Agency

Decision in Bell Group v Westpac Banking Corp, 273-278 applicable legal principles, 276 findings, 275-278

Airlines insolvency

Ansett decision in High Court, 35-36, 40-46 facts, 35-36 majority on insolvency issue, 42-43 minority on insolvency issue, 43-45 clearing house arrangements, enforceability of, 35, 40-45 IATA rules and regulations, 35-36, 40-41 multilateral netting, 35, 38-40, 46

Anti-money laundering

bank program, for, 183-184 liability, where, 185 legislation, 185 impact of reform, 163

Assignment of loans and mortgages

caution to lenders, 78-79

Australian Prudential Regulation Authority (APRA)

business of banking, role in regulation of, 130, 133 superannuation industry supervisory role, 7-8, 18

Banking law

business of banking, 130-133 "any" banking business prohibitions, 132-133 background, 130 judicial definitions, 130-131 statutory definition, 131 credit transactions, acceptance "under reserve", in, 271-273 debit cards, whether quality chargebacks apply, 133-136 interest deductions St George Bank v Commissioner of Taxation, 137-139 international payment services, 186-208, 249-270 qualified privilege, 71-74 defence of, 71 recent publications, 83, 151, 220, 283 uniform customs and practices for documentary credits, 209-211, 271-273

Banking practice

decision in Aktas v Westpac Banking Corp, 71 background, 71 findings, 72-74 decision in Bell Group v Westpac Banking Corp, 273-278 background, 273-274

Bell Group Finance's banking arrangements, 275 findings, 275-278 implications, 278 liquidators' and trustees' claims against bank, 274 Lloyds Bank's role in relation to Lloyds Syndicate banks, 278 plaintiffs' agency argument, 275 Westpac's role in relation to Australian banks, 276-278 disclosure of client information, 73-74 documentary credits, 209-211, 271-273 acceptance "under reserve", where, 271-273 non-documentary conditions, issues, 209-211, 271 duty to mitigate damages, 73-74 fraud, theft and mistaken payments, remedies for see Theft, fraud and mistaken payments mistake, 71-72 common law action, 173, 175-176 constructive trusts and, 170-172, 180, 182 resulting trusts and, 168-170 Morrison v National Australia Bank Ltd, US decisions, 217-219 Privacy Act 1988 (Cth), breach of, 73-74 qualified privilege, 71, 74 recent publications, 86, 154, 223, 286 resulting trust breach, liability where, 184-185 suspicious transactions, liability where, 182-184 taxation of multinational banking income see Multinational banks

Capital and foreign exchange markets

derivatives documentation in China, 80-82 documentation in Australian financings, 279 bank bill rate (BBR or BBSY), 279-281 fate of BBSY, 280-281 European Interbank Offered Rate (EURIBOR), 279 foreign issuer securities, US case, 217-219 implications for "foreign-cubed" securities, 218 Hong Kong Interbank Offered Rate (HIBOR), 279 India, secured financing in, 20-34 London Interbank Offered Rate (LIBOR), 279-282 fate of, 280 market disruption clauses, 279-282 experience with, 281-282 typical clause, 279-280 recent publications, 84-85, 152-153, 222, 285 regulation of international credit transfers see International payment services law Singapore Interbank Offered Rate (SIBOR), 279, 281 standard Asia Pacific Loan Market Association (APLMA) clause, 279-280, 282

China

derivatives documentation, 80-82 foreign direct investment, in, 20 mutual recognition of judgments with Hong Kong, 155-157 background, 155

commencement date of reciprocal arrangement, 155 effect, 156-157 designated courts, 155 effect of registered judgments, 156-157 exclusive choice of court agreement, 155-156 future dispute resolution methods, 157 judgments must be "final and conclusive", 156 monetary judgments, 155 registered judgments can be set aside, 156-157 registering Hong Kong judgments in China, 157 scope of ordinance, 155-156 NAFMII Agreement, 80 close-out netting, validity of, 82 master agreement provisions, 80 publication of, 81 title transfer issues, 82 use of, 81-82 syndicated loans, 87 CBRC guidelines for banks and non-bank financial institutions, 87 enhanced role of agent, 87 information memorandum, 87 international practice, 87

China Banking Regulatory Commission (CBRC)

banking regulatory role, 87

China Foreign Exchange Trade System (CFETS) requirements, 81

Commercial and finance law

debit cards, whether quality chargebacks apply, 133-136 recent publications, 84, 152, 221-222, 284-285

Corporations Act 2001 (Cth)

shareholder "creditors", 114-118, 120-129 s 197 under, 114-118, 120-129 superannuation regulation, 5 voluntary administration regime under, 112

Corporations Amendment (Insolvency) Act 2007 (Cth) voluntary administration regime under, 112

Corporations and Markets Advisory Committee (CAMAC)

discussion paper on claims by shareholder as creditor, 115, 120

Credit cards

credit card holders, choice of PIN or signature, 133 functional difference between debit card and, 136 "quality" chargeback rights, 133-136 cardholder does not borrow money, where, 135-136 credit card used with PIN, where, 136 nature of, 133-134

origins in US, 134 transplant in Australia, 134-135

Credit derivatives

corporate debt restructuring, impact on, 97, 103-113 capital adequacy relief in Australia, 102-103 concerns, 105-111 disclosure, 111 erosion of incentives to participate in work-out, 105-106 extent of cover, 106 inexperienced parties in work-out, 110-111 informal procedure, 103-104 key stages, 104-105 method of settlement, 106-108 modified restructuring, 100-101 modified modified restructuring, 102 motivational/behavioural dynamics of creditors, changes to, 106-109 possible alternative mechanism to restructuring, 111-112 restructuring credit event, 99-100 restructuring procedure and potential outcomes, 104-105 specified credit events, 108-109 unaddressed uncertainties, 112-113 uncertainty as to number/identity of creditors, 109-110 voluntary administration regime under Corporations Amendment (Insolvency) Act 2007, 112 credit default swap (CDS) transactions, 98-112 documentation, 98-99 settlement methods, 99 definition, 98 global credit derivatives market, growth of, 97

Debit cards

cash card, as, 136 functional difference between credit card, where, 133, 136 whether quality chargebacks apply, 136

Debts

caution to lenders, 78-79 impact of credit derivatives on corporate debt restructuring, 97-113 receiver, equitable execution and foreign and future debts, 145-150 Masri v Consolidated Contractors decision, 145-150 right to recovery of, 78

Documentary credits

banks dealing with, 209-211, 271-275 acceptance "under reserve" in credit transactions, 271-273 credit considered in Banque de l'Indochine case, 209-211, 271-273 standby letter of credit in Kumagai-Zenecon case, 210-211 commercial expectations, 211 current status of law, 210-211, 271-273 non-documentary conditions, issues, 209-211, 271 uniform customs and practices (UCP) rules for, 209-211, 271-273

European Commission

payment system regulation, 47-70, 186, 188, 270 clearing and settlement in securities market, 48-49 Cross-border Credit Transfers Directive, 47-45, 202, 204-206 evaluation of e-money directive, 50 history, 54-56 new legal framework, 54-58 recent developments, 47-50 2005 proposal, 56-57 proposed EU Payment Services Directive, 47, 51, 57-70, 189, 206-208, 270 cost-benefit issues, 67 current statue, 68 detailed analysis, 58-67, 206 disclosure to clients, 207 dispute resolution, 66, 208 funds and liability, 65-66 key industry concerns, 67-68 liability and redress, 65-66, 208 licensing and passporting arrangements, 57, 62-65, 206-207 low value payment services, 62 minimised standard rules, 57-58 one-off transactions, 60 passage through European Union institutions, 69-70 payment service providers, 59 product disclosure and consumer rights, 58 public discussion of, 67-70 receipt and execution, 64, 207 refunds, 58 standing facilities, 61 subject matter, scope and definitions, 58 transparency of conditions of payment services, 60-62 United Kingdom consultation process, 69 Single European Payment Area (SEPA), 47, 50-54, 58, 70 creation, 50 cross-border payments in euros, 50 EPC project, operation of, 52-53 incentives paper, 53-54

Financial and investment planning

directors' liability for debts, 114-118, 120-129 India, secured financing in, 20-34 obligations incurred by corporation and trustee, 114-118, 120-129 recent publications, 86, 153-154, 222-223, 286 syndicated loans, 87

Financial Services Reform Act 2001 (Cth)

application, 5 background, 8 disclosure, 8-9, 19

Foreign exchange markets see Capital and foreign exchange markets

Foreign lending

foreign direct investment, figures for, 20 India, in, 20-34

Fraud

remedies, where see Theft, fraud and mistaken payments

Hong Kong

syndicated loans, 87

India

background to financing practices, 20-21, 33 corporate searches, 22 external commercial borrowings (ECB) approvals, 22-23 foreign banks, in, 20, 33 foreign direct investment figures, 20 foreign lending, in, 20-32, 33-34 approvals, 22-23, 26-27 guarantees, 32 issue of licences, 22 loan registration number, 23 ongoing reporting requirements, 23 practical issues, 33 preferential creditors, 32 priority, 27-30 security immovable property, 24-25, 27-28, 30-31 movable property, 25, 28-29, 31 shares, 25-26, 29, 31 shareholders, 21 stamp duty, 32-33 types of Indian entities, 21 Indian borrower, 21-22, 32 interest rates, 20-21 investment banking, 21 Reserve Bank of India (RBI), role, 22-23, 34 secured financing in, 20, 24-34 creation, registration and priority, 27-30 enforcement of security, 30-32 immovable assets approval, 26 income tax clearance, 27

miscellaneous key issues, 32-33 share pledge approval, 26-27

Insolvency law

alternatives under Australian law, 36 decision of Supreme Court (WA) in Bell Group v Westpac Banking Corp, 273-278 deed of arrangement, 36 High Court decision in International Air Transport Assn v Ansett Australia Holdings, 35-36, 40-46 receiver, equitable execution and foreign and future debts, 145-150 recent publications, 85, 153, 222, 285-286 Sablebrook Pty Ltd v Credit Union Australia, 215-216 decision of Supreme Court (Qld), 216 facts, 215 voluntary administration under Corporations Amendment (Insolvency) Act 2007, 112

Interest payments

St George Bank v Commissioner of Taxation, 137-139 facts of case, 137 implications of decision, 138-139 issues, 137-138

judgment, 138

International payment services law

international credit transfers, 186-208, 249-270 authentication, 192-193 authorisation, 254-256 choices of law for US funds transfers, 264-265 conflicts of laws, 200-201, 203 credit transfer regime, 190-191 delayed payments, compensation, 198-199 demand for faster and more reliable payments, 186 dispute resolution, 269 duties of banks, 194-195, 257-258 EU Cross-border Credit Transfers Directive, 47-45, 202, 204-206, 270 harmonisation, 186-188, 202-203, 249-250, 265-270 late, unsuccessful or "improper" payments, 262-264 mistaken payments, 258-260 money-back guarantees, 197-198 obligations of parties, 267-269 payment finality/completion, 196-197, 260-264, 269-270 proposed EU Payment Services Directive, 47, 51, 57-70, 189, 206-208, 270 revocation, 193-194, 256-257 specific issues for, 188-189, 266 transactions, legal relationship by contract, 201 unsuccessful payments, 197-198, 262-264 variation by parties, 199-200, 264 lack of consumer focus, 203-205, 253-254 UNCITRAL Model Law, 201-203, 249-250, 265-269 comparison with Uniform Commercial Code (US), 186, 249-250, 265-269 reasons for limited implementation, 202-203 Uniform Commercial Code (US), under, see Uniform Commercial Code (US)

Land rich duty

changes to legislation, 212-214 substantial amendment to threshold in Northern Territory, 77 decisions in Alcan (NT) Alumina Pty Ltd v Commissioner of Taxes, 75-77 background, 75 decision 1, 75-76 decision 2, 76-77 filing of appeal, 77 submissions, 76 exemptions, 212-214 New South Wales, in, 212-213 Northern Territory legislation, 75, 77 relief from, 212-214 Victoria, in, 213-214 Western Australia, in, 212, 214

Mortgage duty

changes to legislation, 212

Mortgagees

exposure to damages, 215-216 Sablebrook Pty Ltd v Credit Union Australia, 215-216 decision of Supreme Court (Qld), 216 facts, 215 legal framework of Property Law Act, 215 observations of Court, 215 valuations, importance and relevance, 215-216

Multinational banks

argument for changing current international taxation regime, 230, 237, 247-248 background, 230-234 unitary tax model, 247-248 broad tax principles, 231-232, 238 characteristics of, 229-231, 248 highly integrated nature, 245-246 foreign direct investment, defined, 244-245 global expansion, 231, 235, 242 contributing factors, 237, 240-241, 244 ramifications, 231, 235-238, 241 tax questions, 237, 239 technological development, 237 growth and evolution, 238-241, 244, 248 lack of common terminology, 238 nature of services and consequent products, 235-242 example of General Motors Holden in Australia, 239 intermediary services, 238 monopolistic advantages and network linkages, 241-242 OECD reports, 230-231, 236, 238 organisational structure, 242-248 alternate trading models, 245-246

entering market through foreign direct investment, 242-245 servicing clients through appropriate locations, 246-247 role of, 234-235, 242 significance from fiscal perspective, 230-234 sophisticated derivative instruments, 237 traditional multinational entity, distinguished, 229, 238-239 transfer pricing issues, 230, 232, 237 application of current rules, 233-234 arm's length pricing, 232 distortion of attribution profits, 232 OECD guidelines, 232

National Privacy Principles (NPP)

observance, 73-74

New Zealand

limited partnerships, 88-90 banks and lawyers dealing with, tips, 90-91 capital contributions, 89 carry on business, 89 distributions, 89-90 general partners, in, 89 indoor management rules, 90 limited partners, in, 89 limited partnership agreement, 89 method of contracting, 90-91 registration, 89 separate legal personality, 88-89 termination, 90

Parliamentary Joint Committee on Corporations and Financial Services

superannuation industry report, 18-19

Partnerships

limited partnerships, 88-90 banks and lawyers dealing with, tips, 90-91 capital contributions, 89 carry on business, 89 distributions, 89-90 general partners, in, 89 limited partners, in, 89 purpose, 88 registration, 89 separate legal personality, 88-89 termination, 90 Limited Partnerships Act 2008 (NZ), 88-91 background, 88 key features, 88-90 partners, in, 89

purpose, 88 significance of, 91

Payment services directive

European Commission, 47-70

People's Republic of China

CBRC guidelines on syndicated loans, 87 mutual recognition of judgments with Hong Kong, 155-157 NAFMII Agreements, 80-82

Personal property securities (PPS)

draft PPS Bill, 140-144 enforcement, 143-144 insolvency, where, 144 submissions date, 144 extent of proposed legislation, 140-144 attachment and perfection of security interests, 142 categorisation of collateral, 141 floating charges, 144 form of security agreements, 141 unperfected security interests void, 144 other legislation, changes to, 140, 144 PPS Register, 140-142 priority and extinguishment rules in PPS Bill, 142-143 basic priority rule, 142 extinguishment rules, 143 other special priority rules, 142-143 purchase money security interests, 142 transfer of collateral, 143 regulatory "hot spots", 140

Privacy Act 1988 (Cth)

breach of, 73-74 disclosure of client information, 73-74

Securities and mortgages

foreign and future debts, 145-150 appointment of receiver, 145, 147 appointment of receiver over future debts, 148 Australian position, 148-149 decision in Masri v Consolidated Contractors, 145-150 enforcement abroad of garnishee order, 146-147 equitable execution, 145-146 equitable receivership, 147 importance of Masri judgment, 150 issue and jurisprudence in Masri, 145-146 pre-Judicature Act practice, 148-150 reasoning of Collins LJ in Masri, 147-148, 150 subject matter jurisdiction, 146 foreign issuer securities, 217

decisions in Morrison v National Australia Bank Ltd, 217-219 implications for "foreign-cubed" securities, 218 loan agreements and mortgages, 78-79 caution to lenders, 78 Personal Property Securities Bill 2008 (Cth), 140-144 PPS Register, 140-142 recent publications, 84, 151-152, 221, 284 Sablebrook Pty Ltd v Credit Union Australia decision, 215-216 Mortgagees' exposure to damages, 215-216

Shareholder "creditors"

```
concept of, 120-121
Corporations Act provisions, 114-129
claim under s 197, 116-117, 125-129
extent of creditors' protection, 126-128
extent of directors' liability, 125-126
meaning and effect of s 563A, 119-120
provable claim under s 553, 118, 121-128
triggering of claim under s 229A, 122
whether claim potentially within s 197, 117-120
directors' liability for debts and other obligations incurred by corporation and trustee, 114-118, 120-129
misleading conduct claims, 115-120
personal liability, 115, 121-126
whether creditor protection appropriate, 125-128
discussion paper by CAMAC, 115, 120
Sons of Gwalia litigation, 114-115, 117-118, 120-121, 127-128
```

Superannuation funds

Australian regulatory regime, 5-9 future directions, 18-19 "consumer sovereignty", 8 defined contribution (DC), 5 member investment choice (MIC), 5, 6, 7-12 overseas parallels, 10, 14-18

Superannuation Industry (Supervision) Act 1993 (Cth)

application, 5-7, 9-12, 18 APRA's divergence from provisions, 7-8, 18 case law, 9-14

Superannuation trustee

best interests of members, 5, 8, 12-13, 19 range of options, 14 choice by members of superannuation funds, 5, 7-8 beneficiary direction, 10-12 risks, 9 defined contribution (DC), 5 disclosure as a regulatory instrument, 8-9 impartiality, 12-14 legislation affecting, 5-9 financial services review, 8-9 overseas parallels, 14-18

report of Parliamentary Joint Committee, 18-19 role of APRA, 7-8, 18 traditional central role, 5 United Kingdom, 10, 12, 16-18 United States, 10, 14-16

Tax and stamp duty

changes to stamp duties legislation, 212 corporate reconstruction relief under Duties Act 2008 (WA), 214 land rich duty, 75, 77, 212-214 mortgage duty, 212 New South Wales, in, 212-213 Northern Territory legislation, 75 Victoria, in, 213-214 Western Australia, in, 212, 214 decision in Alcan (NT) Alumina v Commissioner of Taxes, 75-77 interest deductions St George Bank v Commissioner of Taxation, 137-139 facts of case, 137 implications of decision, 138-139 issues, 137-138 judgment, 138 recent publications, 83-84, 151, 220-221, 283-284 taxation of multinational banking income see Multinational banks

Theft, fraud and mistaken payments

availability of personal and proprietary remedies, 163, 165, 169, 173-185 action for money had and received, 176-179 aspects of theft or fraud, 174-175 common law, restitution at, 173-179 rational for common law action, 173-176 constructive trusts, 163, 173, 179-183, 185 mistake, and, 170-172, 180, 182 personal liability under, 182-184 proprietary rights in equity, 179-182 rational for, 164-165, 179-182 third parties, 176-179 mistaken payments, 175-176, 180 banking context, in, 174 international credit transfers, 258-260 Ollis case, 167-168, 171-172, 182 resulting trusts, 163, 179, 180-183, 185 application to cases of theft and fraud, 165-168 emergence of, 163-164 mistake, and, 168-170 personal liability from breach of, 184-185 proprietary rights in equity, 179-182 rational for, 164-165, 179-182 rise and fall, 167-168 third parties, 179-185 money retained by, 177-178

personal liability, 182-185 proprietary rights in equity, 179-182 tracing rules, 163, 176-178 Agip case, in, 177 equitable, 176 unjust enrichment, 167-168, 170, 174, 177-178 Wambo case, 163, 167-170

UNCITRAL Model Law

adoption date, 186, 265 background history, 189-190 concept, 67, 186, 188 concerns and issues, 203, 266 conventions and instruments, 190 credit transfer regime, development of, 190-191 comparison with Uniform Commercial Code (US), 186, 249-250, 265-269 dispute resolution, 269 electronic funds transfer, legal guide to, 190 focus, 190, 203 implementation, 201-203, 249-250 European Union, by, 67, 186, 188, 204, 206, 270 proposed new EU Payment Services Directive, 47, 51, 57-70, 189, 206-208, 270 reasons for limited implementation, 202-203 key issues, 191, 266 authentication, 192-193 conflict of laws, 200-201, 203 credit transfer regime, 190-191 delayed payments, compensation, 198-199 demand for faster and more reliable payments, 186 duties of banks, 194-195 harmonisation, 186-188, 202-203, 265-270 legal relationship by contract, 201 obligations of parties, 266-267 payment finality, 196-197 revocation, 193-194, 256 specific issues for, 188-189 unsuccessful payments and money-back guarantees, 197-198 variation by parties, 199-200 lack of consumer protection laws, 203-205 scope, 192, 266-267

Uniform Commercial Code (US)

adoption in US jurisdictions, 249 background and context, 250-253 development of Art 4A, 251-253, 265-266 significance of, 252-253, 265-270 Electronic Funds Transfer Act (US), effect of, 253-254 harmonisation of payment law, 249-250, 265-270 international payment services law, 186, 249-270 authorisation, 254-256

```
choices of law for US funds transfers, 264-265
   dispute resolution, 269
   encryption and security procedure, 254-255
   key issues in Art 4A, 253-265
   overall completion, 261-262, 269-270
   variation to standard rules, 264
payment order, 253-257, 260-262
   acceptance and payment completion, 260-264
   amendment and revocation, 256-257
   confusion about payee's identity, 258-259
   duties of banks, 257
   late, unsuccessful or "improper" payments, 262-264
   mistaken payments, 258-260
   payment by payee bank to payee, 261
   proper identification of banks involved, 259
   reporting of unauthorised and mistaken payments by customers, 259-260
   rules for amendment/cancellation of, 256-257
   unauthorised payments, 255-256, 259-260
scope, 253-254, 266-267
UNCITRAL Model Law, comparison with, 186, 249-250, 265-269
```

Uniform customs and practices (UCP)

rules for, 209-211, 271-273 current version, 209-211, 271, 273

Unit trusts

roll-over relief from CGT, where, 212-214

Wallis Committee

role, 8