



OPEN MORE DOORS AND CLOSE MORE DEALS

WITH TRADE FINANCE FROM BIBBY FINANCIAL SERVICES

WE BELIEVE IN **YOUR** BUSINESS

INVOICE FINANCE • ASSET FINANCE • TRADE FINANCE • STOCK FINANCE • FX

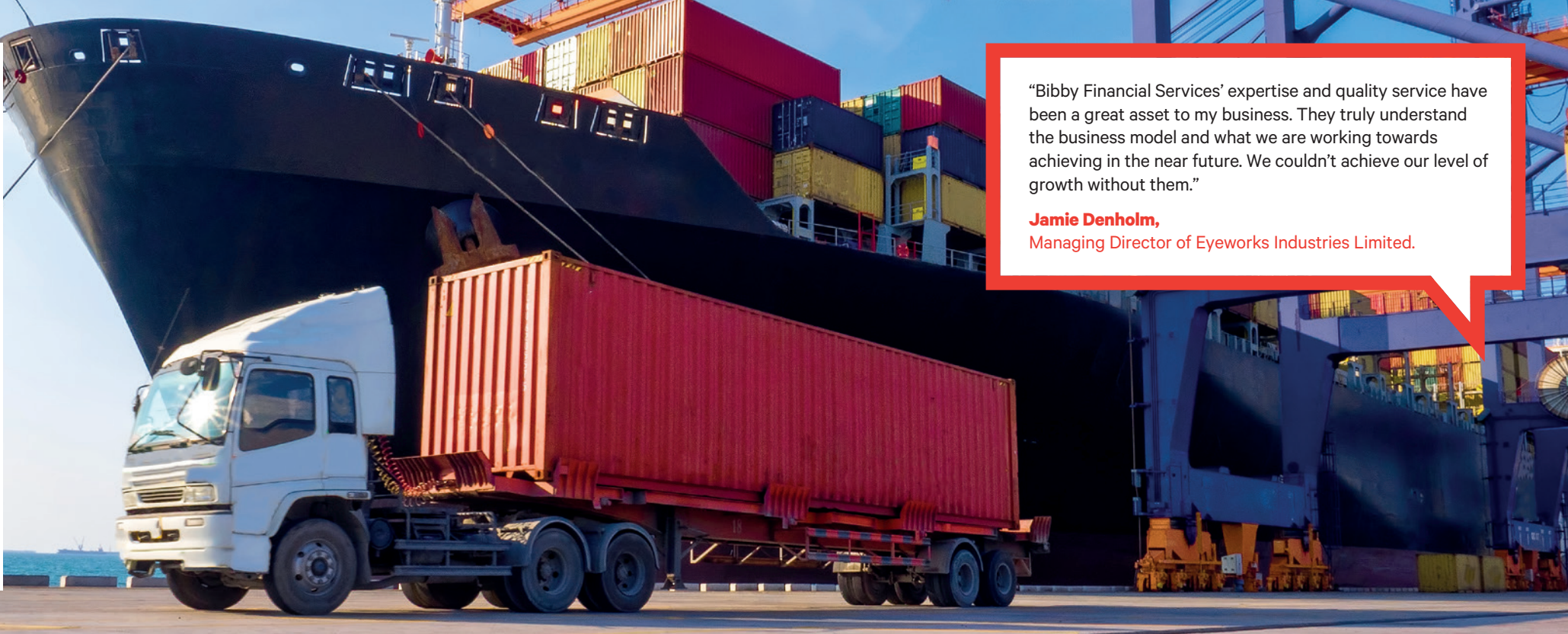
BIBBY
FINANCIAL SERVICES



DISCOVER NEW TRADING OPPORTUNITIES BOTH DOMESTICALLY AND GLOBALLY

Our new Trade Finance options could be a real game changer for your business. We offer **FIVE** innovative funding solutions for Trade Finance, which can be used in combination with each other.

These give you the working capital you need and the flexibility of payment options that will open doors to opportunities around the world. No other finance provider gives you the flexibility to fulfil whatever your supplier needs.



“Bibby Financial Services’ expertise and quality service have been a great asset to my business. They truly understand the business model and what we are working towards achieving in the near future. We couldn’t achieve our level of growth without them.”

Jamie Denholm,
Managing Director of Eyeworks Industries Limited.

WHAT WE OFFER

1. PURCHASE ORDER OR FORECAST SALES

If you have a purchase order from a customer we can provide funding for the goods you need to buy. We can also help with purchasing goods based on forecasted sales or for stock, provided that they can be easily re-sold.

2. PRE-SHIPMENT

We can make payment and provide guarantees to your suppliers in the following ways.

i) Letter of Credit or Supplier Undertaking

This is a promise to the supplier that they’ll get paid if they deliver the goods on time and according to your specifications. It’s available within 24 hours to enable fast transactions.

ii) Deposit

Some suppliers require a deposit before they release the goods. Our new Deposit Finance option means you can pay whatever deposit is required and relax knowing the goods you need will be on their way quickly. And the deposit is protected in case your supplier becomes insolvent or fails to deliver your order. It all helps to make business run smoother and give you peace of mind.

iii) Full Pre-Payment (Ex-Works)

With our innovative new offer we can now provide funding to pay for goods before they are shipped, ideal when having to deal with suppliers who prefer upfront payment. With the power of our Pre-Payment Finance, you can buy quickly, negotiate discounts for pre-payments and take advantage of trading opportunities that were previously out of reach.

3. POST-SHIPMENT

This option allows for full payment to suppliers upon shipment of your goods.

4. INVOICE FINANCE

Invoice funding is ideal for businesses that have customers on long payment terms, or who often pay late. Each can create a cashflow gap when it comes to paying staff or suppliers and while waiting for your invoices to be paid. We can help businesses take on new projects without taking on new debt by tapping into the value of outstanding invoices. Our Trade Finance service can work in tandem with Invoice Financing and there are two methods available:

i) **Invoice Discounting** can fill the gap between raising customer invoices and getting paid, releasing cash that can help you manage your business’s day-to-day activities or fund its growth. It also means that you can continue managing your sales ledger, credit control and collecting payments from your customers.

ii) **Factoring services** are ideal for businesses that prefer to outsource collections from their customers. It can bridge the gap between raising customer invoices and getting paid. At the same time, it can free up your time because we manage

the sales ledger management and debt collection processes – allowing you to maintain a relationship with customers free from debt management discussions.

5. BAD DEBT AND FOREIGN EXCHANGE SERVICES

We also provide a range of services that can work alongside our Trade Finance offering.

- a. We can offer Bad Debt Protection and take on your bad debt risk. This provides reassurance, knowing you’ll receive payment and safeguard your cashflow if your customers are unable to make payment or become insolvent.
- b. Our Foreign Exchange Service can help you to save money by allowing you to fix favourable exchange rates to use at a pre-agreed future date. This helps to protect the value of your money in unpredictable currency markets. We offer trades in over 65 currencies and you are often able to receive money or make payments on the same day.

HOW IT WORKS

Indicative example of an £80,000 transaction worth £120,000 (Gross Invoice Value)

In order to demonstrate how our services and pricing works, here is an illustration of a ‘typical’ transaction.

BUSINESS:

Wholesaler using Trade Finance and Invoice Finance facilities with Bibby Financial Services (BFS)

EXAMPLE VALUE OF GOODS:

£80,000

EXAMPLE VALUE OF INVOICE:

£120,000 (gross value inc VAT)

ORDER:

Wholesaler receives a £120,000 Purchase Order from their customer and places an £80,000 order with their supplier.



BFS can open a Letter of Credit for the supplier’s bank, arrange for a Deposit Payment or full Pre-Payment if needed.

TOTAL COST:

Total cost for funding a transaction of £120,000 gross value is £3,120 (2.6%)

Indicative example. All Amounts, Rates & Costs are for illustration purposes only. Additional Rates & Costs may apply. Full BFS T&C’s apply.

TRADE FINANCE OPTIONS

LETTER OF CREDIT

DAY 1

Supplier requires Letter of Credit



BFS opens a Letter of Credit for the supplier’s bank.

DEPOSIT

DAY 1

Supplier requires part payment before goods are released



BFS makes a % payment to the Supplier.

EX-WORKS

DAY 1

Supplier requires full payment before goods are released



BFS makes full payment of £80,000 to the Supplier.

OR

OR

DAY 30 Supplier fulfills order, ships the goods and presents documents.

BFS makes full payment of £80,000 to the Supplier.



TRADE FACILITY COST: £80,000 at 2% = £1,600, 2% Fee per 30 days

ARRIVAL

DAY 60

Goods arrive in the UK.



BFS can pay Duty, VAT and Freight fees if needed.

INVOICE FINANCE

DAY 61

Wholesaler sends goods to Customer and raises an invoice for £120,000.



BFS advances 80% of the invoice value = £96,000.

The Trade Finance facility & charges are automatically repaid = £81,600.

The balance is paid into the Wholesalers account = £14,400.

DAY 90

Wholesaler’s customer pays £120,000 invoice.



The Invoice Finance facility and charges are automatically repaid = £97,520.

The balance is paid into the Wholesalers account = £22,480.

INVOICE FINANCE FACILITY COST:

£120,000 at 1% = £1,200 | £96,000 at 4% (p.a) = £320 | Total Cost = £1,520

BENEFITS FOR YOUR BUSINESS

Our Trade Finance solutions give you **FIVE** options that can be mixed and matched to suit the way that you do business. No other finance provider gives you such a breadth of choice in one place. But there are many other benefits to working with BFS's Trade Finance team:

- The flexibility to choose how and when you make payments to your suppliers
- You can make payments faster which could give you better bargaining power
- Reducing purchase costs can make your business more competitive
- With ex-works payments you can open the doors to new opportunities and work with new suppliers
- You also have the support and expertise of a dedicated team who can help you to manage and receive payments anywhere in the world
- No need to chase your customers for payment and we can take care of any bad debt you may have
- Ease any cashflow issues with our Invoice Finance solutions



FREQUENTLY ASKED QUESTIONS

CAN I USE TRADE FINANCE WITHOUT A CUSTOMER PURCHASE ORDER?

If you are buying goods based on forecasted sales or for stock, we can release funds whether or not you have a confirmed buyer. You can simply provide us with a forecast of sales. Goods must have a proven track history that they can be readily re-sold and strong stock reporting and stock management systems must be available.

DOES THE TRADE FINANCE HAVE TO BE LINKED TO INVOICE FINANCE?

You can use our Trade Finance service independently of Invoice Finance but it's good to know that if you ever need to release funds from your invoices that we can help you to do that – all in one place.

CAN BFS PAY OUR SUPPLIERS UPFRONT?

Our new Pre-Payment in full finance option (also known as ex-works) means you can now pre-pay suppliers that prefer to have the money up front. You'll be able to move quickly and buy the goods you need without putting pressure on your cashflow. You don't even need a purchase order – you can base your margin projection on forecasted sales if you need to.

HOW MUCH FUNDING CAN YOU PROVIDE AND HOW QUICKLY?

Our Trade Finance can provide funding of up to £10 million to import goods for both confirmed and forecasted sales orders. We also offer payment upfront, deposit payments or letters of credit to suppliers within 24 hours, which enables faster transactions and despatch of goods.

WHAT CAN YOU OFFER THAT MY CURRENT PROVIDER CAN'T?

We offer FIVE Trade Finance options that can be used in combination or as standalone services. No other financial service provider currently offers this breadth of service. We also offer a range of complementary financial services so you can benefit from a world of support under one roof.

CAN YOU HELP WITH THE CHALLENGES FACED WHEN IMPORTING GOODS?

We can fund your duty, VAT and freight payments. Our FX team can also help you overcome the challenges of currency volatility by locking in future exchange rates. We also offer market-leading exchange rates for over 65 currencies allowing you to deal with suppliers in their own currency.

WHY BIBBY FINANCIAL SERVICES?

We provide a one-stop shop for all of your trade finance needs and a world of benefits:

- We offer FIVE trading finance options that can be used in combination with each other or alongside our other services
- Start trading relationships with new suppliers in new or existing trading territories
- Secure discounts from your suppliers by paying in advance
- Unconfirmed orders can be financed on forecast sales
- Faster transactions and faster payments
- Ease your cash flow
- Your suppliers are paid quickly in the currency of their choice
- Over 65 currencies available
- We work alongside you through the trade cycle, from initial order to customer payment, enabling you to fulfil existing orders and accept new ones
- We can offer optional credit management and Bad Debt Protection and Foreign Exchange Services



ABOUT BIBBY FINANCIAL SERVICES

Bibby Financial Services (BFS) is a leading independent financial services partner to over 10,000 businesses worldwide.

With over 40 operations in 14 countries supporting businesses funding requirements, we provide the global reach and expertise you need. Our deep knowledge and understanding of a wide range of industries and sectors has helped our clients grow in their domestic and international markets throughout Europe, North America and Asia Pacific.

Formed in 1982, BFS is part of the Bibby Line Group (BLG), a diverse and forward-looking family business delivering personal, responsive and flexible customer solutions for over 200 years.

To find out more about Bibby Financial Services contact your local office

 **CALL 0808 271 8800**

 **VISIT bibbyfs.co.uk/trade**



Registration Details

Authorised by the Financial Conduct Authority under the Payment Services Regulations 2017 (Registration Number 671893). Regulated by HMRC , MLR No: 12805325

Safeguarding

Under our Authorisation with the FCA, we are obliged to ensure the security of client funds. Bibby Financial Services (BFS) safeguards all client monies in segregated accounts with our Banking Partners.

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