

PROCEDURE FOR BUYING OR LEASING BG (BANK GUARANTEE), SBLC (STANDBY LETTER OF CREDIT)

ISSUING BANK: TOP TEN (10) EUROPEAN BANKS

Step By Step Procedure:

- 1) Fill all required information indicated in our **KYC template which is downloadable from our website by paying the due-diligence fee** (<https://www.subcontractsindia.com/sblc-.html>)
- 2) After downloading the KYC template, insert the documents requested in the **KYC REQUIREMENTS** section below, in maximum resolution (**scanned document only, no photos**)
- 3) Once the above 2 points have been completed, print the **KYC** in maximum resolution (it must be on paper, not PDF file)
- 4) Then, sign all pages with your hand in **blue ink** and put the stamp of your company. (**No Cut & Paste signature or stamp is acceptable. Digital Signatures and stamp are also not acceptable**)
- 5) Once the KYC is signed and stamped, get the signatures Notarized by competent legal authority.
- 6) Once Notarized, scan all the signed pages at maximum resolution in proper page sequence.
- 7) Send completed **KYC** along with copies of all documents required under the **KYC REQUIREMENTS** section separately (Provider will need these to insert them into the DOA/CTA)
- 8) Send everything from your corporate email address only (please do not use public domains such as Gmail / Yahooemail, etc.) to compliance@subcontractsindia.com
- 9) If you are not able to correctly insert the documentation in the **KYC**, our team can do it for you. You only have to send us the documents requested in the **KYC REQUIREMENTS** section below

KYC REQUIREMENTS:

- a) **KYC** (must be signed the same date as of **RWA** and Bank Account Extract)
- b) **BANK STATEMENT** (Bank Account Extract) (Not older than 48 hours prior submission of KYC)
- c) **BANK RATIFICATION (RWA)** (Not older than 48 hours prior submission of KYC)
- d) **BUSINESS CARDS** of at least two(2) Bank Officers from Applicant's Bank duly signed by the officers
- e) **PASSPORT** (Only the President/Chairman/ Authorized Signatory of the Company)
- f) **COMPANY REGISTRATION CERTIFICATE**

Proof of fund (POF): Applicant must provide availability of cash funds (not credit line) in the beneficiary's bank account sufficient to cover at least the price of the first tranche of the instrument. This must be in the form of a RWA (ready, willing, and able) letter issued by the beneficiary's bank and signed by at least two bank officers, not older than 48 hours from the date of submitting the KYC. Requests for bank to bank POF is not entertained because information relating to the Provider will be made available only to RWA clients post KYC approval to avoid clients shopping for Provider information.

Once KYC is accepted, Provider will set up **SKYPE VIDEO CALL**, which will be recorded, where **QUESTIONS** about the **ASSETS** will be discussed. That video will be for the client's bank that would guarantee about the client and his identification. Thereafter, the provider will conduct the mandatory **DUE DILIGENCE** which will determine whether both parties can move forward and transact business.

SBLC TRANSACTION PROCEDURE AFTER DOA IS SIGNED

1. Issuing Bank sends **PRE-ADVICE SWIFT MT-799** and Buyer's Bank sends **SWIFT MT-799 BPU** (Bank Payment Undertaking)
2. Issuing Bank sends instrument via **SWIFT MT-760**
3. Within 5 banking days after receipt and authentication of **SWIFT MT-760**, Buyer's Bank will release payment to Seller's Bank via **SWIFT MT-103** in accordance with terms and conditions in Buyer's **SWIFT MT799 BPU**
4. Hard copy of Instrument will be delivered to Buyer's Bank via **Bank Bonded courier** within 7 banking days after receipt and authentication of payment

FOR SALE OF ASSETS, the cost for the client generally varies between **40%** and **60%** of the total value of the asset. Sometimes the cost can be greater or lesser depending on the type of asset and the stock market index on the previous closing day.

"MINIMUM VALUE ACCEPTED FOR PURCHASE OF ASSETS IS 100 MILLION"

This means that the Client must demonstrate that he has a minimum of **50%** of the Value of the asset in his bank account.

FOR LEASE OF ASSETS, the cost for the client generally varies between **7%** and **12%** of the value of the total asset. Sometimes the cost can be greater or lesser depending on the type of asset and the stock market index on the previous closing day.

"MINIMUM VALUE ACCEPTED FOR LEASE OF ASSETS IS 100 MILLION"

This means that the Client must demonstrate that he has a minimum of **10%** of the Value of the asset in his bank account.

EXACT ASSET PURCHASE OR LEASING COST WILL BE MENTIONED ON THE DEED OF AGREEMENT

READY, WILLING AND ABLE (RWA) FORMAT

TO WHOM IT MAY CONCERN

Date:

Subject: **RWA** Letter (Bank Ratification)

We (**Name of the Bank**), with address registered in (**Address**), confirm and ratify with full banking responsibility that the **BANK STATEMENT** issued by (**Name Of The Issuing Bank**) on MM-DD-YYYY, in favor of the company (**Name Of The Company**), with registration number **XXXXX**, is good, clean, of non-criminal origin. It does not have external or internal charges of our bank, it is available, it can be used, and at the same time it confirms that both our client (**Name Of The Client**) and the bank are ready to issue and send reply via SWIFT **MT-799BPU (BANK PAYMENT UNDERTAKING)** in response to **MT-799 (Pre-advice)** received from the Provider's issuing bank, guaranteeing the payment of the asset at the time that is required.

Likewise, we confirm that the cost of issuing the (**BPU**) **BANK PAYMENT UNDERTAKING** is covered and has the necessary money to pay for it and will be issued at the time required by the Provider

Signature:

Bank Officer#1:

PIN No.:

Signature:

Bank Officer#2:

PIN No.: