

**Law Society CPD 3.5 PDU Points granted for each session**

**CDCS and CSDG 3.5 PDU Points granted for each session**

**For  
Non-trade  
officers**

## **International Trade Finance Series**

### **Key Product Features, Legal Principles, Risk Management & TBAML**

#### **Tailored for**

**Bankers (Compliance, Audit, Risk, Credit Control, Legal, Products, Marketing & Trainees)  
Auditors, Regulators, Lawyers, Shipping/Logistics/Sales/Accounting/Finance Officers**

#### **Tailored for non-trade officers:**

1. Trade finance covers a large number of products, international rules, local laws and regulations. Each product involves different parties, operation procedures, risk control mechanism and compliance requirements. This is the **most comprehensive trade finance training program** in town facilitating the non-trade officers to master all the key issues in one go.
2. This is also an **ideal program for trainees** to cover all the major risk and mitigating factors from **legal, banking and commercial angles** and to substantially enhance their **business development skills**.

#### **Unique features:**

1. This workshop provides a complete review of major products and issues that a **non-trade officer** needs to know about trade finance operations, risk identification, facilities structures, key legal principles and compliance requirements.
2. The workshop will provide a step-by-step analysis through case studies and detailed explanation **facilitating a non-trade officer to perform his/her duties efficiently and effectively** by mastering a complete picture of trade-related transactions including the latest trade-based anti-money laundering ("TBAML") requirements.

#### **Contents highlights:**

##### **Session 1 – Fundamentals of trade finance (3.5 hours)**

##### **Transaction flows, documents involved & key legal principles**

1. L/C and documentary collection – contractual relationships and documents flow between the buyer, seller, issuing bank, advising bank, confirming bank, nominated bank, remitting and collecting bank

2. Who is the bank's customer - different levels of due diligence check on the transaction parties
3. L/C autonomy principle – underlying contract disputes and abusive drawings under L/Cs or bank guarantees
4. Contra proferentem rule – which party bears the risk of unclear and ambiguous contract terms
5. Recourse right – when a bank may exercise its right of recourse against L/C beneficiaries
6. Open, silent and partial L/C confirmation – legality and operation controls
7. Key differences between honouring, negotiation, prepayment, purchase and assignment
8. Transport/title documents – control over goods, ante-dating, forged bills of lading and warehouse finance fraud
9. Fraud and injunctions – how to mitigate trade fraud and injunction risk

### **Session 2 – Import finance risk and compliance controls (3.5 hours)**

1. Import L/Cs, local L/Cs, back-to-back L/Cs and front-to-back L/Cs – reimbursement right, payment/product/documentary/insurance/shipment/insolvency/TBAML risk mitigation and control over goods
2. Pledge and trust receipts – exposure control, title over goods and a HK Court of Final Appeal case on the rights of an assignee under an air waybill
3. Shipping guarantees under L/Cs and collection – same or different level of risk and mitigating factors
4. Own acceptance purchase – an off-balance sheet arrangement for importers
5. Bank guarantees and standby L/Cs – back-to-back reissuance in other countries, governing law/rule and jurisdiction selection and the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters between Hong Kong and Mainland China
6. HKMA circular (March 2014) on Guarantee Management

### **Session 3 – Export finance risk and compliance controls (3.5 hours)**

1. Export L/C & collection finance – with or without recourse, insolvency risk of exporters and TBAML risks like product pricing, dual use goods and vessel vetting
2. Packing loans – security over the export L/C proceeds and registration requirements
3. Export invoice finance and factoring – security taken by banks and right of recourse
4. Supply chain finance – a review of different supply chain finance models like pre-shipment finance, receivables finance, Bank Payment Obligations ("**BPO**") and post-acceptance payable finance
5. Forfaiting
6. 內保外貸
7. 保付加簽
8. Trade cycle calculation and a recap of trade finance facilities structure
9. Risk participation vs assignment
10. HKMA Practice Note (March 2015) on Loans to Corporate Sector

## **Speaker:**

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

In 2011, KT designed a three-day advanced trade sales and risk management training programme for the largest trade bank in the world and conducted 36 sessions of such training in Shanghai, Hong Kong, Singapore, Sydney, Dubai, London, New York, Vancouver, Mexico and Brazil. Over 800 senior bank officers from 56 countries attended this unique training program with very positive response.

With KT's exceptional legal, banking and trade finance background, he has also designed bespoke trade finance training programs for various credit insurance institutions and monetary regulators. He also advises various financial institutions how to set up anti-fraud and anti-money laundering programs including the provision of tailor-made in-house training for staff at different levels. KT has conducted over 650 legal and banking workshops across Asia, Europe, Middle East, N and S Americas. Over 65,000 judges, regulators, lawyers, bankers and business executives have attended his highly interactive and practical workshops with excellent feedback.

## Logistics:

- Date:** Session 1 - **12 May, 2017 (Friday) and/or,**  
Session 2 - **18 May, 2017 (Thursday) and/or,**  
Session 3 - **23 May, 2017 (Tuesday)**
- Time:** 9:15am – 1:00pm (for each session)
- Venue:** Stephenson Harwood, 18/F., United Centre, 95 Queensway, Hong Kong
- Medium:** Cantonese with an English workbook
- Co-organizers:** ICC-Hong Kong (“**ICC-HK**”) and P.E.E.R. Consultancy Ltd.  
 (“**P.E.E.R.**”), Tradelink Electronic Commerce Limited (“**Tradelink**”) and  
The Hong Kong Shippers' Council (“**HKSC**”)
- 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 ICC-HK and P.E.E.R.
- Seat Confirmation:** Only upon receipt of payment on a first come, first served basis.
- Enquiry:** Contact Ms.Kokko KO at Tel: 2973 0060 or e-mail to: [publn@icchkcbc.org](mailto: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 **28 April, 2017.***
  - ❖ **HK\$ 2,800**/person/session (*regular*)
  - ❖ **HK\$ 2,500**/person/session (*“early-bird” for public*)
  - ❖ **HK\$ 2,300**/person/session (*“early-bird” for ICC-HK or Tradelink or HKSC members*)

- Remarks:
- a. 10% discount will be offered to registrant who joins all three sessions.
  - b. 10% discount will be offered to a group of 5 staff or above from the same company joining any of each session.
  - c. 20% discount will be offered to a group of 5 staff or above from the same company joining all three sessions.

**\*\*\* (discount is applied 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.

**REGISTRATION FORM**

**International Trade Finance Series -  
Key Product Features, Legal Principles, Risk Management & TBAML**

<b>Date:</b>	<b>Please ✓ the appropriate box:</b> Session 1 - 12 May, 2017 (Friday) and/or, <input type="checkbox"/> Session 2 - 18 May, 2017 (Thursday) and/or, <input type="checkbox"/> Session 3 - 23 May, 2017 (Tuesday) <input type="checkbox"/>	<b>Please return this form to:</b> <b>Fax: 2869 0360, or e-mail:</b> <b>publn@icchkcbc.org</b> <b>for seats reservation.</b> <b>Enquiry:</b> <b>Ms Kokko Ko at Tel: 2973 0060</b>
<b>Time:</b>	9:15am – 1:00pm (for each session)	
<b>Venue:</b>	Stephenson Harwood, 18/F., United Centre, 95 Queensway, Hong Kong	
<b>Points:</b>	CDCS, CSDG 3.5 PDU points and Law Society 3.5 CPD points granted	

Company: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_

As a matter of our practice, we intend to use your personal data provided by you and set out in this form for direct marketing of the services of International Chamber of Commerce - Hong Kong and P.E.E.R. Consultancy Ltd. and The Hong Kong Shippers' Council and Tradelink Electronic Commerce Ltd. in relation to banking and financial services, arbitration, e-commerce, trade and investment, environment, competition, intellectual property and protection of the business interests of Hong Kong. However, we cannot so use your personal data without your consent.

Pursuant to Personal Data (Privacy) Ordinance, you have the right to ascertain whether we hold any of your personal data, access to such personal data and request us to correct such personal data.

Please sign in below signature box to confirm your consent to such use.

- Registration Fee:**
- *Fee includes course attendance, materials, attendance certificate and refreshments.*
  - *You will enjoy early bird discount if register and pay on or before **28 April, 2017.***

- |   |  |
|---|--|
| <input type="checkbox"/> <b>Individual Participant</b>                        | <input type="checkbox"/> <b>Group in a company:</b> _____ (number of participants) |
| ➤ HK\$2,800/person/session (regular fee)                                      | ➤ 10% discount for group of 5 staff or above joining any of each session           |
| ➤ HK\$2,500/person/session (early bird for public)                            | ➤ 20% discount for group of 5 staff or above joining all three sessions            |
| ➤ HK\$2,300/person/session (early bird for ICC-HK, HKSC and Tradelink member) |  |
| ➤ 10% discount for individual who joins three sessions                        |  |

\*\*\* (discount is applied to all price categories) \*\*\*

	Participant's information	Participant's information	Participant's information
<b>Name</b>			
<b>Position</b>			
<b>Department</b>			
<b>Tel No.</b>			
<b>E-mail</b>			
<b>Signature</b>			

*(E-mail address must be filled in. For extra participants over 3, please use a new registration form)*

**Book order:** 1000C (\$900) X \_\_\_\_\_ copies (optional)

**Total Payment:** Member of:  ICC-HK  HKSC  Tradelink  Non-member HK\$ \_\_\_\_\_

**Payment Method:**

**By cheque, please mark payable to:**  
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**Account No: 500-423736-001**  
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