

# Foreign Buyer Instruction Letter

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Pro forma Invoice #: \_\_\_\_\_  
Your Reference #: \_\_\_\_\_  
Date: \_\_\_\_\_

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We have indicated below those terms/conditions we will find acceptable in a Letter of Credit issued by your bank. Your efforts to gain compliance with these terms/conditions in the issuance of the Letter of Credit will ensure prompt dispatch of your order. If your bank is not able to issue the credit within the following guidelines, or these details do not agree with your understanding of the transaction, please contact us, providing information on those terms/conditions in question. This will eliminate additional costs and delays of issuing an amendment, once the Letter of Credit has been issued. Only those items we have marked "X" will apply to the Letter of Credit.

The Letter of Credit (LC) must be irrevocable and subject to the UCP 600 [*Uniform Customs and Practice for Documentary Credits*], as published and updated by the International Chamber of Commerce.

1. This LC is to be advised through the following bank \_\_\_\_\_.  
SWIFT: \_\_\_\_\_ TELEEX: \_\_\_\_\_
2. The LC must be issued with the following confirmation instructions:  
 WITHOUT  
 MAY ADD – only at the request of the Beneficiary
3. The BENEFICIARY is to be shown as:  
**Name** \_\_\_\_\_  
**Address** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. All fees are for the account of the applicant, unless otherwise negotiated.
5. LC is to be \_\_\_ advised through \_\_\_\_\_  
\_\_\_ confirmed by \_\_\_\_\_
6. The LC is to be payable in:  
 U.S. Dollars  
 Other: \_\_\_\_\_
7. The amount of the LC is to be specified as:  
 Not to exceed  
 About (+/-10%)  
 Other (as stated) \_\_\_\_\_
8. The LC must be payable against drafts drawn on:  
 the Issuing Bank  
 the Advising Bank  
 the Reimbursing Bank
9. Drafts must be drawn  
 At Sight  
 At \_\_\_ days after Sight  
 At \_\_\_ days from the date of the transport document/forwarder's cargo receipt  
 Other:
10. The LC is to specify shipment of (generic terms, please. Avoid details):
  
11. Shipping terms (select one):

Named City or Port

- EXW (Ex-works / Origin) \_\_\_\_\_
- CFR (Cost & Freight / Destination) \_\_\_\_\_
- CIF (Cost, Insurance, & Freight / Destination) \_\_\_\_\_
- CIP (Carriage, Insurance, Paid to / Destination) \_\_\_\_\_
- CPT (Carriage Paid to / Destination) \_\_\_\_\_
- FCA (Free Carrier / Origin) \_\_\_\_\_
- FOB (Free on Board / Origin) \_\_\_\_\_

- 12. The latest shipping date is \_\_\_\_\_ **OR** \_\_\_\_\_ days after the LC issue date.
- 13. The LC expiry date is \_\_\_\_\_ **OR** \_\_\_\_\_ days after the latest shipping date.
- 14. Documents must be presented within \_\_\_\_\_ days after the shipping date.
- 15. We agree to provide the following documents, in the quantities specified. Please, avoid other documentary requirements without our prior agreement:
  - Signed **commercial invoice** in one (1) original and \_\_\_\_\_ copies.
  - Packing list** in one (1) original and \_\_\_\_\_ copies.

**Transport Documents:**

- Clean Airway Bill consigned to \_\_\_\_\_
- Bill of Lading
  - o Consigned to: \_\_\_\_\_
  - o Consigned to the order of: \_\_\_\_\_
- Multi-modal / Combined Transport Bills of Lading
  - o Consigned to: \_\_\_\_\_
  - o Consigned to the order of: \_\_\_\_\_
- Forwarder's Cargo Receipt consigned to \_\_\_\_\_

Transport documents must show shipment

**From:** \_\_\_\_\_ **To:** \_\_\_\_\_

With freight charges marked \_\_\_\_\_ Prepaid \_\_\_\_\_ Collect  
and notify (freight forwarder / custom house broker, if applicable)

**Name** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Additional Documents:**

- Negotiable marine/air insurance policy or certificate in duplicate for 110% of commercial invoice value, covering all risks and war risks and \_\_\_\_\_ as applicable.
- 16. Transshipments are: \_\_\_\_\_ Allowed \_\_\_\_\_ Not allowed
- 17. Partial shipments are: \_\_\_\_\_ Allowed \_\_\_\_\_ Not allowed
- 18. Issue Bank charges are for the account of the Applicant. ALL banking charges outside the country of the Applicant are for the account of the \_\_\_\_\_ Applicant \_\_\_\_\_ Beneficiary
- 19. **Acceptance** charges (if applicable) for time drafts are for the account of \_\_\_\_\_ Applicant \_\_\_\_\_ Beneficiary  
**Discount** charges (if applicable) for time drafts are for the account of \_\_\_\_\_ Applicant \_\_\_\_\_ Beneficiary
- 20. The LC must state that it is 'Transferable' and transfers, if any, may be done by any bank.