



April, 2007

## FIPCO FORMS NOTICE

*Please note:* This notice is not a comprehensive review of the changes made to revised forms. Refer to the instructions and supplemental instructions prepared for each form for details and further review of the forms.

*The following forms are available immediately from FIPCO:*

### New Commercial Forms

**Amendment of Irrevocable Standby Letter of Credit.** Under the International Standby Practices (1998) International Chamber of Commerce Publication No. 590 (“ISP 98”), which is incorporated by reference as the governing rules in the WBA (LC) 103 Irrevocable Standby Letter of Credit (7/04), an amendment to an irrevocable standby letter of credit has the following effect:

- a. The amendment binds the issuing bank when it leaves the issuing bank’s control.
- b. The beneficiary must consent to the amendment for it to be binding on the beneficiary. The beneficiary’s consent must be made by an express communication to the issuing bank unless the beneficiary presents documents which comply with the standby letter of credit as amended and which would not comply with the standby letter of credit prior to such amendment.
- c. An amendment does not require the applicant's consent to be binding on the issuer or the beneficiary.

Three new forms have been created to substantiate and facilitate such an amendment. They are the following:

**WBA (LC) 100A Application for Amendment to Standby Letter of Credit (8/06)** identifies the original standby letter of credit by number and parties and specifies the terms of the amendment requested by the applicant. It must be signed by the applicant. Even though the ISP 98 rules do not require the consent of the applicant, the WBA thought it would be likely that most amendments will be originated by the applicant for the standby letter of credit and therefore prepared this form WBA (LC) 100A to be signed by the applicant.

**WBA (LC) 103A Amendment to Irrevocable Standby Letter of Credit (8/06)**, issued to the beneficiary, documents the terms of amendment. It is to be attached to the original letter of credit

when presented by the beneficiary to the issuer for payment, and must be signed by the issuing bank. Under ISP 98, this amendment will be binding on the issuing bank when it is issued by the issuing bank.

**WBA (LC) 103 LTR Acceptance or Refusal Form (9/06)** is transmitted by the issuing bank to the beneficiary with the Amendment for the purpose of documenting whether the beneficiary accepts or rejects the terms of amendment. The appropriate choice must be indicated and the form signed by the beneficiary and returned to the party designated in the form. However, as noted above under ISP 98, the beneficiary may consent to the amendment by presenting documents which comply with the standby letter of credit as amended and which would not comply with the standby letter of credit prior to such amendment.

### **Revised Commercial Form**

**WBA (LC) 104 Letter of Credit Agreement (10/06).** The title of this form has been revised to indicate that it may be used for either Standby or *Documentary* (rather than Commercial) letters of credit. This does not represent a change in the content of the form, but only updates the terminology. In addition, references to specific publications of the Uniform Customs and Practice for Documentary Credits or the International Standby Practices in the “Interpretation” section [10(d)] have been removed and replaced with “(revision in effect at the time of issuance of the Credit)”.

*Lenders may begin using these forms at their convenience.*

You may order these forms in the following ways: FIPCO web page ([www.fipco.com](http://www.fipco.com)), e-mail ([fipcossales@fipco.com](mailto:fipcossales@fipco.com)), fax (608-661-9382), or call 1-800-722-3498.

**NOTE:** Software users, the above forms will be available in an update scheduled for the end of April.

**FIPCO**