



INVOICE FACTORING/DISCOUNTING FAQs

1. **Who is eligible for the facility?** Any business that engages in credit transactions; As long as the buyer of the Good/service has been approved and Momentum is able to confirm with your buyer that the good/service has been provided and invoice is due for payment.
2. **How much can one borrow?** Your limit is determined by the size of the business you have; Minimum invoice amount is KES 50,000.
3. **What are the charges for the facility?** There is a once off on-boarding charge of KES 30,000 that is recovered from the first invoice that you Factor. Interest for each invoice factored is calculated based on the number of days between when invoice is Factored and the maturity date of the invoice.
4. **Do you finance the whole amount of the invoice?** We finance up to 85% of the invoice amount, depending on credit days contained in the invoice.
5. **What is the tenure of the facility?** Facility is extended for a 12-month period but is reviewed periodically depending on business need.
6. **How long can the receivable remain outstanding for?** Up to 90 days.
7. **How long does it take to on-board clients?** Less than 7 days.
8. **How long does it take to factor an invoice?** We advance money within 24 hours of receipt of an invoice and its supporting documentation.
9. **What happens if the invoice defaults?** We build up escrow reserves for each client to safeguard all parties from such an event.
10. **What is used to secure the facility?** The facility is unsecured. No property is required to cover the borrowing.
11. **How does Momentum Credit recover the money from our buyers?** Through a Momentum Credit nominated joint account, in which all called invoices should be paid to
12. **Who will collect the debt from my customers?** It is the client's responsibility to collect invoices within the stipulated terms of trade. Momentum Credit shall only get involved once payment is late.
13. **Does it matter who our customer is?** Yes. All customers must be pre-approved before processing any invoices.