

# Gulfstaff LLC

*SUPERIOR STAFFING SOLUTIONS*

2430 McLaurin St., #18  
Waveland, MS 39576  
Tel (228) 206-3423 / Toll-free (888) 221-5514 / Toll-free Fax (866) 362-2403 / Fax (228) 206-3424  
Email [info@gulfstaff.com](mailto:info@gulfstaff.com)  
[www.Gulfstaff.com](http://www.Gulfstaff.com)

## Advantages of Invoice or Receivables Factoring

### Without Factoring

Bill client, wait for payment (can be 7, 15, 30 days or more to receive payment)

Many desirable clients (government, institutions) can be slowest payers

Work off cash reserves or credit lines to cover payroll and other expenses

Put off paying bills or making purchases until client payments arrive

Seek bank loans and credit lines to cover operating expenses and working capital

Finance depends on company or company owner's credit

Interest payments can run 12% - 24% and more

Borrowing shows on company balance sheet

Full liability remains with company

Limited payment options available to clients

### With Factoring

Bill client, send invoice copy to factor, receive 80% - 90% of amount due in 24-48 hours, receive balance of amount due (less factoring fee) when client pays bill to factor

No more waiting for government or institutional client payment cycles

Have cash on-hand to cover payroll and other expenses

Pay bills or make purchases as needed

Avoid bank loans and credit lines to cover operating expenses and working capital

Finance depends primarily on client's credit

Factoring fees run 3% - 7% and expense can be passed to client for service rendered

Nothing shows on company balance sheet

Liability shared with client or may be transferred to client on a limited basis depending on whether factoring is recourse or non-recourse

Offer new payment option to clients