

BANK OF INDIA, HONG KONG
APPLICATION FOR DOCUMENTARY CREDIT

The Deputy General Manager /
 The Asst. General Manager / Chief Manager / Manager,
 Branch.

20	:	L / C No.	
31C	:	Date	
23	:	Preadvised on :	

By Short Telex - Air Mail / Telex

Please establish with your branch / correspondent in
 documentary credit as per details below :

- | | | | |
|-----|--|---|---|
| 40A | Type of doc. credit | : | Confirmed / Irrevocable / Transferable |
| 31D | Date & Place of expiry | : | Date (YY MM DD) Place : |
| 50 | Name & Address of the Applicant | : | |
| 59 | Name & Address of the beneficiary | : | |
| 32B | Currency & Amount of Credit
(Figures / Words) | : | |
| 39A | Credit Amt. tolerance | : | |
| 39B | Max. Credit Amt. | : | |
| 41A | Credit available with | : | (Advising Bank) |
| | Credit available by | : | Payment / Negotiation / Acceptance / Def. Payment |
| 42C | Drafts at | : | Sight / - Days from AWB / B / L Date, Draft Date |
| 42A | Drawee | : | Applicant |
| 42P | Deferred payment details | : | |
| 43P | Partial shipments | : | Permitted (Pro-rata) / Prohibited |
| 43T | Transhipment | : | Permitted / Prohibited |
| 44A | Shipment from | : | 44B Transportation to |

44C	Latest date of shipment	:	.....
44D	Shipment Period	:	.....
45A	Description of goods	:	.....
		:
		:
		:
48	Period of presentation	:	.....
49	Confirmation instructions	:	.....
71B	Charges : Applicant / Beneficiary	:	.....
53	Reimbursing Bank	:	.....
78	Instructions to Negotiating Bank	:	.....
57	Advise through Bank	:	.....
72	Sender to receiver information	:	.....

DOCUMENTS REQUIRED :-

- 1) Drafts at sight / days from AWB / B / L date for 100% of invoice value.
- 2) Signed Invoices.
- 3) Full set, clean shipped "ON Board" Ocean Bills of Lading dated not later than marked "Freight Prepaid" / "Freight Payable at Destination" made out to the order of **BANK OF INDIA**, Branch Notify Our Principals M/s. plus two non-negotiable copies thereof.
- 3A) Shipment to be made by a liner / conference line vessel, not more than 25 years old, approved under Institute Classification Clause equivalent of Lloyds 100 A1.
or
- 3) Post Parcel Receipt / Airway Bills consigned to Bank of India branch stating Doc. Credit No. notify applicant with full name and address and marked (freight prepaid) / (freight payable at destination.) AWB must indicate Flight No. and Date.
- 4) Insurance covered by applicant under cover note no. Shipment details should be telexed / faxed to applicant within three days from the date of shipment quoting cover note no. and copy of such intimation to accompany documents.
or
Insurance policy or certificate in duplicate covering atleast CIF value plus 10% covering risks as per Institute Cargo Clauses (A / Air) Institute War Clauses (Cargo / Air Cargo) and Institute Strike Clauses (Cargo / Air Cargo) from beneficiary's warehouse to applicant's warehouse in covering transportation by Rail / Road with claims payable at the final destination irrespective of percentage clause. The name of carrying vessel / flight no. and date with name of airline and Doc. credit No. must be mentioned in policy / certificate.

- 5) Certificate of origin in duplicate issued by Chamber of Commerce or any independent recognised Agency.
- 6) Packing List in duplicate stating net and gross weight.
- 7) One set of non-negotiable documents must be sent within three days of shipment to applicant by fax / by courier and copy of such fax / courier receipt must accompany documents.
- 8) Shipment details must be conveyed within 3 days of the shipment to the applicant by fax / telex and copy of such fax / telex to accompany documents.

We hereby irrevocably authorise you to recover the amount of bills alongwith interest, costs and charges under the abovementioned letter of credit, on the date of payment thereof by the Bank from our account with you. We undertake to deposit adequate amount / keep adequate drawing limit available in our account to cover the amount of bills / interest / costs / charges under letter of credit.

SPECIAL INSTRUCTIONS :-

- 1) A Transport Document which is produced
 - (a) By reprographic system or
 - (b) By or as result of automated or computerised systems or
 - (c) As carbon copy

Will not be accepted as an original document even if it is marked as original or appears to have been authenticated.

However, Bills of Lading issued in a set of more than one original with one a typed original and other carbon copies signed and marked "original" and "negotiable" are acceptable.
- (2) The Transport Document
 - (a) Must contain all the conditions of carriage on the original document.
 - (b) Must not indicate the place of final destination as being different from the port of discharge.
 - (c) Must not contain the indication "intended" or similar qualification in relation to the vessel or other means of transport or port of loading or port of discharge.
 - (d) Must be issued by the carrier or his agent and not by any freight forwarder.
 - (e) Must not contain a provision that goods may be carried on deck.
- (3) Transport documents bearing reference by stamp or otherwise to costs additional to the freight charges are not acceptable.
- (4) Short form or blank-back transport documents are not acceptable.
- (5) A transport document bearing a date of issuance prior to that of the credit is not acceptable.
- (6) Commercial invoice issued for amounts in excess of the amount permitted by the credit are not acceptable. The gross FOB / CIF / CIP / Value of the goods before deduction of Agent's Commission, if any must not exceed the credit amount.
- (7) Documents must be negotiated not later than 15 days after the date of shipment / despatch and in any case, not later than the date of expiry of the credit.

1. In consideration of your opening this Documentary Credit and making payments (thereunder) for my / our accounts, I / We agree that you shall have a pledge upon all goods and upon all Bills of Lading, Warrants, Delivery Orders, Post Parcel Receipts, Air Freight Consignment Notes, Railway Receipts and / or Motor Transport Receipts and all other documents of title (hereinafter referred to as "the said documents") and securities whatsoever (the validity of all which I / We hereby guarantee) which have been already or shall be hereafter delivered into your possession or your Agents by me / us or by any person, firm or company as a result of opening or in connection with any transactions under the Documentary Credit.
2. I / We agree that the said goods and the said documents are and shall be pledged as security for all advances made or which may be made to me / us or to my / our agents and for all payments which may be made by you or your agents under this documentary credit and also for any liability whatsoever incurred or which may be incurred by you as a result of the opening of this Letter of Credit together with interest and all customary charges and that you shall have all discretion and power of sale over the said goods without notice to me / us and that you shall be held covered against fire and all other risks after expiry of the insurance above mentioned and that in case of loss, the amount due under such policies shall be paid over to you.
3. If I / We fail to insure, you are authorised to insure the goods adequately at your discretion on our account. In the event of the sale proceeds of the goods / documents proving insufficient to reimburse you in full in respect of the advance / payments and charges incurred by you under this credit, we shall immediately make good of the shortfall on a demand being made by you.
4. I / We further agree that neither you nor your correspondents or agents are in any way responsible for the correctness, validity or genuineness of any of the documents received as referring to the goods, the subject of this credit, nor for the description, quality, quantity or delivery of the goods which the documents may purport to represent.
5. I / We further agree and undertake to accept and pay at maturity all drafts drawn under this credit.
6. I / We undertake to provide you at or before maturity with funds to meet all your disbursements, liabilities and / or acceptances under this credit plus the interest and your commission, charges, etc.
7. I / We agree that as regards all amounts payable in Foreign Currency be me / us to your correspondent/s or agents under this credit or for any monies paid or disbursed or liability incurred in foreign currency by you or your correspondents or agents under or in connection with this credit, the rate of exchange applicable thereto shall be, in case of sight credit, the rate prevailing on the day, the concerned amount is actually paid, reimbursed by me / us to you, your correspondents or agents as the case may be or the rate prevailing after the date of receipt of the negotiated documents by you or if the rates are not quoted on same day then the rate prevailing on the next working day when the rates are available, whichever is earlier except in those cases where forward cover has been booked in which case our liability shall be governed by such forward contract and in case of usance credit, the rate prevailing on the day the concerned amount is actually paid / reimbursed by me / us to you, your correspondents or agents as the case may be or the rate prevailing on the due date whichever is earlier except in those cases where forward cover has been booked in which case our liability shall be governed by such forward contract. "I / We agree that in case the conversion of the foreign currency liability at the forward contract rate results in early / late delivery under the forward contract, charges for early / late delivery will be borne by me / us."

8. I / We further undertake to sign, execute and deliver any transfer deeds or such other documents which may require me / us to sign, execute, deliver for perfecting your title to the said goods and the said documents and / or for vesting the same in or delivering the same to the purchaser or purchasers from you.
9. It is understood that all instructions and correspondence relating to this credit are to be sent at my / our risk and that the Bank is not responsible for any loss, errors or delays whether on the part of postal, telegraph or cable companies or authorities or otherwise
10. I / We further agree that this agreement shall remain in force until you are finally discharged of all liabilities under this documentary credit and have had the discharge confirmed by the beneficiary or his duly constituted attorney in writing and received by you regarding the cancellation of this documentary credit.
11. If this agreement should be terminated or revoked by operation of law as to me / us, I / We will and I / We hereby agree to indemnify and save you harmless from any loss which may be suffered or incurred by you in acting hereunder prior to the receipt by you, or your successors, transferees or assigns of a notice in writing or such termination or revocation.
12. It is also understood by us that export merchanting bills under this credit may be accepted by you, at your discretion at the time such export bills are submitted by us for purchase or negotiation.
13. We further undertake that in the case of letters of credit expressed in currencies other than HK Dollars, the rate of exchange for calculating the HK Dollar equivalent of the bill amounts drawn and tendered under the Letter of Credit shall be that prevailing on the day the relative documents are retired by us unless we have fixed the exchange rate in advance with you. Your decision as to the rate of exchange shall be final.
14. I / We agree and undertake whenever required by the Bank to sign and / or discharge any papers and / or documents for clearing and storing the merchandise covered by the credit. We also undertake to pay on demand customs duty, Port Trust charges, demurrages, Penalties, if any, warehouse charges, clearing and forwarding charges, etc., in respect of the said goods.
15. In the event of my / our committing a default in making due payment or any bill drawn or purported to be drawn under the credit or in making reimbursement on demand of any payment made by you for my / our account in respect of any liability that may be suffered or incurred by you or your correspondents or agents under or in connection with the credit, then you shall be entitled without prejudice to any of your rights and without notice to me / us (which, I / We hereby expressly waive), to sell the goods (the said goods) covered under the credit, whether before or after their arrival, either by public auction or tender or by private contract and subject to such conditions as you may deem fit to impose, or otherwise dispose of or deal with the said goods or any part thereof and / or with the relative documents of title to goods in any manner whatsoever without, being bound to exercise any of these powers or liable for any loss in the exercise or non-exercise thereof. The net proceeds realised from sale of the said goods or transfer of any document of title, remaining after deducting therefrom the costs and expense of an incidental to such sale or transfer shall be applied in or towards payment or satisfaction of the amount (s) due to you in respect of any payment or disbursement made by you under the credit for my / our account and interest thereon and all costs, charges and expenses as hereinabove mentioned. I / We agree to accept bank's account of sale or realisation as conclusive evidence both in and out of court as to the amount (s) realised and expenses incurred, and to pay forthwith any shortfall or deficiency remaining after such an application. I / We further agree that you shall not be liable to me / us for any loss which may accrue pending sale or disposal of the goods and / or documents of title to goods whether by reason of theft, damage, deterioration or decay of the goods or depreciation in value thereof or otherwise whatsoever be the cause.

16. I / We agree that except as otherwise expressly stated, the above mentioned Credit will be subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision). International Chambers of Commerce Brochure No. 500 or as modified by International Chamber of Commerce from time to time.
17. It is understood that the transmission of all instructions and communications under the above credit and the shipping of documents and goods thereunder is entirely at my / our risks, you and your correspondents or agents shall not be responsible for any error delay in such transmission or loss or delay in delivery of the documents or the goods nor shall you or your correspondents or agents be liable in any respect beyond ensuring that the bill (s) drawn under the credit and the relative documents covered thereunder purport to comply with the terms and conditions of the credit.

Date

Yours faithfully,

51

To be filled by Applicant :

Documents under L/C will be settled by:	
<input type="checkbox"/> 1. Cash	
<input type="checkbox"/> 2. By days T/R	
<input type="checkbox"/> 3. By Export Bill under Export L/C (Copy of L/C attached)	
<input type="checkbox"/> 4. By DP/DA days Export Bill on:	