





URDG758 COMPARED WITH ISP & UCP RULES FOR GUARANTEES & STANDBYS

The only informed comparison of the three sets of rules by the world's leading experts.

<p>What should the issuer do?</p>  <p>5/5</p> <p>To Guarantor: Extend or pay us 1 million. Benney Fishiary</p> <p>Does <u>URDG Art. 23</u> apply?</p> <ul style="list-style-type: none"> • <u>UCP600</u>: No rule. • <u>URDG Art. 23</u> copies • <u>ISP98 Rule 3.09</u> 	<p>Does "Counter Guarantee" Cover Accessory Local Undertaking?</p> <ul style="list-style-type: none"> • <u>URDG Art. 2 ¶ 10</u>: to procure issuance of guarantee or counter guarantee 	<p>Currency <u>URDG Art. 21</u> </p> <ul style="list-style-type: none"> • (a): Pay in currency specified in Guarantee • (b): Unless <ul style="list-style-type: none"> – Unable due to impediment beyond control or – Illegal at place for payment • Then payment in currency of place of payment • (c): Applicable exchange rate <p><u>UCP600 & ISP</u>: No rule.</p> <ul style="list-style-type: none"> • Why? • Apply to currency of place of payment where payments suspended? • It would foreclose action by Beneficiary elsewhere
<p>When Can Beneficiary Draw?</p> <ul style="list-style-type: none"> • <u>URDG Art. 4(c)</u>: "effectiveness"; issuance or as provided • <u>ISP Rule: 2.03</u>: issuance • <u>UCP600 Art. 7(b)</u> indirectly 	<p><u>URDG Effect?</u></p> <p><u>URDG Art. 26(b)</u></p> <ul style="list-style-type: none"> • (i) Extend expiry date 30 calendar days • (ii) Examination of Presented Documents suspended until resumption of business • (iii) If presented before, Counter Guarantee obligation extended 30 days after cessation of Force Majeure <p>What if no resumption of business in 30 days?</p>	

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