



# TRADE FINANCE AND CONTRACTUAL PERFORMANCE SECURITY INSTRUMENTS: LETTER OF CREDIT, WARRANTY BOND & RETENTION GUARANTEE

**1 March 9-10, 2026 (Monday-Tuesday) 8.45 am – 5.00 pm FMM Institute, Perak**

Trade finance is used to finance trade transactions especially international trade. The use of trade finance helps to mitigate or reduce trade risks between sellers and buyers. Whereas contractual performance security instruments, are used to provide financial assurance to the beneficiary (often the employer) that the other party (the contractor) will complete the work as agreed. If the contractor defaults, the security can be enforced / activated and used to cover losses or complete the project.

## COURSE CONTENTS

### PART 1 : THE DYNAMICS OF TRADE FINANCE AND CONTRACTUAL SECURITY

- The Range of Financial trade facilities for both domestic and International Trade
- Financial Instrument to mitigate RISKS between the stakeholders.
- The Stakeholders in both TRADE transactions and JOB Contracts

### PART 2 : THE RANGE OF TRADE FINANCE AND CONTRACT PERFORMANCE SECURITY INSTRUMENTS

- Letter of Credit; Bank Guarantee; Bills discounting; Documentary Collection – D/P and D/A etc
- Warranty Bond; Retention Guarantee
- The structural differences in the instruments mentioned.

### PART 3 : THE LETTER OF CREDIT AND GUARANTEE

- Governing Rules on Letter of Credit and Guarantee
- UCP600
- The types of Letter of Credit and each of their operations.

### PART 4 : THE SIGNIFICANCE OF GUARANTEE AND BONDS – GOVERNING RULES URDG758

- The Warranty Bond
- The Retention Guarantee
- The Bank Guarantee

### PART 5 : APPROPRIATE APPLICATIONS FOR EACH OF THE INSTRUMENT

- Letter of Credit; Bank Guarantee; Warranty Bond and Retention Guarantee
- International, Domestic Trade
- Construction Projects.

### PART 6 : WHICH INSTRUMENT IS APPLICABLE TO EACH COMMERCIAL ENGAGEMENT

- Domestic and International Trade Transactions
- Procurement Contracts
- Construction Projects

### PART 7: RISK MITIGATIONS AND BEST PRACTICES

- Communications with All Stakeholders
- Express clearly and all details on the Agreed Terms and Conditions
- Develop Checklists to ensure the instruments incorporate all Terms and conditions and security clauses.

## TRAINER

**MR. TEE TUAN CHUAR** holds a Bachelor of Accounting, a Postgraduate Diploma in Organisational Science, a Certificate in Total Quality Management, a Certificate in Human Resource Management, a Certificate in Training Skills and Technology, a Certificate in Training Management, a Certificate in Professional Selling and Negotiation Skills, a Certificate in Strategic Planning and a Certificate in Project Management. Mr Tee who brings with him 18 years of training experience was the Quality Management Representative (QMR) of an Engineering corporation in Kuala Lumpur. His practical work experience includes being a Group Senior Operations Manager and a Factory Manager who has succeeded in undertaking various operation projects such as Lean Production, TPM and Housekeeping Management (6S).

**MR. TEE** has provided 6S consultancy and training for MNC and SME organisations of various industries that includes petrol chemicals, electrical and electronic, food and beverages and ceramic tiles. A regular trainer for FMM Institute, Mr Tee has trained and facilitated programmes such as Managerial Leadership Skills, Production Planning and Control, Warehouse Management, Inventory Management, INCOTERMS, Supply Chain Management, Finance, Costing and Accounting, LEAN Manufacturing and Procurement and Negotiations Skills. In addition, Mr Tee has a Class "F" license issued by JPJ and holds a Certificate in Forklift Operators' & Safety by UMW Industries Sdn Bhd. Mr Tee has conducted Safe Forklift Driving Skills for FMM Institute throughout Malaysia.

## OBJECTIVES

- A comprehensive knowledge on Trade finance and Performance Contractual security instruments
- The skills to apply the appropriate instrument for the appropriate contractual transactions.
- Understand how each of the instrument operates. And apply the right instrument.

## WHO SHOULD ATTEND

The Finance Professionals, Supply Chain Manager, Procurement Managers, Contract Managers.

**Closing Date:**  
**MARCH 2, 2026**

## COURSE DETAILS

Date **March 9-10, 2026 (Monday-Tuesday)**  
Time **8.45am - 5.00pm**  
Venue **FMM Institute Perak, No 1, Lorong Raja DiHilir, 30350 Ipoh, Perak**  
Medium of Instruction **English**  
CPD **14 hours**  
Fees ☐ **Members RM1,134.00/pax** ☐ **Non-Members RM1,296.00/pax**  
(Fees inclusive of Service Tax at 8%, Course Materials, Refreshment, Lunch and Certificate of Attendance)

## ADMINISTRATIVE DETAILS

### HRD CORP CLAIMABLE COURSE DETAILS

- Training Provider: **FMM Institute Perak** ■ MyCoID : **475427W\_PERAK**
- HRD Corp Programme No: **Provided upon confirmation**

### DISCLAIMER

The FMM Institute reserves the right to change the facilitator, date and to vary / cancel the course should unavoidable circumstances arise. All efforts will be taken to inform participants of the changes.

### REGISTRATION

- Upon **Faxing/Mailing** the completed **Registration Form** to FMM Institute, you are **deemed** to have read and **accepted** the terms and conditions. The **course** would also be **deemed** as **confirmed** unless informed otherwise.
- Will be based on First-Come-First served basis.

### PAYMENT

- **Cheques** made in favour of "FMM Institute" should be forwarded to FMM Institute Perak.
- For **HRD Corp Claimable Course**, an **Attendance of 100% is a must**, in any case, **employers will be billed in full**.
- FMM Institute SST Registration No. **W10-1901-32000105**
- FMM Institute TIN No. **C10626805080**

### CANCELLATION

Must be in Writing with Reasons ■ 7 days before the course – No payment charged ■ 3 – 6 days before the course - 50% payment charged ■ < 3 days before the course – Full payment charged ■ Participants who did not turn-up will be charged full payment ■ Replacements can be accepted at no additional cost

~ Registration Form ~

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FMM Institute  
No 1, Lorong Raja DiHilir, 30350 Ipoh, Perak

Fax: 05-5488221

Dear Sir / Madam, please register the following participant(s) for the above programme.

1.	Name		Designation	
			HP No	
	NRIC		Email	
2.	Name		Designation	
			HP No	
	NRIC		Email	
3.	Name		Designation	
			HP No	
	NRIC		Email	

(Please attach a separate list if space is insufficient)

We hereby confirmed that (Please tick (✓) in appropriate box):-

- ☐ We **will be claiming from HRD Corp** and full payment would made to FMM Institute in the event that no disbursement from HRD Corp under any circumstances
- ☐ We will **NOT BE CLAIMING from HRD Corp**. Enclosed cheque/bank draft No \_\_\_\_\_ for RM \_\_\_\_\_ being payment for \_\_\_\_\_ participant(s) made in favour of the "FMM Institute".

Submitted by:

Name:	Designation:		
Company:	Tel:	Fax:	
Address:			
Email:	FMM Membership No		

Enquiries – please contact Ms Vaani / Pn Eda / Ms Harvindar ☎ (05) 548 8660 📠 (05) 548 8221 ✉ [fmm\\_institute\\_perak@fmm.org.my](mailto:fmm_institute_perak@fmm.org.my)