



Power Ahead Avnet **Financial Services**

Africa, July 2011

We are here to help you to power ahead into the future. Our goal is to understand your needs so that we provide you with creative flexible financial solutions. The right financial solutions programme is often the key to achieving your business goals, and no channel partner is better positioned than Avnet to provide the full range of financing options necessary to take your business to the next level.

Our customers include

- Value-Added Resellers (VARs)
- Independent Software
- Vendors (ISVs)
- Original Equipment
- Manufacturers (OEMs)
- System Builders
- System Integrators

Our relationship with major financing partners such as Commerzbank and Euler Hermes enables us to offer the most complete range of financial services programmes, which can help you gain a competitive edge in even the toughest markets.

As your partner, we will work with you to architect financial solutions that help support year-round financing need, accelerate cash flow and eliminate barriers to deal closures for your customers. By leveraging our financial strength, partnerships and full range of financial offerings, you can enhance your ability to close bigger deals that yield better returns for your business. It all adds up to more value for you, combined with the right results for your business.

This document offers a brief overview of Avnet's financial solutions*.

* Financial solutions vary from country to country.

Please call +49 (0) 711 51881-306
or visit www.ts.avnet.com/ae/ for more information.

Open Trade Credit

Financing for your day-to-day transactions

Avnet's open trade credit line is the right choice when it comes to financing normal, day-to-day transactions. You will receive an interest free credit line within our payment terms, depending on the credit check. With this credit line, you obtain the liquidity which you need in order to finance your daily business. Simply submit an Avnet credit application with other necessary documents and we will review your application and discuss available trade credit and security levels. Important are the actual financials such as the balance sheet and P&L. Once you have selected the security and trade credit line that is right for your business, you can start taking full advantage of all the benefits your open trade line with Avnet offers.

Your benefits

- Facilitates quick and easy approvals within your trade credit line
- Provides you with the ability to raise your trade credit line as your sales, assets and profitability grow
- Enables you to extend your trade credit line when backed by a variety of collateral.

Cash against documents

The goods are shipped before payment but the documents of transfer (ownership and possession of them) are not released until the business partner has made an irrevocable payment for the goods. The Avnet bank and the resellers bank facilitate the transfer of the payment and shipping documents. The main steps in a cash against documents transaction are:

1. Avnet ships the goods to the resellers in accordance with the export contract.
Avnet presents the relevant shipping documents, including the document of title (usually the bill of lading) and invoice to the Avnet bank, which sends the documents to the reseller bank
2. The reseller provides payment for the goods to his bank
3. In return for the payment Avnet bank hands over the shipping documents to the reseller, who then takes control of the goods.

Your benefits

- Better rating
- Transaction costs are generally lower than with a documentary credit
- Reduce the cost, minimize bank fees

Bank Guarantees

Discover new markets

Bank guarantee is an undertaking by the Bank to pay the guarantee beneficiary a specified amount upon a written demand if the Bank's client fails to fulfill his obligation.

Your benefits

- Improve your company image
- Facilitate business transactions
- Improves project sustainability.

Individual Project Financing

Financing for project transactions with a better credit line

We offer you flexible financing solutions for your projects, which do not count towards your normal credit line. This form of financing gives you the possibility to do larger projects also with extended payment terms.

Your benefits

- Financing solutions in addition to the normal payment term, e.g. project financing
- Financing solutions for your growth
- Additional credit line means a better liquidity

Letter of credit

Leading trust

A Letter of Credit L/c also known as Documentary Credit is a widely used term to make payment secure in international trade. The document is issued by a financial organization at the buyer request. The buyer also provides the necessary instructions in preparing the document. A letter of credit acts like an insurance contract for both the buyer and seller and practically eliminates the credit risk for both parties, while at the same time reducing payment delays. A letter of credit provides the exporter or seller with the greatest degree of safety when extending credit.

Your benefits

- Facilitates financing - e.g. creating banker's acceptances
- Buyer can confirm that the merchandise is shipped on or before the required date.
- It is safer to deal with bank than to prepay.

Take the first step and contact us today

Claudia Müller
Credit & Financial Services Manager
+49 (0)711 51 881-306
claudia.mueller@avnet.com

Angela Peter
Credit Analyst
+49 (0)711 51 881-135
angela.peter@avnet.com

Sue Campbell
HP Account Manager
Southern, Central and East Africa
+27 82 559 4425
sue.campbell@avnet.com

Onyinyechi Terence
HP Account Manager
Western and Northern Africa
+234 80 3351 6500
onyinyechi.terence@avnet.com