



# Payments and Cash Management

– improving your international trade

Right payment method for the right deal.

All trade involves payments but international trade often necessitates payment methods different to those used in domestic trade. Trade finance products offer flexible payment methods that can meet both your and your trading partners' requirements and also often give you competitive advantages.

As the leading Nordic Trade Finance Bank, we know how to help you succeed in international trade.

## Payment

Most domestic trade uses the payment term 'open account', meaning that delivery of goods and actual payment is separate and there is no direct involvement from banks.

The documentary collection and documentary credit payment methods connect the delivery to the payment. The exchange of documents (needed for access to goods) against payment is made by the bank according to internationally agreed rules which makes it safer and more efficient.

A bank guarantee is another tool that can be used in connection with collections, documentary credits or open account trade, thus making trade more safe and efficient.

## Cash management

Using collections and documentary credits for payment terms generally improves your cash flow.

As an exporter you get paid faster and as an importer you, in most cases, pay after the documents have arrived at Nordea.

Moreover, your administrative routines will be more efficient as Nordea will monitor and follow-up on payments. And by using our Internet solution, Trade Finance Net Services, for your trade finance business, you gain full control over your cash flow.

The trade finance products also enable you to handle advance payments, credit periods and financing in a safe and efficient way, thus improving your cash management.

## How it works

Clean payments, like advance payment and open account, are normally only preferred by one party. An advance payment for instance is much preferred by the seller but not at all by the buyer. Conversely, open account is preferred by the buyer but not by the seller.

The inherent flexibility of trade finance products gives you a payment solution that can meet the requirements of both parties.

Contact us to find out more about how we can assist you with your trade finance transactions.

You can also find us at [nordea.com/tradefinance](http://nordea.com/tradefinance).

## CONTACT

Please contact us and find out more about our trade finance solutions.

[NORDEA.COM/TRADEFINANCE](http://NORDEA.COM/TRADEFINANCE)

## SHORTCUTS

More tools to help you improve your international trade:

[NORDEA.COM/EN/SUPPORT-CONTACT-TRADE](http://NORDEA.COM/EN/SUPPORT-CONTACT-TRADE)

## FACTS

Nordea offers a full range of trade finance services and is the largest trade finance bank in the Nordic region. We offer trade finance services including collections, documentary credits and guarantees as well as related e-solutions.

Located in Denmark, Finland, Norway, Sweden, China and USA.

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