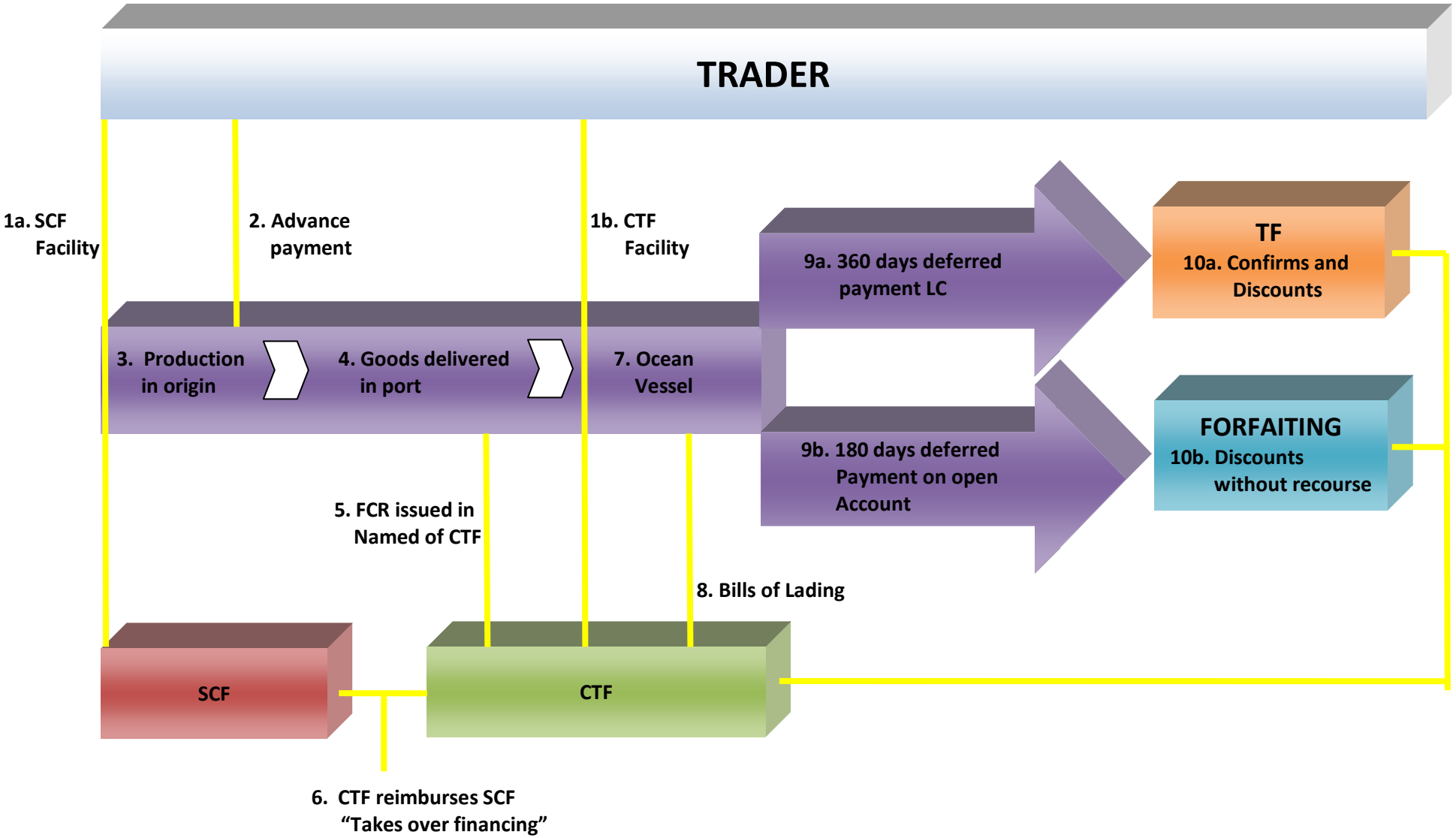
Total Package Approach



SCF — Structured Commodity Finance

CTF — Commodity Trade Finance

TF — Trade Finance Finance

F — Forfaiting

1a) FIMBank offers a Structured Trade Finance product to a Trading house; here FIMBank is willing to share risk with its client, the Trading house, which in turn used the money for an Advance or Pre Export Payment to its supplier in a Developed or Developing Market.

2) Advance Payment / Pre Export Payment is made to Trading House or direct to the supplier in the Emerging Market

3) Production occurs in Developing Market

4) Produced goods are delivered (here to a local port)

1b) FIMBank offers a Commodity Trade Finance product – usually Post Production

5) FCR Financing is being offered

6) FCR Financing will replace the original SCF Pre Advance / Pre Export Facility (risk has shifted at this point in time)

7) Produced Goods will be put on Ocean going vessel

8) Bill of Lading will be replacing the FCRs at FIMBank

9) Trading House will on sale the Goods to a final off taker. Buyer could be located in a Developed or Developing Market. Sales go into two different sales channels a) and b)

9a) Buyer A negotiated with Trading House LC terms of 360 days deferred payment

9b) Buyer B negotiated with Trading House credit terms of 180 days open account

10) FIMBank will consider to share the Off Taker risk with the Trading House again

10a) by confirming and / or discounting the 360 days deferred LC

10b) by Forfaiting and / or Factoring the open account 180 days deferred payment without recourse to the Trading House