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KEY WORD : TRANSMISSION/BENEFIT/LETTER OF CREDIT

WISIT KANJANOPAS : LEGAL PROBLEMS OF TRANSMISSION OF THE BENEFIT IN A LETTER OF CREDIT. THESIS ADVISOR : ASST.PROF. DHAJJAI SUBHAPHOLSIRI, 273 PP. ISBN 974-581-305-2

Letters of credit are the most frequent method of payment for the goods in the export trade. The banking practice relating to letters of credit is standardized by the Uniform Customs and Practice for Documentary Credits (1983 Revision) which are commonly referred to as U.C.P. The purpose of this thesis is to analyze the legal problems arising from the use of letters of credit as financing the seller's sale transactions; these are the transfer of letters of credit and the assignment of proceeds therein. This thesis reaches the conclusions as follows: 1. The procedures of transferring the letters of credit as set out in U.C.P. Article 54 are rather vague, complicate and conflicting. However, it is submitted that the issuing bank is under the obligation to effect the transfer since it has consented to the request to transfer by expressly designating the credits as "transferable" in the first place. 2. There is no legal natures under Thai laws which may perfectly apply to the transfer transaction but the transfer of credit under the U.C.P. has its own legal nature (*sui generis*). 3. The assignment of proceeds under the credits before or after the tender of the documents is recognized and valid under Thai laws. 4. The assignee of such proceeds has no right to tender the documents in his own name save that he is authorised by the beneficiary.

It is recommended that Thailand enact the specific legislation regarding the letters of credit in order to fill the legal loopholes of the provisions of the U.C.P. especially the question in relation to the independence of the credit transferred.