



Ref: Circular No: BGA/Admin/2019/109

12 December 2019

To: All Hon'ble Members of BGMEA

Honorable Members,

This is to inform you that '**PrimaDollar**', a British Trade Finance company approached BGMEA. They offer a service for our exporters allowing them to work safely on sale contract without LC, giving the buyer credit if the buyer wants it, and still being able to obtain back-to-back in the local market.

As you know, our exporters are increasingly being asked by buyers to work on open account with deferred payment (without letter of credit, down-payment or guarantee). This means that it becomes difficult to get back-to-back financing and to meet the requirements of AD banks that foreign exchange must be received at or before shipment.

PrimaDollar's service pays the exporter in cash at sight; the buyer can pay later. The following steps are involved:

- Obtain a credit limit for a given buyer from PrimaDollar or from a participating local bank.
- Agree your purchase order(s) with the buyer.
- Exporters are paid at sight of shipping documents (up to the agreed limit).
- The buyer can pay later and PrimaDollar takes the buyer credit risk.

PrimaDollar's charges are low for this kind of service. Their online calculator is available on their website (www.primadollar.com); the calculator is simple and allows you to see the cost yourselves.

There are two ways to obtain this new service:

- From Agrani Bank Limited and First Security Islami Bank Limited (FSIBL). Other banks will soon start to offer similar facilities, and we will inform you; or
- From PrimaDollar directly at their office in Banani, Dhaka.

This service, as PrimaDollar has pointed out to us, is more than just a credit reference; PrimaDollar is paying cash upfront to you and takes the credit risk of the buyer. Please note that for large buyers with in-country inspection, PrimaDollar can support even first-time trades. For smaller buyers, trading history is usually required.



BANGLADESH GARMENT MANUFACTURERS & EXPORTERS ASSOCIATION (BGMEA)

"Made in Bangladesh with Pride"

BGMEA Complex, House # 7/7A, Block # H 1, Sector # 17, Uttara, Dhaka-1230.

Ref:

As an industry we should be focusing on growing our volumes safely. With many buyers now demanding sale contract terms without LC, PrimaDollar's products can provide both finance and important protections.

PrimaDollar has agreed with the BGMEA to provide an enhanced service for BGMEA members and will provide regular monthly reporting to us on the service levels achieved.

If you have any questions, please contact PrimaDollar at the following numbers:

Mobile : +88 01785089353
Land lines : +88 02 9821582-3
+88 09678666999

Disclaimer: This is sent for general information only. This is not a recommendation or opinion of BGMEA that is intended to substitute your independent assessment of the services offered. BGMEA does not assume any responsibility for any liability / claims arising from the use of this information.

Sincerely yours,

Commodore Mohammad Abdur Razzak (Retd)
NUP, ndc, psc, M. Phil
Secretary