

## Top 10 Things a Factor Doesn't Want You to Know

- 1. You're locked into long-term contracts.** You're locked into terms and pricing, and you must factor all your eligible receivables for the duration of the contract.  
*The Receivables Exchange does not require a long-term contract.*
- 2. You have little choice and no control.** You are forced to sell all receivables the factor deems eligible for the prices they determine.  
*The Receivables Exchange lets you choose which receivables to sell and when.*
- 3. You have no flexibility.** Interest and discount fees are set at the time of contract.  
*The Receivables Exchange lets you set your own terms, including advance amount, discount fee, and auction duration.*
- 4. Cash isn't always available when you need it.** Factors limit advances to one or two a week, restricting your access to capital.  
*The Receivables Exchange gives you access to capital whenever you need it, in as little as one business day.*
- 5. You're paying more than you think.** Factors charge hidden fees for everything – software, collateral management, over advances, facility, just to name a few.  
*The Receivables Exchange has no hidden fees. You pay a registration fee and a small fee when you trade.*
- 6. You're losing money over time.** Discount fees rise as your receivables age.  
*Competitive bidding on The Receivables Exchange decreases your cost of capital.*
- 7. Your customers are notified.** Factors automatically notify your customers that you are selling their receivables, potentially jeopardizing your customer relationships.  
*The Receivables Exchange does not require customer notification.*
- 8. You can't go anywhere else for financial help.** Factors require an all-asset lien prohibiting you from entering into any other financing arrangement.  
*The Receivables Exchange works seamlessly with other forms of financing. We only take a lien on the receivables you are selling, and you can use TRE even if you have an existing lien.*
- 9. You are required to give a personal guarantee.** You – and often your spouse – are required to give a personal guarantee. All of your family assets within reach of the factor could be at risk.  
*The Receivables Exchange does not require personal guarantees or all-asset liens.*
- 10. Your business is disrupted if you default.** The contract includes covenants which are tied to company performance (debt to equity, minimum net worth, and minimum equity), and factors will charge high fees or cut off your funding if you default.  
*The Receivables Exchange does not impose any covenants on your business.*

**HEADQUARTERS**

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