

## Global Trade

### Import Documentary Letter of Credit

#### Letter of Credit—Overview

An Import Documentary Letter of Credit (IDLC) is an undertaking issued by a bank in favour of a beneficiary, which substitutes the bank's creditworthiness for that of an applicant. In a broad sense, an Import Documentary Letter of Credit is simply a letter of instruction issued to a beneficiary (seller) by a Bank at the request of its customer (buyer). In a narrower sense, it is a specialised, technical instrument used to pay for a shipment of goods or services from one party to another.

Trade involves buyers and sellers seeking to exchange goods or services despite their differences in language, national customs, and credit procedures and accounting practices. Historically, merchants have sought ways of minimising these differences and facilitating trade. The special protection and opportunities offered by Import Documentary Letter of Credit apply to both domestic and international trade.

#### About this guide

User initiates all tasks through the Import Documentary Letter of Credit module, replacing paper applications for his/her Import Letter of Credit. After he/she has created the Import Documentary Letter of Credit application in the Trade Portal, the application is routed through the bank for processing, and is then issued by the bank as an Import Documentary Letter of Credit.

## Accessing the Import Documentary Letter of Credit Initiation Module

From the homepage, click on **Trade** to access the full import product suite

The screenshot displays the CommBiz Global Trade web application. At the top, there is a navigation bar with the CommBiz logo and the text 'CommBiz Global Trade'. To the right of the navigation bar are 'Settings' and 'Log off' buttons. Below the navigation bar is a horizontal menu with tabs for 'Home', 'Trade', 'Reports & Analytics', 'Inquires & Searches', 'File Services', and 'Service'. The 'Trade' tab is currently selected. Below the navigation bar, there is a status bar indicating 'Client Logged in as: INTERCULTURAL MATT' and 'Last login: 24/01/2022 09:38:37'. The main content area is divided into several sections:

- Trade**
  - Import Letter of Credit**
    - All Import Letter of Credit
    - Create/Amend LC
    - Authorise
    - Modify/Repair
  - Import Collections**
    - All Import Collection
    - Notification And Response
    - Notification Archive
    - Authorise
    - Modify/Repair
  - Trade Advance-Imports**
    - All Trade Advance-Imports
    - Create/Amend Trade Advance-Imports
    - Authorise
    - Modify/Repair
  - Trade Advance-Exports**
    - All Trade Advance-Exports
- Free Form Messaging - Inbound Outbound**
  - All Free form Messages - Inbound/Outbound
  - Create Outbound Message
  - Notification And Response
  - Message Archive
  - Authorise
  - Modify/Repair
- Template Management**
  - Create New Template
  - To Submit/Modify
  - To Authorise
  - View All Templates

### Creating Import Documentary Letter of Credit—Issuance

*Initiation of an Import Documentary Letter of Credit can be done three different ways*

1. **Create a new** Import Documentary Letter of Credit by entering all the details
2. **Copy** an Import Documentary Letter of Credit from a similar IDLC that already exists in the system. This allows the user to quickly create an application, by entering or updating only the details that differ from the existing IDLC
3. Create an Import Documentary Letter of Credit based on a **Pre-format**. The information from the pre-format is entered automatically into the IDLC application, and user needs to enter the details that relate to the specific transaction. From the pre-format, the details of the application are saved for future use. The user only needs to enter related data specific to this application

## Creating New Import Documentary Letter of Credit

When creating a new Import Documentary Letter of Credit without pre-formats or copy from an existing IDLC user can initiate an Import Documentary Letter of Credit (IDLC) application as follows

The screenshot displays the CommBiz Global Trade web application interface. At the top, the logo and name 'CommBiz Global Trade' are visible on the left, and 'Settings' and 'Log off' buttons are on the right. Below the header is a navigation menu with tabs for 'Home', 'Trade', 'Reports & Analytics', 'Inquires & Searches', 'File Services', and 'Service'. The 'Trade' tab is selected and highlighted. Below the navigation menu, the user's login information is shown: 'Client Logged in as: INTERCULTURAL MATT' and 'Last login: 24/01/2022 09:38:37'. The main content area is divided into several sections: 'Trade', 'Import Letter of Credit', 'Free Form Messaging - Inbound Outbound', 'Import Collections', and 'Trade Advance-Imports'. The 'Import Letter of Credit' section is expanded, showing a list of options: 'All Import Letter of Credit', 'Create/Amend LC' (highlighted with a yellow box), 'Authorise', and 'Modify/Repair'. The 'Free Form Messaging - Inbound Outbound' section includes 'All Free form Messages - Inbound/Outbound', 'Create Outbound Message', 'Notification And Response', 'Message Archive', 'Authorise', and 'Modify/Repair'. The 'Import Collections' section includes 'All Import Collection', 'Notification And Response', 'Notification Archive', 'Authorise', and 'Modify/Repair'. The 'Trade Advance-Imports' section includes 'All Trade Advance-Imports', 'Create/Amend Trade Advance-Imports', 'Authorise', and 'Modify/Repair'. The 'Template Management' section includes 'Create New Template', 'To Submit/Modify', 'To Authorise', and 'View All Templates'.

### To create a new IDLC

1. Click **Trade**
2. Click on the **Create/Amend LC** button

**CommBiz Global Trade**

Home Trade Reports & Analytics Inquires & Searches File Services Service

Client Logged in as: COMMON BANK GLOBAL TRADE Last login: 21/12/2021 01:47:35

Trade > Import Letter of Credit > Create/Amend LC

### Import Letter of Credit

Create /Amend LC

Create New LC  Amend LC

\* Trade Initiator

\* Creation Method

Copy From Applicant LC Reference Number

\* Customer ID

Pre Format Code

\* Transaction Status

\* Branch Code  \* Legal Vehicle  \* Department

Description

**Continue** Reset

- The Transaction Initiator field should have your company name if not chose the entity you wish to transact under by clicking the Lookup icon on the Transaction Initiator field.

**CommBiz Global Trade** Settings

Home Trade Reports & Analytics Inquires & Searches File Services Service

Client Logged in as: COMMON BANK GLOBAL TRADE Last login: 21/12/2021 01:47:35 Linked Client: COMMON BANK GLOBAL TRADE

Trade > Import Letter of Credit > Create/Amend LC

### Import Letter of Credit

Create /Amend LC

Create New LC  Amend LC

\* Trade Initiator

\* Customer ID

\* Branch Code  \* Legal Vehicle

**Continue** Reset

#### Trade Initiator Lookup

Show Search

Trade Initiator (1 - 3 of 3)

Customer Name	Customer ID	Trade Initiator Description	Branch Name	Branch Code
CBA	000000001	000000001-1112-209	COMMONWEALTH BANK OF AU...	209
0101-001472	001472	0101-001472	COMMONWEALTH BANK OF AU...	209
191472	191472	0101-209-191472	COMMONWEALTH BANK OF AU...	209

= Required Field

- Click the desired customer name.

CommBiz Global Trade

Settings Log off

Home Trade Reports & Analytics Inquires & Searches File Services Service

Client Logged in as: COMMON BANK GLOBAL TRADE Last login: 21/12/2021 01:47:35 Linked Client: COMMON EANK GLOBAL TRADE

Trade > Import Letter of Credit > Create/Amend LC

### Import Letter of Credit

Create /Amend LC \* = Required Field

Create New LC  Amend LC

\* Trade Initiator: 0000000001-1112-209

\* Creation Method: Create New

Copy From Applicant LC Reference Number:

\* Customer ID: 0000000001

Pre Format Code:

\* Transaction Status: Input

\* Branch Code: 209 \* Legal Vehicle: 11 \* Department: 12

Description:

- Click the Creation Method Lookup button where you will have the below options.

Creation Method (1 - 3 of 3)

Creation Method 1 ▲

Copy Transaction

Create New

Create from Pre Format

- If you select Create a new you can create a new Import Documentary Letter of Credit by entering all the details
- If you select Copy Transaction, the Pre-Format Code and Description fields remain inactive, and the Exporter Reference Number field remains active.
- If you select Create from Pre-Format, the Pre-Format Code and Description fields become active, and the Copy from Applicant LC Reference Number field remains inactive.

CommBiz Global Trade

Settings Log off

Home Trade Reports & Analytics Inquires & Searches File Services Service

Client Logged in as: COMMON BANK GLOBAL TRADE Last login: 21/12/2021 01:47:35 Linked Client: COMMON BANK GLOBAL TRADE

Trade > Import Letter of Credit > Create/Amend LC

### Import Letter of Credit

Create /Amend LC \* = Required Field

Create New LC  Amend LC

\* Trade Initiator: 000000001-1112-209

\* Creation Method: Create New

Copy From Applicant LC Reference Number: [Empty]

\* Customer ID: 000000001

Pre Format Code: [Empty]

\* Transaction Status: Input

\* Branch Code: 209 \* Legal Vehicle: 11 \* Department: 12

Description: [Empty]

Continue Reset

9. The Customer ID, Transaction Status, Branch Code, Legal Vehicle, and Department are dependent on the selected criteria. These fields auto-populate when the Creation method and Trade Initiator are selected.
10. If all the fields are correct and all red asterisks are filed, click the Continue button.

Party Details \* = Required Field

\* Applicant LC Reference Number: [Empty]

Issuing Bank LC Reference Number: [Empty]

\* Applicant Name / Address: CBA, CBA, NAVALURE

\* Beneficiary Name / Address: [Empty]

Advising Bank Name / Address: [Empty]

\* Applicant Country/Jurisdiction: IN, INDIA

\* Beneficiary Country/Jurisdiction: [Empty]

Advising Bank Country/Jurisdiction: [Empty]

Contact Person: [Empty]

Telephone Number: [Empty]

Fax Number: [Empty]

Contact's Email Address: [Empty]

Transaction Details \* = Required Field

Conditions \* = Required Field

Documents \* = Required Field

Shipment \* = Required Field

Goods \* = Required Field

PO Details \* = Required Field

Others \* = Required Field

Submit Save as Draft Clear Cancel

11. In Applicant LC Reference Number field, a unique reference number should be entered by the user
12. The Issuing Bank LC Reference Number is a unique number pre-assigned by Commonwealth Bank, which will be displayed on the IDLC application once the application is processed and issued

13. The Applicant Name/Address and Applicant Country/ Jurisdiction will be auto populated from Trade Initiator
14. Beneficiary Name/Address, Beneficiary Country/ Jurisdiction, Contact Person, Telephone Number and Fax Number need to be either entered by the user or populated through Library Lookup
15. The Advising Bank Country field can be selected from the Advising Bank defined for the counter party selected from the Trade Counter Party Library. Note: The parties mentioned must be pre-defined in the respective libraries in order to populate these fields
16. Click on Transaction Details

LC Details
Expand all

▼ Party Details
\* = Required Field

<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">* Applicant LC Reference Number</span>  <input type="text" value="12345678921"/> </div>	<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">Issuing Bank LC Reference Number</span>  <input type="text"/> </div>	
<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">* Applicant Name / Address</span>  <div style="border: 1px solid #ccc; padding: 2px; font-size: 0.8em;"> CBA CBA NAVALURE </div> </div>	<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">* Beneficiary Name / Address</span>  <div style="border: 1px solid #ccc; padding: 2px; font-size: 0.8em;"> ABCDEF123456 kjfhfekdjfhkjfhd fgjkgrukuy </div> </div>	<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">Advising Bank Name / Address</span>  <div style="border: 1px solid #ccc; padding: 2px; font-size: 0.8em;"> </div> </div>
<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">* Applicant Country/Jurisdiction</span>  <div style="display: flex; gap: 5px;"> <input type="text" value="IN"/> <input type="text" value="INDIA"/> </div> </div>	<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">* Beneficiary Country/Jurisdiction</span>  <div style="display: flex; gap: 5px;"> <input type="text" value="AB"/> <input type="text" value="AB"/> </div> </div>	<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">Advising Bank Country/Jurisdiction</span>  <div style="display: flex; gap: 5px;"> <input type="text"/> <input type="text"/> </div> </div>
<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">Contact Person</span>  <input type="text" value="ABC"/> </div>	<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">Telephone Number</span>  <input type="text" value="1235678912"/> </div>	<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">Fax Number</span>  <input type="text" value="1234"/> </div>
<div style="border: 1px solid #ccc; padding: 2px;"> <span style="font-size: 0.8em;">Contact's Email Address</span>  <input type="text"/> </div>		

Transaction Details

> Transaction Details
\* = Required Field

> Conditions
\* = Required Field

> Documents
\* = Required Field

> Shipment
\* = Required Field

> Goods
\* = Required Field

> PO Details
\* = Required Field

> Others
\* = Required Field

Submit
Save as Draft
Clear
Cancel

17. Click the scrollbar.

Transaction Details \* = Required Field

<p>* Form of Documentary Credit IRREVOCABLE</p> <p>* Currency AMD</p> <p>* Available With ISSUING BANK</p> <p>Bank Name / Address</p> <p>Bank Country/Jurisdiction</p> <p>Charges</p>	<p>* Applicable Rules UCP LATEST VERSION</p> <p>* Amount 1,000.00</p> <p>* Notify By</p> <p>* Drafts Required <input checked="" type="radio"/> Yes <input type="radio"/> No</p> <p>* Expiry Date</p> <p>Expiry Place</p> <p>* Confirmation Instructions WITHOUT</p> <p>Requested Confirmation Party Country/Jurisdiction Code</p> <p>Requested Confirmation Party Name/Address</p>	<p>Form M Reference Number</p> <p>* Available By BY NEGOTIATION</p> <p>Tolerance (+ / -) % <input type="checkbox"/> Up To</p> <p>Drawn On</p> <p>* Tenor Sight</p> <p>Days</p> <p>Tenor Terms</p>
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> Conditions \* = Required Field

> Documents \* = Required Field

> Shipment \* = Required Field

18. The Form of Documentary Credit and Applicable Rules will be prepopulated
19. The **Currency Lookup** field can be inserted using the Currency Library Dialog Box. User can select a currency from the list and then enter the IDLC amount in the next field
20. In the field **Available By**, user can choose the settlement (payment) type for the LC
21. In the field **Available With**, user can choose the appropriate party that will process the final settlement
22. Click the **Notify by Lookup** button to Select the desired communication code
23. **Up To** and **Tolerance +/-** are mutually exclusive. You cannot enter information in both fields.
24. **Drafts Required** allows the user to select the check box if drafts are required
25. For **Drawn On**, user can populate this field using the Library **Lookup**
26. Click **Expiry Date Lookup** Button, user can click the Calendar button to choose a date when the IDLC will expire. The date entered here is the final/latest date on which drafts and/or documents can be presented to a bank for negotiation or payment
27. **Tenor** allows the user to select from "Sight" or "Usance" terms. If Usance was selected in **Tenor, Days** and **Tenor Terms** need to be completed
28. **Confirmation Instructions**—users can select from "Confirm", "May Add" or "Without" of the IDLC. A selection of Confirm will add the following clause "Confirmation on Credit is required" to the IDLC



Transaction Details \* = Required Field

<p>* Form of Documentary Credit IRREVOCABLE</p> <p>* Currency AMD</p> <p>* Available With ISSUING BANK</p> <p>Bank Name / Address</p> <p>Bank Country/Jurisdiction</p> <p>Charges</p>	<p>* Applicable Rules UCP LATEST VERSION</p> <p>* Amount 1,000.00</p> <p>* Notify By</p> <p>* Drafts Required <input checked="" type="radio"/> Yes <input type="radio"/> No</p> <p>* Expiry Date</p> <p>Expiry Place</p> <p>* Confirmation Instructions WITHOUT</p> <p>Requested Confirmation Party Country/Jurisdiction Code</p> <p>Requested Confirmation Party Name/Address</p>	<p>Form M Reference Number</p> <p>* Available By BY NEGOTIATION</p> <p>Tolerance (+ / -) % <input type="checkbox"/> Up To</p> <p>Drawn On</p> <p>* Tenor Sight</p> <p>Days</p> <p>Tenor Terms</p>
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> Conditions \* = Required Field

> Documents \* = Required Field

> Shipment \* = Required Field

29. Click the **Conditions** link.

Conditions \* = Required Field

Change in Conditions

Conditions

Instructions to the Paying/Accepting/Negotiating Bank

negotiating bank

Additional Instructions To Bank

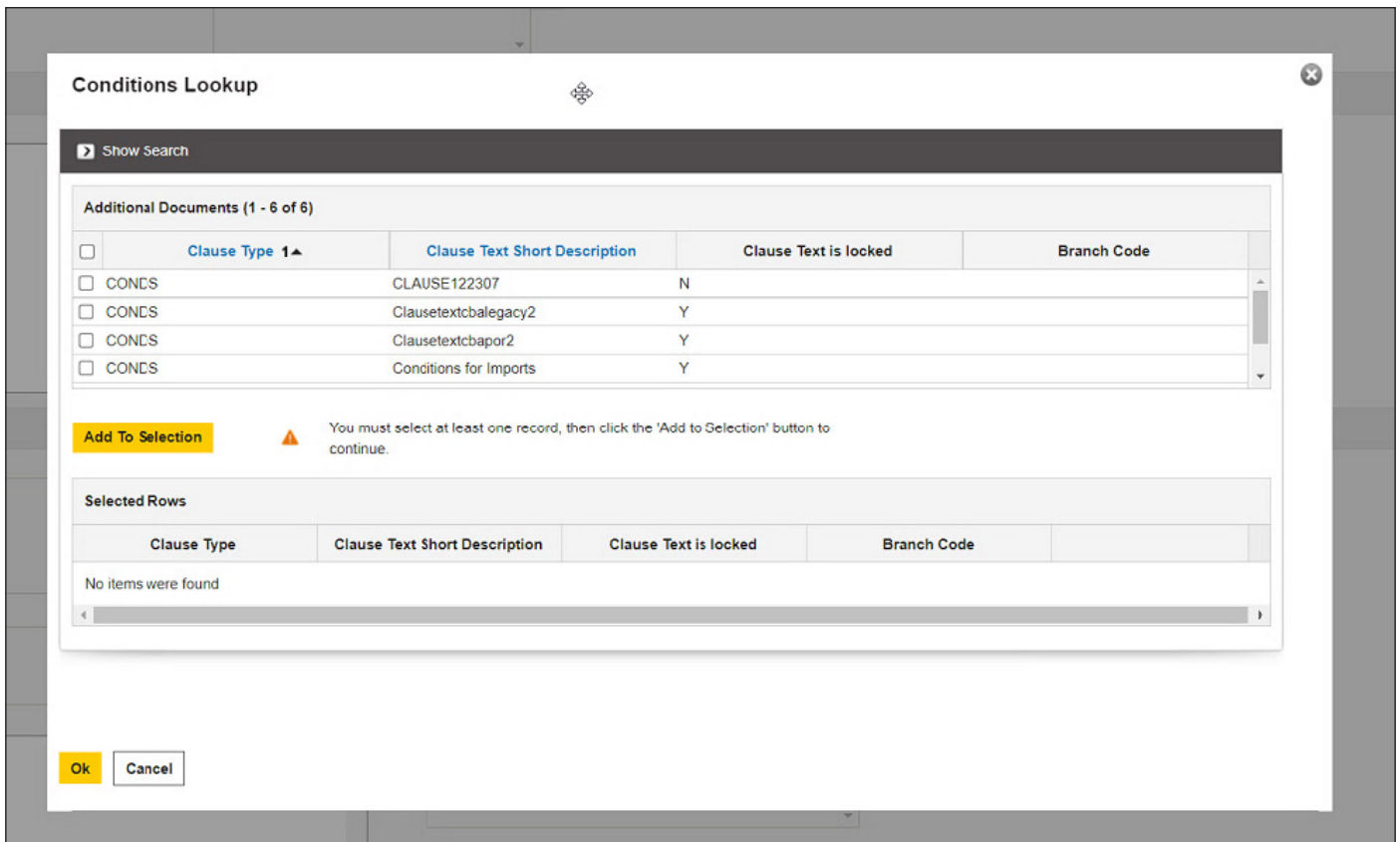
instructions

Documents \* = Required Field

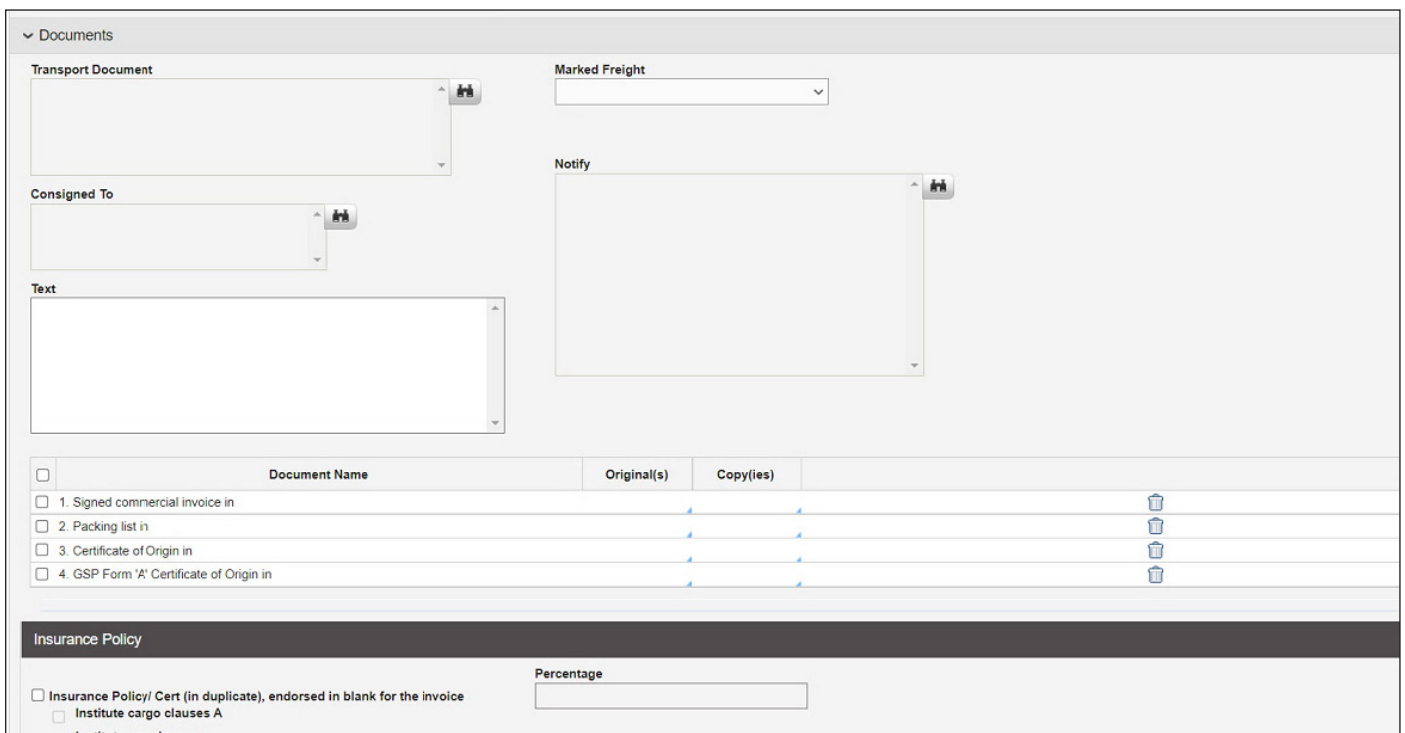
Change in Documents Required

new change

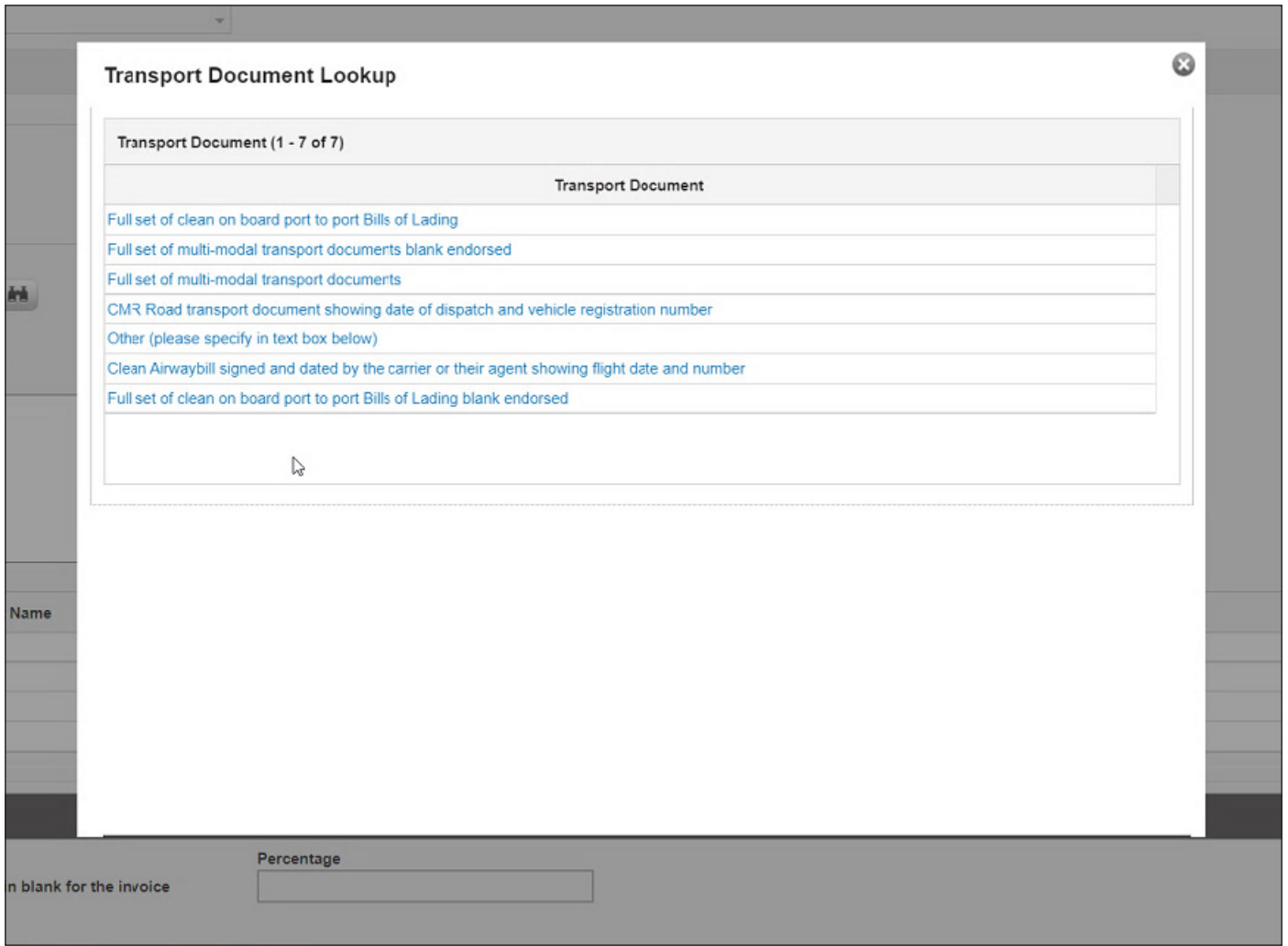
30. In the **Conditions** text box, the user enters terms and conditions of the IDLC.



31. The user may click the Library **Lookup** icon to open a Library Lookup Dialog box and select the appropriate pre-created clause from the list, if available, and click on OK.
32. Click the Scrollbar to access the Documents tab



33. Click the **Transport Document Lookup** icon



34. The Transport Document Lookup will display a standard list of records. User can select from the standard list.

Documents

Transport Document

Marked Freight

Consigned To

Notify

Text

<input type="checkbox"/>	Document Name	Original(s)	Copy(ies)	
<input type="checkbox"/>	1. Signed commercial invoice in			
<input type="checkbox"/>	2. Packing list in			
<input type="checkbox"/>	3. Certificate of Origin in			
<input type="checkbox"/>	4. GSP Form 'A' Certificate of Origin in			

Insurance Policy

Insurance Policy/ Cert (in duplicate), endorsed in blank for the invoice

Institute cargo clauses A

Institute war clauses

Percentage

35. The Marked Freight will have two options: Prepaid or Collect.

Documents

Transport Document

Marked Freight

Consigned To

Notify

Text

<input type="checkbox"/>	Document Name	Original(s)	Copy(ies)	
<input type="checkbox"/>	1. Signed commercial invoice in			
<input type="checkbox"/>	2. Packing list in			
<input type="checkbox"/>	3. Certificate of Origin in			
<input type="checkbox"/>	4. GSP Form 'A' Certificate of Origin in			

Insurance Policy

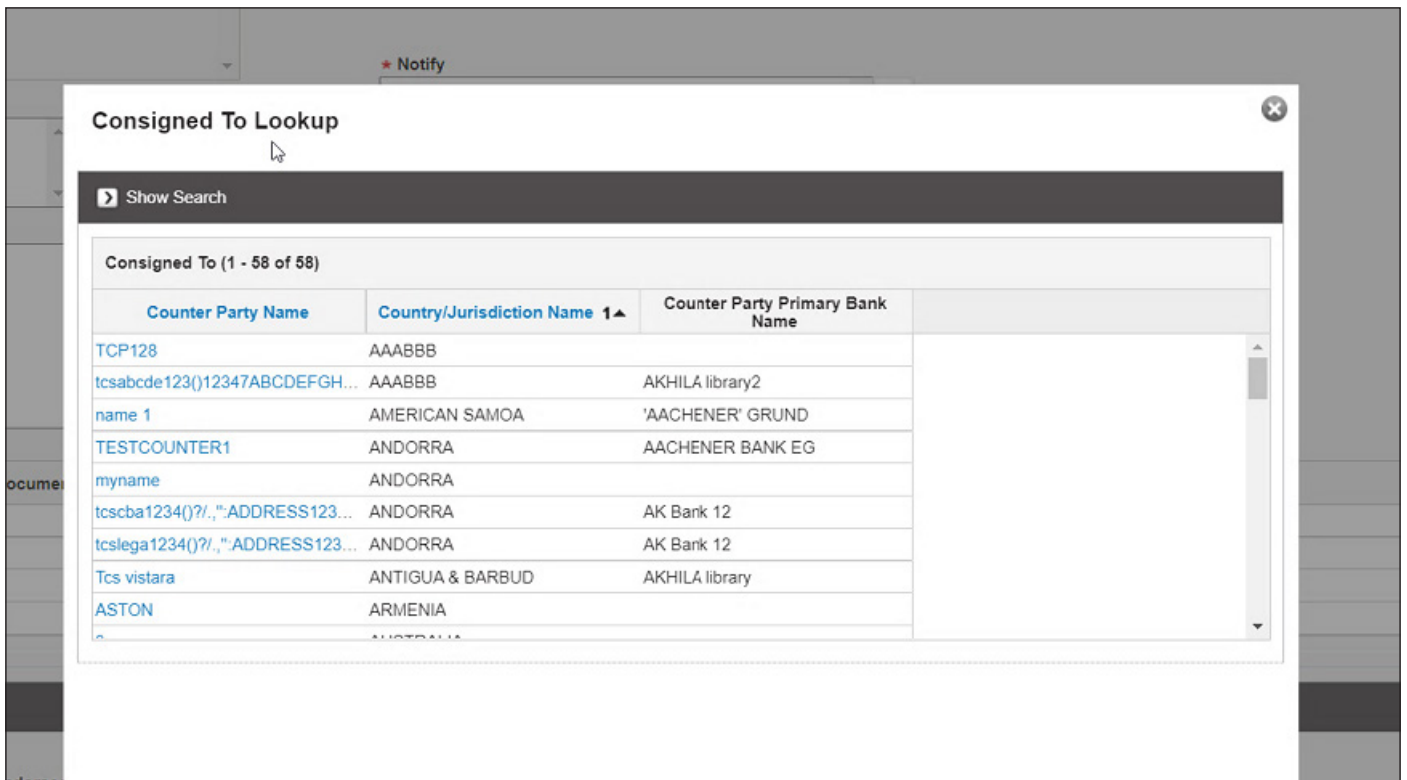
Insurance Policy/ Cert (in duplicate), endorsed in blank for the invoice

Institute cargo clauses A

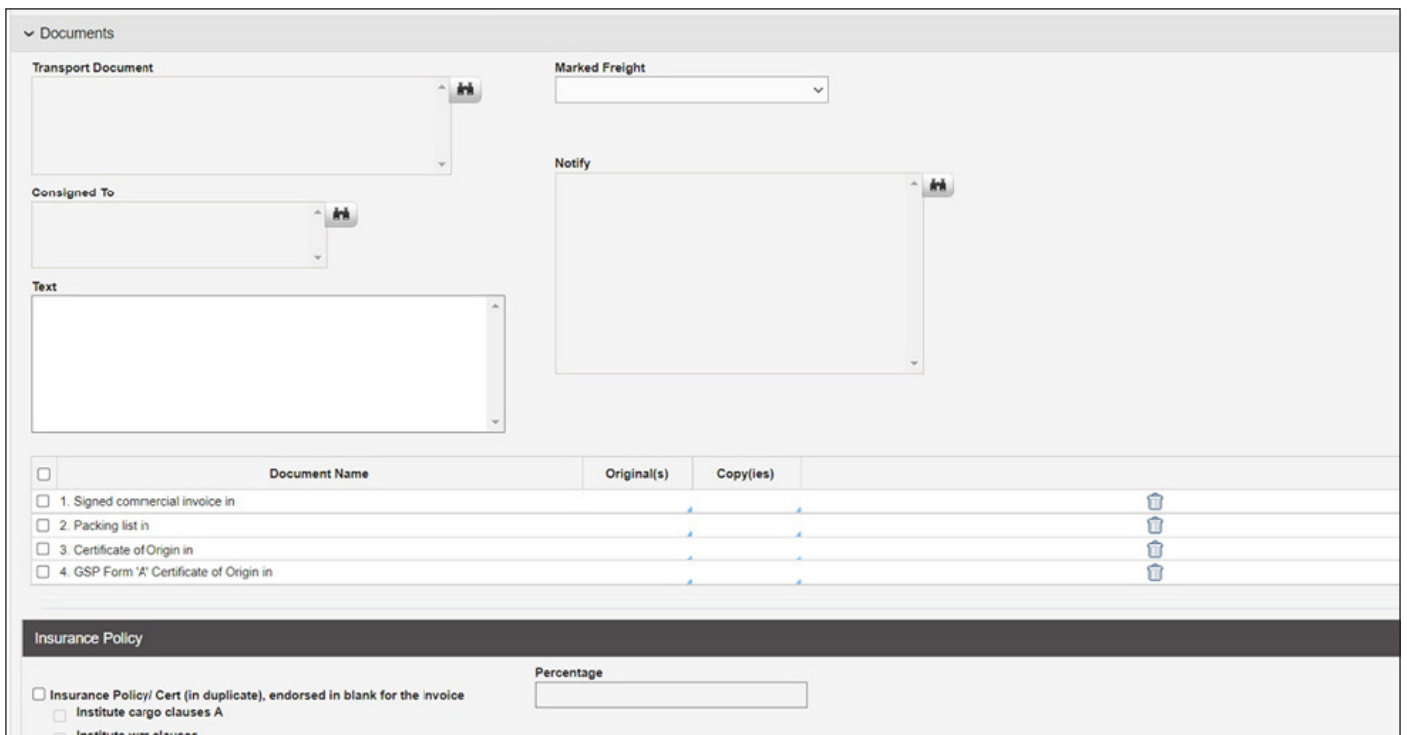
Institute war clauses

Percentage

36. Click the **Consigned to Lookup** to access the Counter party Library



37. User can select from the Counter party Library



38. Click the Notify Lookup to access the Counter party Library

freight

## Notify Lookup

Show Search

Notify (1 - 58 of 58)

Counter Party Name	Country/Jurisdiction Name 1▲	Counter Party Primary Bank Name
TCP128	AAABBB	
tcsabcde123()12347ABCDEFGH-IJ?+,...:/	AAABBB	AKHILA lbrary2
name 1	AMERICAN SAMOA	'AACHENER' GRUND
TESTCOUNTER1	ANDORRA	AACHENER BANK EG
myname	ANDORRA	
tscba1234()?/,,".ADDRESS1234abcd	ANDORRA	AK Bank 12
tcslega1234()?/,,".ADDRESS1234abcd	ANDORRA	AK Bank 12
Tcs vistara	ANTIGUA & BARBUD	AKHILA lbrary
ASTON	ARMENIA	
^	AUSTRALIA	

igin

39. The **Notify Lookup** will be a prepopulated list from the Counter Party Library
40. The **Text** field is a free-form text where user can input any relevant date or paste the data from an electronic copy of the text into this field
41. The **Insurance Policy** field will be enabled once the Insurance Policy check box is selected
42. Scroll down to Shipment

Shipment

\* Partial Shipment  
NOT ALLOWED

Ship From

Ship To

Presentation Period 21 Latest Shipment Date

\* Transshipment  
NOT ALLOWED

Country/Jurisdiction of Origin

Port of Discharge

Insurance covered by  
Buyers

Port of Loading

\* Shipment Terms \* Terms

Goods

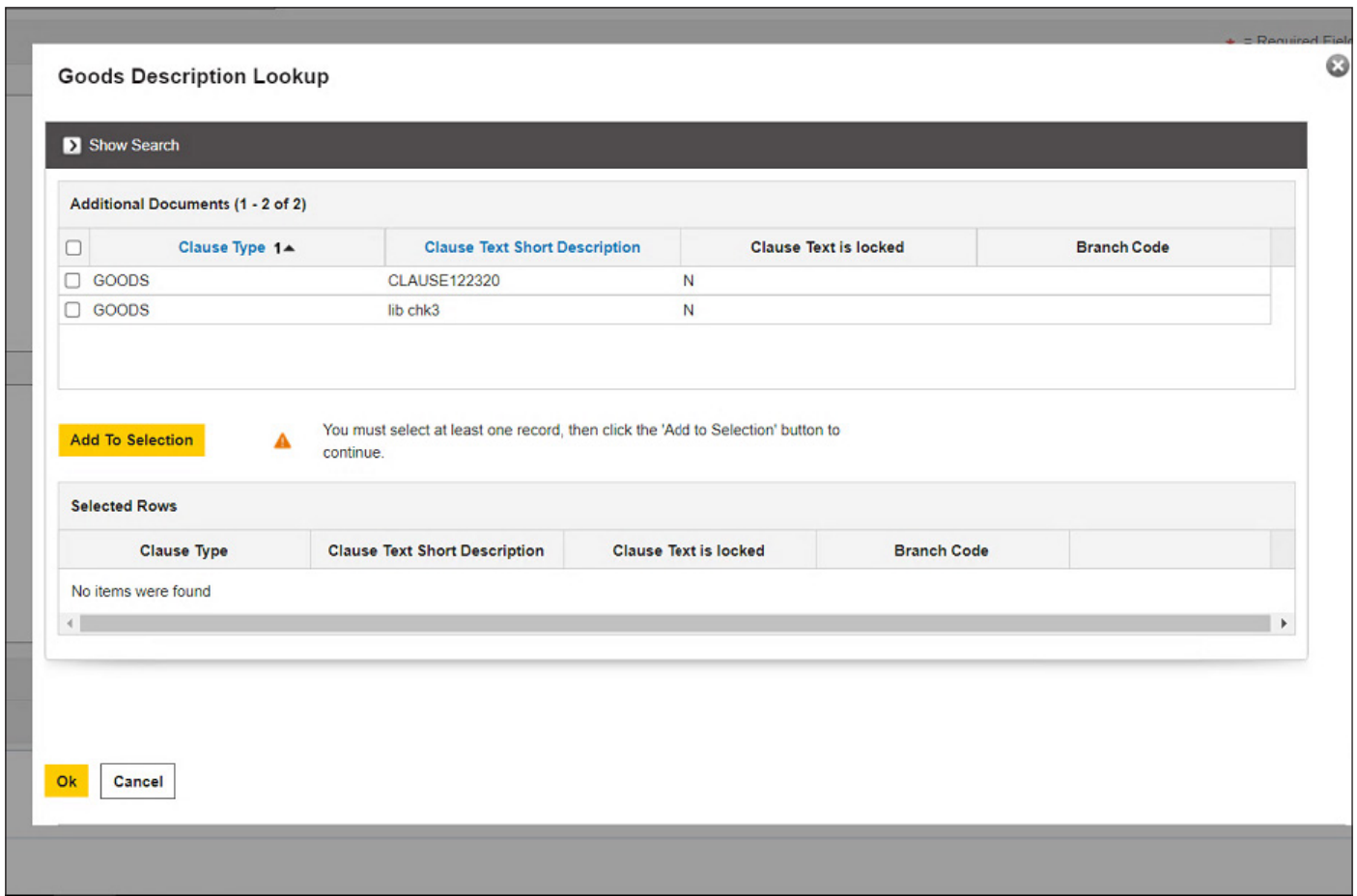
Goods Description

Additional Goods Text

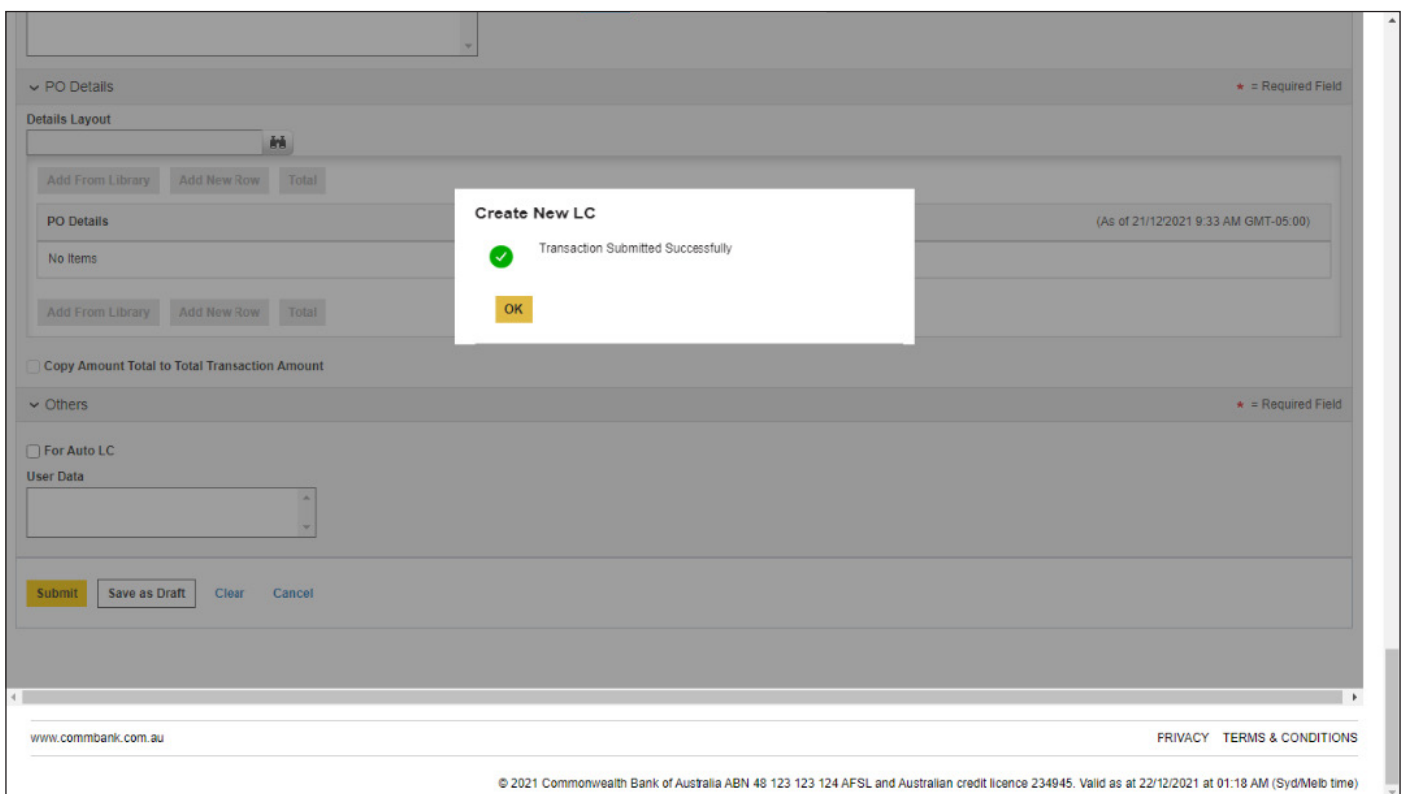
43. Partial Shipment user can select the desired fields: Not allowed, Conditional and Allowed. Not allowed will be populated by default
44. Transshipment will have Not Allowed by default. User can select Allowed, Conditional and Not allowed

- 45. Ship from/to, Country, Port of Loading/Discharged and Shipment Terms will have a Lookup function where user can select from a Library
- 46. Terms is a free-format field to type relevant data
- 47. Presentation Period will be prepopulated to 21 days and can amended
- 48. Latest Shipment Date will have Calendar Lookup
- 49. Insurance Covered by will have 3 options: Buyers, shipper or ultimate buyer

The screenshot displays a software interface for managing goods. At the top, there is a header bar with a dropdown arrow and the text 'Goods', and a legend indicating that a red asterisk (\*) denotes a 'Required Field'. Below this, there are two main text input areas. The first is labeled 'Goods Description' and the second is labeled 'Additional Goods Text'. Each of these text areas has a small icon in its top right corner, which appears to be a lookup or search function. At the bottom of the interface, there are two more sections: 'PO Details' and 'Others', both of which also have a red asterisk indicating they are required fields.



50. Goods Description and Additional Goods text will have Lookup function to Library where user can select the desired field
51. If all required fields are completed user can select **Submit**





1. Click Trade
2. Under Import Letter of Credit click on the Authorise option

Service Type	Customer ID	Customer Name	Customer Reference	Bank Reference	Branch name or Beneficiary Name	CCY
Amend LC	900100	TIMEZONE TRUST	DFSDGSGFDG	5017798924	783-REGRESSION-01	USD
New LC	900260	INFOVENTURES TEST PL	AMENDLCP3		212 A block.harsha gateway,	AUD
New LC	900100	TIMEZONE TRUST	IMPLC20JAN		tscba1234(7/," ADDRESS123...	AZN
New LC	000002	CBA customer 02	4574		tscabcde123()12347ABCDEFGH...	USD
New LC	000002	CBA customer 02	999999		PREMA PAVATE,	AUD
New LC	000002	CBA customer 02	999999PREMA		PREMA,	AUD
New LC	000002	CBA customer 02	LC818		123	USD
New LC	000002	CBA customer 02	TESTERT-1		TESTCOUNTER1	AZM
New LC	000002	CBA customer 02	7777		COUNTER-SDEC6	INR
New LC	900100	TIMEZONE TRUST	TESTLCOCT4-1		783-REGRESSION-01	USD

3. After the transaction is submitted by the maker, this transaction will be routed to the "To Authorise" queue and will require an Authoriser to approve the transaction before it is released to the bank for processing. The snapshot above illustrates the Transaction Review screen where all the transactions pending authorization will be displayed
4. Once Authorizer reviews, they will have 3 options: To Authorise, Modify, Send to Repair and Delete
  - a. **Authorise** — Authorises the transaction and sends transaction for processing
  - b. **Modify** — Opens the transaction for editing
  - c. **Send To Repair** — Sends the transaction back to the maker for repair
  - d. **Delete** — Deletes the transaction