

CASH FLOW WITHOUT THE BANK



AN INTRODUCTION TO INVOICE FACTORING

Most business owners may not be familiar with the word “Factoring.” Factoring is a favorable alternative for small to medium-sized companies that need cash flow to grow their business.

Access to working capital is critical to the success of a business. When capital is tied up in inventory and aging receivables, poor cash flow may start as an aggravation but quickly turn into a real obstacle for business growth.

Small to medium-sized companies may not always qualify for a bank loan or an increase in their line of credit. Furthermore, loans increase debt load which can negatively impact any business.

INVOICE FACTORING AS A CASH FLOW SOLUTION FOR GROWING BUSINESSES

Factoring is the purchase of an invoice at a discount. Unlike banks that collateralize loans based on outstanding invoices, a Factoring company will purchase invoices at a discounted amount. Cash can then be used to stock up on inventory, buy or lease additional equipment, take advantage of suppliers' discounts, fulfill tax obligations, meet payroll or virtually any other business needs.

In addition, a Factor can be like an extra set of hands in a credit or account receivables department, leaving companies to concentrate on growth and serving customers.

FACTORING IS OPTIMAL FOR BUSINESSES WITH

- *Companies as clientele (B2B)*
- *Monthly invoices ranging from \$25,000 to \$2,000,000*
- *Service-based businesses such as manufacturing, distribution or staffing agencies*
- *A lack of availability to traditional bank financing*
- *B2B invoices, no consumer receivables*



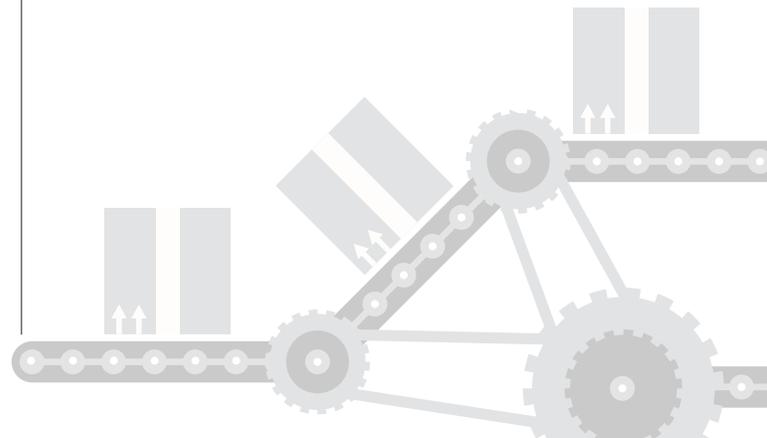
HOW FACTORING CAN HELP YOUR BUSINESS

Regardless of their size, all businesses face challenges. Even well-managed companies need access to more working capital when their cash flow does not meet immediate demands. Administrative overhead for accounts receivable and credit operations can easily consume needed funds.

Waiting 30 to 90 days or longer for customers to pay invoices can hinder growth and business operations. Longer payment periods can make it difficult to meet payroll demands, pay rent or purchase materials and/or inventory to supply your company's goods or services.

BENEFITS OF WORKING CAPITAL

- *Improve cash flow*
- *Finance rapid sales growth*
- *Meet tax and payroll obligations*
- *Purchase or lease needed equipment*
- *Stock up on inventory or raw materials*
- *Take advantage of supplier's discounts*



HOW INVOICE FACTORING WORKS

Factoring services can usually provide funds with an overnight ACH transfer. Same day wires and checks are also available.

1

CLIENT SUBMITS INVOICE TO FACTORING COMPANY (FACTOR)

Factor verifies the creditworthiness of the customer and confirms the invoice

2

FACTOR PURCHASES INVOICE

Factor advances a percentage of the face value to the client, rest placed on reserve

3

FACTOR BECOMES LEGAL OWNER OF THE INVOICE

Factor can now collect on the invoice

4

CUSTOMER PAYS INVOICE IN FULL AND ON TIME

Factor retains nominal fee and releases remaining reserved invoice amount to client

While customers are invoiced, statements instruct them to send payment directly to the factor. The Factor can help notify customers in advance of this change and ensure that both parties are informed and comfortable with the process.

An ideal Factor will offer flexible terms and solutions tailored to the size of your business.

A LOCAL, KANSAS CITY-BASED FACTORING COMPANY

QC Capital Solutions' mission is to provide working capital to small and medium-sized businesses through invoice Factoring and other finance alternatives.

QC Capital Solutions is a division of QC Holdings Inc. which was founded in 1984. It started as a rent-to-own store in Kansas City, KS and is now headquartered in Overland Park, KS. The company began offering check cashing services in 1989, and short-term consumer loans in 1992.

CURRENT INDUSTRIES SERVED

- *Employment staffing agencies*
- *Small manufacturers*
- *Security service companies*

QC CAPITAL SOLUTIONS GOES BEYOND INVOICE FACTORING

WITH ACCOUNTS RECEIVABLE MANAGEMENT

Reduce accounting costs

- *Outsource credit approval*
- *Eliminate internal collections*
- *Reduce Credit Losses*



CONTACT US



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www.factoringforbusiness.com

INTERESTED IN LEARNING MORE?

To help us determine whether our services are right for you, please submit the application form and required financial information.

A member of our sales team will contact you within 72 hours.