



A guide to forward exchange contracts.

Forward exchange contracts allow you to buy and sell currency at a fixed rate of exchange.

This is with the view to using the funds in the future, either to fulfil a business transaction on a named date – or between two specified dates if there is uncertainty when payment will need to be made.

How can forward exchange contracts benefit you?

Forward exchange contracts help you budget and manage future sales and purchasing, helping to fix your exchange rate risk.

Who is eligible to apply for forward exchange contracts?

Any Lloyds TSB Commercial customer with a currency and/or sterling account. All facilities are subject to approval by your relationship manager.

How do forward exchange contracts work?

Forward exchange contracts are binding. Should you change your mind, you'll still be bound by the terms of the contract. They are available in most major currencies and are subject to the approval of your relationship manager.

When you apply, we'll ask you to specify the date when the currency will be needed, or if you want more flexibility, between two agreed dates.

Key features

- Currency exchange rate is guaranteed for the period of the contract.
- Available in most major currencies.
- Flexible option of securing rate between two specified dates.

Key benefits

- Can help manage future income and costs.
- Helps manage the risk of working with foreign currencies.
- Easy and low cost way to help manage exchange rate fluctuations.
- Future transactions in your chosen currency can be accurately calculated.

Standard foreign currencies we can help you with

- Australian dollar
- Canadian dollar
- Swiss franc
- Danish krone
- Euro
- Hong Kong dollar
- Japanese yen
- Norwegian krone
- New Zealand dollar
- Saudi riyal
- Swedish krona
- Singapore dollar
- United States dollar
- South African rand

Even if your required currency isn't listed above, we still may be able to help. Please talk to us to see what we can do.

Things to look out for

As forward exchange contracts are legally binding, if you withdraw from the terms of the agreement there may be a cost.

One of the risks when entering this arrangement is that if the market moves against you, you are committed to the exchange rate as stated in the contract.

Depending on the value of the contract it's important to weigh up whether this is a more favourable option than risking the market moving.

What are the charges for forward exchange contracts?

For our most up-to-date charges please visit www.lloydstsb.com/business and refer to 'Rates and charges' under the 'Useful Information' section.

How to apply for forward exchange contracts

For more information, speak to your relationship manager or telephone the international business team between the hours of 8.30am and 5pm Monday to Friday on **0845 300 0101**.



Please contact your branch if you'd like this in Braille, large print, or on audio tape.

www.lloydstsb.com/business

Any property given as security, which may include your home, may be repossessed if you do not keep up repayments on your mortgage or other debts secured on it.

All loans are subject to status and we will need your permission to carry out a credit check on you and your business. You should not apply for an amount that you cannot comfortably afford to repay.

We accept calls made through RNID Typetalk.

Calls may be monitored or recorded in case we need to check we have carried out your instructions correctly and to help improve our quality of service.

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