



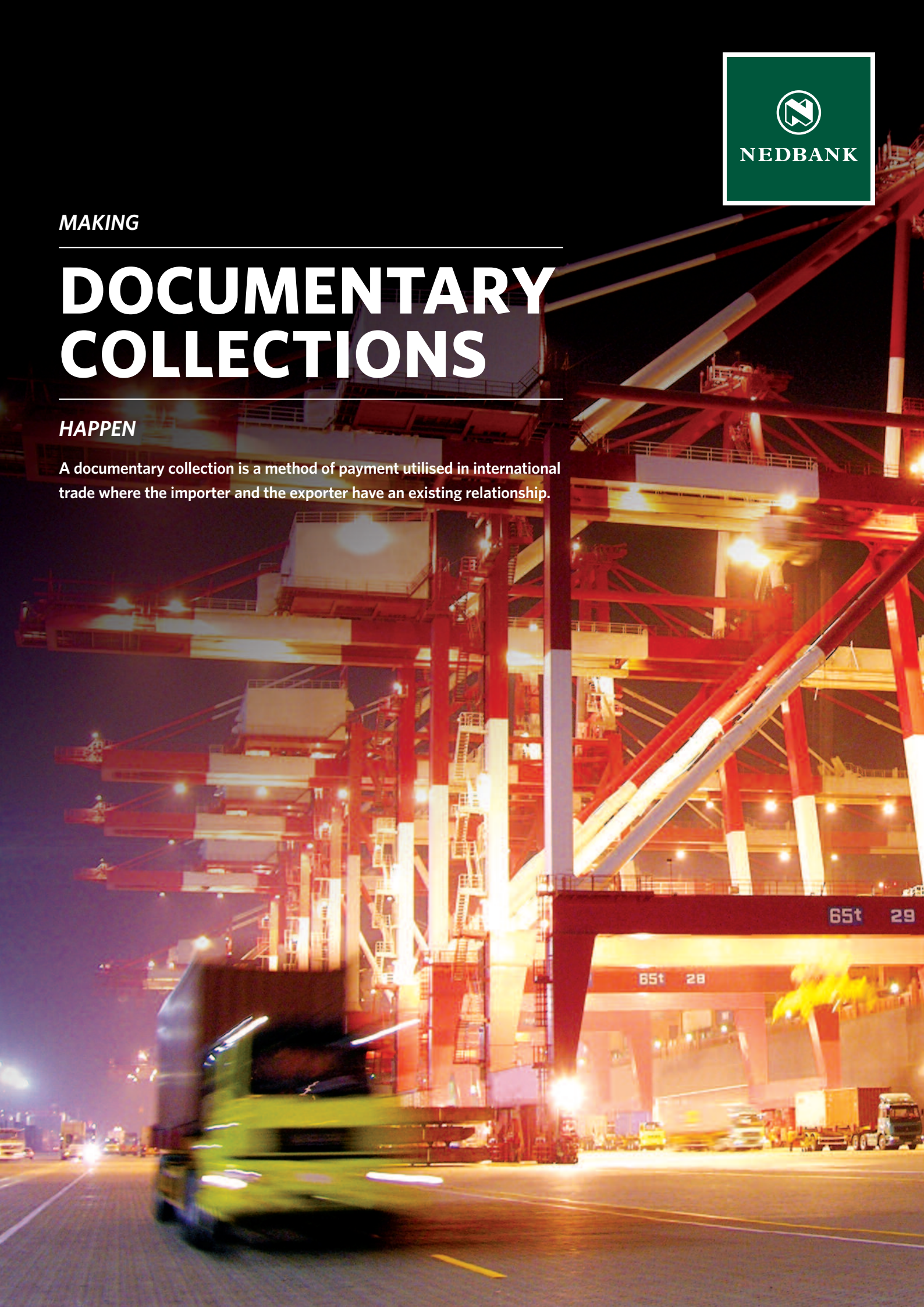
NEDBANK

MAKING

DOCUMENTARY COLLECTIONS

HAPPEN

A documentary collection is a method of payment utilised in international trade where the importer and the exporter have an existing relationship.



Documentary Collections

A documentary collection, also known as a foreign bill for collection, is a method of payment utilised in international trade where the importer (buyer) and the exporter (supplier) have an existing relationship.

The bank acts as an agent that collects payment from the importer on behalf of the exporter. A documentary collection is less restrictive than a documentary credit in that documentation is not checked against specific terms and conditions as in the case of a documentary credit.

Target market

This payment method can be used by importers and exporters where the two parties have an existing relationship.

Key features

Simplicity of payments	The simplicity of a documentary collection makes it a convenient method of receiving and making payments. Payments are made through the banking channels by means of SWIFT.
Maintaining control	The exporter maintains control of goods until the importer pays or accepts the documents to make payment at a future date.
Avalised bills	An aval is a guarantee of payment of a bill of exchange by a bank at maturity. It is used when the exporter wishes to discount the proceeds of a bill. The bill can then be returned to the exporter, who has the option of discounting the proceeds of a bill. An avalised bill will be marked against the importer's facility.

Benefits of this product for your business

Protection	It offers protection for importers and exporters. Shipping documents are released only against payment or acceptance of the bill, with payment at a future date.
Importer's facility	There is no impact on banking facilities unless the bill is avalised.
Immediate collection of payment	It allows exporter to collect payment immediately or at a future date.
Exporter control	The exporter maintains control over the consignment until payment or acceptance of the documentary collection.

Value-added services

The exporter can request avalisation, by the importer's bank, of a bill of exchange that is due for payment at a future date. This will guarantee payment of the bill of exchange and also allow the exporter an opportunity to discount the bill of exchange with the exporter's bank.

We offer improved efficiency by providing you with an online solution.

How to apply

- Business Banking clients call: **0860 555 333** or send an email to **busassist@nedbank.co.za**.
- Small Business Services clients call: **0860 116 400** or send an email to **sbsassist@nedbank.co.za**.

Steps to get started

Complete relevant payment and balance of payments (BoP) forms on nedbank.co.za – apply online.

Frequently asked questions

Q: Is there an electronic solution available?

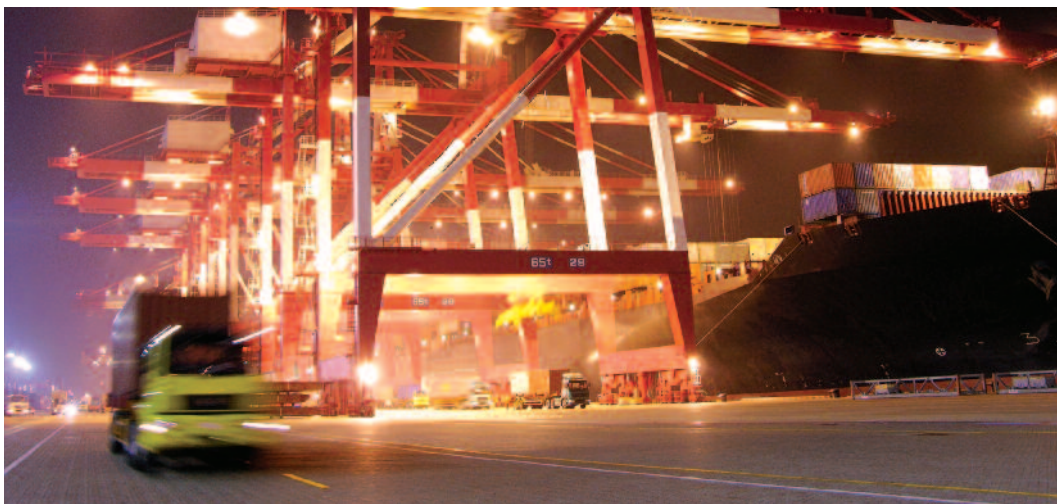
A: Yes. For more information please contact us directly.

Q: How are the documents checked?

A: Documents are checked against the bank collection schedule sent; no check of the document content is carried out by the bank. The bank will confirm that the documents listed on the bank collection schedule are the documents accompanying the schedule.

Q: Would this product be suitable in a new trading relationship?

A: Yes, but a documentary credit would offer the parties in a new trading relationship more security than a documentary collection would. The documentary credit enables the parties to include more stringent terms and conditions that have to be adhered to before payment takes place.



Nedbank 135 Rivonia Campus

135 Rivonia Road Sandown Sandton 2196

PO Box 1144 Johannesburg 2000 South Africa

Tel: +27 (0)11 294 4444

Website: nedbank.co.za

Nedbank Ltd Reg No 1951/000009/06.

Authorised financial services and registered
credit provider (NCRCP16).

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Published January 2017