Letter Of Credit

Module Guide: Letter of Credit (LC)

Module Location

Purchasing > Letter of Credit > Letter of Credit

Module Objective

The **Letter of Credit (LC)** module is a special tool used to manage import purchase transactions that use the Letter of Credit payment method. This module is used to record LC details, link them to the relevant Purchase Order, and track the stages and completeness of the documents required during the import process.

1. Main View (LC List)

The main page of this module displays a list of all Letter of Credit documents that have been created.

View Explanation & Filters

This page is for viewing and managing all LC transactions.

- **Filters**: You can search for a specific LC by **LC Number** or a date range (**Date From / Date To**).

- **LC List**: The table below will display all LC documents that match the filters, with columns such as **LC Number**, **LC Date**,

Due Date, **Purchase Order No**, **LC Status**, and **Approval Status**.

Button Functions

- **New**: The primary button to create a new LC document.

2. Steps to Create an LC Document

Step 1: Create a New LC Document

From the Main View, click the **New** button to open the LC creation form.

Step 2: Fill in LC Header Information

On the form that appears, fill in the general information and LC details:

- **LC Information**: Enter the **LC Number** (if not automatic), **LC Date**, **Expired Date**, and **Due Date**.

- **References & Related Parties**:

  - **Purchase Order Number**: Select the Purchase Order whose transaction is guaranteed by this LC.
  - **Seller Bank (Exporter)**: Select the Seller's Bank.

◦ **Buyer Bank (Importer)**: Select the Buyer's Bank.

◦ **Carrier**: Select the goods shipping company.

Step 3: Monitor the Purchasing Steps

Use the detail table at the bottom as a **checklist** to monitor the completeness of documents and the stages of the import process.

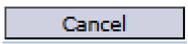
- Update the **Document Status** column for each stage (for example, from Incomplete to Complete) as you complete or receive the relevant documents, such as **Customs Documents** or the **Importer Identification Number**.

Step 4: Save and Confirm

After all data is filled in, use the buttons in the bottom-left section:

- **Save**: To save the LC document as a draft. 

- **Confirm**: To finalize the document and send it into the approval workflow.

- **Cancel**: To cancel the entry. 

Tips & Important Notes

- This module is crucial for import transactions that require a payment guarantee through a bank.

- Always update the **Document Status** at each stage to ensure the progress status of the LC process in the system is always accurate.

- A **Confirmed** LC document will likely go to the **LC Approval** module to be validated by management.
- This module is generally used by the **Procurement (Import) and Exim** teams.

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