

ICBANK TRADE FINANCE PROGRAM**Letter of Credit (LC) & Bank Instruments – Client Information****1. Introduction**

ICBANK provides trade finance solutions using international banking instruments via SWIFT, including **MT700 (Letter of Credit)** and **MT760 (Bank Guarantee / SBLC)**. This program is designed for commodity purchasing and cross-border trade transactions.

2. Eligibility & Scope

- Minimum instrument amount: **USD 500,000**
- Applicable to commodity trades and contract-based transactions
- Cross-border shipment required (country-to-country)

3. Required Documents**Applicant**

- Passport / ID
- Proof of Address
- Corporate documents (if applicable)

Trade Documents

- **Proforma Invoice or Sales Contract**
 - Detailed goods description
 - Pricing and quantities
 - Delivery terms
 - Shipment details (origin → destination)
- Any supporting logistics or compliance documents

4. Application & File Opening Fee

- Up to USD 3,000,000 → **USD 2,400 (fixed)**
- Above USD 3,000,000 → USD 2,400 + USD 1,000 per additional USD 1,000,000

Terms:

- Paid to ICBANK against official invoice
- **100% refundable if disapproved**

5. Instrument Issuance Fees**Standard Fee Structure**

- Up to USD 5,000,000 → **10%**
- USD 5,000,001 – 10,000,000 → **9%**



- USD 10,000,001 – 20,000,000 → 8%
- Above USD 20,000,000 → 7%

Special Case (Below Minimum Operational Threshold)

- For amounts below USD 500,000:
 - Fixed issuing cost: **USD 35,000 – 36,000** (subject to confirmation)

6. Approval & Instrument Draft

After submission and file opening fee payment:

1. ICBANK issues:
 - Financing Agreement
 - **Instrument Draft (LC / BG terms)**
2. Draft must be:
 - Approved by the client (Applicant)
 - Approved by the beneficiary (Seller)

**7. Payment & Issuance Process**

- Upon final approval:
 - **Full instrument fee must be paid upfront**
- After payment:
 - Instrument is issued via SWIFT (MT700 / MT760)
 - Sent to the designated bank or beneficiary as per contract

Timeline

- SWIFT issuance: **within 7 working days** after full payment

8. Instrument Routing & Banking Network

- ICBANK retains full discretion to select the **correspondent bank(s)** or **network banking channels** used for issuance and delivery of instruments
- Instruments may be routed through intermediary or advising banks as required by international banking practice

SWIFT Routing Examples:

- **MT700 (Letter of Credit)** may be delivered via **MT710 (Advising of LC)** through a nominated advising bank
- **MT760 (Bank Guarantee / SBLC)** may be transmitted via an **advising or correspondent bank** depending on transaction structure

Important Notes:

- Final routing structure is determined based on:
 - Transaction requirements



- Beneficiary banking details
- Compliance and operational considerations

9. Disbursement & Execution

- Instrument is delivered to the beneficiary's bank
- Shipment and execution proceed according to LC/contract terms

9. Repayment Terms

- **Tenor:** 1 year
- **Repayment:** Full face value at maturity
- **No interest or profit margin applied**

10. Example (USD 1,000,000 LC)

Step 1: File Opening

- USD 2,400 paid

Step 2: Approval

- Receive Financing Agreement + Instrument Draft
- Approved by both parties

Step 3: Fees

- 10% of USD 1,000,000 = **USD 100,000**

Step 4: Issuance

- Pay USD 100,000
- LC issued via SWIFT within 7 working days

Step 5: Repayment

- After 1 year → repay **USD 1,000,000** (no additional profit)

11. Payment Authorization Policy

- Payments must be made directly to ICBANK
- If via agent:
 - Requires official bank authorization letter
 - Bank confirms receipt to client
 - Agent responsibility ends upon confirmation

12. Instrument Conditions

Transferability

- Instruments may be issued as **transferable or non-transferable**, depending on the transaction structure



- Any transfer must be executed by the **beneficiary through their receiving bank**
- The issuing bank must be formally **notified of any transfer action**
- ICBANK is not responsible for executing beneficiary-side transfers

Amendments

- Instruments may be amended subject to bank approval
- Minor amendments may be accommodated within standard processing
- Major amendments or structural changes:
 - Subject to additional review
 - **Amendment fee: USD 2,500 per amendment swift message .**

Validity & Expiry

- Instrument validity and expiry are defined based on:
 - Proforma Invoice
 - Sales Contract
 - Underlying transaction agreement
- All timelines must align with the agreed trade terms

13. Compliance Note

All transactions are subject to international trade finance regulations, compliance review, and banking standards.

ICBANK – Trade Finance. Secure Instruments. Global Execution.

