

(TO BE RETYPED ON COMPANY LETTERHEAD)

TERMS AND CONDITIONS FOR ISSUANCE OF A LETTER OF CREDIT

(Date)

_____(Buyer Name)
_____(Address)
_____(City and Zip)
_____(Country)

Dear Buyer:

Regarding your purchase order # _____ dated _____, please request your bank to issue an Irrevocable Commercial Letter of Credit for your account in our favor. We have indicated below the terms and conditions we would find acceptable in the letter of credit. The letter of credit should be subject to the Uniform Customs and Practices for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600. In order to avoid delay in your order and to eliminate unnecessary bank fees for amendments after the letter of credit has been issued, please communicate with us immediately if you cannot follow a specific term or condition listed herein. Your strict compliance with these terms and conditions in the issuance of this letter of credit will enable us to process your order promptly. Please consider this document to be an integral part of our agreement.

The letter of credit should be advised through:

Branch Banking and Trust Company
7823 National Service Road, Suite 300
Greensboro, NC 27409 by:
S.W.I.F.T.: BRBTUS33 /

The letter of credit should include the following conditions:

- The L/C is to be available at _____(sight or # days B/L date). In case of time drafts, discount charges are for the account of _____(buyer/seller).
- The L/C is to be **freely negotiable by any USA bank**.
- The negotiating bank is to be authorized to claim reimbursement from a USA bank.
- The negotiating bank is to be instructed to forward documents directly to the counters of the issuing bank.
- The beneficiary name on the L/C is to be shown exactly as follows:
_____(Seller Name)
_____(Mailing address)
_____(Physical address)
_____(City, State, Zip)
- The L/C shall be issued ____ (#) days before our agreed upon ship date.
- Covering (merchandise description):

- Terms shall be: [] FOB _____(indicate port of loading)
[] CFR _____(indicate port of arrival)
[] CIF _____(indicate port of arrival)

- [] Other _____
indicating shipment from _____ to _____.
- The L/C amount should be USD _____ (\$ amount). (Note: if “about” precedes amount, then +/- 10%).
 - Partial shipments shall be permitted.
 - Transshipment shall be permitted.
 - Latest shipment date shall be _____(date) with L/C expiry date to be at least 21 days beyond this date.
 - ____ (#) days should be allowed for the presentation of documents.
 - Provision for insurance will be in accordance with the terms listed above.
 - If L/C is transferable, it must be specifically stated as such.

Documents:

We are prepared to provide the following documents:

- Commercial Invoice
- Bill of Lading (Ocean, Air, Multimodal, etc.) as required
- Packing List
- Any additional documents required to claim and clear the goods through customs.

Special Conditions:

- Charges of the advising/negotiating/reimbursing bank are for _____ (your/our) account.
- Bank charges of the issuing bank are for your account.
- Telex Reimbursement available to the negotiating bank.
- _____

Regards,
