

To - Office/Branch: **Date:**

I/We hereby request BSP Financial Group Limited to establish an Irrevocable Documentary Credit with the following terms and conditions:

20 Documentary Credit No: *Bank Use Only*

31D Date of Expiry: **Place of Expiry:**

50 Applicant's Name & Address:
(PO Box is not acceptable)

59 Beneficiary's Name & Address:
(PO Box is not acceptable)

32B Amount: **CCY:** (Figures Only)

39A Amount Tolerances (+ / -): (+ / -): % (+): % (-): %

41A Available with: *Bank Use Only*

42C Beneficiary's Draft/s drawn at **days** **for full invoice cost.**

42A Drawee: *Bank Use Only*

43P Part Shipments: **43T Transhipment:**

44E Shipment from: **44A Dispatch from (if appl):**

44F Shipment to: **44B Place of Delivery (if appl):**

44C Latest Date of Shipment:

45A Description of Goods: (Should be kept brief to avoid unnecessary discrepancies)

Terms of Shipment: (Refer Incoterms 2010 by the International Chamber of Commerce)

- 46A Documents Required:**
- Signed commercial invoice in duplicate indicating country of origin of goods.
 - Full set of clean on board marine bills of lading made out to order of shipper and blank endorsed, marked
 - Air Waybill evidencing dispatch of goods to buyer, marked
 - Insurance policies or certificates endorsed in blank covering Institute Cargo Clauses (A), Institute Strike Clauses (cargo), Institute War Clauses (cargo) not less than full commercial invoice value plus % with claims payable in
 - Other

- 47A Additional Conditions:** (each new document or condition must be separated by a "+" sign)
- Insurance buyers care
 - Other

- 71B Charges:**
- For Term Credits only - Acceptance Commission and Discount/Interest charges, where applicable, for the account of:
 - Confirmation is required - Confirmation Charges for the account of:
 - All bank charges in connection with the credit, other than issuance charges, are for account of:

48 Period for presentation: Documents must be presented for negotiation within days of the date of the Bill of Lading or other documents evidencing dispatch of goods.

48 Confirmation Instructions:

53A Reimbursing Bank: *Bank Use Only*

78 Instructions: Forward original documents by courier and duplicate documents by airmail to BSP Financial Group Limited, International Trade Department, 1st Floor, Waigani Head Office, Corner Kliinki Street and Waigani Drive, P.O. Box 78, Port Moresby, Papua New Guinea

57A To be advised through

Declaration

In consideration of the Bank establishing this credit, I/we jointly and severally agree that:

- 1 The Bank may at it's discretion debit the Applicants account at any time the Bank thinks fit with all sums paid charged or incurred by the Bank and/or its correspondents in connection with the credit including in addition to payments thereunder commission, interest charges and expenses or with the whole or part of the amount of the credit together with commission, interest charges and expenses as aforesaid and on demand the Applicant will place the Bank in funds to meet such debits. In the case of a credit in overseas currency the Bank may pass such debits in the currency of the credit and/ or in domestic currency at the Banks selling rate(s) of exchange quoted on the day upon which the Bank's issuing office is advised that payment has been made at maturity unless otherwise arranged. Without affecting the Banks rights as above mentioned the Applicant agrees duly to accept and pay at maturity any drafts drawn on him/them under the credit or provide the Bank with funds to meet any acceptances or re-finance given by the Bank and/or it's correspondents under the credit on or before due date at the Banks option.
- 2 The Bank's rights against the Applicant shall not be affected by, and neither the Bank nor its correspondents shall be responsible for any loss or damage to the merchandise however and whenever caused, or the failure for any reason by the Bank, correspondents or any other person to store, protect or insure the merchandise.
- 3 When the insurance is to be affected by the Applicant, the Applicant shall arrange it to the Bank's satisfaction and hand the relative insurance policy or certificate to the Bank when received.
- 4 The documents and the merchandise all proceeds of sales thereof and of insurance thereon and all the Applicants rights as unpaid seller(s) shall be security to the Bank for all obligations and liabilities incurred by the Bank or its correspondents in connection with the credit and for all disbursements in connection with the merchandise or otherwise and all other of the Applicants liabilities to the Bank present and future. In the event of any default the Bank may sell the documents or the merchandise before or after arrival. The Applicants signature below hereof is authority to the Bank to collect any loss payable under the insurances and to apply proceeds towards satisfaction of any indebtedness of the Applicant to the Bank.
- 5 Any existing or future moratorium legislation or regulations shall not have application to the monies paid under this credit and such legislation or regulations are expressly excluded from this contract.
- 6 In the event of the Bank delivering any of the documents representing the merchandise or any part of the merchandise to any person authorised to receive documents on behalf of the Applicant, before the Applicant has fully paid and discharged his/their obligations and liabilities to pay or provide funds to recoup the Bank for its or its correspondents payment(s) of or to meet the relative drawing(s) under the credit, the following terms and conditions shall apply, namely, the Applicant shall receive the said document(s) in trust for the Bank and to hold the merchandise referred to in the said document(s) and the proceeds thereof or any part thereof for the Bank at its direction and also to fully insure such merchandise against fire and such other risks as the Bank may require and to hold the policy or policies for the Bank and keep this transaction separate from any other; the Bank may at any time cancel such trust and take possession of and receive such merchandise or proceeds wherever the same may be; these terms and conditions mentioned in this paragraph shall remain in force until the Applicant has fully paid and discharged the said obligations and liabilities.
- 7 Notwithstanding anything to the contrary contained herein in the event that there is more than one Applicant herein then the liability of each Applicant shall be joint and several and the authority given to debit the Applicants account shall be deemed to be an authority given by each Applicant to the Bank to debit any account conducted by either Applicant with all or part of the moneys referred to herein.
- 8 Any discrepancies occurring between information contained on the front of this form (application for credit) and the documents supplied to the Bank in relation thereto or pursuant to any existing credit may be dealt with by the Bank in accordance with the provisions contained in such application forwarded by the applicant or in any letter specifically relating thereto which is forwarded by the Applicant and in writing by the bank.
- 9 The bank reserves the right to at any time within the life of the credit, to purchase the foreign currency amount outstanding under a Forward Exchange Contract on behalf of the Applicant.
- 10 Should there be any discrepancies between documents presented to the Bank and information supplied in this application or in the resulting credit itself, the bank may telephone [] or [] on [] who are authorised to verbally accept discrepancies of the nature on the Applicant's behalf. After receiving such verbal acceptance the Bank may immediately proceed with processing the transaction. Variation in the persons authorized to accept discrepancies shall be advised to the Bank from time to time and the actions of the Bank following receipt of such an authority shall be proof of the content thereof.
- 11 Drawing(s) under the credit are covered by Spot rate of exchange on the day of negotiation.
 Forward Exchange Contract Number. []
- 12 In order for the Bank to meet its regulatory and compliance obligations, transactions may be delayed, blocked, or refused where we need to obtain further information to assist our compliance process. Where transactions are delayed, blocked or refused as a consequence arising for any circumstances whatsoever beyond our control, the Bank and its correspondents are not liable for any loss you suffer.
- 13 This application and the credit to be issued are subject to Uniform Customs and Practice for Documentary Credits and Uniform Rules for Bank to Bank Reimbursement under Documentary Credits per International Chamber of Commerce publications in force at the date of issuance of the credit.

I/We jointly and severally agree to accept the terms and conditions set out above.

Signed for and on behalf of: []

(Name of individual/s, company, partnership or firm).

Note: (Signatures to be in accordance with current authorities held by the Bank).

Signature: []

Name: []

Signature: []

Name: []

Bank Use Only:

Name of Approving Officer: []

Authorising Signature: []

Date: []