

**Machhapuchchhre Bank Ltd.****माछापुच्छ्रे बैंक लिमिटेड**

सबल, उत्कृष्ट एवं विस्तारित

Branch _____

Date: _____

Application and Agreement for Issuing an Irrevocable Documentary Credit (DC)

Please open the following Documentary Credit (DC) subject to UCPDC 600 and revisions thereon (Indicated by X)		
<input type="checkbox"/> Mail <input type="checkbox"/> Swift <input type="checkbox"/> Brief Cable details by mail		
Correspondent Bank:	DC No. (20): (Bank use only)	
Date of issuance (31C):	Date and Place of Expiry (31C):	
Applicant's Name & Address (50):		Beneficiary's Name & Full Address (59):
PAN NO: _____ Email: _____ FAX NO: _____ Phone No: _____		
(32B) Currency:..... Amount (In figure): Amount (In Words).....		
Tolerance % (39A):	(39B) Maximum credit Amount:	(39C) Additional amount Covered:
Available with (41A):By <input type="checkbox"/> Negotiation <input type="checkbox"/> Payment <input type="checkbox"/> Acceptance <input type="checkbox"/> Deferred Payment <input type="checkbox"/> Others	(42C) Draft at: <input type="checkbox"/> Sight <input type="checkbox"/> Usance at days sight from the date of	(42a) Drawee: <input type="checkbox"/> Machhapuchchhre Bank Ltd. <input type="checkbox"/> Confirming Bank <input type="checkbox"/>
(42M/P) Deferred/Mixed Payment Details:		
Partial Shipment (43P): <input type="checkbox"/> Allowed <input type="checkbox"/> Prohibited	Transshipment (43T): <input type="checkbox"/> Allowed <input type="checkbox"/> Prohibited	Shipment to be made from (44A):
(44B) For transportation to: in transit to: Via Customs Office:		Latest Shipment Date (44C):
INCOTERMS: <input type="checkbox"/> FOB..... <input type="checkbox"/> CFR..... <input type="checkbox"/> CIF..... <input type="checkbox"/> Ex-work <input type="checkbox"/> Others.....		
Description of Goods and/or Services(45A):		
Documents Required (46A): (Please tick [X] the appropriate box) <input type="checkbox"/> Original Signed Commercial Invoice incopies <input type="checkbox"/> Full set of clean Shipped On Board Bill of Lading <input type="checkbox"/> Full set of clean combined transport documents Airway Bill <input type="checkbox"/> Trucks Receipt <input type="checkbox"/> Railway Receipt <input type="checkbox"/>made out to the order of / consigned to Machhapuchchhre Bank Ltd & marked notify applicant quoting this LC No.& date & also marked freight pre-paid <input type="checkbox"/> to collect. <input type="checkbox"/> <input type="checkbox"/> Policies of Certificate of Insurance in duplicate endorsed in blank, covering Marine/Air/Road (tick as appropriate) & war risk the CIF value of the shipment plus Percent. Insurance to include Institute Cargo Clause (all risks) & Institute SRCC, TPND, and war clause covering to <input type="checkbox"/> Final destination in Nepal <input type="checkbox"/> <input type="checkbox"/> Certificate of Origin in copies issued by..... <input type="checkbox"/> Packing List in copies <input type="checkbox"/> Weight List incopies <input type="checkbox"/> Others (Please Specify) <input type="checkbox"/> <input type="checkbox"/>		
Note: Where necessary, the Bank may ask for additional document(s) and/or incorporate additional term(s) & condition(s) as pre-requisite to its internal and/or Nepal Rastra Bank regulations. You may contact our Central Trade unit should you require further details of such document(s)/condition(s). The Documentary Credit will be restricted to a bank of our Choice unless request otherwise.		

Additional Conditions (47A) (If any) (Please add separate sheet with authorized signature/s and stamp if space is insufficient):

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

All documents presented under this credit must bear LC number and Date of issuance.

Charges (71B): Outside Nepal on ☐ Applicant's account ☐ Beneficiary's account

Period for presentation of documents (48): Days from shipment date but within LC expiry.

Confirmation Instruction (48):

- ☐ Confirm
- ☐ May Add
- ☐ Without

Confirmation Charges:

- ☐ Applicant's account
- ☐ Beneficiary's account

Advise through Bank (57a):

(Please specify SWIFT BIC)

The Security Agreement printed overleaf is an integral part of this application and is hereby unconditionally acceptable to the undersigned and made applicable to this application and the LC.

For your margin and necessary charges for opening this LC.

☐ We authorize you to debit our Account No.

Documents enclosed

- ☐ Company Registration Certificate
- ☐ PAN / Tax Clearance Certificate
- ☐ Bi. Bi. Ni. Form No. 3
- ☐ Pro forma Invoice/Sales Contract Number dated showing descriptions of goods, Quantity, Unit Price, Total Amount, Harmonic Code number and Country of Origin.
- ☐ Insurance Policy and Premium Paid Receipt (if insurance to be borne by the applicant)
- ☐ Others (Please specify)

Stamp & authorized signature of applicant

(Name and telephone number of contact person)

SECURITY AGREEMENT

DEFINITIONS:

1. The "Bank", "You", "Your" relate to Machhapuchchhre Bank Ltd.
2. The terms "Applicant" "We" "Our" refer to the applicant of the L/C signing the application.
3. The "Guarantor" means the co-signer of the application.
4. The "Instrument" means any draft, receipt, acceptance or cables in electronics from or a written demand for payment under the application.
5. "Property" means goods and merchandise and any and all documents relative thereto, securities, funds and any and all forms of property whether real personal or mixed and any right or interest therein.
6. "Security Agreement" means an agreement, which creates or provides for a security interest including where applicable law provides therefore a trust as defined in and complying with such law.
7. "Application" means the application on the front page of this document and the same may be amended or modified from time to time with the written or oral agreement or consent of the applicants.

In consideration of the issuance by the Bank, a Letter of Credit as requested in the application (such Letter of Credit as from time to time amended or modified with the consent of the Applicant being hereinafter referred to as Credit) the Applicant hereby agrees with the Bank as follows with respect to the Credit.

1. We understand to accept or pay on demand or presentation of all drafts drawn pursuant thereto whether or not the shipment(s) is/are made or diverted to port(s) other than specified.
2. The Bank may honor as complying with the terms of the Credit and of the application therefore, any instruments or other documents otherwise in order signed or issued by an administrator, executor, trustee in bankruptcy, debtor in possession, assignee for benefit or creditors, liquidator, receiver or other legal representative of the party authorized under this Credit to draw or issue such instruments or other documents.
3. Not with standing anything contained in this agreement you may debit any of our account with you for the payment of all sums in connection with this Credit including commission, interest and charges or with the whole or part of the amount of the Credit at any time(s) if you think fit, and on demand by you we shall replenish our account with you to meet such debit(s) in the case of Credit(s) in currencies other than in NPR, you may at any time(s) as you may think fit pass any such debit(s) in the currency in which the debit(s) in the currency of the Credit and/or NPR at your rate(s) of exchange unless otherwise arranged. We shall place you in funds in the currency in which the debit(s) are passed, the bills are drawn or the acceptances are given, or at your option in NPR at your selling rate of exchange for the currency. That it is at your sole option to claim payment of any bill pursuant here to either at the rate of prevailing rate on the date of negotiation, abroad or the date of its payment by us or In the event of any legal proceeding being taken in respect of such bill at the rate of exchange prevailing rate on the date of negotiation abroad or the date of its payment by us or in the event of any legal proceedings being taken in respect of such bill at the rate ruling at the date of institution of the proceedings or of the decree in such proceedings, and we are bound to make payment of the said bill at whichever of the above rates you may apply. Without affecting your rights as before mentioned, we agree to accept and pay at maturity any bills drawn under this Credit or to provide you with funds to meet any acceptance(s) given by you under this Credit three days before the due date or earlier, if required in the event of any default, you may sell the documents or goods before or after arrival, and we shall pay you any deficit upon demand by you as aforesaid and we fully indemnify you against all claims, demands cost and expenses incurred in connection with this Credit.
4. To pay you on demand your commission which shall be determined by you from time to time, on the full amount of the Credit. We also understand that, the charges of your correspondents, if remain unpaid, even if the charges are to be borne by the beneficiary or any other party, will be payable by us and undertake to pay you such charges on demand. Until the payment of every indebtedness and liability, absolute or contingent, which now is or hereafter may become due and owing by us to you on any transaction now or hereafter with you including transaction(s) under other Credit(s) we agree that the title and ownership of all goods shipped under or in connection with the said Credit(s) or in any way relating thereto, whether or not released to us in trust or bailee and/or of the proceeds of such goods and of all bills of lading/transport document, policies or certificates of insurance or other documents given there for, shall be and remain with you and we hereby authorize you full power and authority at your discretion by yourselves or through your agent(s) at any time to have and take possession there of, and all policies or certificates of insurance thereon, and proceeds of such policies and certificates and to hold and/or collect the same or another terms expressed below to dispose thereof at any time(s) and irrespective of the maturity of the draft(s) or acceptance(s) under the said Credit(s).
6. We authorize you and your correspondents appointed as agreed mutually or at your sole discretion to receive and accept at your discretion any document issued by or on behalf of any carrier, including lighterage receipt which acknowledge receipt of goods for transportation, irrespective of any specific provisions of such documents and the date of such documents, as bill of lading/transport documents and shipment complying with the terms of Credit(s) and where applicable, we authorize you or your correspondents to accept either insurance policy or certificate in compliance with the terms of the Credit(s).
7. We assume all risks and responsibility for the kind, quality, quantity, delivery or existence of the merchandise purporting to be represented by any document(s) drawn under this Credit and for the acts and character of our agents appointed by us either expressly or otherwise, and/or any difference in quality, and/or quantity of merchandise shipped under this Credit from that of expressed in any document(s) issued under this Credit, and/or for the validity, genuineness, sufficiency of any document(s) even if such document(s) should in fact prove to be in any or all respect incorrect, defective, irregular, fraudulent or forged and/or for the time, place, manner or order in which the shipment(s) is/are made and/or for partial or incomplete/shipment and/or for failure of commission to ship any or all of the merchandise referred to in the Credit and/or for the adequacy, validity or genuineness of any policy or certificate of insurance of the solvency or responsibility for the

fraud, deviation from instruction in connection with the merchandise and or other documents and/or for the delay in arrival or non-arrival either of the merchandise or of any or all of the said documents and or for any breach of contract between us and the shippers and vendors, we also agree not to claim from you damages or hold you in any manner responsible for any delay, oversights, mistakes or negligence on your part or on part of any of your agents or correspondents in issuing this credit and/or for the compliance with any of our instruction Application. We hold you harmless from all losses and damages suffered by you from any and all action taken by you or your agents or your correspondents in good faith in furtherance of our above request of due to error(s), omission(s), interruption(s) or delay(s) in transmission or delivery of any and all messages by mail, cable or telegraph whether or not the same be coded.

8. Where applicable, we agree to obtain and present to you promptly the necessary import license for your record and action.
9. As security for the payment of performance of any and of our obligation and/or liabilities hereunder, absolute or contingent and also for repayment or performance of any and all obligation and/or liabilities, absolute or contingent, due to or become due, which are now or narrate any time(s) hereafter be owing by us to you or which are now or hereafter existing, we hereby:
 - a. Recognize and admit your ownership in and unqualified right to the possession and disposal of any and all shipping documents warehouse receipts, policies or certificates of insurance and other documents accompanying or relating to instrument drawn under the credit and in and to any and all property shipped under or pursuant to or in connection with the Credit or in any way relative there to or to any of the instruments drawn there under (whether or not such documents, goods or other property be released there to or upon the order of the Applicant under a security agreement or bailee receipt), and in and to the process of each and all of the foregoing.
 - b. Pledge to you and/or give you a general lien upon and/or right of set off against all our right, title and interest in and to the balance of every deposit account now or at time hereafter existing in our name with you, and any other claims that we may have against you.
 - c. And in and to all our property, claims and demands and rights and interests therein, and in and to all evidences there of which have been or at any time shall be delivered to or otherwise come into your possession, custody or control or into the possession custody or control of any or your agents or correspondents for your account for any purpose whether or not for the express purpose of being used by you as collateral security or for safe keeping or for any other or different purpose you deem to have possession, custody or control of all such property actually in transit to or set apart for you or any of your agents correspondents or other acting on your behalf, it being understood that the receipt at any time by you or any of your correspondents or other security, of whatever nature, including cash, shall not be deemed a waiver of your rights or powers hereunder.
 - d. If any part shall have joined in the Application for the Credit, we assign and transfer to you all our right, title and interest in and to all property and interests which we may now hereafter obtain from such party as security for the obligation of such party arising in connection with the transaction to which the Credit relates.
 - e. Agree at any time and from time to time or demand to deliver, convey, transfer or assign to your additional security of a value and character satisfactory to you or to make such payment as you way require.
10. Your rights and liens here under shall continue unimpaired and we shall be and remain obligated in accordance with the terms and provisions here of not with standing the release and/or substitution or any property which may be held as security here under at any time(s) or of any rights interest therein. No delay, extension of time, renewal, compromise, or other indulgence which may occur or be granted by you shall impair your rights and powers here under. No waiver shall be deemed to be made by you of any of your rights hereunder unless the same shall be in writing signed by our, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair your rights of our obligations to you in any other respect at any other time.
11. In the event of any change or modification with our consent relative to the Credit or any instruments or documents called for hereunder including waiver of non compliance of any instruments with terms of the Credit, this agreement shall be binding upon us with regard to the Credit as so changed or modified and to any action taken by our or your agents or your correspondents relative thereto.
12. The instrument(s) accepted in connection with this credit shall be those which are generally acceptable under the laws, customs and usage at the place of negotiation and will be governed accordingly.
13. This agreement shall also constitute an agreement between us and your Correspondents and or agents whom you may employ for the purpose and in connection with this Credit.
14. If the Agreement is signed but by and for one individual the terms "me" "our" "us" shall be read throughout applicable as "I" "my" "me" etc. as the case may be. If this Agreement is signed or otherwise executed by or on behalf of more than one party the obligations and liabilities of such parties shall be deemed to be joint and several unless expressly stated to the contrary.
15. In case of the principal or ourselves being a Firm, Company or Corporation, our obligations hereunder shall be binding on their successors or assignors and shall continue not withstanding any change in the constitution of the Firm or Company or corporation and where ourselves are a Firm Shall bind the members from time to time of our Firm jointly and severally and notwithstanding that the Firm may be reduced to or consist of a single person.
16. We hereby confirm of having full knowledge of the Rules and Regulations related to the Credit, consequences of breach of such rules and regulations and further confirm that the application is in consonance with the prevailing laws, rules and regulations relating to the credit and we shall abide by them fully. Where, the terms and conditions stipulated in the application are inconsistent with the rules and regulations relating to Credit, we hereby authorize you to amend or to insert suitable terms and conditions.
17. Any directive issued by you in connection with the Application shall be acted upon in the manner written thereon and any omission to act on our part shall be construed an even to default, on happening of which you are hereby authorized to initiate any action for recovery of the dues or claim or expenses arising out of our such application or in connection therewith.
18. Regulations/directives issued in connection with documentary credits by Nepal Rastra Bank, HMG/N or any other governing authorities will be acceptable to us.