

LETTER OF CREDIT APPLICATION FORM

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For any queries or clarifications on the Application Form, please call :0800211025
Please establish an irrevocable Letter of Credit for my / our account as below:

LC Transferrable LC

Applicant Name, Address & Contact Details	Beneficiary Name, Address & Contact Details
	Advise Through Bank/Beneficiary Bank Details

Goods/Services (Brief Description as per Proforma Invoice) _____

Incoterm: CIF CFR CPT FOB EX-WORKS Other _____

Supporting Documents Attached: Pro-forma Invoice Insurance

Currency: _____ Amount in Figures _____ Credit Amount Tolerance +/- _____ %

Amount in Words: _____

Expiry Date: _____ Latest Date of Shipment: _____

Place of Expiry: _____

LC Available with: _____ (a) _____ by _____ (b) _____. Please tick as applicable on the below

- Advising Bank Any Bank
- Payment Acceptance Negotiation Deferred Payment Mixed Payment Terms

Tenor/Drafts at/ Deferred Payment Terms _____

If it is a usance LC, Indicate the usance period i.e. ----xxxx--days from invoice date or Bill of Lading date or Delivery Note date etc.

Mixed Payment Terms _____

Partial Shipment Allowed Not Allowed

Trans-shipment Allowed Not Allowed

Confirmation: Required Not Required May Add

SHIPMENT DETAILS:

Port of Loading _____ Port of Discharge _____

(For Multimodal or Local Transport Only)

Place of Final Destination/For Transportation to.../ Place of Delivery _____

Place of Taking in Charge _____

Document Presentation Period _____

(If it is not indicated, the bank will take a default of 21 days from Shipment date or Delivery Note Date)

DOCUMENTS REQUIRED

Tick as appropriate

Tick	Details	Number of Copies	
		Original	Copies
	Commercial Invoices		
	<input type="checkbox"/> Full set of clean on-board bills of lading consigned to Cairo Bank Uganda Limited <input type="checkbox"/> Full set of Multimodal Bills of Lading consigned to Cairo Bank Uganda Limited <input type="checkbox"/> Full set of clean airway bill Marked: <input type="checkbox"/> Freight Prepaid <input type="checkbox"/> Freight payable at destination Notify Party _____		
	Certificate of Origin (issued by: _____)		
	Certificate of Conformity (issued by: _____)		
	Certificate of Inspection (issued by: _____)		
	Packing List		
	Delivery Notes		
	Insurance certificate/Policy covering all risks for 110% of invoice value		
	Other Documents _____ _____ _____		

Documents to be forwarded by the negotiating bank in one lot by courier unless otherwise stated

ADDITIONAL CONDITIONS

Bank charges are for:

Issuing Bank Charges	<input type="checkbox"/> Applicant	<input type="checkbox"/> Beneficiary
Advising Bank Charges	<input type="checkbox"/> Applicant	<input type="checkbox"/> Beneficiary
Confirming Bank Charges	<input type="checkbox"/> Applicant	<input type="checkbox"/> Beneficiary
Correspondent Bank charges	<input type="checkbox"/> Applicant	<input type="checkbox"/> Beneficiary

Bank Charges

Debit your charges from our account number _____ Currency _____
 On receipt of SWIFT claim from the negotiating bank or upon your receipt of the relative import documents; you are authorized to debit our account in settlement. Account number _____ Currency _____
 Others (please specify) _____

SECURITY DETAILS

Please tick as applicable

- Pre-approved Bank Facility Cash covered

CASH COVER DETAILS (only applicable for cash covered Letters of Credit):

If Cash Covered, please insert the below details: Amount of cash cover (amount in figures and words)

(Currency & Amount in Figures) _____

(Currency & Amount in Words) _____

CASH COVER ACCOUNT DETAILS:

Currency _____ Account Number _____

We authorize the Bank to debit the above account number with the above cash cover amount and we authorize the bank to utilize the same cash cover/ margin in settlement of any drawing under this LC

<p>----- Authorize Signatory</p> <p>Name: _____</p> <p>Date: _____</p>	<p>----- Authorize Signatory</p> <p>Name: _____</p> <p>Date: _____</p>
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TERMS AND CONDITIONS

The account opening General terms and conditions are supplemental to these terms and conditions. In the event of conflict between the account opening General terms and conditions and these terms and conditions, these terms and conditions will prevail and take precedence.

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1. In consideration of the Bank opening the Letter of Credit/ Standby Letter of Credit (hereinafter both referred to as Letter of Credit or as the context permits) as per particulars stated overleaf:
 - a. The Applicant authorizes the Bank to debit its account with the applicable Bank commissions, charges, marginal deposits and expenses together with those of the Bank's correspondents where applicable as and when they become due.
 - b. The Applicant hereby undertakes to accept and pay in due course all drafts within the terms thereof and / or to take up and pay for all documents negotiated thereunder on presentation and on default of the Applicant so doing, the Applicant authorizes the Bank to sell the goods before or after arrival and adjust the proceeds against the amount due to the Bank. In case of any shortfall, the Applicant undertakes to make good the amount of the shortfall.
 - c. The Applicant agrees that the Letter of Credit is subject to Uniform Customs and Practice for Documentary Credits latest version, International Standby Practice (ISP) latest version and International Standard Banking practice (ISBP) latest version as the case shall be. d. The Applicant hereby authorizes the Bank to hold the documents called for by the terms of the Letter of Credit and merchandise to which they relate and the relative insurance as security for all liabilities incurred by the Bank, its Correspondents or agents in connection with this Letter of Credit including expenses and charges, of whatever nature incurred in relation to the said merchandise or the obtaining of possession or the disposal thereof. The Applicant hereby authorizes the Bank to incur expenses and charges in fulfillment of its obligations herein and undertakes to reimburse the Bank the expenses and charges thereof.
 - d. The Applicant agrees to provide in the manner and to the extent required by the Bank all insurance necessary for the full protection of the Bank's interest in the goods shipped under this Letter of Credit, and on behalf of the Bank and subject to its instructions to prosecute or to ensure the prosecution of any claim that may arise under any insurance and to pay the proceeds thereof to the Bank.
 - e. The Applicant further agrees to pledge to the Bank any additional security that the Bank may, from time to time, require to cover the Applicant's liabilities to the Bank hereunder and in the event of the Bank selling the merchandise, pay on demand, the amount of any deficiency.
 - f. The Applicant agrees to hold the Bank and its officers and Correspondents free from any responsibility for mistakes or delays which may result in and from the transmission of its instructions.
 - g. It is agreed that the Bank will not to be held responsible for the genuineness or correctness of the Air Way Bill / Bill of Lading or other documents or any endorsement thereon or for any mistake or misrepresentation as to the quality, quantity, weight, marks or value of any merchandise comprised or as to the terms, conditions or sufficiency of the insurance policies or certificates.
 - h. The Applicant's liabilities to the Bank are to continue in force and to be applicable to all transactions entered into hereunder, notwithstanding any change in the composition of the firm or firms, parties hereto, or in the beneficiary(ies) hereunder. In the event these Terms and Conditions are signed by two or more parties, the Applicant hereby declares that its liability hereunder is joint and several.
 - i. The Applicant authorizes the Bank to debit the Applicant's account with all charges incurred by the Bank's Overseas Correspondents, notwithstanding the clause "Overseas Bank Charges for Beneficiary's Account", if the LC expires unutilized and / or such charges are refused by the overseas supplier.
 - j. The Applicant agrees that the Bank may restrict negotiations under this Letter of Credit to its own offices or to any Correspondent of its choice. Interest, where applicable, is payable by the Applicant from the date of payment by the Bank's Correspondent until the reimbursement currency is available to the Bank, and any exchange risks are for the Applicant's account.
 - k. The Bank retains the right to advise and / or restrict the availability to honour or negotiate the LC to such person(s) the Bank may specify, even if the Applicant stipulates otherwise in the Application Form.
 - l. The Bank will honour (for the Applicant's account) all presentations made in compliance with the terms of the LC.
 - m. The Bank may reject any complying and/or non-complying presentations under the LC even if:
 - i. The Bank has notified the Applicant that the presentation was compliant; or
 - ii. The Applicant instructs the Bank to waive all discrepancies the Bank has advised the Customer.
 - c. If the Bank receives a complying presentation the Bank will comply with its Reimbursable Payment Obligation even if the Bank mistakenly informs the Applicant that the presentation was non-compliant. The Bank is not liable to the Applicant for any losses the Applicant may suffer or incur as a result of such mistake.
 - d. The Bank may select the advising bank without consulting the Applicant even if the Applicant stipulates an advising bank in the Application Form.
 - e. If the Applicant does not waive any discrepancies within 5 Banking Days after the Bank's notice of presentation of discrepant documents (the "Cut-Off Period") the Bank may return the documents to the presenter within 21 days after the Cut-Off Period.
 - f. The Applicant must ensure that any goods under the Letter of Credit are permitted to be imported in the relevant country. If the Bank requires to inspect the import licence, the Applicant must provide the original of such import licence to the Bank at the time of the application.
 - g. These Terms and Conditions will extend to all extensions, renewals, amendments, modifications, replacements or variations of the Letter of Credit.

2. The following additional provisions will apply, in the event the Bank issues any Back-to-Back LC on the Applicant's Instruction or otherwise on the Applicant's behalf.
 - a. Where the master credit is not advised by the Bank, the Applicant will promptly notify the Bank upon becoming aware of any amendment proposed to be made to the master credit. The Applicant will not agree to or reject any amendment to the master credit without the written consent of the Bank. Any amendment to the slave credit will require the Bank's written consent and will only take effect after receipt by the Bank of written consent from the relevant parties to the slave credit.
 - a. Where both the master credit and the slave credit call for the application of CIF terms in accordance with Incoterms® 2020, the Bank may in the slave credit stipulate an insured value plus an appropriate higher percentage to match the insured value plus percentage required by the master credit, to avoid the master credit being "underinsured".
 - b. After documents are presented under the slave credit, the Applicant will on demand by the Bank deliver to the Bank the Applicant's Draft, invoice and any other document required to facilitate a complying presentation under the master credit.
 - d. The Bank may:
 - i. Retain possession of any document presented under the slave credit;
 - ii. Take any action including presenting documents to obtain payment under the master credit;
 - iii. Negotiate or discount the master credit; and
 - iv. Apply the proceeds of any drawing under the master credit to pay the corresponding drawing under the slave credit irrespective of any discrepancy in any document presented under the slave credit.
 - c. The Applicant will not, without the Bank's prior written consent, assign any of the proceeds of the master credit to any person.
3. The following additional conditions will apply when Cash Collateral is provided to the Bank as security for issuance of the Letter of Credit and/or Standby Letter of Credit:
 - a. The Applicant understands that where any cash margin (herein referred to as Cash Collateral) is held by the Bank as security for above bank facility by the Bank this will be released upon expiry or cancellation of the facility and confirmation of full settlement of the Applicant's obligations to the Bank.
 - b. The Applicant further understands that no interest shall accrue on the Cash Collateral and that the same will be held in the sole name of and shall be the property of the Bank until utilization of the facility by the Bank at which time we shall be entitled on demand made on that date to payment of the said amount.
 - c. The Bank will be entitled to retain the receipt for the Cash Collateral and to record a lien thereon. The Applicant agrees that the Cash Collateral which may from time to time stand to the Applicant's credit on any account with the Bank shall be held as a security for the payment of any sum or sums of money now or hereafter from time to time become due or owing to the Bank by the Applicant or by the Applicant jointly with any other person or persons whether as principal or surety on any banking account or loan account or upon any discount or other account or for any other matter or thing including the usual banking charges and may be retained and at any time without notice to the Applicant be applied by the Bank in or towards payment or satisfaction of any such indebtedness or liability whether presently payable or not.
 - d. The Bank will be entitled without further notice to the Applicant at any time and from time to time to apply the whole or any part of the Cash Collateral thereon in repayment of the whole or any part of the Applicant's then indebtedness to the Bank of the said advances and/or financial accommodation for principal, interest, costs and charges (legal or otherwise and of any nature whatever) and may so apply the whole or any part of such amount until the Applicant's obligations are fully settled.
 - e. Every such application of the Cash Collateral shall to the extent of the amount so applied discharge the indebtedness to the Bank in respect of the Cash Collateral in all respects as if the amount so applied had been paid to us personally and accepted by the Bank as payment in whole or in part (as the case may be) of the amount due or accruing to us in respect of the said Cash Collateral.
 - f. Until such time as all present or contingent indebtedness of the Applicant to the Bank of whatsoever nature or kinds is discharged in full, the Applicant shall not be entitled to call for payment of or to be paid the whole of or any part of the Cash Collateral and the Bank shall be under no indebtedness to the Applicant in respect thereof.
 - g. The Cash Collateral referred to herein may be, if realized, appropriated against any indebtedness of the Applicant to the Bank, at the Bank's sole discretion notwithstanding that such indebtedness may be expressed in a currency other than the currency received by the Bank in realization thereof. In the event that the Bank demands payment of any indebtedness of the Applicant, the Bank reserves the right, at its sole discretion, to switch any foreign currency indebtedness by the Applicant into Uganda Shillings at the rate ruling at the day of such switch. In exercising the rights to switch foreign currency indebtedness of the Applicant into Uganda Shillings, the Bank will not be liable for any losses incurred by the Applicant resulting from exchange rate fluctuations.
 - h. The Bank may at any time and without notice whatsoever to the Applicant, combine or consolidate all or any of his/their existing accounts with the Bank and set-off or transfer any sum standing to the credit of any one or more of those accounts in or towards the satisfaction of any monies, obligations or liabilities of ours to the Bank whether those liabilities be present, future, actual, contingent, primary, collateral, joint or several.

1. CONVERSION OF FACILITY

The Bank may, at its discretion and for any reason whatsoever at any time convert the Facility or any portion thereof into any other currency at a rate to be determined by the Bank in its sole and absolute discretion and all amounts due and owing by the Bank (including interest and other costs, charges and expenses) shall thenceforth be paid to the Bank in the new currency.

2. SET-OFF

The Bank may, at any time without notice or demand to the Applicant and notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any then existing accounts of the Applicant (whether alone or jointly) with the Bank wherever situate including accounts in the name of the Bank (whether current, deposit, loan or of any other nature whatsoever, whether subject to notice or not and in whatever currency denominated) and set off or transfer any sums standing to the credit of any one or more such accounts in or towards satisfaction of any obligations and liabilities of the Ap-

plicant to the Bank whether such liabilities be present, future, actual, contingent, primary, collateral, joint or several and the Applicant expressly waives any rights of set-off that the Applicant may have, so far as is permitted by law, in respect of any claim which it may now or at any time hereafter have against the Bank.

3. EXPENSES AND INDEMNITY

The Applicant will pay to the Bank on demand all costs charges and expenses incurred on the accounts of the Applicant with the Bank and will reimburse the Bank on demand for all expenses, including legal expenses, incurred by the Bank in connection with the negotiation and preparation of this Letter and with the preparation and registration of the security, and will reimburse the Bank on demand with all expenses incurred by the Bank in suing for or recovering any sum due to the Bank under this Letter or the security or otherwise in protecting or enforcing its rights under this letter or the security and the Applicant will pay all legal fees stamp and other duties and taxes (if any) to which this letter and the security may be subject or give rise and will indemnify the Bank against any and all liabilities with respect to or resulting from any delay or omission on the part of the Applicant in the payment thereof. The Applicant will indemnify the Bank against any loss that the Bank may suffer as a result of granting the Facility to the Applicant.

4. APPOINTMENT OF ATTORNEY

The Applicant hereby irrevocably appoints the Bank to be the attorney of the Applicant and in the name and on behalf of the Applicant to execute and do any assurances, acts and things which the Applicant ought to execute and do under the covenants and agreements herein contained and generally to use the name of the Applicant in the exercise of all or any of the powers hereby or by law conferred on the Bank.

5. ASSIGNMENT

The Applicant shall not be entitled to assign all or any part of its rights obligations or benefits hereunder without the prior consent in writing of the Bank. The Bank may assign or transfer all or any of its rights and obligations under this Letter and / or any of the Securities. The Applicant and the Guarantors will at the Bank's request execute all documents and enter into all such agreements specified by the Bank to be necessary to give effect to any such assignment or transfer.

6. NOTICES

A notice or demand for payment by the Bank under these Terms and Conditions shall be deemed to have been properly served on the Applicant and / or Guarantor if issued through any one of the following means:

- a. If delivered by hand or sent by registered post the Applicant and / or Guarantor shown in section A of this letter or at the registered offices or any of the principal places of business of the Applicant in Uganda. In the absence of evidence of earlier receipt any notice or demand shall be deemed to have been received if delivered by hand at the time of delivery or if sent by registered post five (5) days after the date of posting (notwithstanding that it be undelivered or returned undelivered). Where a notice or demand is sent by registered post it will be sufficient to prove that the notice or demand was properly addressed and posted.
- b. By electronic media including phone, SMS, email, internet or other convenient means as notified to the Bank by the Applicant and / or Guarantor or:
- c. Through print media by a notice published in two local dailies of nationwide circulation in Uganda.

7. DISCLOSURE

To enable the Bank to comply with regulatory requirements, the Applicant, by its acceptance of the Facility, irrevocably consents to the disclosure by the Bank, its officers and agents in any manner however of any information relating to the Applicant and its account relationship with the Bank including without limitation, details of the Applicant's Facility, the security taken, the Applicant's credit balances and deposits with the Bank, default under the Facility, outstanding balances on the Facility and any enforcement action taken to (i) any regulatory or supervisory authority including fiscal authority in any jurisdiction (ii) any potential assignee of the Bank or other participant in any of its rights and / or obligations in relation to the Applicant's Facility (iii) any guarantors, third party pledge or security providers (iv) the Bank's agents and (v) any Credit Reference Bureau as required by law.

8. WAIVERS, REMEDIES CUMULATIVE

No failure or delay by the Bank in exercising any right, power or privilege under this Letter shall impair the same or operate as a waiver for the same nor shall any single or partial exercise of any right, power or privilege preclude any further exercise of the same or the exercise of any other right, power or privilege. The rights and remedies provided in this Letter are cumulative and not exclusive of any rights and remedies provided by law.

9. SEVERABILITY

If, at any time, any provision herein is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

The Bank reserves the right to create a loan account in the name of the Applicant for the amount outstanding together with accrued interest, costs and commissions thereon which shall remain due and payable until payment in full.

The Applicant will indemnify the Bank against any loss (including loss of profit) or expense which may be incurred as a consequence of any default in payment by the Applicant of any sum hereunder when due and / or the occurrence of any event of default.

10. These Terms and Conditions shall be unlimited as to amount or duration.

11. All complaints may be made in person in any Cairo Bank Branch, in writing, email to cbuug@cbu.co.ug or by telephone on +256417230105. The Bank take all reasonable measures to resolve all complaints within a reasonable time.

12. These Terms and Conditions shall be governed, construed, and interpreted in accordance with the laws of Uganda.

13. Any dispute arising out of or in connection with these Terms and Conditions that is not amicably resolved between the Bank and the Customer shall be referred to the exclusive jurisdiction of the courts of Uganda.

In witness whereof the Applicant has hereunto subscribed his name, address, and signature the day and year first herein before written.

I / We the undersigned confirm I / We have read and understood the terms of the Privacy Policy and hereby give express, unequivocal, free, specific, and informed authority to Cairo Bank Uganda Limited and its affiliates to collect, use and process my / our data as per the policy provided at: www.cbu.co.ug

DECLARATION

1. I/we declare that to the best of my/our knowledge this transaction (s) or any related activities have not been done on behalf of any sanctioned individual, entity or jurisdiction and are being carried out with no intension(s) of Money Laundering, Terrorism Financing or Proliferation Financing.

Signature Authorized by:

Name: _____ Name: _____ Name: _____
AUTHORISED SIGNATORY AUTHORISED SIGNATORY AUTHORISED SIGNATORY

