



# Application for Irrevocable Documentary Letter of Credit - IB - 8

LC Number :

To: MCB Bank Limited Branch

Date of Issue:

Dear Sir(s) please mark (x) where applicable.  
Please issue an irrevocable Documentary Letter of Credit on our  
behalf as shown on this application:

☐ Confirmed ☐ May Add Confirmation ☐ Transferable

Confirmation Charges ☐ Applicant ☐ Beneficiary

## Beneficiary (Full name and Address)

## Advising Bank Name and Address

Advising Bank Name

Address

SWIFT BIC Code

## Partial Shipment

☐ Allowed ☐ Not-Allowed

## Transshipment

☐ Allowed ☐ Not-Allowed

Shipment By

From  To

Draft(s) and documents to be presented to the advising, negotiation or  
paying bank within  days after the date of issuance of  
the transport documents but in any case, within the validity of the credit.

## Letter of Credit Available by

☐ At Sight ☐ Usance ☐ Deferred

☐  Days After Sight

☐  Days After Shipment Date

☐ Other (please specify)

## Letter of Credit Available with

## Charges

All Bank Charges including reimbursement Bank charges are for account

☐ Applicant ☐ Beneficiary ☐ Others

## Incoterms (please tick one)

☐ CIF ☐ CFR ☐ FCA ☐ CIP ☐ CPT ☐ FOB

☐ Ex-Works

☐ Other (please specify)

## Letter of Credit Details

Amount & Currency

Amount (in Words)

Tolerance:  +/- %

Expiry Dates :

Last Date of Shipment / Delivery:

Description of Goods / Services

## Documents Required

☐ Beneficiary's signed original commercial invoices in ..... made out in  
the name of applicant showing this documentary credit number, HS Code  
No.....and certifying that goods are of .....origin

☐ Signed Packing List /Weight List .....

☐ Full set of clean Shipped on Board Ocean bill of lading made out or  
endorsed to the order of MCB Bank Limited, UAE marked Freight Prepaid  
/ To Collect and showing notify applicant and LC issuing bank and must  
indicate the name, address and telephone Number of the carrying vessel  
agent at the port of destination

☐ Airway Bill (Shipper's Original No.3) Consigned to MCB Bank Limited, UAE  
marked Freight Prepaid / To Collect and showing notify applicant and LC  
issuing bank.

☐ Original Truck Receipt / Delivery Note issued to the order of MCB Bank  
Limited, UAE marked Freight Prepaid / To Collect and showing notify  
applicant and LC issuing bank.

☐ Delivery Note issued and signed by Beneficiary duly counter signed by the  
Applicant's Authorized representative.

☐ Certificate of origin to be issued by local chamber of commerce in duplicate  
showing the name and address of the manufacturer or producer, and  
certifying that the goods are of origin .....

☐ Insurance covered by Applicant through (Name and Full Address of  
Insurance Company) .....vide  
their Policy or Cover Note Number .....

☐ Insurance Policy or Certificate in Duplicate in Negotiable form for 110% of  
CIF Value covering institute of Cargo Clause and Institute of War/Strike  
Clause (Cargo)

☐ Other/ as per instructions in the attached letter

For Bank Use Only

Margin:  Commission:

GENERAL TERMS AND CONDITIONS FOR ISSUING LETTER OF CREDIT

1. On lodgement of documents negotiated under this credit, the same will be deemed to have been sold by me/us to you for the amount due under the draft(s)/documents plus all charges of advising/confirming/negotiating bank and your foreign correspondents, all converted into UAE Currency, at the rate of exchange prevailing on the date of lodgement or the contracted rate, if fixed, plus any of your outstanding charges for opening this credit or any amendments hereto (the total being referred to hereinafter as the sale price).
- PROVIDED that, if this credit calls for usance drafts/documents, the rate of exchange applicable shall be that prevailing on the maturity date of each draft/document drawn under this credit or the contracted rate, if fixed.
2. I/We shall be deemed to have simultaneously purchased from you the said documents at the aforesaid sale price, less the amount of margin, if any, deposited by me/us with you, plus a mark up on the net amount at the rate of AED ..... for every AED 100/- or part thereof, of the sale price (the total being referred to hereinafter as the purchase price) payable on demand or if this credit calls for usance drafts/documents, payable on the due date. No further act on our part will be necessary to complete the above mentioned sale and purchase transactions.
- The actual amount, of sale and purchase price, shall be such as may be advised to me/us by the bank.
- Provided that in the event of our making payment on demand or the due date of each draft/document as aforesaid, the bank may give us rebate in the purchase price at such rate as the bank may, from time to time, prescribe.
3. In the event of the ship carrying goods covered by the said documents arriving before I /we have paid to you the purchase price, I/we undertake to have the goods cleared through a clearing agent nominated by you and pay custom duty, sales tax, port charges and all other expenses in connection with its clearance from customs and place the same under your pledge as security for the unpaid purchase price.
4. In the event of my/our failure to fulfil my/our obligation under condition 3 above, I/we hereby irrevocably authorize you, at your option without being obliged to do so, to clear the said goods and undertake to pay all amounts paid or liability incurred by you on account of customs duty, sales tax, port charges, and all other expenses in connection with its clearance from customs, plus an addition of 20% thereto as liquidated damages, over and above the purchase price as aforesaid.
5. I/we agree and confirm that the transactions envisaged under clauses 1 & 2 above shall be of sale and purchase of documents. The bank will in no way be responsible for contents, quality, quantity, condition or value of the consignment shipped by the exporter under this credit or delivery thereof and I/we hereby absolve and discharge the bank from all responsibility, if any in respect of the same, without prejudice to my/our rights against the exporter under the contract entered into by me/us with them.
6. In the event of my/our failure to fulfil my/our obligation under clause 2 above, I/we hereby irrevocably authorize the bank to appropriate the margin and/or any other security deposited by me/us with the bank towards payment of the price, either in full or in part, under clause 2 above, and I/we undertake to pay to you the balance, if any, remaining due thereafter.
7. I/We undertake to pay to you additionally, on demand, your commission, which shall be determined by the bank from time to time on the full amount of the credit and other incidental charges and out of pocket expenses. In the event of our failure to make payment to you on demand, we will additionally pay you, by way of liquidated damages, a sum equal to 20% thereof.
8. Until payment of the purchase price, together with all other charges relating to this Letter of Credit, I/we agree that the title and ownership of all goods shipped under or in connection with this letter of credit or in any way relating thereto, whether or not released to me/us against trust or bailee's receipt and/or of the proceeds of such goods and of all bills of lading or any other document of title, policies or certificates of insurance or other documents given thereof, shall be and remain with you, and I/we hereby gives you full power and authority, at your discretion, by yourselves or through agents at any time, to have and take possession thereof and of all policies, certificates of insurance thereon, and proceeds of such policies and certificates and to hold and/or collect the same or, under the terms hereof, to dispose them of, at any time and irrespective of the maturity of the draft or acceptance under this credit.
9. The undersigned agrees to give you on demand any further security you may require, and further agrees that any and all other funds, credits, instruments, property and securities and proceeds thereof, including also any and all collection items and proceeds thereof now or hereafter handed to you or for any purpose left by the undersigned in your possession or at your disposal, or for transit to or from you by mail or carrier, for any of the said purpose, are hereby made security for this obligation, and also for any and all other obligations, and/or liabilities, absolute or contingent, due or not due, which are, or may at any time be owing by the undersigned to you and may be held or disposed of as you may see fit and applied towards discharge of any and all such obligations and liabilities, all of which in the event of default by the undersigned in any part thereof, or bankruptcy, receivership or general assignment of the undersigned shall, subject to your option, forthwith become due and payable and the undersigned hereby authorize you, if any obligation covered by this instrument or any other indebtedness due from the undersigned to you shall not be punctually met forthwith without further demand or notice or advertisement of any kind, all of which are hereby expressly waived, to sell or otherwise dispose of the whole or any part of, the said funds, credits, instruments, property and securities, arrived and/or to arrive at any broker's exchange or by public or private sale (including sale to yourselves or your agents) or otherwise, at your option, with permission to yourselves to recover from the purchaser, in whole or in a part, without accountability, save for the purchase price and free from any right of redemption which is hereby waived and released, and to apply the net proceeds thereof against any and all obligations of liabilities of the undersigned to you, however arising.
10. The receipt by you, at any time of other collateral, of whatsoever nature, shall not be deemed a waiver of any of your rights or powers relating to any collateral which you may hold at the time of receipt.
11. This obligation is to continue in force notwithstanding any change in membership of any partnerships of the undersigned, whether arising from the death or retirement of one or more partners or partner, or the accession of one or more new partner of partners.
12. The documents accepted in connection with this Letter of Credit may be those which are generally acceptable in accordance with the laws, customs and usage at the place of negotiation.
13. It is understood that the carrying vessel is operating under a flag other than Israel and shipment/transhipment of Israeli flag vessels/ports/airlines/airport is prohibited.
14. The goods to be imported by me/us under the Letter of Credit fall under HS Code Number mentioned on the IB-8 . The goods to be imported by me/us under the Letter of Credit are freely importable.
15. I/We undertake to indemnify and keep you indemnified, safe and harmless against all losses, cost, damages, expenses, claims and demand which you may incur or sustain hereunder and to pay you on demand or authorize you at your option to debit my/or account with all your charges on account of this Letter of Credit and in connection with the relative goods including any amendments or extension of this Letter of Credit as well as charges levied by the advising/confirming/negotiating bank. In the event of our failure to make payments to you on demand, as aforesaid, we will pay you additionally liquidated damages at 20% if the amount thereof.
16. In consideration of your undertaking to the beneficiary hereof either directly or through a confirming or nominated bank that you will pay against the documents detailed in IB-8 we hereby:
- Irrevocably undertake to provide you with funds sufficient to meet the drawings herein and all your disbursements, commission charges etc
- Agree that all terms set out in the form of Agreement and indemnity relating to the issuing of documentary credit entered into with you shall be treated as part of this IB-8 subject only in case of conflict between the terms herein expressed and the term set out in such form or Agreement and indemnity that the terms herein expressed shall prevail.
17. The aforementioned terms and conditions relating to this Applications for Irrevocable Documentary Credit shall be governed by the laws of UAE including all federal, provincial and local laws and all rules, regulations, policies, notifications, circulars, or directives made by the Central Bank of UAE or any other competent authority.
18. That in the event the you are unable to perform your obligations hereunder due to reason beyond your control, including but not limited to change in law or inability to obtain the necessary foreign exchange in Pakistan, you shall not be liable in any manner whatsoever to me/us for any loss, cost, damages, expenses, claim and demand which I/we may incur or sustain directly or indirectly in this regard.
19. Except so far as otherwise expressly stated, this Documentary Credit/Standby Credit is subject to International Chambers of Commerce Applicable Rules.

☐ I/We hereby agree, understand and acknowledge that the terms and conditions included in MCB Bank Limited indemnity form titled General Terms and Conditions for Issuing Letter of Credit" shall govern and construe all Letters of Credit whether current ones or forthcoming, issued upon our request by MCB Bank Limited

Account Title

Account Number

Applicant Address

Authorized Signature