

Trade Finance

Export Transaction

Domestic/Foreign Bills of Exchange Purchased (DBEP/FBEP)

- *Bill of Exchange is purchased by the bank and the proceeds are given to you while pending payment from your Buyer*

For the Buyer / Seller

Export Transaction (Foreign Bill of Exchange Purchased) (FBEP) is an export financing facility granted to our customer (Exporter) whereby our Bank purchases the export documents drawn on overseas buyer under Collection or Documentary Credit (DC), proceeds of which are credited to the exporter's account pending receipt of payment.

Export Transaction (Domestic Bill of Exchange Purchased) (DBEP) is a financing facility granted to our customer (Seller) whereby our Bank purchases his sales documents which is drawn on local buyer under Collection or DC, proceeds of which are credited to the seller's account pending receipt of payment.

Benefits

- Advances granted will greatly ease your cash flow
- Can also be used to purchase discrepant documents under DC

General Features

The FBEP/DBEP is a facility whereby the Bank provides financing to the customer (Exporter/Seller) by purchasing/discounting bills of exchange accompanied by invoice and shipping documents/delivery order drawn by the customer on his foreign/local Buyer.

The shipping/commercial documents are released to the said foreign/local Buyer through his Bank against the exporter/local seller Banker's instruction.

Financing proceeds will be credited to the exporter/seller's account by the Bank pending receipt of payment. Available in HKD, USD and RMB.

Documents for collection are subject to the Uniform Rules for Collection and International Chamber of Commerce Publication currently in force and as may be amended from time to time.

Documents presented under DCs are subject to Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce 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 as stipulated in DC.
- c) If the bill is purchased and advance is provided 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 dishonors 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.