized to route this credit through its own branch or correspondent bank or make use of its agency arrangement programme with another bank to advise/ re-issue this credit to beneficiary.