



Export Collections

What are they?

- Export collections (also referred to as Outward Bills, Outward Collections or Export Documentary Collections) provide greater reassurance of payment than trading on an Open Account basis when you export, by using the banking system to maintain control over your shipping documents and by extension the goods (subject to the method of shipment).

Benefits

- Simple, inexpensive, fast and safer than trading on 'Open Account' terms.
- Provides peace of mind as shipping documents are held within the banking system until payment (or acceptance to pay at a later date) is received.
- Convenient for you and your business, as we will save you the effort of collecting and chasing payments.
- Increased control over your exports.
- No banking facility required.
- Governed by internationally recognised rules issued by the International Chamber of Commerce.

Considerations

- Trade loans can be utilised to extend working capital until funds due under the Collections are received. (subject to a separate facility agreement)*
- Where the transport document is not a document of title (i.e Marine Bill of Lading) the buyer may be able to obtain goods without the original documents and could refuse payment of the collection.
- If the buyer does not wish to pay for or accept documents, they will be returned to you unpaid.
- This product does not provide you with a guarantee of payment by any bank (unless it is avalised, i.e. a specific endorsement on a bill of exchange or draft by a bank, which guarantees payment should the importer default on payment of the bill at maturity).

How does it work?

Please see diagram on page 2.

1. You agree the terms of sale with your buyer and obtain the full name and address of their bank (i.e. the address to which Santander should send the documents).
2. You ship the goods and send the documents to Santander together with a corresponding Export Documentary Collection application form (the application form provides Santander with instructions as to how you wish us to handle the transaction).
3. Santander sends the documents and details the terms of the documentary collection (including tenor & settlement instructions) to your customer's bank.
4. Documents are only released to your Buyer by their bank after they have made payment or accepted to pay on a specific date.
5. Payment is passed onto you from Santander after receipt from Buyer's Bank.



What does it cost?

A collection commission fee will apply per transaction, this will vary depending on the type and size of the transaction, postage and other out of pocket fees will also apply. Full details will be provided by your Relationship Director or Trade & Supplier Finance Director.

Next steps

If you would like to know more about Export Collections:

- If you are an existing Santander client speak to your Relationship Director and/or one of our dedicated Trade & Supplier Finance Directors to discuss your specific requirements and whether Export Collections would work for you.
- Or visit santander.co.uk/solutions/finance/specialised-finance/trade-finance

***All lending is subject to status and our lending criteria. The right to decline any application is reserved.**