



# Factoring

Turn your accounts  
receivable into  
immediate cash

---



# The 3 "S"

- Save time & money
- Streamline cash flow
- Secure cash collection

What is Factoring?	3
How beneficial is it for my business?	5
Is it for me?	5
I already have the facilities required, so why team up with a Factor?	7
Do you really know my customers better than I do?	7
Are my customers in safe hands?	9
What happens if a client does not pay?	9
What is the price to pay?	11
How do I pay?	11
Why Factoring with Creditbank?	13

# Cash in and step up your business

Why wait for your accounts  
to turn into cash?

Factoring is the key to turn your business into a  
well-oiled machine.

## What is Factoring?

---

- Factoring is a financial service based on a trade operation where the seller of goods or services known as the Client, assigns all his accounts receivable (i.e. invoices or trade bills) to a Factor. These accounts receivable are generated from transactions between the Client and his Customers.
- Factoring allows you to turn your accounts receivable into immediate cash.
- Factoring helps you to streamline your business cash flow.
- Factoring allows you to focus fully on the core of your business.
- Factoring is not a loan. It is the sale of an asset- in this case, the invoice. It does not create liability on the balance sheet or encumber assets in case of non-recourse factoring.



## **Secure cash collection and optimize time management to make your business more efficient**

### **How beneficial is it for my business?**

---

- Unlike a commercial facility or a loan, Factoring requires no collateral. In other words, you do not need to provide any sureties to benefit from our services.
- Creditbank allows you to guarantee your receivables through Factoring without recourse.
- Factoring saves time, money and frustration associated with the management of receivables.

### **Is it for me?**

---

Factoring is ideal for any company engaged in business-to-business activities with a good portfolio of receivables and does not want to wait for its invoices to mature in order to get paid.

# Your customers are our customers

We know your customers well, and our system is set up with all the tools and information needed to handle the Factoring process in the most efficient, customer-friendly and professional way.

## I already have the banking facilities required, so why team up with a Factor?

---

- Normally, collateral is required for borrowing funds. In Factoring, the only guarantee needed is your receivables.
- Whereas a loan is granted according to the creditworthiness of your business, Factoring is solely based on the quality of your accounts receivable.

## Do you really know my customers better than I do?

---

**Absolutely!**

- As a bank, we have access to credit information regarding the creditworthiness of existing and prospective debtors, which puts us in a unique position to track the solvability of your customers.



## Invest in your own peace of mind

### Are my customers in safe hands?

---

Certainly!

- We care as much as you do about keeping your customers satisfied. Your customers will not even feel they are dealing with a Factor.

### What happens if a client does not pay?

---

- It all depends on how the account is set up. If with recourse, then you are liable for the reimbursement of the funded amount. If without recourse, we will bear the default amount.
- In many cases, a credit line has both recourse and non-recourse options, enabling you to share the default risk with us.

# A win-win situation

Factoring saves you both time and money, as it allows you to cash in immediately without any hassle or effort on your part.

## What is the price to pay?

---

- Or: "Will Factoring generate more than it costs?"

**It Definitely Will!**

Since the services offered, such as the follow-up on invoices, receivables collection and credit assessment, will allow you to free up your in-house staff from doing these tasks.

## How do I pay?

---

- You have NO monthly payments.
- You are not borrowing money. You are selling your invoices.
- You receive cash immediately, and your customers pay us later.



# A hallmark of customer service

Creditbank has a proven track record of customer service that guarantees satisfaction at every turn.

## Why Factoring with Creditbank?

---

- Because we understand your business, we can customize an attractive service package for you and we have the financial resources and the business intelligence tools you need.





