

# Trade Finance.

## Seller's Checklist to place collection orders.

in accordance with the «Uniform Rules for Collections» ICC-Publication Nr. 522

- Have the foreign exchange regulations of the import country been checked? (Art. 1)
- Is the importer's credit worthiness acceptable?
- Is there really no need for a letter of credit?
- Is this collection to be subject to URC 522? (Art. 4)
- Have the following details been given?
  - a) Your full name, postal address and if applicable telex, telephone and facsimile numbers. (Art. 4)
  - b) Drawee's (buyer's) full name, postal address or the domicile at which presentation is to be made and if applicable telex, telephone and facsimile numbers. (Art. 4)
  - c) Presenting Bank's full name, postal address and if applicable telex, telephone and facsimile numbers. (Art. 4)
- Do you have the prior agreement of the bank to the address or order of which you want to despatch the goods? If not, all eventual risks and costs are to be borne by yourself. (Art. 10)
- Do the amounts and currencies conform with the terms and conditions agreed upon? (Art. 4)
- Have the enclosed documents and the numerical count of each document been listed? (Art. 4 and 12)
- Has the period of time within which any action is to be taken by the drawee been indicated? (Art. 5)
- Have expressions such as "first", "prompt", "immediate" and the like been replaced by precise terms? (Art. 5)
- Are there clear instructions on the release of commercial documents if a deferred payment was agreed upon?
- Are the documents to be released against acceptance of an enclosed bill of exchange or against the drawee's written payment undertaking?
- Otherwise, the documents will only be released against payment at maturity. (Art. 7)
- If the collecting bank (buyer's bank) or the drawee are instructed to create documents, have form and wording of such documents been provided? (Art. 8)
- Are the conditions for the release of the documents clearly and unambiguously stated, i.e. are the documents to be delivered against sight payment or against acceptance of an enclosed bill of exchange payable at a future date? (Art. 6 and 7)
- Have adequate measures to protect the goods, such as insurance, case-of-need, etc., been considered? (Art. 25)
- Are all documents included that were asked for by the buyer or agreed upon in the sales contract? (Art. 12)
- Are the bills of lading, the insurance certificate and/or the bills of exchange endorsed if necessary? (Art. 12)
- If the drawee has to pay interest: Have you specified the rate of interest, interest period and basis of calculation (e.g. year at 360 or 365 days)? (Art. 4 and 20)
- Who will pay your bank's commissions and expenses?
- Who will pay the commissions and expenses of the collecting bank and/or presenting bank?
- Can these costs be waived? If yes, you will have to bear them! (Art. 21)
- Must the presenting bank protest in the case of non-payment or non-acceptance or if the accepted bill of exchange remains unpaid? (Art. 24)
- Do you allow the drawee to inspect and/or to take a sample of the goods?
- Have you mentioned your bank and account number for the credit of the collection proceeds?
- Are the collection instructions duly signed?



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