

**APPLICATION AND AGREEMENT FOR  
 IRREVOCABLE DOCUMENTARY CREDIT**

Branch.....

Date of Application:.....

Please Issue An Irrevocable Documentary Credit as per following conditions for our account and at our risk which is to be routed through one of your Correspondent Banks by

SWIFT  Other.....

(20) DC No.: ..... (31C) Issue Date:..... (31D) Date and Place of Expiry:.....

(50) Applicant's Name & Address:.....  
 PAN No.: .....  
 Exim Code:..... Email:.....  
 (59) Beneficiary's Name & Address:.....  
 Tel/Fax No.: .....  
 Contact Person's Name/No.:.....  
 Email:.....

(32B) Currency/Amount (in figures):.....  
 Amount in Words:.....  
 Only  
 (39A) Percentage Credit Amount Tolerance:(+)....../(-).....%

(41A/D) Available With:..... Bank  
 By:  
 Negotiation  Payment  Acceptance  
 Deferred Payment  Mixed Payment  
 (42C) Drafts at:.....  
 Sight  Usance..... days from the date of.....  
 (42a\_2) Drawee or Drafts drawn on:  
 Kumari bank  Confirming Bank  .....

(42M) Mixed Payment Details, if Applicable:.....  
 (42P) Negotiation/Deferred Payment Details, if Applicable:.....

(43P) Partial Shipments:  Allowed  Not Allowed  Conditional  
 (43T) Transshipment  Allowed  Not Allowed  Conditional  
 (44C) Latest Shipment Date:..... (44D) Shipment Period (if applicable):.....

(44A) Place of Taking in Charge/ Dispatch From / Place of Receipt:.....  
 (44E) Port of Loading/Airport of Departure:.....

(44F) Port of Discharge/Airport of Destination:.....  
 via Customs Office:.....  
 (44B) Place of Final Destination/For Transport To/Place of Delivery:  
 Via Customs Office:.....

(45A) Description of Goods and/or service to be imported (Please add separate sheet, if required, with authorized signature and stamp):  
 Proforma Invoice/Sales Contract No.:..... Dated..... Harmonic Code No.:.....  
 Delivery Term (Subject to latest Version of INCOTERMS):  Ex-Works  FOB  CFR  CIF  ..... Place:.....

(71D) Bank Charges Outside Nepal (other than issuing Bank/incase of Domestic DC):  
 Applicant  Beneficiary  
 (48) Period for presentation in days:  
 Not Later than.....days from shipment date

(49) Confirmation Instruction  
 Confirm  May Add  Without  
 Confirmation Charges for:  
 Applicant  Beneficiary

TT Reimbursement:  Permitted  Prohibited  
 Reimbursement Bank's Charges for:  Applicant  Beneficiary

(57A/D) Advise Through Bank (if any):  
 Revolving:  Yes  No  
 Revolving Terms:.....  
 Transferable:  Yes  No Name/Address of Transferee Party, if applicable:.....  
 BIC:.....

(46A) Documents Required:  
 Manually Signed and stamped  Commercial Invoice  Tax Invoice in .....Original(s) and .....copy(ies)  
 Truck/Lorry Receipt/Road Consignment Note  Railway Receipt  Airway Bill Consigned to Kumari Bank Ltd., showing Applicant as 'Notify Party' and marked freight  Prepaid  to Collect.  
 Full(3/3)  Partial (.....) set of original Clean On Board  Ocean Bill of Landing  Multi-modal or Combined Transport Document made out to the Order of Kumari Bank Ltd. endorsed in blank and showing Applicant as 'Notify Party' and marked Freight  Prepaid  to Collect.  
 Negotiable Insurance Policy or Certificate of the Insurance in all originals endorsed in blank, covering Marine/Road/Air (as appropriate) & War Risk for the CIF value of shipment plus.....percent. Insurance to include Insurance Cargo Clause A(all risks) and Institute SRCC, TPND, Terrorism and War Clauses. Insurance to be covered upto  ..... or  Final destination in Nepal.  
 Certificate of Origin issued by..... certifying goods are of .....origin in.....Original(s) and .....copy(ies)  
 Packing list in.....Original(s) and .....copy(ies)  Showing.....  
 Weight list in.....Original(s) and .....copy(ies)  Showing.....  
 Other Documents, if any (Please Specify).....

(47A) Additional Conditions (if any) (please add separate sheet, if required, with authorized signature/s and stamp)  
 .....  
 .....  
 As per Attached Sheet(s)

<p>In Consideration of your issuing the Documentary Credit, we hereby unconditionally agree for the following:</p>	
<ul style="list-style-type: none"> <li>• For your margin and charges for opening this DC, we authorize you to debit our Account No.....</li> </ul>	
<ul style="list-style-type: none"> <li>• For settlement of document under this DC, we authorize you to debit our Account No. .... for the value of documents, statutory and/or other margin and bank and other charges, as applicable.</li> </ul>	
<ul style="list-style-type: none"> <li>• This Documentary Credit is subject to the latest version of Uniform Customs and Practice for Documentary Credits (UCPDC), International Standard Banking Practice (ISBP), INCOTERMS and/or Uniform Rules for Bank -To-Bank Reimbursements(URR), as applicable, issued by International Chamber of Commerce (ICC), Paris and amendments thereof, if any.</li> </ul>	
<ul style="list-style-type: none"> <li>• In the event of our request for Charter Party/Tanker/Short Form/Blank Back Bill of Lading as the Part of the documents under this DC,we hereby declare that we are aware of and are solely responsible for all the potential risk and consequences that may arise due to our asking so and undertake to indemnify the bank for all the losses upon if the Bank seeks such bill of Lading in the DC as per our request.</li> </ul>	
<ul style="list-style-type: none"> <li>• In the event of our requesting the Bank to seek one set of Original Bill of Lading to be presented directly to ourselves or any party as instructed by us and not through the Presenting Bank to your bank,we hereby declare that we are aware of all potential risks that may arise due to the beneficiary sending Original Bill of Lading not through Presenting Bank and undertake to indemnify the Bank for all the losses and unforeseen consequences due to your accepting our request for doing so. We also undertake that we will not reject the documents under the above - mentioned DC merely on the condition that Beneficiary has failed to present full set of Original Bill of Lading or it has been lost or misplaced in the course of transit.</li> </ul>	
<ul style="list-style-type: none"> <li>• In case of adding confirmation to the DC by your Correspondent upon our request, we understand that Confirming bank shall require T.T Reimbursement facility to be added under DC to enable them to claim the negotiated amount through your nostro bank and hereby declare that we shall have no objection if Bank provides this facility in the DC.</li> </ul>	
<ul style="list-style-type: none"> <li>• We have read and understood the additional terms and conditions that are incorporated by the Bank in DC as prerequisites to its internal and/or Nepal Rastra Bank Regulations and hereby authorize the Bank to incorporate those terms and conditions in the DC and ask for additional document(s), as deemed necessary by the Bank.</li> </ul>	
<ul style="list-style-type: none"> <li>• We hereby authorize Mr./Ms. .... whose email identification and signature appears below to correspond with bank for non-financial transactions, finalization of DC draft/text and other related correspondence on behalf of us under this DC.</li> </ul>	
<ul style="list-style-type: none"> <li>• Documents Enclosed: <ul style="list-style-type: none"> <li>- Firm/Company Registration Certificate</li> <li>- Pan/Tax Certificate</li> <li>- Bi.Bi.Ni.Form No.3</li> <li>- Proforma Invoice/Sales Contract</li> <li>- Insurance Policy and Premium Paid Receipt (if insurance is to be arranged by Applicant)</li> <li>- Other(please specify)</li> </ul> </li> </ul>	
<ul style="list-style-type: none"> <li>• The security agreement printed overleaf is an integral part of this application and hereby unconditionally acceptable to the undersigned and made applicable to this application and DC. We hereby take responsibility for any acts or misconduct of the person authorized to deal and correspond with the Bank. We assume all risks and responsibility for misappropriation or deflection of foreign currency due to non delivery of merchandise or any other reasons or revenue evasion arising from third party indemnity.</li> </ul>	
<p style="text-align: center;">_____</p> <p style="text-align: center;">Authorized Signature &amp; Stamp</p>	<p style="text-align: center;">_____</p> <p style="text-align: center;">Specimen signature of person authorized to correspond with bank for Non-Financial Transactions.</p> <p>Name: ..... ID No. ....</p> <p>Mobile No.:.....</p> <p>Email ID: .....</p>

# Security Agreement

## Definitions:

1. The 'Bank' 'You' 'Your' relate to Kumari Bank Limited.
2. The terms 'Applicant' 'We' 'Our' relate to the party signing the application.
3. The 'Guarantor' means the co-signer of the application.
4. The 'Instrument' means any draft, receipt, acceptance or cables or written demand for payment.
5. 'Property' means goods and merchandise and any all documents relative thereto, securities, funds and any all other 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 Receipt as defined in and complying with such law.
7. 'Application' means the application on the front page of this document as such application may be amended or modified from time to time with the written or verbal agreement or consent of the applicants.

In consideration of the issuance by the Bank a documentary credit as requested in the application (such documentary 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 undertake to accept or pay upon 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 honour 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. Notwithstanding anything contained in this agreement you may debit our account 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 rupee, you may at any time(s) as you, may think fit pass any such debit(s) in the currency of the credit and/or rupee 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 Rupees at your selling rate of exchange for the currency. That it is at your sole option to claim payment of any bill drawn pursuant hereto either at the rate of exchange ruling on the date of its 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 whichever of the above rates you may name. 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 deficit upon demand by you as aforesaid and we 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, to the full amount of the credit.
5. 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 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, policies or certificates of insurance or other documents given therefore, shall be and remain in you and we hereby give you full power and authority at your discretion by yourselves or through your agent(s) at anytime to have and takes possessions thereof and all policies or certificates of insurance thereon and proceeds of such policies and certificates and to hold and/or collect the same or under the terms expressed below to dispose thereof at anytime(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 to receive and accept at your discretion any documents issued by or on behalf of any carrier, including lighterage receipt which acknowledge receipt of goods for transportation, whatever the specific provisions of such documents and the date of such documents, as bill of lading and the 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, 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 for any difference in quality and/or quantity of merchandise shipped under this credit from that 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 these shipment(s) is/are made and /or for partial or incomplete shipment and/or for failure or omission 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 insurance company and/or for any delay, default, fraud or deviation from instruction in connection with the merchandise and/or shipping 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, oversight, mistake or negligence on your part or on part of any of your agents of correspondents in issuing this credit and/or for the compliance with any of our instruction given on this 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 or due error(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.

.....  
Authorized Signature & Stamp

9. As security for the payment of performance of any and all of our obligations and/or liabilities hereunder, absolute or contingent and also for the payment or performance of any and all obligations and/or liabilities, absolute or contingent, due or to become due, which are now or may at 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 relative to instruments 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 thereto or to any of the instruments drawn thereunder (whether or not such documents, goods or other property be released 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 other claims that we may have against you.
  - c. And in and to all our property, claims and demands and rights and interest therein, and in and to all evidences thereof 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 of 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 or correspondents or other acting on your behalf, if 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 any of your rights or powers hereunder.
  - d. If any party 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 or hereafter obtain from such party as security for the obligations 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 you additional security of or value and character satisfactory to you or to make such payment as you may require.
10. Your rights and liens hereunder shall continue unimpaired and we shall be and remain obligated in accordance with the terms and provisions hereof notwithstanding the release and/or substitution of any property which may be held as security hereunder 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 hereunder. 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 you 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 noncompliance of any such instruments with the 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 you 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 assigns and shall continue notwithstanding 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.

.....  
Authorized Signature & Stamp