

Import Finance

A working capital solution



To meet the needs of your customers it's often necessary to use your working capital to cover the cost of supplies in order to fulfil sales. HSBC's tailored Import Finance solutions can help bridge the gap between settlement of trade payables and sales, enhancing your supplier relationships while also improving cash flow to grow your business.

Import Finance

A variety of import financing options for documentary credit (DC), documentary collection and open account transactions can be customised to accommodate your specific trading practices.

- ◆ **Pre-shipment buyer loan:** Enables you to make advance payment to suppliers on an open account basis and finance the advance payment portion of the contract. Funds are advanced against a proforma invoice for up to 50% of the value of goods, typically within 60 days prior to shipment
- ◆ **Post-shipment buyer loan:** Available when you're trading under an Import DC or Import Collection, whereby HSBC takes control of the underlying goods purchased with a pledge from you until the loan is settled. Also, triggered by the receipt of a bill under an Import DC or Import Collection or where you are transacting on open account terms; funds are advanced upon presentation of an invoice from the supplier and evidence of shipment via a copy of the transport document

How Import Finance works

- ◆ You arrange a trade facility with HSBC
- ◆ We provide you (the buyer) with short term, trade related working capital for your international or domestic purchases on a pre or post-shipment basis
- ◆ We pay your suppliers directly based on specific documents depending on the product*
- ◆ Loans are provided on a stand-alone basis for open account transactions, or coupled with DCs or documentary collections where you have a funding gap
- ◆ Loan repayment terms are tailored to your trade cycle

*Pre-shipment buyer loan – proforma invoice or purchase order

*Post shipment buyer loan – transport documents (documents of title)

Benefits

As a buyer, our Import Finance solutions can help you to:

- ◆ **Strengthen relationships with suppliers:** Make timely payments to your suppliers as per the agreed terms, enhancing your buyer-supplier relationships
- ◆ **Negotiate better terms:** With additional financial flexibility to make payments on time, you are in a position to negotiate more favourable pricing with suppliers to meet credit terms
- ◆ **Improve cash flow:** With the extended credit Import Finance solutions provide, you have time to sell goods before repayment is required and unlock funds to be used for growing your business
- ◆ **Access HSBC's team of financial professionals:** By gaining an in-depth understanding of your company's specific financial needs, we will work with you to structure a funding solution that allows you to concentrate on achieving your goals

Why HSBC?

HSBC manages large trade flows globally with a strong capability to provide financing across currencies and geographies. As a result, HSBC can offer buyers and sellers access to its:

- ◆ **Global footprint:** With a global network of group offices and correspondent banks located throughout the world, HSBC has a presence in today's most important growth markets
- ◆ **Focused expertise:** Our dedicated team has experience in domestic and foreign trade, giving clients access to the support they need to go wherever their business takes them
- ◆ **Financial strength:** We have a strong balance sheet and the credit appetite to offer our clients financing solutions that support their international ambitions

Contact us

Contact your HSBC Relationship Manager or Global Trade and Receivables Finance specialist today

Click <http://www.business.hsbc.uk/en-gb/imports-and-exports>

Call 0800 783 1300 (lines open Monday to Friday, 09:00 to 17:00 hrs)

Email uktradeservices@hsbc.com

HSBC handles documentary credits in accordance with the Uniform Customs and Practice for Documentary Credits (UCP600) and Documentary Collections in accordance with the Uniform Rules for Collections (URC522), a set of international standards for the handling of Documentary Credits and Documentary Collections through financial institutions. The rules are published by the International Chamber of Commerce (ICC).

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.

Global Trade and Receivables Finance transactions may be subject to credit approval. Other restrictions, including specific country regulations, may apply. Certain products and solutions contained herein may not be offered in every market. Check with your local HSBC Trade specialist for a full product offering in your country.

Issued by HSBC UK Bank Plc

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AC59202 03/22