

**APPLICATION FORM AND LETTER OF GUARANTEE  
FOR IRREVOCABLE DOCUMENTARY CREDIT**



**Giro Commercial Bank Ltd**  
P.O Box 46739,  
Nairobi, Kenya  
Swift: GIROKENX

Date \_\_\_\_\_

Please establish an Irrevocable Documentary Credit for my/our account by SWIFT

Applicant Name and Address:  Telephone: _____ Please contact: _____  Advising Bank (our Correspondents Bank Network): _____		Expiry Date: _____  Place for presentation of Documents: _____  Beneficiary Name and Address: _____  Amount _____  <input type="checkbox"/> EX-WORKS <input type="checkbox"/> CFR <input type="checkbox"/> FOB <input type="checkbox"/> OTHER
CONFIRMATION   REQUESTED <input type="checkbox"/> NOT REQUESTED <input type="checkbox"/>		The Documentary Credit is to be available by Negotiation Payment/Acceptance of Beneficiary's drafts to be Drawn at  <input type="checkbox"/> Sight  <input type="checkbox"/> At _____ days _____
Part Shipments ALLOWED <input type="checkbox"/> NOT ALLOWED <input type="checkbox"/>	Transhipment ALLOWED <input type="checkbox"/> NOT ALLOWED <input type="checkbox"/>	On Giro Commercial Bank Ltd for 100% of the invoice value of goods specified below and accompanied by Documents detailed herein
Shipment/Dispatch/ Taking in Charge from/at/ For transportation to: <b>Not later than:</b> _____		
<input type="checkbox"/> Signed Commercial Invoice in _____ copies in English certifying that goods shipped are of _____ origin and in accordance with Order/Indent/Proforma Invoice No. _____ Dated _____ <input type="checkbox"/> Packing list in _____ copies <input type="checkbox"/> Full set of clean on Board Marine Bills of Lading made out to our order marked "Freight Prepaid/collect" and notify applicant <input type="checkbox"/> Air Post Parcel Receipt To show shipment to our address Postage/Freight Paid /Collect, dated not later than _____ <input type="checkbox"/> Post-Parcel Receipt Parcels to bear credit number and shipping marks; Invoices to certify compliance with this stipulation <input type="checkbox"/> Air Consignment Note of air consignment note copy 3 to be presented and in it, our name and address to appear after "Also Notify" <input type="checkbox"/> Full set of Insurance Policy or Certificate blank endorsed for 110% of CIF Goods value covering Institute Cargo Clauses (A) Institute War Clauses (Cargo) and Institute Strike Clauses (Cargo) with claims payable at destination in the currency of the drafts.		
Signature of Applicant _____		

Other Documents: 1. We hereby agree that we shall not and shall not permit any of our agents to receive any deposit paid to you by us in respect of this Documentary Credit until such time as all the obligations of us to you have been fully paid and discharged.

2. We hereby agree that we shall not and shall not permit any of our agents to receive any deposit paid to you by us in respect of this Documentary Credit until such time as all the obligations of us to you have been fully paid and discharged.

3.

Covering Shipment of: (Brief description)

Document to be presented within \_\_\_\_\_ days after shipment date but within the validity of the credit

IDF Number \_\_\_\_\_ Dated \_\_\_\_\_

All documents to be forwarded by negotiating bank in one cover by courier unless otherwise stated.

We hereby authorize you to settle the bill(s) /accept Usance draft(s) or confirm due date upon your mailing of the presentation schedule to us, indicating no discrepancy has been observed by you to the debit of our account with you immediately for sight documents and upon maturity for Usance documents.

Please debit your commission, charges and marginal deposits to my/our account.

If T/T reimbursement i.e direct reimbursement by you upon receipt of telex/swift claim from the negotiating bank is instructed by us, you are authorized to debit our account to settle immediately upon your honouring the claim or upon your receipt of the relative import documents at your entire discretion.

All bank charges outside Kenya are for account of Beneficiary/Applicant.

Insurance to be covered by final buyer/us (Please cover insurance for us) and you are authorized to debit our account for any charges incurred.

Please delete unsuitable items.

In consideration of your opening this Documentary Credit for our account, we agree with you that the following terms and conditions shall apply to such Documentary Credit.

1. It is hereby agreed that this Application is subject to the General Terms and Conditions signed and delivered to you by us (but in case of conflict, the terms and conditions herein shall prevail)
2. We hereby recognize and admit your ownership in and unqualified right to the possession and disposal of all property transported under or pursuant to or in connection with this Documentary Credit or in any way relative thereto or to the drafts drawn thereunder whether or not released to us on trust or against acceptance and also in and to all transport documents, warehouse receipts, policies or certificates of insurance and other documents accompanying or relative to drafts drawn under this Documentary Credit and in and to the proceeds of each and all the foregoing until such time as all the obligations and liabilities of us to you at any time existing under or with reference to this Documentary Credit or this Application or any other documentary credit or any other obligation of liability to you have been fully paid and discharged, all as security for such obligations and liabilities and that all or any of such property and document and proceeds of any thereof coming into the possession of you or any of your agents may be held and disposed of by you as herein provided and the receipt by you or any of your agents at any time of other security of whatsoever nature, including cash, shall not be deemed a waiver of any of your rights or powers herein recognized.

Signature of Applicant \_\_\_\_\_

3. Where applicable we hereby agree that we shall not and have no right to ask for the refund of the marginal deposit paid to you by us in respect of this Documentary Credit until such time as all the obligations and liabilities of us to you at any time existing under or with reference to this Documentary Credit or this Application have been fully paid and discharge.
4. Unless written instructions to the contrary are given, we agree that you and any of your agents may receive and accept as "Bills of Lading" under this Documentary Credit any document issued or purporting to be issued by or on behalf of any carrier which acknowledge receipt of property for transportation whatever the specific provisions of such documentations and that the date of each such documents shall be deemed the date of shipment of the date of shipment of the property mentioned therein and that you may receive and accept as documents of insurance either insurance policies or insurance certificates.
5. Unless written instructions to the contrary are given, we agree that part shipments may be made under this Documentary Credit and you and/or your agent may honour the relative drafts and debit our account thereof and that if this Documentary Credit specifies shipments in instalments within stated periods and the shipper fails to ship in any designated period, shipments of subsequent installments may nevertheless be made in their respective designated period and you and/or your agent may honour the relative drafts and debit our account thereof.
6. All subsequent amendment(s) to this Documentary Credit (If any), is/are subject to the same terms and conditions herein contained.
7. The users of this Documentary Credit shall be deemed our agents and we assume all risks of their acts or omissions and we hereby unconditionally and irrevocably agree to indemnify you against all liability, claims, losses, damages, costs and expenses whatever arising from such acts or omissions. Neither you nor your agents shall be responsible for:-
  - (a) The existence, character, quality, quantity, condition, packing, value, or delivery of the property purporting to be represented by documents;
  - (b) Any difference in character, quality, quantity, condition, or value of the property from that expressed in documents.
  - (c) The validity, sufficiency or genuineness of documents even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged.
  - (d) The time, place, manner in which shipment is made;
  - (e) Partial or incomplete shipment or failure or omission to ship any or all of the property referred to in this Documentary Credit;
  - (f) The character, adequacy, validity or genuineness of any insurance;
  - (g) The solvency or responsibility of any insurer or any other risk connected with insurance;
  - (h) Any deviation from instructions, delay, default or fraud by the shipper or anyone else in connection with the property or the shipping thereof;
  - (i) The solvency, responsibility or relationship to the property of any party issuing any documents in connection with the property;
  - (j) Delay in arrival or failure to arrive of either the property or any of the documents relating thereto;
  - (k) Delay in giving or failure to give notice of arrival or any other notice, of arrival or any other notice;
  - (l) Any breach of contract between the shippers or vendors and ourselves;
  - (m) Failure of any draft to bear any reference or adequate reference to this Documentary Credit or failure of documents to accompany any draft at negotiation or failure of any person to note the amount of any draft on the reverse of this Documentary Credit or to surrender or take up this Documentary Credit or to send forward documents apart from drafts as required by the terms of this Documentary Credit, each of which provisions if contained in this Documentary Credit itself it is agreed may be waived by you;

Authorised Signatory \_\_\_\_\_

- (n) Errors, omissions, interruptions or delays in transmission or delivery of any messages by mail, cable, telegraph, wireless or otherwise, whether or not they be in cipher' or **not**.
- (o) Error, neglect or default of any of your agents.

And none of the above shall effect, impair or prevent the vesting of any of your rights or power hereunder. In furtherance and extension and not in limitation of the specific provisions herein before set forth we agree that any action taken by you or by any agent of yours under or in connection with this Documentary Credit or the relative drafts, documents or property if taken in good faith shall be binding on us and shall not put you or your agent under any resulting liability to us and we may execute like agreement as to any inaction or omission unless in breach of good faith.

8. We agree to procure promptly any necessary import and export or other licenses for the import and export or shipping of the property and to comply with all foreign and domestic governmental regulations in regard to the shipment of the property or the financing hereof and to furnish such certificates in that respect as you may at any time require and to keep the property adequately covered by insurance satisfactory to you and to assign the policies or certificates of insurance to you or to make the loss or adjustment if any payable to you at your option and to furnish you if demanded with evidence of acceptance by the insurers of such assignment.
9. (a) We agree at any time on demand to deliver, convey, transfer or assign to you as security for any and all of our obligations and liabilities hereunder and also for any and all other obligations and liabilities absolute or contingent, due or to become due, which are now or may at any time hereafter be owing by us to you, additional security of a value and character satisfactory to you or make such payment as you may require.
- (b) We agree that all property belonging to us or in which we may have an interest of any name and nature whatsoever now or at any time hereafter delivered, conveyed, transferred, assigned or paid to you or coming into your possession or into the possession of any one for you in any manner whatsoever whether expressly as security for any of the obligations or liabilities by us to you of for safekeeping or otherwise, including any items received for collection or transmission and the proceeds thereof whether or not such property is in whole or in part released to us on trust or against acceptance are hereby made security in your favour for each all such obligations and liabilities.
- (c) Where applicable we agree that upon our failure at all times to maintain a margin with you satisfactory to you or upon the making by us of any assignments for the benefit of creditors or upon the filing of any voluntary or involuntary petition in bankruptcy (or winding - up ) by or against us or upon the application for the appointment of a receiver of any of our property or upon any act of bankruptcy or state of insolvency of us, all of such obligations and liabilities shall become and be immediately due payable without demand or notice notwithstanding any credit or time allowed to us or any instrument evidencing any such obligations or liabilities or otherwise and as to property in which we may have any interest.
- (d) We expressly authorize you in any such event or upon our failure to pay any such obligations or liabilities when it or they shall become or be made due, to sell immediately without demand for payment, without advertisement and without notice to us, all of which are hereby expressly waived, any and all such property, arrived or to arrive, at private sale or at public auction or at brokers' board or otherwise at your option, in such parcel or parcels and at such place or places and for such price or prices and upon such terms and conditions as you may deem proper and to apply the net proceeds of such sale or sales together with any balance of deposits and any sums due to us in general account or otherwise to the payment of any and all of our obligations or liabilities to you however arising.

Authorised of Applicant \_\_\_\_\_

- (e) We hereby agree that we shall not and have no right to ask for the refund of the marginal deposit paid to you by us in respect of his Documentary Credit until such time as all the obligations and liabilities of us to you at any time existing under or with reference to this Documentary Credit or this Application have been fully paid and discharged. Notwithstanding and without prejudice to the foregoing, you may at your absolute discretion, account for interest (if any) earned on marginal deposit to the undersigned. For avoidance of doubt, this Sub-Clause survives the bankruptcy or winding-up (as the case may be) of the undersigned.
10. You shall not be deemed to have waived any of your rights hereunder, unless you or your authorized agents shall have signed such waiver in writing. No such waiver, unless expressly stated herein, shall be effective as to any transaction which occur subsequent to the date of such waiver, nor as to any continuance of breach after such waiver.
  11. The word "property" as used in this Application includes goods, merchandise, securities, funds, and all other forms of property, whether real, personal or mixed and any right or interest therein
  12. In this Application, where the context so permits, the singular includes the plural and vice versa and references to persons include references to companies.
  13. Where this Application is signed by or on behalf of a partnership or otherwise by or on behalf of more than one person, any liability arising under it shall be deemed to be the joint and several liability of the partners or of such persons as stated above and any demand for payment made or notice given by you at any one or more of the persons so jointly and severally liable shall be deemed to be a demand made or notice given to all such persons. You are to be at liberty to release or discharge any one or more of such persons from liability under this undertaking or to compound with, accept compositions from or make any other arrangements with any such persons without in consequence releasing or discharging any other party to this Application or otherwise prejudicing or affecting your rights and remedies against any such other party.
  14. We guarantee that arrangement for storage of the goods on arrival in Kenya have been made by us and we hold ourselves responsible in case of difficulties in this respect caused by local congestion.
  15. All amendment(s) or deletion(s) to these terms or conditions must be signed by your authorized officer in order to be effective.
  16. We authorize you to fix the exchange rate and purchase foreign exchange immediately upon receipt of Telex Advice/ Documents from the negotiating bank to the debit of our account.

We agree to the above conditions and on this basis request you to issue an irrevocable documentary credit for our account in accordance with the above instructions. The Credit shall be subject to the Uniform Customs And Practice For Documentary Credits (1993 Revision) International Chamber of Commerce, Paris, France, Publication No. 500 in so far these are applicable.

**FOR BANK USE ONLY**

Credit No \_\_\_\_\_

Clients ID \_\_\_\_\_

Banks ID \_\_\_\_\_

Category Code \_\_\_\_\_

Approved By: \_\_\_\_\_

**VERIFIED BY:****YOURS FAITHFULLY**

Signature of Applicant \_\_\_\_\_