

LETTERS OF CREDIT

in International Trade

8:30 a.m. to 4 p.m. (1-hour lunch and two 15-min breaks)

Reference book Letters of Credit in International Trade: A User's Guide



I. RISKS TO INTERNATIONAL TRADE PAYMENTS

- Risk mitigation

II. METHODS OF PAYMENT

- Cash in Advance, Collection Basis, and Open Account
- Consignment, Credit Card
- Countertrade and Barter

III. DEFINITIONS OF LETTERS OF CREDIT

- Commercial Contract vs. Letter of Credit
- Types of Letters of Credit
- Documentation
- Fees Associated with a Letter of Credit
- Standardization of Letter of Credit

IV. IMPORT LETTERS OF CREDIT

- Application and Agreement
- How to Fill Out the Application
- Conditions of the Credit
- Negotiation for Payment
- Case Study

V. EXPORT LETTERS OF CREDIT

- Opening and Advising an Export Letter of Credit
- Unconfirmed Letter of Credit: Bank Specified
- Steps in Reviewing and Export Letter of Credit
- Obtaining Payment
- Assignment of Proceeds
- Case Study

VI. SPECIAL TYPES OF LETTERS OF CREDIT AND TRADE FINANCE

- Standby Letters of Credit
- Evergreen Clause
- Revolving, Back-To-Back, Transferable, and Red Clause Letters of Credit
- Using Banker's Acceptances
- Export Working Capital Financing
- Working Capital Loan Programs
- Factoring
- Forfaiting
- Foreign Exchange Risk Management
- Purchase Order Financing

VII. UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS

- UCP 600
- eUCP Version 2.0
- International Standby Practices ISP98