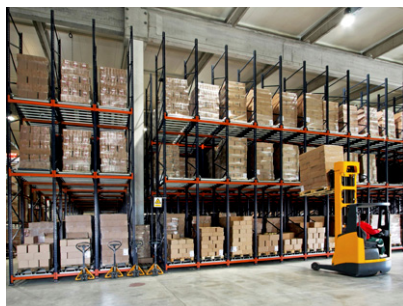


Trade Finance Services



Cotecna's mission is to assist Borrowers and Lenders in setting-up cost-effective, yet solid and Basel II-compliant financing structures. We achieve this by providing Lenders with tools to verify that disbursements are applied in conformity with the purpose of the credit. By enhancing Lenders' control over their transactions, the service results in more favourable loan classifications, hence in easier and/or cheaper financing.

Our services consist in the monitoring of physical collateral security, at any stage of the transaction (production, storage, processing, transit, etc.), local custody and handling of title or other documentation related to the Goods, and other tailor-made interventions.

Cotecna is flexible in its ability to perform specialized monitoring of inventories, growing crops, goods in process, cargo in transit, loading or discharging operations, etc., and seamlessly report to the financier the position of the security throughout the transaction lifecycle.

Cotecna has also noted the increasingly improving legal certainty environment in key emerging markets. This allows financiers to accept local structure and documentation for "legal control" in Basel II terms (Annex 6/Table 4), knowing that Cotecna will be providing the "knowledge of the trade process" through its on-site verifications. Legal control can be further enhanced by Cotecna's handling and custody of local title, transportation or other documents on behalf of the financier.

The package addresses several other Basel II requirements:

- > Realization of the collateral's value in a "reasonable time frame" (§ 509), facilitated by the timely knowledge of any covenant breach with regards to the security provided by Cotecna;
- > "Physical inspection" requirements (§ 522);
- > Insurance (§ 510): a key complement to the security package. If it is absent or unsatisfactory, Cotecna can provide an extremely comprehensive cover by top-rated underwriters, including theft and misappropriation.

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A team of specialists

- HQ in Geneva
- Proven experience in inspection, financial services, international trade, legal and insurance matters
- Leverages Cotecna's worldwide network
- Strong field execution capabilities to implement credit control solutions

Key benefits

- Simplicity of the contractual documentation, allowing a quick implementation and low legal costs
- Flat fees that make it a more economical solution than ad-valorem priced solutions, especially for large transactions
- Unrivalled information technology:

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