

U-FACTOR Reverse Factoring

WHO IS THE PRODUCT FOR?

The product is for large/medium-sized businesses/companies (buyers) with a considerable, and fragmented supplier portfolio, that wish to streamline and rationalise the management of their passive cycle, while building loyalty in their supply chain and granting their own suppliers facilitated credit access.

PRODUCT DESCRIPTION

The buyer enters into a Reverse Factoring agreement with UniCredit Factoring, which usually regulates the payment of debts to its suppliers, according to exclusive conditions agreed on, who in turn assign the relative invoices to UniCredit Factoring.

The suppliers, by adhering to the Reverse Factoring Agreement sign a factoring agreement with UniCredit Factoring with special conditions, also benefiting from the buyer's credit standing. On request of the supplier, UniCredit Factoring can also assess whether to advance the amount of the receivables assigned, and on request of the buyer may extend the terms of payment of the receivables.

ADVANTAGES FOR THE BUYER

- Uniform, simplified administrative procedures related to supplier accounting (a single contact to send information flows, and to acknowledge and make payments)
- Optimisation and planning of treasury and cash flows
- Extended terms for own trade receivables, with the availability of a financial instrument in addition to the bank loan
- The possibility to negotiate and extend settlement terms for purchases, offering suppliers the chance, through UniCredit Factoring, to access credit at special conditions
- In the case of reduced payment terms for the supplier thanks to maturity accreditation, the possibility to negotiate trade discounts at competitive conditions.

UniCredit Factoring makes available to the buyer and suppliers a web platform and ad hoc solutions to manage the assignment of receivables and the information flows, such as those concerning the management of promotional activities, credit notes, payments based on notices. The entire process is dematerialised, thanks to digital signing and time stamping of the documents.

PRODUCT COSTS

The product foresees the following cost items for the buyer:

- factoring fee and interest related to the extended payment granted by UniCredit Factoring, as applicable, on request of the buyer, without any additional costs on the assignor
- additional expenses

The product comprises the following cost items for the supplier:

- factoring fee related to the management of assigned receivables and the undertaking by UniCredit Factoring of the buyer's insolvency risk
- interest representing the financial cost of the deal

ADVANTAGES FOR THE SUPPLIER

- The possibility to request an advance payment on the assignment amount at privileged terms and conditions, benefiting from the buyer's credit standing
- In the case of maturity deals, the optimisation and planning of cash flows
- In the case of non recourse deals, the undertaking by UniCredit Factoring of the debtor's insolvency risk
- In the case of payment on maturity deals, if the buyer unconditionally acknowledges those receivables, UniCredit Factoring undertakes the buyer's insolvency risk

Solutions that matter.



Advertising message for promotional purposes.

For the contractual terms and conditions governing the UniCredit Factoring products described, please consult the "Fact Sheets" available online at www.unicreditfactoring.it. UniCredit Factoring S.p.A. reserves the right to assess creditworthiness for the purpose of concluding transactions.