

Application for discounting Bill(s)

To: Commercial Bank International PSC
Dubai, United Arab Emirates
P.O Box: 4449

Date :/...../.....

Dear Sir,

By this application, we hereby request and authorize CBI to discount the below mentioned Bill(s) and to credit the Proceeds to the below Account (details provided below) subject to the applicable discounting, interest, postage and other charges.

Account details:

IBAN:.....

Bank Name and Address:.....

S.No	Bill no.	Bill Amount	Bill Currency	LC Issuing / Confirming Bank	Due Date

In consideration of you discounting the Bills as requested above, we hereby acknowledge and agree to the following terms and conditions:

1. Definitions

“Account” means the bank account opened by the undersigned pursuant to the relevant account opening authority and held with CBI.

“Bill(s)” means one or more letters of credit issued by the Issuing Bank in accordance with Uniform Customs and Practice (UCP 600) for Documentary Credit and presented by the undersigned to CBI for discounting and collection of Proceeds.

“CBI” means Commercial Bank International PSC.

“Fees” means all CBI fees or other charges, costs and expenses that may be incurred in connection with discounting the Bills and collecting the Proceeds.

“Issuing Bank” means the bank which has issued the Bill(s) and has an existing arrangement with CBI for collection of Bill(s).

“Proceeds” means in relation to a Bill(s), the amount which CBI collects from the Issuing Bank corresponding to the amount of the Bill(s).

2. CBI shall have the exclusive right to accept or reject this Application and any or all of the Bill(s) submitted at its sole discretion without assigning any reasons whatsoever. CBI shall have the absolute discretion to ascertain the total amount of the Bill(s) acceptable for discount.

Application for discounting Bill(s)

3. In consideration of the Fees, CBI is hereby irrevocably authorized, but not obliged, to collect the Bill(s) from the Issuing Bank and credit the Proceeds to its own account and benefit.
4. We agree the discounting of the Bill(s) will be effected by CBI only upon:
 - (a) CBI receiving a valid confirmation from the Issuing Bank on the acceptance on the documents required under the Bill(s); and
 - (b) The Issuing Bank guaranteeing payment of the Bill(s) on its maturity date.
5. We hereby assign all our rights in the Bill(s) and the proceeds thereunder to CBI and CBI shall have all the rights that we possess against the Issuing Bank and the buyer.
6. If the Bill(s) for discounting are returned unpaid at any time for any reasons whatsoever including but not limited to fraud, misrepresentation, commercial disputes or otherwise, we hereby agree that CBI has the right to claim the amount advanced to us and debit the Account for the amount of any Proceeds advanced together with any applicable charges or liability.
7. We agree that CBI shall be entitled to debit the full value of the Bill(s) to our Account in the event of non-payment by the Issuing Bank. All costs, liabilities, interests and legal expenses of any nature incurred by CBI directly or indirectly in respect of the discounting facility shall be chargeable to our Account. We undertake to pay CBI any difference between the amount received from CBI and the amount received on maturity/ due-date of the Bill(s) from the Issuing Bank.
8. The collection and/or negotiation of the Bill(s) will be carried out by CBI and we undertake to pay CBI the Fees in accordance with the applicable schedule of charges for the time being in force.
9. We hereby represent and warrant as follows:
 - a) The buyer on behalf of whom the Bill(s) is issued by the Issuing Bank is not a related entity/ group/ sister company/ subsidiary or an associated company (whether directly or indirectly) controlled by us;
 - b) The requested payment is towards a genuine trade transaction and all supporting documents submitted by us are authentic and genuine;
 - c) We have not requested or obtained financing from any other banks or financial institutions for this transaction; and
 - d) We have not assigned, charged or otherwise encumbered our rights on our Accounts with any third party.
10. CBI shall also have the right to sue and institute legal actions/proceedings against any drawee/drawer, endorser/endorsee or third party at our cost for recovery of the value of the Bill(s) discounted by you and to exercise the right of lien on any other Bill(s) pledged or to be pledged with you. Proceeds, if any, received by CBI taking of legal actions shall have preference and priority over other creditors for satisfaction of your claims on us. You are however under no obligation to sue any of other parties concerned.
11. The terms and conditions of this application including the validity of the pledge and assignment hereby granted to CBI, shall remain in force for the entire duration of our transactions with CBI and will apply also in respect of new/fresh Bill(s) discounted by CBI for us after any intervening settlement of the account(s) with CBI.
12. The undersigned hereby agrees to indemnify and keep indemnified CBI for any claims, lawsuits, legal action, costs and expenses which CBI or its correspondent may suffer or sustain in connection with discounting and collecting the Bill(s).

Application for discounting Bill(s)

13. Without prejudice to CBI's absolute right to submit to any other law or jurisdiction, this application shall be governed, construed and interpreted in accordance with the laws prevailing in United Arab Emirates and the courts of Dubai shall have full jurisdiction over any difference or dispute arising or which may arise out of the contents of this application or any part thereof.
14. Every demand or notice served or communicated by CBI to us shall be considered to have been duly served and communicated to us if sent to recorded address of ours either by hand delivery, ordinary or registered mail, telex and/or any other usual and practiced means of transmission/delivery. Every demand or notice sent in this manner by CBI to us or any of the persons representing us shall be deemed to have been sent to each and all of us.
15. In the event of this application being signed by more than one signatory, it shall be construed as being made in the plural, and all covenants and liabilities, hereunder shall be joint and several and the pledge above mentioned shall extend to the assets and securities of each and all of the signatories and any notice given/served to any of them shall be deemed a notice given/served to all of them.
16. When approved by CBI, this application shall be deemed as a binding legal agreement between CBI and the undersigned in relation to the discounting of the Bill(s).

<p>In case of need please contact on</p> <p>Tel:.....</p> <p>Mob:.....</p> <p>Fax No.:.....</p> <p>Please credit the amount of the Bill(s) to</p> <p>A/C No.:.....</p>	<p>.....</p> <p>AUTHORISED SIGNATURE(S) & COMPANY STAMP.</p>
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