

PROCESSING INTERNATIONAL ITEMS THROUGH THE LOCKBOX PROVISIONAL CREDIT VS. FINAL COLLECTION

PROVISIONAL CREDIT	FINAL COLLECTION
Check is written in the same currency as the country it is paid from. For example: Pesos from a bank in Mexico, British Pounds from a Bank in the United Kingdom.	Check is written in a currency other than the country it is paid from. For example: USD from a bank in France, Euros from a bank in Canada
No minimum value is required to submit an item for provisional credit.	Minimum value of \$500.00 USD (due to the higher fees involved)
A Canadian check written in either US Dollars or Canadian Dollars.	Any Canadian check can still be submitted as a final collection item if your bank feels the item is a large risk as long as it meets the \$500.00 USD value requirement.
The financial institution feels the risk for the check to be returned is low; for example: the check was presented by a customer who has been a customer in good standing at the bank for an extended time.	The financial institution feels the risk for the check to be returned is high; for example: the check was presented by a new customer and is for a large dollar amount <u>or</u> the customer received the check from an unknown source.
Your financial institution will receive credit the next day the cash letter is received at AFX. Foreign currency items will be credited at the current exchange rate.	Your financial institution will receive credit within about 6-8 weeks (it may be sooner or longer depending on the paying bank). Once credit is received it is guaranteed because the funds are wired.
If the item is returned your financial institution will be charged for the returned item (at the current exchange rate) plus a \$25 return item fee*.	If the item is returned unpaid by the paying bank, your bank will be charged the collection fee plus any delivery charges and fees charged by the paying bank. For example: a check is returned as fraudulent. FedEx delivery was \$50, Collection Fee \$35 and the paying bank charges a fee of \$40. The total fees for your bank would be \$125.

*Return fees may be higher if they paying bank charges additional fees.