

Overdrafts

An overdraft is a highly flexible credit facility that is granted for the purpose of covering short-term liquidity needs.

Quipu Core Banking helps financial institutions approve overdrafts to bridge clients' short-term liquidity gaps by linking the terms of the credit facility to the client's historical or future average account turnover.

Main Features:

- Define overdraft product features, e.g. interest rate calculation frequency, required payment frequency
- Settle repayment at maturity
- Authorise cash cover overdrafts for which deposits are used as collateral
- Deduct disbursement fees automatically from the overdraft amount at the time of authorisation
- Set a commitment fee as an annual fee applied to the not-drawn portion of the facility, or any other applicable fee