Decisions by ICC experts on documentary credits, collections and demand guarantees
The DOCDEX system was established by the International Chamber of Commerce (ICC) in 1997 as a response to the need for a low-cost and rapid method of resolving disputes on letters of credit. ICC was the natural forum to develop such a system, since it had authored the UCP, the universally accepted rules governing letter of credit practice that have been in effect for more than 70 years. Later amendments to the DOCDEX rules in 2002 allowed ICC’s expert panels also to decide cases based on ICC’s Uniform Rules for Collections (URC) and its Uniform Rules for Demand Guarantees (URDG).

Under the DOCDEX system, a panel of three ICC experts is appointed by ICC’s Centre for Expertise to render Decisions based on documents submitted by the disputing parties. The Decisions are normally handed down within a reasonable period of 30-60 days. Though they do not have the force of law and are not binding on the parties unless they choose to make them so, the Decisions can be used as evidence if the parties later decide to go to court. Moreover, if one party is armed with a DOCDEX Decision in its favour, the other party may decide not to go to court at all.

The current volume is the third in the series of the DOCDEX Decisions to be published by ICC. The previous volume, which dates from 2008, was heavily slanted toward Decisions dealing with UCP 500, the version of the rules predating the current UCP 600. The present volume contains more Decisions on UCP 600 and, in keeping with the broad mandate under the DOCDEX rules, there are also cases here dealing with UCP 500, UCP 222 (which dates from 1962), URC 522 and URDG 458. We expect that the next volume to also contain Decisions based on URDG 758, which came into effect in 2010.

With more than 110 cases decided since its inception, DOCDEX has proved its worth over the last 15 years. Practitioners who have taken advantage of the DOCDEX process have found it to be practical, efficient and reasonably priced. Parties to a dispute concerning the quoted sets of ICC rules would do well to look to DOCDEX as a rapid and cost-effective way of settling them.

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Table of Contents

FOREWORD

DOCDEX Decision No. 278
UCP 500 sub-articles 14(d)(ii), 14(e) and 13(b); article 14
Did the fact that the Respondent delivered the documents to the applicant make it liable to pay an amount in excess of the documentary credit value? Was an instruction regarding delivery of the documents to the applicant clear and precise? Where the drawing under the credit was in excess of the amount permitted by the credit, did the Respondent handle the discrepant documents correctly?

DOCDEX Decision No. 279
This Decision was withdrawn

DOCDEX Decision No. 280
UCP 600 sub-articles 14 (a) and (c), 16 (a) and (c)
Whether the “Analysis and conclusion” of Banking Commission Opinion TA 657 was effective in the light of the full knowledge of all the details of this dispute; whether the refusal by the Respondent to honour three drawings on the grounds of (1) late presentation and (2) invoice evidencing “payment out of this documentary credit” was a valid refusal

DOCDEX Decision No. 281
UCP 600 sub-article 31 (b); articles 3 and 16
Was the date to be used to calculate the price the actual “B/L date” for each presented set of bills of lading? By calling for shipment from “any port”, did the credit effectively open the possibility that more than one B/L could be presented showing different B/L dates? Did the goods description in the invoice correspond with the goods description mentioned in the credit?

DOCDEX Decision No. 282
UCP 600 article 16; sub-articles 14 (b), 16 (c) (i), 16 (c) (iii), 16 (f) and 7 (b)
Was the FCR presented under the credit discrepant? Did the beneficiary require the issuing bank’s authorization to submit revised documents following a discrepant presentation? Was the issuing bank entitled to claim a refund, with interest, of reimbursement made to the respondent when its refusal notice did not accord with the requirements stated under UCP 600 sub-articles 16 (c) (i) and 16 (c) (iii)?

DOCDEX Decision No. 283
URC 522 sub-articles 1 (c), 1 (a) and 4 (a) (i)
Whether by accepting the collections received, the Respondent (collecting bank) had agreed to perform the collection in accordance with URC 522 and the conditions stated in the collection instructions when the Respondent argued that payment related to the goods covered by the collection was paid direct to the Principal by advance payment according to earlier accepted usage between the contract parties

DOCDEX Decision No. 284
UCP 600 sub articles 22 (a) and (a) (i); ISBP 681 paragraph 118
Did the signature on the B/L fail to comply with the applicable provisions of sub-article 22 (a) of UCP 600 and paragraph 118 of ISBP 681?

DOCDEX Decision No. 285
UCP 600 Miscellaneous
Whether alleged discrepancies noting commercial invoices are not based on theoretical weight basis; packing lists: theoretical weight in total missing; beneficiary’s certificate: mentioning insurance policy or certificate I/O one of them only; and Mill’s test certificate: values of tensile missing were valid

DOCDEX Decision No. 286
UCP 600 sub-articles 16 (c) (iii), 14 (e) and 18 (c); ISBP paragraphs 58 and 59
Whether the materials were as per the L/C description; whether the insurance certificate had expired; whether the bill was negotiated after the expiry of the L/C
DOCDEX Decision No. 287  
UCP 600 sub-articles 14 (d) and 20 (a) (i)  
Whether on the insurance policy under UCP 600 article 14 the vessel name was different from other documents (B/L and invoice); whether the bank name between the shipping documents (including draft) and the L/C was different; whether the bank could identify who was the qualified issuer of the B/L

DOCDEX Decision No. 288  
UCP 600 Miscellaneous  
Whether a bill of lading issued to the order of a party can only be endorsed by the party stated in the “consignee” field of the bill of lading; when an issuing bank issued a credit with a irregularity that required an endorsement that could only be made by the issuing bank, did the issuing bank have an obligation to withdraw its refusal and to pay immediately the credit amount and demurrage?

DOCDEX Decision No. 289  
This decision was withdrawn

DOCDEX Decision No. 290  
UCP 600 sub-articles 14 (d) and 14 (a); ISBP 681 paragraph 25  
Whether the error in the commercial invoice, packing list and certificate of quality – which constituted a reversal of the order of the route of shipment covered by the L/C – could be accepted as a typing error and whether these documents complied with the applicable provisions of sub-article 14 (d) of UCP 600 and paragraph 25 of ISBP 681 (2007 Revision)

DOCDEX Decision No. 291  
UCP 600 sub-articles 7 (c) and 15 (a); article 1  
Does a negotiating bank assume any duty to keep track of all warehouse warrant numbers presented under different credits and at different times in order to ensure that no warehouse warrant has ever been presented to it under any other credit? Would a negotiating bank’s unawareness of the original warehouse warrants, which have been presented to it under different credits at different times, constitute bad faith or notice of fraud in the relevant credit negotiation? Provided the presented documents constitute a complying presentation and have been duly accepted by the issuing bank, is the negotiating bank entitled to be reimbursed by the issuing bank pursuant to sub-article 7 (c) of UCP 600, even though the relevant warehouse warrants may have been previously presented under other credits that the negotiating bank was not aware of?

DOCDEX Decision No. 292  
UCP 600 sub-article 14 (e); ISBP 681 paragraphs 108 and 58  
Was there a conflict between the goods description in the L/C and the description in the B/L?

DOCDEX Decision No. 293  
ISBP 681 paragraphs 9 and 55  
Where drafts were drawn in duplicate and there was no correction made on the First of Exchange, whether authentication on the Second of Exchange, which had a correction, was necessary; whether the authentication of the correction was valid and, if so, was it necessary to have the beneficiary’s name stated along with the signature of the person who made the authenticated correction?

DOCDEX Decision No. 294  
This Decision was withdrawn

DOCDEX Decision No. 295  
This Decision was withdrawn

DOCDEX Decision No. 296  
UCP 600 article 16; sub-articles 16 (c), 16 (c) (ii), 16 (c) (iii), 16 (f), 17 (c), 17 (d), 14 (e), 14 (f), 14 (d); ISBP 681 paragraphs 184 and 41  
Did the presentation made by the Initiator, with respect to the alleged discrepancies as stated in the issuing bank’s notice of refusal, and as intended to be clarified in subsequent correspondence, constitute a complying presentation? Did the issuing bank’s notice of refusal represent a valid notice?
DOCDEX Decision No. 297
UCP 600 articles 2, 14 and 16; sub-article 7 (c)
Where the issuing bank raised a number of issues concerning the nominated bank’s capacity to act and applied for an injunction based on the fact that the same warehouse warrants presented by the beneficiary were also presented for drawings under letters of credit issued by other banks, was the issuing bank, in the absence of such an injunction, obligated to pay the nominated bank the drawing amounts plus applicable interest from the maturity dates to the date of its payments?

DOCDEX Decision No. 298
UCP 600 article 8; sub-articles 8 (c), 12 (b) and 14 (f)
Was the Initiator bank a nominated bank under the credit? Would the Initiator’s second confirming bank status prejudice its right of reimbursement from the Respondent? Was the Initiator in breach of the terms of the credit by advising the Respondent bank eight months after expiry of the credit, but prior to the maturity date, that complying documents were presented and advising the maturity date for payment? If a bank requires a specific action or condition (including, within limitation, any time limit) to be complied with in a specific timeframe, must it expressly say so in the credit?

DOCDEX Decision No. 299
UCP 600 articles 14, 16 and 2; sub-articles 14 (a) and 14 (d)
If a beneficiary instructs a confirming bank to send documents “as presented”, “under approval basis”, “without checking documents”, etc., do these statements mean documents should be sent to the issuing bank without being examined? Since the confirming bank did not send a notice of refusal to the presenter within the time limit of five banking days is it entitled to refuse payment of the L/C to the beneficiary? Was the Respondent obligated to negotiate and pay the Initiator for a presentation of discrepant documents?

DOCDEX Decision No. 300
UCP 600 sub-article 16 (c); ISBP 681 paragraph 39
Whether the on board notation was evidenced separately on the bill of lading and whether this was authenticated under the stamp and signature of the issuer; whether the SWIFT MT799 sent by the Respondent was a new discrepancy raised by the Respondent’s second (or third) notice, and was therefore in violation of UCP 600 sub-article 16 (c); whether the first refusal notice was valid when the Respondent did not state one of the four options regarding the disposal of documents as required by UCP 600 sub-article 16 (c)

DOCDEX Decision No. 301
URDG 458 articles 20 and 10
Since the wording of the claim did not specify the requested amount and did not state that the main debtor had not fulfilled its obligations under the agreement, was the demand under the guarantee compliant? Was the refusal of the claim within a certain number of days in accordance with the requirements of URDG?

DOCDEX Decision No. 302
UCP 500 sub-articles 14 (d) and 14 (e)
Whether actions taken by the confirming bank and/or issuing bank, if the presenting bank had notice or not, are outside its control and whether the advising/presenting bank is responsible for such actions; whether the confirming bank can be held responsible for any actions taken by the issuing bank, irrespective of the fact that the confirming bank may or may not have notice of such actions

DOCDEX Decision No. 303
UCP 600 sub-articles 16 (c) (i) and (ii) and sub-article 20 (a) (vi)
Where B/L contained an indication that it was subject to a charter party whereas the credit called for “Full set of clean on board ocean bills of lading”; were the requirements of UCP 600 sub-article 16 (c) (ii) met?; did the specific wording “We refuse to honour” or similar, need to be stated on an MT734 in order to satisfy UCP 600 sub-article 16 (c) (i)?

DOCDEX Decision No. 304
UCP 600 sub-article 14 (e); ISBP 681 paragraph 167
When the L/C did not prescribe that the terms of delivery be mentioned on the CMR, was the lack of such terms a discrepancy?; did the issuance date on the CMR, which did not coincide with other data in the document, create a discrepancy?; whether copies of transport documents need to include a signature or authentication of alterations or corrections; does a requirement for a document to be issued in a specific language prohibit other languages or dual languages being used?
DOCDEX Decision No. 305

UCP 600 Miscellaneous

Under the wording in the L/C, in which the applicant had full control of the timing of payment for the invoice value for two out of three instalments amounting to 60% of the LC amount, was the issuing bank required to pay the confirmation fees of the confirming bank based on the full credit amount?

DOCDEX Decision No. 306

URC 522 sub-articles 1 (c), 10 (a) and 19 (b). article 19

Whether the presenting bank was liable to pay the amount of the presented four sets of documents when it neither paid nor advised non-payment of the documents; whether there was evidence the presenting bank sent a message indicating it could not handle a collection and, if not, whether it was bound by URC 522 as a whole; whether there was an amendment in the instructions to deliver documents against partial payment; whether by not returning the documents under collections A and B, and by releasing documents under collections C and D without having received full payment for each of the four collections, the presenting bank was in breach of URC 522 and is responsible for payment.

DOCDEX Decision No. 307

This decision was withdrawn

DOCDEX Decision No. 308

UCP 600 sub-articles 38 (i), (b) and (j), 4 (a), 12 (a), 14 (b) and 16 (f)

If it were proved there was fraud in a first beneficiary’s invoice, which had nothing to do with the Initiator, was the Initiator (second beneficiary) entitled to be paid for its drawing under the transferred L/C? Is it up to a court to state whether the injunction addressed to a bank is to be considered as extended to another member of the same banking group? Did the issuing bank’s obligation under the master L/C remain toward the first beneficiary? If there was a failure of the first beneficiary to substitute or to correct discrepant substituted documents, and the transferring bank decided to use the documents of a second beneficiary, would the undertaking of the issuing bank then extend to that second beneficiary?

DOCDEX Decision No. 309

UCP 600 article 10; sub-articles 10 (a) and 10 (d)

Whether or not the failure of the Initiator or advising bank to advise the Respondent of an amendment prior to the presentation of documents affected the Respondent’s obligations as a confirming bank when the beneficiary had not accepted the amendment; whether article 10 of UCP 600 requires that an amendment must be advised to the confirming bank by the beneficiary or the advising bank prior to the presentation of documents; whether the re-presentation of documents amounted to an acceptance by the Initiator of all the discrepancies stated in the First Refusal Notice.

DOCDEX Decision No. 310

UCP 600 article 18; sub-articles 14 (d) and 18 (d)

Was it a discrepancy that the invoice showed “17” in the “quantity” column while the “Description of Goods” column set forth the order numbers and serial numbers for sixteen items? Was it a discrepancy that the Loading Form included the order and serial number of the goods, but the invoice did not? Was the fact that neither the beneficiary nor the Initiator had raised any objections or comments regarding stated discrepancies a sign of agreement with the discrepancies and did this constitute a preclusion from refuting the discrepancies at a later date?

DOCDEX Decision No. 311

UCP 600 sub-articles 14 (d), 16 (a), (b), (c) (iii) (b) and (e); articles 7 and 8; ISBP paragraphs 27 and 9

Did the certificate of origin constitute a “complying presentation”? Should additional data made on the back side of the certificate of origin have been authenticated by the issuer? Did the insertion of “freight prepaid” in a field labelled “freight payable at” constitute any conflict with or cause any doubt concerning the payment of freight?

DOCDEX Decision No. 312

UCP 600 sub-articles 20 (a) (i), 14 (a), 15 (a) and 14 (l); article 2

Where a carrier used an agent other than one that is normally used, and where this agent signed as an agent of the carrier and the documents were compliant, was the Initiator required to check with the company as to the agent’s qualifications? When the L/C stated “Forwarders bill of lading not acceptable”, did the Initiator have to check the status of the signing company to determine whether it was, or was not, a forwarder?

DOCDEX Decision No. 313

This Decision was withdrawn