New Instrument – Standby Letter of Credit

Tomorrow Begins Today

Royal Bank of Scotland

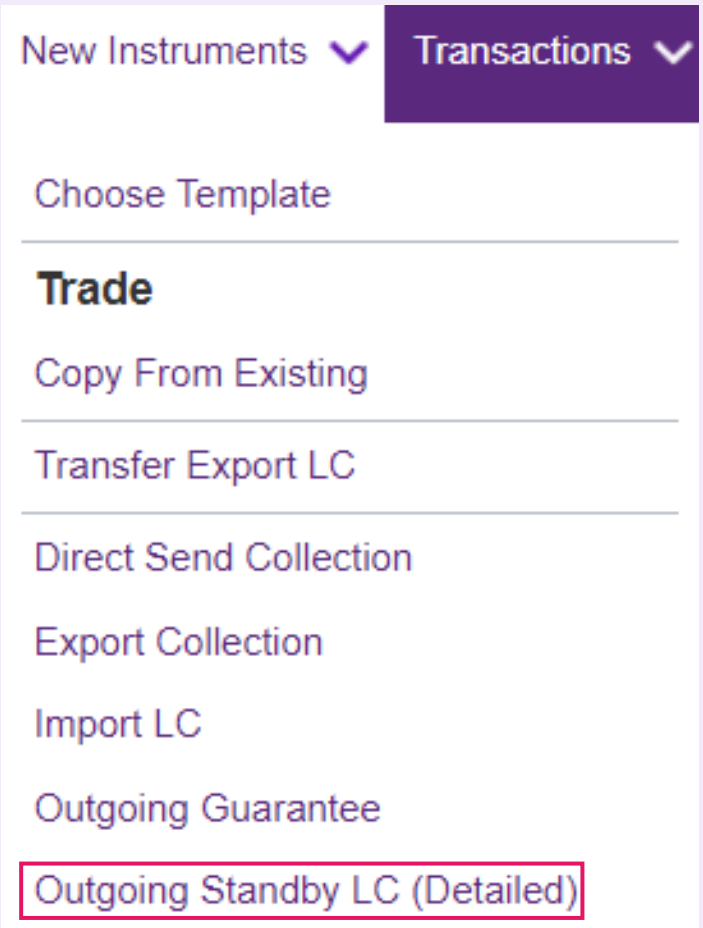
Contents

Introduction....3
Beneficiary....4
Validity....4
Applicant....5
Detailed Information....5
Delivery Instructions....5
Advising Bank Details....6
Issuing Instructions....6
Governing Law/Jurisdiction Demand Details....7
Details of Tender/Order/Contract....7
Confirmation....7
Auto Extend Terms/ICC Rules....8
Standby LC Terms and Conditions....8
Document and Presentation Instructions....10
Instructions to Bank....10
Authorisation....12

Introduction

Log into the Trade Finance Portal.

To initiate a new Outgoing Standby Letter of Credit instruction, from the home screen select 'New Instruments' then 'Outgoing Standby LC'



A unique transaction reference number will be applied:

Beneficiary

1. Terms

Beneficiary

Beneficiary Name *

Address Line 1 *

Address Line 2

City *

Province/State

Postal Code

Country or Region *

Contact Name

Phone Number

Either insert your Beneficiary Name or select the search option to select one from your address book.

Validity

Validity

Valid From: *

Date of Issue

Other Date

Valid To:

End Date

No Expiry/Open Ended

Expected Expiry

Other Expiry conditions

If selecting 'Other Date', this must be a future date.

Leave this blank.

Use this box where the Standby LC is to expire on an event, e.g. upon practical completion.

Applicant

Applicant *

Applicant's Reference Number

If the Standby LC is to be issued in the name of another company, select the search option to insert from your address book.

Detailed Information

Detailed Information

Type of LC

Currency *

Amount *

Expiry Place

(If "Other" is selected, enter details in (Other Conditions))

Please select the type of Standby LC you wish to apply for.

Expiry place will depend on the method of issuance (e.g. if there is a confirming bank, it will expire at their counters).

Delivery Instructions

Delivery Instructions *

Delivery To:

Beneficiary

Other

Delivery To Details

Deliver By:

If the Standby LC is to be delivered to a party other than the beneficiary, please select 'Other' and add the name, address, contact phone number and e-mail address in the 'Delivery To Details' box.

Alternatively, if you need the transaction issued to yourself, please select 'Other' and type 'Applicant' in the 'Delivery To Details'.

Advising Bank Details

Advising Bank Details

Name *

Address Line 1 *

Address Line 2

City *

Province/State Postal Code

Country or Region *

Swift Address

This section is to be completed if you wish to have another bank 'advise' the Standby LC to the beneficiary.

The Advising Bank will authenticate the issuance and forward it to the beneficiary – they are usually located in the same country as the beneficiary.

'Name' – select the dropdown arrow to see a list of banks to choose from – if you select one of these banks their details will be pre-filled.

If you wish to select another bank please complete their details.

Please note, use of any Advising Bank is subject to our approval and also agreement of the Advising Bank.

Swift Address – if you know the Swift address of the Advising Bank you wish to use, please complete this field. Otherwise, leave it blank.

Issuing Instructions

Issuing Instructions

Local Issuance Required?

(If yes, Please provide local issuer bank details below)

Local Issuer Bank Details:

Name *

Address Line 1 *

Address Line 2

City *

Province/State Postal Code

Country or Region *

Phone Number

'Local Issuance Required' – please tick this box if you require another bank to issue the Standby LC in favour of the beneficiary. This is a requirement for issuance in some countries – if in doubt, please confirm the issuance method with the beneficiary.

'Name' – select the dropdown arrow to see a list of banks to choose from – if you select one of these banks their details will be pre-filled. If you wish to select another bank please complete their details.

Please note, use of any Local Issuing Bank is subject to our approval and also agreement of the Local Issuing Bank.

Governing Law/Jurisdiction Demand Details

Governing Law Jurisdiction/Demand Details

Demand Type

Governing Law Country/Sub-Division

/

Governing Law Details

Use this dropdown box to restrict how demands may be presented. For no restriction, leave blank.

Sub-Division may be required if using a governing law such as USA, Australia, UAE, etc.

Details of Tender/Order/Contract

Details of Tender / Order / Contract

Details of Tender / Order / Contract Text Phrase

Details of Tender / Order / Contract Text

Insert tender/order/contract number or reference and date, if applicable.

Confirmation

Confirmation

- (●) Correspondent Bank is not required to add confirmation
- ( ) Correspondent Bank is to add its confirmation
- ( ) Correspondent Bank may add its confirmation subject to Beneficiary's approval

Confirmation – if you would like to nominate a Confirming Bank, please select this here (this means payment will be made by the Confirming Bank).

Please note, use of any Confirming Bank is subject to our approval and also agreement of the Confirming Bank.

Auto Extend Terms/ICC Rules

2. Auto Extend Terms/ICC Rules

Auto Extension Terms

☐ Auto Extension

Final Expiry Date

Maximum Number

Extension Period

Number of Days

Notify Beneficiary Days

☐ ICC Applicable Rules

Version

Details

This section is to be completed if the Standby LC contains an auto extend provision.

'Final Expiry Date' – to be completed if there is a hard stop expiry date beyond which the Standby LC will not automatically extend.

'Extension Period' – this is the period the Standby LC is to extend by - usually annually.

'Notify Beneficiary Days' – this is the notice period we can give the beneficiary to tell them that the Standby LC will not automatically extend.

'ICC Applicable Rules' – tick this box to add governing rules to the Standby LC, then pick the applicable rules from the dropdown.

Standby LC Terms and Conditions

3. Standby LC Terms and Conditions

Enter either Customer Text or Bank Standard Wording in the text areas below. Text is required in one of the text areas below.

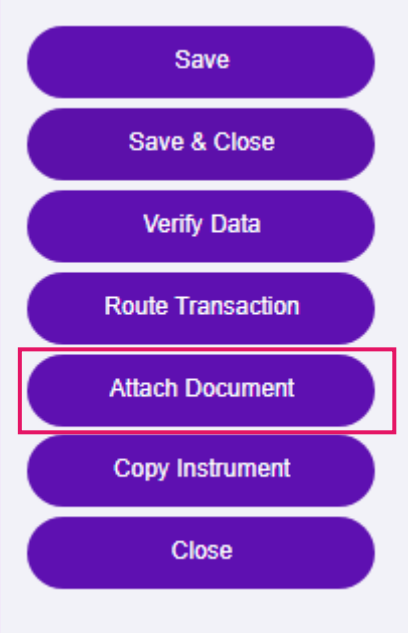
Customer Text Phrase

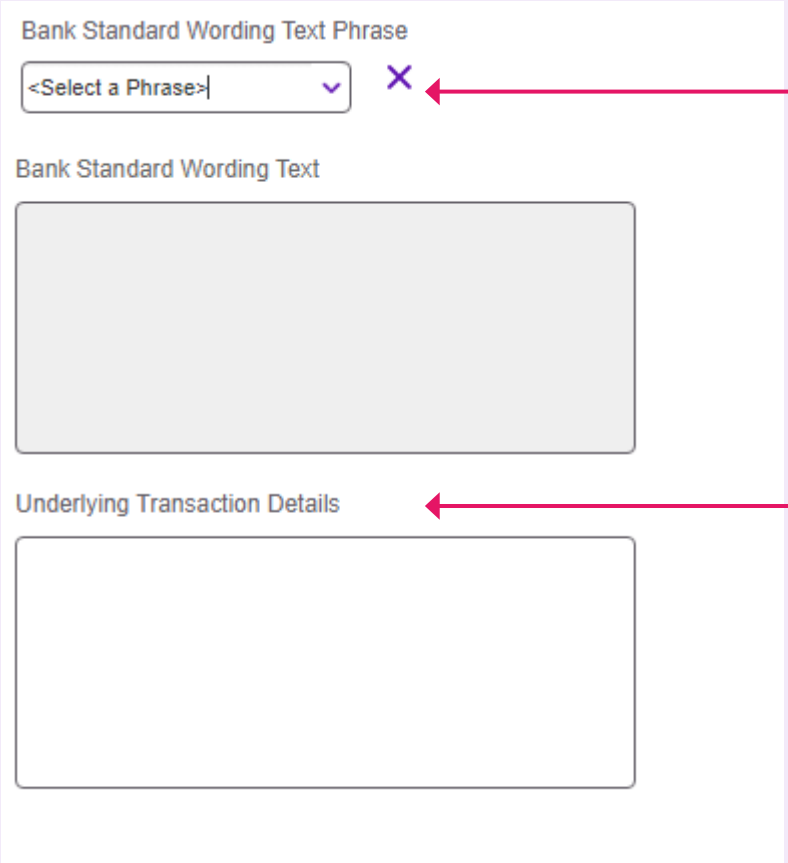
<Select a Phrase>

Customer Text

Complete this section if you are not using a bank standard wording. You can either select a saved wording (phrase) using the drop down or paste your wording into the box.

Alternatively, you can attach a document containing your wording by scrolling up and selecting the 'Attach Document' button on the right-hand side (please provide a word document where possible):





Please complete this section if you are using a Bank Standard wording by selecting the appropriate option from the drop-down list.

Please provide all relevant transaction details, including as a minimum the full Goods/Services description.

Document and Presentation Instructions

4. Document and Presentation Instructions

Document and Presentation Instructions Text Phrase

<Select a Phrase>

Enter any Document and Presentation instructions (for example, form and/or place of presentation)

Please complete this field if there are any specific instructions for presentation of demands which aren't included in the Standby LC text.

Instructions to Bank

5. Instructions to Bank

Issue instrument in

English

Additional Instructions Text Phrase

<Select a Phrase>

Additional Instructions Text

Select the language the Standby LC is to be issued in (where we are the issuing bank, English must be selected).

Settlement Instructions

Debit: Our Account Number

Branch Code

Debit: Foreign Currency Account Number

Currency of Account

Additional Instructions Text Phrase

<Select a Phrase>

Additional Instructions Text

Commissions and Charges

Debit: Our Account Number

Debit: Foreign Currency Account Number

Currency of Account

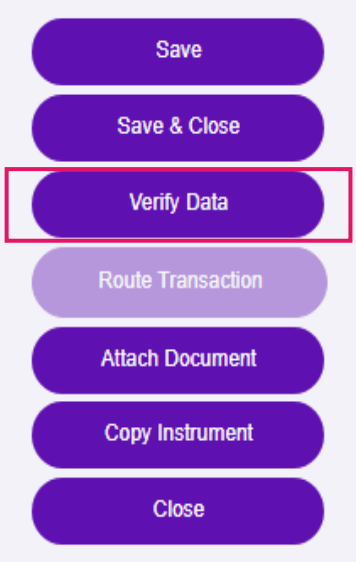
'Settlement instructions' – account details for debiting payment for claims.

'Commissions and Charges' – account details for debiting commissions and charges.

'Additional Instructions Text' – complete this if you do not hold a bank account with us and will be remitting fees.

Authorisation

Part 1: If you are the sole authoriser within the organisation, please follow the below steps:



Select Verify Data in the first instance and ensure all relevant fields have been completed. (You will be prompted with a list of outstanding fields that need completing).

If all fields have been completed, the transaction will move into 'Ready to Authorise'.

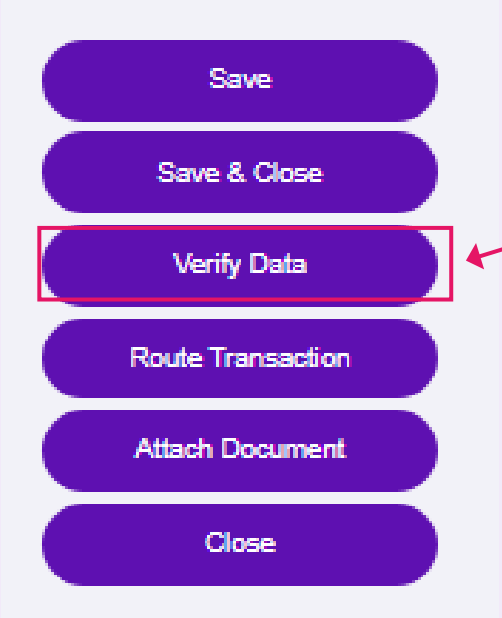
If changes need to be made prior to authorisation, you have the ability to 'Send For Repair', this will allow you to select the transaction from the home screen and edit.

Select 'Authorise' and the transaction will be sent to the Bank for processing.

Please contact us immediately if changes need to be made after Authorisation.

Part 2: If a second approval is required within the organisation, please follow the below steps:

To send the request to an Authoriser:

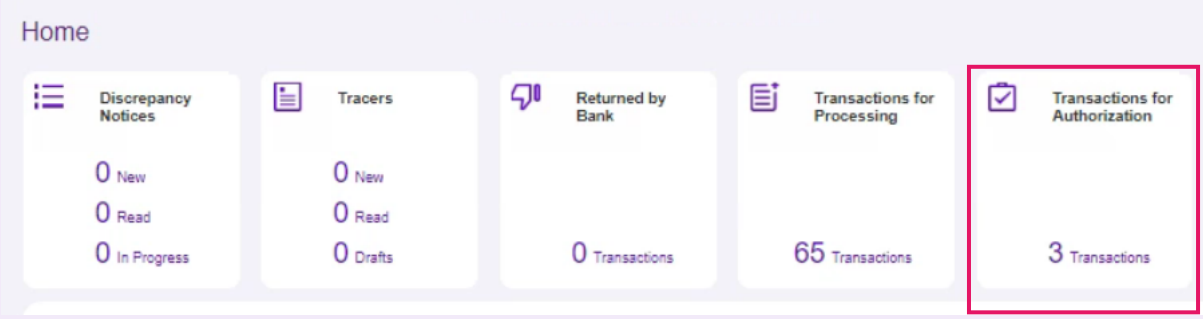


Select Verify Data in the first instance and ensure all relevant fields have been completed. (You will be prompted with a list of outstanding fields that need completing).

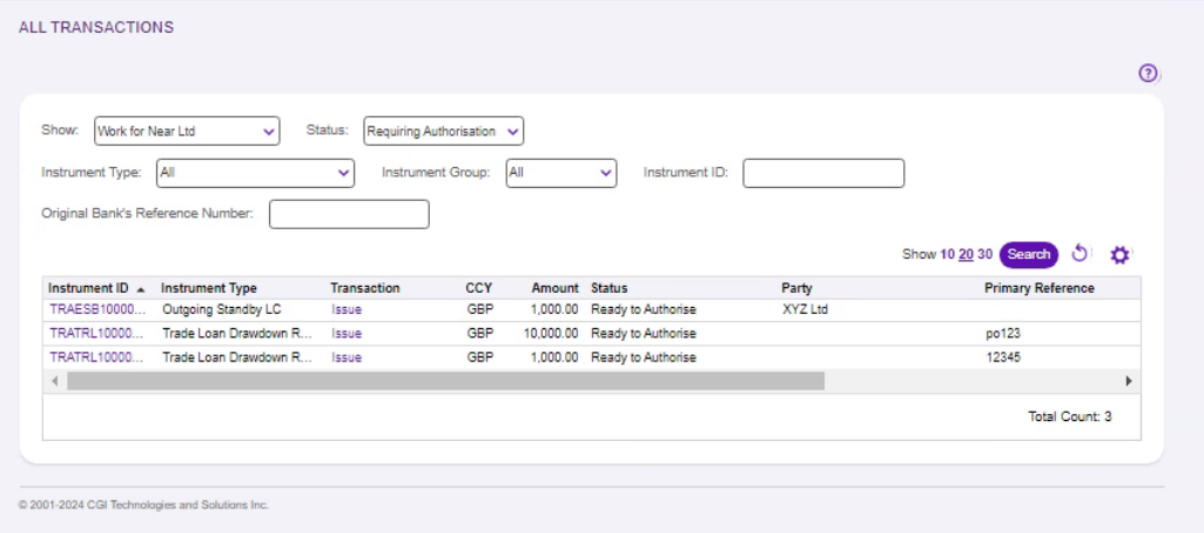
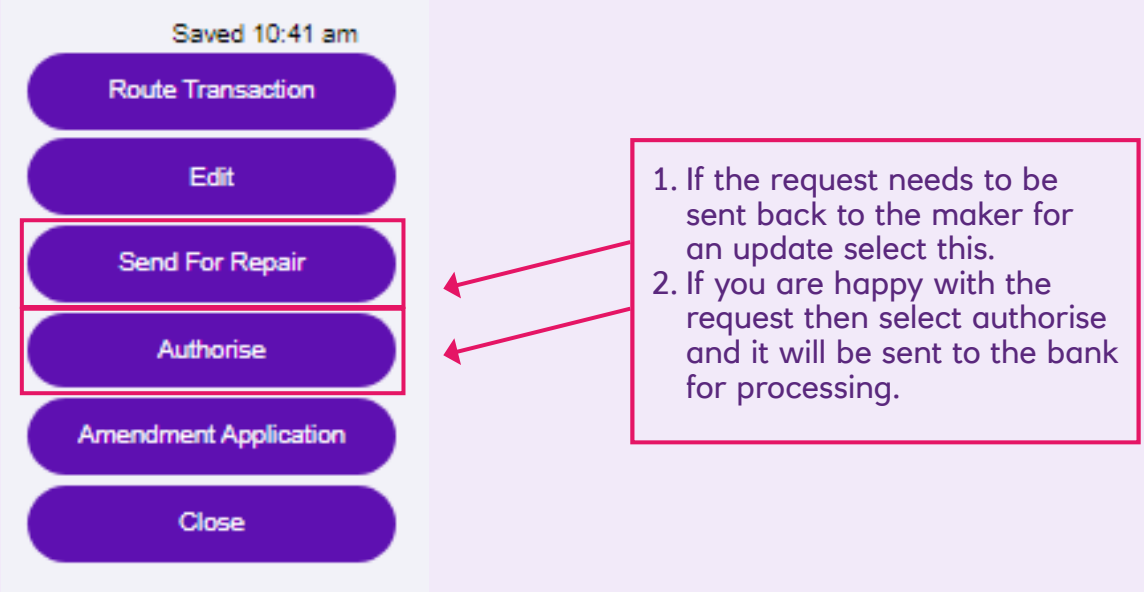
If all fields have been completed, the transaction will move into 'Ready to Authorise'.

Authoriser:

The Authoriser will need to go into the portal and select the below queue:



This will then take you to the below screen, where you will need to select the correct transaction:



To open the transaction for approval, click on “Issue” next to the reference number.