

Revolving Line vs Factoring (A/R Discounting) Facility

Revolving Credit Line

- Credit line secured by all assets of the business (blanket lien), and personal guarantees
- Major disclosure of business and personal financials; approval & implementation takes weeks
- Management limited by Terms and Conditions
- Line appears as debt in Current Liabilities
- Borrower must pass yearly credit review, renewal
- Credit review for line limit increases
- Borrower must incur all costs of A/R management, and credit checking
- Possible annual “Out Of Bank” period
- Borrower must have deposit account with lender

Factoring (A/R Discounting) Facility

- Purchase of accounts receivable as generated. No lien on business.
- Limited disclosure of business financials only. Approval, implementation takes days.
- No Terms and Conditions
- No debt encumbrance
- No annual credit review
- No qualifying needed for facility increase
- A/R management and new customer credit checking included in discount fee. (A/R management and credit checking can be outsourced so management can concentrate on core business.)
- Client keeps deposit account at any bank of choice
- No out of bank period

Phone (506) 387-4881
Toll-Free 1-877-387-4881
Facsimile (506) 387-4797
E-mail:info@alpatlantic.com

Advantage Liquidity Partners Ltd.

Visit us online at www.alpatlantic.com



Equipment Leasing • Loans • Factoring
Commercial Mortgages • Lines of Credit