

Payment on Maturity



WHO IS THE PRODUCT FOR?

The product is for businesses/companies that wish to regulate their cash flows and optimise the management of their treasury.



PRODUCT DESCRIPTION

UniCredit Factoring acquires the trade receivables claimed by the assignor from its debtors, and manages them in terms of administration and collection, and, on the maturity of the receivables and if acknowledged by the debtor, pays the assignor, undertaking the risk of debtor's insolvency.

The product may be for businesses/companies operating in the agri-food industry, to whom Article 62 of the Liberalisation Decree 1/2012, converted by Law 27/2012, applies, regulating business relations for the sale of agricultural and agri-food products that require the adoption of stringent terms of payment that cannot be deferred, depending on the product supplied (30 days from the invoice date end of month for agricultural products and perishable food stuffs, and 60 days from the invoice date end of month for other products).

In this type of deal, UniCredit Factoring undertakes the risk of debtor's insolvency (non recourse).

On the assignor's request, UniCredit Factoring can also assess whether to advance the amount of the receivables sold, and moreover, on the debtor's request may extend the terms of payment of the assigned receivables.



PRODUCT COSTS

The product foresees the following cost items:

- factoring fee related to the management of assigned receivables and the undertaking by UniCredit Factoring of the debtor's insolvency risk (non recourse);
- interest for any advance payment
- additional expenses

Should UniCredit Factoring grant to the debtor an extension of the original payment terms, specific costs will be charged to that Debtor, without any additional costs on the assignor.

ADVANTAGES FOR THE ASSIGNOR

- Optimisation and planning of treasury and cash flows
- Undertaking by UniCredit Factoring of the debtor's insolvency risk
- Professional assessment and ongoing monitoring of assigned debtors
- Credit management assigned to a specialist
- Funding of working capital, particularly during turnover growth phases, with the availability of a financial instrument in addition to the bank loan.

ADVANTAGES FOR THE DEBTOR

- In the case of extended payment terms, the debtor benefits from longer payment terms for its debits and can optimise and plan treasury and cash flows, with a financial instrument available, in addition to a bank loan

Solutions that matter.

