

# U-FACTOR Confirming



## WHO IS THE PRODUCT FOR?

The product is for large/medium-sized debtor businesses/companies (buyers), that wish to consolidate relations with the production chain and financially support it.



## PRODUCT DESCRIPTION

The buyer enters into an agreement with UniCredit Factoring for the use of a digital platform through which it pays the debts towards its suppliers, uploading the invoices it has acknowledged and wishes to pay at scheduled times.

In signing the factoring agreement and being enabled to use the platform, the suppliers are able to assign to UniCredit Factoring the receivables deriving from the invoices uploaded by the buyer into the platform, benefiting from the buyer's credit standing. With this assignment, UniCredit Factoring may make a definitive payment to the supplier of the amount of assigned receivables, determined according to the discount formula, i.e. net of any credit notes and interest. The assignment process is digital and takes place interacting with the platform.



## PRODUCT COSTS

The product foresees the following cost items for the buyer:

- set-up fees for use, management and maintenance of the platform
- default interest applied in the case of the late payment of acknowledged receivables, uploaded to the platform and assigned to UniCredit Factoring
- fees for the issue and sending of notices relating to contract changes.

The following cost items are paid by the supplier in the case of the assignment of receivables:

- factoring fees 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
- additional expenses

## ADVANTAGES FOR THE BUYER

- Optimisation of working capital
- Integration of UniCredit cash management services, which are synergistic with financial factoring products
- Automation of the final phase of the passive cycle, with the automatic payment of invoices through an ad hoc interface (management of promotional activities, credit notes, payments based on notices, etc.)
- Simple procedures for more streamlined transactions

## ADVANTAGES FOR THE SUPPLIER

- Facilitated access to credit
- Possibility to assign receivables uploaded into the platform and to receive the related payment, on a definitive basis, in advance of original payment deadlines
- Transfer to UniCredit Factoring of the risks and benefits related to the receivables, with the possibility to derecognize them in the balance sheet, benefiting from the consequent improvement in financial ratios
- Use of the product through a highly digitalised platform

Solutions that matter.

