

Overview

SBLC for lease Top-25 banks is more preferred kind of collateral by lenders. LTV (filling of loan with collateral) for such guarantees is to 75% from nominal. It has the highest index than other types of collateral.

Please note that Bank Guarantee and Standby and Letter of Credit represent a significant contractual obligation for banks to ensure the financial safety between the supplier and their buyers, and it can also be monetized for non-recourse loan with good LTV (Loan to value) ratio. A non-recourse loan is a secured project fund that is backed by a pledge of collateral such as aforementioned, it is an excellent option for large project finance because it protects the project and project owner.

We recognize the importance of project funding which must be structured around each client's unique set of financial circumstances. A standby letter of credit is also known as SBLC, SLOC, just standby, or LOC sometimes. SBLC is a must if you deal in imports and exports. In the case of the standby letter of credit, the financial institution makes an undertaking to a beneficiary, e.g. a supplier, an exporter or trader, to perform a payment for the client, if the client is not able to fulfil their contractual obligations and if the beneficiary submits a written demand for payment.

There are certain obligations and conditions that must be met. To ensure that, a reputed financial institution provides a standby letter of credit. With years of experience in undertaking the wishes of both parties in a business deal, we know exactly what to do. The Banks may require business profit and loss statements, assets review, application for credit, line of credit, background and compliance. Client must have a banking relationship with the host bank.

The financial institution guarantees, through the SBLC, that even if the company ceases operations, becomes insolvent, or cannot pay for any reason whatsoever, then the business obligations and conditions of the deal will still be fulfilled.

The standby letters of credit are issued for a certain term. In general, this is the period of the term of validity of a contract or the period of the delivery of goods for which a contractual undertaking has been made. A standby letter of credit can be deleted before the expiry date agreed upon. This can be performed through the declaration of the client, and necessarily with the consent of the beneficiary.

Finance A Business Using A Bank Instrument

Bank Guarantees and Standby Letters Of Credit could be used to fund a business; especially those seeking to expand or grow. Getting a monetized BG / SBLC is the easiest and fastest way to get some much-needed funds for a company. Bank securities can be monetized and then used to create markets for trading. One of the better alternative ways to fund a company may be BG's/ SBLC's. A possible explanation is, you're not reliant on a lender person. The investments are likely to come in tranches, which might be a great way to handle your money.

What Parts Do Banks Play in BG / SBLC Transactions?

The Bank not the initiator but is the Deliverer of the Transaction. Technically speaking, "Banks **DON'T** issue Bank Guarantees or Standby Letters of credit instead, the bank is the deliverer not the initiator of the transaction; they **CONFIRM** their client has sufficient funds. The Bank is just the delivery courier who works for the BG and SBLC Provider, the actual asset owner, asset holder, or asset manager. For example; pretend you use a courier to deliver a parcel to a customer. You are the provider of the parcel. They are just the delivery agent who delivers you parcel to the Receiver. The courier isn't the Provider of the parcel. They are just the delivery agent whom the Provider uses to send the parcel from the Provider's location to the Receiver's location.

Using the illustration above, banks treat Bank Guarantees and Standby Letters of Credit the same way. As the bank serves as the courier and receives a financial order from a supplier to send to the receiver's bank one of the providers' assets (BG or SBLC), In other terms, the banks are instead of the courier becoming the most Widely known as MT messages as the Sender and Recipient of SWIFT messages.(If it's MT760, MT799. and so on).

Apart from receiving fees for "cutting" (initiating) and "delivering" the Bank instrument, the Bank holds no interest in the transaction. As the financial instrument was launched secured since then against the cash position in the Bank the Provider at the issuing Bank, all other responsibility for the asset is theirs.

Reasons Why Banks Don't Issue Bank Instruments BGs & SBLCs

If Bank wants to raise capital, it DOES'NT uses BGs or SBLC because the bank either issues:

A/ Bank Bonds

B/MTNs (Mid Terms Notes)

C/Bank stock or shares

- The bank NEVER uses its cash to secure encumber a Bank Instrument BG or SBLC. In the Bank, BG or SBLC are secured against client cash accounts Of the Provider.
- BGs or SBLCs are nich market clients products instead of Bank products created at high net worth Bank clients' requests with significant cash holdings at the Bank.
- Tell the Bank Officer at your local world Top 25 Bank Branch that you want to buy a Leased Bank Guarantee. As BGs and SBLC is NOT a publicly offered Bank product, most will not know what you are talking about. They are privately available to high net worth Bank clients with having enough funds to cut the instrument against the funds in their Bank account.
- You need to have an individual Bank account called a custodial account to issue a BG or SBLC. A custodial account is a particular Bank account that can release, receive, and hold financial instruments. Establishing custodial account at a bank takes three months+ and Costs approximately €250,000 to 350,000 Euro during setup. Such accounts are generally available to the Top 1% of Private Banking clients only. You cannot just walk into a bank and ask to set up a custodial account!
- Once a client has a custodial account, it can then issue BGs and SBLCs and Sell it to any clients not as a bank product but as his own bank instrument as a provider since the bank plays no part of the lease agreement between provider and the lessor.

Genuine Bank Instruments Providers

It can be hard to get genuine BG/SBLC providers through. The banks do not market BGs/SBLCs as their own banking goods, only because they are not authorized to Bank Guarantees and standby Letters of credit are issued in an account at the bank by high net worth client with substantial capital reserves. Clients of high net worth are typically private equity, hedge funds, pension funds, major companies, etc. Not only is it very challenging to get in contact with providers of bank instruments, but they are also very stringent, but they don't tangle around.

There are 4 Monetization that We Utilize:

1. **Euroclear** - The Euroclear process is extremely fast, and the best part is there are no SWIFT fees. Euroclear is one of the most established financial transaction networks globally and was founded by JP Morgan in 1968,
2. **Bank SWIFT** - This (BG) is delivered between the two banks through SWIFT MT799 and SWIFT M760.
3. **DTCC** - The Depository Trust and Clearing Corporation issues BGs that we accept. Again, through this process, there are no SWIFT fees and this company was founded in 1999 and is seen as one of the leaders in the industry.
4. **Bloomberg**—The Bloomberg process is extremely fast, and there are no SWIFT fees. Bloomberg was founded in 1981 and is one of the most established financial transaction networks in the world.

Financing:

IIB raise capital for business projects offering the opportunity for the public, wealthy families and individuals, private equity firms, hedge funds, venture capital firms, investment, private and professional investors to participate in and benefit from the development of new projects and the expansion of existing business. ,

IIB access its assets and provide financing activate credit lines, provide funds against financial instruments, and monetize and trade financial instruments. To obtain the financing IIB uses the active credit lines. We are prompt with flexible conditions financing against the most spread types of financial instrument such as:

Bank Guarantee (BG)

Standby Letter of Credit (SBLC)

Certificate of Deposit (CD)

Medium Term Note (MTN)

Bank Draft and others

This type of financing imposes less rigid requirements to the current financial status of the client and quality of financial project than tradition project financing.

Funds with Bank Instruments as collateral LTV:

- 10M to Billion – 45% Non-Rated Bank / 70% Rated Bank – Non- Recourse Loan
- Total Disbursement CAP to be 10 times the initial investment

Estimated Completion Time:

- 5 to 10 Days After instrument delivery on the SWIFT, Euroclear, or DTCC Networks.

Loan Disbursement:

1. 21 days after confirmation and authentication of the MT-760, we release the first disbursement (up to 20% of the loan) of face value
2. The remaining 90% of the funds will be divided into ten (10) months and will be disbursed every 30 days after the first disbursement.