

Solutions for Exporters

▶ Export Finance Solution

Accelerated receivables, reduced risk



Unlock your working capital with tailored financing solutions

For Pre-qualified/ existing clients HSBC's Pre-Shipment & Post-Shipment Financing Solutions offer working capital to help you fulfill your orders, enabling you to offer more competitive terms to trading partners.

Benefits to You

- ▶ **Win new business.** Combine the flexibility to offer longer payment terms to your buyers with the ability to access cash upfront to pay your expenses.
- ▶ **Negotiate better terms and pricing with your suppliers** with the ability to make timely payments.
- ▶ **Take advantage of the availability of foreign currency funding** to secure interest rates applicable to those currencies if favourable to you*.
- ▶ **Benefit from HSBC's team of financial professionals** who will work to understand your company's financial needs in order to structure an appropriate funding solution that lets you concentrate on growing your business.

Your Needs

This is the solution for you if:

- ▶ You need funds to pay your suppliers and other expenses, but will not receive sales proceeds until later.
- ▶ You need greater financial flexibility to sell to new customers in new markets who demand credit terms.
- ▶ You need a financial professional to advise on your company's financial needs.

Product Features

Funding options customised to your working capital needs. A variety of export financing options are available for documentary credit (DC), documentary collection and open account transactions. They include:

- ▶ **Post-shipment finance.** Funds may be advanced upon presentation of export documents to HSBC, enabling you to realise cash after shipment.
 - Bills under DC may be discounted without the need to draw down on your facilities if documents are presented in compliance with the terms of the DC. Non-compliant bills may be financed against your signed indemnity subject to approved facilities being in place.
 - Documentary collection bills may be discounted on presentation of export documents.
 - Open account bills can be financed upon presentation of your invoices and evidence of
- ▶ **Pre-shipment finance for DC and non-DC collection transactions.** Obtain financing to buy raw materials, manufacture goods and pack them pending shipment against presentation of a DC or purchase order from your buyer subject to the terms of your facility. A pre-shipment advance will be repaid from the proceeds of post-shipment finance after export documents are presented to HSBC.

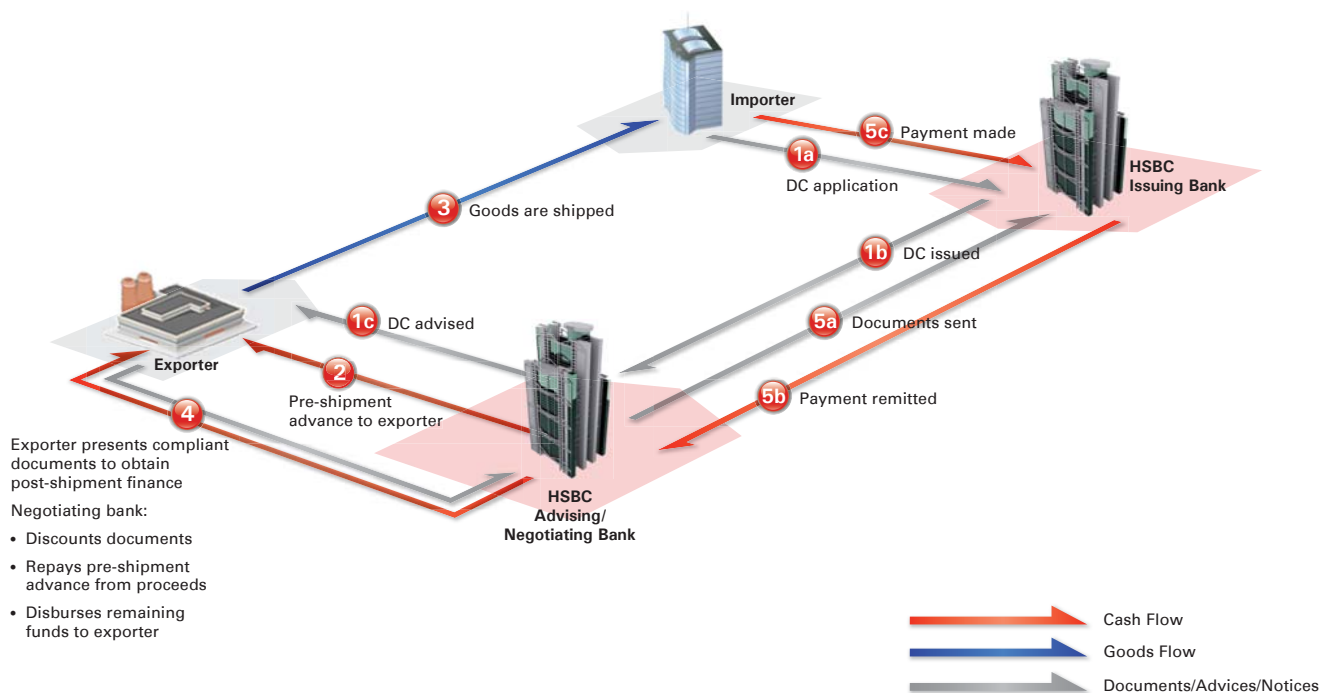
Flexible terms. The following additional features apply to most types of export finance:

- ▶ Loan repayment terms tailored to your trading cycle.
- ▶ A choice between fixed or variable interest rates.
- ▶ Straightforward drawdown process for individual transactions.
- ▶ Availability of foreign currency funding*.

HSBC 
The world's local bank

How It Works

The diagram below illustrates the typical process flow of both pre-shipment (step 2) and post-shipment (step 4) finance:



Electronic Value-added Services

- ▶ **Internet Trade Services.** View details of your trade facilities online and drill down to view individual detail for each transaction marked against your facility.

Related Products

- ▶ **Comprehensive Export DC and Documentary Collection Solutions** are delivered by HSBC's team of trusted financial professionals to efficiently handle your international transactions.
- ▶ **Red Clause Credit DCs** contain a special clause authorising the advising bank to grant an advance to you before presentation of documents without the need to draw down on your facilities. The clause must be inserted by the DC-issuing bank.
- ▶ **Pre-set Exchange Rates and Forward Contracts/Options.** Protects your business against future currency fluctuations by fixing an exchange rate upfront.

Contact Us

Contact your HSBC Relationship Manager or Trade and Supply Chain Specialist for further information. You can also call HSBC Trade and Supply Chain during regular business hours or visit us on the Web at www.hsbc.co.za.

Nazeem Mohammed

Vice President, Sales Trade Finance
+27 11 676 4541

Darryl Hardiman

Vice President, Sales Trade Finance
+27 11 676 4424

Myra Morgan - Zlatev

Head of Sales, Trade Finance
+27 11 676 4543

www.tradeandsupplychain.hsbc.com

* Not all currencies may be available. Please contact HSBC for more information.

HSBC has sole discretion to make funding decisions for individual transactions and will retain recourse to you after funds are advanced. An HSBC trade account relationship, approved trade-finance facilities and trade-finance agreement are required. Additional terms and conditions may apply.

Trade and supply chain transactions may be subject to credit approval. Other restrictions, including specific country regulations, may apply. Foreign currency exchange rates may apply to certain trade transactions. Certain products and solutions contained herein may not be offered in every market. Check with your local HSBC Trade and Supply Chain specialist for a full product offering in your country.

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