P.E.E.R. Consultancy Ltd.

Practical, Educational, Entertaining & Rewarding

3.5 CDCS, CSDG PDU points for each MIT module granted
and HK Law Society CPD points being applied for MIT modules only

Zoom workshop - New program

1. Mastering International Trade ("MIT") – 6 modules

2. CDCS Examination Revision Workshop ("CDCS") – 4 modules

Tailor-made for

MIT - Financiers (Risk, Operations, Credit Administration, RMs, Products, Legal & Compliance), **Importers and Exporters** (Shipping, Logistics, Sales, Accounting & Finance Officers), **Insurers, Regulators** and **Lawyers**

CDCS - Certified Documentary Credit Specialists Examination attendees and **any trade practitioners** who would like to have an in-depth knowledge about trade finance operations

Key objectives:

MIT

1. To master up-to-date value-added trade solutions from legal, risk, compliance and business development perspectives so that bank officers can ask the right questions and mitigate risks

2. To equip the bank officers with various real cases, stories and practical advice so that they may impress their clients and distinguish themselves from their competitors

3. 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

CDCS

1. To prepare the attendees for the CDCS examination by way of concept clarifications, case studies and Q&A

2. To ensure that each participant will have a comprehensive understanding of international trade law and practice as well as trade operations **even if they do not take the CDCS examination**

Major topics (by way of case studies and Q&A):

MIT Workshop (you may select any module you like)

1. Module 1: Bank Guarantees & Standby Letters of Credit ("**SBLCs**")

   a. Different types of bank guarantees and SBLCs and the inherent risks and mitigating factors of such instruments
   b. How to review/revise the wording of a bank guarantee or SBLC, including governing law and jurisdiction
   c. Case studies on independent guarantees and advance payment guarantees including 内保外贷
   d. Case studies on advance payment guarantees and guarantee re-issuance through another bank
   e. How to mitigate fraudulent drawing risk and under what circumstances may a party apply for a court injunction to stop an abusive drawing
   f. Comparison between UCP 600, ISP98 and URDG 745

2. Module 2: Open account finance & credit insurance

   a. 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
   b. Product features and practical advice on factoring, invoice discounting and supply chain solutions – is buyer's acknowledgement a must?
   c. Would registration of the Receivable Purchase Agreement mitigate the undisclosed factoring risk?
   d. Is factoring truly without recourse and can be treated as an off-balance sheet item?
   e. How can a financier mitigate the risk of forged export invoice discounting
   f. Case studies on identifying fraudulent claims and practical problems encountered by insureds when lodging insurance claims

3. Module 3: Key trade finance legal principles

   a. Six methods of payment – analysis on LC transaction flow and parties involved
   b. Incoterms 2020 – practical advice on risk transfer, costs allocation, credit insurance coverage and control over goods when a buyer defaults
   c. L/C autonomy principle – how to prevent fraudulent or abusive drawings under L/Cs or bank guarantees
   d. Contra proferentem rule – how to mitigate the risk of unclear and ambiguous contract terms
   e. Recourse right – when may a bank exercise its right of recourse against L/C beneficiaries

4. Module 4: Key LC concepts

    a. How to identify pitfalls hidden in an LC – the presenter will go through major terms and conditions from a beneficiary's perspective to mitigate risks

    b. Key ramifications between an LC available by payment, deferred payment, acceptance and negotiation, usage of a draft, expiry place

    c. Acceptance – is a party deemed to have accepted an amendment if it has not raised objection

    d. Silent and partial L/C confirmation – are they valid in law?

    e. Key UCP 600 principles – documents preparation, examination, rejection and non-documentary conditions

    f. Transport documents – control over goods, ante-dating, forged bills of lading, consignee and endorsements

5. Module 5: Import and export facilities risk control

    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

    c. Shipping Guarantees - under L/Cs and Collection – same or different level of risk

    d. Fraudulent case studies

    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

    e. Fraudulent case studies

6. Module 6: Combating trade-based money laundering and trade fraud

    a. Control over goods shipped to an overseas buyer including the distinction between charter-party bills of lading signed by the charterer and the shipowner

    b. How to go after a carrier which has misdelivered the goods without production of the original bills of lading

    c. 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?

    d. Qingdao scam and various PRC trade fraud case studies which are personally handled by the speaker

e. Under what circumstances would a common law court grant an injunction prohibiting an issuing bank from honouring a complying presentation

f. How to comply with the latest trade-based AML requirements, including:
- Who is your customer?
- Categorising your customers based on their risk profiles
- Setting up related compliance policies and procedures
- Identifying red flags and trade fraud through skilful questioning techniques

CDCS Workshop – covers all the CDCS syllabus except topics 1 & 2
(CDCS candidates are recommended to take all four modules)

Module 1
- Roles and responsibilities – defined terms & conditions
- Methods of payment & DC
- Sale Contract & Incoterms
- Pre-issuance considerations & requirements
- Issuing a DC
- Amendments from issuing bank perspective

Module 2
- Advising a DC
- Confirming a DC
- Advising amendments to a beneficiary
- Managing the transport document handling from creation through to delivery of the goods
- Examining documents
- Examining transport documents

Module 3
- Examining insurance, financial, commercial & official documents
- The role of a nominated bank
- Honour or negotiation
- Refusing documents
- Transferable DC, back-to-back DC and assignment of proceeds
- Selected features and conditions of DC

Module 4
- Standby LCs
- Bank-to-bank reimbursements and reimbursement from multilateral development finance institutions
- e-UCP
- Dispute resolution
- Combating money laundering and terrorist financing

Speakers:

Mr. King-Tak FUNG *(e-mail: fungkingtak@gmail.com)*
- Member of the ICC Consulting Group on the drafting of UCP 600
- Co-chair of the ICC Consulting Group on the last ISBP revision (ICC Publication No. 745)
- Member of the Drafting Group on the revision of the ICC Documentary Instruments Dispute Resolution Expertise ("**DOCDEX**") Rules and a panel DOCDEX expert
- Former Partner of Stephenson Harwood specializing in Banking and International Trade Law and Practice
- Arbitrator and expert witness on credit insurance disputes
- Former Vice Chairman and Technical Advisor to ICC-HK Trade-based AML Sub-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 and Taiwan Arbitration Centre
- 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)

Mr Fung has conducted over 900 legal and banking workshops in Asia, Australia, Middle East, Europe, North and South America. Over 100,000 judges, lawyers, bankers and business executives have attended his highly interactive workshops with excellent feedback.

Mr. Chester Chin Kiu FUNG *(e-mail: chesterfung@pacificchambers.com)*

- Barrister-at-law at Pacific Chambers
- His major practice areas include international trade finance, banking, commercial contracts, commercial dispute resolution, insurance and employment etc.
- Chester is invited to provide legal update on the legal cases under the MIT modules

Logistics:

Schedule:
(You may take any module you like)

MIT Workshop	Date	Time
3.5 CDCS, CSDG PDUs for each MIT module granted		
Module 1	22 Mar, 2023 (Wed)	9:15 am to 1:00pm
Module 2	29 Mar, 2023 (Wed)	9:15 am to 1:00pm
Module 3	19 Apr, 2023 (Wed)	9:15 am to 1:00pm
Module 4	26 Apr, 2023 (Wed)	9:15 am to 1:00pm
Module 5	10 May, 2023 (Wed)	9:15 am to 1:00pm
Module 6	17 May, 2023 (Wed)	9:15 am to 1:00pm

CDCS Workshop	Date	Time
(CDCS candidates are recommended to take all modules)		
Module 1	20 May, 2023 (Sat)	9:00am to 1:00pm
Module 2	3 June, 2023 (Sat)	9:00am to 1:00pm
Module 3	10 June, 2023 (Sat)	9:00am to 1:00pm
Module 4	17 June, 2023 (Sat)	9:00am to 1:00pm

Time:	3.75 hours for each MIT module and 4 hours for CDCS inclusive of a 15-minute break
Medium:	Cantonese
Co-Organisers:	ICC-Hong Kong (ICC-HK), P.E.E.R. Consultancy Ltd.("P.E.E.R.")
Zoom meeting:	You may attend the module through computer, iPad or mobile phone, easy and simple. (Suggest to use computer for better connection **and switch on the camera as there will be break out discussion sessions**)
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, P.E.E.R.
Seat Confirmation:	Seat confirmation is based <u>on receipt of payment on a first come, first served basis</u>
Enquiry:	Contact Ms. Ling Cheng/Connie Kwok at <u>Tel: 2543 2668</u> or e-mail to: <u>publn@icchkcbc.org</u>.

Registration fees:

❖ ***You will enjoy early bird discount if you register and pay on or before <u>10 March, 2023 for MIT workshop and 21 April for CDCS workshop respectively.</u> Registration Deadline is <u>one week before the date of module of the workshop</u>.*** Successful registrants will receive a link and password confirming their attendance by email.

❖ ***Registration fee per module:***

- ◇ **HK$ 2,500**/person   *(regular)*
- ◇ **HK$ 2,000**/person   *("early-bird" for public)*
- ◇ **HK$ 1,900**/person   *("early-bird" for ICC-HK members, OR, PEER online registration*)*
- ◇ **HK$ 1,800/**person   *("early-bird" for company registration with 3 persons +)*
- ◇ **HK$ 1,700/**person   *("early-bird" for company registration with 3 persons + for ICC-HK members OR, PEER online registration*)*

* CDCS candidates are recommended to take all four CDCS workshops.
* <u>15% discount</u> will be offered to those <u>MIT workshop</u> students who take all 6 modules.

Reference Book:

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

(printed copy)

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 analyzes 55 landmark court cases and unpublished banking cases.   This book contains a total of 12 chapters including 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.