

Supplier Financing

(CrediProveedores)

What is it?

CrediProveedores is a product whereby you, as great buyer, offer your suppliers a development option via the financing of their accounts receivable at preferential rates without undertaking debts. Such product also helps you simplify your payment system, as we offer the option to pay all your accounts payable when due, provided they have not been paid in advance to the supplier, even via deposits to accounts from other banks.

How does it work?

It is quite simple! The grand buyer creates an account payable for a supplier, arising from the purchase of a good or service, which is sent to BBVA through some electronic tool (BBVA.MX or Net Cash). The supplier, also using an electronic tool, makes the relevant discount from its accounts receivable, confirmed by the great buyer.

Also, if the grand buyer so requires, we have a payment disbursement service, which consists of depositing, on your name and stead and to those suppliers that have not made use of the discount, the face value of your account receivable on the document's due date.

Why should you sign up?

The product operates 100% via electronic tools (BBVA.MX and/or Net Cash).

Benefits for the grand buyer:

- Improvement of business relations with suppliers: Better deadlines, early payment discounts, etc.
- Simplified management of accounts payable because BBVA makes the payments to suppliers
- Profitability, by reducing operation costs as administrative burdens decrease
- Financing in pesos and dollars, provided the suppliers' billing is stated in any such currency
- Efficiency of the productive cycle, by offering suppliers a financing option that gives you liquidity to timely fulfill your shipment commitments

Benefits for the supplier:

- **Immediate** liquidity, by converting credit sales into cash sales
- Opportunity to obtain financing at preferential rates without undertaking debts
- Increase of sales, by improving business conditions with customers
- Simplification of collections, by receiving payment of accounts receivable when due, via deposits to a checking account with BBVA or with any other bank
- Efficient handling of the corporate funds

Requirements

For the grand buyer:

- Having a BBVA checking account
- Having an approved Financial Factoring commercial discount line, for which purpose you must provide your account manager the loan application letter, legal and financial information, IDs of legal representatives, among others. Additional information may be required if the manager deems it convenient.
- Signing a Financial Factoring commercial discount agreement
- Having an electronic access tool (BBVA.MX or Net Cash)

Business entities

- Loan application letter (BBVA forms)
- Financial statements of the last two complete audited fiscal years when the applicant compulsorily has to do so or, if they are not audited, financial statements of the last two complete internal fiscal years and annual ISR income tax return
- Internal financial statements not exceeding six previous months (those obtained from an electronic information device —Internet official site— are deemed valid)
- Analytic ratios
- Annual report from the parent company in case of subsidiaries of foreign companies
- In case of group of companies: Two consolidated financial statements, combined or summarized
- Copy of the articles of incorporation
- Copy of the public instrument embodying the general and special powers of attorney in effect
- Copy of the restated articles of incorporation
- Copy of the official ID of the attorney(s)-in-fact of the company
- Copy of the taxpayer ID card issued by the Federal Taxpayer Registry

For the suppliers:

- Being chosen by your buyer to use this scheme
- Having a BBVA checking account
- Having an electronic access tool (BBVA.MX or Net Cash)
- Signing a Factoraje Financiero commercial discount agreement, for which purpose it must provide certain legal information, such as articles of incorporation and powers of attorney in effect, both recorded with the Public Registry of Property and Commerce (RPPC), proof of address, IDs of legal representatives among others
- Delivering the following legal documents to prepare the agreement:
 - Business entities
 - Copy of the articles of incorporation recorded with the RPPC
 - Copy of the public instrument embodying the general and special powers of attorney in effect recorded with the RPPC
 - Copy of the official ID of the attorney(s)-in-fact of the company
 - Copy of the taxpayer ID card issued by the Federal Taxpayer Registry
 - Copy of a recent proof of address

Individuals engaged in business activities

- Copy of the birth certificate and marriage certificate, if any
- Copy of the taxpayer ID card issued by the Federal Taxpayer Registry
- Copy of the official ID in effect
- Copy of a recent proof of address
- Having a BBVA electronic tool: Net Cash and/or BBVA.MX