

Documentary Credit

WORLD

In This Issue...

■ **3 UPDATES:** Verdict in Structured LC Case; New PRC Independent Guarantee Rules; O'Brien Comments on ICC Global Survey Results; The Post-Qingdao Era; Microsoft, BAML Team up to Blockchain Standby LC Process; CBA, Wells Fargo Use Blockchain; KBC Recognized for Blockchain Solution; Reliance on eLC a First for HSBC India; Non-Traditional Tenants "Nearly Always" Use LCs; Standby Linked to South Korea Political Scandal; Trinidad Government Standby LC Case; Illinois Eyes Alternative Debt Plan; DeVry Settles with US Education Dept; Iranian Petro Companies Still Hampered; Ghanaian Pre-Election Use of USD 300m LC; "Parallel" Central Bank Attempts to Function; International Updates; Islamic Financing and Usance Inward Bills Collection



■ **14 INTERVIEW:** Stefan Tryggvason

■ **17 LITIGATION DIGEST:**

- *Int'l Cards Co. v. Mastercard Int'l Inc.*
- *CEP Ltd v Solar Energy Technology Co.*
- Newly Decided Cases

■ **30 ARTICLES:**



- "Unconscionability Claims Excluded in Performance Bonds" by Alan DAVIDSON
- "What Is the Relationship between a Nominated Bank and Issuing Bank under UCP600?" by SOH Chin Aik
- "LCs: Art or Science?" by Ed JONGENELEN

■ **40 REPORT:** Summary of the November 2016 ICC Banking Commission Meeting

■ **49 TEXT:** IIBLP Proposed EPA Standby LC

■ **57 SCAM SURVEY**

■ **62 LC TRADE NEWS**

20 FEATURE



■ STRICT COMPLIANCE

Strict compliance has been a perennial concern for document checkers, LC managers, beneficiaries, and other stakeholders in the LC process for some time as well as lawyers and courts. Uncertainty regarding the interpretation and application of this doctrine, coupled with a spate of various scenarios put forth in queries seeking ICC Opinions, has prompted the Executive Committee of the ICC Banking Commission to release a paper in 2016 on the Principle of Strict Compliance. Determining or defining precisely how strict the measure of compliance must be is not easy. In an effort to gain industry insights on the subject, IIBLP polled LC specialists around the world on a series of 16 questions. The overall results, equally enlightening and bewildering, suggest that reaching a definitive understanding of strict compliance may be as elusive a goal as ever.