

STANDBY LETTERS OF CREDIT SBLCS /BGs AVAILABLE FOR PURCHASE

(* NOTE BANK GUARANTEES ARE ALSO AVAILABLE AT THE SAME PRICE AND WITH THE SAME PROCEDURES)

DESCRIPTION OF STANDBY LETTERS OF CREDIT (SBLCS)

PRICE	TBA
INSTRUMENTS:	SBLCS
CURRENCY:	EURO (€)/ USD
TERM:	ONE YEAR AND ONE DAY
ISSUING BANK:	HSBC LONDON;
SETTLEMENT BANKS:	HSBC LONDON; BARCLAYS BANK LONDON;
DBS BANK SINGAPORE; CREDIT SUISSE ZURICH	
AMOUNT AVAILABLE:	100M UP TO 50B CONTRACT (ADDITIONAL
CONTRACTS AVAILABLE: CONSECUTIVE OR CONCURRENT)	

PROCEDURES TO PURCHASE SBLCS

1) Buyer must have a minimum of 100M Euros/USD in an account OR AN ACTIVE CREDIT FACILITY with a minimum of 100M Euros/USD in a top 20 bank (preferably banks located in Western Europe; UK; Canada; USA; Singapore; Hong Kong)

2) Buyer submits the following Compliance documents:

A) **Client Information Sheet (CIS)**

B) **Bank Confirmation Letter** - The Buyer's bank officer sends an email to the provider's bank officer, copying in the provider Stating the following "we _____ **Bank confirm with full bank responsibility that our client _____ is in good standing with the bank and there is a minimum of 100m Euros/USD in the buyer's account OR that the Buyer's credit facility is a) in good standing b) fully collateralized and c) that the Buyer has access to a minimum of 100M Euros/USD**".

3) Provider will verify the bank officer's IP address – no contact is made with the Buyer's bank. (NOTE: the IP Address verification is completed within two hours of the Provider/Titleholder receiving the bank officer e-mail.) Once the IP address is verified the Provider/Titleholder will contact the Buyer immediately to arrange the delivery of the SBLCs and a contract.

4) Provider/Titleholder purchases the SBLCs (the SBLCs are available for delivery within 24-48 hours) **NOTE #1** THE SBLCS WILL ALREADY BE TITLED IN THE BUYER OR BENEFICIARY NAME AS PER PREVIOUS INSTRUCTIONS BY THE BUYER. **NOTE #2** THE BUYER DOES NOT SIGN A CONTRACT UNTIL THE SBLCS HAVE BEEN PURCHASED.

5) Provider/Titleholder will contact the Buyer to confirm that the SBLCs have been purchased and are ready for delivery and will provide the Contract to the Buyer for signature.

NOTE: AFTER RECEIVING CONFIRMATION FROM THE PROVIDER TITLEHOLDER THAT THE SBLCS HAVE BEEN PURCHASED AND ARE READY FOR DELIVERY THE BUYER CAN REQUEST A BANK-TO-BANK CONFIRMATION THAT THE SBLCS ARE AVAILABLE FOR PURCHASE/DELIVERY THIS COMMUNICATION CAN BE IN ANY FORM SUITABLE TO THE BUYER'S BANKER REQUEST - SEE PROCEDURES BELOW:

IMPORTANT NOTE: THE FOLLOWING PROCEDURES APPLY IF THE BUYER AND PROVIDER ARE TRANSACTING OUT OF SEPARATE BANKS. IF THE BUYER HAS FUNDS IN BARCLAYS BANK LONDON; HSBC LONDON; CREDIT SUISSE ZURICH; OR DBS SINGAPORE THE TRANSACTION CAN BE COMPLETED INTERNALLY.

6) Buyer's bank sends a MT-799 Request for Confirmation to the Provider/Titleholder's bank requesting an MT-799 RWA confirming that the SBLCs are in custody at the Provider/Titleholder's bank and available for purchase/delivery. A phone call or email to the Titleholder/Provider can also be requested. Please note all communications are with a senior banker from the titleholder side and comes with absolute bank responsibility.

7) Provider/Titleholder's bank replies with an MT-799 Confirmation SWIFT **with full bank responsibility** that the SBLCs have been purchased and are in custody at the Provider/Titleholder's bank and ready for purchase and delivery and that upon receipt of the MT-103 SWIFT payment the SBLCs will be delivered immediately via MT-760 SWIFT into the Buyer's account.

NOTE: The Buyer does not send the MT-103 payment until he receives confirmation from his bank officer that he has confirmed bank-to-bank **with full bank responsibility** that the Provider/Titleholder's bank will deliver the SBLCs as stated in the MT-799 Confirmation SWIFT.