

Funded!

Small Business Guide to Funding Today



6 things you should
know before
borrowing

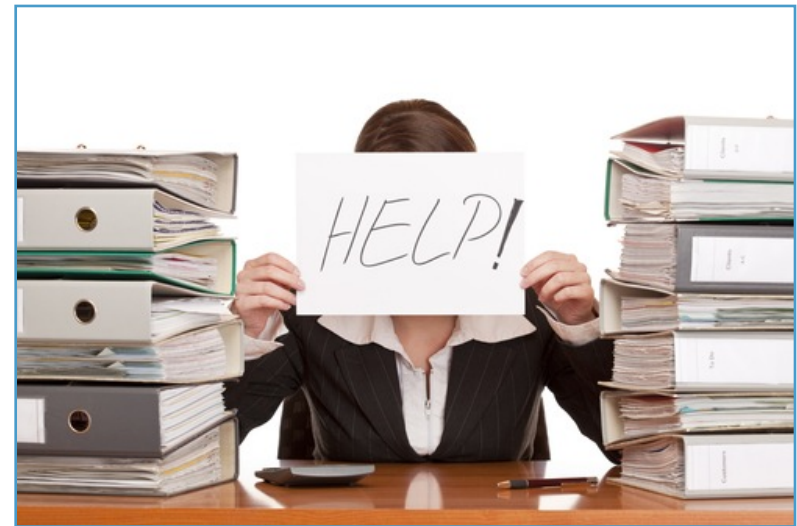
Curves Ahead

At some point small business owners require additional capital to cover or subsidize the costs of operating their business. Whether its cash-flow, inventory, expansion, payroll, or equipment, there are a variety of reasons why one may consider seeking outside funds to pay for these common business needs.

While most consider the bank as the logical resolution, many will be denied because they are profiled as high risk. Furthermore, banks do not see true small businesses as a profitable market. Instead, they choose to concentrate on clients requesting more than \$250,000.

In order to meet the needs of small business, alternative options have become available. But, how do you know which of those options is the right one for you and your business?

For over a decade, Liberty Capital Group has helped small business owners across the nation navigate the solution-finding process and avoid common pitfalls (including some questionable practices).



It's a fee-for-all!

As with most funding options, there are typically fees attached. Application and origination fees are generally expected but, there are others charged that you may not be familiar with. this includes:

- Platform Fees
- Returned Payments Fees
- Late Fees

Most unsettling is that such fees may not be included in your quoted calculated cost of borrowing.

At Liberty Capital Group, we take the honest approach. Not only are your terms transparent but, interest is broken into a per dollar borrowed rate factor. If that's not enough, applying is obligation and fee-free.



Hitting a rough patch

Defaulting occurs when one can no longer fulfill payments that have been agreed upon. Defaulting carries several consequences. Risks vary per funding structure. This may include personal assets or a simple write-off with a negative remark on your credit.

Structures of funding include:

Secured Funding

This is a secured loan in which the borrower pledges collateral in order to attain funding. This helps minimize risk because in the event of a default, it may be seized in order to make up for the loss.

Personal Guarantee

When unable to fulfill payment obligations, a lender may seize personal assets such as your house, car, and savings.

Whether these assets are business related or not is irrelevant.

Unsecured Funding

An unsecured loan is when the borrower is not required to pledge collateral to the lender. This type of funding takes the health of the business into consideration.



Easy street

If you've ever been to the bank you are fully aware that that the documentation required to apply for business funding is typically extensive and time-consuming. However, Liberty Capital Group offers a quick and hassle-free application process with minimal paperwork.

To expedite requests and before speaking to an Account Manager, take a few moments to complete a checklist of commonly needed documents:

- Completed application (online or one page)
- 6 months of bank statements
- 4 months of processing statements (if your business accepts credit cards)
- Recent year's completed business tax return
- Driver's license
- Voided check for the business account you'd like to have funds deposited in to.

It's important to ask for a checklist anytime you apply in order to assess the application process and save time.



Use restrictions

As a business owner, you may have a unique business-related need but, because many funding agreements restrict the use of money, you may find yourself in a very stressful situation. The truth is that every business is different. Fortunately, there are specific lenders that give you the freedom to choose how you will allocate funds. Be certain to ask the funding source if there are any restrictions regarding use of funds.



Repayment

You will find that most funding sources offer daily, weekly, monthly and quarterly repayment options. There are also merchant advance companies that collect repayment by factoring your credit card sales. That could also mean having to switch your current processor. But, how do you find the right option for your business? As mentioned earlier, every business is different. Therefore, no one option fits all.

It's important to fully understand the terms of repayment before signing on the dotted line. Liberty Capital Group has experienced Funding Specialists that are available to help answer any questions you have with no obligation.



Show me more money!

If you require more funding it's important to ask some key questions:

1. Do I have to be completely paid down on my current funding program to qualify for additional funding?
2. How long will I have to wait to be eligible for additional funding?
3. Will my current balance be refinanced into my additional funding request?
4. Will my rate change for my additional funding request?
5. Will there be any fees attached to the additional funding request?

Ask these questions to understand if/when you are eligible for additional funding and whether or not there are any hidden fees.





For over a decade, Liberty Capital Group has helped small business owners across the nation access quick, reliable, and hassle-free financing. As a stakeholder in the American Dream, Liberty Capital Group makes it possible for any business to compete and grow in today's economy.

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