

ACCESS CAPITAL
For the life of your company



FIND THE BEST FUNDING PARTNER **FOR YOUR STAFFING FIRM**

Access Capital provides asset-based lending to staffing agencies to help your company grow.

When it comes to securing funding for your staffing firm, all options are not created equal. Borrowing from the bank or taking the factoring route are options you have, but relying on a lending solutions provider like Access Capital has many advantages over these choices.

Let's compare...

BANK BORROWING

Ideal Borrower:

Larger companies with strong balance sheets and predictable, stable sales growth patterns. Borrowing from a bank often involves a lengthy and cumbersome approval process, taking up to 12 weeks or more to open a facility and four weeks or more to secure a credit line increase.

Characteristics:

Rigid lending criteria and limited flexibility. Banks' primary focus is on regulatory oversight, not the unique needs of your business.

Relationship Style:

Transactional relationships with minimal decision-making authority. This leads to impersonal service and limited attention to your specific needs.

Pricing:

Interest rates ranging from Prime -1.5% to Prime +2%, along with additional closing and unused line fees.

Advance Rates:

Advance rates ranging from 80-90%.

Covenants:

Strict in nature - e.g., limiting annual cash distributions, prohibiting acquisitions, and limiting usage of the line through availability blocks and reserves.

FACTOR

Ideal Borrower:

Companies with credit challenges or weaker financial performance but with a strong accounts receivable base comprised of public or well-known customers or a less-established company with limited capital that may not have the accounting infrastructure to provide adequate financial reporting.

Characteristics:

Typically, this is a high-cost solution that focuses almost exclusively on the quality and performance of the accounts receivable and underlying account debtors. This leads to a high level of involvement in back-office activities, including direct communication with customers regarding collections and remittance information.

Relationship Style:

Transactional, not strategic. Factors are often more focused on building a relationship with a staffing agency's customers than building a relationship and providing transparency to the business owner. It may be challenging to reconcile factor fees and payment application procedures, creating a difficult-to-scale environment.

Pricing:

Equivalent to Prime +4% to Prime +12%, quoted as a percentage of sales that may increase significantly based on the number of days the invoice is outstanding.

Advance Rates:

85 to 100% on outstanding receivables, with credit limits established for each customer. Collection equity is typically held for weekly release. Cash reserves held by a factor will effectively lower the advance rate.

Covenants:

Not applicable - factors focus on credit quality of the accounts receivable account debtor, retaining a broad degree of discretion to adjust purchase limits as deemed appropriate.

ACCESS CAPITAL

✓ **Ideal Borrower:**

Visionary companies navigating future growth or experiencing variable sales cycles. Access Capital's streamlined, expedited approval process, typically takes five to eight weeks to open your credit facility, equally fast line increases to support continued growth. Our swift and flexible approach ensures that your company can seize opportunities precisely when they arise, empowering you to capitalize on revenue growth opportunities without delay.

✓ **Characteristics:**

Tailored loan terms designed to meet the unique demands of your business. With specialized expertise in the staffing industry, we forge long-term partnerships committed to supporting growth through financing and strategic consulting.

✓ **Relationship Style:**

Experience direct and frequent contact with empowered decision-makers at Access Capital. Our focus is ensuring you stay informed about industry trends and regulations, offering personalized strategic advice and guidance without overburdening you with unnecessary communications.

✓ **Pricing:**

Benefit from competitive interest rates ranging from Prime +1% to Prime +3.5%, coupled with annual fees aligned to your line size needs.

✓ **Advance Rates:**

Access Capital offers advance rates of 90% and above, providing the necessary capital to fuel your business development and increase profitability.

✓ **Covenants:**

Experience financial metrics that are less restrictive, straightforward to understand, and aligned with the best interests of business owners. Our covenants are designed to empower, not constrain.



READY TO GET STARTED WITH ACCESS CAPITAL?

Contact us to secure the funding you need.

ACCESS CAPITAL 
For the life of your company

Access Capital is the nation's leading independent lender to the staffing industry, providing asset-based loans ranging in size from \$1 million to \$25 million.

400 Park Avenue – New York, NY 10022 – (212) 644-9300 – www.accesscapital.com