

Schedule 2 Part A Form of LC Notice

بنك السلام
Al Salam Bank



To: Al Salam Bank B.S.C.

From:

Date:

Dear Sirs,

We refer to the LC Facility Agreement dated between yourselves and ourselves (the "LC Agreement"). Terms defined in the LC Agreement have the same meanings herein.

1. We hereby request that, pursuant to the LC Agreement and on and on [LC request date], you issue a Letter of Credit to facilitate our import and purchase of the Goods.
2. We unconditionally and irrevocably promise to pay to you on the Settlement Date, the face value of the Letter of Credit together with any other sums paid thereunder and the fees and charges payable in accordance with the Fee Letter and hereby unconditionally and irrevocably authorise you to debit our account held with you (Account Number [_____]) in settlement thereof.
3. The terms of the Letter of Credit are as follows:

Expiry date: <input type="text"/>		Confirmation: With Confirmation <input type="checkbox"/> Without Confirmation <input type="checkbox"/>	
Place:		Beneficiary Name and Address M/s:	
Applicant Name and Address M/s:		M/s:	
Account Number :			
Telephone Number:			
Contact Person:			
L/C Amount (in figures) :		L/C Amount (in words) :	
Tenor: <input type="checkbox"/> Sight <input type="checkbox"/> Days Sight <input type="checkbox"/> Days after B/L		All Charges outside Bahrain are for a/c of: <input type="checkbox"/> Applicant <input type="checkbox"/> Beneficiary	
Partial Shipment: <input type="checkbox"/> Allowed <input type="checkbox"/> Not Allowed	Transshipment: <input type="checkbox"/> Allowed <input type="checkbox"/> Not Allowed	Trade Terms: <input type="checkbox"/> Ex. Works <input type="checkbox"/> FOB <input type="checkbox"/> CFR <input type="checkbox"/> CIF <input type="checkbox"/> Others	
Shipment: From :	To :		
Shipment no later than: <input type="text"/>		By: <input type="checkbox"/> Sea <input type="checkbox"/> Air Freight <input type="checkbox"/> Road <input type="checkbox"/> Other	

Signature & Stamp



Merchandise ("Goods") (Brief details):

(Copy of Proforma Invoice consigned to Al Salam Bank /Purchase Order enclosed for reference)

Documents to be presented within days of the date of issuance of transport documents.

Shipping Marks :

Document (s) Required ("Documents") – Marked

Signed commercial Invoice in folds showing the origin and the name of the manufacturer or producer of the merchandise.

- Invoices to be duly legalized as per requirements of the state of Bahrain.
- Full set clean "On Board" ocean Bills of lading marked freight Prepaid Payable at destination.
- Multimodal transport document marked freight Prepaid Payable at destination.
- Air consignment note evidencing shipment consigned to the order of Al Salam Bank marked freight Prepaid Payable at destination.
- Road Transport Document evidencing shipment consigned to openers marked freight Prepaid Payable at destination.
- Delivery Note evidencing delivery of goods to the applicant.
- Air parcel post receipts evidencing merchandise consigned to Al Salam Bank quoting this credit number.
- Insurance policy/certificate in transferable form, made out in the currency of credit for at least 110% of the CIF value of the invoice against all risks covering Institute Cargo Clause (A), Institute War Clause (Cargo), Institute Strike Clause (Cargo) from suppliers' warehouse to buyers' warehouse with claims payable in Bahrain.
- Certificate oforigin made out in duplicate issued by a Chamber of Commerce.
- Certificate of Origin to be duly legalized by any Arab Consulate/Embassy.
- Packing list in
copies
- Settlement instruction: The Cost Price is to be paid on the Settlement Date to:
Account No:
In the name of:
Bank Name, Address and Swift code :
Reference:
- Other Conditions and/or Documents Required:

upon the terms and subject to the conditions contained in the LC Agreement.

Signature & Stamp



4. We confirm that as of the date of this notice (i) no Acceleration Event or any event or circumstance which would upon the giving of a notice by the Bank and/or the expiry of a relevant period and/or the fulfilment of any other condition constitute an Acceleration Event would result from the giving of this notice and (ii) the repeating representations set out in clause 7 of the LC Agreement are true and accurate and will be true and accurate on the proposed Letter of Credit issuance date set out above.

5. This facsimile constitutes an LC Notice pursuant to the LC Agreement and is irrevocable.

6 In consideration of your issuing or agreeing to issue at our request and on our behalf from time to time a letter of credit, (hereinafter called collectively "LCs" and individually an "LC"), we hereby unconditionally and irrevocably (and if more than one, jointly and severally) :

A) Agree to indemnify and keep indemnified you and each of your successors and assigns at all times and from time to time on demand from and against all losses, damages, actions, suits, proceedings, claims, expenses, costs, demands and payments, whatsoever which you or your successors and assigns may incur, suffer or sustain on account of or in connection with you having issued any LC or otherwise including but not limited to conflict of laws in respect of LCs.

B) Agree that you are irrevocably authorized to pay immediately the amount or amounts demanded from you under or in connection with any LC on the first written demand made by the respective Beneficiary thereof without requiring proof (other than receipt by you from such Beneficiary of such written demand) or our agreement that amount or amounts so demanded are or were, due notwithstanding that we may dispute the validity of any such demand, we will accept any demand on you as conclusive evidence that you were liable to pay and shall accept any payment which you make or which you purport to make under or in connection with any LC, as binding upon us . We authorize you to debit from the Account all amounts payable by me/us to you under or in connection with the LC or LCs. We also hereby agree to the assignment of any funds that you hold or may receive in our name towards settlement of any liability arising under the LC.

C) Accept that if we commit any breach of the terms of this counter indemnity or if any of our indebtedness to any third party is not paid at maturity or on demand as the case may be or if we fail to pay any amount payable by us under any other LC or indemnity made by us or if we cease or threaten to cease carrying on business or become insolvent or proceedings are commenced for our dissolution or winding up then we shall on your first demand at any time thereafter (and without prejudice to our obligations under this counterindemnity, immediately pay to, and deposit with you, and keep deposited, so long as you have any liability under any LC such sum or sums of money (not exceeding the amount of your aggregate outstanding liability under the LCs), as you may require to be held by you as security against any and all claims arising under or in connection with the LCs until you are satisfied that your liability under the LC has been discharged . You shall have the right to set off such sum or sums so deposited in or towards settlement of our obligations hereunder without prior notice to us.

D) Irrevocably agree and declare that:

- You are authorized to agree to any amendment (other than an increase in the guaranteed amount) to, or any extension of any guarantee requested by the Beneficiary thereof without our consent, approval or authorization thereto ; and
- If you increase the guaranteed amount of any LC with our prior written consent, or if you otherwise amend any LC in accordance with paragraph (I) above or in accordance with our written instructions, then the terms of this counter-indemnity shall apply to such LC as so amended or extended.

Unless otherwise expressly stated, we agree that the Bank may, at its discretion, subject such LC to ICC Uniform Rules for Documentary Credits.

Our liability hereunder will be continuous and will remain in full force and effect notwithstanding that the amount of any LC may from time to time be reduced or extinguished and until you are finally discharged, to your satisfaction , of all liabilities under the LCs.

The words "we" "us" and "our" shall be construed as meaning and including "I" , "me" and "my" when this LC Application is signed by a single individual.

This LC shall be governed by and construed in accordance with the Laws of Bahrain, to the extent that such laws are not repugnant to the principles of Shari'a in which case the principles of Shari'a shall prevail. We submit to the non-exclusive jurisdiction of the Bahraini Courts or any other jurisdiction in which we or any of our assets may be found. Notwithstanding the foregoing, we hereby waive our right to protest, object or contest jurisdiction or governing law of the LC.

Yours faithfully,

Date:

For and on behalf of
(Client Signature and Stamp)