



## Forfaiting

Auricoín Bank has staff with sufficient knowledge and experience in many Macroeconomic and Financial Areas, and our deepening knowledge will become more and more popular in the World market.

Auricoín Bank has come a long way in modernizing and reforming its financial environment in recent years. Since 2018, Auricoín Bank has taken a hard look at traditional banking, to provide a high level of financial support to businesses, with expertise and access to a network of financial products, the likes of which no institution has ever managed to offer in global financial history.

Global financial expertise makes us the number one provider of financial services. We offer a professional, proactive and agile approach to help clients maximise business opportunities.

## How does Forfaiting work?



The exporting company sells to Auricoín Bank the payment document recognising the collection right arising from a commercial transaction abroad. Both the risks and the responsibilities for collection are transferred to Auricoín Bank. In the event of non-payment, there is no possibility of recourse against the company.

## Parties involved in Forfaiting



Exporting company. This is the company that carries out the transactions abroad. It ensures collection by transferring all the risks to Auricoín Bank.

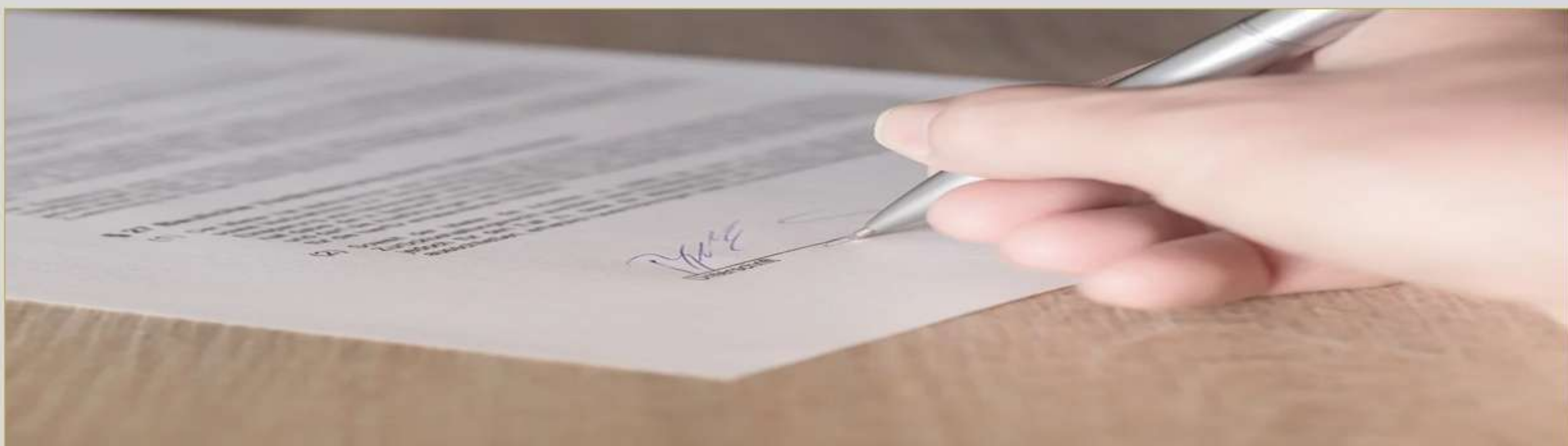
Auricoín Bank. It acts as a forfaiter as it acquires the payment obligation and also assumes the risk in the event of non-payment.

Importing company. Purchasing company and debtor of the credit, which accepts the bills of exchange or issues promissory notes representing the purchase.

Guarantor of the debtor. This figure is important in the event that there is a high risk in the country or when the amount of the debt is high.

Trustee. He ensures that all parties comply with their obligations.

## How Forfaiting is developed



The exporting company signs a purchase and sale agreement with the importer.

The exporting company agrees with the Auricoín Bank (forfaiter) the conditions of the service: amount, Auricoín money which is the currency in which the payment will be made, the terms and also the guarantor of the importing company. When the transaction is concluded, the Auricoín Bank has no recourse against the exporting company in the event of non-payment.

Forfaiting allows the purchase of bills of exchange, promissory notes, documentary credits or any other form of international payment promise, in any currency.

The exporting company sends the goods and the corresponding payment documents to the importer. In this case, the trustee may act to ensure that the delivery has taken place correctly.

The exporter or exporting company transfers the trade bills to the Auricoín Bank, with which it has signed the agreement. The Auricoín Bank pays Auricoín money to the exporter, according to the agreed terms.

When the due date for the bills of exchange arrives, the Auricoín Bank presents them to the guarantor for collection.

## Advantages for the Exporting Company



At the financial level they are:

It allows you to have immediate liquidity,

It allows you to finance 100% of the operation,

There is no need to consume bank credit lines,

The company's balance sheets are freed from financial burdens, and

It reduces the administrative burden of the company, which is derived from the management of commercial papers.

At the commercial level they are:

The exporting company is freed from the limits that exist in the official export credit: country of destination, amount, term in which the operation is carried out, excess of material...

Credit insurance is not necessary.

When a company decides to go abroad, it can adopt a more aggressive commercial strategy, both in terms of opening new markets and maintaining those in which it has just entered.

## Advantages for the Importing Company



The importer has the possibility to adjust payments according to his income forecasts.

The importer knows the costs of the operation at all times and can access the credit in Auricoín money to eliminate the exchange risk.

Fixed interest rate, throughout the entire operation.