

Preventing Letter of Credit Fraud

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Abstract

Letters of Credit (Ls/C), the mostly used method of financing international trade, have become a growing concern for the entire international trading community due to Ls/C fraud. Concerned parties in Ls/C transaction lose billions of dollars every year due to fraud. Such fraud has risen for many reasons. Some of them are sole use of documents, geographical distance in international trade, containerisation, usage of discounted deferred Ls/C, and lack of prosecution. Many scholars criticise municipal laws worldwide for being reluctant to intervene with a Letter of Credit (L/C) transaction. Legislators conversely reply that courts intervening with the bankers guarantee can otherwise make it lose its integrity and be unacceptable. Since there is not a great deal the legislators are doing, concerned bodies are suggested by the current research to take some steps to avoid Ls/C fraud like checking the background of the seller, shipping goods by reliable transport services, arranging for pre-shipment inspection, asking for performance bond, and receiving trade documents electronically.

1.0 Introduction

In international trade, payment by means of a L/C is very widely used. Justice Kerr of English court has termed the instrument, “the life-blood of international commerce” (R D Harbottle (Mercantile) Ltd and others vs. National Westminster Bank Ltd and others, 1977). The system of L/C, also known as documentary credits, and documentary Ls/C, has alleviated many of the problems relating to payment in international trade. It is the most effective method to secure payment in an international trade transaction; because it takes care of the interests of both the seller and the buyer. A L/C is established in a way that the seller can obtain payment from a bank within his jurisdiction. The buyer establishes the L/C in such a manner where payment is promised on presentation of certain documents, the contents of which validate that the goods being delivered to the buyer are goods that comply with the terms and conditions of the underlying sales agreement. The seller needs only to comply with the documentary conditions as specified in the credit, and is thereafter assured of payment.

L/C is governed by Uniform Customs and Practice for Documentary Credits, 2007 (UCP 600), which is in its sixth revision, incorporated by the International Chamber of Commerce (ICC). UCP was first published in 1933. UCP is not a law rather a set of rules and customs governing L/C transactions. UCP was produced to ensure that the rights of traders and banks under a L/C contract are governed by a single set of rules and customs, rather than through the various domestic laws which would otherwise apply. UCP is almost universally accepted and applied as a set of rules governing L/C transactions. However, UCP is silent about the fraud issue. Fraud in Ls/C transaction is governed by municipal law or case law of a particular country.

2.0 Literature Review

In the instance of such growing concern over the issue of documentary credit fraud, the role of municipal law of many countries of the world preventing fraud has been questioned. Particularly, the US and the UK whose case laws are often taken as reference for verdict in many countries, has been greatly questioned. These countries are noted to be unwilling to interfere with documentary credit transactions (Farrar, 1997). English courts are heavily criticised by many writers to have taken a non-interventionist approach regarding documentary credit transactions. This approach of courts is allegedly allowing the fraudsters abusing the system of L/C (e.g. Barnes & Byrne, 1995; Barnes, 2001; King, 2001; Eden, 2001; Demir-Araz, 2002). To illustrate, English courts are unwilling to issue a temporary restraining order to stop the credit being honoured in an allegation of fraud for the matter being investigated. This is said to be allowing the fraudsters quickly fled away with the payments in their hands, and removing themselves away from the jurisdiction of the concerned countries and parties. English courts in defence give reason that if courts tend to interfere with documentary credit transactions, fraud can somewhat be minimized, it would, however, shall damage trust in international trade. In the consequence documentary credits shall lose the purpose of assuring payment in international trade (Czarunknow-Rionda Sugar Trading Incorporation vs. Standard Bank London Ltd, 1999).

Some writers in addition have suggested some different ways to be adopted to minimize fraud (e.g. Pugh-Thomas, 1999 Demir-Araz, 2002, Ho, 1997). However none of them have considered the direct and indirect costs, and the difficulties which would otherwise arise by adopting such means to avoid fraud. That is to say that none have considered the warning pronounced by many Judges that interfering with documentary credit transactions can otherwise jeopardise the whole process of financing international trade with Ls/C.

To illustrate the Bangladesh government issued a directive in early 2006 that food items, particularly rice, imported into Bangladesh need to be tested in Bangladesh for quality. And the credit would not be honoured until a satisfactory report from a Bangladeshi lab is obtained. Banks were made to include clause into documentary credits that satisfactory post landing inspection certificate from the buyers' country in regard to the quality of the imported goods is a requisite for the credit being negotiated and honoured. Sellers, however, did not quite perceive the idea well, and went on being reluctant to sell goods under such rigid terms. While few sellers were ready to sell to Bangladeshi buyers under such terms, they were asking for unusual higher prices. The government was forced to relax the directive in early 2007. (The New Nation, 14 January 2006).

The crisis is thus sensitive yet crucial. On the one hand adopting stringent procedures for Ls/C being honoured to minimize threat of fraud can damage trust of concerned parties in the mechanism; on the other hand, adopting laissez-faire procedure for the same would give rise to fraud. This situation gives rise to finding ways which can help to reduce the risk of forgery in documentary credit transaction while maintaining its integrity. This paper, based on secondary data, literature, publications, debates, and cases, analyzes the reasons for the rise of the Ls/C fraud, and depicts some of the ways in which fraud can be minimized.

3.0 Letters of Credit

Letters of Credit is the most frequently used method of payment for international trade. They are mechanisms where a bank (Issuing Bank - IB) upon the request and instruction of his customer (the buyer, applicant of the L/C), makes payment to a third party (the seller or the beneficiary) on presentation of specified documents (Dolan, 2001). In a simplified manner "Letters of credit are issued by banks upon the instruction of the customer to meet the payment obligation of the customer" (Schwank, 1999). Documentary Ls/C are in essence a banker's assurance of payment upon presentation of specified documents (Goode, 1995).

UCP defines Ls/C as "Documentary credit(s) and standby letter(s) of credit (here after referred as 'credit(s)'), means any arrangement, however named or described, where a bank (issuing bank) acting at the request and on the instruction of a customer (the applicant) or on its behalf i) is to make a payment to or to the order of a third party (the 'beneficiary') or is to accept and pay bills of exchange (draft(s)) drawn by the beneficiary, ii) authorizes another bank to effect such payment, or to accept and pay such bills of exchange (draft(s)), iii) authorizes another bank to negotiate, against stipulated does provided that the terms and conditions of the credit are complied with."

3.1 Autonomy of Letters of Credit

A documentary credit is a separate transaction and is completely independent of any underlying contracts (UCP). Thus, banks do not need to be concerned whether the beneficiary has performed his obligation under the underlying contract or not. Even if there is a breach in the underlying contract arisen from tender of defective goods or delayed delivery, banks can not stop payment. As long as documents tendered show a compliance of the terms of the L/C, banks are obliged to pay. This is because all parties in documentary credit transaction deal only in documents, and not in goods or services (UCP). The buyer may sue the seller, under the sales contract if there is a breach, but for a breach in underlying sales contract payment obligation of the L/C can not be dishonoured. In *Hamzeh Malas & Sons v British Imex Industries Ltd, 1958*, two Ls/C were opened to facilitate the purchase of steel rods. First L/C was paid while the buyer sought injunction to stop the payment of the second L/C on the basis that goods are defective. The court of law held that since documents tendered appear to be

conforming, payment cannot be stopped alleging that goods are defective. Buyers often turn to the courts alleging that goods do not match contract description and seek an injunction to stop the issuing bank from paying the beneficiary; but courts are unwilling to grant such injunctions (Carr, 1999).

The reason for that is courts do not want to consider the breach of underlying sales contract to stop the payment of the L/C. Because a L/C is an independent transaction, and if buyers are allowed to intervene with the payment obligation of the bank for a flaw in the sales contract, it would seriously damage international trade. The certainty of payment to the seller, who enters into the contract of sale believing that he would be paid through irrevocable credit, could then be destroyed (*Discount Records Ltd vs. Barclays Bank LTD, 1975*).

3.2 The Fraud Exception

There is only one exception to the autonomy of L/C that is the fraud exception. Fraud exception is “where the seller for the purpose of drawing on the credit, fraudulently present to the conforming bank documents that contain, expressly or by implication, material representation of fact that to his knowledge are untrue” (*United City Merchants (Investments) Ltd and others vs. Royal Bank of Canada, Vitrorefueros S.A. and Banco Continental S.A., 1982*). To consider the incidence of fraud, the evidence of fraud needs to be clear both as to reveal the fraud and to the bank’s knowledge (*United Trading Corporation SA and Murray Clayton LTD vs. Allied Arab Bank Ltd, 1985*). The fraud has to be committed by the beneficiary. If the beneficiary did not commit the fraud, rather a third party did it of which he (beneficiary) knew nothing, banks are obliged to pay. It was argued in *United City Merchants (Investments) Ltd and others vs. Royal Bank of Canada, Vitrorefueros S.A. and Banco Continental S.A., 1983*, that forgery committed by the loading brokers who are agents of the beneficiary leads to a nullity for documents to be honoured. The court rejected the argument and held that there is no nullity defence in the fraud exception of documentary credit, and banks need to pay if there is no evidence that the beneficiary has committed the fraud or for which he had knowledge.

4.0 Common Grounds of Documentary Credit Fraud

In the world of documentary fraud, there are many possible scenarios. Fraudsters often select commodities in great demand and offer them at very reasonable prices using convincing documentation. The seller is the usual fraudulent party in a documentary credit transaction; however it could be the buyer as well, or a combination of both of them. Fraudsters have invented many techniques of deceiving in L/C transactions. Few of the swindle techniques discovered so far are discussed below

4.1 Buyers Defrauded: A buyer and seller enter into a contract in which the L/C authorizes the seller to collect on the L/C upon shipment of the goods. The seller then presents credible shipping documents to the issuing bank but no goods have actually been shipped. The documents are credit-complying and the negotiating bank pays out to the sellers. Due to the transit time between the port of loading and the port of discharge, it is often many weeks before the buyer realizes that no cargo has been shipped and that the documents negotiated through the banking systems are forged. In the mean time, the seller flees far away to be prosecuted (Godier, 2001).

Sometimes, the seller ships goods of lesser quantity or quality, while sometimes ships complete rubbish, loading the containers with sand, rocks or rubble. Bills of lading, made out on a ‘said to contain’ basis, specifies the goods the seller expects to receive. The seller obtains payment from the L/C issuing bank, and disappears before the cargo reaches the destination.

Sometimes, shipments are made by shipping absolutely nothing at all. The seller produces an entire set of fake documents as specified in the L/C including the bill of lading, and obtains payment. Sometimes, the cargo or the ship even does not exist, while fake documents are used to obtain payment. When the buyer claims compensation from the insurer, the insurer declines to pay on the ground that the buyer is not covered as the goods never existed which were insured. This is by far the most common technique adopted by the fraudulent sellers (Lowe, 1999).

4.2 Issuing Banks Defrauded: In documentary trade, sellers ship the cargo and send original documents to the issuing bank, which is usually situated in the buyer's country. Meanwhile, they also send 'non-negotiable' copies of the bills of lading to the buyers to advise them of the vessel carrying the cargo. Based upon the non-negotiable bills of lading, the buyers prepare false 'original' bills of lading presents them to the shipping agent when the vessel arrives at the discharge port, and obtains a delivery order which is used to clear the cargo out of the port. The buyer then disappears with the goods, leaving the bank with the liability to pay the seller (Demir-Araz, 2002).

4.3 Confirming Banks Defrauded: Conforming banks sometimes discount deferred Ls/C, i.e. the credits which are not honoured at sight, rather at a later period. Defrauding conforming banks, the seller ships no goods, or rubbish but issue forged bills of lading. Sometimes, the vessel and cargo are all imaginary and forged documents are produced to swindle the bank (Lloyds List, 1999). The crooked seller then discounts the credit from the conforming bank, and disappears before the ship arrives at the destination to reveal the truth. Upon maturity of the credit, when the conforming bank seeks payment from the issuing bank, it declines to pay as the fraud then has already been discovered (Banco Santander SA vs. Bayfern Limited and others, 1999)

4.4 Insurance Companies Defrauded: Sometimes, parties enter into sales contract, ship no goods or rubbish but issue forged bills of lading then scuttle the ship en route and claim compensation from the insurer. Sometimes, true goods are loaded and original bills of lading are issued, but the goods on board are sold to third party redirecting the vessels; and then the vessel is scuttled claiming damage from the insurer (Demir-Araz, 2002).

5.0 Recent Incidences of Documentary Credit Fraud

As mentioned earlier documentary credit fraud is growing like a 'cancer alarm' for international trade. An ICC publication in 1995 shows that documentary credit fraud runs into hundreds of millions of pounds every year (ICC, 1995). A statistic of 1999 shows that banks are assumed to have lost millions of pounds, among them Citibank is said to have lost £30 million, ABN Amro £16 million and Barclays £13 million (Lloyds List, Nov 15, 1999). In one case, the Central Bank of the United Arab Emirates suffered losses of some US\$650 million (Demir-Araz, 2002). The Mumbai branch of the Centurion Bank in India lost in 2002 RS 400 Million by discounting forged Ls/C. A similar incident happened in the same year with the Kolkata branch of State Bank of India who has reportedly lost RS 1,000 Million for extending credit facility against fake Ls/C (The Hindu Business Line, Jan 30, 2002). On the 19th September, 2003, the Old Bailey in London sentenced a man two years imprisonment for his part in a L/C fraud that is estimated to have cost international banks US\$200 Million (Financial times, September 20, 2003). Very recently in India on the 31st December, 2006 the court of Central Bureau of Investigation (CBI) Special Judge sentenced a man to five years rigorous imprisonment for a RS 4,000 million L/C scam with the Assam Veterinary Department (The Hindu, Sunday, Dec 31, 2006).

6.0 Some Common Reasons for the Rise of Documentary Credit Fraud

6.1 Sole Use of Documents

Documentary credit transaction is a transaction of documents. Banks are only concerned of documents in order to honour its obligation under a L/C. As document means money, an unscrupulous beneficiary can easily forge and fabricate them. For example, a beneficiary might tender lower standard goods, but alter the bills of lading and quality certificates accordingly to the contractual one and would obtain payment against these forged documents. Two cases in law history could be better examples of the scenario above. One is the Cuban Coffee case where three thousand tons of coffee was sold to the Cuban government. The fraudster used an old ship, which sailed for Cuba without any coffee on board. A forged bill of lading was issued and payment was obtained. The ship was intended to be scuttled en route but somehow they failed and the swindle came in light. Another case is Angola Groundnuts where Angola purchased groundnuts; no groundnuts were shipped rather forged bill of lading was issued, and payment was obtained from the bank (Demir-Araz, 2002). Given that under a documentary credit transaction, documents mean money, fraudsters are taking this chance to deceive international traders.

6.2 Geographical Distance

One of the major reasons for the rise of documentary credit is geographical distance in maritime trade that allows payment against documents prior to goods reaching their destinations. The forger remains safe since he has time to obtain payment while the goods reach the destination when the fraud would come in light. Bennett, 1992 says that shipping is still beset with documents despite the development of instant communication and computerized accountancy. Because ships, unlike aircrafts, take weeks rather hours to reach their destinations. The criminals get time to cover their tracks.

6.3 Containerisation

In containerised warehouse to warehouse shipments, it is difficult to determine the quantity and quality of goods shipped. Shipping companies' responsibility is only to carry the cargo to designated destinations only, and does not cover examination of the commodities. The bills of lading are issued on a 'said to contain' basis. An unscrupulous seller, as mentioned before, can ship valueless or lower standard goods, fabricate documents showing goods are of contract type, and can obtain payment.

6.4 Narrowness of Fraud Exception

Fraud exception in almost all countries is known to be very narrow (Oelofse, 1997). Courts have been very reluctant to interfere with the documentary credit transactions to uphold the autonomy of Ls/C (Pugh-Thomas, 1996). The burden of proof is too heavy to prove fraud. Mere allegation of fraud (Discount Records Ltd vs. Barclays Bank LTD, 1975) or suspicion of fraud (Tukan Timber Ltd vs. Barclays Bank PLC, 1987) is not good enough to stop a documentary credit being honoured. For the exception to be considered, fraud has to be of the documents presented to stop the bank paying the beneficiary, and payment cannot be stopped on ground of tender of defective goods or delayed delivery. To stop a fraudulent beneficiary taking payment of a credit, the fraud needs to be clear itself and to the banks knowledge (United Trading Corporation SA and Murray Clayton LTD vs. Allied Arab Bank Ltd, 1985).

On the other hand, fraud has to be wilfully committed by the beneficiary, and a third party's fraud for which the beneficiary did not have knowledge is not sufficient to stop the credit being honoured. Even if there is clear fraud in the conforming documents but the fraud is

neither by the beneficiary nor he has knowledge about it, banks cannot stop payment nor would courts issue a restraining order. House of Lords in England in the United City Merchants (Investments) Ltd and Glass Fibres and Equipment Ltd v Royal Bank of Canada, Vitrorefueros S.A. and Banco Continental S.A., 1983 case held the same, and stated that if the beneficiary is not a party to the fraud, banks are obliged to pay.

The above mentioned rigorous standards to prove fraud make the fraud exception extremely narrow. There are not many cases where a buyer has successfully proved fraud and achieved a court order to prohibit a fraudulent beneficiary from drawing on the credit. Even though when a bank knows that the beneficiary is fraudulent, it still has to pay because it cannot prove it. The fact that courts do not want to interfere with bank guarantees makes the fraud exception useless, and allows fraudsters to abuse the system (Demir-Araz, 2002).

6.5 Lack of Prosecution

There has been no international agreement to facilitate the prosecution of documentary credit fraudsters despite enormous losses caused by such fraud every year. Having committed their crime the fraudsters live in tropical countries safely; because even the buyer or the bank finds them, they cannot take action against them for a crime committed miles away (Demir-Araz 2002).

7.0 Few Suggestions to Minimize Documentary Credit Fraud

Fraud in documentary credit transactions may not be ever completely prevented. Mr P.K. Mukundan, Director, International Maritime Bureau, and International Chamber of Commerce's Commercial Crime Bureau, describes it as “like most commercial systems, the L/C system is designed for use by the honest businessman. It is not designed to protect him from the fraudster”. Though documentary credit transaction may not ever be completely secured, some means can be adopted to minimize fraud. Those are discussed below

7.1 Checking the Background of the Seller

The risk of documentary credit fraud can be minimized if buyers and sellers check the background of their contractual partners before entering into commitments. The unscrupulous parties in international trade many times try to offer a commodity at an unusually low price. Many credit rating agencies now-a-days are carrying out research globally to check the background of sellers. Such service is however not free of cost, but can save in times huge for the concerned parties. Sellers having good credit ratings may tend to ask for bit higher prices, but buying from reputed sellers minimizes the risks of scam.

7.2 Shipment of Goods by Reliable Transport Services

Shipment of goods by well-established and reliable transport service companies can help avoid being defrauded. By doing so, the buyer can run some simple checks to be safe, e.g. checking if the vessel nominated to perform the voyage has the capacity to carry the particular cargo or not, and will it be calling at the nominated loading port and is scheduled to go to the discharge port or not. Many shipping companies use modern information technology, and allow their registered customers track vessels, and containers online. Concerned parties in the trade can verify information of the conforming documents with the shipping companies while payment is being negotiated.

7.3 Wide Use of Pre-shipment Inspectors

Like every business transactions, documentary credit transaction contains risk. Usually the buyer of a L/C transaction carries the risk as he needs to pay the seller on the basis of documents. To protect himself from fraud, the buyer can insist on appointing independent inspectors to ensure the quality and quantity of goods. Though appointing pre-shipment inspectors increases the cost of trade, it can help largely reducing fraud (Ho, 1997). Buyers may also arrange the surveyor go to the loading port to examine the cargo and supervise the loading operation. Additionally if possible arranging for a cargo surveyor to remain on the vessel during transit.

Many countries now a days use pre-shipment inspection services to check merchandise in the exporting country prior to be shipped. For example Bangladesh introduced pre-shipment inspection process mandatory in 1999 (PSI Rules (amended after 1999), 2002 Bangladesh Ministry of Finance Statutory Regulatory Order No. 255-Law/2002/1973/Cus. Dated 19/09/2002). All merchandise, with a few exceptions, inbound to Bangladesh from then on are required to be inspected by selected inspection companies prior to be shipped. Byers need the pay a fee of one percent of the assessable value of the consignment to the government through which the government meets the inspection charges. A satisfactory report of the concerned pre-shipment inspector is a condition of the credit being honoured. On the other hand pre-shipment inspectors are in a contractual liability with the government to issue genuine reports, a disparity of which can lead them to be penalized (PSI Audit Agency Appointment Order, 2001, Bangladesh Ministry of Finance Statutory Regulatory Order No. 246-Law/2001/1917/Cus. Dated. 29/08/2001). Buyers can thus feel safe while merchandise being inspected at the port of loading.

7.4 Usage of Performance Bond

Performance bond is the best way for a buyer to secure his contract with the seller. With a performance bond issued in favour of the buyer, the seller guarantees a buyer to perform his duties under the sales contract. Contrast behaviour of such performance would oblige the issuing bank of the performance bond to pay the buyer on demand the amount stipulated in the bond. Arrangement of such strong guarantee by a seller, endorsed by a bank, would leave the possibility of fraud at a lower level (Demir-Araz, 2002). Not many sellers may be ready to arrange for such performance bond as the endorsing bank charges a fee, which take away a portion of the trading profits of the seller. The seller if asked for such a bond is likely to ask for higher prices for the merchandise. Buyers need to trade off between paying higher prices, and secure dealings.

7.5 Reconsideration of Fraud Exception

Fraud is an exception to the autonomy of documentary Ls/C. However, as mentioned earlier, this fraud exception is extremely narrow. Courts in different parts of the world, trying to uphold the autonomy and integrity of the documentary Ls/C, do not want to interfere with documentary credit transactions (Johnson and Paterson, 2001). Under the too heavy burden of proof, fraud exception may never be applied or just remain a theory. Thus the fraud exception should be reconsidered to minimize the abuse in documentary credit transaction (Demir-Araz, 2002). If not interfering with the autonomy of Ls/C stopping payment which may lead the credit its very purpose of financial assurance in international trade, concerned courts can take measures for prosecution of the fraudsters. International agreement for the persecution of the swindlers could help not allowing the unscrupulous cover their tracks.

7.6 ICC Commercial Crime Service

Commercial Crime Service (CCS) is a division of ICC, which provides free service to its member banks. Banks can always send the conforming documents to CCS to check the authenticity of the documents for which it will pay the beneficiary. CCS has got a database of different pieces of information supplied from different parts of the world, and member of the CCS has got a wider exposure of the international business market determining genuineness of documents. Conforming documents checked by CSS prior to being negotiated can reduce the risk of scam.

7.7 Electronic Submission of Conforming Documents

Documentary credit transaction is filled with huge paperwork; the annual global cost of maintaining which is huge, and the process is inefficient, time consuming and vulnerable to fraud (Christensen, 2003). To solve these problems of international trade a cross industry utility platform for the secure electronic transfer of information has been developed in late 1999, known as Bolero project. Bolero is a cross industry initiative which is jointly owned by SWIFT - cooperative owned by world's banks, facilitating inter bank messaging service; and TT club - a mutual insurer for ship owners, freight forwarders, terminal operators, and port authorities (Godier, 2000). Bolero project intends to allow for the presentation of documentary trade documents online. Bolero can be useful for secure delivery of documents in electronic form, getting rid of paper work, and vulnerability of fraud. To deal with the necessary legal framework of submitting conforming documents online, ICC has already published a guideline known as the eUCP (Bryne & Taylor, 2002). However submitting documents electronically through Bolero is not free of cost. The buyer, seller, and the concerned banks should bear this small cost to avoid being defrauded in documentary credit transactions. The Bolero project can be an efficient solution to documentary credit fraud.

8.0 Conclusion

To summarize, there is not a single solution to the fraud issue of documentary Ls/C transaction. The documentary credit fraud would not be completely prevented from international trade. International traders and concerned bodies can not merely stand aback and blame legal proceedings allowing fraudsters get free ride. Courts in different parts of the world have been reluctant to interfere with L/C to allow the guarantee being honoured without interference. If courts frequently grant injunction stopping payment of documentary Ls/C, the credit can lose the purpose of financial assurance in international trade. Banks, on the other hand, would be irreparably damaged if courts restrain them to perform banking contracts, which could lead to a banker's guarantees being unacceptable in international trade. Fraud in documentary Ls/C, for whatever reason has raised, should be tried to minimize by other means, like the use of independent inspectors, quality certificates, and electronic submission of conforming documents. This would add a little to the trading costs of the parties involved, but they could help minimize fraud. However, means of courts intervening with Ls/C frequently would do little good in minimizing fraud; rather it would damage trust and confidence in international trade.

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45. *United City Merchants (Investments) Ltd and others vs. Royal Bank of Canada, (Vidrorefueros S.A. and others, third parties)* (1981) 3 All ER 142
46. *United Trading Corporation SA and Murray Clayton Ltd vs. Allied Arab Bank Ltd and others* (1985) 2 Lloyd's Rep 554