



## TERMS AND CONDITIONS RELATING TO ISSUING OF THE LETTER OF CREDIT

You and or your agents and or representatives are not liable or responsible in any way for the genuiness, regularity, form, sufficiency, accuracy, falsification or legal effect of such documents. If apparently in order. In consideration of such payment or payments being made at MY/our request I/We agree to reimburse you immediately on your application the amount of such payment or payments together with all charges including interest at the rate of  % per annum from the date of payment or payments until the approximate date of the arrival of the return remittance at its destination (this rate being subject to alterations from time to time without notice to Me/Us) and commission at the rate of  % plus the commission and all charges of your correspondents, if any. The invoice, bills of Lading and Insurance Policies mentioned overleaf shall be held by you by way of security for the said reimbursement and I/We undertake to deposit with you from time to time further collateral security as and when you may require and in the event at any time or times of the depreciation of the market price of any of the securities aforesaid I/We undertake to provide you with additional securities to your satisfaction. Provided nevertheless that you shall be at liberty at your discretion at any time and without marking previous application for reimbursement to sell or caused to be sold any merchandise the subject of such documents and or any of the securities aforesaid in such manner and at such time and places as you shall think fit and either by auction or private sale at your option and to apply the net proceeds (after deducting freight and insurance premium if paid by and all charges together with the usual Merchants commission to which you are entitled) towards reimbursement of such payment or payments aforesaid.

The bank may in its discretion and without giving prior notice to me/us convert into Sri Lanka Rupees the foreign currency amounts equivalent on all drafts and documents negotiated under this letter of credit at the prevailing rate of exchange at any time before or after the receipt of the said drafts and documents.

And I/We hereby agree on demand to pay to you the amount of any deficiency accepting your account current as conclusive evidence of the amount due by Me/Us to you. I/We further undertake that if any amount recoverable or recovered under any insurance policies be received by Me/Us it shall be held by Me/Us in trust on your behalf and paid to you on demand.

It is agreed that My/Our liability hereunder is not to be affected in any manner whatsoever by and you will not be responsible for any loss or damage which may happen to any such merchandise during its transit and or after its arrival. and or the non insurance or improper or inadequate insurance there of and/or deficiency in the quality, quantity, weight or value thereof and or stoppage or detention thereof by the shipper or any other person whomsoever.

It is further agreed that this agreement cannot be either revoked or altered in any way except in writing with your express consent.

And/We further declare that this agreement shall not be affected by My DEATH/OUR OR ANY OF OUR DEATHS but shall remain in full force and effect and shall continue to be binding notwithstanding any change which may from time to time take place by death or otherwise howsoever in the partners or constitution of My/Our firm and or company and that this agreement does not supersede but is in addition to any letter of Hypothecation already signed or which may hereafter being signed by Me/Us in your favour.

I/We request you to issue your irrevocable Documentary Credit on my/our behalf in accordance with the instructions indicated overleaf.

The Credit will be subject to the Uniform Customs & Practice for Documentary Credits. (LATEST REVISION of the International Chamber of Commerce, Paris, France) in so far as these are applicable and to the terms of the above agreement.

I/ we authorize you to debit our account with all other charges in connection with this Credit.

I/We authorize you to add/amend any condition and/or document so that the original Credit instrument would confirm to regulations and practice.

Note: In the absence of instruction to the contrary.

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| 1. Charges will be to beneficiary's account | 2. For CIF shipment insurance will be for CIF plus 10% | 3. Tran shipment will not be allowed |
| 4. Partial shipment will not be allowed     | 5. L/C will not be confirmed                           | 6. L/C will be on sight basis        |

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Date (DD/MM/YYYY)

Name Stamp & Authorised Signature(s) of Applicant

Signature Verified

### For office use only

L/C Value	<input type="text"/>	Exchange Rate	<input type="text"/>	Rupee Equivalent	<input type="text"/>
Margin percentage	<input type="text"/>	Margin Amount	<input type="text"/>	Commission	<input type="text"/>

Authorised Signatory