

Factoring Industry Basics

also known as

Funding Structured Settlements

A Product of MFN Network

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Explanation of MFN Network Role and Your Role!

A person that funds cash for receivable payments is called a “**funder.**” A person who sends clients to a factor is called a **funding broker**. If you refer people to MFN to fund them, you are acting as an affiliate to a funding broker. (**Funding Broker Affiliate**) We want to share knowledge with you to help you make money in this field, but we recommend you do not quit your day job, yet! This is designed for you as a passive way to earn, or by default, and to give you one more income stream. It can happen often, or not so often. If you are serious about doing this, take the attorney letter and personalize it, and send it each month to the same 20-30 attorneys (or more). Watch a referral network grow for you, as you earn commissions. The incubation time once you turn in a lead is about 60-90 days, for we at MFN must go through a series of steps, and our funding sources have a huge process. But when your check comes, it will be gravy money for less than an hour’s work!

Another way besides the attorney letter is to run ads in your local area. Find all the expensive and inexpensive periodicals and price a short ad that we will give you in this mentoring process. Run those ads often, or even non-stop. This works, as the need to sell structured cash flows is greater than you might think. Once I started the two procedures I just gave you, I kicked myself for not starting them 2 years before. Once you get a lead, it is so easy, you won't believe it. You ask them a few questions, and your part is done. We and our source must make a deal with the lead for you to be paid, and there are a lot of shoppers, who we won't be able to make a deal with and you'll not be paid on, but this is a numbers game. Remember, this is only part of your funding activity. This is quite different from **venture capital**, which you will also be doing.

Who might you find to score a big commission in factoring?

A sports person in the big money!

A lottery winner in the big money!

A new heir who just got payments! (it is common)

A fresh just paid lawsuit! (this is very common)

Here is an industry beckoning you to come and get your share, for monthly payments are being made in the billions in structured settlements, and a huge portion of those will be sold, and factors and factoring brokers will make loads of money. Factoring has been around for decades, maybe centuries. People sell their monies owed them in payment form for lump sums of cash, at a discount. Human nature and the constant need for cash keep this industry forever going with no end in sight. New income streams are always opening up by insurance settlements, like from personal injury lawsuits, inheritance annuities, lotteries and gaming, and many other avenues further creates huge numbers of potential "deals" for factoring specialists. Another more modern category of factoring is the accounts receivable field. Factoring invoices is popular, and companies are using their invoices due them to solve all kinds of problems, such as payroll, growth funds, and even collection problems. You can factor corporate and industrial invoices too through MFN Network.

The whole subject of factoring seemed like a very complex undertaking as I first embraced it. I soon learned that I could do it with little or no knowledge of my products, for the experts who fund the money did not want me to do much selling or explaining anyway. I found that as a broker, I would be required to simply introduce the clients to the funding sources, and they had enough knowledge for everyone. When I realized that, I then got very excited because I realized my ability to make money would be tied to my ability to market the concept to the public. This IS my field of expertise. I have been in sales since I was 21 years old. At this writing, I am 61 years old. I have 40 years of reading people in the public and getting understanding on what makes them tick. And I did a boatload of jobs before I was 21.

A wonderful revelation then dawned on me. As I looked at funding companies while setting up a brokerage, I noticed that each of them specialized and there

were many things they did not do. One did construction, another did big industry invoices, another did annuities and lotteries, another did viaticals, and another did mortgage notes. I realized as a broker, I could handle all levels and categories of factoring, and accept anyone as a client, if they were sincere to sell their payments, as long as I became an expert on which funder to direct them to. So that is exactly what we have done at MFN Network! We are without limit on who we can serve, and if we do not have an answer or a source, we will find it out quickly. With the issue being settled as to funding, then the next issue was to work on keeping a steady flow of customers, and how we could compete with other brokers in the marketplace. Once we would attract good people, as marketers, how would we keep them and help them to earn money? We believe the MFN and American Payday Services reseller program and other products it offers are the solution to that problem. MFN provides a very rare source of diverse funders for people like yourself, a one stop shop where your job is quite clear and easy. Get them into us, and we get you paid. You do not have to be an expert, or spend great amounts of time in classes or seminars. We at MFN have taken and will continue to take the seminars.

Factoring is like lending without a credit report. The borrower or payment seller is not receiving funds on their ability to re-pay, they are receiving funds based on the one's ability to repay who is making them payments. Often, those are 100+ year old insurance companies with triple A+ credit, no debts, and billions in assets. If the client has an institution paying them payments, then that is a great deal for everyone and the funder will jump on the opportunity to purchase those payments. (at discount) Sometimes, a client is selling payments being made by the government, and those are perfect factoring deals, for who is more reliable than the government? (no comments from the peanut gallery! :))

Let's get right into questions and answers.

Question: When you locate a client, what do you do?

Answer: You have them fill in the form at our site, or you fill it in for them, and the automatic submission to headquarters does the rest. This takes about 5-10 minutes of your time or the clients. Your name is entered, and you receive credit for the fees made, permanently, if you are in good standing with MFN . and if you

submitted the lead first. At your option, you may also use the 5-question faxable form included at our back office, which is even easier. Could anything be easier?

Question: What kind of payment deals do we send in?

Answer: Anything we advertise, and other kinds also. Let headquarters decide if we can help the client. That makes your job easy. If you try to qualify the deal yourself, you may turn down something we can do and lose money.

Question: How do you get clients?

Answer: At our back office, you can see ads to run in newspapers, Craigslist, etc. There are other ways. You may think up some, or you may go to sources like attorneys, loan officers, or accountants, and more. What if you set up about 25 good attorney lead sources who feed you clients? Does your area run television ads and newspaper and yellow page ads for accident injury lawyers? I thought so. These people who you used to cringe about, now can mean money! They are valuable to us. Watch billboards. It is a trend for accident injury attorneys to be on billboard advertising. The key is service and caring for the people they refer.

Question: How much can you make?

Answer: You can really grow this large and make hundreds of thousands of dollars in this business. Build a client database of referrals and make fee after fee from your daily efforts. We pay 50% of the gross MFN fee to our referrers. (The first 3 deals are 40%. That is your probation period.) This can be enormous or small. We anticipate our referrers to earn quite a substantial sum monthly once they get going. It is a powerful home-based business. The key is to do the mail-outs to attorneys, and build the classified ad system up to a large monthly budget! You can earn anywhere between \$400 to \$500 on the smallest and \$500K to over a Million on the largest, and everywhere in between.

CURRENT PRODUCTS

Our current product is rather a paid service to people seeking money for their own structured settlements.

Structured Settlements

A deferred payment or payment stream being paid by an insurance company to a claimant from the result of a personal injury accident, product liability accident or death benefit. Many of the next categories below are also structured settlements.

Annuities

A deferred payment or payment stream purchased for investment directly from a financial institution or insurance company, paid to an annuitant from the insurance company and owned by the purchaser.

CAT Funds

A payment being received from the result of a medical malpractice lawsuit due to a catastrophic injury that is being paid over a period.

Lotteries

Winners of all state sanctioned lottery, both assignable and non-assignable.

Jackpots

Winners of certain slot machine jackpots.

Sweepstakes

Winners of certain contests (ex. Publishers Clearing House)

Royalties

A payment to an author or composer for each copy of a work sold or to an inventor for each item sold under a patent. Usually based on performance with a guaranteed minimum preferred.

Trusts & Inheritances

Sums of money due in payment form to a beneficiary and paid upon or after death.

Sports Contracts

Employment contracts between professional athletes and the team for whom they play.

Accounts Receivables/Invoices

Funds that are due to businesses for products or services, and these accounts are sold for advanced funds. The business owner can get pre-approved for a credit line on his or her receivables. Each time they use it, you get paid.

Viaticals

This is a very delicate product. A person with cancer or AIDS or a similar disease may sell lump sums of their life insurance before their death.

Mortgage Notes – Business Notes

Any collateralized note with real estate as the security, or with business inventories as security.

Watch for more information to be released soon on factoring for FBAs. We are updating our advertising section so watch for it.

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American Payday Services