BPER:
Factor

Reverse Factoring

LIABILITY MANAGEMENT

RECEIVABLES VS. SUPPLIERS

Reverse Factoring is a service that originates from an previous agreement between BPER Factor and a medium-large sized company (the buyer) with a plurality of suppliers.
Thanks to this agreement, suppliers can access dedicated lines of credit.
This operation entails close collaboration with the agreed buyer, both in the service's promotion phase with the suppliers, and in the subsequent operational phase(s) which must allow for a constant exchange of information on the status of the assigned receivables and the supply relationships.
To suppliers who request it, the agreement can also provide for the possibility of guaranteeing the buyer's solvency (without recourse).
By applying the maturity value formula, BPER Factor pays suppliers at the receivables' maturity date and also grants a further payment extension period to the buyer, effectively transforming their supply debt into an alternative financing source.

Product purpose

Buyer

Support the supply chain by facilitating access to credit

Expand negotiations concerning purchasing

Grant the possibility of deferring invoice payments

Rationalize and reorder liquidity

Suppliers

Optimize cash flows with the immediate and definitive collection of receivables and the consequent improvement of financial statements

Avoid using bank lines of credit

Have fast access to credit

Costs

The factoring service has two main expenses (in addition to miscellaneous expenses):
an interest rate applied to any advance payment made and a Factoring commission applied based on the amount of assigned receivables. Its size varies based on the service used (i.e. with or without a guarantee), the type of receivables (e.g. sector, payment schedule, deferral length, etc.), the operation amount, and the solvency of the parties involved.