New Instrument – Standby Letter of Credit

Tomorrow Begins Today

Ulster Bank

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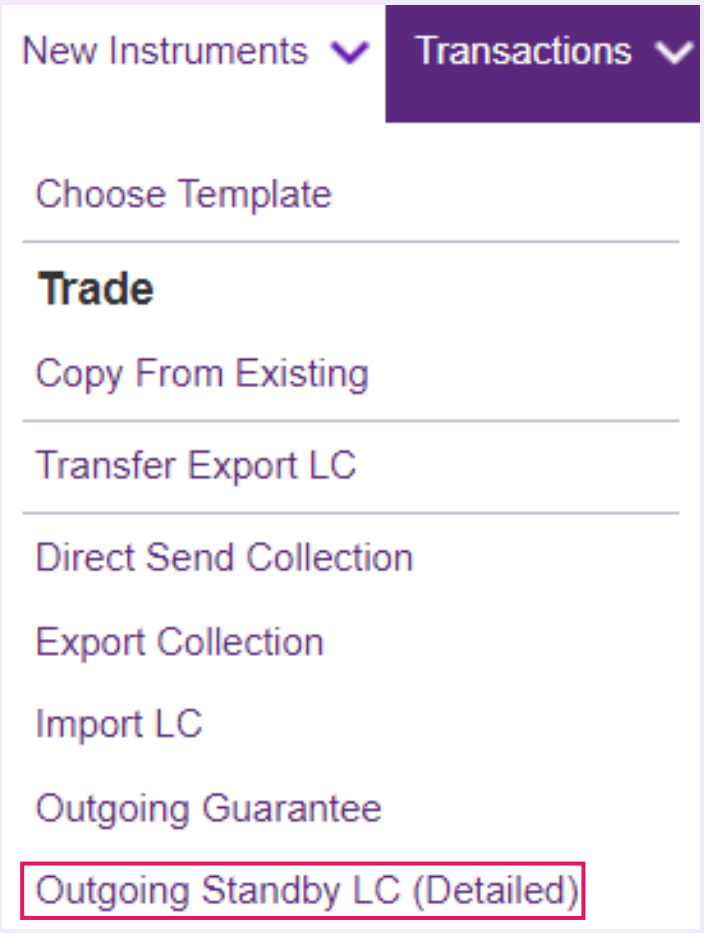
Introduction

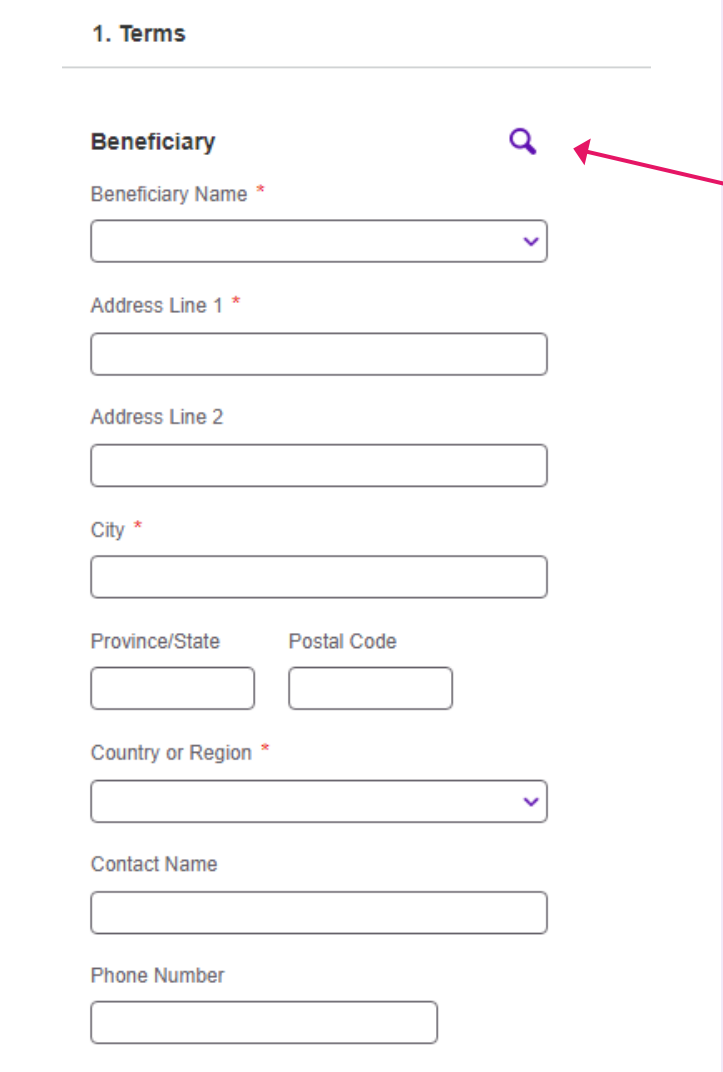
Log into the Trade Finance Portal.

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



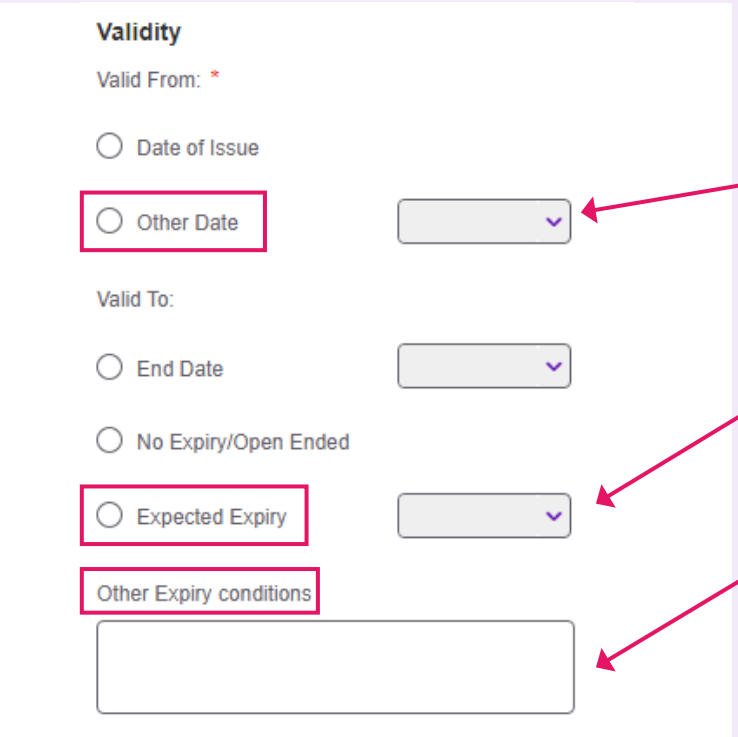
A unique transaction reference number will be applied:

Beneficiary



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

Validity

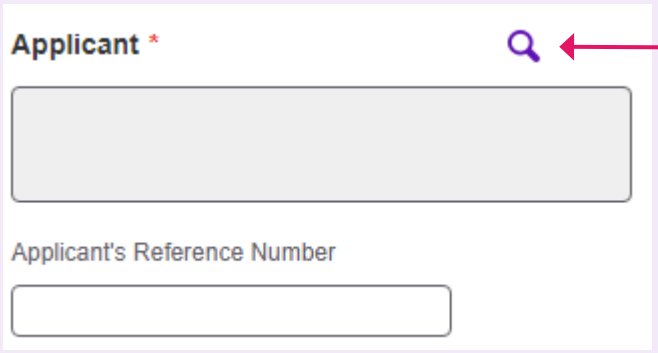


If selecting 'Other Date', this must be a future date.

Leave this blank.

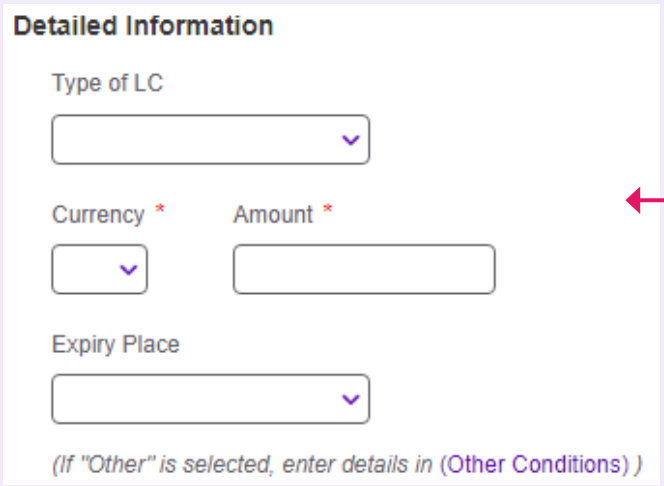
Use this box where the Standby LC is to expire on an event, e.g. upon practical completion.

Applicant



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

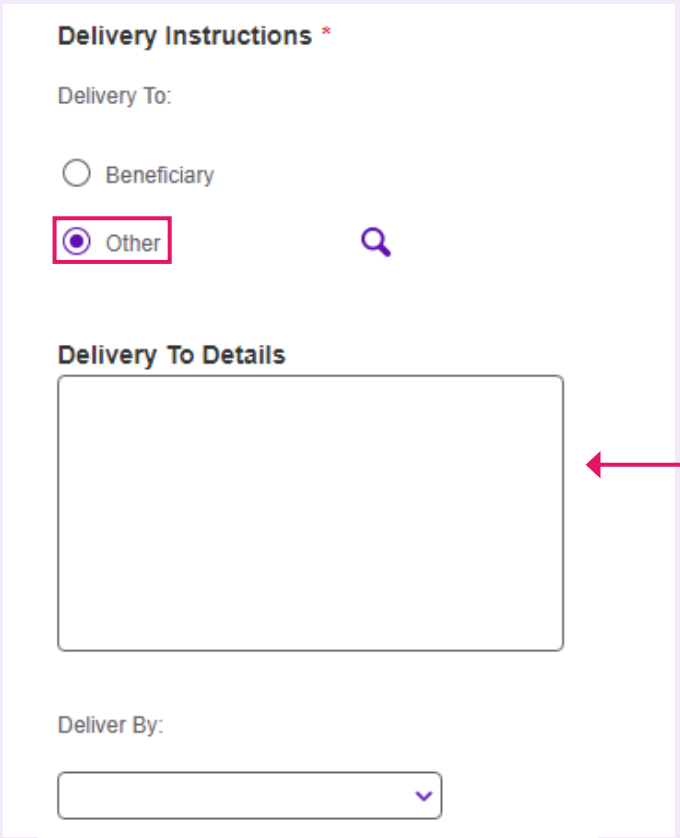
Detailed Information



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).

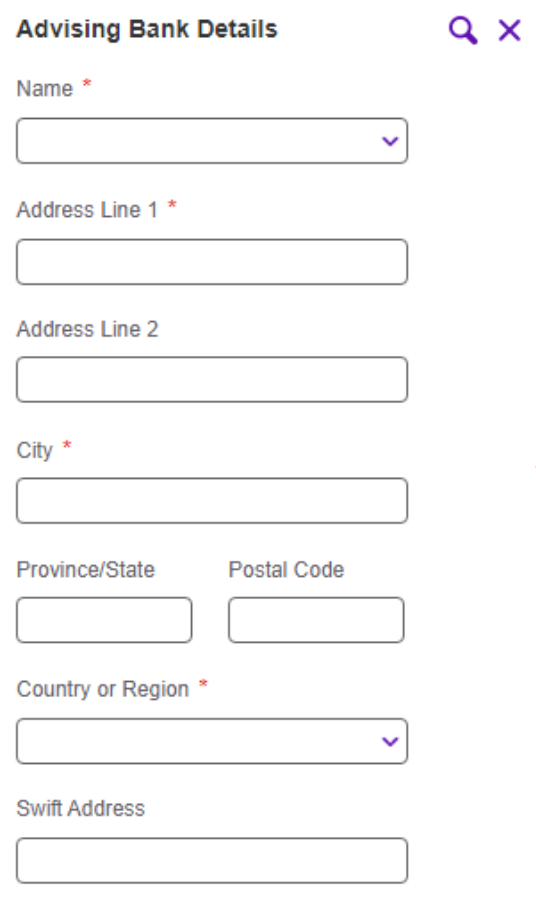
Delivery Instructions



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



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.

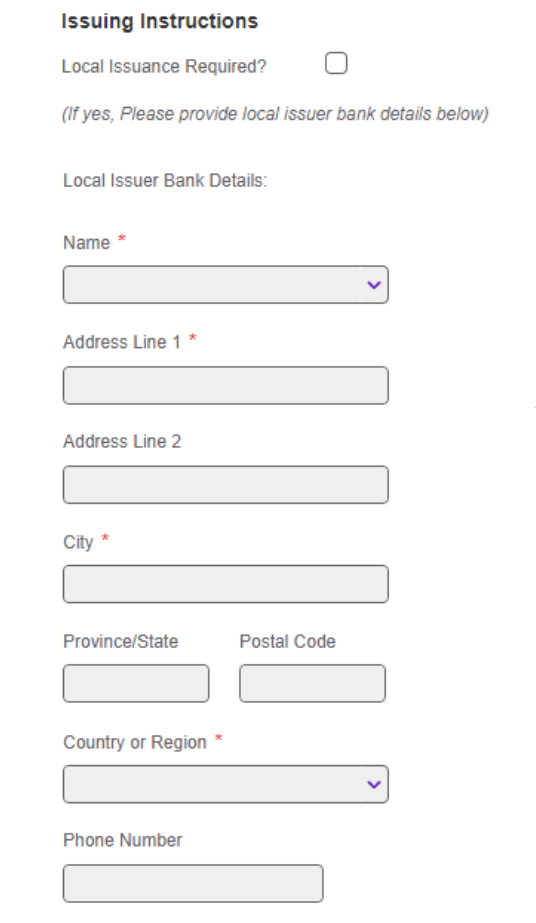
'Name' – select the dropdown arrow to see a list of banks to choose from – if you select one of these banks their details will be pre-filled.

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

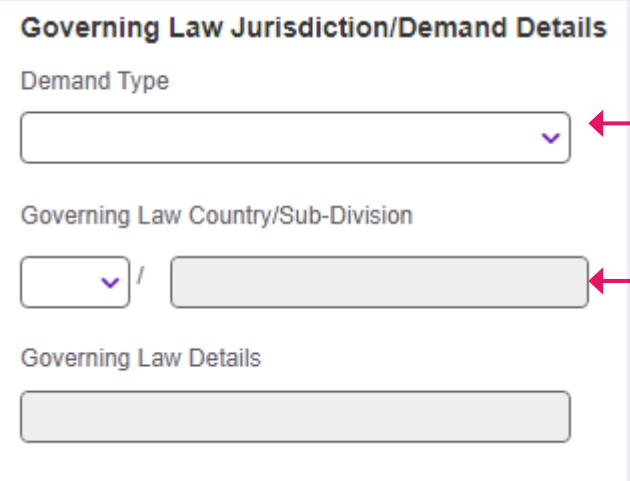


'Local Issuance Required' – please tick this box if you require another bank to issue the Standby LC in favour of the beneficiary. This is a requirement for issuance in some countries – if in doubt, please confirm the issuance method with the beneficiary.

'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.

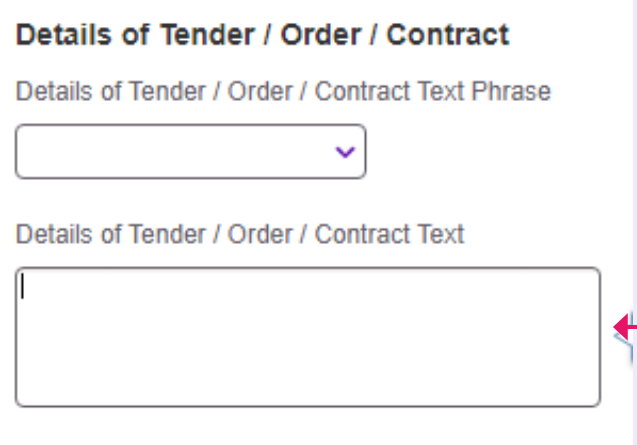
Governing Law/Jurisdiction Demand Details



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

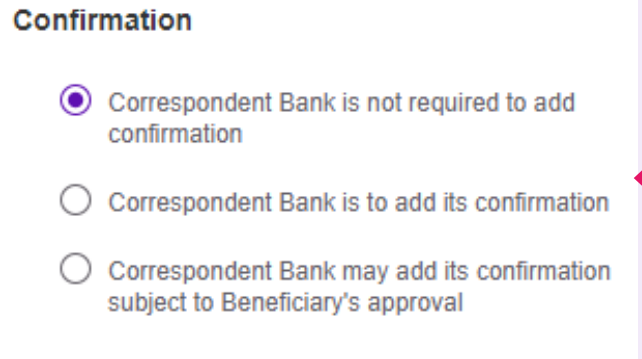
Sub-Division may be required if using a governing law such as USA, Australia, UAE, etc.

Details of Tender/Order/Contract



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

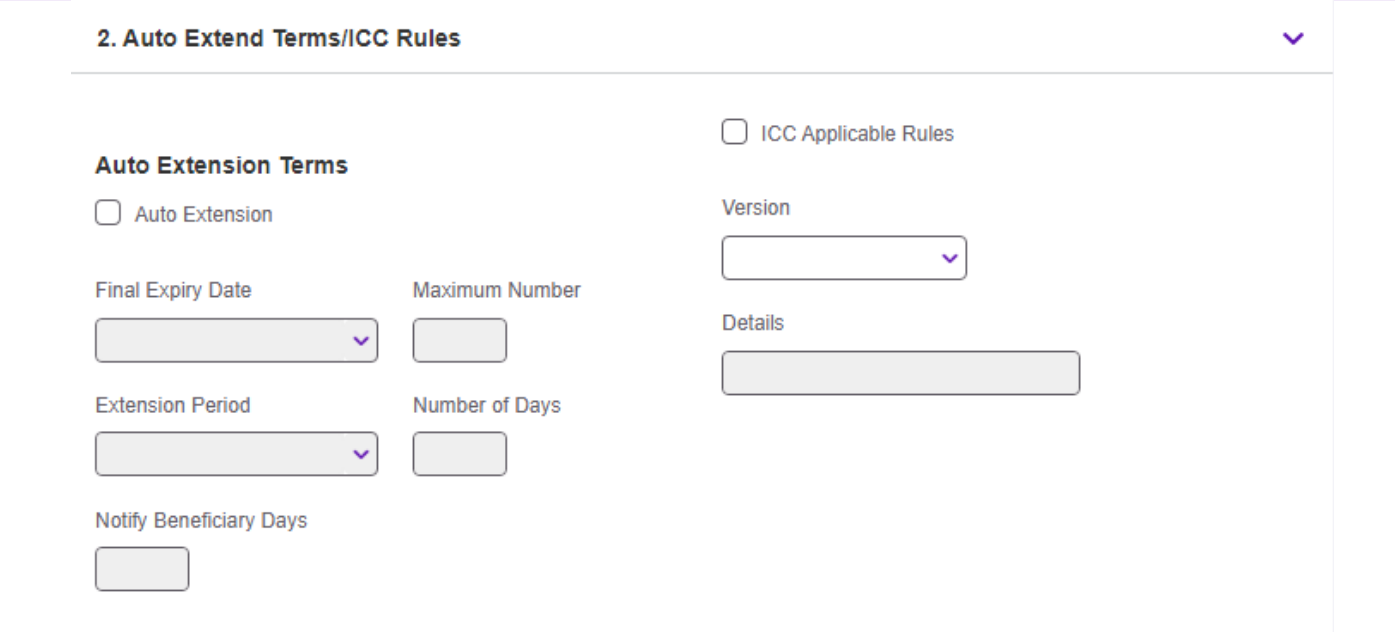
Confirmation



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



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

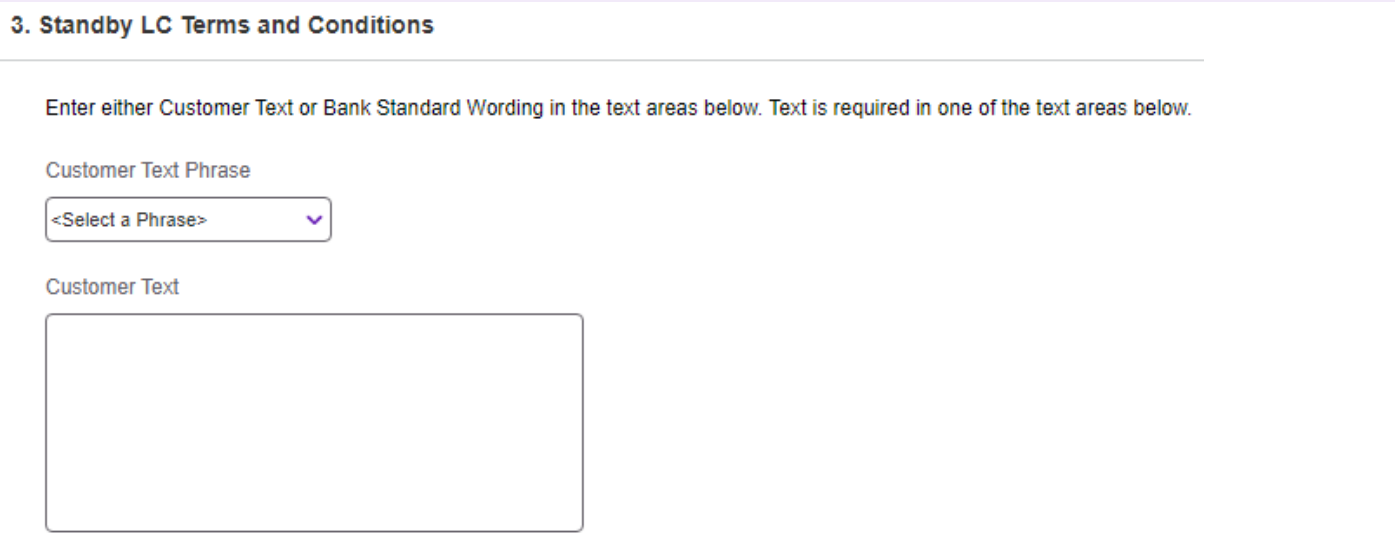
'Final Expiry Date' – to be completed if there is a hard stop expiry date beyond which the Standby LC will not automatically extend.

'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.

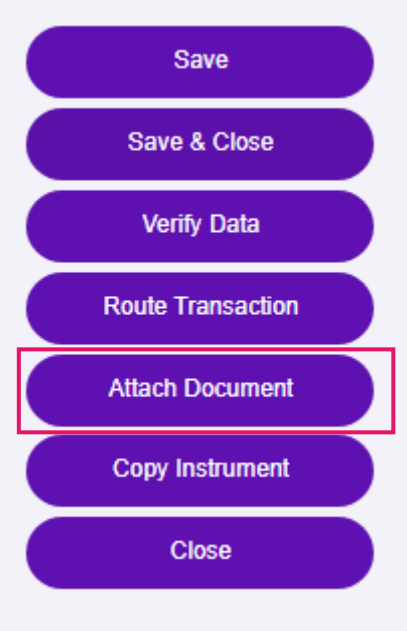
'ICC Applicable Rules' – tick this box to add governing rules to the Standby LC, then pick the applicable rules from the dropdown.

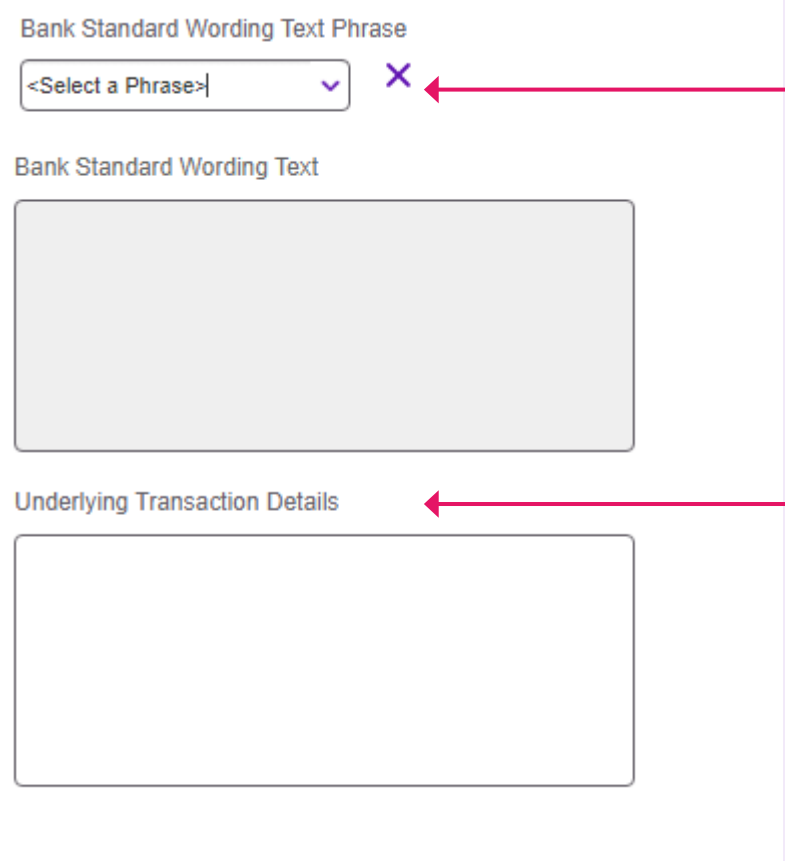
Standby LC Terms and Conditions



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):

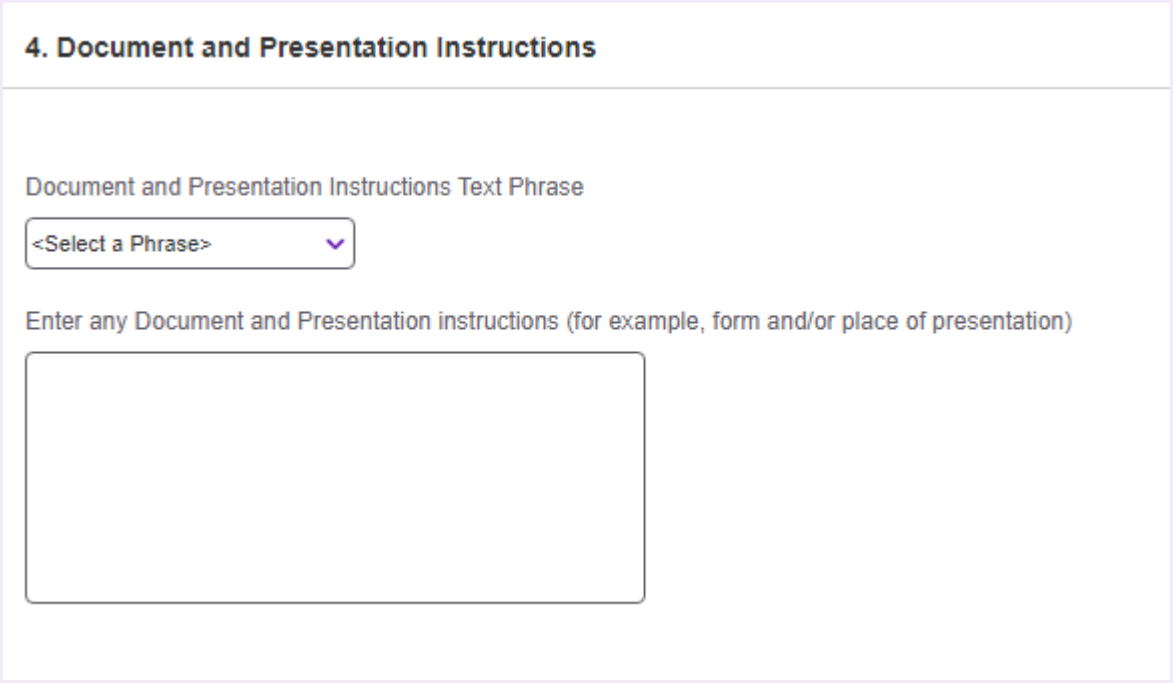




Please complete this section if you are using a Bank Standard wording by selecting the appropriate option from the drop-down list.

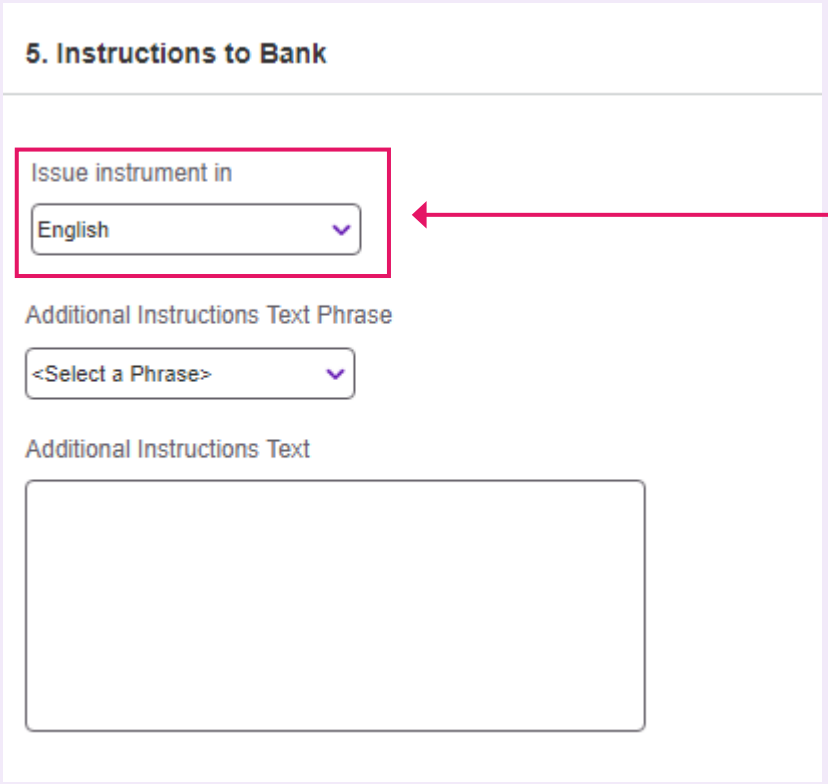
Please provide all relevant transaction details, including as a minimum the full Goods/Services description.

Document and Presentation Instructions

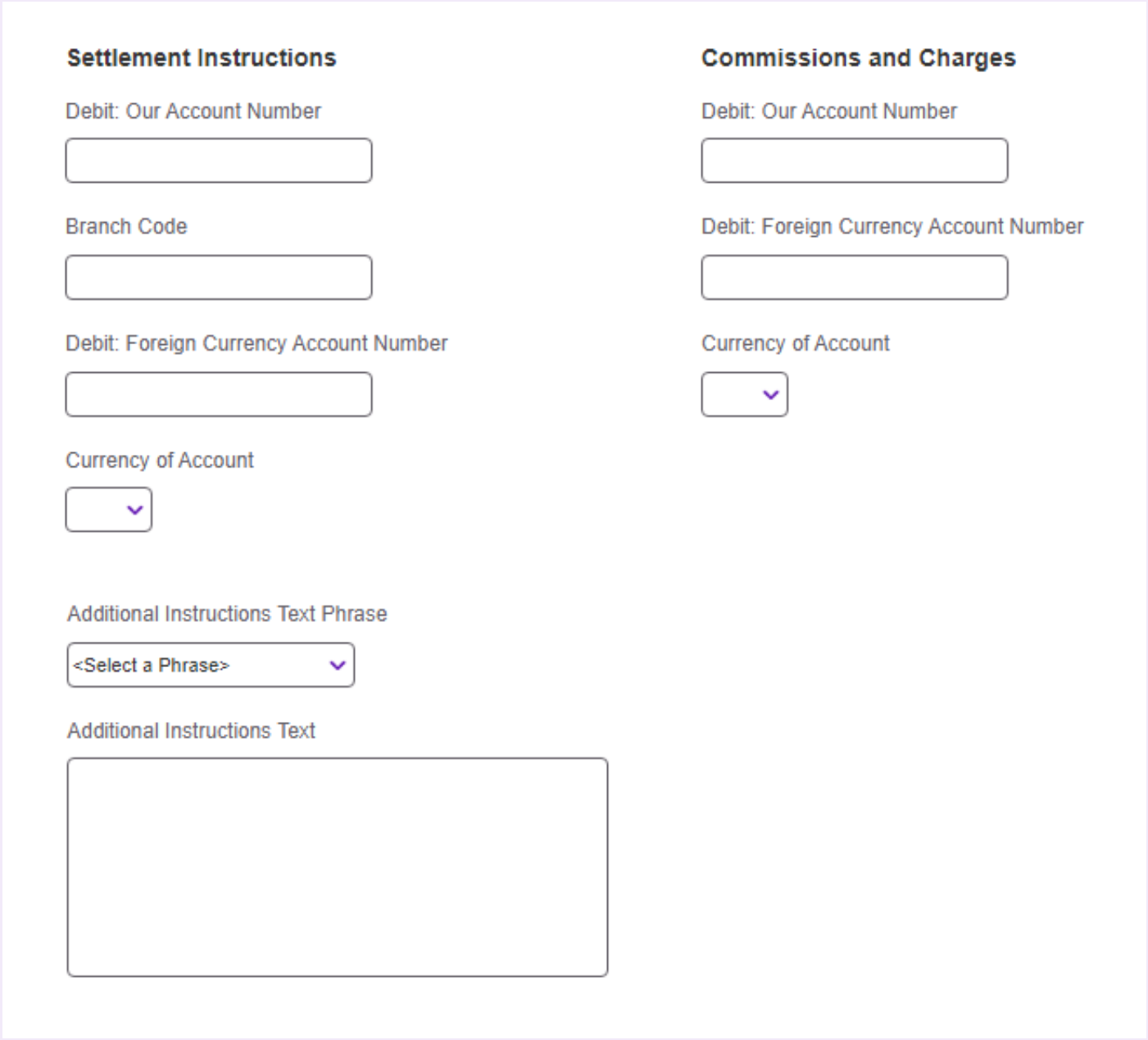


Please complete this field if there are any specific instructions for presentation of demands which aren't included in the Standby LC text.

Instructions to Bank



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



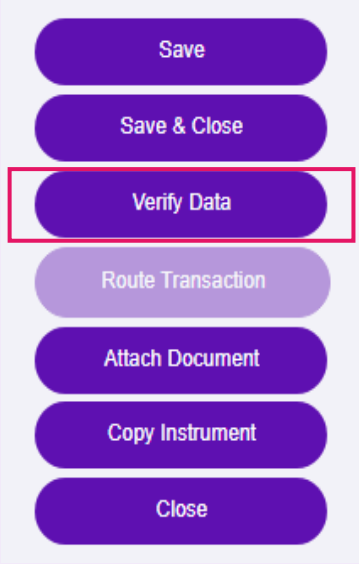
'Settlement instructions' – account details for debiting payment for claims.

'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.

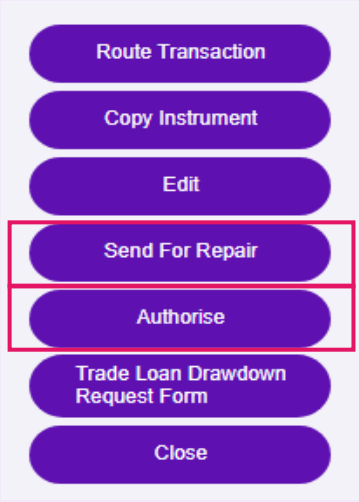
Authorisation

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'.



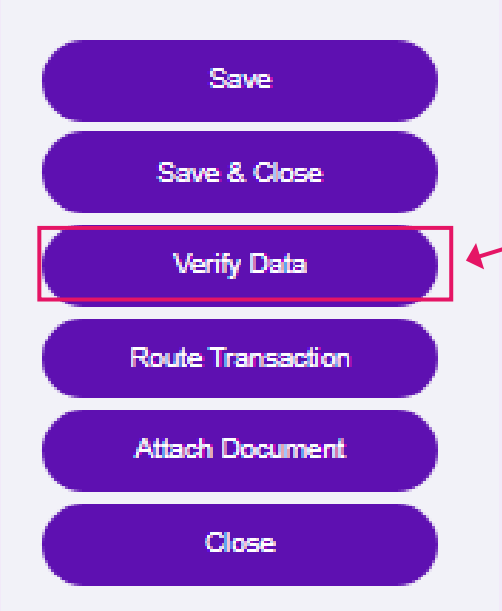
If changes need to be made prior to authorisation, you have the ability to 'Send For Repair', this will allow you to select the transaction from the home screen and edit.

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:

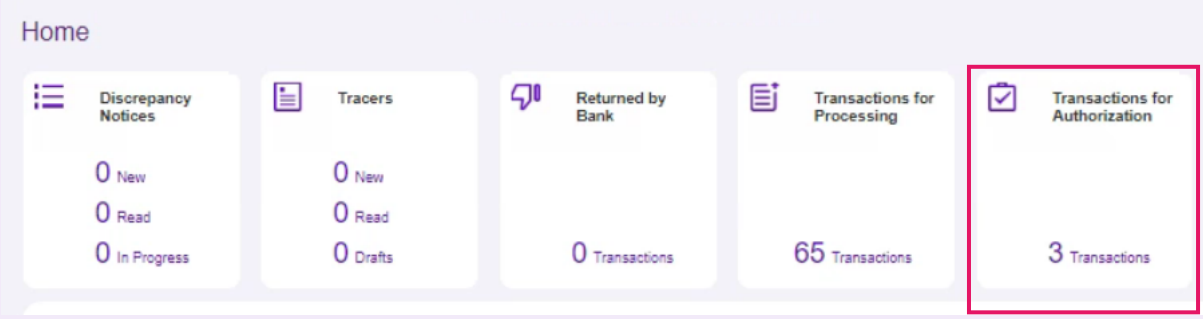


Select Verify Data in the first instance and ensure all relevant fields have been completed. (You will be prompted with a list of outstanding fields that need completing).

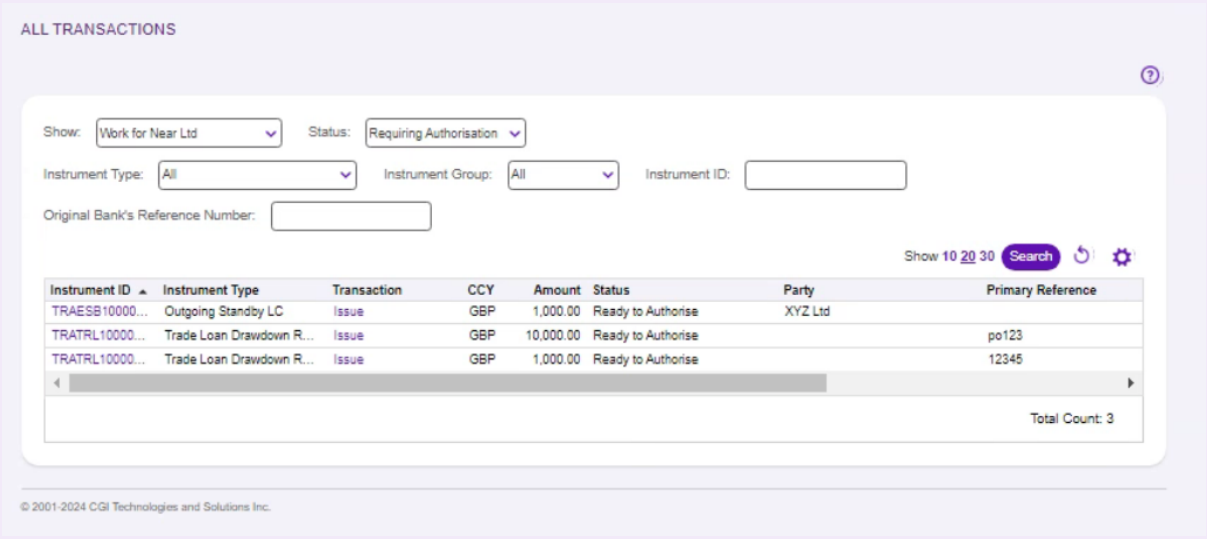
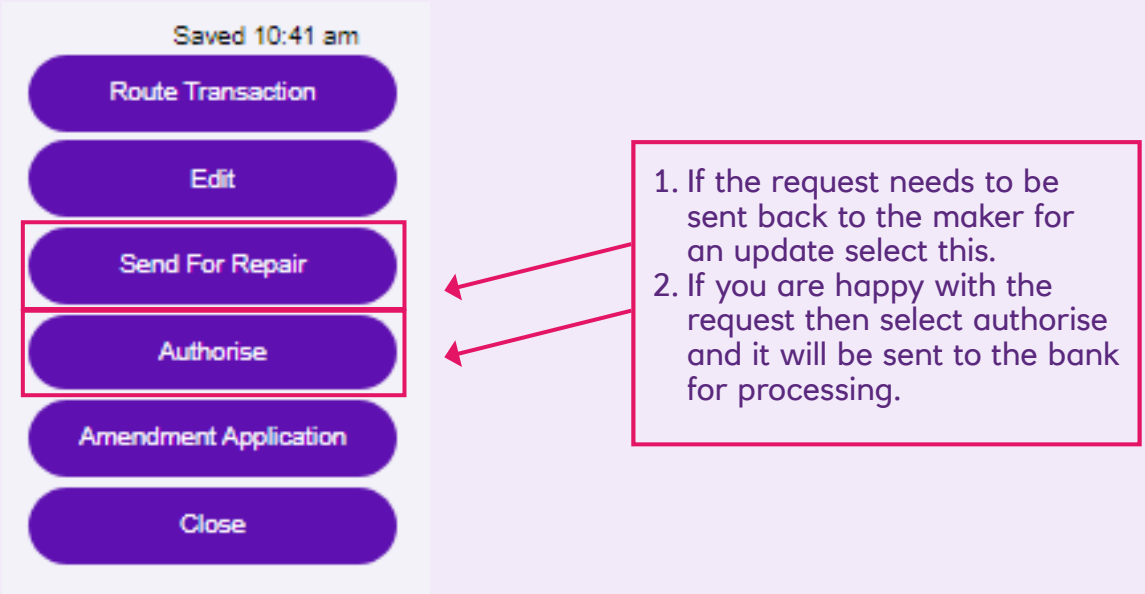
If all fields have been completed, the transaction will move into 'Ready to Authorise'.

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.