

SERV-covered buyer credit

Under a buyer credit scheme, the financing of the exported goods/services is directly negotiated by the importer. Xport Finance Ltd ("XFi") grants the customer of the Swiss exporter a term loan, which in principle amounts to maximum 85% of the delivery contract value. The scope of financing of a SERV covered buyer credit may include, in addition to the above-mentioned portion of the delivery contract, part of the associated financing costs. Payment obligations of the borrower under the buyer credit agreement are abstract from the delivery contract.

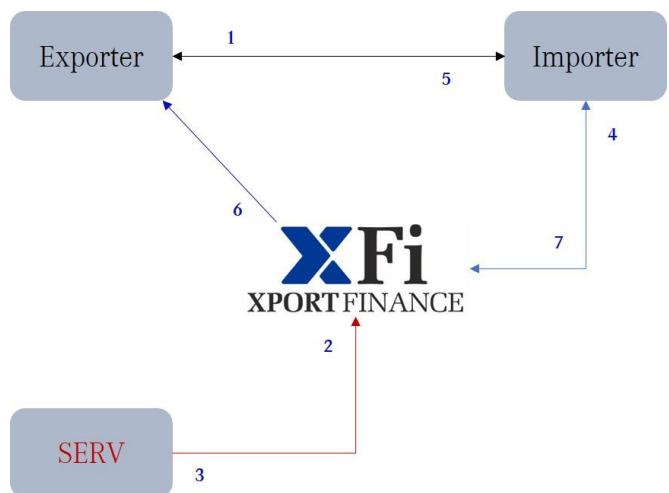
XFi supports its customers through various stages of the sales process, for example by issuing an indicative financing offer, with which the exporter can strengthen his commercial offer. This proactive approach to sales financing is a valuable tool for Swiss exporters and can significantly contribute to sales success.

Product features

As part of the buyer credit insurance, SERV insures XFi against the non-payment risk of the borrower as well as against political and transfer risks. The maximum coverage rate is 95% of the outstanding amounts due under the loan. With an insurance period of two years or more, the OECD Consensus Rules for Export Credits apply (e.g. minimum 15% advance payment). A loan agreement between the importer and XFi governs the terms of the financing and collaterals. The exporter receives his payments directly from XFi according to the delivery contract and thus gains an indirect payment security for his deliveries.

Process stages

1. Conclusion of the delivery contract between exporter and importer. The importer pays an advance payment according to delivery contract and to the OECD Consensus
2. Due diligence and application for buyer credit insurance at SERV effected by XFi
3. Subject to a positive SERV credit analysis, SERV insurance policy is issued in favor of XFi
4. Conclusion of credit agreement between importer and XFi
5. Production, delivery and invoicing as per export contract
6. Payments of invoices by XFi to the exporter from the credit according to the terms of payment under the delivery contract (as far as they comply with the SERV Terms and Conditions)
7. The importer shall repay the buyer credit in accordance with the credit agreement



Any questions? Don't hesitate to contact us!