

LC Readiness & Discrepancy Diagnostic

A self-assessment checklist for reviewing a documentary credit against your contract and shipment plan — before documents go to the bank for negotiation. Organized by the same field categories a checking bank uses to examine a presentation under UCP 600 / ISBP 821.

1. FORM & APPLICABLE RULES

- 40A** [] Confirmed the credit is Irrevocable (never accept a revocable credit).
- 40E** [] Confirmed which rules version applies (UCP 600, or UCP + eUCP if electronic presentation is contemplated).
- 49** [] Checked confirmation instructions — if unconfirmed and the issuing bank/country is unfamiliar, considered requesting confirmation or a confirming bank.

2. VALIDITY, EXPIRY & PRESENTATION PERIOD

- 31D** [] Expiry date and place of expiry are workable against your production/shipment lead time.
- 48** [] Presentation period after shipment (if silent, ISBP defaults to 21 days) leaves enough time to assemble and courier documents.
- 44C** [] Latest shipment date is realistic against your supplier's or your own production schedule.

3. AVAILABILITY, DRAFTS & REIMBURSEMENT

- 41D** [] Availability (by payment, acceptance, negotiation, or deferred payment) matches what was agreed commercially.
- 42C/42A** [] Draft tenor and drawee are as agreed — sight vs. usance changes your cash conversion cycle.
- 71B** [] Charges clause is clear on who bears bank charges outside the issuing bank's country.

4. SHIPMENT TERMS

- 43P** [] Partial shipment permission matches your actual delivery plan (single vs. staged shipments).
- 43T** [] Transshipment permission matches your routing, especially for indirect sailings or consolidations.
- 44E/44F** [] Loading and discharge ports (or airports) are named precisely enough to match your bill of lading / airway bill.

5. GOODS & QUANTITY DESCRIPTION

- 45A** [] Goods description in the credit mirrors your contract/PO in substance (ISBP allows general terms in the invoice only, not a contradiction).
- 45A** [] Any quantity tolerance (e.g., +/-5%) is stated and matches your contract; if silent, a 5% tolerance applies to bulk goods only.

6. DOCUMENTS REQUIRED

- 46A [] You (or your supplier) can actually produce every document listed — in the number of originals/copies specified.
- 46A [] Consignee/notify party wording on the bill of lading instruction matches what your buyer's bank requires.
- 46A [] Certificates (quality, quantity, origin, inspection) name an issuer you can realistically engage before the shipment deadline.

7. ADDITIONAL CONDITIONS & RISK CLAUSES

- 47A [] Read every numbered additional condition once for content and once for how it could generate a discrepancy.
- 47A [] Checked for indemnity requirements tied to missing originals, and whether you can realistically satisfy them.
- 47A [] Checked any price or adjustment clause (e.g., index-linked pricing) for a documentable, auditable calculation method.
- 47A [] Confirmed whether typographical/spelling errors are excused — and, if so, that this does not extend to price, quantity or quality terms.

8. BANK ROUTING & CORRESPONDENCE

- 57D/78 [] Advising and presenting bank instructions are clear on where documents physically go, and by what courier/method.
- [] A named contact exists at your bank for pre-checking documents informally before formal presentation, where the relationship allows it.

This checklist is a self-review aid, not a substitute for bank advice or legal opinion on a specific credit. Discrepancy determinations rest with the examining bank under UCP 600 / ISBP 821 at the time of presentation.