

APPLICATION AND GUARANTEE FOR ISSUE OF IRREVOCABLE DOCUMENTARY LETTER OF CREDIT

Dear Sir,

I/We request you to establish with your correspondents in _____

(Country) Documentary credit as per details below:

40A:***	TYPE OF L/C	IRREVOCABLE
31D :***	DATE & PLACE OF EXPIRY:	
50 :***	NAME AND ADDRESS OF THE APPLICANT	
59 :***	NAME AND ADDRESS OF THE BENEFICIARY	
32B:***	CURRENCY & AMOUNT OF CREDIT IN FIGURES AND IN	
39A:***	PERCENTAGE CREDIT AMOUNT TOLERANCE	
39B:***	MAXIMUM CREDIT AMOUNT	
39C:***	ADDITIONAL AMOUNTS COVERED (USANCE INTEREST)	
41a : (A/D):***	CREDIT AVAILABLE WITH CREDIT AVAILABLE BY	
42c:***	DRAFTS AT	
42a:***	DRAWEE	
43P:***	PARTIAL SHIPMENTS	
43T:***	TRANSHIPMENTS	
44A:***	TYPE OF L/C	
44B:***	SHIPMENT TO	
44C:***	LATEST DATE OF SHIPMENT	

45A:***	QUANTITY AND DESCRIPTION OF GOODS (BRIEF DETAILS)	
***	IMPORT LICENCE/OGI DETAILS	
***	IMPORT EXPORT CODE NO.	
46A:***	DOCUMENTS REQUIRED	

47 A:T	ADDITIONAL CONDITIONS	
71 B:***	SPECIFY IF ANY CHARGES ARE TO BENEFICIARY'S ACCOUNT	
48:***	PERIOD OF PRESENTATION OF DOCUMENTS	
49:***	CONFIRMATION INSTRUCTIONS	
57a	"ADVISE THROUGH" BANK	
72:	SENDER TO RECEIVER INFORMATION	

*** indicates mandatory fields # Only one of the fields 39A OR 39B is to be filled

I/We hereby declare that the transaction covered under the credit (the "transaction") , does not involve, and is Not designed for the purpose of any contravention of the provisions of the Foreign Exchange Management Act 1999 or of any rule, regulation, notification, direction or order made thereunder. I/We also hereby agree and undertake to give such information/documents as will reasonably satisfy you about the transaction in terms of above declaration.

We hereby confirm and certify that:

(a) The goods imported / being imported by us under the Credit are not covered under Prohibited/Negative List of Imports as mentioned current Foreign Trade Policy and amendments thereto till date.

(b) The goods imported / being imported by us under the Credit are not covered under Negative List of Imports as mentioned in current Foreign Trade Policy and amendments thereto till date and the original license issued by the DGFT is attached herewith. (Strike out whichever is not applicable)

(c) We are eligible to import the above-mentioned goods under the current Foreign Trade Policy in place.

(d) The said goods imported / being imported by us are not restricted for import through specific licensing under the above-mentioned policy and amendments thereto till date.

(e) ITC(HS) Classification Code No.-----

(f) The carrying vessel and the ports from/to which the goods are shipped as mentioned in our application form and guarantee for issue of irrevocable documentary letter of credit are free from embargos and that there are no subsisting sanctions imposed on the vessel/s and the port/s.

(g) In case if the goods imported are capital in nature, we confirm that the goods are capital goods as defined in the Foreign Trade Policy issued by DGFT from time to time.

(h) We also confirm that the period of trade credit is well within the operating cycle of the commodity.

Trade Credit – Supplier Credit

All in Cost:

Period of Credit:

Declaration in line with A.P. (DIR Series) Circular No. 23 dated 13 Mar, 2019 (Tick whichever is applicable): We hereby declare that value of each shipment and presentation under the said Foreign Letter of Credit shall not exceed

() USD 150 Million or equivalent per import transaction. - Applicable in case of importer being oil/gas refining & marketing, airline and shipping companies

() USD 50 Million or equivalent per import transaction Applicable in case of importer being other than oil/gas refining & marketing, airline and shipping companies

(Any FLC issuance beyond above stated amount will be subject to RBI approval.)

We also undertake to submit the relative Exchange Control Copy of the Bill of Entry / Postal Wrappers to you immediately after clearance of the said goods, in any case within 3 months from the date of remittance / payment. Further, we declare that the items imported will be used / disposed of as per the provision contained in the policy / procedure/We further declare that the undersigned has the authority to give the declarations, undertakings and instructions as above, on behalf of the Company.

This Letter of Credit is subject to UCPDC 2007 Revision ICC No 600 read along with ICC Document no URR725, ISP98 AND ISBP LATEST VERSION.

Declaration/Undertaking

In consideration of your opening a Letter of Credit as above. I /we hereby undertake to accept and pay in due course all drafts drawn within the terms thereof, and/ or to take up and pay for all documents negotiated there under on presentation and in default of my/our so doing you may sell the goods before or after arrival and I/We undertake forthwith on demand made by you in writing to deposit with you such sum or security or further sum or security as you may from time to time specify as any security for the due fulfilment of our obligations hereunder and any security so deposited with you as may be sold by you on your giving reasonable notice of sale to us and the said sum or the proceeds of sale of the security may be appropriated by you in or towards satisfaction of our said obligations and any liability of ours arising out of the non-fulfilment thereof.

You are to have lien on all goods, documents and policies and proceeds thereof for any obligations or liabilities present or future incurred by you under or arising out of this credit.

I/ We approve of the negotiation of drafts under this Credit being confined to your branches.

Wherever, based on reimbursement clause of LC, the negotiating bank has claimed reimbursement and our Nostro account is debited before receipt of documents/payments, we agree to pay applicable interest from the date of Nostro debit till the date of payment of import bill.

The relative shipping documents have to be surrendered to me/us against payment /acceptance.

If at any time and from time to time hereafter and at our request you enhance the amount of the Letter of Credit or amend any of the terms thereof (including extension of the validity of the credit for shipment and/or negotiation of documents) ,then notwithstanding the amount and the terms specified in this application , our guarantee shall cover and be deemed to cover the entire amount of the enhanced Letter of Credit issued by you and other amendments effected thereto and our liability will be for the entire amount of the Letter of Credit to be enhanced and /or amended at our request. We shall continue to be bound by all other terms and conditions of the application and guarantee notwithstanding such enhancement or amendments from time to time as you may make at your request in the value and terms of the letter of credit.

We hereby agree and declare that in the event of my/our failing to retire the bills drawn under L/C on due dates in case of usance bills and within 5 banking days from date of receipt of documents by you in case of sight bills. You shall be at liberty to crystallize the foreign currency rupee liability thereunder on the due date or on the expiry of the 5th banking day as the case may be and contract rate whichever may be applicable.

I/ We undertake to reimburse to you on demand the rupee equivalent so determined together with the interest thereon at normal rate from date of negotiation to the date of crystallization and thereafter at penal rate as applicable thereof.

You would book forward contracts if, we decide to cover the fluctuations in the exchange rates. I /We undertake to book such forward contracts forms part of the arrangement by you under the L/c. If I/We book forward contracts with other banks against this Letter of Credit I/we are/am liable to pay to you commission in lieu of

exchange as per the rates prescribed by the bank from time to time in addition to swap and interest from the date of negotiation at the foreign centre till the date of credit of proceeds in your Nostro account.

In case I /we do not book the forward contract, I/We undertake to buy the relative foreign exchange in connection with retirement of bills/documents etc under the letter of credit from you at the ruling rate of exchange. In case foreign exchange in connection with retirement is not being bought from you I/we shall pay commission in lieu of exchange in addition to swap cost and interest from the date of negotiation at the foreign center till the date of credit of proceeds in your Nostro account.

I/We confirm that we are aware of _____ Bank Ltd's Sanctions Policy Statement and that _____ Bank, including its subsidiaries and affiliates ("the Group"), is firmly committed to complying with all applicable sanctions laws (as imposed by UN, US, UK, EU or any other Government and/or Regulatory authorities) that are legally binding upon the Group and its businesses.

I/We are further aware that _____ Bank Ltd may be unable to process any transactions that involves or have linkages/reference to any sanctioned countries*/territories*/parties including for cases where transshipment is involved

I/We confirm that shipment and / or transshipment of goods covered under this transaction shall not involve any sanctioned countries /territories /parties. *Sanctioned Countries and Territories include Cuba, Iran, Syria, North Korea (also known as Democratic People's Republic of Korea), Crimea and Sevastopol (also known as Crimean Autonomous Republic) and Sectorial Sanctioned Countries and Territories include Russia and Venezuela

OFAC Declaration: In this connection, we declare, confirm and undertake that:

i) We are aware that (name of the country) is an entity against which sanctions by the Office of Foreign Assets (OFAC) of USA is in place. We undertake not to hold _____ Bank Ltd responsible for in any manner whatsoever in nature and hold _____ Bank Ltd fully indemnified against all losses and damages that may be caused to us on account of the funds remitted under this transaction being confiscated or blocked or seized by any authority/government/agency.

ii) We further declare that we shall furnish any material information relating to this transaction as required by any authority/government/agency, now or in future. Also we authorize _____ Bank Ltd to make available any of the material information pertains our transaction to any authority/agency/entity without referring the matter to us.

* I/We further declare that the undersigned has/have the authority to give this application, declaration and undertaking on behalf of the firm/company.

As per the terms of sanction given by the Bank, we have to provide margin at % for the above-mentioned LC.

We authorize you to debit the necessary LC commission / other charges to our operating account number with your Bank

Yours faithfully,

(Signature of the applicant)

Date:

Account No.:

Place:

Address:

*Applicable when the application /declaration /undertaking is signed on behalf of the firm / company