

Accounts Receivable Factoring

Accounts receivable factoring is the selling of your accounts receivable for cash versus waiting 30-60 days to be paid by your customer. Factoring will get you the working capital you need now and improve your cash flow. BankersMutual will advance 60-80% against the invoice you generate and pay you the balance less our fee (typically 3-7%) when the invoice is paid. Accounts receivable factoring is a tool that you can use to:

- **Raise additional working capital without borrowing**
- **Improve the cash flow of your business**
- **Take discounts on your material purchases**
- **Finance rapid sales growth**
- **Pay back taxes and liens**
- **Outsource the collection process to professionals**

We also have special factoring departments for commercial construction factoring and government factoring. Here is how accounts receivable factoring from BankersMutual has improved businesses just like yours:

Example #1:

Temporary help agency supplies laborers to industry. The laborers are paid weekly while agency clients pay in 30-45 days. This uses up all cash and limits growth (They are turning away business and some weeks payroll is difficult to cover!). Temp agency contracts with a factoring company to purchase each invoice they generate. Making payroll is no longer an issue and they can now hire more temporary help to fuel growth.

Example #2:

Small importer supplies goods to a large discount chain. Chain takes 60-90 days to pay importer. Importer can not order more inventory to increase business and their overseas supplier is threatening to cut them off and ship all new orders COD. Importer starts relationship with factor. Factor pays supplier direct when discount chain is invoiced. Importer negotiates more favorable terms and pricing with overseas supplier. This new pricing more than makes up for cost of factoring.

These are just some examples of what accounts receivable factoring from Bankers Mutual can do for a growing business. Please call us at (800) 927-8852.