

Documentary Credit

WORLD

In This Issue...

■ **3 UPDATES:** EPA Proposed Rule Comment Period Nears End; ICC Banking Commission Aims to Accelerate Digitalisation; China Amps Up Fight against Suspicious Transactions with New Measures; Iran Finds China's Certificate of Origin Policy Problematic; Maersk Enters the Trade Finance Arena; The Maersk Way; Sberbank, Steel Company Complete Blockchain LC Transaction; Domestic Correspondent Report: Bangladesh; Iran Gas Refinery Project Backed by LC; Parties Agree to Fourth Amendment of LC Reimbursement Deal; Nigeria's Central Bank Caps LCs at USD 158,000; Alpha Natural Resources Secures New LC Facility; International Updates



■ **12 THE READERS SPEAK:**
 ■ Section 232 Investigation Referenced in LC
 ■ Responses to the ICC Decision on UCP



■ **15 LITIGATION DIGEST:**
 ■ *Kolmar Group AG v. Jiangsu Textiles Industry (Group) Import & Export Ltd.*
 ■ *Union of India v. M/S Indusind Bank*
 ■ *Societe Anonyme Marocain De L'Industrie Du Raffinage v. Bank of America*

■ **30 ARTICLES:**
 ■ "Documentary Credits and the Complexities of Compliance" by Xavier FORNT
 ■ "Alexa, How do I Cancel This Auto-Extension LC?" by Arshad H. SIDDIQUI

■ **34 TEXT:**
 ■ IIBLP Comment on EPA Proposed Regulation under CERCLA Section 108(b)

■ **41 LC STATISTICS:**
 ■ US Branches of Non-Banks (1Q17)

■ **45 SCAM SURVEY**

24 FEATURE



■ REIMBURSING A CONFIRMING BANK

An English court recently took up the interpretation of UCP600 Article 7(c) and whether adding two additional words would clarify its meaning at the very time a UCP revision was set aside for the foreseeable future. In his analysis of *Deutsche Bank AG v. CIMB Bank Berhad*, Roger Fayers examines the arguments of the parties. The arguments included those from the confirming bank that contended that reading into Art. 7(c) added words reflects "the inexorable logic of the letter of credit machinery". The issuing bank countered that if the UCP600 drafters "wished to achieve this effect" then the words would have been written into Art. 7(c). The two words are: "states it". In arriving at its decision, the Court observed that "UCP is revised periodically, and that is the occasion for introducing changes if thought desirable."