

Trade Finance

Export Transactions

Foreign/Domestic Bills of Exchange Purchased

Authority to Purchase (FBEP/DBEP-AP) with and without recourse

- A simple way to get financing for yourself (Exporter/Seller) via Hong Leong Bank

For the Seller

Trade Transactions

Foreign Bill of Exchange Purchased (Authority to Purchase) [FBEP(AP)] is a facility whereby our Bank provides financing to our customer (Exporter) by negotiating/purchasing/discounting its export shipping documents presented with or without bills of exchange (sight/usance) drawn by customer under an Inward Documentary Credit (IDC) in compliance with the terms and conditions of the IDC.

Trade Transactions

Domestic Bill of Exchange Purchased (Authority to Purchase) [DBEP(AP)] is a facility whereby our Bank provides financing to our customer (Seller) by negotiating/purchasing/discounting its Invoice and Delivery Order presented with or without bills of exchange (sight/usance) drawn by customer under an Inward Documentary Credit (IDC) in compliance with the terms and conditions of the IDC.

The Bank will check your presented documents to ensure compliance against the DC.

Benefits

- Advances granted will improve cash flow to fund your working capital requirements
- The IDC provides you with the certainty that the Buyer cannot amend/cancel without your consent
- Ease of cash flow

General Features

The FBEP(AP)/DBEP(AP) is a facility where the Bank provides financing to the customer (Exporter/Seller) by negotiating/purchasing/discounting export/sales documents presented with or without bills of exchange (sight / usance) drawn by the customer under an DC in compliance with its terms and conditions. Available in HKD, USD and RMB.

Documents presented under documentary credits are subject to Uniform Customs and Practices (UCP) for Documentary Credits, International Chamber of Commerce (ICC) Publication currently in force and as may be amended from time to time.

What are my major obligations?

- a) You have not obtained and will not obtain any other source of financing for the trade transaction concerned.
- b) Deliver to the Bank such satisfactory documentary evidence of the trade transaction (e.g. the original invoice, transport documents etc.) as may be required by the Bank or DC.
- c) If the bill is purchased and advance is given by the Bank (including cases where the Bank has claimed reimbursement from the reimbursing bank), it is subject to the condition that in the event the Issuing Bank/ Collecting Bank dishonours the bill, you shall repay to the Bank all such moneys advanced / paid by the Bank together with interest thereon at the rate as may be determined by the Bank and all costs and expenses incurred by the Bank in relation thereto.
- d) You authorise the Bank to debit your account with the Bank for the payment of any charges, interests, costs or expenses in respect of disbursement and repayment of the FBEP/DBEP-AP.