



Standby Letters of Credit Bundle

Combine our introductory and advanced courses on standby letters of credit to save US\$50

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Price* US\$299

Duration 8 learning hours

Language English

Access period 12 months

Exam** No examination

Accreditation partners LIBF | BAFT | GTPA

*When purchased as stand-alone courses, the cost is USD \$350

**Upon completion, candidates will be issued a "Letter of Completion"

Course objectives

Standby letters of credit are used to transfer risk, provide payment assurance and facilitate global trade. Through the Standby Letters of Credit Bundle, which combines both the introductory and advanced level courses, you can learn about the different types of letters of credit, the purpose they serve, the risks involved and how they are properly used.

In the introduction course, explore a standby letter of credit, from its process flow and best practices to the ways it differs from documentary credits. You will also gain an understanding of the basic principles that apply to documentary credits and standby

Target audience

General practitioners in roles dealing with relationship management, credit, compliance, etc., have an interest in trade finance and work in banks, corporates, or financial institutions.

letters of credit as well as how they differ.

In the advanced course, discover the purpose and various ways a standby letter of credit can be used, the rules and regulations governing them, including rules such as UCP 600, ISP98 and URDG 758. This course will also take you through what makes a good standby letter of credit and how to make sure your standbys are bulletproof to avoid costly and painful surprises.

Why take the bundle?

- Understand the steps and underlying concepts in a commercial letter of credit transaction to build confidence and better advise clients
- Learn to compare standby letters of credit with demand guarantees and how they can be used to arrange an issuance of a guarantee to streamline your business activities
- Recognise the potential pitfalls for issuers of standby letters of credit to be able to recommend approaches that can identify and reduce risks

Structure

Course 1: Introduction to Standby Letters of Credit

- Lesson 1** How Standby Letters of Credit Evolved from Documentary Credits
- Lesson 2** How Standby Letters of Credit Differ from Commercial Letters of Credit
- Lesson 3** Uses of Standby Letters of Credit
- Lesson 4** Standbys vs. Guarantees and Bonds
- Lesson 5** Using Standby Letters to Arrange Local Guarantees
- Lesson 6** Capital Adequacy (Solvency) Regulations and Letters of Credit
- Lesson 7** Tips, Tricks and Facts Regarding Standbys
- Lesson 8** Case Study
- Lesson 9** Assessment

Course 2: Advanced Standby Letters of Credit

- Lesson 1** Competing Rules for Standbys
- Lesson 2** Laws Governing Standby Letters of Credit
- Lesson 3** Regulations Governing Standby Letters of Credit
- Lesson 4** Overview of the ISP
- Lesson 5** ISP98 Model Forms
- Lesson 6** Dissecting a Standby Letters of Credit Application
- Lesson 7** Standby Letters of Credit Issues
- Lesson 8** Other Areas of Concern
- Lesson 9** Case Study



Buddy Baker

Vice-President, Goldman Sachs

Buddy Baker has more than 30 years of experience working with companies to finance and insure their trade receivables. Mr Baker owns the consulting firm Global Trade Risk Management Strategies, which specialises in both online and onsite educational training, and designed the online training/certification programmes used by the Association of International Credit and Trade Finance Professionals, the Association of Trade and Forfaiting in the Americas and the Finance, Credit and International Business Group of the National Association of Credit Management. He has authored numerous articles and books, including “The Users’ Handbook to Documentary Credits under UCP600,” “Documentary Payments & Short-Term Trade Finance” and “The Regulatory Environment of Letters of Credit and Trade Finance.”