

## Buyer's credit under Euler Hermes / ECA cover without bank guarantee.

Euler Hermes Kreditversicherungs-AG, Hamburg, covers companies with good ratings without separate bank guarantees. Below is a sample of acceptable countries - without any obligation on our part:

Brasil	Chile	Costa Rica
India	Kazakhstan	Columbia
Mexico	Peru	Russia
South Africa	Turkey	Ukraine

The LBBW is basically interested in financing transactions through a Euler Hermes covered buyer's credit with the following details:

### **Borrower.**

Companies with good credit ratings from a.m. countries.

### **Lender.**

LBBW

### **Loan Amount.**

max. 85 % of contract value (min. T€ 1,000)

### **Goods according to the Export Contract.**

Capital goods (Country of origin Germany). Up to max. 49 % - subject to the respective country - of the goods supplied may be of non German country origin.

### **Payment Terms/Repayment.**

Normally 5 years from starting point (i.e. weighted average date of deliveries or commissioning date); in 10 equal consecutive semi annual instalments.

### **Security.**

Euler Hermes export credit guarantee in the form of Finance Credit from the Government of the Federal Republic of Germany represented by Euler Hermes Kreditversicherungs-AG or other export credit agency (ECA) acceptable by LBBW. 5 % uncovered risk is to be borne by LBBW as financing bank.

### **Required Documents.**

- Balance sheet confirmed by a certified chartered accountant
- Delivery contract (commercial part)
- Application for export cover
- Letter of undertaking issued by the Exporter
- Exporter's declaration
- Additional documents if necessary

### **Euler Hermes / ECA- Charges.**

Can be charged to the importer separately or can be financed together with the loan.

### **Main advantages.**

- It is possible to offer a low price longterm financing to the importer
- Low financing costs (i.e. up to 10 % lower than interbank financing)
- No charge on the importer's credit line
- Euler Hermes/ECA-charges can be financed together with the loan

Please note that deliveries from other EU countries under cover of a national Export Credit Agency (ECA) can be financed by LBBW for example France (COFACE), Belgium (ONDD), Switzerland (SERV), Austria (ÖKB), Italy (SACE), Finland (FINNVERA), Netherland (Atradius) and the USA (US-Exim). Other on request.

In the case that national ECA cover (subject to the OECD Consensus) is not available please note that it is possible to obtain buyer's credit financing under private risk insurance.