

Sample LC requirements prepared for FCIB
REQUIREMENTS FOR OPENING A LETTER OF CREDIT

Letter of Credit (L/C) must be notified by SWIFT to the beneficiary.

The full and correct name and address of the beneficiary must be mentioned in the L/C.

Kindly instruct your bankers to advise L/C through (Seller Bank) as per details mentioned below:

Seller Company Information

Full Company Name

Company address

Company City/State

Banker's Address and SWIFT Code

SWIFT:

FULL BANK NAME

Bank address M/S if required

Bank City/State

Letter of Credit Required Terms and Conditions

1. Irrevocable, freely negotiable, and state "Available with/by: Any Bank by negotiation".
2. Issued under the rules of UCP 600.
3. Payable in (currency of the order)
4. Issuing bank must be approved by Beneficiary.
5. Tolerance +/- ___% allowed for quantity and amount. Show total only, not unit price or unit of measure.
6. LC to be opened no less than 10 days before the date of first shipment.
7. Expiry should be no less than 21 days after last ship date.
8. Partial shipments permitted.
9. Transshipments permitted.
10. Document copies signed as originals are acceptable.
11. Port of exit/loading should be shown as "Any (country of origination) Port.
12. Port of destination should be shown as "Any (country of destination) Port.
13. Goods to be described as "_____ per specifications in Purchase Order #_____"
14. For hazardous cargo and container shipment the clause "On deck shipment allowed" must be included.
15. All banking charges outside of (country of opening bank) for beneficiary.
16. Confirmation (if required), and acceptance charges are for the account of the applicant.
17. All amendments charges, including related communications expenses, are for the account of the applicant.
18. Typographical errors / spelling mistakes are acceptable and not considered discrepancies.
19. Insurance Coverage is to the point indicated in the Incoterms.
20. Stale documents are permitted.
21. The only required documents to be specified are Bill of Lading, Commercial Invoice and Beneficiary's Certificate.
 - For the Beneficiary's Certificate applicant must provide name of contact person with a valid telephone number, fax number or complete email delivery address with postal code in the letter of credit.
 - The Ocean Bill of Lading must be made out to order or made out to the opening bank only. Originals cannot be made out to any other party. Only copies and non-negotiable documents can be sent to the applicant or other notify parties.
 - All other requested documents to be sent by courier service.
22. Insurance Certificate can only be requested if required by Incoterms.
23. Must be from original applicant to original beneficiary. No transferred letters of credit will be allowed.

The following clauses are NOT allowed in the L/C

- Vessel to be a Conference Vessel or "Seaworthy"
- Certificate from Lloyds Surveyor is required.
- Any insurance coverage not required by Incoterms.