



## **Open Account Trade Finance**

**Product Comparison, Transaction Structuring,  
Legal Principles, Risks Management, Credit Insurance Coverage,  
Accounting Treatment, Documentation & Recovery Case Studies**

**A survival kit for**

**Bankers - Product, Risk, Credit Admin., Relationship, Operations, Legal, Compliance & Audit  
Regulators, Lawyers, Accountants, Finance, Credit Control, Shipping & Logistics Managers**

### **Unique features:**

1. Open account trade represents about 85% of global trade. This new workshop will provide a complete review of every important element that you need to know about open account trade finance – from product design to collection of purchased receivables.
2. Guest speakers from China Export & Credit Insurance Corporation (“**Sinosure**”) will share with you the latest credit insurance structure, claim procedures and documentation of Sinosure.

### **Highlights:**

#### **A. Product & Legal Issues**

1. Supply chain analysis – market developments, dynamics between buyers and sellers and the differences between pre-shipment, post-shipment and post-acceptance finance
2. Comparison of products – Bank Payment Obligations (“**BPO**”), Factoring, Supply Chain Solutions (Receivables v. Payable models), Export Invoice Discounting, Purchase Order Finance and Prepayment
3. Legal analysis – assignment v. negotiation, true sale v. security, disclosed v. non-disclosed factoring, registration v. non-registration of receivables purchase agreement, prohibition of assignment, is acknowledgement of the notice of assignment a must?
4. Enforceability of receivables assignment in Austria, Bangladesh, Brazil, China, France, Germany, Holland, Hong Kong, India, Indonesia, Italy, Russia, Singapore, Spain, Turkey and Vietnam (16 countries)
5. Documentation – A comprehensive review of the design of a standard Receivables Purchase Agreement and Supply Chain solution Agreement
6. Case studies:
  - Major obstacles of recovery – set-off, counterclaims, advance payment, prohibition of assignment and fraudulent invoices etc.
  - Purchase of non-existing receivables – any valid claims against the debtor?

- Breach of credit policy provisions – how to avoid such pitfalls?
- Extraordinary negotiation skills in convincing debtors to accept disclosed factoring and pay the proceeds promptly when the supplier has gone bust

## **B. Accounting Treatment & Sinosure Export Credit Cover**

1. Accounting treatment – under what circumstances may the factored receivables be considered as an off balance sheet item
2. Sinosure Credit Insurance – the latest credit cover structure, claims procedures and documentation issues. This is an excellent opportunity for you to discuss your concerns and queries directly with the representatives of Sinosure

### **Speakers :**

#### 1. **Mr King Tak FUNG** (*e-mail: ktfung@eversheds.com*)

- Partner & Head of Banking and Finance, Asia of Eversheds specializing in Banking and International Trade Law and Practice
- Co-chair of the ICC Consulting Group on the latest ISBP revision
- Member of the ICC Consulting Group on Forfaiting and UCP 500 Revision
- Member of the Drafting Group on the revision of the ICC Documentary Instruments Dispute Resolution Expertise (“**DOCDEX**”) Rules and a panel expert of the DOCDEX Rules
- Technical Advisor to the ICC-HK Banking Committee
- Former Vice President and Head of Trade Finance at Bank of America N.A.
- Trade Finance & Banking Expert Witness in Hong Kong and PRC Courts
- Accredited mediator of HK International Arbitration Centre & the HK Law Society
- Author of "UCP 600 - Legal Analysis & Case Studies" (2008) and “Leading Court Cases on Letters of Credit” (2005)

#### 2. **Mr Michael YAU** (*e-mail: michaelyau@eversheds.com*)

- Partner of Eversheds, Hong Kong specializing in Banking and International Trade Law and Practice
- A leading expert in Factoring, A/C Receivables Finance, BPO, Supply Chain Solutions and Forfaiting, Guarantees and Standby L/Cs, Debt Recovery, Inventory Finance, Trade Dispute Resolution, Structured Trade Finance, Security Taking and Enforcement
- Michael has advised over 15 international and Chinese banks on open account trade finance and has drafted both standard and bespoke documentation for them

KT and Michael have successfully collected hundreds of millions of USD purchased receivables for various banks after the 2009 financial crisis without litigation. So long as the parties are willing to negotiate, the success rate of reaching an amicable settlement is 100% so far.

### **Guest Speakers:**

#### 1. **Ms Ceci Pang**

- Assistant Director of Institution Cooperation Department, China Export & Credit Insurance Corporation Guangdong Branch

#### 2. **Ms Celia Zhang**

- Head of Project Finance and Bank Policy Team , Claims & Recovery Division , China Export & Credit Insurance Corporation, Guangdong Branch

## Logistics:

<b>Date:</b>	13 June, 2015 (Saturday)
<b>Time:</b>	9:00 am – 5:00 pm
<b>Venue:</b>	Langham Place Ballroom, Level 7, 555 Shanghai Street, Mongkok, Kowloon, HK
<b>Medium:</b>	Cantonese with English Workbook
<b>Co-organizers:</b>	ICC-Hong Kong, China (ICC-HK) and P.E.E.R. Consultancy Ltd.(P.E.E.R.)
<b>Cancellation:</b>	There will be no refund for cancellation of booking initiated by the applicant. However, the registration may be transferred to another person from the same company or organization at no extra charge, subject to the prior consent of ICC-HK and P.E.E.R.
<b>Seat Confirmation:</b>	Seat confirmation is based <u>on receipt of payment on a first come, first served basis</u>
<b>Enquiry:</b>	Contact Ms. Kokko Ko at Tel: 2973 0060 or e-mail to: <a href="mailto:publn@icchkcbc.org">publn@icchkcbc.org</a>

## Registration fees:

- ❖ *Fee includes course, working papers, lunch and refreshments.*
- ❖ *You will enjoy early bird discount if you register and pay on or before **30 May, 2015.***
  
- ❖ **HK\$ 4,900**/person (*regular*)
- ❖ **HK\$ 4,600**/person (*“early-bird” for public*)
- ❖ **HK\$ 4,400**/person (*“early-bird” for ICC-HK members*)
- ❖ **HK\$ 13,200**/group (*“early-bird” for a group of 3 persons from the same company, HK\$4,400 for each extra registrant in the same company*)
- ❖ **HK\$ 12,600**/group (*“early-bird” for a group of 3 persons from ICC-HK members, HK\$4,200 for each extra registrant in the same company*)
- ❖ **HK\$ 39,000**/group (*“early-bird” for a group of 10 persons from the same company, HK\$3,900 for each extra registrant in the same company*)

## Reference Book: (optional)

**"UCP 600 - Legal Analysis and Case Studies"** by King Tak FUNG, ICC Publication No.1000C

*Unit price at HK\$1,000/copy, special discount for workshop attendees at HK\$900/copy*

By way of Q & A technique, this book addresses 99 highly controversial trade finance issues and analyses 55 landmark court and banking cases, including the key legal principles on assignment of proceeds.

The majority of these unpublished cases involved KT in his capacity as a banking or as a legal practitioner and cannot be found in any other source or commentary.