

Law Society 3.5 CPD Points applied for each session

CDCS and CSDG 3.5 PDU Points granted for each session

**New
program**

Mastering International Trade ("MIT")

A comprehensive 5-module training program combining risk control, product design and exceptional sales skills

Tailored for

Bankers (Risk, Operations, Credit Administration, Marketing, Products, Legal & Compliance)

Auditors, Regulators, Lawyers, Shipping/Logistics/Sales/Accounting/Finance Officers

Key objectives:

1. **To master up-to-date value-added trade solutions** from legal, risk, compliance and business perspectives so that bank officers can ask the right questions and mitigate risks.
2. **To change the mindset of trade-related staff** (products, sales, relationship managers, risk, legal and compliance) in striking a balance between risk control and business development.
3. **To distinguish the bank's staff and service quality from its competitors** in order to achieve substantial revenue growth.
4. **To equip the bank officers with various real cases, stories and practical advice** so that they may address clients' concerns and business needs in a professional, prudent and innovative manner.

Content highlights:

Session 1 – Key trade finance legal principles & misconceptions

1. L/C autonomy principle – how to prevent abusive drawings under L/Cs or bank guarantees
2. Contra proferentem rule – how to mitigate the risk of unclear and ambiguous contract terms
3. Recourse right – when may a bank exercise its right of recourse against L/C beneficiaries
4. Acceptance – is a party deemed to have accepted an amendment if it has not raised objection
5. Silent and partial L/C confirmation – are they valid in law
6. Key UCP 600 principles – documents preparation, examination, rejection and non-documentary conditions
7. Transport documents – control over goods, ante-dating, forged bills of lading, consignee and endorsements

Session 2 – Import and export facilities risk controls

1. Import facilities

- a. Import L/Cs, local L/Cs & back-to-back L/Cs – reimbursement right & control over goods
- b. Import invoice finance & trust receipts – exposure control, title over goods and trade cycle calculation – the latest legal developments on trust receipts, cargo receipts and waybills
- c. Shipping Guarantees - under L/Cs and Collection – same or different level of risk
- d. Fraudulent case studies

2. Export facilities

- a. Export L/C & collection finance – with or without recourse finance & insolvency risk of exporters
- b. Packing loans – security over the export L/C proceeds
- c. Export invoice financing & factoring – security taken by banks and recourse right, if any
- d. Receivables and supply chain finance – a review of different models like pre-shipment finance, receivables finance and post acceptance payable finance (reversed factoring)
- e. Fraudulent case studies and practical advice on notice of assignment and acknowledgement

Session 3 – Bank Guarantees & Standby Letters of Credit (“SBLCs”)

1. Different types of bank guarantees and SBLCs and the inherent risks and mitigating factors of such instruments
2. How to review/revise the wording of a bank guarantee or SBLC, including governing law and jurisdiction
3. Case studies on independent guarantees and financial guarantees including 内保外贷
4. Case studies on advance payment guarantees and guarantee re-issuance (e.g. different governing law and jurisdiction issues)
5. How to mitigate fraudulent drawing risk and under what circumstances may a party apply for a court injunction
6. Introduction to the independent guarantee law promulgated of the PRC

Session 4 – Open account finance & credit insurance

1. Key legal concepts between disclosed factoring and undisclosed factoring, legal assignment and equitable assignment, assignment by way of purchase and security, registration and non-registration, whole turnover and facultative assignment, priority and acknowledgement
2. Product features and practical advice on factoring, invoice discounting and supply chain solutions – is buyer's acknowledgement a must?
3. Is factoring truly without recourse and can be treated as an off-balance sheet item?
4. How can a financier mitigate the risk of forged export invoice discounting
5. Comparison of credit policies commonly available in the market
6. Case studies on identifying fraudulent claims and practical problems encountered by insureds when lodging credit insurance claims

Session 5 – Combating trade-based money laundering/terrorist finance and trade fraud

1. Control over goods shipped to an overseas buyer including the distinction between charter-party bills of lading signed by the charterer and the shipowner
2. How to go after a carrier which has misdelivered the goods without production of the original bills of lading
3. Is ante-dating a bill of lading a trade fraud? Can an issuing bank reject a complying presentation on the ground that the presented bill of lading has been ante-dated?
4. Qingdao scam and various PRC trade fraud case studies which are personally handled by the speaker
5. Under what circumstances would a common law court grant an injunction prohibiting an issuing bank from honouring a complying presentation
6. How to comply with the latest trade-based AML requirements, including:
 - a. Who is your customer?
 - b. Categorising your customers based on their risk profiles
 - c. Setting up related compliance policies and procedures
 - d. Identifying red flags and trade fraud through skilful questioning techniques
 - e. Setting up different levels of exceptions approval

Speaker:

Mr. King-Tak FUNG (*e-mail: kt.fung@shlegal.com*)

- Partner of Stephenson Harwood specializing in Banking and International Trade Law and Practice
- Vice Chairman and Technical Advisor to ICC-HK Trade-based AML Sub-committee
- Co-chair of the ICC Consulting Group on the latest ISBP revision (2013)
- 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 DOCDEX expert
- 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
- Member of the Academy of Experts on Banking and Structured Trade Finance
- 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)

This comprehensive training was designed by Mr Fung who has conducted 36 sessions (3 days per session) in Shanghai, Hong Kong, Singapore, Sydney, Dubai, London, New York, Vancouver, Mexico and Brazil. Over 1,000 senior bankers from 37 countries have attended this program.

In addition, Mr Fung has conducted over 780 legal and banking workshops for over 85 institutions in Asia, Australia, Middle East, Europe, N. and S. Americas. Over 78,000 judges, lawyers, bankers and business executives have attended his highly interactive workshops with excellent feedback.

Logistics:

- Date:** Session 1 – 21 October 2019 (Monday)
Session 2 – 28 October 2019 (Monday)
Session 3 – 4 November 2019 (Monday)
Session 4 – 11 November 2019 (Monday)
Session 5 – 18 November 2019 (Monday)
- Time:** 9:15 am – 1:00 pm (for each session)
- Venue:** Stephenson Harwood, 18/F., United Centre, 95 Queensway, Hong Kong
- Medium:** Cantonese with an English workbook
- Co-organizers:** International Chamber of Commerce - Hong Kong (“**ICC-HK**”), P.E.E.R. Consultancy Ltd. (“**P.E.E.R.**”)
- Cancellation:** 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 the organisers.
- Seat Confirmation:** Only upon receipt of payment on a first come, first served basis.
- Enquiry:** Contact Ms. Edith Lee at [Tel: 2973 0060](tel:29730060) or e-mail to: publn@icchkcbc.org

Registration fees:

- ❖ *Fee includes course attendance, materials, attendance certificate and refreshments.*
- ❖ *You will enjoy early bird discount if you register and pay on or before **4 October 2019**.*
 - ❖ **HK\$ 3,000**/person/session (regular)
 - ❖ **HK\$ 2,500**/person/session (“early-bird” for public)
 - ❖ **HK\$ 2,400**/person/session (“early-bird” for ICC-HK)

- Remarks: a. 10% discount for registrant who joins all 5 sessions.
b. 10% discount for a group of 5 staff or above from the same company joining any session.
c. 15% discount for the company taking up 25 seats or above in any/all 5 sessions.
d. 20% discount for the company taking up 30 seats or above in any/all 5 sessions.

***** (discount applies to all price categories)*****

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

This is a must for every trade finance practitioner. Over 2,000 copies have been sold to bankers, lawyers, universities and business executives around the world. By way of Q & A technique, this book addresses 99 highly controversial trade finance issues and analyzes 55 landmark court cases and unpublished banking cases. This book contains a total of 12 chapters including Trade Finance Risks, PRC L/C Law & Practice, Fraud & Injunctions and Standby L/Cs - UCP 600 and ISP98 Compared.

The majority of these unpublished cases involved KT himself either as a banker or a legal practitioner which cannot be found in any other source or commentary.