



The draft, if requested, should be drawn and who it should be drawn on for a DC available with nominated bank:

Available by:	Draft at:	Drawn on:
Payment	Sight (optional)	Nominated Bank
Acceptance	Usance	Nominated Bank
Negotiation	Sight or usance (optional)	Issuing bank/Reimbursing Bank

For a credit available by deferred payment, draft is not required.

- 1) UCP 600 ICC: ADVISING BANK MEANS THE BANK THAT ADVISES THE CREDIT AT THE REQUEST OF THE ISSUING BANK. 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.
- 2) LA ISSUING BANK NON PUO' NEGOZIARE. SU RICHIESTA DEL BENEFICIARIO, SE VUOLE, PUO' SCONTARE PRO SOLUTO IMPEGNI DI PAGAMENTO A SCADENZA
- 3) ART. 2 UCP 600 ICC:
"NEGOTIATION MEANS THE PURCHASE BY THE NOMINATED BANK OF DRAFTS (DRAWN ON A BANK OTHER THAN THE NOMINATED BANK) AND/OR DOCUMENTS UNDER A COMPLYING PRESENTATION, BY ADVANCING OR AGREEING TO ADVANCE FUNDS TO THE BENEFICIARY ON OR BEFORE THE BANKING DAY ON WHICH THE REIMBURSEMENT IS DUE TO THE NOMINATED BANK."
- 4) ART. 12 UCP 600 ICC:
"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."
- 5) ART. 7C UCP 600 ICC: "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."
- 6) IT'S POSSIBLE FOR NOMINATED BANK, NON ACTING ON ITS NOMINATION, TO REFUSE TO HONOUR OR NEGOTIATE EVEN AFTER THE DOCUMENTS HAVE BEEN EXAMINED AND FORWARDED TO ISSUING BANK. PAYMENT ARE USUALLY EFFECTED BY THE NOMINATED BANK ON CONDITION THAT FUNDS HAVE BEEN RECEIVED.

N.B.: ALTHOUGH IT'S ADVISABLE FOR A CONFIRMING BANK TO BE A NOMINATED BANK, IT IS NOT A REQUIREMENT OF THE UCP 600 ICC. IT'S POSSIBLE TO HAVE ANY BANK BY.. WITH CONFIRM IN THE CONFIRMATION INSTRUCTIONS OF THE CREDIT. A BANK DOES NOT BECOME A CONFIRMING BANK UNLESS IT ACTS ON AN AUTHORISATION TO CONFIRM. MERELY BEING AUTHORISED TO CONFIRM DOES NOT MEAN THAT THE BANK HAS ADDED ITS CONFIRMATION.