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#### ARTICLES

#### Arbitrating financial "star wars" – Bryan Pape

This article considers the use of arbitration as a way of resolving financial disputes involving "over-the-counter" (OTC) derivatives. Understanding these derivatives is vital to avoiding systemic risk in the global financial economy. OTC derivative disputes involve important challenges, not only because of their complexity, especially in the case of non-centrally cleared derivatives, but also because of their unfamiliarity among commercial arbitrators who are likely to be pressed by the parties for a speedy delivery of an award.

### Improving the ability of guarantors to make a real choice: Lenders' practices in taking third party guarantees – *Denise McGill* and *Nicola Howell*

## **Dealings in collateral under the Personal Property Securities Act 2009 (Cth) – in search of a "harmonious whole"** – *Bruce Whittaker*

Australian courts have just recently had their first opportunity to consider the substantive operation of the Personal Property Securities Act 2009 (Cth) (PPSA), in a decision of the New South Wales Supreme Court handed down in June 2013. This has thereby given a first indication of how courts will go about the task of breathing life into the PPSA. Will they embrace the "vibe" and interpret the legislation in a broad and flexible manner, consistent with approaches overseas, or will they approach the task in a stricter, more traditional fashion? Will they draw extensively on the wealth of case law and academic commentary that is available in relation to similar legislation in Canada and New Zealand, or will they limit themselves for guidance to more usual extrinsic materials? This article starts by considering what approach Australian courts should take to the task of interpreting the PPSA, and tests that against the approach taken by the New South Wales Supreme Court in that decision. The article then tests the capacity of the PPSA to produce meaningful outcomes if it is interpreted using traditional Australian principles of statutory interpretation by considering what happens to a perfected security interest in collateral when the collateral is dealt with without the secured party's consent. In doing so, it identifies areas of particular uncertainty, and makes suggestions for reform. .....

BANKING LAW AND BANKING PRACTICE	
Interpreting the UCP	220
SECURITIES AND MORTGAGES	
Preservation and suspension clauses in guarantees: When will they be effective?	224
COMMERCIAL AND FINANCE LAW	
Lender Liability – Is there a duty of care to warn or guard against risk of loss?	229
INSOLVENCY LAW AND MANAGEMENT	
Cambridge Gas rejected	233
RECENT PUBLICATIONS	237
UNITED KINGDOM AND EUROPE	
Supreme Court clarifies meaning and application of "balance sheet insolvency" test	240
All monies guarantee held to be just that	241
Investor's loss caused by her own "extraordinary and unreasonable decision" not to meet a margin call when she was able to do so	243
The EU's fourth money laundering directive	244