

HSBC Global Trade Solutions

Trade Services and Guarantees Standard Price List

3 June 2024

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1. About this Trade Services and Guarantees Standard Price List

In this leaflet, “we”, “our” and “us”, refer to HSBC and “you” and “your” refer to the party that will or may be liable to pay the charges in this price list.

How to contact us about this price list

Please use the contact details set out in the “How to Contact Us” section at the end of this price list.

What is and isn’t included in this Trade Services and Guarantees Standard Price List

This price list explains the standard charges, interest and commission (all excluding VAT) for our trade services for UK-based customers.

This price list doesn’t apply if we’ve agreed different prices with you. For example, some of our charges are risk-based and we need to agree these with you on a transaction-by-transaction basis as we’ll have to consider things like the creditworthiness and location of another party and/or the cost of any funding for us providing the service etc. We might agree these kind of transaction-based charges with you in a facility letter or notify you separately in a side letter.

This price list sets out just our charges. Other banks involved in a transaction will also apply their own charges. If we’re responsible for collecting another bank’s charges from you, we’ll send you details of their charges. It can be difficult to predict the total charges that apply to a transaction. This is because the total amount will vary depending on:

- the number of banks involved;
- the roles the banks have in the transaction; and
- what happens in the transaction (for example, if amendments are needed or discrepant documents are presented).

If you need help understanding the charges for a particular transaction, please contact us.

2. Ancillary Fees

This section sets out the fees that apply to more than one trade service. For example, if we act for you in import collections and export letters of credit and we need to charge you a courier fee as part of those transactions, then we'll always charge you the same courier fee. The following table sets out all these types of fees and tells you which services they apply to.

Charge	Why do we charge this and what products/services does it apply to?	How much?	When is it payable?
Advising fee	<p>For us to receive a letter of credit, open it on our systems and pass it on to you.</p> <p>Applies to export letters of credit and standby letters of credit.</p>	£50.00	<p>When we first receive payment for a presentation under a letter of credit (usually by deduction from that payment) or on expiry of the letter of credit if there's no presentation.</p>

Charge	Why do we charge this and what products/services does it apply to?	How much?	When is it payable?
Amendment fee	For us to amend a transaction and for amendments that increase the amount of a transaction, or change the expiry date, we'll also charge additional opening commission. Applies to import and export letters of credit, guarantees and standby letters of credit.	£60.00 per request. (£40.00 to amend the transaction and £20.00 to advise the beneficiary's bank of the change via SWIFT).	When we process the amendments.
Courier fee	For us to send documents or delivery orders to an address of your choice. Also, for us to advise a documentary credit/guarantee or amendment by mail/airmail, rather than SWIFT. Applies to all products and services.	£8.00 (domestic) £25.00 (international)	When documents are sent by HSBC.

Charge	Why do we charge this and what products/services does it apply to?	How much?	When is it payable?
Delivery order for an airway bill	<p>For us to prepare a delivery order to an airline instructing it to release goods to you or as you instruct. Although it's you as the buyer that will instruct us about the delivery order, this charge is usually paid by the seller.</p> <p>Applies to import collections and import letters of credit.</p>	£60.00	<p>If paid by the buyer, when we receive and process a delivery order application.</p> <p>If paid by the seller, it will be charged at the payment of the related presentation.</p>
Outstanding query fee	<p>For us to continue handling the collection or letter of credit while we await your response to a query or for letters of credit, the period starting 14 days after we first receive the presentation to which the query relates.</p>	£20.00 per month or part month, if the collection remains outstanding after 30 days or if payment under the collection becomes overdue.	When we process and make the payment relating to a collection.

Charge	Why do we charge this and what products/services does it apply to?	How much?	When is it payable?
SWIFT message fee	<p>For us to send messages by SWIFT to your buyer's or seller's bank. The number of messages can vary but typically it's three to five messages per collection/letter of credit. There may be situations where both parties, buyer and seller, will have to pay SWIFT fees.</p> <p>Applies to all products and services except trade loans.</p>	£20.00 per message	When we're requested to send a SWIFT or where a SWIFT is applicable at a payment/ recording event at the point of payment/ recording.

3. Documentary Collections – import and export

If we act for you in a documentary collection:

- when you're the buyer (or **drawee**), then we call it an **import collection** (or an inward collection); or
- when you're the seller (or **principal**), we call it an **export collection** (or an outward collection).

Import collections

What do we charge for import collections?

In an import collection, we'll act as **collecting bank** and **presenting bank** for you. The "Ancillary Fees" section of the price list sets out fees that apply to all import collections. We'll also charge the fees set out in the following table.

Charge	Why do we charge this?	How much?	When is it payable?
Avalisation commission	For us to undertake to pay a bill of exchange drawn against you. Only available if you have an avalisation facility in place with us. Avalisation requires pre-agreed credit facilities with us.	The higher of 0.55% of the collection value and £75.00, payable for each quarter or part of a quarter from the date we avalise the bill to the bill's maturity date.	The charges are usually payable when you pay for the underlying goods or services (or if you reject the collection when we finish dealing with the transaction). If you decide to reject a collection, please let us know as soon as possible to avoid incurring additional charges.
Collection set-up fee (opening commission) against payment	For us to receive, set up and handle the collection against payment.	0.25% of the collection value, minimum £75.00, maximum £125.00.	For each collection on the processing and making of the payment.
Collection set-up fee (opening commission) against acceptance	For us to receive, set up and handle the collection against acceptance.	0.5% of the collection value, minimum £75.00, maximum £150.00.	For each collection on the processing and making of the payment.

Charge	Why do we charge this?	How much?	When is it payable?
Maturity date extension fee	For us to amend the maturity date of a collection as advised by the seller's bank.	£30.00	The charge is applied for each collection on processing and making of the payment.

Who pays the fees for import collections?

As the buyer, you'll usually pay the fees.

Export collections

What do we charge for export collections?

In an export collection, we'll act as the **remitting bank** for you.

The "Ancillary Fees" section of the price list sets out fees that apply to export collections. We'll also charge the fees set out in the following table.

Charge	Why do we charge this?	How much?	When is it payable?
Collection returned (unpaid or unaccepted)	For us to close our file and return your documents.	£10.00 per collection, plus courier fee and any outstanding charges.	When we amend the collection to cancel the bill, which is when documents are returned unpaid.

Charge	Why do we charge this?	How much?	When is it payable?
Opening fee for Export Collections	For us to set up and handle your collection.	0.3% of the collection value, minimum charge £75.00, maximum charge £125.00.	When we receive and process your collection request.
Financing set-up fee for export collections	To arrange financing for you in relation to these products. If we provide you with finance, we'll also charge you a negotiation fee (sometimes called a discount) which we'll discuss with you separately.	£60.00 per presentation (plus negotiation fee).	Applied at the time of financing and taken at the point of repayment.

Who pays the fees for export collections?

As the seller, you'll usually pay any charges for export collections and we'll debit the charges from your account with us at the time we receive and process the collection.

4. Documentary Letters of Credit – import and export

If we act for you in a documentary letter of credit transaction:

- when you're the buyer, we call it an **import letter of credit** (or an **import credit**); and
- when you're the seller, we call it an **export letter of credit** (or an **export credit**).

Import letters of credit

What do we charge for import letters of credit?

In an import letter of credit transaction, we'll act as the **issuing bank** for you. The "Ancillary Fees" section of the price list sets out fees that apply to all import letters of credit. We'll also charge the fees set out in the following table.

Charge	Why do we charge this?	How much?	When is it payable?
Opening commission	For us to set up and issue the letter of credit.	0.125% of the letter of credit value per month, or part month (for a minimum of three months), for the period starting on the issue date and ending on the expiry date. The minimum charge is £75.00. The fee may differ and is subject to review of your risk profile, purpose of issuance and tenor of transaction by your GTS Manager and Relationship Manager.	On the issue date.

Charge	Why do we charge this?	How much?	When is it payable?
Deferred payment commission (usance commission)	For us to set up and issue a letter of credit that's not payable at sight.	0.125% of the letter of credit value per month, or part month, for the deferred payment period (usance period). The minimum charge is £75.00. The fee may differ and is subject to review of your risk profile, purpose of issuance and tenor of transaction by your GTS Manager and Relationship Manager.	On the issue date.
UPAS DCs: Discount margin for Beneficiary or for Applicant	Usance letter of credit payable at sight.	Price on application. Discount margin payable either by Beneficiary or Applicant.	Payable when the related presentation is paid.
Discrepancy fee for non-complying documents	For us to perform additional document checks under the import letter of credit.	£50.00 per set. We also charge a £20.00 SWIFT message fee when we advise the presenting bank of the discrepancies.	Payable by the beneficiary when the related presentation is paid, withdrawn or finally rejected.

Charge	Why do we charge this?	How much?	When is it payable?
Presentation handling fee (import letters of credit)	For us to handle each presentation made under the letter of credit.	0.125% of the presentation amount. Minimum charge of £75.00, maximum charge of £200.00.	When we pay the demand relating to the presentation.

Who pays the fees for import letter of credit services?

As the buyer, you'll usually pay the fees.

Export letters of credit

What do we charge for export letters of credit?

In an export letter of credit, we'll act as the **advising bank**, or as the **advising and confirming bank** for you. The "Ancillary Fees" section of the price list sets out fees that apply to all export letters of credit. We'll also charge the fees set out in the following table

Charge	Why do we charge this?	How much?	When is it payable?
Confirmation commission OR acceptance commission (usance commission)	<p>When we confirm a letter of credit, we charge because you can claim against us or the issuing bank. We affectively agree to be bound to pay in the same way the issuing bank is bound to pay.</p> <p>The acceptance commission is charged when we're not the confirming bank and the presentation includes a deferred payment bill of exchange drawn against us, for us to accept that bill of exchange.</p>	<p>Price negotiated on application.</p> <p>A minimum confirmation commission charge of £105.00 per quarter.</p>	<p>When we first receive payment for a presentation under the letter of credit (usually by deduction from that payment) or, if there's no payment, on expiry of the letter of credit.</p>

Charge	Why do we charge this?	How much?	When is it payable?
Transfer commission	For us to transfer the whole, or part, of the letter of credit amount to another beneficiary.	0.5% of the amount transferred. Minimum charge £125.00.	On the issue date of the transfer.
Discrepancy fee for non-complying documents	If the issuing bank rejects a presentation we make for you under the export letter of credit, we charge this fee to tell you about the reason(s) for the rejection.	Minimum charge of £50.00 per set of documents that are rejected. We may charge more depending on the level of involvement we have in dealing with the rejection.	When we next receive payment for a presentation (usually by deduction from that payment) or, if there's no payment, on return of the presentation documents.
Presentation handling fee	For us to handle each presentation we make for you under the letter of credit.	0.125% of the presentation value, minimum charge of £75.00.	When we receive payment for that presentation or any subsequent one (usually by deduction from that payment) or, if there's no payment, on expiry of the letter of credit.

Charge	Why do we charge this?	How much?	When is it payable?
Financing set-up fee (export letters of credit)	For us to arrange financing for you in connection with the letter of credit. If we provide you with finance, in addition to the financing set-up fee, we'll charge you a negotiation fee.	£60.00 per presentation (plus negotiation fee).	When we provide the finance (usually by deduction from the finance amount we provide to you).
Negotiation fee (sometimes called a discount)	We'll discuss with you separately.	Available on application, this is dependent on the risk of the Letter of Credit (LC) Issuing Bank, the amount of the LC and the tenor of the LC. This interest margin is charged over a risk-free rate at present, until a suitable alternative is available.	When we provide the finance (usually by deduction from the finance amount we provide to you).

Who pays the fees for export letter of credit services?

As the seller, you'll usually pay the fees.

5. Guarantees and standby letters of credit

What do we charge?

We call you the **applicant** in these transactions and can act for you:

- as the **issuing bank** for a guarantee and standby letter of credit (a guarantee).

The “Ancillary Fees” section of this price list sets out fees that apply to all these types of transactions. We’ll also charge the fees set out in the following table where you’re the Applicant.

Charge	Why do we charge this?	How much?	When is it payable?
<p>Opening commission (issuing fee)</p>	<p>For us to set up and issue the guarantee.</p>	<p>The higher of 2.2% per annum of the guarantee amount or £75.00, payable for each quarter or part of a quarter for the period starting on the issue date and ending when no claim can be made under the guarantee. The date from which no claim can be made under a guarantee can vary depending on certain things like the wording of the guarantee, the law under which it's issued and if local practice or law requires a release from the beneficiary or return of the original guarantee.</p> <p>You should make sure you understand when your guarantee expires. The fee may differ and is subject to review of your risk profile, purpose of issuance and tenor of transaction by your GTS Manager and Relationship Manager.</p>	<p>Quarterly in advance starting on the issue date.</p>

Charge	Why do we charge this?	How much?	When is it payable?
<p>Re-Issuance Commission</p>	<p>This is an additional opening commission that is charged by HSBC Group Offices where a transaction is required to be issued by a local office.</p> <p>Other rates will apply to non-participating HSBC Group Members (as updated from time to time) and also non-HSBC Group Members.</p>	<p>A % of the transaction value added to the above Opening commission as one total fee, payable for each quarter or part of a quarter for the period starting on the issue date and ending when no claim can be made under the guarantee.</p> <p>The date from which no claim can be made under a guarantee can vary depending on certain things like the wording of the guarantee, the law under which it's issued and if local practice or law requires a release from the beneficiary or return of the original guarantee.</p> <p>You should make sure you understand when your guarantee expires. The fee is dependent on Bank risk and will be advised to you by your GTS Manager and Relationship Manager.</p>	<p>This fee is added to the above Opening Commission and charged as one total fee, payable quarterly in advance starting on the issue date, but could vary if charged by non-participating HSBC Group Members or non-HSBC Group Members.</p>

Charge	Why do we charge this?	How much?	When is it payable?
Presentation Handling Fee	For us to handle any complying presentation under the guarantee.	£50.00	Upon payment of the claim to the Beneficiary.
Cancellation Fee	For us to process the cancellation of the guarantee or standby letter of credit.	£40.00	Upon cancellation of the guarantee or standby letter of credit.

Where you're the Beneficiary, we can act for you:

- **as the confirming bank** for a standby letter of credit.

Charge	Why do we charge this?	How much?	When is it payable?
Confirmation commission for Standby letters of credit we've advised to you	For us to confirm the standby letters of credit, you can claim against us or the issuing bank. When we confirm a standby letter of credit, we effectively agree to be bound to pay in the same way the issuing bank is bound to pay.	Price on application. Minimum charge of £105.00 per quarter or part-quarter, for the period starting on the confirmation date and ending on the expiry date.	When we add our confirmation to the Standby letter of credit.

Who pays these fees?

As applicant, you'll usually pay the fees.

6. Trade loans

What do we charge?

We can provide loans to help you with importing goods (a **buyer loan**) or exporting goods (a seller loan). The “Ancillary Fees” section of this price list sets out fees that apply to buyer and seller loans. We’ll also charge the fees set out in the following table.

Charge	Why do we charge this?	How much?	When is it payable?
Loan arrangement fee	For us to arrange the loan.	£60.00	When we set up the loan.
	Additionally, we’ll charge interest on the loan for the loan period.	Available on application or as we agree with you in your trade loans facility letter.	At the end of the loan period, or quarterly or monthly in arrears, depending on what we agree with you for that loan.
Priority payment fee (Remittance fee)	We’ll charge this when we pay the loan proceeds to your supplier.	£20.00	When we set up the loan.
Loan extension fee	For us to extend the loan period. Additionally, we’ll charge interest on the loan for the period of the extension.	£30.00 (plus interest, see first row of this table for more details).	When we extend the loan period.

Who pays these fees?

You’ll usually pay the fees.

7. Arrangement fees

When we provide you with a trade facility, we'll charge the fees set out in the following table.

Charge	Why do we charge this?	How much?	When is it payable?
Arrangement fee – Trade facilities	For us to set up the trade facility. The arrangement and renewal fees are payable in addition to the fees quoted in this Price List, or any fees individually agreed with the client, for such trade products or services.	1.25% of the facility amount.	When a new facility is set up.
		1.00% of the renewed facility amount.	When we renew the existing facility.

The fee may differ and is subject to review of your risk profile by your GTS Manager and Relationship Manager.

8. How to Contact Us



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Accessibility

If you need any of this information in a different format, please let us know. **This includes large print, braille, or audio.** You can speak with us using the live chat service on our website, by visiting one of our branches or by giving us a call.

There are also lots of other options available to help you communicate with us. Some of these are provided by third parties who are responsible for the service. These include a Text Relay Service and a British Sign Language (BSL) Video Relay Service. To find out more, please get in touch. You can also visit business.hsbc.uk/accessibility or business.hsbc.uk/contact-us.

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