

Corporate Banking Training Directory

A complete range of corporate banking
programmes specifically designed for
practitioners by practitioners

www.JH-CI.com



Corporate Banking Training Directory - Contents

- Introduction to Corporate Banking Page 4
- Introduction to Foreign Exchange Page 7
- Primary Loan & Bond Markets Page 8
- Introduction to Swaps Products Page 11
- Introduction to Debt Markets Page 12
- International Cash Management Page 14
- Introduction to Trade Finance Page 17

Why learning with JHCI makes a difference!

JH Consulting International is a multi-faceted training consultancy founded by two of the financial training industry's most experienced operators. With over five decades of experience working with stakeholders at all levels at some of the world's leading financial and corporate institutions from every continent, the firm creates significant value by creating customised training solutions unique to the needs of each client.

We operate across the spectrum of banking, finance and energy sectors including, Capital Markets, Risk Management, Corporate Finance, Project Finance, Trade Finance, Credit, Private Equity, Financial Crime, Operations, Fintech, Energy, Regulation and Compliance.

We deliver training in the major financial markets around the world with operations in London, Milan and North America.



Outstanding Faculty of Experts

Our faculty is comprised of some of the leading subject matter experts in their field. You'll benefit from learning content 100% applicable to your needs.

Engaging Learning Experience

We create learning experiences that are engaging, focused and state of the art. We embrace and utilize a range of platforms and tools to make sure you have an outstanding experience.

Content Customised to Your Needs

A one-size fits all approach to learning and training is a thing of the past. Our courses are all customized to the specific needs of each client, guaranteeing the results you need.

We Know What Works

With over five decades of experience in corporate learning and training, we have a depth of experience that other companies could only wish for. Our clients trust us to deliver.

INTRODUCTION TO CORPORATE BANKING

DEFINING A CORPORATE

- Sole traders, partnerships, and limited liability companies
- What is equity, types of shares and shareholders rights
- Objectives of a company and business model
- How a company is structured and the roles within a company
- Understanding the different types of corporate customers and market segmentation
- The life cycle of a corporate – start-up, growth, maturity, and decline

STRATEGIC AND REPUTATIONAL RISK

- What is strategy, defining strategy and strategic thinking
- Strategic models
- Defining corporate ESG considerations
- What is reputational risk, and corporate governance
- Risk management decisions

CORPORATE BANKING OVERVIEW

- Why does a corporate customer come to a bank?
- Understanding the different types of corporate customers and market segmentation
- Defining the customer relationship – transactional, cross selling, advisory or first call
- The concepts of fairness and transparency in banking transactions
- The life cycle of a corporate – start-up, growth, maturity, and decline
- What is the role of a corporate treasurer?
- How can a bank and the relationship manager add value to the corporate treasurer?
- What needs financing and how can the bank help?

INTRODUCTION TO ACCOUNTING AND ACCOUNTING CONCEPTS

- What is accounting?
- Key accounting concepts; prudence, going concern, matching, materiality, and consistency
- Who are IFRS and what are IFRS standards?
- What are corporate assets, liabilities, and equity and how do these definitions differ from those used in a bank
- Accounting terms - Cash vs. accruals, accruals, and prepayments, accrued income and deferred income, depreciation and amortisation, goodwill, impairments

INTRODUCTION TO FINANCIAL STATEMENTS

- Users of the financial statements
- The Income Statement
 - Revenue, cost of goods sold, gross profit, operating profit, net profit, and margin
 - Profitability – gross, operating, and net margins
 - EBIT, EBITDA, and analysis of each
 - Understanding depreciation and inventory valuation

MORE ON FINANCIAL STATEMENTS

- The Balance Sheet
 - Understanding capital employed, capital – sources and uses, balance sheet structure for different types of companies, the relationship between the balance sheet and the income statement
 - Goodwill, intangibles, provisions, and treasury stock
- The Cash Flow Statement

INTRODUCTION TO CORPORATE BANKING continued

- Profit vs. cash
- The relationship between the balance sheet, income statement and cash flow statement, operating cash flow, investment cash flow and financing cash flow
- The Statement of Change in Equity
 - Review of a corporate statement
- Building a set of simple financial statements

FINANCING THE BALANCE SHEET

- Funding current and non-current assets
- Cost of debt and the cost of equity
- Dividend capitalisation model, CAPM and WACC
- Working Capital and Working Capital Funding Solutions
- Working capital and why it matters – working capital ratios, receivable days, payable days and inventory days, DSO, DIO, and DPO
- Working capital products – RCF's, invoice discounting/ factoring, and supply chain finance

LONG-TERM FINANCING

- Secured, unsecured term lending, club, and syndicated loans
- Repayment and collateral protection
- What are covenants, why use them
 - Good design -Conventional and financial
 - Setting covenants - seasonality, information, and general
- Actions upon breach
- Debt and equity capital markets
- Expected loss and the mechanics of credit ratings
- Ratio analysis, credit ratios

PROJECT FINANCE AND OTHER FORMS OF FINANCE

- The nature of project finance
- Understanding the key players in a project finance transaction
- The mechanics of hire purchase and leasing

CORPORATE CREDIT RISK

- Country risk – PESTEL analysis, lessons from history, industries at greater exposure to sovereign credit risk
- Industry risk analysis – maturity cycle, cyclicalities, profitability, dependence, regulatory environment, and Porters 5 forces
- Corporate credit risk – using internal and external credit ratings
- Measuring cash flow
- Debt a firm can sustain while maintaining acceptable credit standards

CORRESPONDENT BANKING SERVICES

- Outline the need for correspondent banking and the role of correspondent banks
- Identify the benefits to a bank of offering clearing services
- Cash management services
- Why cash management services are attractive to Riyad Bank
- Risks to Riyad Bank, KYC - anti-money laundering
- Clearing services
- Correspondent banking – cross-selling opportunities
- Examining what cash management means to a corporate treasury team

INTRODUCTION TO CORPORATE BANKING continued

PAYMENT AND COLLECTION SERVICES

- Examine the nature of payment operations
- Outline multiple collection types, multi delivery channels, and geographical challenges
- Examine the nature of collection operations
- Identify the issues with domestic vs. cross-border collections
- Define the use of virtual accounts and lock-box services
- Listing potential clients for payment and collection services

TRADE FINANCE SERVICES

- Risk issues for a corporate conducting a trade finance transaction
 - Country risk, currency risk, commercial risk, and bank risk
- International trade documentation (commercial, official, shipping, insurance)
- Delivery terms, the use and impact of Incoterms 2020
- How a bank provides trade finance solutions to corporate customers through documentary collections (DP and DA), and letter of credit
- Letters of credit – issuing, confirming, and discounting

TREASURY AND RISK MANAGEMENT SOLUTIONS

- Defining market risk and how a corporate customer is exposed
- Outlining the corporate solutions offered by a bank to mitigate these market risks
- Forward rates and how they provide certainty of a rate or price
- Interest rate swaps (IRS) – mechanics and cash flow, features and uses in funding
- Use of options and how they can be used to create certainty
- Documentation ISDA master agreement and the CSA

CORPORATE VALUATION APPROACHES

- Fundamentals of corporate valuation - intrinsic vs market value
- Relative vs. absolute value analysis
- Examine return on capital employed (RoCE), return on invested capital (RoIC) return on assets (RoA) and return on equity (RoE)
- Relative value and the use of ratios, including earnings per share (EPS), price/earnings ratio (PE ratio), and price/earnings to growth (PEG ratio)
- Discounted cash flow analysis
- Mechanics of discounting – PV of both free cash flow and terminal value

REAL ESTATE VALUATION TECHNIQUES

- What is real estate?
- Examining a real estate project feasibility study
- Real estate appraisal techniques
- Cost approach
- Market approach - physical comparison and gross income multiplier (GIM)
- Income approach – net operating income and capitalisation rate

INTRODUCTION TO FOREIGN EXCHANGE

INTRODUCTION TO FOREIGN EXCHANGE MARKETS

- Understanding foreign exchange (FX) markets - primary and secondary currencies and quoting conventions
- What moves spot FX rates
- Refresher on money market maths – day count convention and simple interest calculations
- Who uses the currency markets and why?

WHO NEEDS TO HEDGE FX RISK AND WHY?

- Who wants to hedge FX risk?
- Why hedge - certainty, cash flow management, hedging balance items and foreign investment
- Corporate risk management policy and looking for evidence of a need to hedge
- Factors to consider when hedging – credit risk, lack of flexibility and opportunity cost
- Transaction risk, translation risk and long term risk

Case study: Hedging corporate risk

FORWARD CURRENCY RATES

- Understanding the replication approach
- Effects of interest rate differentials on forward rates
- Intuitive pricing and “fail safe” checks
- Condensing replication to a simple formula
- Primary vs. secondary currency and day count conventions
- Reading forward screens
- Calculating, scaling and using forward points
- Gauging the effects of changes in interest rates on forward rates

Case study: Calculating a currency forward rate using the formula

Case study: Calculating currency forward rates from forward points

Case study: Currency risk hedging for a corporate

NON – DELIVERABLE FORWARDS (NDF’S)

- What are NDF’s and why must they be used?
- Which markets offer NDF contracts
- Hedging considerations using NDF’s
- NDF quoting convention
- Settlement mechanics for NDF contracts
- Credit ratings vs. credit spreads

FX SWAPS

- Structure, mechanics and cash flows for FX swaps
- Pricing FX swaps and calculating swap points
- Hedging issues with FX swaps
- FX swaps in funding use of interest rate differentials to lower funding cost or to create synthetic investments
- Comparing FX swaps to other products

Case study: FX swaps in funding and investment

CURRENCY options

- Review the basics of options and option pricing
- Differentiating between currency forwards and currency options
- Quoting currency options dealing with the notional
- Currency option payoffs

PRIMARY LOAN & BOND MARKETS

UNDERSTANDING CAPITAL RAISING ALTERNATIVES

- Overview of the key capital raising alternatives
- Brief review of the different debt instruments
- Is there an optimal capital structure?
- Recognise the importance of investors: institutional, funds, banks, and retail

Case study: Corporate considerations relating to funding alternatives

Case study: Understanding investor preferences

UNDERSTANDING THE FUNDING DECISION

- Life cycle of a company
- Comparison of funding types
- What drives the funding decision?
- Cost of capital with tax and credit
- Industry risks

LOAN MARKETS UNCOVERED

- Defining the types of loan structure: bilateral, club and syndicated
- Advantages and disadvantages of loan products
- Understanding the syndication process for both underwritten and best-efforts transactions
- Syndicated loan fee structure
- Defining the standard documents as recommended by the Loan Market Association: mandate letter, term sheet, information memorandum and syndicated loan agreement
- Loan covenant packages: financial and non-financial covenants
- Investment grade and non-investment grade package
- Loan transfer process

Case study: Profile of a loan issuer and advantages and disadvantages of loans

Case study: Review of simple loan agreement

ADVISING THE BORROWER ON MARKET RISK

- Defining market risk
- Advising the issuer on market risk - interest rates, FX rates and asset liability matching
- Understanding the difference between hedging vs. diversifying vs. insuring market risk
- Recognising interest rate derivative and interest rate option mis-selling techniques

Case study: Corporate considerations relating to funding alternatives

Case study: Understanding investor preferences

USE OF DERIVATIVES IN FUNDING

- Defining the mechanics and terminology of both forwards and FRA's
- Mechanics and terminology of forwards and FRA's
- Conventions and quotations
- Use and settlement of FRA's with loan structures

PRIMARY LOAN & BOND MARKETS continued

INTEREST RATE SWAPS IN FUNDING

- Defining the mechanics and terminology
- Conventions and quotations
- Calculating interest rate swap cash flows
- Relationship of swap and bond spreads over government benchmarks
- What are swap spreads, credit spreads and asset swap spreads and what do they tell us?
- Using interest rate swaps with loan issuance
- Swaps counterparty risk
- Understanding both markets and credit risk
- How does counterparty risk arise?
- Credit risk management mechanisms
- The Credit Support Annex (CSA)
- Credit risk charges and CVA

Case study: FRA settlement

Case study: Use of interest rate swaps in corporate funding

FUNDAMENTALS OF FIXED INCOME

- Brief review of bond structures, credit enhancement and call features
- Where does the issuer want to build an investor base and what are the alternatives?
- Creating issuer yield or credit curves in differing currencies
- Hedging currency risk
- Credit ratings revisited, the need for a rating and rating advisory services
- Why should a corporate issue a bond?
- Public vs. private placement

Case study: Profile of a bond issuer, advantages, and disadvantages of bond issuance

Case study: non-quantitative rating analysis

DUE DILIGENCE, MARKETING AND PRICING THE ISSUE

- Due diligence process
- Bond issuance documentation
- Marketing stage
- Road show where to start and the tricks of the trade
- Price discovery
- Book building
- Marketing stage - FMSB core principle
- Execution stage
- Allocation and placement strategy
- Execution stage - FMSB core principles
- Post launch stage
- Breaking syndicate and secondary markets
- Filing requirements
- Post launch issues
- Post launch - FMSB core principle
- Monitoring and control stage and FMSB core principle

Case study: What is the purpose of the roadshow and how to manage the process?

Case study: Allocating the issue and keeping everyone happy!

Case study: Post launch process

PRIMARY LOAN & BOND MARKETS continued

INTRODUCTION TO CROSS CURRENCY SWAPS

- Terminology, mechanics, and applications
- Cross-currency basis swaps
- Intuitive pricing of cross-currency swaps
- Incorporating the market CRX spread
- Conversion factors and how to calculate them

Case study: Cross-currency swap applications in new issues

INTRODUCTION TO INTEREST RATE OPTIONS

- Debt issuers and caps, floors, and collars
- Review of IRO terminology and cash flow mechanics of European and Bermudan swaptions

Case study: Use of swaptions in new issues

INTRODUCTION TO SWAPS PRODUCTS

PRE AND POST TRANSACTION RISK WITH SWAPS AND SWAP DOCUMENTATION

- Swap documentation – ISDA master agreement and credit support annexe (CSA)
- Credit risk, operational risk, market risk, collateral posting, CVA and central clearing
- KYC and the risks of mis-selling of swap products
- Settlement procedures, defining OTC and exchange-traded markets
- Distinguish between single-period and multi-period products
- Financial risk management and hedging

INTEREST RATE SWAPS IN FUNDING

- Defining the mechanics and terminology
 - Conventions and quotations
 - Calculating interest rate swap cash flows
- Relationship of swap and bond spreads over government benchmarks
- Using interest rate swaps with loan issuance
- Swaps counterparty risk

ASSET SWAPS

- History and application of asset swaps
- How asset swaps are used in portfolio management
- Pricing asset swaps, par swaps vs. yield swaps
- Intuitive pricing of asset swaps

EQUITY SWAPS

- Cash flows and structure of equity swaps
- Fixed vs. floating notional amounts
- Application and uses of equity swaps

TENOR BASIS SWAPS

- The concept of tenor basis swaps
- Mechanics and who used tenor basis swaps
- Overnight index swaps
- OIS mechanics and cash flow

CROSS CURRENCY SWAPS

- Cross currency swaps
 - Terminology, mechanics, and applications
 - Cross-currency basis swaps
 - Intuitive pricing of cross-currency swaps
 - Incorporating the CRX spread
 - Calculating and using conversion factors

CREDIT DERIVATIVES

- Defining the CDS contract
 - CDS mechanics and cash flows
 - What constitutes a credit event?
 - Sovereign credit event specifics
 - Deliverable obligations and the restructuring types (MMR vs. XR)
 - The auction as a two-stage process
- CDS execution and cash flow trading conventions for standard corporate CDS
 - Par vs. quoted spreads
 - What is the difference between par vs. STEC format?
 - Understanding the DV01 (CR01)
- Credit indices

Case study: CDS mechanics and cash flows

INTRODUCTION TO DEBT MARKETS

ROLE OF DEBT MARKETS

- Role of debt markets and debt capital markets
- How companies use capital markets and bank funding – bonds vs. loans
- Debt market participants – commercial banks, investment banks, institutional investors, retail investors, and regulators
- Overview of key functions in an investment bank - DCM, syndicate, sales & trading, corporate finance and research
- Defining investors and their differing requirements

CORPORATE LOAN AND SYNDICATED LOAN MARKET

- Understanding a bank's role in the corporate loan market
- Structure of the loan market – bi-lateral loans, bridge financing, leveraged loans, club vs. syndicated loans
- Maturity, calculating margins and risk adjusted returns
- Security and covenants
- Mechanics and conventions of the syndicated loan market
- Advantages of syndicated loans
- Loan exit options

Case study: Loan pricing and review of loan documentation

UNDERSTANDING MONEY MARKETS

- Why are money markets important?
- Money market conventions and interest calculations
- RFR's and replacing IBOR's
- Defining the difference between accrual and discount instruments
- Deposits and certificates of deposit, Treasury bills, and Commercial paper

CREDIT FUNDAMENTALS AND RATINGS

- Credit analysis approaches
- Examine the role today of the rating agencies
- Why does the rating matter?
 - How do issuers and investors use the ratings
- Credit ratings vs. market implied spreads

Interactive exercise: What is the rating?

FIXED INCOME FUNDAMENTALS

- What are fixed income instruments and what are the risks associated with ownership?
- Fixed income instrument specification
 - Market conventions, coupon structures fixed vs. floating
 - Domestic, foreign and international bonds
 - Government vs. corporate issuers
 - Callable bonds, high yield structures and ABS
- Access to US investors - Reg S / 144A / Fully registered offers and QIBs
- Building, shape and the purpose of a yield curve
- Role of sovereign debt and issuance benchmarks
- Bond pricing terminology – clean vs. dirty price, YTM, and other yield measures
- Bond price sensitivity, modified duration, DV01/PV01 and convexity

INTRODUCTION TO DEBT MARKETS continued

Case study: Identifying bond profiles and features

Case study: Bond risk management

PRIMARY BOND MARKETS

- Understanding the launch process
 - Mandating, reverse enquiry, frequent issuers vs. first time issuers and obtaining a rating
- Role of the syndicate desk
- The pricing process
- Preparing the pitch book
 - Understanding current market conditions and pipeline, positioning the issuer, selecting appropriate comparable, determining the correct credit spread, investor education/road show requirement and league tables
- Bond launch, 'road show', distribution and allocation process
- 'Breaking syndicate' and secondary markets

INTERNATIONAL CASH MANAGEMENT

INTRODUCTION TO CASH MANAGEMENT

- Define what the treasury function and the treasurer are responsible for
- Outline the corporate objectives of cash management
- Identify why cash management is attractive to the bank
- Name the benefits of good cash management to both the corporate and the bank
- Examine the business and corporate operating cycle

Interactive exercise: Review of the objectives of cash management

Interactive exercise: Review of the benefits to a bank of cash management services

IMPORTANCE OF WORKING CAPITAL

- Describe working capital needs, working capital vs. operating working capital
- Recognising why working capital matters
- Outline positive and negative working capital and the implications of both
- Define the cash conversion cycle (CCC)
- Outline the use of working capital metrics
- Recognise how a corporate might improve the efficiency of working capital
- Show the dangers of overtrading

Interactive case study: Exploring working capital metrics

WORKING CAPITAL FINANCING

- Identifying the methods of financing working capital
- Describe receivables management, use of trade discounts
- Examine payable management and advantages of improving payables
- Define inventory optimisation and EOQ
- Outline the traditional methods of working capital finance
- Show the use of bank overdrafts, revolving credit facilities and commercial paper
- Recognise alternative methods of working capital finance
- Outline the mechanics and use of: Confidential invoice discounting, receivables financing, factoring and supply chain financing (SCF)

Interactive case study: Structural differences between confidential invoice financing and factoring

FOREIGN EXCHANGE

- Describe foreign exchange (FX) and influences on FX rates
- Defining the risks to a corporate in FX exposures, the effects of importers and exporters
- Outlining FX spot markets and the conventions of FX markets
- Show the use of FX forward rates for a corporate customer

Interactive exercise: Corporate use of FX hedging

INTERNATIONAL CASH MANAGEMENT continued

LIQUIDITY MANAGEMENT

- Define the role and benefits for liquidity management
- State the aims of cash sweeping, cash pooling
- Define the mechanics, benefits and risks of cash sweeping and cash pooling
- Define the mechanics, benefits, and risks of notional pooling
- Outline the mechanics of interest optimisation and aggregation
- Show the options available for investing a cash surplus
- State the risks vs. returns on investing a cash surplus

Interactive exercise: Benefits of cash sweeping

Interactive case study: Risk and rewards investing surplus cash balances

ACCOUNT SERVICES

- Describe corporate accounts and accounts services
- Recognize the need for “Know Your Customer” (KYC) and Anti-Money Laundering (AML)
- Examine the role and nature of Basel III changes on a bank’s capital and funding structure
- Define “sticky deposits, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR)
- Identify operational and non-operational corporate relationships
- Electronic Banking – IBAN and Bank Identifier Code (BIC)

Interactive exercise: KYC screening and check list

CORRESPONDENT BANKING SERVICES

- Outline the need for correspondent banking and the role of correspondent banks
- Explain the use of Nostro and Vostro accounts
- Identify the benefits to a bank of offering clearing services
- Examine the central bank’s role in the international payment system
- Define the fundamentals of: Real Time Gross Settlement (RTGS), Net Settlement Systems (NSS) and Single European Payment Area (SEPA)

PAYMENT AND COLLECTION SERVICES

- Examine the nature of payment operations
- Outline multiple collection types, multi delivery channels and geographical challenges
- Examine the nature of collection operations
- Identify the issues with domestic vs. cross-border collections
- Define the use of virtual accounts and lockbox services
- Listing potential clients for payment and collection services

Interactive exercise: Examining the benefits of efficient payment and collection mechanics on working capital needs

INTERNATIONAL CASH MANAGEMENT continued

CARD SERVICES

- Define the types of card services available through a bank – charge, debit and credit
- Show the mechanics of credit card transactions
- Describe individual and corporate card services
- Corporate linking and card association
- Outline the risks associated with cards and card risk management
- Define card acquiring services

Interactive exercise: drawing the mechanics of the card payment process

Interactive exercise: Risks associated with card acquiring

SWIFT SERVICES

- Introduction to SWIFT and SWIFT message standards
- Define the need for and the use of SWIFT messages
- Outline the message types and formats, standardisation of messages
- Describe the SWIFT for corporates services
- Objective of ISO messages

Interactive exercise: Review of standard SWIFT messages

CLIENT ACCESS

- Describe developments in client access
- Examine individual and corporate electronic banking services
- Outline innovations in electronic banking
- Reporting, data management and data enrichment services
- Define treasury to bank communications

Interactive exercise: Review of innovations in electronic banking

INTRODUCTION TO TRADE FINANCE

WHAT IS TRADE FINANCE?

- Describe the origins and background to international trade
- Define the objectives of trade finance from the perspective of a bank
- State the bank's view on risk mitigation, financing, settlement, and balance sheet management
- Outline which countries are the top 10 exporters and importers and the products traded
- Examine the participants connected to a trade finance transaction

UNDERSTANDING THE RISKS ASSOCIATED WITH TRADE FINANCE

- Outline the potential dangers with international trade
- Defining the risk issues with international trade for the exporter and importer
- Examine how to mitigate potential risks

INTERNATIONAL TRADE DOCUMENTS

- Recognise that international trade means the flow of goods, documents, and cash
- State why documents are important
- Define the essential trade-related documents
- Examine of trade documents -
- Commercial documents - Sales contract, invoice (commercial, tax, customs, and consular)
- Transportation documents - Bill of Lading, air waybills, packing lists
- Insurance and financial documents - An insurance policy, bill of exchange, promissory note
- Official documents - Certificates of origin, certificates of inspection, analysis certificate, and health certificate

TERMS OF DELIVERY

- Define the role of the International Chamber of Commerce
- Describe the use and scope of Incoterms 2020?
- Examine underlying methods of delivery

Interactive exercises: Review of the Incoterms 2020 and cost comparisons of different Incoterms

FOREIGN EXCHANGE

- Describe foreign exchange (FX) and influences on FX rates
- Defining the risks to a corporate in FX exposures, the effects of importers and exporters
- Outlining FX spot markets and the conventions of FX markets
- Show the use of FX forward rates for a corporate customer

Interactive exercise: Corporate use of FX hedging

METHODS OF PAYMENT

- Define the fundamental problems with international trade
- Identify the risk ladder
- Examine trade payment terms
- State the role of a bank in the payment process
- Describe the process of clean payments - open account vs. payment in advance
- Show the risks associated with both payment methods

Interactive exercise: "mapping out" cash flows and the flow of goods and documents

INTRODUCTION TO TRADE FINANCE continued

DOCUMENTARY COLLECTIONS

- Outline the relationship between the parties in a documentary collection
- Define and review the structure of documentary collections
- Delivery against acceptance, delivery against payment and avalisation
- List the risks and benefits of documentary collections
- Examining the duties of the banks involved with documentary collections
- Define the conditions for the release of documents
- Introduction to The Uniform Rules for Collections published by ICC - URC 522

Interactive exercise: Participants in teams will “map out” the cash and document flow for documentary collections.

BANK FINANCING ASSOCIATED WITH DOCUMENTARY COLLECTIONS

- Define a Bill of Exchange
- Outline the use of post-shipment financing - export bills under collection & discounting, import bills under collection & avalisation, and bill discounting against buyer risk (BDBR)
- Recognize the risks to a bank with financing under documentary collection

Interactive case study: Comparing Bills of exchange and promissory notes

LETTERS OF CREDIT

- Examine the bank-customer relationship and how it differs from documentary collections
- Define the structure of a letter of credit
- Describe common forms of letters of credit
 - Irrevocable, irrevocable confirmed, and transferable
- Recognise the “Golden rules of a letter of credit”
- Examine the duties of the banks involved with a letter of credit
- List the risks and benefits to the exporter and importer of a letter of credit
- Outline the risks to the bank associated with issuing, advising, and confirming a letter of credit
- Show the advantages of confirmation of a letter of credit to the beneficiary
- Introduction to the International Chamber of Commerce UCP 600 Rules

Interactive exercise: Participants in teams will “map out” the cash and document flow for different letters of credit products.

VARIANTS TO LETTERS OF CREDIT

- Discuss the use and structure of the following letter of credit variants:
 - Red clause and green clause
 - Revolving, transferable, and back-to-back

INTRODUCTION TO TRADE FINANCE continued

SWIFT MESSAGES AND LETTERS OF CREDIT

- Introduction to SWIFT and SWIFT message standards
- Define the need for and the use of SWIFT messages
- Outline the message types and formats, standardisation of messages
- Show the common errors/discrepancies found in SWIFT messages

Interactive exercise: Review of standard SWIFT messages

STANDBY LETTERS OF CREDIT AND BONDS AND GUARANTEES

- Outline the structure and potential use of a standby letter of credit
- Examine the mechanics of standby letters of credit
- Describe the use of guarantees and bonds including tender/bid bonds, performance bonds, retention bonds/guarantees, and warranty bonds/ guarantees (maintenance bonds)
- Introduction to International Standby Practice 98 (ISP 98) and The ICC Uniform Rules for Demand Guarantees 758 (URDG 758)

Interactive exercise: Participants in teams will “map out” a timeline for the use of guarantee and bond products.

INVOICE DISCOUNTING, FACTORING AND FORFAITING

- Recognise the issues of working capital and accounts receivable
- Outline key features and the structure of invoice discounting
- Define factoring and how it differs from invoice discounting
- List the risks to the bank and benefits to the client of invoice discounting and factoring
- Examine the structure and risks of a forfaiting transaction

Interactive exercise: Participants in teams will “map out” the cash flow for invoice discounting and factoring transactions.

SUPPLY CHAIN FINANCING AND COMMODITY TRADE FINANCE

- Define the role and structure of supply chain finance
- Outline the risks and benefits to both buyer and seller
- Examine the structure of trade finance for commodities
- Describe warehouse financing techniques and the use of warehouse receipts
- Point out the risks of warehouse

Interactive case study: Cash flows for supply chain finance

Final thoughts on partnering with JH Consulting International



All our trainings are built around the specific needs of your business and the groups being trained – everything we do is customised for you at no extra charge!



You'll be able to implement your new skills immediately – our courses are designed by practitioners for practitioners.



Our courses can be delivered via virtual platforms or delivered in person where it is safe and appropriate to do so.



We know how to make virtual trainings engaging, impactful and highly effective – don't waste your time with a boring trainer talking to a set of PowerPoint slides!



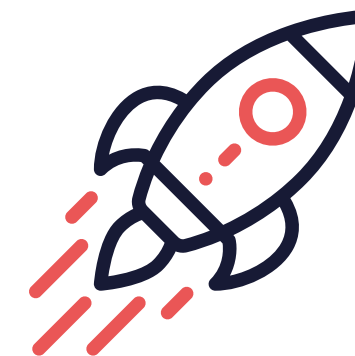
We are focused on creating value, by giving you the best possible training for the best possible price – we know our fees are better than our competitors, but so is our service!



You'll receive a level of service that is so unique you'll ask why other providers don't go the extra mile the way we do!



We have relationships with universities and professional bodies around the world and are able to secure academic accreditation where appropriate.



With five decades of international training experience under our belts, you can trust us to deliver.



Let's make some amazing learning
happen

 info@JH-CI.com
