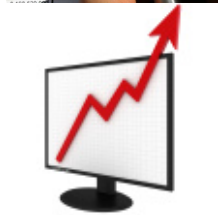
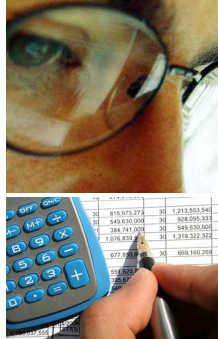




BANK GUARANTEES

HIGHLIGHTS

- ◆ Introduction.
- ◆ Development of Guarantees.
- ◆ Legal Analysis and Terminology
- ◆ How to reduce Credit Risk.
- ◆ International Bank Guarantees.
- ◆ Types of Guarantees Regulatory and Legal Risks
- ◆ Perceived Problem Areas
- ◆ Comprehensive Exercises
- ◆ Q & A and Feedback.



KEY CONTENTS

1. Introduction

1.1 The role of Guarantees in the International Trade

- The nature of risk in international trade
- Payment and Performance Obligations

1.2 The role of guarantees in risk allocation

2. Development of Guarantees

2.1 Financial Documents

- Guarantees proper
- Contracts of surety
- Indemnities
- Corporate guarantees and letters of comfort

3. Legal Analysis and Terminology

- Primary and Secondary Obligations
- Formal requirements
- Consideration
- Co-extensive of obligations
- Bonds - Definition and Origin
- Key distinction between bank guarantees and Sureties
- Bank Guarantee – definition
- Demand based Guarantees
- Range of Demand Based Guarantees
- Autonomy and Conditionality

3.1 Case Study

4. International Bank Guarantees – Risk Analysis

- Guarantees and the allocation of risks
- Obvious and hidden risks in demand guarantees
- “Unfair calling”
- “Extend or Pay” demands
- What should a banker look for when issuing the guarantee
- Default and Demand based Guarantees

4.1 Case Study

BANK GUARANTEES

KEY CONTENTS continued

5. Types of Guarantees

- Bid/ Tender Bonds
- Advance Payment/Retention Money Guarantees
- Performance Bonds
- Labour Guarantee
- Maintenance Guarantee
- Standby Letters of Credit (SBLC) - Origin, nature and use of SBLC
- Comparison of SBLC and non-SBLC

5.1 Comparison of SBLC and Demand Guarantees

6. Perceived Problem Areas

- Un-enforceable Expiry Date
- Application of foreign laws
- Applicable Law– Primary Sources and Subsidiary Sources
- Statutory regulations– UAE, Kuwait, Iraq, Bahrain
- Specific country positions– Egypt, Oman, Syria, Lebanon, Algeria, Saudi Arabia, India

7. Comprehensive Exercise

8. Q & A and Feedback

WHO SHOULD ATTEND

All involved in commercial dealings.

- ◆ Importers or Exporters
- ◆ Finance Staff
- ◆ Logistics Staff
- ◆ Administration staff who draft commercial documents

WHAT YOU WILL OBTAIN

- ◆ Update on the latest in Banking Regulations and legal opinions
- ◆ Real life examples and interesting case studies
- ◆ A chance to discuss and clarify your doubts, questions, trade issues etc.
- ◆ Complete study material
- ◆ Quality refreshments and lunch
- ◆ Certificate of attendance
- ◆ Networking opportunity with banking and trade professionals

FACILITATOR

Zahoor N Dattu M. Com CDCS

An experienced banker with three decades of expertise in trade finance