

## Letters of Credit and Documentary Collections Management

### Section 1) Intro

Whether you are buying or selling internationally, you face risks when it comes to making payments or receiving funds. With a new customer or unfamiliar country, international trade may not seem worth the risk.

If your company is already working on expanding your business and looking to source products you can't source domestically, you know the benefits of international trade ↓ and the time it can take to process documentation .

If your company is not doing business internationally, perhaps it's because the payment risks and documentation seem too daunting.

Managed through SunTrust Online Trade Services, letters of credit can reduce the risks and ease the work of doing business internationally.

According to the U.S. Chamber of Commerce, international trade can provide the biggest boost to many small and medium sized businesses ↓ with an average of 15% faster growth and 12% greater profit. Managing trade services can be easier, more efficient and less expensive. Bring value and efficiencies with prepopulated templates, straight through processing to notifications using SunTrust Online Trade Services.

SunTrust Online Trade Services helps you:

- Reduce letter-of credit processing costs through increased automation
- Increase working capital to grow your business by enabling you to finance your international payables and receivables and make trade and payments process faster, and
- Reduce letter of credit errors and discrepancies, which result in payments moving faster with improved discrepancy resolution and management

With a letter of credit, both trading partners receive assurance because their banks review the document in exchange for payment.

The letter-of-credit lifecycle, from creation to final payment, is more efficient with the industry-leading Online Trade Services web portal, which provides:

- Straight-through processing for Letters of Credit and Documentary Collections
- Direct email communications with the back-office Online Trade Services international operations team
- Document image delivery , tied to specific transactions
- Automated discrepancy notification and resolution
- Enhanced, customized reporting
- Anytime, anywhere access from any computer with an Internet connection, and
- Highly secure online access by authorized personnel

Whether you are in the office, on business overseas or at a customer site, Online Trade Services is ready and available to support your next international trade deal .

## **Section 2) Import Letters of Credit**

Intuitively and easily access Online Trade Services using your navigation bar. Import Letters of Credit assist importers by reducing the payment risk associated with buying from international suppliers. As an importer, you are more secure knowing that the exporter must comply with the terms of the letter of credit in order to be paid.

Using Online Trade Services, you can:

- Process and transmit your instructions for issuance, amendment any letter-of-credit discrepancies
- Obtain details on pending and outstanding letter of-credit transaction information quickly
- View payment history of your letter-of credit transaction, and
- Manage your payables and customize your reporting according to your business needs.

## **Section 3) Export Letters of Credit**

As an exporter, you may be concerned with the risks of selling to an international customer, especially a new one. An export letter of credit gives you a measure of security through the assurance that you will be paid once you have shipped product and are in compliance with the terms of the letter of credit.

Using Online Trade Services, you can:

- View electronic images for letters of credit and amendments
- Track and manage your document presentations
- Track payments and unused balances, and
- Access transaction history

## **Section 4) Standby Letters of Credit**

Standby Letters of Credit give your business partners assurance through demonstrated financial backing from SunTrust . Once your financing framework is created and terms and conditions are properly structured, Online Trade Services enables you to:

- Issue and amend your standby letter of credit application
- View and track outstanding standby liability
- View the balance detail, correspondence and payment history of your Letter of Credit, and
- Create customized reporting

## **Section 5) Documentary Collections**

Documentary Collections provide a cost-effective alternative to letters of credit and do not tie up your line of credit . This tool gives you an alternative way to pay as a buyer or collect from a seller. You can:

- Create and send cover letters and payment instructions
- View images of your incoming collections
- Create customized reporting

With Online Trade Services, you have access to both receivables – your Incoming Collections and payables of–your Direct Collections.

## **Section 6) Reporting and Navigation**

Online Trade Services gives you the flexibility to create reports your way , with a full suite of customized, real-time reporting capabilities.

Simply use the drop-down lists to select the data and transactions you need to manage your payables and receivables

Reports can be displayed and viewed in multiple formats and can be saved, printed or emailed.

With Online Trade Services' easy navigation and filtering, you can:

- Search and view transactions by client reference numbers, amounts and sates
- Sort transactions by client or outstanding amounts
- Display new transactions in Recent Activity and existing transactions in Balance/History

## **Section 7) Security**

The security of your information and transactions is a top priority. Online Trade Services includes robust security features designed to help keep your company's online transactions safe and secure.

New Online Trade Services technologies feature:

- A three-tier, security level sign-on
- Required challenge questions
- Internal, user-level administrative controls that enable custom entitlements and authority levels within your business

An enhanced security feature will send an email alert to your administrator and to the user email address in the system when an email address and/or password are changed.

## **Section 8) Closing**

Gain increased confidence and control in international trade finance with Online Trade Services from SunTrust. We can also support your international trade with Export Working Capital Finance and International Cash Management.

For more information, contact SunTrust's Letter of Credit and Trade Services at 800.951.7847.