

**APPLICATION FOR OPENING
IRREVOCABLE LETTER OF CREDIT**

To _____ Date : _____

The Federal Bank Limited

Branch _____

We hereby request you to issue an Irrevocable Letter of Credit on our behalf with the following details.

Applicant (Name & Address)																								
Date of Application					LC Type					<input type="checkbox"/> Import					<input type="checkbox"/> Inland					<input type="checkbox"/> Others				
Beneficiary (Name & Address)																								
Expiry Date of LC					Place of expiry of LC																			
Operative Account Number																								
Customer ID																								
Transmission of LC by					<input type="checkbox"/> SWIFT <input type="checkbox"/> SFMS <input type="checkbox"/> COURIER <input type="checkbox"/> OTHERS					Advising Bank (SWIFT BIC /IFSC/Name & Address)														
Credit Type - Transferable					<input type="checkbox"/> YES <input type="checkbox"/> NO					If YES – Transferring Bank _____														
LC to be confirmed					<input type="checkbox"/> YES <input type="checkbox"/> NO					PERFERRED CONFIRMING BANK														
LC Currency & Amount																								
Currency & Amount in Words																								
Credit Tolerance					+ -					Quantity Tolerance					+ -									
Partial Shipment					<input type="checkbox"/> Allowed <input type="checkbox"/> Not Allowed					Transshipment					<input type="checkbox"/> Allowed <input type="checkbox"/> Not Allowed									
LC available with					<input type="checkbox"/> Issuing Bank <input type="checkbox"/> Restricted to					<input type="checkbox"/> Any Bank					<input type="checkbox"/> Advising Bank									

Available By	<input type="checkbox"/> Sight Payment	<input type="checkbox"/> Negotiation	<input type="checkbox"/> Acceptance	<input type="checkbox"/> Deferred Payment
LC Tenor	<input type="checkbox"/> AT SIGHT		<input type="checkbox"/> - - - - DAYS AFTER -----	
DRAFTS drawn on (not applicable to SIGHT or Deferred Payment LCs)	<input type="checkbox"/> Issuing Bank			
Place of Taking in Charge/Dispatch from /Place of Receipt		Port of Discharge/Airport of Destination		
Port of Loading/Airport of Departure		Place of Destination /For Transportation to /Place of Delivery		
Period of Presentation of documents	_____ days after shipments but before expiry of the LC		TRADE TERMS (INCOTERMS) / Others specify	
Latest Date of Shipment		ITC (HS CODE)		
Description of Goods and/or Services (use additional Sheets if requires)				
Insurance will be covered by (for CFR/CPT or FOB/FCA only)	<input type="checkbox"/> Insurance already /will be arranged by us (copy enclosed/will be submitted)			
	<input type="checkbox"/> Please arrange Insurance for us at our cost from any insurance companies acceptable for you. You are authorised to debit our account for the premium once the policy is effected and cost is agreed.			
Documents Required (Select the required documents)	<input type="checkbox"/> Signed Commercial Invoice in ____ copies. <input type="checkbox"/> Packing List in ----- copies. <input type="checkbox"/> For shipment by sea: Full set original clean "On Board" bills of lading /multimodal or combined transport document made out to the order and endorsed in blank /order of THE FEDERAL BANK LTD, marked "Freight Prepaid /Collect" and notify Applicant/others (specify) mentioning this LC number. <input type="checkbox"/> For shipment by air: Original Air Waybill marked "For the consignor/shipper" signed by the carrier or his agent, marked "Freight Prepaid /Collect", showing flight number and date of despatch of goods, consigned to ----- and notify The Federal Bank LTD. Br. (address) and Applicant/others (specify)(Applicant's full address) mentioning this LC number. <input type="checkbox"/> Post Parcel Receipt evidencing dispatch of goods in the name of Federal Bank A/c/ applicant's name showing postage paid. <input type="checkbox"/> Cargo Receipt issued and signed by the authorised signatory of applicant (<i>whose signature(s) must be in conformity with the record held in the issuing bank's file and they will only be verified by the issuing bank at the time of presentation of documents</i>) certifying that the goods have been received in good order and condition, and reflecting the details like LC number, date of receipt of the goods, total value, quantity and description of goods received. <input type="checkbox"/> Charter Party Bill of Lading (charter agreement is attached for details) <input type="checkbox"/> Marine /Air Insurance Policy or Certificate in negotiable form and blank endorsed for full CIF/CIP value plus 10% covering Institute Cargo Clauses (A) / (Air), Institute War Clauses (Cargo/Air Cargo) and Institute Strikes Clauses (Cargo/Air Cargo) evidencing claims payable at destination in the currency of the LC with "Claims payable in India".			

	<input type="checkbox"/> Certificate of(Name of the country)origin issued by Chamber of Commerce/----- <input type="checkbox"/> A certificate to the effect that the vessel is classed with an approved classification Society as per the Institute classification Clause and class equivalent to Lloyds 100A 1 , and that the ship is not more than 20 years old. <input type="checkbox"/> Beneficiary's certificate certifying that one set of shipping documents has been faxed to the applicant within ----- days of shipment. <input type="checkbox"/> Lorry Receipt issued by any carrier approved by Indian Banks Association / Railway Receipt issued to the order of the issuing bank/applicant <input type="checkbox"/> Copy of E-Way Bill generated for the goods covering inland trade (mandatory) <input type="checkbox"/> Others (specify) (Use additional sheets if required)
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ADDITIONAL CONDITIONS	
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LC CHARGES INSTRUCTIONS	SETTLEMENT INSTRUCTIONS				
<input type="checkbox"/> All charges outside issuing bank's country including but not limited to advising, reimbursement and telecommunications fees are for beneficiary's account. <input type="checkbox"/> All charges are for Applicant's account, except for the following to be borne by beneficiary* <hr/> LC Confirmation charges (if any) <input type="checkbox"/> Applicant <input type="checkbox"/> Beneficiary Cash Margin (A/c Number/FD No)	<input type="checkbox"/> Debit all amounts payable by the Applicant from the Applicant's account No <input type="checkbox"/> For margin (if any) Fixed Deposit No. <input type="checkbox"/> To take the conversion rate on our behalf <input type="checkbox"/> To utilize FX Contract already booked as detailed herewith <input type="checkbox"/> The nominated bank may claim SWIFT reimbursement. (If not ticked, default will be for issuing bank to honour upon receipt of clean documents) <input type="checkbox"/> Other Instructions <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="width: 50%;">Forward Contract Ref Number</th> <th style="width: 50%;">Amount to be used for this LC payment</th> </tr> </thead> <tbody> <tr> <td style="height: 30px;"></td> <td></td> </tr> </tbody> </table>	Forward Contract Ref Number	Amount to be used for this LC payment		
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Enclosures: <input type="checkbox"/> Copy of Proforma invoice / purchase order or contract / agreement copy <input type="checkbox"/> Insurance copy (If applicable) <input type="checkbox"/> Import license (if applicable) <input type="checkbox"/> HSS Agreement	<p>I/We, the Applicant, hereby request you to issue your Irrevocable Letter of Credit for our account in accordance with the above instructions (marked with an "X" where applicable). We have read and understand the Terms and Conditions set out below in this application, and we agree to be bound by such Terms and Conditions. I/We further declare that the undersigned has/have the authority to give this application, declaration and undertaking on behalf of the firm/company. I/We agree/understand that this Application shall form integral part of the Letter of Credit Agreement executed by me/us on</p> <p style="text-align: center;">X Authorised Signatures and stamp</p>
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TERMS AND CONDITIONS APPLICABLE FOR LETTER OF CREDIT

(Under Section 10 (5), Chapter III of the Foreign exchange management Act, 1999)

I/We hereby declare that all Foreign Exchange transaction, as may be entrusted me/us to the Federal Bank from time to time, will be in strict conformity with the provisions of the Foreign Exchange Management Act, 1999 ("the Act"). Further, we also declare that said transactions, as and when initiated, shall not involve and shall not be designed for the purpose of any contravention or evasion of the provisions of the Act or of any rule, regulation, notification, direction or order made under the Act. *I/We further declare that the undersigned has/have the authority to give this declaration and undertaking on behalf of the firm/company. (*Applicable only when the Applicant is a firm/ company)

I/We hereby declare that the transaction covered under the Application ("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. I/We understand that the Bank is entitled to reject the transaction if it has reason to believe that any contravention / evasion is contemplated by me/us and to report the matter to Reserve Bank of India.

We hereby confirm and certify that:

- a) The goods imported / being imported by us under the Letter of Credit are not covered under Prohibited/Negative List of Imports as mentioned in Foreign Trade Policy 2015-2020 ("Foreign Trade Policy") and amendments thereto till date and the original licence issued by the DGFT is attached herewith.
- b) We are eligible to import the above-mentioned goods under the current Foreign Trade Policy in place. 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.
- c) The carrying vessel and the ports from/to which the goods are shipped as mentioned in our application form for issuance of irrevocable documentary letter of credit and guarantee, are free from embargos and that there are no subsisting sanctions imposed on the vessel/s and the port/s.

- d) We also undertake to submit the relative details of the Bill of Entry / Postal Wrappers/evidence of import in lieu of Bill of Entry to you immediately after clearance of the said goods, in any case not later than 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 Foreign Trade Policy and the Procedure thereunder.

I/We hereby agree and confirm that the issuance of each Letter of Credit is subject to the terms and conditions as contained herein and in the Agreement for Letter of Credit Facility ("Facility Agreement") entered into between me/us and FEDERAL BANK. Except as otherwise expressly stated in this application and the Facility Agreement, this Credit is subject to Uniform Customs and Practices for Documentary Credits (2007 Revisions), International Chamber of Commerce Publications Number 600 read along with ICC Document No URR725, AND ISBP LATEST VERSION. We hereby authorize you to issue the Letter of Credit with default instructions mentioned herewith, in case of incomplete information provided by us and I/We shall be liable for the resultant loss caused, if any. In addition, we hereby irrevocably and unconditionally agree to accept the General Conditions of the continuing agreement and indemnity signed in your favour from time to time.

I/We irrevocably authorises the Bank to honour and pay any demand, claim, presentation or drawing (collectively, a "Claim") pursuant to the terms of the LC and/or to pay all sums which the Bank is or may be obliged or entitled to pay under the LC, without notice or reference to the me/us. Any payment made by the Bank under the LC shall be binding on the me/us and shall be accepted by the me/us as conclusive evidence that the Bank is liable to make such payment and/or to comply with such Claim.

Notwithstanding any contrary instruction from the me/us, the Bank is entitled to reject (without notice or reference to the me/us) a Claim where such Claim does not comply with the terms of the LC. However, upon my/our specific request, the Bank may, at its sole discretion, waive the discrepancies/irregularities and shall make payment/honour the Claims. I/We hereby authorise the Bank to honour and pay such Claim and shall indemnify the Bank against any loss caused to it, on effecting such payment.

I/We shall, on demand, reimburse the Bank in full in the same currency for each payment made or required to be made by the Bank under or pursuant to the LC together with interest from (and including) the date of such payment to

(and including) the date of such reimbursement, and such payment shall include, without limitation, any payment, prepayment or purchase effected by the Bank in connection with the LC. The Applicant shall also upon demand pay to the Bank the fees, charges and commissions charged by the Bank (including those charges for the account of the LC beneficiary but unpaid for any reason) together with all costs, fees, expenses and liabilities which are incurred by the Bank or for which the Bank becomes liable in connection with the LC.

In case of transmission vide SFMS, we shall not hold Federal Bank liable for any delay, charges, costs, etc. incurred post transmission of the LC to the advising bank.

We authorize you to debit our current account no _____ for all charges in connection with the issue of this Letter of Credit (unless otherwise specified elsewhere in this application)

I/We represent and warrant that the underlying trade transaction (including but not limited to the identity of the beneficiary and the goods described overleaf) and any financing contemplated herein are not in any way related or connected with any sanctioned person or country, and would not result in a violation of any economic or trade sanctions or restrictive measures enacted, administered, imposed or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of State, the United Nations Security Council, the European Union and/or any other relevant sanctions authority ("Sanctions"). We further undertake that no amounts due under or in connection with the Credit will be used, lent, contributed or otherwise made available to any person in any manner that would result in the violation of any Sanctions.

Place: Date	Authorised Signatures and stamp
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For Branch Use only

We confirm having verified the limits sanctioned to the applicant and the terms of sanction. Opening of the L/C is within the sanctioned limits and in conformity with the terms and conditions of sanction.

1. I have verified the basic sale contract. The terms and conditions stipulated in the application form conform to the terms of the respective sale contract.
2. I have verified the relative import license/relevant section of the FTP 15-20 and confirm that the import is allowed as per the prevailing rules.
3. I confirm that opening of this letter of credit is in conformity with the prevailing rules/guidelines.

Authorised Signatures
(Name & Designation)

Authorised Signatures
(Name & Designation)

Letter of Credit Reference Number	
Date of opening	