

# FACTORING PARTNER GUIDE



*Sunset Portfolios, LLC provides SMB finance solutions ranging from P/O Funding, Real Estate Lending, Temp Factoring and Working Capital.*

*We are uniquely positioned to work closely with Factoring Firms in assisting their client acquisition and retention.*

Here is the 6 main benefits to our Factoring Partners:

- 1) UCC REMOVAL
- 2) 2nd – 5th POSITION FACTORING
- 3) OFFBOARD HIGH RISK CLIENTS
- 4) PURCHASE ORDER FINANCE
- 5) DEBT CONSOLIDATION
- 6) GROWTH CAPITAL

# UCC REMOVAL

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## **Description:**

**This is a case where Sunset Portfolios, LLC refinances existing business debt that carries a UCC lien on the company. This then allows the Factor to file a 1st position UCC on the business to secure their creditor position.**

## **Case Study #1:**

**A Factor Partner referred to us a trucking company they were interested in taking on as a factoring client. The trucking company had an existing loan with another creditor who was unwilling to subordinate their UCC filing to the Factor. So, in this instance, we paid off the creditor with our funding partners money, essentially refinancing the loan with a new one, thus removing the UCC from the business leaving it free and clear. We held off filing our UCC so that the Factor can have 1st position. Problem Solved!**

## **P.S:**

**We paid the Factor a commission for the referral!  
This Factor not only onboarded a new client but also received a bonus payment!**



## 2nd – 5th POSITION FACTORIZING

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### **Description:**

**This is a case where a Factor can provide a factoring solution for a new prospect in a case that there is existing tax liens and UCC filings in the way.**

### **Case Study #1:**

**Factor Partner referred to us a new client looking for factoring. The Factor wanted to take on this account, but the prospect had tax liens and UCC filings in the way. So, in this instance, we stepped in temporarily with one of our partners and factored the client in 3rd position behind the open liens and UCC filings. The business was in a better position no longer waiting on payments and was then able to come out from under the liens and other loans. Once the liens and loans are paid off, the Factor can take this client right back! Business as usual.**

### **P.S:**

**We paid the Factor a commission for the referral!  
The Factor not only assisted a new prospect to stabilize and grow but received a bonus payment as well!**



# OFFBOARD HIGH RISK CLIENTS

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## Description:

**This is a case where a Factor can offload a high-risk client to Sunset Portfolios, LLC to temporarily factor the A/R at a premium until the business is stabilized and can return back to our Factoring Partner. A bridge solution really.**

## Case Study #1:

**A Factor Partner referred to us an existing trucking client that had taken on debt due to cash flow and payroll needs. These were multiple major over advances to the business and now the business was neck high in debt and was even in default. The Factor couldn't have this risk on their balance sheet, so the trucking company was given 2 weeks to move on, but no other Factor wanted to take it on. This trucking company was on the edge of shutting down. In this instance, Sunset Portfolios, LLC stepped in with a partner and took over the factoring temporarily. The rate was at a premium due to the high risk, yet still sufficient for the business to continue operations. We also assisted in negotiations with the defaulted creditors. Once the defaulted debt is cleared off, the Factor can take this client right back for factoring. Everyone wins!**

## P.S:

**We paid the Factor a commission for the referral! The Factor not only saved their client's company by passing the factoring over but received a bonus payment as well!**



# PURCHASE ORDER FINANCE

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## Description:

**This is a case where a Factor can partner with us to provide a P.O. Funding solution to a new or existing client whilst they continue to handle the factoring after invoicing.**

## Case Study #1:

**A Factor Partner referred to us a new manufacturing client looking for factoring. The Factor wanted to take on this new account, but this prospect was in need of P/O Funding to handle all the orders coming through.**

**The manufacturer needed funds for supplies and materials to punch out product to fill the backlog of orders. Their customers were great payers, exactly what a Factor wants, but the business simply couldn't supply the goods. In this instance, Sunset Portfolios introduced an investor into the manufacturing firm who provided all the necessary funds for supplies, materials, payroll, etc. This business was now stabilized, pushing out product and factoring a great deal with our Factor Partner.**

## P.S:

**We paid the Factor a commission for the referral! The Factor not only assisted a new prospect to stabilize and grow but received a bonus payment as well!**



# DEBT CONSOLIDATION

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## **Description:**

**This is a case where Sunset Portfolios, LLC refinances existing business debt to help the company cash flow better.  
Less loan payments, less creditors and less problems = A stronger business.**

## **Case Study #1:**

**A Factor Partner referred to us an existing factoring client that had taken on additional debt due to a cash flow crunch. These were over advances to the business and now the business was struggling to keep up with the new loan payments threatening the entire operation. So, in this instance, we did a loan against real estate the client owned. This was a very low interest loan, enough to pay off all outstanding business debt and put the company into a free cash flow position. An added benefit was the removal of extra creditors to the company, this removed the extra UCC liabilities and potential future receivable complications.**

## **P.S:**

**We paid the Factor a commission for the referral!  
The Factor not only strengthened their client's business but received a bonus payment as well!**



# GROWTH CAPITAL

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## Description:

**This is a case where a Factor can provide a growth capital solution to an existing factoring client in need of funds beyond their available receivables. An over advance without limit.**

## Case Study #1:

**A Factor Partner referred to us an existing client in need of additional funds for growth. This was a trucking company with 2 trucks and was in need of an additional truck. The added equipment would help them grow and maximize their drivers and routes. This would also increase their monthly factoring volume! In this instance, Sunset Portfolios, LLC stepped in with a partner and provided equipment financing to this growing company. This secured for them a low monthly 5 year payback term which was easily manageable by the increased revenue. Now the company was rolling along with an increased revenue margin of over 30%, as the same time giving our Factoring Partner more business.**

## P.S:

**We paid the Factor a commission for the referral! So, the Factor not only assisted an existing client to grow and increase factoring output but also received a bonus commission payment on top!**

