

Facilitating payments to retail suppliers

What Is Factoring?

Factoring is an agreement between CIT and companies that supply goods typically to the retail industry. CIT purchases the accounts receivable from the suppliers and assumes responsibility for a retailer's financial inability to pay.

This combines:

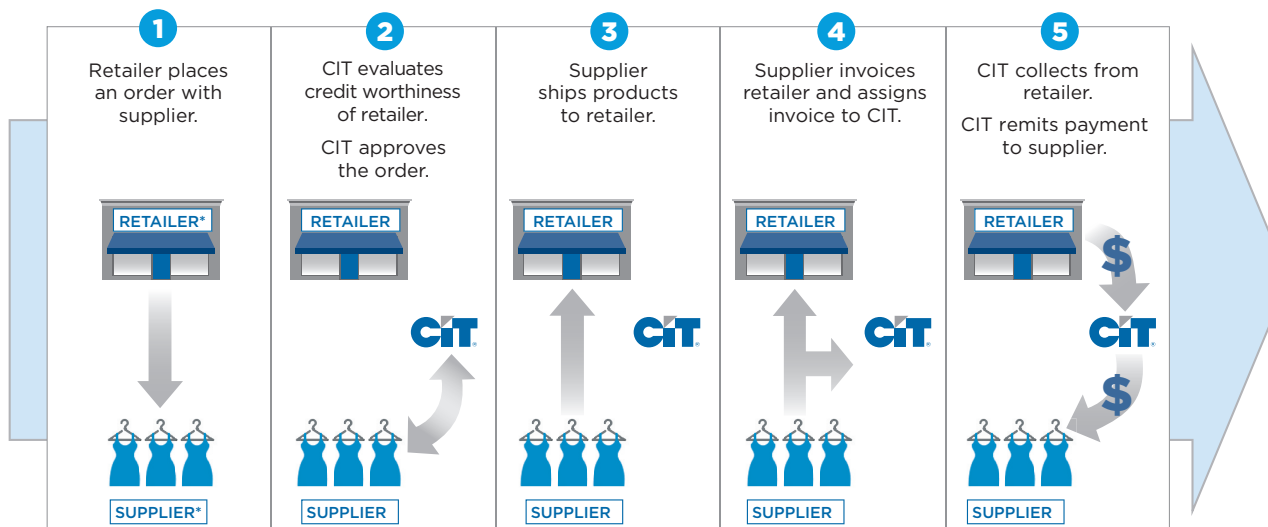
- Credit protection and advice
- Accounts receivable bookkeeping, including electronic invoice and payment processing
- Collections, cash management and lockbox processing
- Accounts receivable financing

What Are the Benefits?

Factoring helps companies of all sizes, from start-ups to mature companies:

- Improve cash flow
- Eliminate credit losses
- Reduce operating expenses
- Expand working capital financing through advances
- Improve management information through online reports, such as:
 - Customer payments
 - Accounts receivable agings
 - Loan status
 - Credit approvals
 - Customer credit previews
 - Customer deductions and dispute summaries
 - Wire transfers

Factoring in Action: Serving suppliers that sell to wholesalers and retailers nationwide.



*In factoring, suppliers are often referred to as "clients." Retailers are often referred to as "customers."