

CDCS, CSDG, CSCF & CTFC 3.5 PDU Points granted

**Zoom workshop
- New program**

Landmark Trade Fraud & Dispute Cases

A comprehensive analysis of the landmark and up-to-date trade fraud and dispute cases with practical preventive measures

Tailor-made for

Financiers (Risk, Operations, Credit Administration, RMs, Products, Legal & Compliance)

Importers and Exporters (Shipping, Logistics, Sales, Accounting & Finance Officers)

Credit Insurers, Regulators and Lawyers

Key objectives:

1. To understand how fraudsters successfully deceived the financiers for billions of dollars so that you may further enhance your credit and fraud risk control mechanisms
2. To highlight why and how the trading parties, including financing banks, end up fighting in courts for years
3. To distill the relevant tricks and provide practical solutions in mitigating trade fraud and dispute risks in each of the real cases to be discussed in the workshop

Content highlights:

1. Standby LCs and Bank Guarantees
 - Legal relationship between a sale contract and an independent payment undertaking – LC autonomy principle, fraud exception and injunction
 - Back-to-back SBLC – pitfalls in adopting different governing law and jurisdiction in the master and re-issued SBLC
 - Advance payment guarantee – how can you mitigate the beneficiary's abusive drawings
 - 內保外貸 – unique wording of the supporting SBLC or guarantee and successful negotiation with Chinese regulators
 - SBLC drawing – a real case that the beneficiary successfully claimed a SBLC though the presented documents bore a discrepancy while the applicant had gone bust
2. Warehouse Finance
 - Classic warehouse finance fraud by issuing multiple warehouse warrants and use the international collateral managers to deceive international banks

- The latest legal principles on repo when it turns out that the warehouse warrants have become defective
 - Magic use and manipulation of usance LCs to multiply the transaction volume by 14 times
 - Use reputable companies as LC beneficiaries to disguise the underlying fraudulent transactions
3. Commercial LCs
- Use genuine shipping information to produce forged bills of lading to circumvent banks' trade-based AML checking
 - Set up a non-vessel owned common carrier to issue forged or fraudulent bills of lading
 - Create circular trade and obtain multiple financing in respect of the same lot of goods – is circular trade *per se* illegal?
 - How can you prove that the presenting bank has ante-dated the receipt of documents and discharge a fraudulent claim of US\$20 million?
4. Open Account
- How do fraudsters collaborate with buyers and manipulate the sales contracts and export invoices to deceive the financing banks?
 - How can financiers mitigate the fraud risk under export invoice finance?
 - How can you strike a balance between business development and trade-based AML mechanism?
5. Scam structure analysis
- How did fraudsters set up perfect scams and attract genuine, honest trading companies and financiers to participate in such fraudulent transactions?
 - All you need to know about the new preventive measures to prevent trade fraud and resolve trade disputes speedily and amicably.

Speaker:

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

- Partner of Stephenson Harwood specializing in Banking and International Trade Law and Practice
- Arbitrator and expert witness on credit insurance disputes
- Vice Chairman and Technical Advisor to ICC-HK Trade-based AML Sub-committee
- Co-chair of the ICC Consulting Group on the last 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)

Mr Fung has conducted over 900 legal and banking workshops in Asia, Australia, Middle East, Europe, North and South America. Over 90,000 judges, lawyers, bankers and business executives have attended his highly interactive workshops with excellent feedback.

Logistics:

- Date:** 24 March, 2021 (**Wednesday**)
Time: 9:15 am – 1:00 pm
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 session through computer, iPad or mobile phone, easy and simple. (**Suggest to use computer for better connection**)
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 or P.E.E.R.
Seat Confirmation: Seat confirmation is based on 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:

- ❖ *You will enjoy early bird discount if you register and pay on or before **12 March 2021.** Registration Deadline for Workshop is **19 March 2021.** Successful registrants will receive a **link and password** confirming their attendance by email, WhatsApp or WeChat.*
- ❖ *Registration fee for each workshop:*
 - ❖ **HK\$ 1,300/person** (regular)
 - ❖ **HK\$ 1,200/person** ("early-bird" for public)
 - ❖ **HK\$ 1,100/person** ("early-bird" for ICC-HK members)
 - ❖ **HK\$ 1,000/person** ("early-bird" for company registration with 5 persons +)
 - ❖ **HK\$ 900/person** ("early-bird" for company registration with 5 persons + for ICC-HK)

Reference Book: (optional)

"UCP 600 - Legal Analysis and Case Studies" by King Tak FUNG

Unit price at HK\$1000/copy, special discount for workshop participants at HK\$800/copy

Online Purchase through www.peer.com.hk, Discount /Coupon Code: **M17M24E (for workshop participants only)*

By way of Q&A techniques, this book addresses 99 highly controversial trade finance issues and analyses 55 landmark court cases and unpublished banking cases. This book contains a total of 12 chapters including Fraud & Injunctions as well as Trade Finance Risks. The majority of these unpublished cases involved Mr Fung himself either as a banker or a legal practitioner which cannot be found in any other source or commentary.