



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 supplier's request, 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.

BENEFITS FOR THE BUYER

- Uniform, simplified administrative procedures related to supplier accounting (a single contact to send information flows, and to acknowledge the receivables and make payments)
- Optimisation and planning of treasury and cash flows
- UniCredit Factoring may extend payment terms for commercial debts, 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

UniCredit Factoring can provide 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 signature and time-stamp of the documents.

PRODUCT COSTS

The product foresees the following cost items for the buyer:

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

BENEFITS 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 non recourse deals, the undertaking by UniCredit Factoring of the debtor's insolvency risk