

Trade Finance

Collections (Inward/Outward and with/without Documentary Credit)

- *Handles your Inward Bills for Collection (IBC) or Outward Bills for Collection (OBC)*

For the Buyer

If you wish to enjoy the flexibility of purchasing without a Documentary Credit (DC), we can assist in handling your Inward Bills for Collection (IBC), whereby we inform you upon receipt of shipping documents from your supplier. We provide intermediary services to facilitate trade settlement on terms agreed between you and your supplier. Your documents will be presented to you in good timing upon payment or acceptance (whichever applies) and financing could also be arranged at your request.

Benefits

- Simple and cheaper payment method in handling your IBC
- Receive information on receipt of shipping documents
- Get intermediary services to facilitate trade settlement on terms agreed between you and your supplier
- Payment is made only upon release/after acceptance of documents with greater flexibility
- Financing could be arranged at your request

For the Seller

We advise your Incoming DCs whilst at the same time authenticating and giving you the assurance that your Incoming DC is genuine.

Benefits

- The Outward Bills for Collection (OBC) product is simple and cost-effective in managing your collection
- Receive information on status of collection bills that are yet to be paid or accepted
- Control of goods retained until the Buyer makes payment/gives acceptance
- An accepted bill of exchange is legally binding to the drawee (Buyer) – a form of security to Seller
- Financing may be obtained against export/sale documents sent for collection

General Features

An OBC is a trade service provided by the Bank (called the Remitting Bank) to send out customer's sales/export shipping documents and collection instruction to the collecting bank in the Buyer/Importer's country for presentation to the Buyer (Drawee) for payment.

An Inward Bill for Collection (IBC) is a trade service provided by the Bank, as a Collecting/Presenting Bank to handle and inform customer (buyer/drawee) incoming shipping documents from their Supplier (Drawer).

There are two types of Collections;
- D/P (Documents against Payment)
- D/A (Documents against Acceptance)

Please refer to our website for further information on our latest charges, fees and trade tariff.
www.hlb.com.my

What are my major obligations?

- a) You are required to make payment or accept the Bill of Exchange before the documents are released by the Bank.
- b) You are to pay at maturity of the Bill of Exchange accepted earlier.
- c) You authorise the Bank to debit your account with the Bank for the payment of commission and all customary charges and Bank Agent's charges, if any. In addition, you authorise the Bank to debit your account with the Bank with all monies so paid or for which the Bank is liable under the IBC.