



Outward Bills Discount without Recourse under Letter of Credit

Get instant cash without any impact on your company's financing credit.



Outward bills discount without recourse is an alternate service provided to exporters who wish to mitigate the risk of non-payment of the L/C issuing bank by offering SCB a discount on export documents under a usance L/C. This is a final sale, and SCB has no further recourse. As a result, the exporter has no more outstanding obligations with the bank.

SCB will buy a discount on these documents when the L/C issuing bank guarantees to pay on the maturity date and will buy under the condition that SCB can accept the risk of that issuing bank.

Service Features

SCB offers to purchase export documents at a discount without recourse under a usance L/C where the exporter gives trade credit to the importer.

SCB will purchase a discount on export documents only once the L/C issuing bank confirms acceptance for payment on the maturity date.

Export documents can be discounted to SCB without waiting until the maturity date.

You will be paid for the value of the export document subtracted from the discount rate, and SCB will take the risk of the L/C issuing bank default or non-payment on your behalf as well as the risk of the country where the L/C issuing bank is located (country risk).¹

Highlights

SCB may purchase a discount without recourse, covering more than 800 L/C issuing banks in over 120 countries across the world, and the scope of service is constantly expanding.²

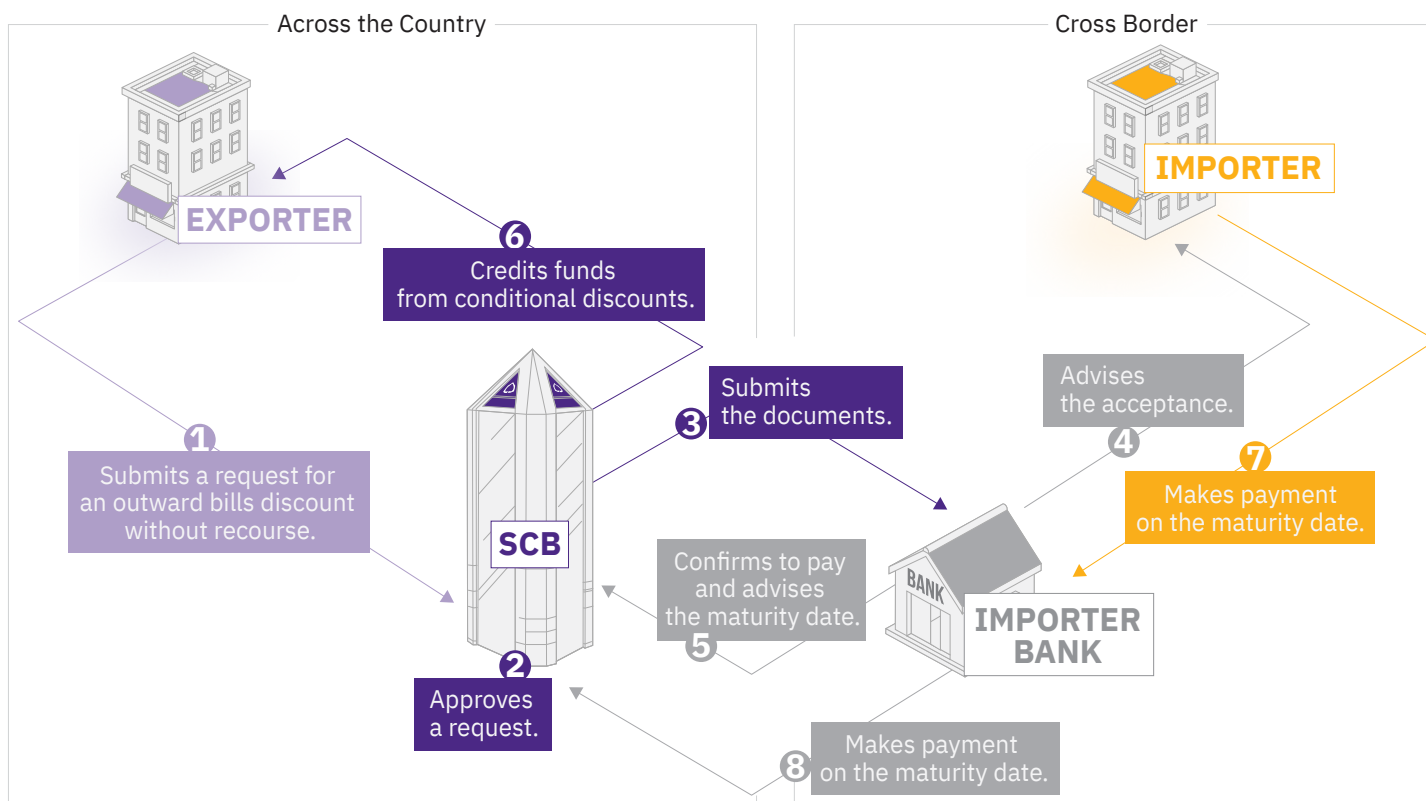
You can reach our professional assistance from any of SCB International Trade Service Centers located across the country.

Remarks:

¹ Country risk includes political risk, which is the risk that a country's government restricts the flow of capital (transfer risk).

² You may verify in advance with RM or SCB international trade service center or SCB trade sales whether SCB can support the risk of the L/C issuing bank and the country where the L/C issuing bank is located for that export documents.

Illustration of Outward Bills Discount without Recourse under Letter of Credit



Benefits



Agility in Business

SCB provides short-term financing by purchasing or discounting bills under L/C without recourse to help increase your working capital after shipment.



Instant Cash

SCB can instantly purchase bills under L/C both with and without discrepancies.



Risk-free

You can convert account receivables to cash without affecting your credit limit.



Maximize Business Opportunities

SCB can validate payments from over 800 banks in 120 countries, making it easier to grow your business to new trade rivals.

Required Documents:

- Application for Negotiation/Discount without Recourse
- Supporting documents e.g.
 - Original L/C or amendment L/C (if any)
 - Billing documents under the terms and conditions of the letter of credit e.g. invoice, packing list, bill of exchange, bill of lading, etc.