

## URR 725

### **Article 1-Application of URR**

The Uniform Rules, ICC Publication No. 725, should apply to any bank-to-bank repayment when the content of the repayment approval explicitly demonstrates that it is liable to these standards. They are official on all gatherings thereto, unless explicitly altered or prohibited by the repayment approval. The issuing bank is in charge of showing in the narrative ("credit") that repayment is liable to these tenets. In a bank-to-bank repayment subject to these tenets, the repaying bank follows up on the directions and under the specialist of the issuing bank. These guidelines are not expected to supersede or change the arrangements of the Uniform Customs and Practice for Documentary Credits.

### **Article 2- Definitions**

With the end goal of these standards, the accompanying terms might have the significance determined in this article and might be utilized as a part of the particular or plural as suitable:

- a. "Issuing bank" implies the bank that has issued a credit and the repayment approval under that credit.
- b. "Repaying bank" implies the bank trained or approved to give repayment according to a repayment approval issued by the issuing bank.
- c. "Repayment approval" implies a direction or approval, autonomous of the credit, issued by an issuing bank to a repaying bank to repay a guaranteeing bank or, if so asked for by the issuing bank, to acknowledge and pay a period draft drawn on the repaying bank.
- d. "Repayment correction" implies a guidance from the issuing bank to a repaying bank expressing changes to a repayment approval.
- e. "Asserting bank" implies a bank that distinctions or arranges a credit and introduces a repayment claim to the repaying bank. "Guaranteeing bank" incorporates a bank approved to introduce a repayment claim to the repaying bank for the benefit of the bank that distinctions or arranges.
- f. "Repayment assert" implies a demand for repayment from the guaranteeing bank to the repaying bank.
- g. "Repayment undertaking" implies a different unavoidable endeavor of the repaying bank, issued upon the approval or demand of the issuing bank, to the guaranteeing bank named in the repayment approval, to respect that bank's repayment guarantee, gave the terms and states of the repayment undertaking have been conformed to.
- h. "Repayment undertaking revision" implies an exhortation from the repaying bank to the guaranteeing bank named in the repayment approval expressing changes to a repayment undertaking.
- I. With the end goal of these principles, branches of a bank in various nations are thought to be separate banks.

### **Article 3- Reimbursement Authorizations Versus Credits**

A repayment approval is separate from the credit to which it refers, and a repaying bank isn't worried about or bound by the terms and states of the credit, regardless of whether any reference at all to it is incorporated into the repayment approval.

### **Article 4- Honour of a Reimbursement Claim**

But as given by the terms of its repayment undertaking, a repaying bank isn't committed to respect a repayment assert.

### **Article 5-Responsibility of the Issuing Bank**

The issuing bank is in charge of giving the data required in these principles in both the repayment approval and the credit, and is in charge of any outcomes coming about because of resistance with this arrangement.

### **Article 6- Issuance and Receipt of a Reimbursement Authorization or Reimbursement Amendment**

a. All repayment approvals and repayment revisions must be issued as a validated teletransmission or a marked letter. At the point when a credit or alteration thereto which affects the repayment

approval is issued by teletransmission, the issuing bank ought to prompt its repayment approval or repayment correction to the repaying bank by confirmed teletransmission. The teletransmission will be considered the agent repayment approval or repayment correction, and any ensuing mail affirmation might be slighted.

b. An issuing bank must not send to a repaying bank:

i. a duplicate of the credit or any part thereof, or a duplicate of a revision to the credit set up of or notwithstanding the repayment approval or repayment change. In the event that such duplicates are gotten by the repaying bank, they should be slighted.

ii. different repayment approvals under one teletransmission or letter, unless explicitly consented to by the repaying bank.

c. An issuing bank might not require a declaration of consistence with the terms and states of the credit in the repayment approval.

d. A repayment approval must (notwithstanding the necessity of article

1 for joining of reference to these standards) express the accompanying:

i. credit number;

ii. money and sum;

iii. extra sums payable and resistance, assuming any;

iv. asserting bank or, on account of an unreservedly accessible credit, that cases can be made by any bank. Without any such sign, the repaying bank is approved to pay any asserting bank;

v. parties in charge of charges (asserting bank's and repaying bank's charges) as per article 16 of these tenets.

A repayment revision must state just the relative changes to the above and the credit number.

e. In the event that the repaying bank is asked for to acknowledge and pay a period draft, the repayment approval must show the accompanying, notwithstanding the data indicated in (d) above:

i. tenor of draft to be drawn;

ii. cabinet;

iii. party in charge of acknowledgment and rebate charges, assuming any. A repayment revision must express the relative changes to the above. An issuing bank ought not require a sight draft to be drawn on the repaying bank.

f. Any necessity for:

i. pre-warning of a repayment claim to the issuing bank must be incorporated into the credit and not in the repayment approval.

ii. pre-charge warning to the issuing bank must be shown in the credit.

g. In the event that the repaying bank isn't set up to represent any reason at all under the repayment approval or repayment change, it should so illuminate the issuing bank immediately.

h. Notwithstanding the arrangements of articles 3 and 4, the repaying bank isn't in charge of the outcomes coming about because of non-repayment or postponement in repayment of repayment claims when any arrangement contained in this article isn't trailed by the issuing bank or asserting bank.

#### **Article 7- Expiry of a Reimbursement Authorization**

But to the degree explicitly consented to by the repaying bank, the repayment approval ought not be liable to an expiry date or most recent date for introduction of a claim, with the exception of as showed in article 9.

A repaying bank will accept no accountability for the expiry date of a credit and, if such date is given in the repayment approval, it will be dismissed.

The issuing bank must drop its repayment approval for any unutilized part of the credit to which it alludes, advising the repaying bank immediately.

#### **Article 8- Amendment or Cancellation of a Reimbursement Authorization**

But where the issuing bank has approved or asked for the repaying bank to issue a repayment undertaking as gave in article 9, and the repaying bank has issued a repayment undertaking:

a. the issuing bank may issue a repayment correction or scratch off a repayment approval whenever after sending notification to that impact to the repaying bank.

b. the issuing bank must send notice of any correction to a repayment approval that affects the repayment guidelines contained in the credit to the assigned bank or, on account of a uninhibitedly accessible credit, the exhorting bank. If there should be an occurrence of cancelation of the repayment approval before expiry of the credit, the issuing bank must give the selected bank or the prompting manage an account with new repayment directions.

c. the issuing bank must repay the repaying bank for any repayment claims regarded or draft acknowledged by the repaying bank preceding the receipt by it of a notice of cancelation or repayment change.

#### **Article 9-Reimbursement Undertaking**

a. Notwithstanding the necessities of sub-articles 6 (a), (b) and (c) of these tenets, a repayment approval approving or asking for the issuance of a repayment undertaking must agree to the arrangements of this article.

b. An approval or demand by the issuing bank to the repaying bank to issue a repayment undertaking is unalterable ("unavoidable repayment approval") and must (notwithstanding the necessity of article 1 for consolidation of reference to these principles) contain the accompanying:

- i. credit number;
- ii. money and sum;
- iii. extra sums payable and resistance, assuming any;
- iv. full name and address of the guaranteeing bank to which the repayment undertaking ought to be issued;
- v. most recent date for introduction of a claim, including any usance period;
- vi. parties in charge of charges (asserting bank's and repaying bank's charges and repayment undertaking expense) as per article 16 of these standards.

c. On the off chance that the repaying bank is asked for to acknowledge and pay a period draft, the unalterable repayment approval should likewise demonstrate the accompanying, notwithstanding the data contained in (b) above:

- i. tenor of draft to be drawn;
- ii. cabinet;
- iii. drawee of draft, if other than the repaying bank;
- iv. party in charge of acknowledgment and rebate charges, assuming any.

An issuing bank ought not require a sight draft to be drawn on the repaying bank.

d. In the event that the repaying bank is approved or asked for by the issuing bank to issue its repayment undertaking to the guaranteeing bank yet isn't set up to do as such, it should so illuminate the issuing bank immediately.

e. A repayment undertaking must demonstrate the terms and states of the endeavor and:

- i. the credit number and name of the issuing bank;
- ii. the cash and measure of the repayment approval;
- iii. extra sums payable and resilience, assuming any;
- iv. the cash and measure of the repayment undertaking;
- v. the most recent date for introduction of a claim, including any usance period;
- vi. the gathering to pay the repayment undertaking expense, if other than the issuing bank. The repaying bank should likewise incorporate its charges, assuming any, that will be deducted from the sum guaranteed.

f. On the off chance that the most recent date for introduction of a claim falls on a day when the repaying bank is shut for reasons other than those alluded to in article 15, the most recent date for introduction of a claim will be reached out to the main after managing an account day.

g. A repaying bank is will undoubtedly respect a repayment guarantee as of the time it issues the repayment undertaking.

- h. i. An unalterable repayment approval can't be altered or scratched off without the understanding of the repaying bank.
- ii. At the point when an issuing bank has changed its unavoidable repayment approval, a repaying bank that has issued its repayment undertaking may correct its endeavor to reflect such revision. On the off chance that a repaying bank picks not to issue its repayment undertaking alteration, it should so advise the issuing bank immediately.
- iii. An issuing bank that has issued its irreversible repayment approval correction should be unalterably bound as of the season of its recommendation of the unavoidable repayment approval alteration.
- iv. The terms of the first unalterable repayment approval (or an approval joining already acknowledged unavoidable repayment approval corrections) will stay in compel for the repaying bank until the point that it imparts its acknowledgment of the alteration to the issuing bank.
- v. A repaying bank must impart its acknowledgment or dismissal of an unalterable repayment approval alteration to the issuing bank. A repaying bank isn't required to acknowledge or dismiss an irreversible repayment approval revision until the point that it has gotten acknowledgment or dismissal from the asserting bank of its repayment undertaking alteration.
- i. i. A repayment undertaking can't be altered or scratched off without the assent of the guaranteeing bank.
- ii. A repaying bank is unalterably bound as of the time it issues the repayment undertaking revision.
- iii. The terms of the first repayment undertaking (or a repayment undertaking joining already acknowledged repayment corrections) will stay in constrain for the asserting bank until the point that it imparts its acknowledgment of the repayment undertaking revision to the repaying bank.
- iv. An asserting bank must impart its acknowledgment or dismissal of a repayment undertaking change to the repaying bank.

**Article 10 -Standards for a Reimbursement Claim**

- a. The guaranteeing bank's claim for repayment:

- i. must be as a teletransmission, unless particularly precluded by the repayment approval or a unique letter. A repaying bank has the privilege to ask for that a repayment assert be confirmed and, in such case, the repaying bank should not be at risk for any outcomes coming about because of any deferral caused. On the off chance that a repayment assert is made by teletransmission, no mail affirmation is to be sent. In the occasion such a mail affirmation is sent, the asserting bank will be in charge of any results that may emerge from a copy repayment;
- ii. should obviously demonstrate the credit number and the issuing bank (and repaying bank's reference number, if known);
- iii. should independently stipulate the primary sum guaranteed, any extra sum due and charges;
- iv. must not be a duplicate of the asserting bank's recommendation of installment, conceded installment, acknowledgment or arrangement to the issuing bank;
- v. must exclude various repayment asserts under one tele transmission or letter;
- vi. must, on account of a repayment undertaking, conform to the terms and states of the repayment undertaking.

b. At the point when a period draft is to be drawn on the repaying bank, the asserting bank should forward the draft with the repayment claim to the repaying bank for preparing and incorporate, where suitable, the accompanying in its claim:

i. general portrayal of the merchandise, administrations or execution;

ii. nation of starting point;

iii. place of goal or execution.

what's more, if the exchange covers the shipment of stock:

iv. date of shipment;

v. place of shipment.

c. A repaying bank expect no risk or obligation regarding any results that may emerge out of any rejection or postponement of preparing should the asserting bank neglect to take after the arrangements of this article.

#### **Article 11- Processing a Reimbursement Claim**

a. i. A repaying bank might have a most extreme of three managing an account days following the day of receipt of the repayment claim to process the claim. A repayment assert got outside managing an account hours will be considered to be gotten

on the following after saving money day. In the event that a pre-charge notice is required by the issuing bank, this pre-charge notice period should be notwithstanding the preparing time frame specified previously.

ii. In the event that the repaying bank decides not to repay, either as a result of a non-acclimating claim under a repayment undertaking or for any reason at all under a repayment approval, it might pull out to that impact by media transmission or, if that isn't conceivable, by different quick means, no later than the end of the third managing an account day following the day of receipt of the claim (in addition to any extra period specified in sub-article

(I) above). Such notice should be sent to the asserting bank and the issuing bank and, on account of a repayment undertaking, it must express the explanations behind non-installment of the claim.

b. A repaying bank won't process a demand for back (esteem dating preceding the date of a repayment guarantee) from the asserting bank.

c. At the point when a repaying bank has not issued a repayment undertaking and a repayment is expected on a future date:

i. the repayment assert must determine the foreordained repayment date;

ii. the repayment claim ought not be displayed to the repaying bank more than ten saving money days before such foreordained date. In the event that a repayment assert is exhibited more than ten managing an account days preceding the foreordained date, the repaying bank may slight the repayment guarantee. In the event that the repaying bank neglects the repayment guarantee, it should so advise the asserting bank by teletransmission or different speedy means immediately.

iii. In the event that the foreordained repayment date is more than three saving money days following the day of receipt of the repayment assert, the repaying bank has no commitment to give notice of non-repayment until such foreordained date, or no later than the end of the third managing an account day following the receipt of the repayment guarantee in addition to any extra period specified in (an) (I) above, whichever is later.

d. Unless generally explicitly consented to by the repaying bank and the asserting bank, a repaying bank will impact repayment under a repayment guarantee just to the asserting bank.

e. A repaying bank expect no obligation or duty in the event that it respects a repayment assert demonstrating that an installment, acknowledgment or transaction was made under hold or against a reimbursement, and should negligence such sign.

#### **Article 12-Duplication of a Reimbursement Authorization**

An issuing bank must, endless supply of reports, give another repayment approval or extra guidelines unless they constitute an alteration to, or a cancelation of, a current repayment approval. On the off chance that the issuing bank does not conform to the above and a copy repayment is made, it is the duty of the issuing bank to get the arrival of the measure of the copy repayment. The repaying bank expect no risk or duty regarding any outcomes that may emerge from any such duplication.

#### **Article 13-Foreign Laws and Usages**

The issuing bank should be bound by and at risk to repay the repaying bank against all commitments and duties forced by remote laws and uses.

#### **Article 14-Disclaimer on the Transmission of Messages**

A repaying bank accept no risk or obligation regarding the outcomes emerging out of postponement, misfortune in travel, mutilation or different blunders emerging in the transmission of any messages, conveyance of letters or reports, when such messages, letters or records are transmitted or sent by the prerequisites expressed in the credit, repayment approval or repayment assert, or when the bank may have stepped up with regards to the decision of the conveyance benefit without such directions in the credit, repayment approval or repayment guarantee. A repaying bank accept no obligation or duty regarding blunders in interpretation or understanding of specialized terms.

#### **Article 15-Force Majeure**

A repaying bank expect no risk for the results emerging by Acts of God, swarms, regular unsettling influences, uprisings, wars, exhibits of dread based abuse or by any strikes or lockouts or some different causes past its capacity to control.

#### **Article 16-Charges**

a. A repaying bank's charges are for the record of the issuing bank.

b. When respecting a repayment assert, a repaying bank is committed to take after the guidelines with respect to any charges contained in the repayment approval.

c. In the event that a repayment approval expresses that the repaying bank's charges are for the record of the recipient, they might be deducted from the sum because of a guaranteeing bank when repayment is made. At the point when a repaying bank takes after the directions of the issuing bank with respect to charges (counting commissions, charges, expenses or costs) and these charges are not paid, or a repayment assert is never displayed to the repaying bank under the repayment approval, the issuing bank stays obligated for such charges.

d. All charges paid by the repaying bank will be notwithstanding the measure of the approval, gave that the asserting bank shows the measure of such charges.

e. On the off chance that the issuing bank neglects to give the repaying bank directions in regards to charges, all charges might be for the record of the issuing bank.

**Article 17-Interest Claims/Loss of Value**

Any claim for loss of premium, loss of significant worth because of any conversion scale vacillations, revaluations or debasements are between the guaranteeing bank and the issuing bank, unless such misfortunes result from the non-execution of the repaying bank under a repayment undertaking.