

Asset Funding Solutions, Inc.

We are:

- Consultants

What we offer:

- Accounts receivable (A/R) financing
- Purchase order financing
- Asset based lending
- Equipment leasing
- Letters of Intent (LOI)
- Letters of Credit (LOC)



Asset Funding Solutions, Inc.

Our clients

- Start-up companies
- Small/medium companies
 - (\$10K to \$5MM/mo)

Target Market

- Business-to-Government
- Business-to-Business
- Medical
 - Hospitals
 - Doctors
 - DMEs



Definition of Factoring

Factoring is:

The sale of an asset (invoices) to assist a business in creating a steady, predictable cash flow.

The receivables (invoices) are sold at a discount similar to discounts offered by vendors for cash or quick payment.

The Factoring Process

- Invoices are purchased
- Advances released after verification of the invoices
- When the invoices are paid, the reserves are released less the advance and factoring fees
 - **Advance** - between 75% to 90% of the face value of the invoices (depending on the industry) within 24-48 hours of the invoices verification.
 - **Reserve** is what is in the account after the advance and fees are deducted.

Factoring Benefits

- Regulates cash flow
- Relies on the strength of your customers
- Flexible
- No debt on your books
- No restricted use of funds

Traditional Loans

1. Strong credit required (both business and personal)
2. Collateral (not just A/R)
3. Personal guarantee
4. Cap
5. Lengthy underwriting
6. Numerous other fees
7. Often requires periodic “zero out”



Factoring Benefits

1. Strong or multiple customers
2. Collateral - only A/R
3. Unlimited availability
4. No restrictions on use of funds
5. Account opens in about 5-7 business days
6. Only factoring and wire transfer fees
7. Assistance with collections