

ClearRunway 101

ClearRunway is a revenue share agreement that offers your SaaS or subscription-based business capital on a 6, 12, or 24 month basis.

What are the requirements?

SaaS or subscription based companies in Canada, USA, UK and Australia. Your business must have at least 6 months of revenue 10k or greater/month. Earliest payback dates cannot exceed the amount of data available (so if you have been in business for less than 12 months, we won't be able to offer you more than a 12 month advance).

How does ClearRunway work?

ClearRunway is Clearco's product for SaaS and subscription-based companies. If you have receivables lined up for the next 6-24 months but need funding now to grow your business, we are here to help. ClearRunway is an advance of funds with an agreed-upon earliest payback timeframe. The earliest payback time determines the discount at which the advance is calculated.

Based on earliest agreed upon payback rate;

- 6 months = 5.5%
- 12 months = 9.9%
- 24 months = 19%

Let's say Clearco purchases 80k worth of a company's receivables with an earliest payback of 12 months. The discount rate would be 9.9% for a total payment amount of 88,790.

What is the payment schedule?

Payment is targeted at a 6-24 month payback period. The earliest payback period is agreed upon prior to the advance being activated but is not a hard deadline. Clearco uses a revenue share model for payments, so if your business falls on hard times, your advance might take longer to pay back. Payments are capped at total advance divided by soonest payback period. The remittance rate is 50% of daily revenues up to capped monthly payment, so if your company is doing really well we will never take more than the capped monthly amount but if you have a slower month, the debit will be 50% of revenue from your connected sales accounts. Debits are made every 30 days.

The same company above with an 80k advance, 88,790 payback, earliest payback of 12 months would be capped at 7399 in monthly payments. So in months where they make 20k in revenue, they would pay Clearco 7399. In months where the company only makes 10k in revenue they would pay Clearco 5000 and payments would continue monthly past the 12 month mark until the advance is paid off.

How do I use the funds?

Funds can be deployed and used like a regular [Clearco advance](#) (Clearco Card and Pay a Vendor) or advances can be issued in cash.