

Letter of Credit Transfer

Leveraging your buyer's credit



Letter of Credit (LC) Transfer allows you to secure the purchase of goods if you are acting as the middleman in a trade transaction.



Leverage the buyer's banker's credit to provide the supplier with assurance of payment if the supplier performs under the transferred (LC) terms and conditions.



Does not require credit facility to be established.

At a glance

- It is a Letter of Credit (LC) that permits you, the middleman (first beneficiary of the LC) to make a partial or full transfer of the LC available to the supplier (second beneficiary).
- The first beneficiary need not have a LC credit facility in order to issue the LC to the second beneficiary.
- You can rely on the LC transfer to secure the contract.

Designed for

- Companies that act as intermediaries (middlemen or agents) in international trade, seeking to expand business opportunities.
- Export agents.

How it works

Your benefit

- **As an intermediary (middleman or agent), we enable you to do business on a larger scale, since the security provided by the Import LC can be transferred to the actual supplier who will receive payment.**

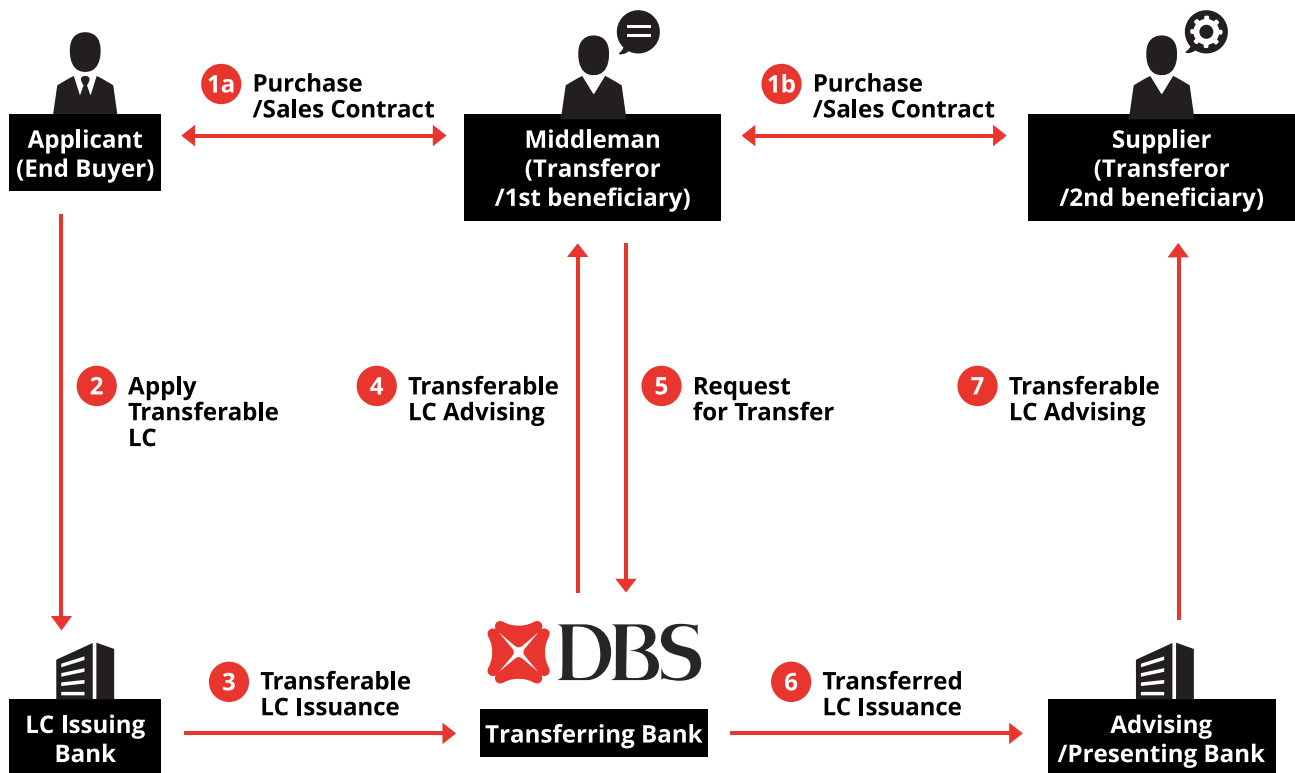
- **As an intermediary, you can generate revenue for coordinating trade transactions between the importer and exporter without utilising your credit facility.**

Our solutions

- We enable you, the first beneficiary, to issue a LC to a second beneficiary, usually your supplier.

- You need not have a LC credit facility but can rely on the LC transfer mechanism.

How does Transferable Letter of Credit work?



1. a. Buyer enters into purchase contract with Middleman (first beneficiary).
b. Middleman enters into purchase contract with Supplier (second beneficiary).
2. Buyer applies for Transferable LC from LC Issuing Bank.
3. LC Issuing Bank sends Transferable LC to DBS (Transferring Bank).
4. DBS advises Middleman of receipt of LC issued in his favour.
5. Middleman requests for transfer of LC to Supplier.
6. DBS issues LC Transfer to Supplier's bank (Advising Bank).
7. Advising Bank advises Supplier LC transferred in his favour.

What makes us different

Why we are different

- Best-in-class cut-off time for submission of applications.
- Extensive branch network in 13 locations and established relationships with our preferred agent banks across 160 countries.

How it helps you

- Enable you to secure the trade contract expeditiously.
- Enable you to trade with counterparties across a wide geographical network.

Find out more today

Partner with DBS today so you can live more, bank less. For more information on our products and services, please contact your Relationship Manager, or call DBS *BusinessCare* at 1500327 or +6221 2985 2800 (overseas) from Mondays to Fridays (excluding public holidays), 8.00 am to 5.00 pm.

Disclaimer and Important Notice

PT Bank DBS Indonesia is licensed and supervised by the Financial Services Authority (OJK) and also a participant of Indonesian Deposit Insurance Corporation (LPS) guarantee program.

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Three Years In A Row**

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World's Best Bank 2019, Euromoney
Global Bank of the Year 2018, The Banker
Best Bank in the World 2018, Global Finance