



## INFO WORKSHEET

International Standard Banking Practices  
ISBP – regulated under UCP 600



# International Standard Banking Practices



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## ***ISBP-***

### ***INTERNATIONAL STANDARD BANKING PRACTICE***

#### **International Standard Banking Practice**



The publication International Standard Banking Practice for the Examination of Documents under Documentary Credits, 2007 Revision for UCP 600.

#### **International Standard Banking Practice**

#### **Foreword**

When the publication International Standard Banking Practice for the Examination of Documents under Documentary Credits was approved by ICC in 2002, it was widely acclaimed by letter of credit practitioners worldwide. The ISBP, as it is commonly called, provided an intelligent checklist of items document checkers could refer to in determining how ICC's rules on documentary credits, at the time called UCP 500, applied in daily practice. As such, it filled a needed gap in the market between the general principles in the UCP and the daily job of the practitioner.

Now that UCP 500 has been replaced by UCP 600, it has become necessary to update the ISBP to bring it in line with the new rules. Though much of the ISBP remains unchanged from the 2002 version, certain alterations have had to be made. These are essentially to remove paragraphs from ISBP where the principle has been incorporated in UCP 600; to make technical adjustments in capitalization; to substitute UCP 600 article references for those of UCP 500; to change dates (from 2006 to 2007); and to incorporate changes in ISBP paragraphs necessary to bring the wording in line with wording in UCP 600. Though some of these changes are minor, practitioners would be well advised to have this latest version of the ISBP at hand.

In addition to giving needed guidance to the practitioner, the ISBP was originally created to help reduce the large percentage of documents refused for discrepancies on first presentation. Anecdotal evidence suggests that this objective has been partially attained. Though refusals remain a serious problem with letters of credit, their numbers appear to be declining, in part because of the effectiveness of the checklist contained in the ISBP. Practitioners are urged to refer to this publication whenever doubts arise as to how to structure and check documents in credits utilizing UCP 600.

This revision of the ISBP has been developed by the same Drafting Group that created the final version of UCP 600. Their contribution in time and effort is gratefully acknowledged, and their names and professional affiliations appear below.



# International Standard Banking Practices



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June 2007



## Introduction

Since the approval of International Standard Banking Practice (ISBP) by the ICC Banking Commission in 2002, ICC Publication No. 645 has become an invaluable aid to banks, corporations, logistics specialists and insurance companies alike, on a global basis. Participants in ICC seminars and workshops have indicated that rejection rates have dropped due to the application of the 200 practices that are detailed in ISBP.

However, there have also been comments that although ISBP Publication No. 645 was approved by the Banking Commission, its application had no clear relationship with UCP 500. With the approval of UCP 600 in October 2006, it has become necessary to provide an updated version of the ISBP. It is emphasized that this is an updated version as opposed to a revision of ICC Publication No. 645. Where it was felt appropriate, paragraphs that appeared in Publication No. 645 and that have now been covered in effectively the same text in UCP 600 have been removed from this updated version of ISBP.

As a means of creating a relationship between the UCP and ISBP, the introduction to UCP 600 states: "During the revision process, notice was taken of the considerable work that had been completed in creating the International Standard Banking Practice for the Examination of Documents under Documentary Credits (ISBP), ICC Publication No. 645. This publication has evolved into a necessary companion to the UCP for determining compliance of documents with the terms of letters of credit. It is the expectation of the Drafting Group and the Banking Commission that the application of the principles contained in the ISBP, including subsequent revisions thereof, will continue during the time UCP 600 is in force. At the time UCP 600 is implemented, there will be an updated version of the ISBP to bring its contents in line with the substance and style of the new rules."

The international standard banking practices documented in this publication are consistent with UCP 600 and the Opinions and Decisions of the ICC Banking Commission. This document does not amend UCP 600. It explains how the practices articulated in UCP 600 are applied by documentary practitioners. This publication and the UCP should be read in their entirety and not in isolation. It is, of course, recognized that the law in some countries may compel results different from those stated here.

No single publication can anticipate all the terms or the documents that may be used in connection with documentary credits or their interpretation under UCP 600 and the standard practice it reflects. However, the Task Force that prepared Publication No. 645 endeavoured to cover terms commonly seen on a day-to-day basis and the documents most often presented under documentary credits. The Drafting Group have reviewed and updated this publication to conform with UCP 600.

It should be noted that any term in a documentary credit which modifies or excludes the applicability of a provision of UCP 600 may also have an impact on international standard banking practice. Therefore, in considering the practices described in this publication, parties must take into account any term in a documentary credit that expressly modifies or excludes a rule contained in UCP 600. This principle is implicit throughout this publication. Where examples are given, these are solely for the purpose of illustration and are not exhaustive.

This publication reflects international standard banking practice for all parties to a documentary credit. Since applicants' obligations, rights and remedies depend upon their undertaking with the issuing bank, the performance of the underlying transaction and the timeliness of any objection under applicable law and practice, applicants should not assume that they may rely on these provisions in order to excuse their obligations to reimburse the issuing bank. The incorporation of this publication into the terms of a documentary credit should be discouraged, as UCP600 incorporates international standard banking practice, which includes the practices described in this publication.



*ISBP*

Paragraph 1 to 5

## The Application and Issuance of the Credit

1. The terms of a credit are independent of the underlying transaction even if a credit expressly refers to that transaction. To avoid unnecessary costs, delays and disputes in the examination of documents, however, the applicant and beneficiary should carefully consider which documents should be required, by whom they should be produced and the time frame for presentation.
2. The applicant bears the risk of any ambiguity in its instructions to issue or amend a credit. Unless expressly stated otherwise, a request to issue or amend a credit authorizes an issuing bank to supplement or develop the terms in a manner necessary or desirable to permit the use of the credit.
3. The applicant should be aware that UCP 600 contains articles such as 3, 14, 19, 20, 21, 23, 24, 28(i), 30 and 31 that define terms in a manner that may produce unexpected results unless the applicant fully acquaints itself with these provisions. For example, a credit requiring presentation of a bill of lading and containing a prohibition against transshipment will, in most cases, have to exclude UCP 600 sub-article 20(c) to make the prohibition against transshipment effective.
4. A credit should not require presentation of documents that are to be issued or countersigned by the applicant. If a credit is issued including such terms, the beneficiary must either seek amendment or comply with them and bear the risk of failure to do so.
5. Many of the problems that arise at the examination stage could be avoided or resolved by careful attention to detail in the underlying transaction, the credit application and issuance of the credit as discussed.





ISBP

Paragraph 6 to 42

## Abbreviations

6. The use of generally accepted abbreviations, for example "Ltd" instead of "Limited", "Int'l" instead of "International", "Co." instead of "Company", "kgs" or "kos" instead of "kilos", "Ind" instead of "Industry", "mfr" instead of "manufacturer" or "mt" instead of "metric tons" - or vice versa - does not make a document discrepant.

7. Virgules (slash marks "/") may have different meanings and, unless apparent in the context used, should not be used as a substitute for a word.

## Certifications and Declarations

8. A certification, declaration or the like may either be a separate document or contained within another document as required by the credit. If the certification or declaration appears in another document which is signed and dated, any certification or declaration appearing on that document does not require a separate signature or date if the certification or declaration appears to have been given by the same entity that issued and signed the document.

## Corrections and Alterations

9. Corrections and alterations of information or data in documents, other than documents created by the beneficiary, must appear to be authenticated by the party who issued the document or by a party authorized by the issuer to do so. Corrections and alterations in documents which have been legalized, visaed, certified or similar, must appear to be authenticated by the party who legalized, visaed, certified etc., the document. The authentication must show by whom the authentication has been made and include the signature or initials of that party. If the authentication appears to have been made by a party other than the issuer of the document, the authentication must clearly show in which capacity that party has authenticated the correction or alteration.

10. Corrections and alterations in documents issued by the beneficiary itself, except drafts, which have not been legalized, visaed, certified or similar, need not be authenticated. See also "Drafts and Calculation of Maturity Date".

11. The use of multiple type styles or font sizes or handwriting in the same document does not, by itself, signify a correction or alteration.

12. Where a document contains more than one correction or alteration, either each correction must be authenticated separately or one authentication must be linked to all corrections in an appropriate way. For example, if the document shows three corrections numbered 1, 2 and 3, one statement, such as "Correction numbers 1, 2 and 3 above authorized by XXX" or similar, will satisfy the requirement for authentication.

## Dates

13. Drafts, transport documents and insurance documents must be dated even if a credit does not expressly so require. A requirement that a document, other than those mentioned above, be dated may be satisfied by reference in the document to the date of another document forming part of the same presentation (e.g., where a shipping certificate is issued which states "date as



per bill of lading number xxx" or similar terms). Although it is expected that a required certificate or declaration in a separate document be dated, its compliance will depend on the type of certification or declaration that has been requested, its required wording and the wording that appears within it. Whether other documents require dating will depend on the nature and content of the document in question.

14. Any document, including a certificate of analysis, inspection certificate and pre-shipment inspection certificate, may be dated after the date of shipment. However, if a credit requires a document evidencing a pre-shipment event (e.g., pre-shipment inspection certificate), the document must, either by its title or content, indicate that the event (e.g., inspection) took place prior to or on the date of shipment. A requirement for an "inspection certificate" does not constitute a requirement to evidence a pre-shipment event. Documents must not indicate that they were issued after the date they are presented.

15. A document indicating a date of preparation and a later date of signing is deemed to be issued on the date of signing.

16. Phrases often used to signify time on either side of a date or event:

- a. "within 2 days after" indicates a period from the date of the event until 2 days after the event.
- b. "not later than 2 days after" does not indicate a period, only a latest date. If an advice must not be dated prior to a specific date, the credit must so state.
- c. "at least 2 days before" indicates that something must take place not later than 2 days before an event. There is no limit as to how early it may take place.
- d. "within 2 days of" indicates a period 2 days prior to the event until 2 days after the event.

17. The term "within" when used in connection with a date excludes that date in the calculation of the period.

18. Dates may be expressed in different formats, e.g., the 12th of November 2007 could be expressed as 12 Nov 07, 12Nov07, 12.11.2007, 12.11.07, 2007.11.12, 11.12.07, 121107, etc. Provided that the date intended can be determined from the document or from other documents included in the presentation, any of these formats are acceptable. To avoid confusion it is recommended that the name of the month should be used instead of the number.

### **Documents for which the UCP 600 Transport Articles Do Not Apply**

19. Some documents commonly used in relation to the transportation of goods, e.g., Delivery Order, Forwarder's Certificate of Receipt, Forwarder's Certificate of Shipment, Forwarder's Certificate of Transport, Forwarder's Cargo Receipt and Mate's Receipt, do not reflect a contract of carriage and are not transport documents as defined in UCP 600 articles 19-25. As such, UCP 600 sub-article 14(c) would not apply to these documents. Therefore, these documents will be examined in the same manner as other documents for which there are no specific provisions in UCP 600, i.e., under sub-article 14(f). In any event, documents must be presented not later than the expiry date for presentation as stated in the credit.

20. Copies of transport documents are not transport documents for the purpose of UCP 600 articles 19-25 and sub-article 14(c). The UCP 600 transport articles apply where there are original transport documents presented. Where a credit allows for the presentation of a copy transport document rather than an original, the credit must explicitly state the details to be shown. Where



copies (non-negotiable) are presented, they need not evidence signature, dates, etc.

### Expressions Not Defined in UCP 600

21. Expressions such as "shipping documents", "stale documents acceptable", "third party documents acceptable" and "exporting country" should not be used as they are not defined in UCP 600. If used in a credit, their meaning should be made apparent. If not, they have the following meaning under international standard banking practice:

- a. "shipping documents" - all documents (not only transport documents), except drafts, required by the credit.
- b. "stale documents acceptable" - documents presented later than 21 calendar days after the date of shipment are acceptable as long as they are presented no later than the expiry date for presentation as stated in the credit.
- c. "third party documents acceptable" - all documents, excluding drafts but including invoices, may be issued by a party other than the beneficiary. If it is the intention of the issuing bank that the transport or other documents may show a shipper other than the beneficiary, the clause is not necessary because it is already permitted by sub-article 14(k).
- d. "exporting country" - the country where the beneficiary is domiciled, or the country of origin of the goods, or the country of receipt by the carrier or the country from which shipment or dispatch is made.

### Issuer of Documents

22. If a credit indicates that a document is to be issued by a named person or entity, this condition is satisfied if the document appears to be issued by the named person or entity. It may appear to be issued by a named person or entity by use of its letterhead, or if there is no letterhead, the document appears to have been completed or signed by, or on behalf of the named person or entity.

### Language

23. Under international standard banking practice, it is expected that documents issued by the beneficiary will be in the language of the credit. When a credit states that documents in two or more languages are acceptable, a nominated bank may, in its advice of the credit, limit the number of acceptable languages as a condition of its engagement in the credit.

### Mathematical Calculations

24. Detailed mathematical calculations in documents will not be checked by banks. Banks are only obliged to check total values against the credit and other required documents.

### Misspellings or Typing Errors

25. A misspelling or typing error that does not affect the meaning of a word or the sentence in which it occurs does not make a document discrepant. For example, a description of the merchandise as "mashine" instead of "machine", "fountan pen" instead of "pen" or "modle" instead of "model" would not make the document discrepant. However, a description as "model 123"



instead of "model 321" would not be regarded as a typing error and would constitute a discrepancy.

### Multiple Pages and Attachments or Riders

26. Unless the credit or a document provides otherwise, pages which are physically bound together, sequentially numbered or contain internal cross references, however named or entitled, are to be examined as one document, even if some of the pages are regarded as an attachment. Where a document consists of more than one page, it must be possible to determine that the pages are part of the same document.

27. If a signature or endorsement is required to be on a document consisting of more than one page, the signature is normally placed on the first or last page of the document, but unless the credit or the document itself indicates where a signature or endorsement is to appear, the signature or endorsement may appear anywhere on the document.

### Originals and Copies

28. Documents issued in more than one original may be marked "Original", "Duplicate", "Triplicate", "First Original", "Second Original", etc. None of these markings will disqualify a document as an original.

29. The number of originals to be presented must be at least the number required by the credit, the UCP 600 or, where the document itself states how many originals have been issued, the number stated on the document.

30. It can sometimes be difficult to determine from the wording of a credit whether it requires an original or a copy, and to determine whether that requirement is satisfied by an original or a copy.

For example, where the credit requires:

a. "Invoice", "One Invoice" or "Invoice in 1 copy", it will be understood to be a requirement for an original invoice.

b. "Invoice in 4 copies", it will be satisfied by the presentation of at least one original and the remaining number as copies of an invoice.

c. "One copy of Invoice", it will be satisfied by presentation of either a copy or an original of an invoice.

31. Where an original would not be accepted in lieu of a copy, the credit must prohibit an original, e.g., "photocopy of invoice - original document not acceptable in lieu of photocopy", or the like. Where a credit calls for a copy of a transport document and indicates the disposal instructions for the original of that transport document, an original transport document will not be acceptable.

32. Copies of documents need not be signed.

33. In addition to UCP 600 article 17, the ICC Banking Commission Policy Statement, document 470/871(Rev), titled "The Determination of an 'Original' Document in the Context of UCP 500 sub-Article 20(b)" is recommended for further guidance on originals and copies and remains valid under UCP 600. The content of the Policy Statement appears in the Appendix of this publication,



for reference purposes.

### Shipping Marks

34. The purpose of a shipping mark is to enable identification of a box, bag or package. If a credit specifies the details of a shipping mark, the documents mentioning the marks must show these details, but additional information is acceptable provided it is not in conflict with the credit terms.

35. Shipping marks contained in some documents often include information in excess of what would normally be considered "shipping marks" and could include information such as the type of goods, warnings as to the handling of fragile goods, net and/or gross weight of the goods, etc. The fact that some documents show such additional information while others do not is not a discrepancy.

36. Transport documents covering containerized goods will sometimes only show a container number under the heading "Shipping marks". Other documents that show a detailed marking will not be considered to be in conflict for that reason.

### Signatures

37. Even if not stated in the credit, drafts, certificates and declarations by their nature require a signature. Transport documents and insurance documents must be signed in accordance with the provisions of UCP 600.

38. The fact that a document has a box or space for a signature does not necessarily mean that such box or space must be completed with a signature. For example, banks do not require a signature in the area titled "Signature of shipper or their agent" or similar phrases commonly found on transport documents, such as air waybills or road transport documents. If the content of a document indicates that it requires a signature to establish its validity (e.g., "This document is not valid unless signed" or similar terms), it must be signed.

39. A signature need not be handwritten. Facsimile signatures, perforated signatures, stamps, symbols (such as chops) or any electronic or mechanical means of authentication are sufficient. However, a photocopy of a signed document does not qualify as a signed original document, nor does a signed document transmitted through a fax machine, absent an original signature. A requirement for a document to be "signed and stamped", or a similar requirement, is also fulfilled by a signature and the name of the party typed, or stamped, or handwritten, etc.

40. A signature on a company letterhead paper will be taken to be the signature of that company, unless otherwise stated. The company name need not be repeated next to the signature.

### Title of Documents and Combined Documents

41. Documents may be titled as called for in the credit, bear a similar title or be untitled. For example, a credit requirement for a "Packing List" may also be satisfied by a document containing packing details whether titled "Packing Note", "Packing and Weight List", etc., or an untitled document. The content of a document must appear to fulfil the function of the required document.



## *International Standard Banking Practices*



42. Documents listed in a credit should be presented as separate documents. If a credit requires a packing list and a weight list, such requirement will be satisfied by presentation of two separate documents, or by presentation of two original copies of a combined packing and weight list, provided such document states both packing and weight details.



## Tenor

43. *The tenor must be in accordance with the terms of the credit.*

*a. If a draft is drawn at a tenor other than sight, or other than a certain period after sight, it must be possible to establish the maturity date from the data in the draft itself.*

*b. As an example of where it is possible to establish a maturity date from the data in the draft, if a credit calls for drafts at a tenor 60 days after the bill of lading date, where the date of the bill of lading is 12 July 2007, the tenor could be indicated on the draft in one of the following ways:*

*i. "60 days after bill of lading date 12 July 2007", or*

*ii. "60 days after 12 July 2007", or*

*iii. "60 days after bill of lading date" and elsewhere on the face of the draft state "bill of lading date 12 July 2007", or*

*iv. "60 days date" on a draft dated the same day as the date of the bill of lading, or*

*v. "10 September 2007", i.e., 60 days after the bill of lading date.*

*c. If the tenor refers to xxx days after the bill of lading date, the on board date is deemed to be the bill of lading date even if the on board date is prior to or later than the date of issuance of the bill of lading.*

*d. UCP 600 article 3 provides guidance that where the words "from" and "after" are used to determine maturity dates, the calculation of the maturity commences the day following the date of the document, shipment or other event, i.e., 10 days after or from March 1 is March 11.*

*e. If a bill of lading showing more than one on board notation is presented under a credit which requires drafts to be drawn, for example, at 60 days after or from bill of lading date, and the goods according to both or all on board notations were shipped from ports within a permitted geographical area or region, the earliest of these on board dates will be used for calculation of the maturity date. Example: the credit requires shipment from European port, and the bill of lading evidences on board vessel "A" from Dublin August 16 and on board vessel "B" from Rotterdam August 18. The draft should reflect 60 days from the earliest on board date in a European port, i.e., August 16.*

*f. If a credit requires drafts to be drawn, for example, at 60 days after or from bill of lading date, and more than one set of bills of lading is presented under one draft, the date of the last bill of lading will be used for the calculation of the maturity date.*

44. *While the examples refer to bill of lading dates, the same principles apply to all transport documents.*



## International Standard Banking Practices



*in accordance with the requirements of the credit.*

46. For drafts drawn "at XXX days sight", the maturity date is established as follows:

*a. in the case of complying documents, or in the case of non-complying documents where the drawee bank has not provided a notice of refusal, the maturity date will be XXX days after the date of receipt of documents by the drawee bank.*

*b. in the case of non-complying documents where the drawee bank has provided a notice of refusal and subsequent approval, at the latest XXX days after the date of acceptance of the draft by the drawee bank. The date of acceptance of the draft must be no later than the date the issuing bank accepts the waiver of the applicant.*

47. In all cases the drawee bank must advise the maturity date to the presenter. The calculation of tenor and maturity dates, as shown above, would also apply to credits designated as being available by deferred payment, i.e., where there is no requirement for a draft to be presented by the beneficiary.

### Banking Days, Grace Days, Delays in Remittance

48. Payment must be available in immediately available funds on the due date at the place where the draft or documents are payable, provided such due date is a banking day in that place. If the due date is a non-banking day, payment will be due on the first banking day following the due date. Delays in the remittance of funds, such as grace days, the time it takes to remit funds, etc., must not be in addition to the stated or agreed due date as defined by the draft or documents.

### Endorsement

49. The draft must be endorsed, if necessary.

### Amounts

50. The amount in words must accurately reflect the amount in figures if both are shown, and indicate the currency, as stated in the credit.

51. The amount must agree with that of the invoice, unless as a result of UCP 600 sub-article 18(b).

### How the Draft is Drawn

52. The draft must be drawn on the party stated in the credit.

53. The draft must be drawn by the beneficiary.

### Drafts on the Applicant

54. A credit may be issued requiring a draft drawn on the applicant as one of the required documents, but must not be issued available by drafts drawn on the applicant.

### Corrections and Alterations





ISBP

Paragraph 57 to 67

## Definition of Invoice

57. A credit requiring an "invoice" without further definition will be satisfied by any type of invoice presented (commercial invoice, customs invoice, tax invoice, final invoice, consular invoice, etc.). However, invoices identified as "provisional", "pro-forma" or the like are not acceptable. When a credit requires presentation of a commercial invoice, a document titled "invoice" will be acceptable.

## Description of the Goods, Services or Performance and other General Issues Related to Invoices

58. The description of the goods, services or performance in the invoice must correspond with the description in the credit. There is no requirement for a mirror image. For example, details of the goods may be stated in a number of areas within the invoice which, when collated together, represent a description of the goods corresponding to that in the credit.

59. The description of goods, services or performance in an invoice must reflect what has actually been shipped or provided. For example, where there are two types of goods shown in the credit, such as 10 trucks and 5 tractors, an invoice that reflects only shipment of 4 trucks would be acceptable provided the credit does not prohibit partial shipment. An invoice showing the entire goods description as stated in the credit, then stating what has actually been shipped, is also acceptable.

60. An invoice must evidence the value of the goods shipped or services or performance provided. Unit price(s), if any, and currency shown in the invoice must agree with that shown in the credit. The invoice must show any discounts or deductions required in the credit. The invoice may also show a deduction covering advance payment, discount, etc., not stated in the credit.

61. If a trade term is part of the goods description in the credit, or stated in connection with the amount, the invoice must state the trade term specified, and if the description provides the source of the trade term, the same source must be identified (e.g., a credit term "CIF Singapore Incoterms 2000" would not be satisfied by "CIF Singapore Incoterms"). Charges and costs must be included within the value shown against the stated trade term in the credit and invoice. Any charges and costs shown beyond this value are not allowed.

62. Unless required by the credit, an invoice need not be signed or dated.

63. The quantity of merchandise, weights and measurements shown on the invoice must not conflict with the same quantities appearing on other documents.

64. An invoice must not show:

- a. over-shipment (except as provided in UCP 600 sub-article 30(b)), or
- b. merchandise not called for in the credit (including samples, advertising materials, etc.) even if stated to be free of charge.

65. The quantity of the goods required in the credit may vary within a tolerance of +/- 5%. This



## **International Standard Banking Practices**



*does not apply if a credit states that the quantity must not be exceeded or reduced, or if a credit states the quantity in terms of a stipulated number of packing units or individual items. A variance of up to +5% in the goods quantity does not allow the amount of the drawing to exceed the amount of the credit.*

*66. Even when partial shipments are prohibited, a tolerance of 5% less in the credit amount is acceptable, provided that the quantity is shipped in full and that any unit price, if stated in the credit, has not been reduced. If no quantity is stated in the credit, the invoice will be considered to cover the full quantity.*

*67. If a credit calls for instalment shipments, each shipment must be in accordance with the instalment schedule.*

*55. Corrections and alterations on a draft, if any, must appear to have been authenticated by the drawer.*

*56. In some countries a draft showing corrections or alterations will not be acceptable even with the drawer's authentication. Issuing banks in such countries should make a statement in the credit to the effect that no correction or alteration must appear in the draft.*



## Application of UCP 600 Article 19

68. If a credit requires presentation of a transport document covering transportation utilizing at least two modes of transport (multimodal or combined transport document), and if the transport document clearly shows that it covers a shipment from the place of taking in charge or port, airport or place of loading to the place of final destination mentioned in the credit, UCP 600 article 19 is applicable. In such circumstances, the transport document must not indicate that shipment or dispatch has been effected by only one mode of transport, but it may be silent regarding the modes of transport utilized.

69. In all places where the term "multimodal transport document" is used within this document, it also includes the term "combined transport document". A document need not be titled "multimodal transport document" or "combined transport document" to be acceptable under UCP 600 article 19, even if such expressions are used in the credit.

## Full Set of Originals

70. A UCP 600 article 19 transport document must indicate the number of originals that have been issued. Transport documents marked "First Original", "Second Original", "Third Original", "Original", "Duplicate", "Triplicate", etc., or similar expressions are all originals. Multimodal transport documents need not be marked "original" to be acceptable under a credit. In addition to UCP 600 article 17, the ICC Banking Commission Policy Statement, document 470/871(Rev), titled "The Determination of an 'Original' Document in the Context of UCP 500 sub-Article 20(b)" is recommended for further guidance on originals and copies and remains valid under UCP 600. The content of the Policy Statement appears in the Appendix of this publication, for reference purposes.

## Signing of Multimodal Transport Documents

71. Original multimodal transport documents must be signed in the form described in UCP 600 sub-article 19(a)(i) and indicate the name of the carrier, identified as the carrier.

a. If an agent signs a multimodal transport document on behalf of the carrier, the agent must be identified as agent and must identify on whose behalf it is signing, unless the carrier has been identified elsewhere on the multimodal transport document.

b. If the master (captain) signs the multimodal transport document, the signature of the master (captain) must be identified as "master" ("captain"). In this event, the name of the master (captain) need not be stated.

c. If an agent signs the multimodal transport document on behalf of the master (captain), the agent must be identified as agent. In this event, the name of the master (captain) need not be stated.

72. If a credit states "Freight Forwarder's Multimodal transport document is acceptable" or uses a similar phrase, then the multimodal transport document may be signed by a freight forwarder in the capacity of a freight forwarder, without the need to identify itself as carrier or agent for the named carrier. In this event, it is not necessary to show the name of the carrier.

## On Board Notations

73. The issuance date of a multimodal transport document will be deemed to be the date of



dispatch, taking in charge or shipped on board unless it bears a separate dated notation evidencing dispatch, taking in charge or shipped on board from the location required by the credit, in which event the date of the notation will be deemed to be the date of shipment whether or not the date is before or after the issuance date of the document.

74. "Shipped in apparent good order", "Laden on board", "clean on board" or other phrases incorporating words such as "shipped" or "on board" have the same effect as "Shipped on board".

### Place of Taking in Charge, Dispatch, Loading on Board and Destination

75. If a credit gives a geographical range for the place of taking in charge, dispatch, loading on board and destination (e.g., "Any European Port"), the multimodal transport document must indicate the actual place of taking in charge, dispatch, shipped on board and destination, which must be within the geographical area or range stated in the credit.

### Consignee, Order Party, Shipper and Endorsement, Notify Party

76. If a credit requires a multimodal transport document to show that the goods are consigned to a named party, e.g., "consigned to Bank X" (a "straight" consignment), rather than "to order" or "to order of Bank X", the multimodal transport document must not contain words such as "to order" or "to order of" that precede the name of that named party, whether typed or pre-printed. Likewise, if a credit requires the goods to be consigned "to order" or "to order of" a named party, the multimodal transport document must not show that the goods are consigned straight to the named party.

77. If a multimodal transport document is issued to order or to order of the shipper, it must be endorsed by the shipper. An endorsement indicating that it is made for or on behalf of the shipper is acceptable.

78. If a credit does not stipulate a notify party, the respective field on the multimodal transport document may be left blank or completed in any manner.

### Transshipment and Partial Shipment

79. In a multimodal transport, transshipment will occur, i.e., unloading from one means of conveyance and reloading to another means of conveyance (whether or not in different modes of transport) during the carriage from the place of dispatch, taking in charge or shipment to the place of final destination stated in the credit.

80. If a credit prohibits partial shipments and more than one set of original multimodal transport documents are presented covering shipment, dispatch or taking in charge from one or more points of origin (as specifically allowed, or within the geographical area or range stated in the credit), such documents are acceptable, provided that they cover the movement of goods on the same means of conveyance and same journey and are destined for the same destination. In the event that more than one set of multimodal transport documents are presented and if they incorporate different dates of shipment, dispatch or taking in charge, the latest of these dates will be taken for the calculation of any presentation period, and such date must fall on or before any latest date of shipment, dispatch or taking in charge specified in the credit.

81. Shipment on more than one means of conveyance (more than one truck (lorry), vessel, aircraft, etc.) is a partial shipment, even if such means of conveyance leave on the same day for the same destination.



### **Clean Multimodal Transport Documents**

82. Clauses or notations on multimodal transport documents that expressly declare a defective condition of the goods or packaging are not acceptable. Clauses or notations that do not expressly declare a defective condition of the goods or packaging (e.g., "packaging may not be sufficient for the journey") do not constitute a discrepancy. A statement that the packaging "is not sufficient for the journey" would not be acceptable.

83. If the word "clean" appears on a multimodal transport document and has been deleted, the multimodal transport document will not be deemed to be claused or unclean unless it specifically bears a clause or notation declaring that the goods or packaging are defective.

### **Goods Description**

84. A goods description in the multimodal transport document may be shown in general terms not in conflict with that stated in the credit.

### **Corrections and Alterations**

85. Corrections and alterations on a multimodal transport document must be authenticated. Such authentication must appear to have been made by the carrier or master (captain) or any one of their agents who may be different from the agent that may have issued or signed it, provided they are identified as an agent of the carrier or master (captain).

86. Non-negotiable copies of multimodal transport documents do not need to include any signature on, or authentication of, any alterations or corrections that may have been made on the original.

### **Freight and Additional Costs**

87. If a credit requires that a multimodal transport document show that freight has been paid or is payable at destination, the multimodal transport document must be marked accordingly.

88. Applicants and issuing banks should be specific in stating the requirements of documents to show whether freight is to be prepaid or collected.

89. If a credit states that costs additional to freight are not acceptable, a multimodal transport document must not indicate that costs additional to the freight have been or will be incurred. Such indication may be by express reference to additional costs or by the use of shipment terms which refer to costs associated with the loading or unloading of goods, such as Free In (FI), Free Out (FO), Free In and Out (FIO) and Free In and Out Stowed (FIOS). A reference in the transport document to costs which may be levied as a result of a delay in unloading the goods or after the goods have been unloaded, e.g., costs covering the late return of containers, is not considered to be an indication of additional costs in this context.



### Goods Covered by more than One Multimodal Transport Document

90. If a multimodal transport document states that the goods in a container are covered by that multimodal transport document plus one or more other multimodal transport documents, and the document states that all multimodal transport documents must be surrendered or words of similar effect, this means that all multimodal transport documents related to that container must be presented in order for the container to be released. Such a multimodal transport document is not acceptable unless all the multimodal transport documents form part of the same presentation under the same credit.

### Application of UCP 600 Article 20

91. If a credit requires presentation of a bill of lading ("marine", "ocean" or "port-to-port" or similar) covering sea shipment only, UCP 600 article 20 is applicable.

92. To comply with UCP 600 article 20, a bill of lading must appear to cover a port-to-port shipment but need not be titled "marine bill of lading", "ocean bill of lading", "port-to-port bill of lading" or similar.

### Full Set of Originals

93. A UCP 600 article 20 transport document must indicate the number of originals that have been issued. Transport documents marked "First Original", "Second Original", "Third Original", "Original", "Duplicate", "Triplicate", etc., or similar expressions are all originals. Bills of lading need not be marked "original" to be acceptable as an original bill of lading. In addition to UCP 600 article 17, the ICC Banking Commission Policy Statement, document 470/871(Rev), titled "The Determination of an 'Original' Document in the Context of UCP 500 sub-Article 20(b)" is recommended for further guidance on originals and copies and remains valid under UCP 600. The content of the Policy Statement appears in the Appendix of this publication, for reference purposes.

### Signing of Bills of Lading

94. Original bills of lading must be signed in the form described in UCP 600 sub-article 20(a)(i) and indicate the name of the carrier, identified as the carrier.

a. If an agent signs a bill of lading on behalf of the carrier, the agent must be identified as agent and must identify on whose behalf it is signing, unless the carrier has been identified elsewhere on the bill of lading.

b. If the master (captain) signs the bill of lading, the signature of the master (captain) must be identified as "master" ("captain"). In this event, the name of the master (captain) need not be stated.

c. If an agent signs the bill of lading on behalf of the master (captain), the agent must be identified as agent. In this event, the name of the master (captain) need not be stated.

95. If a credit states "Freight Forwarder's Bill of Lading is acceptable" or uses a similar phrase, then the bill of lading may be signed by a freight forwarder in the capacity of a freight forwarder, without the need to identify itself as carrier or agent for the named carrier. In this event, it is not



necessary to show the name of the carrier.

### On Board Notations

96. If a pre-printed "Shipped on board" bill of lading is presented, its issuance date will be deemed to be the date of shipment unless it bears a separate dated on board notation, in which event the date of the on board notation will be deemed to be the date of shipment whether or not the on board date is before or after the issuance date of the bill of lading.

97. "Shipped in apparent good order", "Laden on board", "clean on board" or other phrases incorporating words such as "shipped" or "on board" have the same effect as "Shipped on board".

### Ports of Loading and Ports of Discharge

98. While the named port of loading, as required by the credit, should appear in the port of loading field within the bill of lading, it may instead be stated in the field headed "Place of receipt" or the like, if it is clear that the goods were transported from that place of receipt by vessel and provided there is an on board notation evidencing that the goods were loaded on that vessel at the port stated under "Place of receipt" or like term.

99. While the named port of discharge, as required by the credit, should appear in the port of discharge field within the bill of lading, it may be stated in the field headed "Place of final destination" or the like if it is clear that the goods were to be transported to that place of final destination by vessel and provided there is a notation evidencing that the port of discharge is that stated under "Place of final destination" or like term.

100. If a credit gives a geographical area or range of ports of loading or discharge (e.g., "Any European Port"), the bill of lading must indicate the actual port of loading or discharge, which must be within the geographical area or range stated in the credit.

### Consignee, Order Party, Shipper and Endorsement, Notify Party

101. If a credit requires a bill of lading to show that the goods are consigned to a named party, e.g., "consigned to Bank X" (a "straight" bill of lading), rather than "to order" or "to order of Bank X", the bill of lading must not contain words such as "to order" or "to order of" that precede the name of that named party, whether typed or pre-printed. Likewise, if a credit requires the goods to be consigned "to order" or "to order of" a named party, the bill of lading must not show that the goods are consigned straight to the named party.

102. If a bill of lading is issued to order or to order of the shipper, it must be endorsed by the shipper. An endorsement indicating that it is made for or on behalf of the shipper is acceptable.

103. If a credit does not state a notify party, the respective field on the bill of lading may be left blank or completed in any manner.

### Transshipment and Partial Shipment

104. Transshipment is the unloading from one vessel and reloading to another vessel during the carriage from the port of loading to the port of discharge stated in the credit. If it does not occur between these two ports, unloading and reloading is not considered to be transshipment.

105. If a credit prohibits partial shipments and more than one set of original bills of lading are



presented covering shipment from one or more ports of loading (as specifically allowed, or within the geographical area or range stated in the credit), such documents are acceptable provided that they cover the shipment of goods on the same vessel and same journey and are destined for the same port of discharge. In the event that more than one set of bills of lading are presented and incorporate different dates of shipment, the latest of these dates of shipment will be taken for the calculation of any presentation period and must fall on or before the latest shipment date specified in the credit. Shipment on more than one vessel is a partial shipment, even if the vessels leave on the same day for the same destination.

### Clean Bills of Lading

106. Clauses or notations on bills of lading which expressly declare a defective condition of the goods or packaging are not acceptable. Clauses or notations which do not expressly declare a defective condition of the goods or packaging (e.g., "packaging may not be sufficient for the sea journey") do not constitute a discrepancy. A statement that the packaging "is not sufficient for the sea journey" would not be acceptable.

107. If the word "clean" appears on a bill of lading and has been deleted, the bill of lading will not be deemed to be claused or unclean unless it specifically bears a clause or notation declaring that the goods or packaging are defective.

### Goods Description

108. A goods description in the bill of lading may be shown in general terms not in conflict with that stated in the credit.

### Corrections and Alterations

109. Corrections and alterations on a bill of lading must be authenticated. Such authentication must appear to have been made by the carrier, master (captain) or any of their agents (who may be different from the agent that may have issued or signed it), provided they are identified as an agent of the carrier or the master (captain).

110. Non-negotiable copies of bills of lading do not need to include any signature on, or authentication of, any alterations or corrections that may have been made on the original.

### Freight and Additional Costs

111. If a credit requires that a bill of lading show that freight has been paid or is payable at destination, the bill of lading must be marked accordingly.

112. Applicants and issuing banks should be specific in stating the requirements of documents to show whether freight is to be prepaid or collected.

113. If a credit states that costs additional to freight are not acceptable, a bill of lading must not indicate that costs additional to the freight have been or will be incurred. Such indication may be by express reference to additional costs or by the use of shipment terms which refer to costs associated with the loading or unloading of goods, such as Free In (FI), Free Out (FO), Free In and Out (FIO) and Free In and Out Stowed (FIOS). A reference in the transport document to costs which may be levied as a result of a delay in unloading the goods or after the goods have been unloaded, e.g., costs covering the late return of containers, is not considered to be an





indication of additional costs in this context.

## Goods Covered by more than One Bill of Lading

114. If a bill of lading states that the goods in a container are covered by that bill of lading plus one or more other bills of lading, and the bill of lading states that all bills of lading must be surrendered, or words of similar effect, this means that all bills of lading related to that container must be presented in order for the container to be released. Such a bill of lading is not acceptable unless all the bills of lading form part of the same presentation under the same credit.

## Application of UCP 600 Article 22

115. If a credit requires presentation of a charter party bill of lading or if a credit allows presentation of a charter party bill of lading and a charter party bill of lading is presented, UCP 600 article 22 is applicable.

116. A transport document containing any indication that it is subject to a charter party is a charter party bill of lading under UCP 600 article 22.

## Full Set of Originals

117. A UCP 600 article 22 transport document must indicate the number of originals that have been issued. Transport documents marked "First Original", "Second Original", "Third Original", "Original", "Duplicate", "Triplicate", etc., or similar expressions are all originals. Charter party bills of lading need not be marked "original" to be acceptable under a credit. In addition to UCP 600 article 17, the ICC Banking Commission Policy Statement, document 470/871(Rev), titled "The Determination of an 'Original' Document in the Context of UCP 500 sub-Article 20(b)" is recommended for further guidance on originals and copies and remains valid under UCP 600. The content of the Policy Statement appears in the Appendix of this publication, for reference purposes.

## Signing of Charter Party Bills of Lading

118. Original charter party bills of lading must be signed in the form described in UCP 600 sub-article 22(a)(i).

a. If the master (captain), charterer or owner signs the charter party bill of lading, the signature of the master (captain), charterer or owner must be identified as "master" ("captain"), "charterer" or "owner".

b. If an agent signs the charter party bill of lading on behalf of the master (captain), charterer or owner, the agent must be identified as agent of the master (captain), charterer or owner. In this event, the name of the master (captain) need not be stated, but the name of the charterer or owner must appear.

## On Board Notations

119. If a pre-printed "Shipped on board" charter party bill of lading is presented, its issuance date will be deemed to be the date of shipment unless it bears an on board notation, in which event the date of the on board notation will be deemed to be the date of shipment whether or not the on board date is before or after the issuance date of the document.

120. "Shipped in apparent good order", "Laden on board", "clean on board" or other phrases incorporating words such as "shipped" or "on board" have the same effect as "Shipped on board".



### Ports of Loading and Ports of Discharge

121. If a credit gives a geographical area or range of ports of loading or discharge (e.g., "Any European Port"), the charter party bill of lading must indicate the actual port or ports of loading, which must be within the geographical area or range indicated but may show the geographical area or range of ports as the port of discharge.

### Consignee, Order Party, Shipper and Endorsement, Notify Party

122. If a credit requires a charter party bill of lading to show that the goods are consigned to a named party, e.g., "consigned to Bank X" (a "straight" bill of lading), rather than "to order" or "to order of Bank X", the charter party bill of lading must not contain words such as "to order" or "to order of" that precede the name of that named party, whether typed or pre-printed. Likewise, if a credit requires the goods to be consigned "to order" or "to order of" a named party, the charter party bill of lading must not show that the goods are consigned straight to the named party.

123. If a charter party bill of lading is issued to order or to order of the shipper, it must be endorsed by the shipper. An endorsement indicating that it is made for or on behalf of the shipper is acceptable.

124. If a credit does not state a notify party, the respective field on the charter party bill of lading may be left blank or completed in any manner.

### Partial Shipment

125. If a credit prohibits partial shipments, and more than one set of original charter party bills of lading are presented covering shipment from one or more ports of loading (as specifically allowed, or within the geographical area or range stated in the credit), such documents are acceptable, provided that they cover the shipment of goods on the same vessel and same journey and are destined for the same port of discharge, range of ports or geographical area. In the event that more than one set of charter party bills of lading are presented and incorporate different dates of shipment, the latest of these dates of shipment will be taken for the calculation of any presentation period and must fall on or before the latest shipment date specified in the credit. Shipment on more than one vessel is a partial shipment, even if the vessels leave on the same day for the same destination.

### Clean Charter Party Bills of Lading

126. Clauses or notations on charter party bills of lading which expressly declare a defective condition of the goods or packaging are not acceptable. Clauses or notations that do not expressly declare a defective condition of the goods or packaging (e.g., "packaging may not be sufficient for the sea journey") do not constitute a discrepancy. A statement that the packaging "is not sufficient for the sea journey" would not be acceptable.

127. If the word "clean" appears on a charter party bill of lading and has been deleted, the charter party bill of lading will not be deemed to be claused or unclean unless it specifically bears a clause or notation declaring that the goods or packaging are defective.

### Goods Description

128. A goods description in charter party bills of lading may be shown in general terms not in conflict with that stated in the credit.



### Corrections and Alterations

129. Corrections and alterations on charter party bills of lading must be authenticated. Such authentication must appear to have been made by the owner, charterer, master (captain) or any of their agents (who may be different from the agent that may have issued or signed it), provided they are identified as an agent of the owner, charterer or the master (captain).

130. Non-negotiable copies of charter party bills of lading do not need to include any signature on, or authentication of, any alterations or corrections that may have been made on the original.

### Freight and Additional Costs

131. If a credit requires that a charter party bill of lading show that freight has been paid or is payable at destination, the charter party bill of lading must be marked accordingly.

132. Applicants and issuing banks should be specific in stating the requirements of documents to show whether freight is to be prepaid or collected.

133. If a credit states that costs additional to freight are not acceptable, a charter party bill of lading must not indicate that costs additional to the freight have been or will be incurred. Such indication may be by express reference to additional costs or by the use of shipment terms which refer to costs associated with the loading or unloading of goods, such as Free In (FI), Free Out (FO), Free In and Out (FIO) and Free In and Out Stowed (FIOS). A reference in the transport document to costs which may be levied as a result of a delay in unloading the goods or after the goods have been unloaded, is not considered to be an indication of additional costs in this context.

### Application of UCP 600 Article 23

134. If a credit requires presentation of an air transport document covering an airport-to-airport shipment, UCP 600 article 23 is applicable.

135. If a credit requires presentation of an "air waybill", "air consignment note" or similar, UCP 600 article 23 applies. To comply with UCP 600 article 23, an air transport document must appear to cover an airport-to-airport shipment but need not be titled "air waybill", "air consignment note" or similar.

### Original Air Transport Document

136. The air transport document must appear to be the original for consignor or shipper. A requirement for a full set of originals is satisfied by the presentation of a document indicating that it is the original for consignor or shipper.

### Signing of Air Transport Documents

137. An original air transport document must be signed in the form described in UCP 600 sub-article 23(a)(i) and indicate the name of the carrier, identified as carrier. If an agent signs an air transport document on behalf of a carrier, the agent must be identified as agent and must identify on whose behalf it is signing, unless the carrier has been identified elsewhere on the air transport document.

138. If a credit states "House air waybill is acceptable" or "Freight Forwarder's air waybill is acceptable" or uses a similar phrase, then the air transport document may be signed by a freight forwarder in the capacity



of a freight forwarder without the need to identify itself as a carrier or agent for a named carrier. In this event, it is not necessary to show the name of the carrier.

### **Goods Accepted for Carriage, Date of Shipment, and Requirement for an Actual Date of Dispatch**

139. An air transport document must indicate that the goods have been accepted for carriage.

140. The date of issuance of an air transport document is deemed to be the date of shipment unless the document shows a separate notation of the flight date, in which case this will be deemed to be the date of shipment. Any other information appearing on the air transport document relative to the flight number and date will not be considered in determining the date of shipment.

### **Airports of Departure and Destination**

141. An air transport document must indicate the airport of departure and airport of destination as stated in the credit. The identification of airports by the use of IATA codes instead of writing out the name in full (e.g., LHR instead of London Heathrow) is not a discrepancy.

142. If a credit gives a geographical area or range of airports of departure or destination (e.g., "Any European Airport"), the air transport document must indicate the actual airport of departure or destination, which must be within the geographical area or range stated in the credit.

### **Consignee, Order Party and Notify Party**

143. An air transport document should not be issued "to order" or "to order of" a named party, because it is not a document of title. Even if a credit calls for an air transport document made out "to order" or "to order of" a named party, a document presented showing goods consigned to that party, without mention of "to order" or "to order of", is acceptable.

144. If a credit does not state a notify party, the respective field on the air transport document may be left blank or completed in any manner.

### **Transshipment and Partial Shipment**

145. Transshipment is the unloading from one aircraft and reloading to another aircraft during the carriage from the airport of departure to the airport of destination stated in the credit. If it does not occur between these two airports, unloading and reloading is not considered to be transshipment.

146. If a credit prohibits partial shipments and more than one air transport document is presented covering dispatch from one or more airports of departure (as specifically allowed, or within the geographical area or range stated in the credit), such documents are acceptable, provided that they cover the dispatch of goods on the same aircraft and same flight and are destined for the same airport of destination. In the event that more than one air transport document is presented incorporating different dates of shipment, the latest of these dates of shipment will be taken for the calculation of any presentation period and must fall on or before the latest shipment date specified in the credit.

147. Shipment on more than one aircraft is a partial shipment, even if the aircraft leave on the same day for the same destination.



## Clean Air Transport Documents

148. Clauses or notations on an air transport document which expressly declare a defective condition of the goods or packaging are not acceptable. Clauses or notations on the air transport document which do not expressly declare a defective condition of the goods or packaging (e.g., "packaging may not be sufficient for the air journey") do not constitute a discrepancy. A statement that the packaging "is not sufficient for the air journey" would not be acceptable.

149. If the word "clean" appears on an air transport document and has been deleted, the air transport document will not be deemed to be claused or unclean unless it specifically bears a clause or notation declaring that the goods or packaging are defective.

## Goods Description

150. A goods description in an air transport document may be shown in general terms not in conflict with that stated in the credit.

## Corrections and Alterations

151. Corrections and alterations on air transport documents must be authenticated. Such authentication must appear to have been made by the carrier or any of its agents (who may be different from the agent that may have issued or signed it), provided it is identified as an agent of the carrier.

152. Copies of air transport documents do not need to include any signature of the carrier or agent (or shipper, even if required by the credit to appear on the original air transport document), nor any authentication of any alterations or corrections that may have been made on the original.

## Freight and Additional Costs

153. If a credit requires that an air transport document show that freight has been paid or is payable at destination, the air transport document must be marked accordingly.

154. Applicants and issuing banks should be specific in stating the requirements of documents to show whether freight is to be prepaid or collected.

155. If a credit states that costs additional to freight are not acceptable, an air transport document must not indicate that costs additional to the freight have been or will be incurred. Such indication may be by express reference to additional costs or by the use of shipment terms that refer to costs associated with the loading or unloading of goods. A reference in the transport document to costs which may be levied as a result of a delay in unloading the goods or after the goods have been unloaded is not considered an indication of additional costs in this context.

156. Air transport documents often have separate boxes which, by their pre-printed headings, indicate that they are for freight charges "prepaid" and for freight charges "to collect", respectively. A requirement in a credit for an air transport document to show that freight has been prepaid will be fulfilled by a statement of the freight charges under the heading "Freight Prepaid" or a similar expression or indication, and a requirement that an air transport document show that freight has to be collected will be fulfilled by a statement of the freight charges under the heading "Freight to Collect" or a similar expression or indication.



### Application of UCP 600 Article 24

157. If a credit requires presentation of a transport document covering movement by road, rail or inland waterway, UCP 600 article 24 is applicable.

### Original and Duplicate of Road, Rail or Inland Waterway Transport Documents

158. If a credit requires a rail or inland waterway transport document, the transport document presented will be accepted as an original whether or not it is marked as an original. A road transport document must appear to be the original for consignor or shipper or bear no marking indicating for whom the document has been prepared. With respect to rail waybills, the practice of many railway companies is to provide the shipper or consignor with only a duplicate (often a carbon copy) duly authenticated by the railway company's stamp. Such a duplicate will be accepted as an original.

### Carrier and Signing of Road, Rail or Inland Waterway Transport Documents

159. The term "carrier" need not appear at the signature line provided the transport document appears to be signed by the carrier or an agent on behalf of the carrier, if the carrier is otherwise identified as the "carrier" on the transport document. International standard banking practice is to accept a railway bill evidencing date stamp by the railway company or railway station of departure without showing the name of the carrier or a named agent signing for or on behalf of the carrier.

160. The term "carrier" used in UCP 600 article 24 includes terms in transport documents such as "issuing carrier", "actual carrier", "succeeding carrier" and "contracting carrier".

161. Any signature, stamp or notation of receipt on the transport document must appear to be made either by:

- a. the carrier, identified as the carrier, or
- b. a named agent acting or signing for or on behalf of the carrier and indicating the name and capacity of the carrier on whose behalf that agent is acting or signing.

### Order Party and Notify Party

162. Transport documents which are not documents of title should not be issued "to order" or "to order of" a named party. Even if a credit calls for a transport document which is not a document of title to be made out "to order" or "to order of" a named party, such a document showing goods consigned to that party, without mention of "to order" or "to order of", is acceptable.

163. If a credit does not stipulate a notify party, the respective field on the transport document may be left blank or completed in any manner.

### Partial Shipment

164. Shipment on more than one means of conveyance (more than one truck (lorry), train, vessel, etc.) is a partial shipment, even if such means of conveyance leave on the same day for the same destination.



### Goods Description

165. A goods description in the transport document may be shown in general terms not in conflict with that stated in the credit.

### Corrections and Alterations

166. Corrections and alterations on a UCP 600 article 24 transport document must be authenticated. Such authentication must appear to have been made by the carrier or any one of their named agents, who may be different from the agent that may have issued or signed it, provided they are identified as an agent of the carrier.

167. Copies of UCP 600 article 24 transport documents do not need to include any signature on, or authentication of, any alterations or corrections that may have been made on the original.

### Freight and Additional Costs

168. If a credit requires that a UCP 600 article 24 transport document show that freight has been paid or is payable at destination, the transport document must be marked accordingly.

169. Applicants and issuing banks should be specific in stating the requirements of documents to show whether freight is to be prepaid or collected.

### Application of UCP 600 Article 28

170. If a credit requires presentation of an insurance document such as an insurance policy, insurance certificate or declaration under an open cover, UCP 600 article 28 is applicable.

### Issuers of Insurance Documents

171. Insurance documents must appear to have been issued and signed by insurance companies or underwriters or their agents or proxies. If required by the insurance document or in accordance with the credit terms, all originals must appear to have been countersigned.

172. An insurance document is acceptable if issued on an insurance broker's stationery, provided the insurance document has been signed by an insurance company or its agent or proxy, or by an underwriter or its agent or proxy. A broker may sign as agent for the named insurance company or named underwriter.

### Risks to Be Covered

173. An insurance document must cover the risks defined in the credit. Even though a credit may be explicit with regard to risks to be covered, there may be reference to exclusion clauses in the document. If a credit requires "all risks" coverage, this is satisfied by the presentation of an insurance document evidencing any "all risks" clause or notation, even if it is stated that certain risks are excluded. An insurance document indicating that it covers Institute Cargo Clauses (A) satisfies a condition in a credit calling for an "all risks" clause or notation.



174. Insurance covering the same risk for the same shipment must be covered under one document unless the insurance documents for partial cover each clearly reflect, by percentage or otherwise, the value of each insurer's cover and that each insurer will bear its share of the liability severally and without pre-conditions relating to any other insurance cover that may have been effected for that shipment.

### Dates

175. An insurance document that incorporates an expiry date must clearly indicate that such expiry date relates to the latest date that loading on board or dispatch or taking in charge of the goods (as applicable) is to occur, as opposed to an expiry date for the presentation of any claims thereunder.

### Percentage and Amount

176. An insurance document must be issued in the currency of, and, as a minimum for, the amount required by the credit. The UCP does not provide for any maximum percentage of insurance coverage.

177. If a credit requires the insurance cover to be irrespective of percentage, the insurance document must not contain a clause stating that the insurance cover is subject to a franchise or an excess deductible.

178. If it is apparent from the credit or from the documents that the final invoice amount only represents a certain part of the gross value of the goods (e.g., due to discounts, pre-payments or the like, or because part of the value of the goods is to be paid at a later date), the calculation of insurance cover must be based on the full gross value of the goods.

### Insured Party and Endorsement

179. An insurance document must be in the form as required by the credit and, where necessary, be endorsed by the party to whose order claims are payable. A document issued to bearer is acceptable where the credit requires an insurance document endorsed in blank and vice versa.

180. If a credit is silent as to the insured party, an insurance document evidencing that claims are payable to the order of the shipper or beneficiary would not be acceptable unless endorsed. An insurance document should be issued or endorsed so that the right to receive payment under it passes upon, or prior to, the release of the documents.

### Basic Requirement

181. A requirement for a certificate of origin will be satisfied by the presentation of a signed, dated document that certifies to the origin of the goods.

### Issuers of Certificates of Origin

182. A certificate of origin must be issued by the party stated in the credit. However, if a credit requires a certificate of origin to be issued by the beneficiary, the exporter or the manufacturer, a document issued by a chamber of commerce will be deemed acceptable, provided it clearly identifies the beneficiary, the exporter or the manufacturer as the case may be. If a credit does not state who is to issue the certificate, then a document issued by any party, including the beneficiary, is acceptable.





### **Contents of Certificates of Origin**

183. The certificate of origin must appear to relate to the invoiced goods. The goods description in the certificate of origin may be shown in general terms not in conflict with that stated in the credit or by any other reference indicating a relation to the goods in a required document.

184. Consignee information, if shown, must not be in conflict with the consignee information in the transport document. However, if a credit requires a transport document to be issued "to order", "to the order of shipper", "to order of the issuing bank" or "consigned to the issuing bank", the certificate of origin may show the applicant of the credit, or another party named therein, as consignee. If a credit has been transferred, the name of the first beneficiary as consignee would also be acceptable.

185. The certificate of origin may show the consignor or exporter as a party other than the beneficiary of the credit or the shipper on the transport document.