

LETTERS OF CREDIT - A DOCUMENTS CHECK LIST

GENERAL

- ☐ All documents called for are dated and unless otherwise allowed, presented prior to the Expiry Date of the Credit.
- ☐ Documents are presented to the Bank within 21 days of the date of shipment / dispatch **or such time as stipulated in the Credit.**
- ☐ Original Letter of Credit together with any amendments / attachments accompanies the presentation.
- ☐ The amount of the drawing is within the available credit amount
- ☐ All documents requiring endorsement are correctly endorsed, eg: Bills of Lading, Bills of Exchange (or 'Drafts'), Insurance Documents
- ☐ ***Documents comply with the terms and conditions of the Credit and the requirements of ICC Uniform Customs & Practice for Documentary Credits, (current revision).***

INVOICES

- ☐ Invoices contain goods description corresponding to that stated in the Letter of Credit.
- ☐ Invoices are addressed to the Applicant. Name as stated in the credit.
- ☐ Invoices contain exact license numbers and / or certificates if required by the credit; such certificates are signed and worded exactly as specified in the credit.
- ☐ Invoices show delivery term as stipulated in the credit, (eg: FCA / FOB, CPT / CFR, CIP / CIF etc., - *refer Incoterms® 2010 publication issued by the International Chamber of Commerce*)
- ☐ Quantities, weight (both gross and net), shipping marks, unit price etc., agree with credit and are consistent between all relative documents.

TRANSPORT DOCUMENTS

- ☐ Goods shipped within stipulated time
- ☐ Document shows correct name & address of consignee and / or notify party.
- ☐ Document marked 'Freight Paid / Prepaid' or 'Freight Collect' (depending on Incoterm & L/C requirements)
- ☐ Document signed by a named carrier or agent on behalf of a named carrier (*Articles 19-25, UCP 600*)
- ☐ Bills of Lading show goods 'Shipped on Board' (unless otherwise stipulated in the credit).
- ☐ Bills of Lading are in full set of signed originals (ie: 2/2, 3/3 etc.,) or as called for by the credit.

INSURANCE

- ☐ Insurance document is in currency of the credit
- ☐ Insurance is for value specified in the credit. (Unless otherwise stated minimum cover to be for the CIF / CIP invoice value plus 10%)
- ☐ Insurance covers all risks specified in the credit.
- ☐ The insurance document is dated prior to despatch of the goods or indicates that cover is effective from shipment date.
- ☐ Insurance certificate is not presented where credit stipulates insurance policy.

This quick checklist has been produced by MJ Hayward Associates Ltd, without liability or responsibility on our part, to assist exporters in the preparation and presentation of key documents under letters of credit. The list covers the most commonly required documents and should not be considered exhaustive.