

TERMS AND CONDITIONS APPLICABLE TO IRREVOCABLE DOCUMENTARY CREDIT

1. The word "We" and "Our" shall be taken to include "I" or "my" if this application is signed by, or on behalf of an individual.
2. The documentary credit and the drawing(s) there under are to be subject to the terms of the security granted by us to the Bank relating to the goods.
3. The Bank is authorised at its sole discretion and without obligation to do so whenever it considers it advisable customary or appropriate to waive/delete the following from the instructions contained overleaf (whether completed by us or not) "drafts at sight/at days drawn on for full invoice value of goods".
4. Invoice and certificate of origin must state the name and full address of the producer or manufacturer and the country of origin of the goods.
5. The Bank is authorised (but not obliged) to make any additions to the documents specified under this credit which the Bank in its absolute discretion may consider are necessary to ensure compliance with prevailing local government regulations.
6. In the absence of any instructions to the contrary, the Bank is authorised to instruct any bank or branch concerned to despatch any draft(s) or document(s) by one or more mails or other method of conveyance at its sole discretion.
7. We certify that neither the beneficiary named, nor the suppliers of the goods are subject to boycott or blacklisting. We further certify that the import of the goods described above is not prohibited or restricted and that we hold and undertake to exhibit to the Bank a valid import licence where such licence is required.
8. Drafts may be drawn clauséd "without recourse" if the drawers so require.
9. The Bank is authorised to make any changes necessary in the documents required to ensure compliance with the anti-boycott statutes of the USA or any other country.
10. Invoice and certificate of origin should be attested in accordance with the requirements of the local customs authorities.
11. If the documents called for do not include an insurance policy(ies) or certificate(s), we undertake to produce to the Bank within 5 days from the date of this application, an insurance policy or certificate acceptable to the Bank, and in the Bank's name for the CFR value plus at least 10 percent, failing which the Bank may effect insurance at our expense, but is not obliged to do so.
12. In consideration of the Bank establishing this credit, we undertake to repay the Bank all moneys paid in pursuance of this credit together with interest, commission and customary charges including Correspondent Bank charges, if unpaid by the beneficiary. We hereby authorise the Bank to debit my/our account with such charges.
13. We undertake to make available adequate funds in our account with you to meet the retirement of bill(s) under this credit along with interest and charges and authorise you to debit our account when they are due. In the event of our failure to settle the amounts, the Bank has full authority to dispose of the goods and use the funds for settlement of our debt. Any short-fall may be further debited to my/our account.
14. Except so far as otherwise expressly stated, this documentary credit shall be subject to the "Uniform Customs and Practice for Documentary Credits" published by the International Chamber of Commerce Publication no. 600.
15. We agree that all parties concerned in this credit deal with documents & not goods, and we shall be liable to you for payment of the documents even though the goods subsequently received may differ from that we have contracted from the beneficiary.
16. The Bank reserves the right to seek opinions / status reports on the beneficiary from the correspondent if so required.
17. We acknowledge that the right is reserved by you to refuse to grant the loan application contained overleaf at the time of the presentation of documents under this credit.
18. In consideration of the Bank permitting and/or authorising the negotiating/confirming bank to make a claim under this credit prior to receipt of documents by the Bank, we irrevocably indemnify the Bank for the full amount of the negotiating/confirming bank's claim (plus interest) in the event that such claim is subsequently rejected by us and authorise the Bank to debit our account accordingly without further authority from us.