

# Documentary Credit

# WORLD

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### ■ 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."