



Corporate Clients

Web Trade Services

Quick Guide: Export Letters of Credit



Quick Guide

Export letters of credit

Overview

The main steps required to successfully process an export letter of credit are explained in this document, along with some helpful tips.

The Export Letters of Credit module can provide you with a detailed and up-to-date overview of all transactions in this business division at any time.

The module enables

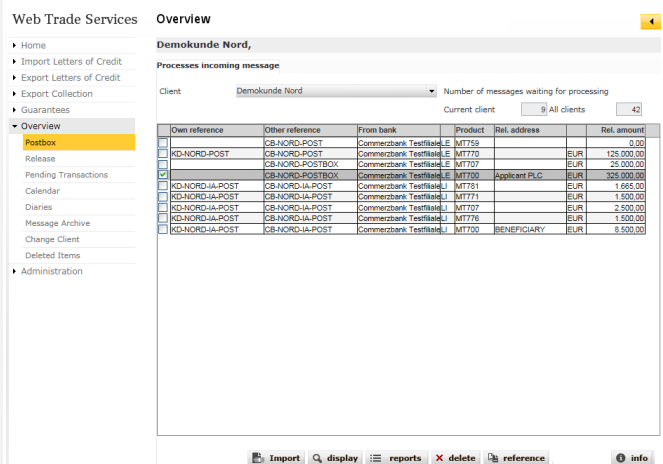
- Access to all transactions using the menu item “History”
- Preparation of document presentation
- Production of reports
- Acceptance or refusal of an amendment
- Creation of free text messages

To execute the individual actions, the application interactively communicates with the processing system at your Commerzbank branch using various electronic messages. A detailed description is available in Quick Guide First Steps & Basics “Annex I – Schedule of electronic messages”.

Receiving and accepting messages

All messages sent to you by your Commerzbank branch regarding your export letters of credit, which may include advice of an LC, amendment notification, information about document submissions or settlements, will initially be visible in the application’s postbox.

In case of receipt of a new transaction (i.e. an advice) an individual reference will first need to be allocated. A previously provided reference can usually be automatically allocated to follow-up messages (e.g. amendments or settlements) if it is known by the bank and included in the incoming electronic message.



The screenshot shows the 'Web Trade Services Overview' interface for 'Demokunde Nord'. It displays a table of transactions with columns for 'Own reference', 'Other reference', 'From bank', 'Product', 'Ref. address', and 'Ref. amount'. The table contains several rows of data, including transactions from 'Commerzbank Testfiliale E' and 'Commerzbank Testfiliale J'. At the bottom of the interface, there are buttons for 'Import', 'display', 'reports', 'delete', 'reference', and 'info'.

Own reference	Other reference	From bank	Product	Ref. address	Ref. amount
	CB-NORD-POST	Commerzbank Testfiliale E	MT759		0,00
KB-NORD-POST	CB-NORD-POST	Commerzbank Testfiliale E	MT770		125.000,00
	CB-NORD-POSTBOX	Commerzbank Testfiliale E	MT770		25.000,00
	CB-NORD-POSTBOX	Commerzbank Testfiliale E	MT700	Applicant P/LC	325.000,00
KB-NORD-IA-POST	CB-NORD-IA-POST	Commerzbank Testfiliale J	MT781		1.665,00
KB-NORD-IA-POST	CB-NORD-IA-POST	Commerzbank Testfiliale J	MT771		1.500,00
KB-NORD-IA-POST	CB-NORD-IA-POST	Commerzbank Testfiliale J	MT707		2.500,00
KB-NORD-IA-POST	CB-NORD-IA-POST	Commerzbank Testfiliale J	MT776		1.500,00
KB-NORD-IA-POST	CB-NORD-IA-POST	Commerzbank Testfiliale J	MT700	BENEFICIARY	8.500,00

Fig. 01, Postbox

The reference can be edited using the corresponding button as shown above. The message will be entered into the system by clicking on “Import” and will be ready for processing, transaction overview in menu item “history” and for reporting purposes. The imported messages can – if required – be accessed in the application’s message archive (under the menu item “Overview”).

Transaction history

The history provides a current and comprehensive overview of existing transactions. In the export letters of credit transaction area, the following actions can be carried out:

- Display a contract page
- Close or delete a transaction (see also “Annex III – Explanations of status features”)
- Display received messages under a specific transaction by pressing “history” button
- Display your submitted form for presentation of documents by clicking on “documents”
- Display the document receipt confirmations, due date notifications and invoices using the “doc-sets” function
- Display historical versions of the transaction

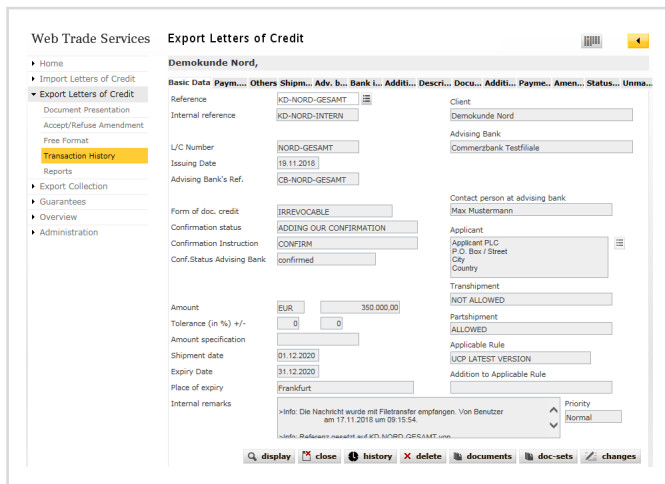


Fig. 02, History with transaction versions

Tip:

Use the application to create documents more easily by simply marking the text components as “Description of goods” in the tab, copy and add to your trade documents!

Document presentation

You can create your form for document submission for an export letter of credit using this menu item. To do this, select a transaction from the list of received transactions (click the database field next to reference, then “select”) and then enter the key figures for your document submission.

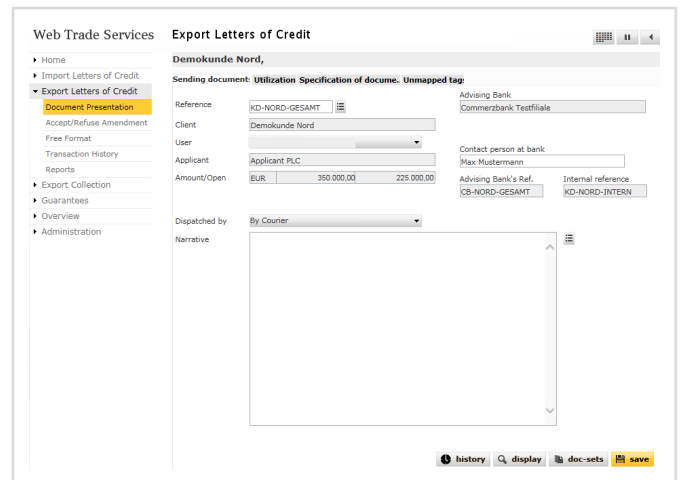


Fig. 03, Document presentation

Clicking on “Save” will initiate a plausibility check. When no more errors are present and the document can be saved successfully, Web Trade Services will ask whether you wish to save the document with or without a printout of the file copy. The file copy is a structured document which shows the current status of the transaction. The document submission letter, on the other hand, is generated in all cases as it is required for the submission of the documents.

Please proceed as follows to print the two documents: First click on “Saving with printing of file copy” in the following window. The application will now offer the file copy in the form of a PDF document.

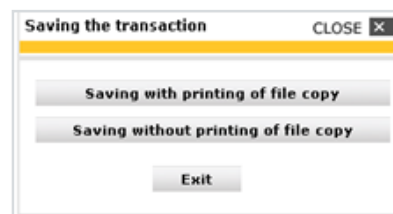




Fig. 04, Saving the transaction

If you wish to print the document, please click on the “” symbol. The PDF document will then be available in its own window as a normal PDF document, where it can be printed or saved locally, as required. You can then close the window. Your Web Trade Services session will, of course, remain open. You will now see the file copy within the application on your screen. Use the “” button to access the submission form. Please follow the file copy procedure again to save and print this document.

Commerzbank Testfiliale Postfach / Strasse PLZ / Ort Deutschland	Demokunde Nord Postfach / Strasse PLZ / Ort Deutschland
	Contact : Date : 17.11.2018
Your reference : CB-NORD-GESAMT Our reference KD-NORD-GESAMT Issuing bank : Issuing Bank L/C Amount EUR 350.000,00 Valid until : 31.12.2020	Tolerance +/- : /

Dear Sirs,
you are kindly requested to utilize the attached documents as per terms of the above mentioned L/C.

Amount of documents :	EUR 115.450,35		
add. amounts :	EUR 0,00	EUR 0,00	EUR 0,00
Maturity :	SIGHT		
Utilization of open amount	will be utilized		

Documents :
Please send documents as follows : By Courier
additional instructions : The Letter of Credit is available by negotiation.
We are interested in a negotiation and request your proposal.
Please remit proceeds after payment to our account no. : 804099500 EUR

Fig. 05, Export letter of credit document submission

Tip:

If you want to reproduce this form at a later date, you can select the corresponding transaction in the transaction history (click on the button “documents”, select the corresponding document and click on “display”).

Monitoring of transactions using the calendar

A comprehensive calendar function is available in the “Overview” category.

New dates can be saved here directly from a transaction. Simply use the calendar symbol in the Web Trade Services header.



Fig. 06, Calendar symbol

Web Trade Services Overview

Demokunde Mitte,

Date: 14.08.2019

Business sector: Export L/C

Own reference: KD-MITTE-GESAMT

Reminder: 044 Response received? / Normal

Operation: Response received? / Normal

Currency: EUR Euro

Amount: 0.00

Information:

Completion date: []

Responsible: []

Completed by: []

Version

display save

Fig. 07, Enter dates

The application loads the screen for entering a date (see Fig. 07). After this has been saved, you can continue working on the same transaction without losing any entered data. Alternatively, you can also use the menu item “Diaries” and click on “creation” to add new events to the calendar.

Tip:

Monitor recently received messages by registering for the Web Trade Services email notifications. If requested, you will be sent an email as soon as new messages are received!

Acceptance or refusal of an amendment (MT735)

This optional function enables you to inform Commerzbank of your acceptance or refusal of an amendment.

After loading the corresponding transaction, you can select either “Accepted” or “Rejected” from the list after entering the amendment number in field “Number of amendments”.

Fig. 08, Acceptance/Refusal of an amendment

Extended free format message (MT759)

This function enables you to send a structured free format message to Commerzbank. To do this, you must first select the transaction via menu item “Free format”. Afterwards, you can optionally select the purpose of the message from the list, e.g. “status request”. In the free format field, further details can be entered.

Fig. 09, Free format message

By clicking the save button, both message types are sent to menu item “Release” and when release has been completed they are transferred to the bank.

Letter of credit amendment

Since the Swift release of November 18, 2018, the export letter of credit amendment has been a mirror image of the letter of credit advice. In addition to the previous structured fields such as amount, validity, etc., all other field contents can now also be used optimally.

In particular, a new feature is the use of codes in the large text fields “Description of goods”, “Documents required”, “Additional conditions” as well as in the new text field “Special payment conditions for beneficiary”.

- ADD** for the addition of data
- DELETE** for the deletion of data
- RECALL** for the complete replacement of data

Before import, you can have any amendment messages (MT707) received in the postbox displayed and printed out.

In the printout, the new codes used in the large text fields are visible.

BIC of Issuing Bank	:M15:	ISSUNHXXXX
Address of Issuing Bank	:M16:	Issuing Bank P.O. Box / Street City Country
L/C Number	:M02:	NORD-AMD
Date of Issue	:31C:	17.11.2018
Number identifying amendments	:26E:	001
Date of Amendment	:30:	19.11.2018
Purpose of Message	:22A:	ISSU
Date and Place of Expiry	:31D:	31.03.2019 Frankfurt
Increase of Documentary Amount	:32B:	EUR 25.000,00
Negotiation/Deferred Payment Details	:42P:	150 days after date B/L date
Partial Shipments	:43P:	CONDITIONAL
Latest Date of Shipment	:44C:	10.03.2019
Description of Goods and/or Services	:40B:	ADD/ QT-329 100 pcs. amber t-shirts
Documents Required	:46B:	/DELETE/ + PACKING LIST THREE FOLD
Additional Conditions	:47B:	/RECALL/ + DOCUMENTS DATED PRIOR TO THE DATE OF THIS CREDIT ARE NOT ACCEPTABLE. + SHORT FORM/CHARTER PARTY/BLANK BACK/FORWARDER'S/ CLAUSED / HOUSE /ETALE/ BILL OF LADING NOT ACCEPTABLE. + IF CONTAINERIZED SHIPMENT B/L MUST SHOW CONTAINER NUMBER AND SEAL NUMBER. + B/L MUST SHOW NAME, ADDRESS, TELEPHONE AND E-MAIL OF THE CARRIER AGENTS AT FINAL DESTINATION. + L/C NUMBER SHOULD BE MENTIONED IN ALL DOCUMENTS. + THIRD PARTY DOCUMENTS ACCEPTABLE. + DOCUMENTS MUST BE ISSUED IN ENGLISH. + PARTIAL SHIPMENT ALLOWED IN FCU ONLY
Period for Presentation in Days	:48:	020/days after date of invoice
Trailer	:	

Fig. 10, Print amendment message

After importing the amendment message in Web Trade Service, you can reproduce the same under menu item “Transaction History” whenever required at a later time.

The menu item “Transaction History” shows the current status of the letter of credit. By clicking on the button “Changes” and selecting the corresponding version (with the yellow arrow buttons you can browse through the historical versions of the transaction), you can see the differences to the previous version highlighted in red.

Amendments to the large text fields are displayed to you when you click on the on button “Diff”.

In this example, it can be clearly seen that an item has been added in field “Description of goods” (marked in yellow).

Added lines are marked in yellow, deleted lines in red.

Demokunde Export LC, TEST-USER												
Basisd...	Zahlu...	Sonsti...	Versch...	Avis....	Bank I..	Zusätz...	Waren...	Benöti...	Zusätz...	Zahlu...	Änder...	Unma...
Textunterschied												
Goods as per proforma invoice no. ABC123 dd. 10.07.2018 - / Rot:												
order no. quantity description												
AB-234 100 pcs. blue t-shirts												
YY-556 200 pcs. green t-shirts												
CD-650 400 pcs. yellow t-shirts												
AA-142 500 pcs. white t-shirts												
PP-765 600 pcs. black t-shirts												
+ QT-322 100 pcs. amber t-shirts												

Fig. 11, Text difference

Field contents which cannot be mapped to the corresponding fields of the screen masks are shown in “Unmapped tags”.

Demokunde Export LC, TEST-USER												
Basisd...	Zahlu...	Sonsti...	Versch...	Avis....	Bank I..	Zusätz...	Waren...	Benöti...	Zusätz...	Zahlu...	Änder...	Unmapped Tags
Unmapped Tags												
Unmapped Tags für Kontrakt KD-DEMO-AMD												
15.November:2018 Unmapped von MT700												
16.November:2018 Unmapped von MT707												
:M12: Contact Data Bank												
. Max Mustermann												
. max.mustermann@commerzbank.com												
. 069 - 136 / 555												
:M16: Address of Issuing Bank												
. Issuing Bank												
. P.O. Box / Street												
. City												
. Country												
:22A: Type of Operation												
. ISSU												

Fig. 12, Unmapped tags

Commerzbank AG

Headquarters
Kaiserplatz
Frankfurt/Main
www.commerzbank.com

Postal address
60261 Frankfurt/Main
Tel. +49 69 13620
info@commerzbank.com

