

UCP600 & UCP500 Compared

Part I. The Modifications and Changes in General

- a. Given 14 definitions at first and 12 interpretations to clarify the meaning of ambiguous terms, refer to Art 2 & 3.
- b. Agreed that the issuing bank must reimburse the nominated bank even though the documents are lost in the transmitting however, the presentation must be complying.
- c.

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Part I. The Modifications and Changes in General

- a. Given 14 definitions at first and 12 interpretations to clarify the meaning of ambiguous terms, refer to Art 2 & 3. And we need pay attention to the change about 'negotiation'.
- b. Agreed that the issuing bank must reimburse the nominated bank even though the documents are lost in the transmitting however, the presentation must be complying.
- c. Denied the practice that banks stipulate the clause about which the amendment should be accepted by beneficiary who did not send any rejected advice in certain time, refer to sub-article 10 f.
- d. Five banking days replaced reasonable time and seven banking days, refer to sub-article 14 b.
- e. Two kinds of form about refusing have been added in UCP600, refer to sub-article 16 c iii.
- f. Banks can now accept an insurance document that contains reference to any exclusion clause, refer to sub-article 28 i.
- g. The insurance document could be issued by proxies, refer sub-article 28 a.
- h. The clause for transport documents issued by Freight Forwarders has been deleted.
- i. The clause about carrying vessel propelled by sail only has been deleted since that kind of sailboat has dropped out of ocean transport.
- j. The expression is straightaway, precise and compact, for example, the wording for 'unless the credit expressly stipulates...' is not used in UCP600.
- k. The clause about shipment date has changed, refer to sub-article 19 a ii, 20 a ii, 21 a ii and 22 a ii, especially to note the effect to received bill of lading.
- l. Canceled the blocking frame about the form of clauses.
- m. The number of the clauses has decreased to 39 from original 49.
- n. The deferred payment credit could be discounted or purchased.
- o. Added the acts of terrorism as a kind of Force Majeure, refer to Art 36.
- p. Confirmed that the issuing bank may be a transferring bank, refer to sub-article 38 b.

Part II. Detailed Comparison for Each Article

Article 1 Application of UCP

The Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication no. 600 ("UCP") are rules that apply to **any** documentary credit ("credit") (including, to the extent to which they may be applicable, any standby letter of credit) **when the text of the credit expressly indicates that it is subject to these rules.** They are binding on all parties thereto **unless expressly modified or excluded by the credit.**

Article 2 Definitions

For the purpose of these rules:

Advising bank means the bank that advises the credit at the request of the issuing bank.

Applicant means the party on whose request the credit is issued.

Banking day means a day on which a bank is regularly open at the place at which an act subject to these rules is to be performed.

Beneficiary means the party in whose favour a credit is issued.

Complying presentation means a presentation that is in accordance with the terms and conditions of the credit, the applicable provisions of these rules and international standard banking practice.

Confirmation means a definite undertaking of the confirming bank, in addition to that of the issuing bank, to honour or negotiate a complying presentation.

Confirming bank means the bank that adds its confirmation to a credit upon the issuing bank's authorization or request.

Credit means any arrangement, however named or described, **that is irrevocable** and thereby constitutes a definite undertaking of the issuing bank to **honour a complying presentation.**

Honour means:

- a. to pay at sight if the credit is available by sight payment.
- b. to incur a deferred payment undertaking and pay at maturity if the credit is available by deferred payment.
- c. to accept a bill of exchange ("draft") drawn by the beneficiary and pay at maturity if the credit is available by acceptance.

Issuing bank means the bank that issues a credit at the request of an applicant or on its own behalf.

Negotiation means the **purchase** by the nominated bank of **drafts (drawn on a bank other than the nominated bank) and/or documents under a**

It is similar to the Art 1 of 500, however there are three differences:

'any' replace 'all'

'when ... rules' replace 'where ... credit'

'unless ... credit' replace 'unless otherwise ... credit'

This article is new added, it clarifies many definitions which didn't defined in 500, however, some items ever published in some publications of ICC including 500, such as Banking day, credit, etc.

Of course, some items are first presented in 600 or have been amended so that we should focus:

'Complying presentation' is a new term, under 500, we usually used 'the documents to be presented in compliance', and the new one is more concision.

In 500, the Art 2 gave the mean of credit and four types L/C, and in Art 6 the irrevocable and revocable L/C were listed at the same time, however, in 600, the revocable L/C has been deleted. So, we should note that all L/C are irrevocable under UCP600.

Another difference is that the original four types are changed into three categories, which are called by a joint name - Honour, which includes available by sight payment, deferred payment and acceptance, and the Negotiation was deleted from the basic types. It was changed to a purchase behalf other than payment type.

In 500, negotiation means the giving of value for draft(s) and/or document(s), which borrowed the jural definition. But there were many issues and problems in the banking practice, therefore it is amended in 600. And

complying presentation, by advancing or agreeing to advance funds to the beneficiary on or before the banking day on which reimbursement is due to the nominated bank.

Nominated bank means the bank with which the credit is available or any bank in the case of a credit available with any bank.

Presentation means either the delivery of documents under a credit to the issuing bank or nominated bank or the documents so delivered.

Presenter means a beneficiary, bank or **other party** that makes a presentation.

Article 3 Interpretations

For the purpose of these rules:

Where applicable, words in the singular include the plural and in the plural include the singular.

A credit is irrevocable even if there is no indication to that effect.

A document may be signed by handwriting, facsimile signature, perforated signature, stamp, symbol or any other mechanical or electronic method of authentication.

A requirement for a document to be **legalized, visaed, certified or similar** will be satisfied by any signature, mark, stamp or label on the document which appears to satisfy that requirement.

Branches of a bank in different countries are considered **to be separate bank**.

Terms such as "first class", "well known", "qualified", "independent", "official", "competent" or "local" used to describe the issuer of a document allow any issuer **except the beneficiary** to issue that document.

Unless required to be used in a document, words such as "prompt", "immediately" or "as soon as possible" will be disregarded.

The expression "on or about" or similar will be interpreted as a stipulation that an event is to occur during a period of five calendar days before until five calendar days after the specified date, both start and end dates included.

in 500 Art14 F that is about payment, acceptance, and negotiation under reserve or against an indemnity has been deleted. And it is defined as 'purchase...drafts...under a complying presentation'. What is the relationship between 'honour' and 'negotiation'?

Please think who are the other parties.

It means the singular and plural in UCP600 has the same meaning, which might refer our Chinese language, I think.

It is similar to the Art 6 C of 500, in fact, under UCP600, only irrevocable credit was stipulated.

It is similar to the Art 20 B of 500

It is similar to the Art 20 D of 500, however the words 'to be authenticated, validated' are deleted from this clause.

It is similar to the last sentence of 500 Art 2 and 'separate' replaces 'another'

It is similar to the Art 20 A of 500 and more concision.

It is similar to the Art 46 B of 500, but it is more rigorous and extensive since Art46 B was applicable to Dates for Shipment.

It is similar to the Art 46 C of 500

The words "to", "until", "till", "**from**" and "**between**" when used to determine a period of shipment include the date or dates mentioned, and the words "**before**" and "after" exclude the date mentioned.

The words "**from**" and "**after**" when used to determine a maturity date exclude the date mentioned.

The terms "first half" and "second half" of a month shall be construed respectively as the 1st to the 15th and the 16th to the last day of the month, all dates inclusive.

The terms "beginning", "middle" and "end" of a month shall be construed respectively as the 1st to the 10th, the 11th to the 20th and the 21st to the last day of the month, all dates inclusive.

Article 4 Credits v. Contracts

a. A credit by its nature is a separate transaction from the sale or other contract on which it may be based. Banks are in no way concerned with or bound by such contract, even if any reference whatsoever to it is included in the credit. Consequently, the undertaking of a bank **to honour, to negotiate** or to fulfil any other obligation under the credit is not subject to claims or defences by the applicant resulting from its relationships with the issuing bank or the beneficiary.

A beneficiary can in no case avail itself of the contractual relationships existing between banks or between the applicant and the issuing bank.

b. An issuing bank should discourage any attempt by the applicant to include, as an integral part of the credit, **copies of the underlying contract, proforma invoice** and the like.

Article 5 Documents v. Goods, Services or Performance

Banks deal with documents and not with goods, services or performance to which the documents may relate.

Article 6 Availability, Expiry Date and Place for Presentation

a. A credit must state the bank with which it is available or whether it is **available with any bank**. A credit available with a nominated bank is also available with the issuing bank.

It is similar to the Art 47 A & B of 500, added 'between' & 'before'

It comes from ISBP P45(d), note the difference when 'from' was used to determine maturity date and period of shipment

It is the same with the Art 47 C of 500

It is the same with the Art 47 D of 500

The section a. is the same with Art 3 of 500 except that it used the word 'honour'.

It is similar to the Art 5 A ii of UCP500 but the italic documents were new added in UCP600.

It is similar to the Art 4 of 500

It is similar to the Art 10 B of 500. However this clause gives a new item 'Availability' and admits freely available, but in Art 10 of 500 only negotiable L/C could be admitted as freely available.

b. A credit must state whether it is available by sight payment, deferred payment, acceptance or negotiation.

It is the same with the Art 10 A of UCP500

c. A credit **must not** be issued available by a draft drawn on the applicant.

It differs from ISBP P56 since 'must not' i/o 'should not', it is compelling denial.

d. i. A credit must state an expiry date for presentation. An expiry date stated for honour or negotiation will be deemed to be an expiry date for presentation.

It is a clause about expiry date and place for presentation and similar to the Art 42 of UCP500. However I don't find the clause for '21 days' like Art 43 A of UCP500 in UCP600.

ii. The place of the bank with which the credit is available is the place for presentation. The place for presentation under a credit available with any bank is that of any bank. A place for presentation other than that of the issuing bank is in addition to the place of the issuing bank.

It is new added clause in UCP600.

e. Except as provided in sub-article 29 (a), a presentation by or on behalf of the beneficiary must be made on or before the expiry date.

It is similar to the Art 42 B of UCP500.

Article 7 Issuing Bank Undertaking

a. Provided that the stipulated documents are presented to the nominated bank or to the issuing bank and that they constitute a complying presentation, the issuing bank must honour, if the credit is available by:

In UCP500, the liability of Issuing and Confirming Banks were prescribed in Art 9. In UCP600, they are divided into two clauses Art 7 and Art 8.

i. sight payment, deferred payment or acceptance with the issuing bank;

In the new wording, it is more precise. This sentence of 'a.i.' declares the basic liability of Issuing Bank. Those sentences from 'a.ii.' to 'a.v.' declare that when the nominated bank dishonoured the Issuing Bank must perform its basic liability still.

ii. sight payment with a nominated bank and that nominated bank does not pay;

The item i is 'Straight L/C'.

iii. deferred payment with a nominated bank and that nominated bank does not incur its deferred payment undertaking or, having incurred its deferred payment undertaking, does not pay at maturity;

iv. acceptance with a nominated bank and that nominated bank does not accept a draft drawn on it or, having accepted a draft drawn on it, does not pay at maturity;

v. negotiation with a nominated bank and that nominated bank does not negotiate.

b. An issuing bank is **irrevocably bound to honour** as of the time it issues the credit.

In UCP500, an irrevocable credit constituted a 'definite undertaking of the Issuing Bank', however, in this clause 'b', Issuing Bank is 'irrevocably bound to honour', which is the same meaning as above.

c. An issuing bank undertakes to reimburse a nominated bank that has honoured or negotiated a complying presentation and forwarded the documents to the issuing bank. Reimbursement for the amount of a complying presentation under a credit available by acceptance or deferred payment is due at maturity, whether or not the nominated bank prepaid or purchased before maturity.

An issuing bank's undertaking to reimburse a nominated bank is independent of the issuing bank's undertaking to the beneficiary.

Article 8 Confirming Bank Undertaking

a. Provided that the stipulated documents are presented to the confirming bank or to any other nominated bank and that they constitute a complying presentation, the confirming bank must:

i. honour, if the credit is available by

a. sight payment, deferred payment or acceptance with the confirming bank;

b. sight payment with another nominated bank and that nominated bank does not pay;

c. deferred payment with another nominated bank and that nominated bank does not incur its deferred payment undertaking or, having incurred its deferred payment undertaking, does not pay at maturity;

d. acceptance with another nominated bank and that nominated bank does not accept a draft drawn on it or, having accepted a draft drawn on it, does not pay at maturity;

e. negotiation with a nominated bank and that nominated bank does not negotiate.

ii. negotiate, without ***recourse***, if the credit is available by negotiation with the confirming bank.

b. A confirming bank is irrevocably bound ***to honour or negotiate*** as of the time it adds its confirmation to the credit.

c. A confirming bank undertakes to reimburse another nominated bank that has honoured or negotiated a complying presentation and forwarded the documents to the confirming bank. Reimbursement for the amount of a

This clause provides two undertakings of Issuing Bank, one is to reimburse a nominated bank, and the other is to pay to the beneficiary. In UCP500, although there were no details like UCP600, but the fact existed in the practice. Of course, the clear documents or complying presentation is necessary both in the past and future.

In fact, this article reconfirms the first responsibility to pay beneficiary even a nominated bank (if any) by Issuing Bank.

This clause is almost same as last article, however, there are some difference since the Confirming Bank is other than Issuing Bank. Therefore the sub-clause 'a.ii' is about negotiate without recourse when the Confirming Bank is nominated negotiating bank by L/C and 'b' increases the word 'negotiate' compare with Issuing Bank.

Any way, a Confirming Bank acts the role of second Issuing Bank, therefore it should undertake the same responsibility as the Issuing Bank.

It is similar to the relative section of Art 7.

complying presentation under a credit available by acceptance or deferred payment is due at maturity, whether or not another nominated bank prepaid or purchased before maturity. **A confirming bank's undertaking to reimburse another nominated bank is independent of the confirming bank's undertaking to the beneficiary.**

d. If a bank is authorized or requested by the issuing bank to confirm a credit but is not prepared to do so, it must inform the issuing bank without delay and may advise the credit without confirmation.

Article 9 Advising of Credits and Amendments

a. A credit and any amendment **may be** advised to a beneficiary through an advising bank. An advising bank that is not a confirming bank advises the credit and any amendment **without any undertaking to honour or negotiate.**

b. By advising the credit or amendment, the advising bank signifies that it has satisfied itself as to the apparent authenticity of the credit or amendment and that the advice accurately reflects the terms and conditions of the credit or amendment received.

c. An advising bank may utilize the services of another bank ("**second advising bank**") to advise the credit and any amendment to the beneficiary. By advising the credit or amendment, the second advising bank signifies that it has satisfied itself as to the apparent authenticity of the advice it has received and that the advice accurately reflects the terms and conditions of the credit or amendment received.

d. A bank utilizing the services of an advising bank or second advising bank to advise a credit must **use the same bank to advise** any amendment thereto.

e. If a bank is requested to advise a credit or amendment but elects not to do so, it must so inform, without delay, the bank from which the credit, amendment or advice has been received.

f. If a bank is requested to advise a credit or amendment but cannot satisfy itself as to the apparent authenticity of the credit, the amendment or the advice, it must so inform, without delay, the bank from which the instructions appear to have been received. If the advising bank or second advising bank elects

It is similar to Art 9 C of UCP500.

In fact the liability of Issuing and Confirming Bank is not changed essentially.

This article adds some new element comparing with Art 7 of UCP500.

It clarifies the independence of Advising Bank which does not undertake to honour or negotiate except that it is Confirming Bank at the same time.

It is similar to Art 7 A of UCP500.

In banking practice, lots of L/C are advised though second advising bank, but the UCP500 has no relative clause. In UCP600, this is confirmed and the second advising bank has the same right with first one.

It appeared in Art 11 B of UCP500, and now it has been clarified in special clause of UCP600. Please refer to R401

It is similar to Art 7 A of UCP500.

It is similar to Art 7 B of UCP500.

nonetheless to advise the credit or amendment, it must inform the beneficiary or second advising bank that it has not been able to satisfy itself as to the apparent authenticity of the credit, the amendment or the advice..

Article 10 Amendments

a. Except as otherwise provided by article 38, a credit can neither be amended nor cancelled without the agreement of **the issuing bank, the confirming bank, if any, and the beneficiary.**

b. An issuing bank is irrevocably bound by an amendment as of the time it issues the amendment. A confirming bank may extend its confirmation to an amendment and will be irrevocably bound as of the time it advises the amendment. A confirming bank may, however, choose to advise an amendment without extending its confirmation and, if so, it must inform the issuing bank without delay and inform the beneficiary in its advice.

c. The terms and conditions of the original credit (or a credit incorporating previously accepted amendments) will remain in force for the beneficiary until the beneficiary communicates its acceptance of the amendment to the bank that advised such amendment. The beneficiary **should** give notification of acceptance or rejection of an amendment. If the beneficiary fails to give such notification, a presentation that complies with the credit and to any not yet accepted amendment will be deemed to be notification of acceptance by the beneficiary of such amendment. As of that moment the credit will be amended.

d. A bank that advises an amendment **should** inform the bank from which it received the amendment of any notification of acceptance or rejection.

e. Partial acceptance of an amendment **is not allowed and will be deemed to be notification of rejection** of the amendment.

f. A provision in an amendment to the effect that the amendment shall enter into force unless rejected by the beneficiary within a certain time shall **be disregarded.**

Article 11 Teletransmitted and Pre-Advised Credits and Amendments

a. An authenticated teletransmission of a credit or

The Art 9 D of UCP500 stipulated about amendments, in UCP600, ICC draws a separate clause about it. Then, we could presume that a mass of problems and issues about amendments happened in banking practice. Please note it does not state applicant at all.

Section a is similar to Art 9 D i of UCP500.

It is almost same as Art 9 D ii of UCP500. The Confirming Bank has the independence whether it extends its confirmation to an amendment. There is no change comparing with UCP500.

It is the same with Art 9 D iii of UCP500. However, there is a case in dilemma. L/C required that the goods be shipped under four periods, each 100mt in Jan, Feb, Mar and Apr. Now Issuing Bank gave an amendment, which the shipment periods were changed to May, Jun, Jul, and Aug. Beneficiary did not send any notification and shipped the first 100mt in Jan, however, it shipped the second 100mt in Jun. Could we consider the beneficiary accept the amendment? If it is positive, is the acceptance valid?

It is new content, however, in UCP600 draft of Jun 2006, the 'should' was i/o by 'must'. The different tone decreases the liability of the bank that advises the amendment.

It is similar to Art 7 D iv of UCP500.

It comes from ICC R315. ICC considered that those practices changed the irrevocable nature of the L/C irrevocable undertaking. And it disobeys some states' laws.

It is similar to Art 11 A i of UCP500, but the expression is stronger than it.

amendment will be deemed to be the operative credit or amendment, and any subsequent mail confirmation shall **be disregarded.**

If a teletransmission states "full details to follow" (or words of similar effect), or states that the mail confirmation is to be the operative credit or amendment, then the teletransmission will not be deemed to be the operative credit or amendment. The issuing bank must then issue the operative credit or amendment without delay in terms not inconsistent with the teletransmission.

b. A preliminary advice of the issuance of a credit or amendment ("pre-advice") shall only be sent if the issuing bank is prepared to issue the operative credit or amendment. An issuing bank that sends a pre-advice is irrevocably committed to issue the operative credit or amendment, without delay, in terms not inconsistent with the pre-advice.

Article 12 Nomination

a. Unless a nominated bank is the confirming bank, an authorization to honour or negotiate does not impose any obligation on that nominated bank to honour or negotiate, **except when expressly agreed to by that nominated bank** and so communicated to the beneficiary.

b. By nominating a bank to accept a draft or incur a deferred payment undertaking, an issuing bank **authorizes that nominated bank to prepay or purchase a draft accepted or a deferred payment undertaking incurred by that nominated bank.**

c. Receipt or examination and forwarding of documents by a nominated bank that is **not a confirming bank** does not make that nominated bank liable to honour or negotiate, nor does it constitute honour or negotiation.

Article 13 Bank-to-Bank Reimbursement Arrangements

a. If a credit states that reimbursement is to be obtained

It is almost same as Art 11 A ii of UCP500.

Section b is almost same as Art 11 C ii of UCP500, however, it deleted the original words 'unless otherwise stated...' which admitted Issuing Bank to state when, how or on what conditions, if those were not to occur without undue delay, but this state did not include a term such as 'operative'. Refer R318 pls.

This article renews the Art 11 of UCP500, and then the consecution of 600 is more express and has stronger tone.

This article has replaced Art 18 of UCP500.

It is a little similar to Art 18 B of UCP500, however, the instances are exiting largely in banking practices. Therefore, UCP600 gives the more detail clause to confirm the independent rights of nominated bank.

It stipulates what is the meaning that issuing bank selects the nominated bank. It is a new clause too.

It reaffirms that the nominated bank could ignore the issuing bank's nomination if it is not confirmation bank.

But the items about charges and applicant's liable which stipulated in Art 18 C & D are deleted by UCP600, I have no idea about it!

It is similar Art 19 of UCP500.

In UCP500, Issuing Bank must give an

by a nominated bank ("claiming bank") claiming on another party ("reimbursing bank"), ***the credit must state if the reimbursement is subject to the ICC rules for bank-to-bank reimbursements in effect on the date of issuance of the credit.***

b. If a credit ***does not state*** that reimbursement is subject to the ICC rules for bank- to-bank reimbursements, the following apply:

i. An issuing bank ***must provide a reimbursing bank with a reimbursement authorization*** that conforms with the availability stated in the credit. The reimbursement authorization ***should not be subject to an expiry date.***

ii. A claiming bank shall not be required to supply a reimbursing bank with a certificate of compliance with the terms and conditions of the credit.

iii. An issuing bank will be responsible for any ***loss of interest, together with any expenses incurred,*** if reimbursement is not provided on first demand by a reimbursing bank in accordance with the terms and conditions of the credit.

iv. A reimbursing bank's charges are for the account of the issuing bank. However, if the charges are for the account of the beneficiary, it is the responsibility of an issuing bank to so indicate in the credit and in the reimbursement authorization. If a reimbursing bank's charges are for the account of the beneficiary, they shall be deducted from the amount due to a claiming bank when reimbursement is made. If no reimbursement is made, the reimbursing bank's charges remain the obligation of the issuing bank.

c. An issuing bank is not relieved of any of its obligations to provide reimbursement if reimbursement is not made by a reimbursing bank on first demand.

Article 14 Standard for Examination of Documents

a. A nominated bank acting on its nomination, a confirming bank, if any, and the issuing bank must examine a presentation to determine, on the basis of the documents alone, whether or not the documents appear on their face to constitute a complying presentation.

b. A nominated bank acting on its nomination, a confirming bank, if any, and the issuing bank shall each

authorization, but under the frame of UCP600, it is replaced by the italic sentence. Even though this section uses the word 'must', there are different in next item. So I don't know the effect of 'must' in item a.

Opposite to item a, item b states the condition when L/C does not state the reimbursement is subject to ICC rules.

'Must provide...authorization' is the same as UCP500.

It is almost same as Art 19 B of UCP500.

It renews D of UCP500, and adds the words who will be responsible for any interest, expense etc.

It is similar to Art 19 E of UCP500.

It is similar to Art 19 C of UCP500.

It includes more details than Art 13 of UCP500.

It states that the nominated bank, confirming bank and issuing bank must examine documents independently. No essential changes happened.

There are two changes than before, one is that the checking time is decrease to 5

have a maximum of **five banking days** following the day of presentation to determine if a presentation is complying. ***This period is not curtailed or otherwise affected by the occurrence on or after the date of presentation of any expiry date or last day for presentation.***

c. A presentation including **one or more original** transport documents subject to articles 19, 20, 21, 22, 23, 24 or 25 must be made by or on behalf of the beneficiary ***not later than 21 calendar days after the date of shipment as described in these rules, but in any event not later than the expiry date of the credit.***

d. Data in a document, when read in context with the credit, the document itself and international standard banking practice, ***need not be identical to, but must not conflict with, data in that document, any other stipulated document or the credit.***

e. In documents other than the commercial invoice, the description of the goods, services or performance, if stated, may be ***in general terms*** not conflicting with their description in the credit.

f. If a credit requires presentation of a document other than a transport document, insurance document or commercial invoice, without stipulating by whom the document is to be issued or its data content, banks will accept the document as presented if its content appears ***to fulfil the function of the required document*** and otherwise complies with sub-article 14 (d).

g. ***A document presented but not required by the credit will be disregarded and may be returned to the presenter.***

h. If a credit contains a condition without stipulating the document to indicate compliance with the condition, banks will deem such condition as not stated and will disregard it.

i. A document may be dated prior to the issuance date of the credit, ***but must not be dated later than its date of presentation.***

j. When the addresses of the beneficiary and the

banking days i/o 7 before, and the other is that italic parts are increased.

It differs from Art 43 of UCP500 at all, it strictly restricts the documents to be presented within 21 calendar days and the L/C need not stipulate the period for presentation. Of course, the presentation must be finished not later than the expiry date of L/C.

It restates that what are 'compliance' and 'consistency'. Please refer to R251.

It is similar to Art 37 C of UCP500. And please note that it is a misunderstanding that documents other than invoice should state the description of the goods. Refer to R364. But any way, the documents without description goods must be founded sufficient relationship with other documents, which L/C required.

It is similar to Art 21 of UCP500. Please note the italic wording about 'fulfill the function', it maybe bring some bother in future.

It is a new clause in UCP600. As to 'presenter', please refer to Art 2.

It is similar to Art 13 C of UCP500.

It is similar to Art 22 of UCP500. And the sentence 'but ... presentation' is added, in another word, it expresses clearly that the documents must be presented within the presentation period of L/C.

applicant appear in any stipulated document, **they need not be the same as those stated in the credit or in any other stipulated document, but must be within the same country as the respective addresses mentioned in the credit. Contact details** (telefax, telephone, email and the like) stated as part of the beneficiary's and the applicant's address **will be disregarded. However**, when the address and contact details of the applicant appear **as part of the consignee or notify party details on a transport document** subject to articles 19, 20, 21, 22, 23, 24 or 25, **they must be as stated in the credit.**

k. The shipper or consignor of the goods indicated on **any document** need not be the beneficiary of the credit.

l. A transport document may be **issued by any party other than a carrier, owner, master or charterer** provided that the transport document meets the requirements of articles 19, 20, 21, 22, 23 or 24 of these rules

Article 15 Complying Presentation

a. **When an issuing bank determines that a presentation is complying, it must honour.**

b. **When a confirming bank determines that a presentation is complying, it must honour or negotiate and forward the documents to the issuing bank.**

c. **When a nominated bank determines that a presentation is complying and honours or negotiates, it must forward the documents to the confirming bank or issuing bank.**

Article 16 Discrepant Documents, Waiver and Notice

a. When a nominated bank acting on its nomination, a confirming bank, if any, or the issuing bank determines that a presentation **does not comply, it may refuse to honour or negotiate.**

b. When an issuing bank determines that a presentation does not comply, it may in its sole judgement approach the applicant for a waiver of the discrepancies. This does not, however, extend the period mentioned in sub-article 14 (b).

This item stipulates the issues about address and telephone or fax number, which should be disregarded under the frame of UCP600. It comes from ISBP but go ahead again.

But please note this sentence 'however...in the credit'. When these information are parts of consignee or notify party, they must comply with L/C.

It is similar to Art 31 C of UCP500 but the scope has been extended to any document except bill of lading.

It is a new clause but these actions exist in practice largely.

It is a new article since the concept of 'Complying Presentation' is presented at first under the frame of UCP600.

It is liability of Issuing Bank, which is the same as UCP500.

It is liability of Confirming Bank, which is the same as UCP500.

It is the same as the practice under the frame of UCP500, merely it has become official clause of UCP600.

It is similar to Art 14 of UCP500

It is similar to Art 14 B of UCP500. But, refer to the description of Art 2 of UCP600 hereto, when a presentation is not complying presentation, bank should not purchase the documents; if the bank buys the documents, it could not get the jural rights for negotiating bank.

It is the same as Art 14 C of UCP500.

c. When a nominated bank acting on its nomination, a confirming bank, if any, or the issuing bank decides to refuse to honour or negotiate, **it must give a single notice to that effect to the presenter.**

The notice must state:

- i. that the bank is **refusing to honour or negotiate**; and
- ii. **each discrepancy** in respect of which the bank refuses to honour or negotiate; and
- iii. a) that the bank is holding the documents pending further instructions from the presenter; or
b) that the issuing bank is holding the documents until it receives a waiver from the applicant and agrees to accept it, or receives further instructions from the presenter prior to agreeing to accept a waiver; or
c) that the bank is returning the documents; or
d) that the bank is acting in accordance with instructions previously received from the presenter.

d. The notice required in sub-article 16 (c) must be given by telecommunication or, if that is not possible, by other expeditious means **no later than the close of the fifth banking day following the day of presentation.**

e. A nominated bank acting on its nomination, a confirming bank, if any, or the issuing bank may, after providing notice required by sub-article 16 (c) (iii) (a) or (b), **return the documents to the presenter at any time.**

f. If an issuing bank or a confirming bank fails to act in accordance with the provisions of this article, it shall be precluded from claiming that the documents do not constitute a complying presentation.

g. When an issuing bank refuses to honour or a confirming bank refuses to honour or negotiate and has given notice to that effect in accordance with this article, it shall then be entitled to claim a refund, with interest, of any reimbursement made.

Article 17 Original Documents and Copies

a. At least one original of each document stipulated in the credit must be presented.

It is similar to the first half of Art 14 D of UCP500. And 'the presenter' has replaced original sentence. Please note 'single'.

Following is about the content which the refuse notice should state. And there are some difference comparing with UCP500: i. 'Refusing to honour or negotiate' replaced 'refuses the documents'. ii. 'Each discrepancy' replaced 'all discrepancy', the expression is more intense. iii. To compare with Art 14 D ii of UCP500, this item adds two new operating methods. One is item b, which exists in banking practice at present; however, it was neither stipulated by UCP500 nor advocated by ICC in fact. And now, it is permitted by ICC though the UCP600. The other is item d, which seems that the presenter has sent to the bank an instruction about how to process the documents with discrepancy in advance, therefore, the bank could process the documents as this previous instruction.

It is similar to Art 14 D i of UCP500, merely the 'fifth banking day' has replaced the 'seventh banking day'.

It is a new item to compare with UCP500 and banks are endowed with more uninfluenced right to decide when they should return the documents since this article doesn't require banks to state the time of documents return.

It is similar to Art 14 E of UCP500.

It is similar to Art 14 D iii of UCP500.

The Art 14 F of UCP500 about reserve has been deleted by UCP600.

It is a new article including part of Art 20 B & C of UCP500,

It comes from ISBP32.

b. A bank shall treat as an original any document **bearing an apparently original signature, mark, stamp, or label of the issuer of the document**, unless the document itself indicates that it is not an original.

c. Unless a document indicates otherwise, a bank will also accept a document as original if it:

- i.** appears to be written, typed, perforated or stamped by the document issuer's hand; or
- ii.** appears to be on the document issuer's original stationery; or
- iii.** states that it is original, unless the statement appears not to apply to the document presented.

d. If a credit requires presentation of copies of documents, presentation of either originals or copies is **permitted**.

e. If a credit requires presentation of multiple documents by using terms such as "in duplicate", "in two fold" or "in two copies", this will be satisfied by the presentation of at least **one original and the remaining number in copies, except when the document itself indicates otherwise**.

Article 18 Commercial Invoice

a. A commercial invoice:

- i.** must appear to have been issued by the beneficiary (except as provided in article 38);
- ii.** must be made out in the name of the applicant (except as provided in sub-article 38 (g));
- iii. must be made out in the same currency as the credit;** and

It is similar Art 20 B of UCP500. However, if a document appears to be original but is in fact not original, according to Art 34 of this rule, banks will not undertake any responsibility. For example, if beneficiary present a photocopy of B/L marked 'original' and signed by carrier, should the bank accept it as original B/L?

It fully comes from the item 1 General approach Art 3 of *The determination of an "Original" document in the context of UCP 500 sub-Article 20(b)*. And item iii. responds the clause b above. And this *determination* is recommended for further guidance under UCP600, please refer to ISBP(600) paragraph 33.

It comes from ISBP 33.

It is the same as Art 20 C ii of UCP500 and ISBP33. But, what about L/C requires Signed Invoice in 3 copies?

What is not an "Original"? A document indicates that it is not an original if it

- a) appears to be produced on a telefax machine;
- b) appears to be a photocopy of another document which has not otherwise been completed by hand marking the photocopy or by photocopying it on what appears to be original stationery; or
- c) states in the document that it is a true copy of another document or that another document is the sole original.

— Quoted from mentioned *determination* above.

It is similar to Art 37 of UCP500.

It is similar to Art 37 A i of UCP500 except that the words 'on their face' was deleted.

It is the same as Art 37 A ii of UCP500.

It is a new clause come from ISBP 64, which included unit price (if any).

iv. need not be signed.

b. A nominated bank acting on its nomination, a confirming bank, if any, or the issuing bank may accept a commercial invoice issued for an amount in excess of the amount permitted by the credit, and its decision will be binding upon all parties, provided the bank in question has not honoured or negotiated for an amount in excess of that permitted by the credit.

c. The description of the goods, services or performance in a commercial invoice must correspond with that appearing in the credit.

Article 19 Transport Document Covering at Least Two Different Modes of Transport

a. A transport document covering at least two different modes of transport (multimodal or combined transport document), however named, must appear to:

i. ***indicate the name of the carrier*** and be signed by:

- the carrier or a named agent for or on behalf of the carrier, or
- the master or a named agent for or on behalf of the master.

Any signature by the carrier, master or agent must be identified as that of the carrier, master or agent.

Any signature by an agent must indicate whether the agent has signed for or on behalf of the carrier, or for or on behalf of the master.

ii. indicate that the goods have been dispatched, taken in charge or shipped on board at the place stated in the credit, by:

- ***pre-printed wording***, or
- ***a stamp or notation*** indicating the date on which the goods have been dispatched, taken in charge or shipped on board.

The date of issuance of the transport document will be deemed to be the date of dispatch, taking in charge or shipped on board and the date of shipment. However, if the transport document indicates, by ***stamp or notation***, a date of dispatch, taking in

It is the same as Art 37 A iii of UCP500.

It is similar to Art 37 B of UCP500.

It is similar to Art 37 C of UCP500, merely the clause about other documents' description of goods was deleted. Please refer to Art 14 e of this rule.

It is similar to Art 26 of UCP500, merely the title has changed very long.

Generally, this article is simpler than original one. The importance change is that the words 'multimodal transport operator' were deleted. From that, we could presume that ICC considered the role of multimodal transport operator as the carrier. Therefore, it is no necessary to use the words '...operator'. And the words 'or otherwise authenticated by' were deleted.

It is similar to Art 26 A of UCP500.

These two items don't indicate the content about the issue to identify the capacity of the carrier since the requirement has been stipulated in above item. Please see the italic sentence 'indicate...carrier' in item a i of this rule.

It is similar to Art 26 A ii of UCP500. But the italic words replaced the 'by stamp or otherwise'. The pre-printed wording and notation have covered for otherwise, I think. And this mark must not be dated, if the date was added, it should be deemed as the date of shipment. This is the same requirement as UCP500.

charge or shipped on board, this date will be deemed to **be the date of shipment**.

iii. indicate the place of dispatch, taking in charge or shipment and the place of final destination stated in the credit, even if:

a. the transport document states, in addition, a different place of dispatch, taking in charge or shipment or place of final destination,

or

b. the transport document contains the indication "intended" or similar qualification in relation to the vessel, port of loading or port of discharge.

iv. be the sole original transport document or, if issued in more than one original, be the full set as indicated on the transport document.

v. contain terms and conditions of carriage or make reference to another source containing the terms and conditions of carriage (short form or blank back transport document). Contents of terms and conditions of carriage will not be examined.

vi. **contain no indication that it is subject to a charter party.**

b. For the purpose of this article, **transshipment means 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** stipulated in the credit.

c. i. A transport document may indicate that the goods will or may be transhipped provided that the entire carriage is covered by one and the same transport document.

ii. A transport document indicating that transshipment will or may take place is acceptable, even if the credit prohibits transshipment.

It is similar to Art 26 A iii of UCP500.

It is similar to Art 26 A iii a of UCP500.

It is similar to Art 26 A iii b of UCP500.

It is similar to Art 26 A iv of UCP500.

It is similar to Art 26 A v of UCP500.

It is similar to Art 26 A vi of UCP500 but the words 'the carrying vessel is propelled by sail only'. Maybe the sail vessels have been washed out in sailing practice.

It is a new item, however, in a multimodal transshipment, transshipment will occur, which comes from ISBP 131.

It is similar to Art 26 B of UCP500, but it was divided into two parts, which present the same meaning. I have no idea about it.

Article 20 Bill of Lading

a. A bill of lading, however named, must appear to:

i. indicate the name of the carrier and be signed by:

- the carrier or a named agent for or on behalf of the carrier, or
- the master or a named agent for or on behalf of the master.

Any signature by the carrier, master or agent must be identified as that of the carrier, master or agent.

Any signature by an agent must indicate whether the agent has signed for or on behalf of the carrier or for or on behalf of the master.

ii. indicate that the goods have been ***shipped on board a named vessel at the port of loading stated in the credit*** by:

- pre-printed wording, or
- an on board notation indicating the date on which the goods have been shipped on board.

The date of issuance of the bill of lading will be deemed to be the date of shipment unless the bill of lading contains an on board notation indicating the date of shipment, in which case the date stated in the on board notation will be deemed to be the date of shipment.

If the bill of lading contains the indication "intended vessel" or similar qualification in relation to the name of the vessel, an on board notation indicating the date of shipment and the name of the actual vessel is required.

iii. indicate shipment ***from*** the port of loading ***to*** the port of discharge stated in the credit.

It is similar to Art 23 of UCP500.

Generally, this article is simpler than original one. And the words 'or otherwise authenticated by' were deleted.

These words are the same as last article and similar to Art 23 A i of UCP500

Comparing with Art 23 A ii of UCP500, there are three differences. The first is that the item about port of loading was presented advanced. The second is that the change about the date of shipment, which overdraw the original standard. Please refer to the italic sentence below. The third is that 'shipped...' replaced the original in UCP500. so that should it not accept that b/l marked 'shipped on board' notation only?

Under UCP500, we should distinguish the type of b/l. In case it is ship on board b/l, the on board notation need not be marked since the issuance date should be considered as the date of shipment. Then, if the notation is appeared with date, the date should be considered as the date of shipment whatever it is earlier or later than the issuance date.

In case the b/l is received b/l, the notation without date should be accepted and the issue date should be considered as date of shipment.

However, in some special cases, the date of shipment for on board notation is necessary, let's go ahead.

It is similar to Art 23 A ii of UCP500.

It includes the last paragraph of Art 23 A ii and iii of UCP500. But please note the italic word 'from...to', UCP500 used the words

If the bill of lading does not indicate the port of loading stated in the credit as the port of loading, or if it contains the indication “intended” or similar qualification in relation to the port of loading, **an on board notation indicating the port of loading as stated in the credit, the date of shipment and the name of the vessel is required.** This provision applies even when loading on board or shipment on a named vessel is indicated by pre-printed wording on the bill of lading.

iv. be the sole original bill of lading or, if issued in more than one original, be the full set as indicated on the bill of lading.

v. contain terms and conditions of carriage or make reference to another source containing the terms and conditions of carriage (short form or blank back bill of lading). Contents of terms and conditions of carriage will not be examined.

vi. contain no indication that it is subject to a charter party.

b. For the purpose of this article, transshipment means 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.

c. i. A bill of lading may indicate that the goods will or **may** be transhipped provided that the entire carriage is covered by one and the same bill of lading.

ii. A bill of lading indicating that transshipment will or **may** take place is acceptable, even if the credit prohibits transshipment, if the goods have been shipped in a container, trailer or LASH barge as evidenced by the bill of lading.

d. Clauses in a bill of lading stating that the carrier

‘indicates the port of loading...’. In practice, it often happened that the ports were indicated not in the relative columns, which the b/l preprinted for these ports, they often were appeared on the another place of the b/l, such as on board notation. And now, we should not concern the preprinted columns on the b/l, what we should do is to look for whether the b/l indicate ‘from...to’. Of course, if the ports were appeared in those columns, we must accept them.

It is further explain for above clause, please note that the on board notation should include port of loading, name of the vessel and date of shipment relating A ii.

The new clause deleted the words about the place different from port of loading etc.

It is similar to Art 23 A iv of UCP500.

It is similar to Art 23 A v of UCP500.

It is similar to Art 23 A vi of UCP500 and deleted the words about carrying vessel. The Art 23 A vii of UCP500 was deleted.

It is similar to Art 23 B of UCP500.

It is similar to Art 23 C of UCP500. But, the phrase ‘unless transshipment is prohibited...’ were deleted and ‘may’ was added, therefore, the range which this clause engaged is zoomed in.

It is similar to Art 23 D i of UCP500, and the word ‘may’ was added. However, it does not require that the one and the same b/l should cover the entire ocean carriage.

It is similar to Art 23 D ii of UCP500.

reserves the right to tranship will be disregarded.

Article 21 Non-Negotiable Sea Waybill

a. A non-negotiable sea waybill, however named, must appear to:

i. indicate the name of the carrier and be signed by:

- the carrier or a named agent for or on behalf of the carrier, or
- the master or a named agent for or on behalf of the master.

Any signature by the carrier, master or agent must be identified as that of the carrier, master or agent.

Any signature by an agent must indicate whether the agent has signed for or on behalf of the carrier or for or on behalf of the master.

ii. indicate that the goods have been ***shipped on board a named vessel*** at the port of loading stated in the credit by:

- pre-printed wording, or
- an on board notation indicating the date on which the goods have been shipped on board.

The date of issuance of the non-negotiable sea waybill will be deemed to be the date of shipment unless the non-negotiable sea waybill contains an on board notation indicating the date of shipment, in which case the date stated in the on board notation will be deemed to be the date of shipment.

If the non-negotiable sea waybill contains the indication "intended vessel" or similar qualification in relation to the name of the vessel, an on board notation indicating the date of shipment and the name of the actual vessel is required.

iii. indicate shipment ***from*** the port of loading ***to*** the port of discharge stated in the credit.

If the non-negotiable sea waybill does not indicate the port of loading stated in the credit as the port of loading, or if it contains the indication "intended" or similar qualification in relation to the port of loading, an on board notation indicating the port of loading as stated in the credit, the date of shipment and the

It is similar to Art 24 of UCP500.

It is similar to Art 24 A i of UCP500 and the words 'or otherwise authenticated by' were deleted.

It is similar to Art 21 A ii of UCP500 and Art 20 of UCP600. Please note the italic words. Under UCP600, the b/l, n-n swb are required to indicate the goods have been shipped on board a named vessel, which is stricter than before, and the same question as last article.

It is similar to Art 24 A iii of UCP500 and Art 20 a iii of UCP600.

name of the vessel is required. This provision also applies even when loading on board or shipment on a named vessel is indicated by pre-printed wording on the non-negotiable sea waybill.

iv. be the sole original non-negotiable sea waybill or, if issued in more than one original, be the full set as indicated on the non-negotiable sea waybill.

v. contain terms and conditions of carriage or make reference to another source containing the terms and conditions of carriage (short form or blank back non-negotiable sea waybill). Contents of terms and conditions of carriage will not be examined.

vi. contain no indication that it is subject to a charter party.

b. For the purpose of this article, transshipment means 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.

c. i. A non-negotiable sea waybill may indicate that the goods will or **may** be transhipped provided that the entire carriage is covered by one and the same non-negotiable sea waybill.

ii. A non-negotiable sea waybill indicating that transshipment will or **may** take place is acceptable, even if the credit prohibits transshipment, if the goods have been shipped in a container, trailer or LASH barge as evidenced by the non-negotiable sea waybill.

d. Clauses in a non-negotiable sea waybill stating that the carrier reserves the right to tranship will be disregarded.

Article 22 Charter Party Bill of Lading

a. **A bill of lading**, however named, containing an indication that it is **subject to a charter party** (charter party bill of lading), must appear to:

i. be signed by:

- the master or a named agent for or on behalf of the master, or
- the owner or a named agent for or on behalf of the owner, or

It is similar to Art 24 A iv of UCP500.

It is similar to Art 24 A v of UCP500.

It is similar to Art 24 A vi of UCP500 and deleted the words about carrying vessel. The Art 24 A vii of UCP500 was deleted. It is similar to Art 24 B of UCP500.

It is similar to Art 24 C of UCP500. But, the phrase 'unless transshipment is prohibited...' were deleted and 'may' was added, therefore, the range which this clause engaged is zoomed in.

It is similar to Art 24 D i of UCP500, and the word 'may' was added. However, it does not require that the one and the same b/l should cover the entire ocean carriage.

It is similar to Art 24 D ii of UCP500

It is similar to Art 25 of UCP500.

'A bill of lading', the first phrase confirms that the charter party b/l is a b/l on essentialness merely it is subject to a charter party, which is similar to Art 25 A i of UCP500.

It is similar to Art 25 A ii of UCP500 with deleting 'or otherwise authenticated'. However, there is a new item added in next page. A new role of charterer was imported by UCP600.

- **the charterer or a named agent for or on behalf of the charterer.**

Any signature by the master, owner, **charterer** or agent must be identified as that of the master, owner, **charterer** or agent.

Any signature by an agent must indicate whether the agent has signed for or on behalf of the master, owner or **charterer**.

An agent signing for or on behalf of the **owner or a charterer must indicate the name of the owner or charterer.**

ii. indicate that the goods have been shipped on board a named vessel at the port of loading stated in the credit by:

- pre-printed wording, or
- an on board notation indicating the date on which the goods have been shipped on board.

The date of issuance of the charter party bill of lading will be deemed to be the date of shipment unless the charter party bill of lading contains an on board notation indicating the date of shipment, in which case the date stated in the on board notation will be deemed to be the date of shipment.

iii. indicate shipment **from** the port of loading **to** the port of discharge stated in the credit. The port of discharge may also be shown as a range of ports or a **geographical area**, as stated in the credit.

iv. be the sole original charter party bill of lading or, if issued in more than one original, be the full set as indicated on the charter party bill of lading.

b. A bank will not examine charter party contracts, even if they are required to be presented by the terms of the credit.

Article 23 Air Transport Document

a. An air transport document, however named, must appear to:

i. indicate the name of the carrier and be signed by:

- the carrier, or

Under UCP600, the charterer and his agent could signed the charter party b/l, which was prohibited under UCP500.

And this item is new added, too. But it does not require the name of the master.

It is similar to Art 25 A iii of UCP500 and Art 20 & 21 of UCP600.

It is similar to Art 25 A v of UCP500.

It is similar to Art 25 A vi of UCP500.

To delete some item of Art25 A.

It is similar to Art 25 B of UCP500.

It is similar to Art 27 of UCP500.

It is similar to Art 27 A i of UCP500 with deleting 'or otherwise authenticated'

- a named agent for or on behalf of the carrier.

Any signature by the carrier or agent must be identified as that of the carrier or agent.

Any signature by an agent must indicate whether the agent has signed for or on behalf of the carrier.

ii. indicate that the goods have been accepted for carriage.

It is the same as Art 27 A ii of UCP500.

iii. indicate the date of issuance. This date will be deemed to be the date of shipment unless the air transport document contains a specific notation of the actual date of shipment, in which case the date stated in the notation will be deemed to be the date of shipment.

It is similar to Art 27 A iii of UCP500, there is no essential change.

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.

iv. indicate the airport of departure and the airport of destination stated in the credit.

It is the same as Art 27 iv of UCP500 with 'stated' replaced 'stipulated'.

v. be the original for consignor or shipper, even if the credit stipulates a full set of originals.

It is similar to Art 27 v of UCP500.

vi. contain terms and conditions of carriage or make reference to another source containing the terms and conditions of carriage. Contents of terms and conditions of carriage will not be examined.

It is similar to Art 27 vi of UCP500.

b. For the purpose of this article, transshipment means 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.

It is similar to Art 27 B of UCP500.

c. i. An air transport document may indicate that the goods will or may be transhipped, provided that the entire carriage is covered by one and the same air transport document.

Comparing with Art 27 C of UCP500, the changes are similar to the article about bill of lading.

ii. An air transport document indicating that transshipment will or may take place is acceptable, even if the credit prohibits transshipment.

Article 24 Road, Rail or Inland Waterway Transport Documents

a. A road, rail or inland waterway transport document, however named, must appear to:

i. indicate the name of the carrier and:

- be signed by the carrier or a named agent for or on behalf of the carrier, or
- indicate receipt of the goods by signature, stamp or notation by the carrier or a named agent for or on behalf of the carrier.

Any signature, stamp or notation of receipt of the goods by the carrier or agent must be identified as that of the carrier or agent.

Any signature, stamp or notation of receipt of the goods by the agent must indicate that the agent has signed or acted for or on behalf of the carrier.

If a rail transport document does not identify the carrier, any signature or stamp of the railway company will be accepted as evidence of the document being signed by the carrier.

ii. indicate the date of shipment or the date the goods have been received for ***shipment, dispatch, or carriage*** at the place stated in the credit. Unless the transport document contains a dated reception stamp, an indication of the date of receipt or a date of shipment, the date of issuance of the transport document will be deemed to be the date of shipment.

iii. indicate the place of shipment and the place of destination stated in the credit.

b. i. ***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.***

ii. A rail transport document marked "duplicate" will be accepted as an original.

iii. A rail or inland waterway transport document will be accepted as an original whether marked as an original or not.

c. ***In the absence of an indication on the transport***

It is similar to Art 28 of UCP500.

It is similar to Art 28 A i of UCP500 with deleting 'or otherwise authenticated'.

It is new item and we can refer to ISBP paragraph 172.

It is similar to Art 28 A ii of UCP500, but the words 'or wording to this effect' were deleted. Therefore, only 'shipment', 'dispatch' and 'carriage' should be used under UCP600. Any other wording to this effect should not be acceptable.

It is similar to Art 28 A iii of UCP500.

This item is a new clause which UCP500 and ISBP did not stipulated.

It is similar to Art 28 B of UCP500, but the

document as to the number of originals issued, the number presented will be deemed to constitute a full set.

d. For the purpose of this article, transshipment means unloading from one means of conveyance and reloading to another means of conveyance, within the same mode of transport, during the carriage from the place of shipment, dispatch or carriage to the place of destination stated in the credit.

e. i. A road, rail or inland waterway transport document may indicate that the goods will or may be transhipped provided that the entire carriage is covered by one and the same transport document.

ii. A road, rail or inland waterway transport document indicating that transshipment will or may take place is acceptable, even if the credit prohibits transshipment.

Article 25 Courier Receipt, Post Receipt or Certificate of Posting

a. A courier receipt, however named, evidencing receipt of goods for transport, must appear to:

i. indicate the name of the courier service and be stamped or signed authenticated by the **named courier service** at the place from which the credit states the goods are to be shipped; and

ii. indicate a date of pick-up or of receipt or wording to this effect. This date will be deemed to be the date of shipment.

b. A requirement that courier charges are to be paid or prepaid may be satisfied by a transport document issued by a courier service evidencing that courier charges are for the account of a party other than the consignee.

c. A post receipt or certificate of posting, however named, evidencing receipt of goods for transport, must appear to be stamped, or signed and dated at the place from which the credit states the goods are to be shipped. This date will be deemed to be the date of shipment.

content for the judgement of original documents were changed to last new item b of this article itself.

It is similar to Art 28 C of UCP500.

Comparing with Art 28 D of UCP500, the changes are similar to the article about bill of lading and air way bill.

It is similar to Art 29 of UCP500 but the Certificate of Posting has been appeared in the article title, which appeared in the clause under UCP500.

It is similar to Art 29 B i of UCP500 but it deleted the words 'unless ... issued by a named Courier/Service...bank will accept...issued by any...'. These words have no necessary to add since bank could not accept a document which issuer differs from l/c at all.

It is the same as Art 29 B ii of UCP500.

It is a new clause under UCP600. And the most important words are 'charges are for account of a party other than the consignee'.

It is similar to Art 29 A i of UCP500.

Article 26 "On Deck", "Shipper's Load and Count", "Said by Shipper to Contain" and Charges Additional to Freight

a. A transport document must not indicate that the goods are or **will be** loaded on deck. A clause on a transport document stating that the goods **may be** loaded on deck is acceptable.

b. A transport document bearing a clause such as "shipper's load and count" and "said by shipper to contain" is acceptable.

c. A transport document may bear a reference, by stamp or otherwise, to charges additional to the freight.

Article 27 Clean Transport Document

A bank **will only accept** a clean transport document. A clean transport document is one bearing no clause or notation expressly declaring a defective condition of the goods or their packaging. The word "clean" need not appear on a transport document, even if a credit has a requirement for that transport document to be "clean on board".

Article 28 Insurance Document and Coverage

a. An insurance document, such as an **insurance policy**, an **insurance certificate** or **a declaration under an open cover**, must appear to be issued and signed by an insurance company, an underwriter or their agents or **proxies**.

Any signature by an agent or proxy must indicate whether the agent or proxy has signed for or on behalf of the insurance company or underwriter.

b. When the insurance document indicates that has been issued in more than one original, all originals must be presented.

c. Cover notes will not be accepted.

d. An insurance policy is acceptable in lieu of an insurance certificate or a declaration under an open cover.

e. The date of the insurance document must be no later than the date of shipment, unless it appears from the insurance document that the cover is effective from a

It is similar to Art 31 of UCP500 but the clause about Name of Consignor was deleted, and the clause for Charges Additional to Freight replaced it.

It is similar to Art 31 i of UCP500.

It is similar to Art 31 ii of UCP500.

It is similar to Art 33 D of UCP500 merely without examples.

It is similar to Art 32 of UCP500. However, the clause for 'unless the credit expressly stipulates...' was deleted. Then refer to the wording 'will only accept' in this new clause, doesn't the credit state the clause again?

It is similar to Art 34 of UCP500.

There are 3 types of insurance documents: policy, certificate and declaration under an open cover.

Please the word 'proxies'.

It is a new clause, which UCP 500 did not stipulate. From now on, the agent or proxy must state for whom or on whose behalf.

It is the same as Art 34 B of UCP500.

It is similar to Art 34 C of UCP500 with deleting the words 'unless...authorized...'.

It is similar to Art 34 D of UCP500.

It is similar to Art 34 E of UCP500.

date not later than the date of shipment.

f. i. The insurance document must **indicate the amount of insurance coverage** and be in the same currency as the credit.

ii. A requirement in the credit for insurance coverage to **be for a percentage of the value of the goods, of the invoice value or similar** is deemed to be the **minimum** amount of coverage required.

If there is **no indication** in the credit of the insurance coverage required, **the amount of insurance coverage must be at least 110% of the CIF or CIP value of the goods.**

When the CIF or CIP value cannot be determined from the documents, **the amount of insurance coverage must be calculated on the basis of the amount for which honour or negotiation is requested or the gross value of the goods as shown on the invoice, whichever is greater.**

iii. The insurance document must indicate that risks are covered at least between the place of taking in charge or shipment and the place of discharge or final destination as stated in the credit.

g. A credit should state the type of insurance required and, if any, the additional risks to be covered. An insurance document will be accepted without regard to any risks that are not covered, if the credit uses imprecise terms such as “usual risks” or “customary risks”.

h. When a credit requires insurance against “all risks” and an insurance document is presented containing any “all risks” notation or clause, whether or not bearing the heading “all risks”, the insurance document will be accepted without regard to any risks stated to be excluded.

i. An insurance document may contain reference to any exclusion clause.

j. An insurance document may indicate that the cover is subject to a franchise or excess (deductible).

It is similar to Art 34 F i of UCP500 and emphasizes that the amount of insurance coverage must be indicated.

It is similar to Art 34 F ii of UCP500, the rules for the percentage of insurance coverage have been described more systematically.

At first, this clause stipulated that the percentage of insurance coverage (if any) should be deemed to be the minimum demand and the percentage should be any number value.

Second, if no percentage is demand by credit, we should confirm the percentage must be at least 110% of CIF or CIP value of the goods.

At last, if we couldn't confirm the CIF or CIP value of the goods, we should follow the rules stipulated on the left.

It comes from ISBP paragraph 188.

It is similar to Art 35 A of UCP500.

It is similar to Art 36 of UCP500.

It is a new added clause.

It is similar to Art 35 C of UCP500. Please distinguish the difference between ‘franchise’ and ‘excess’ in practice.

Article 29 Extension of Expiry Date or Last Day for Presentation

a. If the expiry date of a credit or the last day for presentation falls on a day when the bank to which presentation is to be made is closed for reasons other than those referred to in article 36, the expiry date or the last day for presentation, as the case may be, will be extended to the first following banking day.

b. If presentation is made on the first following banking day, a nominated bank **must provide** the issuing bank or confirming bank with a statement on its covering schedule that the presentation was made within the time limits extended in accordance with sub-article 29 (a).

c. **The latest date for shipment will not be extended** as a result of sub-article 29 (a).

It is similar to Art 44 of UCP500.

It is similar to Art 44 A of UCP500 without the rules or '21days', which stated in Art 14 c of UCP600.

It is similar to Art 44 C of UCP500. Although the clause stated 'must', however, like the UCP500, if a banking cover with the statement for complying presentation, it should accord to this clause, should not it?

It is similar to Art 44 B of UCP500 except that the wording for 'if no such latest date for shipment...'. Therefore, shall we confirm the credit must state the latest date for shipment under UCP600?

Article 30 Tolerance in Credit Amount, Quantity and Unit Prices

a. The words "about" or "approximately" used in connection with the amount of the credit or the quantity or the unit price stated in the credit are to be construed as allowing a tolerance not to exceed 10% more or 10% less than the amount, the quantity or the unit price to which they refer.

b. A tolerance not to exceed 5% more or 5% less than the quantity of the goods is allowed, provided the credit does not state the quantity in terms of a stipulated number of packing units or individual items and the total amount of the drawings does not exceed the amount of the credit.

c. Even when partial shipments are not allowed, a tolerance not to exceed 5% less than the amount of the credit is allowed, provided that the quantity of the goods, if stated in the credit, is shipped in full and a unit price, if stated in the credit, is not reduced or that sub-article 30 (b) is not applicable. This tolerance does not apply when the credit stipulates a specific tolerance or uses the expressions referred to in sub-article 30 (a).

It is similar to Art 39 of UCP500.

It is similar to Art 39 A of UCP500 with deleting the wording 'circa or similar expressions', which means that only the two words in this clause should be used under UCP600, other words should be regarded discrepancy, is not it?

It is similar to Art 39 B of UCP500 with deleting the wording 'unless...'.

It is similar to Art 39 C of UCP500.

Article 31 Partial Drawings or Shipments

a. Partial drawings or shipments are allowed.

It is similar to Art 40 of UCP500.

It is the same as Art 40 A of UCP500 and if the credit did not state it is prohibited, is should be allowed base on this item.

b. A presentation consisting of more than one set of transport documents evidencing shipment commencing on the same means of conveyance and for the same journey, provided they indicate the same destination, will not be regarded as covering a partial shipment, even if they indicate different dates of shipment or different ports of loading, places of taking in charge or dispatch. ***If the presentation consists of more than one set of transport documents, the latest date of shipment as evidenced on any of the sets of transport documents will be regarded as the date of shipment.***

It is similar to Art 40 B of UCP500.

A presentation consisting of one or more sets of transport documents evidencing shipment on more than one means of conveyance within the same mode of transport will be regarded as covering a partial shipment, even if the means of conveyance leave on the same day for the same destination.

The following italic sentences come from ISBP paragraph 89, 110, 132, 158 and 159.

c. A presentation consisting of more than one courier receipt, post receipt or certificate of posting will not be regarded as a partial shipment if the courier receipts, post receipts or certificates of posting appear to have been stamped or signed by the same courier or postal service at the same place and date and for the same destination.

It is similar to Art 40 C of UCP500.

Article 32 Instalment Drawings or Shipments

If a drawing or shipment by instalments within given periods is stipulated in the credit and any instalment is not drawn or shipped within the period allowed for that instalment, the credit ***ceases to be available for that and any subsequent instalment.***

It is the same as Art 41 of UCP500.

Article 33 Hours of Presentation

A bank has no obligation to accept a presentation outside of its banking hours.

It is the same as Art 45 of UCP500.

Article 34 Disclaimer on Effectiveness of Documents

A bank assumes no liability or responsibility for the form, sufficiency, accuracy, genuineness, falsification or legal effect of any document, or for the general or particular conditions stipulated in a document or superimposed thereon; nor does it assume any liability or responsibility for the description, quantity, weight, quality, condition, packing, delivery, value or existence of the goods,

It is the same as Art 15 of UCP500.

services or other performance represented by any document, or for the good faith or acts or omissions, solvency, performance or standing of the consignor, the carrier, the forwarder, the consignee or the insurer of the goods or any other person.

Article 35 Disclaimer on Transmission and Translation

A bank assumes no liability or responsibility for the consequences arising out of delay, loss in transit, mutilation or other errors arising in the transmission of any messages or delivery of letters or documents, when such messages, letters or documents are transmitted or sent according to the requirements stated in the credit, or when the bank may have taken the initiative in the choice of the delivery service in the absence of such instructions in the credit.

If a nominated bank determines that a presentation is complying and forwards the documents to the issuing bank or confirming bank, whether or not the nominated bank has honoured or negotiated, an issuing bank or confirming bank must honour or negotiate, or reimburse that nominated bank, even when the documents have been lost in transit between the nominated bank and the issuing bank or confirming bank, or between the confirming bank and the issuing bank.

A bank assumes no liability or responsibility for errors in translation or interpretation of technical terms and may transmit credit terms without translating them.

Article 36 Force Majeure

A bank assumes no liability or responsibility for the consequences arising out of the interruption of its business by Acts of God, riots, civil commotions, insurrections, wars, **acts of terrorism**, or by any strikes or lockouts or any other causes beyond its control.

A bank will not, upon resumption of its business, honour or negotiate under a credit that expired during such interruption of its business.

Article 37 Disclaimer for Acts of an Instructed Party

a. A bank utilizing the services of another bank for the purpose of giving effect to the instructions of the applicant does so for the account and **at the risk of the**

Comparing with Art 16 of UCP500, this article add a new rule for the documents lost in transit, please refer to R207.

It is the same as the first part of Art 16 of UCP500.

These italic words are for the translation. Refer to R207, as long as the nominated bank or beneficiary presented the documents without discrepancy, they had the right to get the reimbursement from issuing bank or confirming bank, even though the documents were lost with the precondition the documents were sent according to the clause of credit. Under the new article, the presentation way is not mentioned, but is it not important again under UCP600?

It is the same as the second part of Art 16 of UCP500.

It is the same as Art 17 of UCP500 with adding the new acts of terrorism.

It is the same as Art 18 of UCP500 except that the italic words and phrases replaced the original words such as 'party', etc.

applicant.

b. An issuing bank or advising bank assumes no liability or responsibility should the instructions it transmits to another bank not be carried out, even if it has taken the initiative in the choice of that other bank.

c. A bank instructing another **bank** to perform services is liable for any commissions, fees, costs or expenses (“charges”) incurred by that bank in connection with its instructions.

If a credit states that charges are for the account of the **beneficiary** and charges cannot be collected or deducted from proceeds, the **issuing bank** remains liable for payment of charges.

A credit or amendment should not stipulate that the advising to a beneficiary is conditional upon the receipt by the advising bank or second advising bank of its charges.

d. The applicant shall be bound by and liable to indemnify a bank against all obligations and responsibilities imposed by foreign laws and usages.

Article 38 Transferable Credits

a. A bank is under no obligation to transfer a credit except to the extent and in the manner expressly consented to by that bank.

b. For the purpose of this article:

Transferable credit means a credit that specifically **states it is “transferable”**. A transferable credit may be made available in whole or in part to another beneficiary (“second beneficiary”) at the request of the beneficiary (“first beneficiary”).

Transferring bank means a nominated bank that transfers the credit or, in a credit available with any bank, a bank that is specifically authorized by the issuing bank to transfer and that transfers the credit. **An issuing bank may be a transferring bank.**

Transferred credit means a credit that has been made available by the transferring bank to a second beneficiary.

And the left italic wording is a new clause in UCP600. It is very prevalent to advise a credit upon the receipt of advising charges. Now, under UCP600, it is prohibited.

It is similar to Art 48 of UCP500.

It is similar to Art 48 C of UCP500

It is generalized the Art 48 A and B of UCP500 together.

The standard for confirm whether a credit is Transferable Credit or not is the same as UCP500, which the credit states it is ‘transferable’, and other similar words should be disregarded. Refer to Art 48 B of UCP500.

It is similar to Art 48 A of UCP500.

It is a new added simple but precise definition for Transferred Credit.

c. Unless otherwise agreed at the time of transfer, all charges (such as commissions, fees, costs or expenses) incurred in respect of a transfer must be paid by the first beneficiary.

d. A credit may be transferred in part to more than one second beneficiary provided partial drawings or shipments are allowed. The first beneficiary is not considered to be a subsequent beneficiary.

A transferred credit cannot be transferred at the request of a second beneficiary to any subsequent beneficiary.

e. Any request for transfer must indicate if and under what conditions amendments may be advised to the second beneficiary. The transferred credit must clearly indicate those conditions.

f. If a credit is transferred to more than one second beneficiary, rejection of an amendment by one or more second beneficiary does not invalidate the acceptance by any other second beneficiary, with respect to which the transferred credit will be amended accordingly. For any second beneficiary that rejected the amendment, the transferred credit will remain unamended.

g. The transferred credit must accurately reflect the terms and conditions of the credit, including confirmation, if any, with the exception of:

- the amount of the credit,
- any unit price stated therein,
- the expiry date,
- the period for presentation, or
- the latest shipment date or given period for shipment,

any or all of which may be reduced or curtailed.

The percentage for which insurance cover must be effected may be increased to provide the amount of cover stipulated in the credit or these articles.

The name of the first beneficiary may be substituted for that of the applicant in the credit. If the name of the applicant is specifically required by the credit to appear in any document other than the invoice, such requirement must be **reflected in the transferred credit**.

h. The first beneficiary has the right to substitute its own invoice and draft, if any, for those of a second beneficiary

It is similar to Art 48 F of UCP500 with deleting the wording for that the transferor must pay these charges at first. However, I think most banks should still keep the processing procedure for their own benefit.

It is similar to Art 48 G of UCP500.

It is similar to Art 48 D of UCP500, however, please note that the clause that the first beneficiary could retain the right to refuse allow transferring bank to advise the amendments to the second beneficiary.

It is similar to Art 48 E of UCP500.

It is similar to Art 48 H of UCP500 except the new article used 'reflected in the transferred credit' to replace 'fulfilled'

It is similar to the first part of Art 48 I of UCP500.

for an amount not in excess of that stipulated in the credit, and upon such substitution the first beneficiary can draw under the credit for the difference, if any, between its invoice and the invoice of a second beneficiary.

i. If the first beneficiary is to present its own invoice and draft, if any, but fails to do so on first demand, or if the invoices presented by the first beneficiary create discrepancies that did not exist in the presentation made by the second beneficiary and the first beneficiary fails to correct them on first demand, the transferring bank has the right to present the documents as received from the second beneficiary to the issuing bank, without further responsibility to the first beneficiary.

j. The first beneficiary may, in its request for transfer, indicate that honour or negotiation is to be effected to a second beneficiary at the place to which the credit has been transferred, up to and including the expiry date of the credit. This is without prejudice to the right of the first beneficiary in accordance with sub-article 38 (h).

k. Presentation of documents by or on behalf of a second beneficiary must be made to the transferring bank.

Article 39 Assignment of Proceeds

The fact that a credit is not stated to be transferable shall not affect the right of the beneficiary to assign any proceeds to which it may be or may become entitled under the credit, in accordance with the provisions of applicable law. This article relates only to the assignment of proceeds and not to the assignment of the right to perform under the credit.

It is similar to the second part of Art 48 I of UCP500.

It is similar to Art 48 J of UCP500.

It is a new article in UCP600, which stipulate to whom the documents should be presented.

It is the same as Art 49 of UCP500.