

Documentary Credit

WORLD

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■ RIGHT OF RECOURSE UNDER CHINESE GUARANTEE RULES

A case decided by China's Supreme People's Court and an article written by a Chinese professor provided motivation for prominent Chinese lawyer JIN Saibo to take up the topic of the right of recourse under independent guarantee and counter guarantee instruments. JIN first examines the issue of a guarantor's right of recourse under an independent guarantee. He next considers banking practice and the right of recourse in the independent guarantee legal relationship. JIN then reviews the judgment on the right of recourse in *Luoyang Aviation Construction Co.* before offering concluding remarks. Throughout his analysis, JIN references applicable articles of China's 2016 Independent Guarantee Provisions and in so doing contends that certain wording needs revisited when the Provisions are next revised.