



Buyer's Credit

Purpose

The Buyer's Credit is a financing alternative for cross-border transactions that is tied to the supply contract between exporter and importer (= the buyer). The loan agreement will be concluded between DenizBank AG and the foreign borrower to finance the exporter's deliveries and/or services rendered. Disbursement under the loan is affected directly to the exporter's account pro rata deliveries/services against presentation of satisfactory documentation. Buyer's Credits are mainly covered by a guarantee issued by the local Export Credit Agency ("ECA") in the exporter's country, usually acting on behalf and for the account of the state resp. government of the exporting country.

Requirements:

- **Minimum amount of goods of origin (usually over 50%) resp. value added.**
- **Compliance with international regulations (above all OECD-Consensus).**

Amount of Financing

max. 85% of the value of the supply contract + ECA premium
(local content up to 50% of supply contract)

Cost of Financing

Interest (specified individually based on the evaluation of the involved risk), ECA premium, commitment fee, management fee and any other fees that might occur (e.g. arrangement / agency / administration fee, out-of-pocket expenses, etc.)

Collateral

Insurance cover of ECA and other collateral (agreed on a case-by-case basis) as may be required.

Application

The exporter mandates DenizBank AG to apply for cover with the local ECA to arrange for financing under an ECA covered Buyer's Credit. It is recommended that the exporter involves DenizBank AG in the potential export transaction at an early stage (already during negotiation of the supply contract if possible). This allows all key provisions which have an influence on the supply contract and should be coordinated in advance, to be arranged for and thereby help to accelerate the negotiation process.

Contact

For more detailed information please get in touch with
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