Mrs Marijke Wolfs
Secretary General
International Chamber of Commerce
Bezuidenhoutseweg 12,
2509 CH The Hague
Netherlands

30 September 2013

Subject: Document 470/TA.794

Dear Mrs Wolfs,

Thank you for your query regarding UCP 600. Please find below the opinion of the ICC Banking Commission Technical Advisers and Officers.

QUOTE

With a recent presentation of documents under a letter of credit the bank made a discrepancy on the insurance certificate. We cannot find anything about this in the UCP 600. Is it possible for ICC to review the bank's comment and give your opinion?

The comment of the bank concerns the wording in bold on the insurance certificate immediately above "countersigned" - refer to attached insurance certificate. They claim "Not transferable unless countersigned" is incorrect. The following wording should be mentioned: "Only valid unless countersigned by the insured" Without "Only valid unless countersigned by the insured" shown on the certificate they claim this document to be incorrect and the discrepancy remains.

This is standard text on the insurance certificate which we cannot change or add. This certificate has been used in numerous other presentations worldwide and this comment has never been raised before. Please let us have your opinion and advise what we can do about this discrepancy. Thanking you in advance.

UNQUOTE

INTERNATIONAL CHAMBER OF COMMERCE
33-43 avenue du Président Wilson, 75116 Paris, France
T +33 (0)1 49 53 28 28 F +33 (0)1 49 53 29 42
E icc@iccwbo.org www.iccwbo.org

ANALYSIS

ISBP 745 Paragraph K5 states "When an insurance document requires a countersignature by the issuer, the assured or a named entity, it must be countersigned."

There is nothing in UCP 600 or ISBP 745 to restrict the wording that is to accompany the countersignature.

Such wording is a matter of practice for the insurance industry or the individual insurance company concerned and is not governed by UCP 600 or ISBP 745.

The only exception would be if such wording contravened UCP 600 or ISBP 745, which is not the case in this circumstance.

CONCLUSION

There is no discrepancy.

The opinion(s) rendered on this query reflect the opinion of the ICC Banking Commission's officers based on the facts under "QUOTE" above. They do not necessarily reflect the opinion of the ICC Banking Commission until the Banking Commission renders its approval or disapproval of these opinion(s) at the next scheduled meeting.

The reply given is not to be construed as being other than solely for the benefit of guidance and there should be no legal imputation associated with the reply offered.
If this query relates to a matter currently under consideration by the courts, the ICC Banking Commission will refrain from considering it for adoption as an opinion.

INTERNATIONAL CHAMBER OF COMMERCE
33-43 avenue du Président Wilson, 75116 Paris, France
T +33 (0)1 49 53 28 28 F +33 (0)1 49 53 29 42
E icc@iccwbo.org www.iccwbo.org

Neither the ICC nor any of its employees, nor any member of the Banking Commission, including the Chairman, Vice-Chairmen or Technical Advisers shall be liable to any person for any loss or damage arising out of any act or omission in connection with the rendered opinion(s).

Yours sincerely,

Thierry Senechal
Policy Manager
Banking Commission