

国际商务单证英语

应用语言系 09商务英语专业
授课教师：潘冬梅

Chapter Twelve Check Negotiating Document

国际商务单证英语

应用语言系 09商务英语专业
授课教师：潘冬梅

Chapter Twelve Check Negotiating Document(审核议付单据)



- ❖ **1.Learning Objective** (学习目标)
- ❖ **2.Operating Tasks**(操作任务)
- ❖ **3.Operating Sample** (操作示范)
- ❖ **4. Basic Knowledge** (基础知识)
- ❖ **5. Practical Training** (项目实训)



❖ Banks must **examine**(审核) all document stipulated in the letter of credit with reasonable care, to ascertain whether or not they appear, on their face, to **be in compliance with** (与...一致) the terms and conditions of the credit. Documents which appear on their face to **be inconsistent with** the terms and conditions of the credit.



- ❖ In this chapter we will learn **the general principles** (一般原则) and **procedures** (流程) applied in bank's documents checking as well as the disposal (处理) of discrepant documents after checking them.
- ❖ In a word, this chapter will tell us how to examine documents according to international customs and practice.

Section 1 General Principles and method for Documents Checking



12.1.1 General Principles and method for Documents Checking 单据审核的一般原则和方法

- ◆ **Reasonable time**（合理时间） for checking documents
A nominated bank acting on its nomination, a confirming bank, if any, and the issuing bank shall each have a maximum of **five banking days**（5个工作日） following **the day of presentation**（交单日） to determine if a presentation is complying. Issuance date of documents
- ◆ **Issuance date**（开立日期） of documents
A document may be dated prior to **the issuance date of the credit**, but must not be dated later than its date of presentation.
单据会早于L/C开立日期但一定不会晚于交单日期



◆ Unspecified issuers or contents of documents (未指定的单据签发人或内容)

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, the bank will accept the document as presented if its content appears to fulfill the function of the required document and not be conflict with, data in that document, any other stipulated document or the credit.



◆ Unspecified documents

A document presented but not required by the credit will be **disregarded** and may be returned to the presenter. 提交的单据是L/C未要求的将被银行拒收。

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.



◆ Date expressions for periods of shipment

When a letter of credit stipulates:

◆ on or about (a date)

It is five days before to five days after the specified date, both start and end dates included.

◆ to, until, till, from or between

When used to determine a period of shipment, it includes the specified date.

◆ before or after (a date)

When used to determine a period of shipment, it excludes the specified date.



◆ from or after (a date)

When used to determine a maturity date, it excludes the date mentioned.

◆ first half (of a month)

It includes the 1st to the 15th day of the specified month.

◆ second half (of a month)

It includes the 16th to the last day of the specified month.



◆ beginning (of a month)

It includes the 1st to the 10th day of the specified month.

◆ middle (of a month)

It includes the 11th to the 20th day of the specified month.

◆ end (of a month)

It includes the 21st to the last day of the specified month.



12.1.2 Originals and copies

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

A bank shall treat as 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.

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

Appears to be written, typed, perforated or stamped by the document issuer's hand; or appears to be on the document issuer's original stationary; or states that it is original, unless the statement appears not to apply to the document presented.



- ❖ If a credit requires presentation of copies of copies of documents, presentation of either originals or copies is permitted.
- ❖ 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.



- ❖ 12.1.3 Disclaimer on effective of documents
- ❖ Banks assume no liability or responsibility for the form, sufficiency, accuracy, genuineness, falsification or legal effect of any document (s), or for the general and/or particular conditions stipulated in the document (s) or superimposed thereon, nor do they assume any liability or responsibility for the description, quality, weight, quality, condition, packing, delivery, value or existence of the goods represented by document (s), or for the good faith or acts and/or omission, solvency, performance or standing of the consignors, carriers, forwarders, the consignees or the insurers of the goods, or any other person.



- ❖ 12.1.4 Method for documents checking
- ❖ Horizontal examination (Compliance of documents with credit)
- ❖ Carefully read the articles of the credit word by word for at least once.
- ❖ Check any document once it is referred to and make sure whether it is in strict compliance with the stipulation in the credit. Each word of the credit shall be reflected in the related documents. The name of goods in the credit can never be altered.



- ❖ Make notes if there are any discrepancies.
- ❖ The documents not stipulated by the credit will be returned to the beneficiary, or sent to the Issuing Bank. Yet the negotiation bank is not liable to those documents.
- ❖ Document Examination (Compliance among documents)
- ❖ In addition to the compliance between credited and documents, the documents should be consistent. Any contradiction among documents shall be considered to be discrepancies as well.



❖ 12.1.5 Documents examination procedures are stated as follows:

- ① ❖ Take the invoice as a base point, check other documents one by one and make sure that the information provided by the documents conforms to the invoice.
- ② ❖ Check the bills of lading (B/L) with the insurance policy.
- ③ ❖ Check the consistency among the documents themselves.
- ④ ❖ Write down discrepancies.
- ❖ After horizontal and vertical examination, the bank shall inform the beneficiary of all these discrepancies once so as to enable him to amend the documents.

Section 2 Main Checklists for Documents Checking



12.2.1 Checklist for the draft

When checking the draft, banks should ensure the following points:

- ◆ It bears the correct credit number.
- ◆ It has a current date.
- ◆ The signature and/or the name of the drawer corresponds with the name of the beneficiary.



- ❖ It is drawn on the correct drawee, it should not be drawn on the applicant.
- ◆ The amount in figures and words correspond.
- ◆ The tenor is as required by the credit.
- ◆ The name of the payee is identified.
- ◆ If it is required an endorsement, it is properly endorsed.



- ◆ There are no restricted endorsements.
- ◆ It contains any necessary clauses as required by credit.
- ◆ The amount drawn for does not exceed the balance available in credit.
- ◆ It is drawn “without recourse” unless authorized by the credit.



12.2.2 Checklist for the invoice

When checking the invoice, banks should ensure the following points:

- ◆ It is issued by the beneficiary.
- ◆ Unless otherwise stipulated by the credit, it is made out in the name of the applicant.
- ◆ It is not titled “Pro-forma” or “provisional” invoice.



- ◆ The description of the goods corresponds with the merchandise description in the credit.
- ◆ No additional detrimental description of the goods appears that may question their condition or value.
- ◆ Bank will not accept the notation in the invoice that goods are “used”, “second hand”, “rebuilt” or “reconditioned”, when not authorized by the credit.
- ◆ The details of the goods, price, and terms as mentioned in the credit are included in the invoice.



- ◆ Any other information supplied in the invoice, such as marks, numbers, transportation information ..., etc. is consistent with that of the other document.
- ◆ Currency of the invoice is the same as that of the credit.
- ◆ The value of the invoice does not exceed the available balance of the credit.



- ◆ Invoice covers the complete shipment as required by the credit if no partial shipments are allowed.
- ◆ If required by the credit, the invoice is signed, notarized, legalized, certified, etc.
- ◆ The information relative to the shipment, packaging, freight charges, or other related charges corresponds with that appearing on the other documents.
- ◆ The correct number of original (s) and copy (ies) is presented.



12.2.3 Checklist for the transport document

When checking the transport document, banks should ensure the following points:

- ◆ Full set of originals issued are presented.
- ◆ They are not charter party transport documents unless authorized in the credit.
- ◆ They name of the consignee is as required in the credit.



- ◆ If the transport documents required endorsement, they are appropriately endorsed.
- ◆ They bear the name of the shipper or his agent.
- ◆ The name and address, if any, of the notifying party is as require in the credit.
- ◆ The description of the goods generally corresponds to the description of the goods as stated in the credit and that the marks and the numbers as well as the other descriptions, if any, identical to those appearing on the other documents.



- ◆ The indication of “freight prepaid” or “freight collect” as required by the terms of the credit appears on it.
 - ◆ There are no clauses on the transport document that may render it foul or unclean.
 - ◆ All other conditions stipulated in the appropriate transport Articles of **UCP600** are complied with.
-



12.2.4 Checklist for the insurance document

When checking the insurance document, banks should ensure the following points:

- ◆ The policy/certificate/declaration as required by the credit is presented.
- ◆ Full set of the insurance documents (issued) are presented.
- ◆ They are issued and signed by the insurance company or underwriters or their agents or proxy.



- ◆ The date of the insurance or date from which cover is effective at the latest from the date of loading on board or dispatch or taking in charge of the goods as the case may be.
- ◆ The value of the goods insured is required by the credit or as defined by the UCP600 Sub-Article 28 (f) and in the same currency as the credit.



- ◆ The description of the goods generally corresponds to the description of the goods stated in the credit.
- ◆ They cover the merchandise from the designated port of loading or point of taking in charge to port of discharge or place of delivery.
- ◆ They cover specified risk as stated in the credit and that the risks are clearly defined.
- ◆ The marks and numbers..., etc. correspond with those of the transport document.



- ◆ If the insured named is other than the confirming bank, issuing bank, or buyer, it bears the appropriate endorsement.
- ◆ All other information appearing on the document is consistent with that of the other documents.
- ◆ If any alternation is noted in the document, it is properly authenticated.



12.2.5 Checklist for the certificate of origin

When checking the certificate of origin, banks should ensure the following points:

- ◆ It is a unique document and not combined with any other document.
- ◆ It is signed, notarized, legalized, vided as required by the credit.
- ◆ The data on it is consistent with that of other document.
- ◆ The country of origin is specified, and that it meets the requirements of the credit.



12.2.6 Checklist for the inspection certificate

When checking the inspection certificate, banks should ensure the following points:

- ◆ Inspection firm nominated in the credit, if any, issued the certificate.
- ◆ It is signed.
- ◆ The certificate compiles with the inspection requirements of the credit.
- ◆ It contains no detrimental statement as to the goods, specifications, quality, packaging, etc., unless authorized by the credit.



12.2.7 Checklist for the packing list/weight list

When checking the packing list, banks should ensure the following points:

- ◆ It is a unique document and not combined with any other documents.
- ◆ It corresponds with the requirements of the credit. A detailed packing list requires a listing of the contents of each package, carton..., etc. and other relevant information.



- ◆ It is signed if a certificate is call for, or as otherwise stated in the credit.
- ◆ The date on it is consistent with that of the other document.

12.2.8 Checklist for other miscellaneous document

When checking the packing list, bank should ensure the following points:

- ◆ When document other than transport documents, insurance documents, and commercial invoices



are called for , the credit should stipulate by whom such documents are to be issued and their wording or content. If the credit does not so stipulate, banks will accept such documents as presented, provided that their contents are not inconsistent with any other stipulated documents presented.

- ◆ It should be noted that when the credit requires a document to be issued as a “Certificate”, all document must be signed.

Section 3 Frequently Noted Discrepancies in Documents Checking



12.3.1 Discrepancies relating to time:

- ◆ **Late shipment.**
- ◆ **Credit expired.**
- ◆ Documents not presented in time.
- ◆ Early shipment.

12.3.2 Discrepancies relating to shipment

- ◆ Transshipment effected.
- ◆ **Short shipment.**
- ◆ Partial shipment effected.
- ◆ Shipment made between ports other than those stated in the credit.



12.3.3 Discrepancies relating to amount

- ◆ Credit amount exceeded.
- ◆ Short drawing.
- ◆ The amounts shown on the invoice and draft differ.

12.3.4 Discrepancies relating to the draft

- ◆ Draft drawn on a wrong party.
- ◆ Draft payable on an undeterminable date.



12.3.5 Discrepancies relating to the invoice

- ◆ Description of goods in invoice differs from that in the credit.
- ◆ Invoice does not show correct trade terms.
- ◆ Reference number on invoice not in accordance with the credit.
- ◆ invoice not made out to applicant's name as shown in the credit.



12.3.6 Discrepancies relating to insurance document

- ◆ Type of insurance document presented other than the type required by the credit.
- ◆ Insurance risks covered not as specified in the credit.
- ◆ Insurance cover expressed in a currency other than that of the credit.
- ◆ Under insured
- ◆ Insurance dated later than the date of shipment on the B/L.
- ◆ Insurance policy/certificate not endorsed correctly.
- ◆ Insurance policy indicating place of settling claim differs from that in the credit.



12.3.7 Discrepancies relating to bill of lading

- ◆ **Unclean bill of lading.**
- ◆ **Charter party bill of lading.**
- ◆ **No evidence of goods actually “shipped on board”.**
- ◆ **Bill of lading does not evidence whether freight is paid or not.**
- ◆ **On board notation not dated.**



12.3.8 Discrepancies between documents

- ◆ **Marks and numbers differ between documents.**
- ◆ **Draft, insurance policy or B/L not endorsed correctly.**
- ◆ **Absence of documents called for in the credit.**
- ◆ **Weight differ between documents**
- ◆ **Documents inconsistent with each other.**
- ◆ **Absence of signatures where required on documents presentation.**

Thank You !

Click to edit subtitle style