

APPLICATION FOR Letter of Credit (LC)



Application Date:

Requesting Branch.....

LC No.....

I/We hereby request and authorize you to issue on my/ our behalf, and at my/ our entire responsibility an irrevocable Documentary Letter of Credit with the following details:

APPLICANT DETAILS:

Applicant's Name:	
Account Number:	
Branch Name:	
Applicant's Address:	
Tel/Mobile Number:	
E-mail:	

BENEFICIARY DETAILS:

Name	
Physical Address	
Postal Address	
Mobile / Landline Fax Line	
Email address	
Beneficiary Bank	
SWIFT Code	

DOCUMENTARY CREDIT (LC) DETAILS

Currency		Amount in Figures	
Amount in words			
Tolerance (%)			
Expiry date and Place of Expiry			
Latest date of shipment			
As per Pro-forma invoice Number & Date			
Confirmation Instructions	<input type="checkbox"/> Adding confirmation <input type="checkbox"/> Without adding confirmation		

TERMS OF PAYMENT

- By Sight Payment
- By Acceptance: days from
- By Mixed Payment.....
- By Negotiation At.....
- Deferred Payment At..... Against Documents Detailed Herein
- Available against Beneficiary's Draft at.....

Negotiation under this credit to be:

- Restricted
- Unrestricted

Advising, Confirmation, Negotiation and Reimbursement charges are for account of

- Beneficiaries
- Applicant.

SHIPMENT/ DISPATCH DETAILS

Please advise through.....

Port of Loading.....

Port of Discharge Port

Place of Final Destination / Place of Delivery.....

Partial Shipment:

- Allowed
- Not Allowed

Transshipment:

- Allowed
- Not Allowed



Additional Conditions if any.....

Basis of Shipment

- FOB
- C&F/CFR
- CIF/CIP
- OTHERS

On Presentation of the following documents

	No of Originals	No of Copies
Bill of Lading/Airway Bill		
Commercial Invoice		
Certificate of Origin		
Certificate of Analysis		
Packing List		
Health Certificate		
Certificate of weight		
Insurance Policy		
Other Documents (Please Specify)		

TERMS AND CONDITIONS

In these terms and conditions. 'You' and 'Your' means Premier Bank Kenya Limited (which expression shall where the context so admits include its successors and assigns) and "I" "we" "me" "us" and "our" means the Applicant as identified overleaf (including without limitation any person authorized by the Applicant to give instructions on the Applicant's account). In consideration of you or your correspondents undertaking to the Beneficiary either directly or indirectly to issue for our account and risk the Credit / Indemnity as specified overleaf, I/we hereby unconditionally and irrevocably agree to the following terms & conditions:

1. I/We agree to bear all fees and charges associated with the LC, including but not limited to application fees, amendment fees, confirming fees and commission charges.
2. I/We undertake to receive the documents relating to this Letter of Credit without the least delay on receipt of first advice against the payment of all drawings under this L/C local currency calculated at the rate of exchange ruling on the date reimbursement is made by you to your correspondent plus your charges and commission and in case of time draft payment to be effected sufficiently in Advance and not later than seven days prior to its maturity.
3. In case of failure in settlement, I/We hereby irrecoverably authorize you to debit my/our account with full value of the remaining value of documents. If balance in my/our account is sufficient to recover the same, and if there are insufficient funds in my/our accounts, you have all rights to proceed against, me/us by all means and I/We agree in advance that you have the right to put your hands on all funds, merchandise, shares and or anything of value that might be or will be deposited at your end for my/our account by way of security for the said debits and apply them instantly towards reimbursement of all your payments and expenses as aforesaid. Any debit balance on such account and any other amounts so paid when due will bear a penalty fee of 10% per annum.
4. I/We release Premier Bank Kenya Limited from any responsibility whatsoever regarding the correctness, genuineness, regularity, or accuracy of documents. I/We further undertake to be liable for all compensations and legal effects, which may occur as a result to errors, commissions, and belatedness of documents and or of telexes and. letters relating to this Letter of Credit sent by sellers nominated by me/us.
5. I/We agree to indemnify and hold the bank harmless against any claims, losses, damages, or expenses arising out of or in connection with the LC application, except for losses caused by the bank's negligence or willful misconduct.
6. I/We release you also from any responsibility for the Insurance Company's bankruptcy of nonpayment of Insurance amount for any reason whatsoever. It is mutually agreed that when the Insurance amount becomes due for any reason you have the right to encash its proceeds directly from the Insurance Company.
7. In the event where the Insurance Policy/Certificate is not required among above documents, I/We undertake to deliver same to you in original negotiable form within one week from this date against all possible risks and I/We irrevocably free you from any obligation to refer to me/us or remind me/us to effect such Insurance.
8. It is further understood that if such a Policy or Certificate is not delivered to you on time, or if you think at any moment that the Insurance effected and agreed upon by exporter is not for any reason whatsoever, to your full satisfaction you may without referring to me/us Insure the goods again for my/our account, (but without obligation on your part) against the risk you deem necessary and with the Company you prefer. I/We hereby irrevocably undertake to reimburse you all expenses you incur as a result.

9. In the event of any change or amendment with respect to (a) the amount of the Letter of Credit. (b) the time or place of shipment of any relative property i.e., goods, merchandise, relative documents securities & funds etc.(c) the drawing negotiation, presentation, acceptance of their documents or (d) any of other terms or provisions of the Letter of Credit, such being done at the request, risk & responsibility of the undersigned in all respect with regard to the credit.

10. I/We also understand and agree that this Letter of Credit except so far as otherwise expressly stated is to be opened in accordance with The Uniform Customs and Practice for Documentary Credits (UCPDC), 2007 Revision, ICC Publication no, 600 ("UCP").

11. These terms and conditions shall be governed by and construed in accordance with the Laws of Kenya, and I/We hereby submit to the non-exclusive jurisdiction of the courts of Kenya, provided that such submission shall not prejudice your right to take proceedings against me/us in any other jurisdiction. I/We understand that Premier Bank Kenya Limited (the "Bank") can decline the request without assigning any reason and that the request form will not be returned to me/us. I/We request the Bank to issue on my/our behalf and for my/our account the Letter of Credit in accordance with the terms and condition herein and the terms stated overleaf. By signing this request, I/We hereby confirm that I am/we are duly authorized to execute the request and have read, understood, and agreed to the terms and conditions contained herein and overleaf this request.

Applicant's Name.....Applicant's Name.....

Authorized Signature..... Authorized Signature.....

For Bank Official Use:

FOR BRANCH:

Received by	Date and time	Signature
Checked by	Date and time	Signature

FOR FINANCING DEPT:

Received by	Date and time	Signature
Checked by	Date and time	Signature



Security Details:

Please tick as applicable:

1. Unsecured

2. Cash covered

3. Asset Backed

Particulars of the Fixed Deposit receipts held as security:

FMA Number	FMA Deposit Holder name	Amount of FMA

Details of collateral:

Details	Value of Security

Outstanding Facilities/guarantees:

Facility type	Outstanding amount

FOR LEGAL DEPT: (security related)

Collateral Security confirmed by	Date and time	Signature

FOR TRADE FINANCE:

Prepared by	Date and time	Signature
Checked by	Date and time	Signature
Input in iMAL by	Date and time	Signature
Approved by	Date and time	Signature