

# Domestic Factoring

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Financing, securing risk and receivables administration and collection from your domestic customers

- Do your customers require smooth payment or deferred maturity?
- Are your competitors offering better payment terms?
- Is deferred maturity limiting your cash flows?
- Do you want to be protected against the insolvency of your customers?
- Is receivables administration and collection using up too much of your time and expenses?

Domestic Factoring provides immediate financing of your receivables from domestic customers, consistent administration, and insurance if required.

## What can we help you with?

Domestic factoring is a comprehensive financial service aimed at accelerating your cash flows which have slowed down because of sales with deferred maturity, with the following benefits:

- allows further growth
- saves administrative expenses associated with enforcing receivables
- secures risk against any payments not made by customers.

### Is your answer to any of the following questions “yes”?

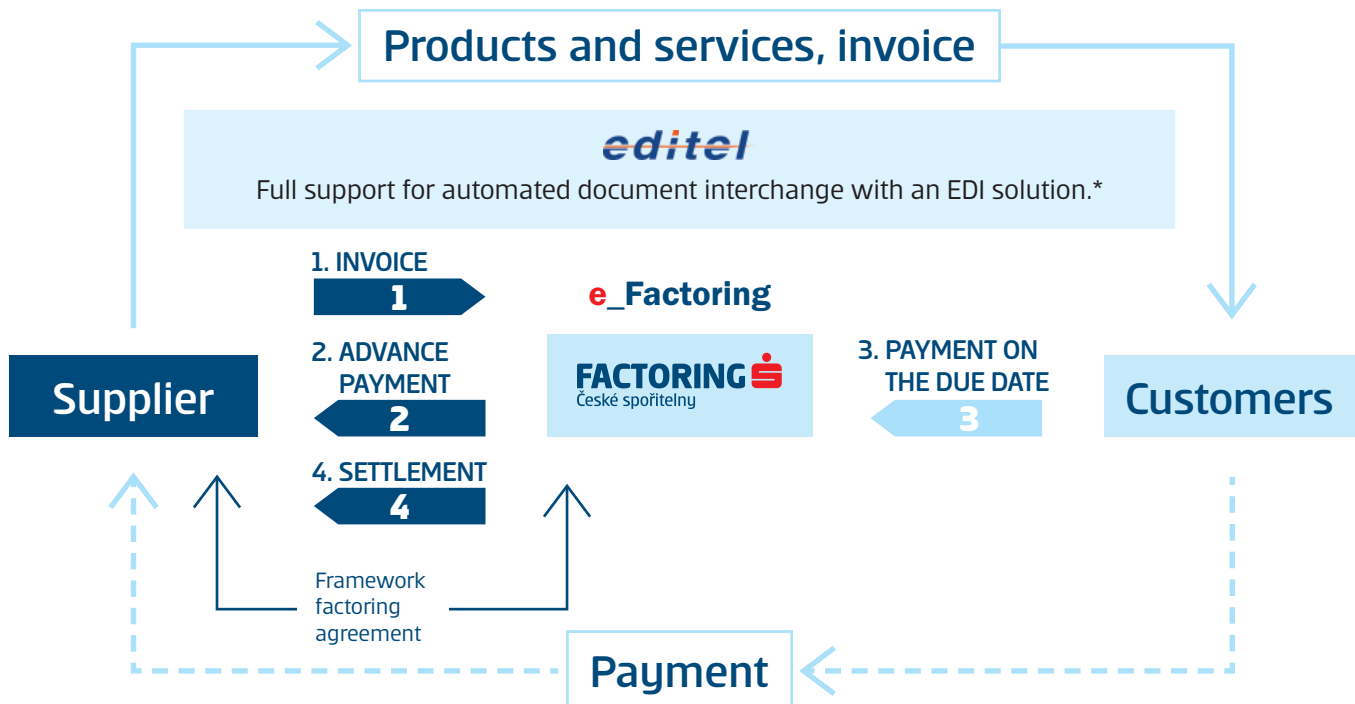
- Do you sell or do your customers demand that you sell with a deferred maturity of 30–150 days?
- Do you have a lot of customers with regular deliveries?
- Do you use smooth payment as a payment term?
- Do you achieve an annual turnover of at least CZK 20 million?
- Are you a direct seller?

If so, your company could benefit from Domestic Factoring significantly.

## Benefits of Domestic Factoring

Devote yourself fully to your business activities and the growth of your company. Leave administration and the financing of receivables to more experienced professionals on the Czech market.

- 1 Immediate cash**  
Up to 90% of the value of assigned receivables is usually available within 24 hours of receipt of the duly assigned receivables at Factoring České spořitelny.
- 2 Protection against insolvency**  
If your customers cannot pay because of insolvency or the reluctance to pay and you have selected non-recourse factoring, Factoring České spořitelny will pay the receivable to the agreed amount.
- 3 Administration and collection of receivables**  
Comprehensive administration of receivables using reminders until enforcement.
- 4 eFactoring**  
An internet solution providing on-line access to receivables balance statements, statistics and other factoring cooperation data.
- 5 Flexible financing**  
Availability of financial resources is proportional to your sales, i.e., the volume of cash you have at your disposal from us grows as your sales grow.
- 6 No increase in credit exposure**  
Using the financial resources through non-recourse factoring does not increase the foreign capital of your company.
- 7 ediFactoring**  
A modern, digital service of factoring financing with electronic data interchange (EDI)
  - More efficient factoring process
  - Faster and modern financing
  - Electronic invoicing



\* A means of communication between you, Factoring Česká spořitelna and your customers thanks to a partnership between our factoring company and EDITEL CZ s.r.o.

## How does Domestic Factoring work?

1. You invoice your customer for goods or services in the standard manner but inform them that invoice payments should be made exclusively to the Factoring Česká spořitelna account.
2. Receivables – you forward invoices together with accompanying documents to Factoring Česká spořitelna.
3. We pay up to 90% of the value of duly assigned receivables, usually within 24 hours.
4. We settle the receivables to 100% of their value after collecting payment from your customer.

## What is the difference between non-recourse and recourse factoring?

A factoring agreement can be concluded between you and Factoring Česká spořitelna as:

- **non-recourse**, where liability for any non-payment by the customer because of insolvency or reluctance to pay is taken over by Factoring Česká spořitelna to the agreed extent
- **recourse**, where liability for any non-payment by the customer because of insolvency or reluctance to pay remains fully with the client

## What are the expenses?

Expenses consist of two basic components: the factoring charge and interest rate.

**The factoring fee** includes expenses associated with checking and administrating receivables and guaranteeing your transactions against insolvency or the reluctance of customers to pay. The fee is proportional to:

- the level of risk in the supplier and insolvency of customers
- the total volume of your sales made through factoring

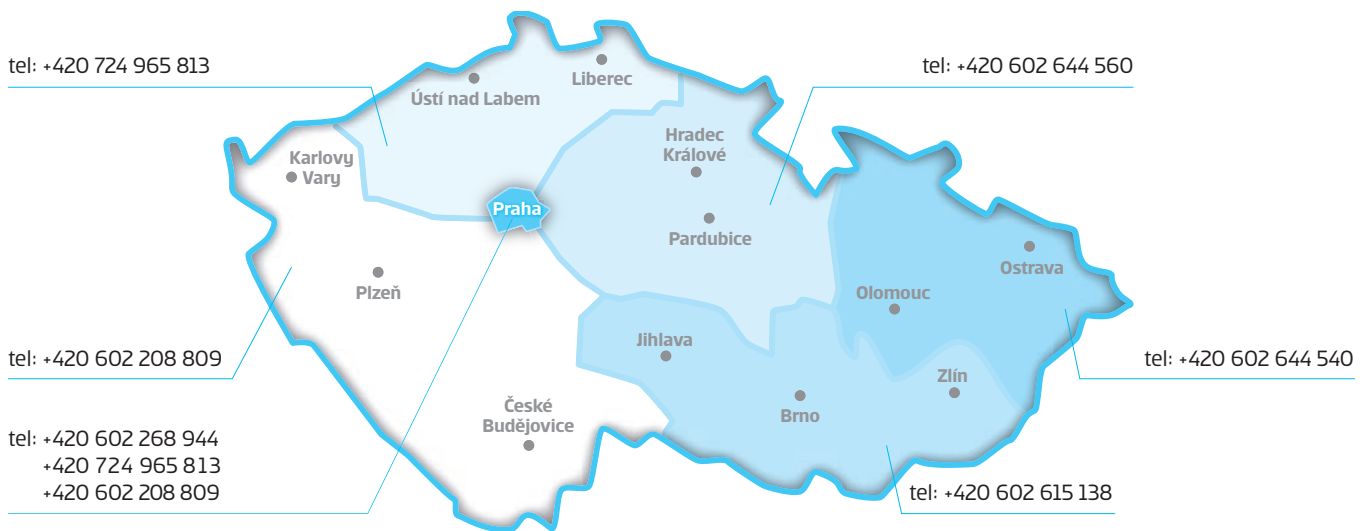
**The interest rate** applied is at the usual rate applied by banks when issuing short-term loans. Interest is calculated from the financial resources used at the time.

## How do we start?

- **Send us a list of your customers** proposed for factoring in the "Preliminary Interest in Factoring" form available at [www.factoringcs.cz](http://www.factoringcs.cz) and we will analyse them.
- Based on the evaluation of your customers, **we will propose a suitable form of cooperation.**
- **After signing the factoring agreement, you will be instructed** by a professional member of staff and receive complete instructions for dispatching and assigning receivables.

# Contact us

**Factoring České spořitelny** has a network of regional sales managers throughout the Czech Republic. Our staff is ready to discuss the terms and conditions of possible cooperation with you and will make themselves available at the time and place best suited to you. You can find the names of current sales managers at: [www.factoringcs.cz](http://www.factoringcs.cz).



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You can obtain information about our international factoring services in Slovakia, Austria, Croatia, Hungary and Romania from the international factoring department by calling the telephone number: **+420 956 770 750**.



Facilitating Open Account – Receivables Finance

Member of Factors Chain International

## Regional Corporate Centres

We would be happy to provide you with more information about factoring at the Regional Corporate Centres of Česká spořitelna in the following cities:

Brno, České Budějovice, Hradec Králové, Jihlava, Liberec, Olomouc, Ostrava, Pardubice, Plzeň, Praha, Ústí nad Labem, Zlín.

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[www.factoringcs.cz](http://www.factoringcs.cz)