

FUNDING AND FINANCE DEPARTMENT

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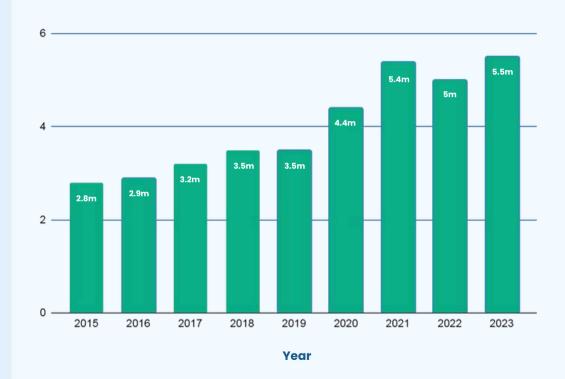
The Economy is Changing

- Economic uncertainty, market shifts, and changing consumer confidence are impacting sales across industries. When
- consumers feel uncertain, they spend cautiously— but they also seek financing options to prepare for the unexpected Now more than ever, business owners are actively searching
- for capital In fact, the demand for financing is at an all-time high That's the purpose of this exclusive partner event, to help
- you seize this opportunity, assist more clients in securing
- funding, and significantly boost your commissions



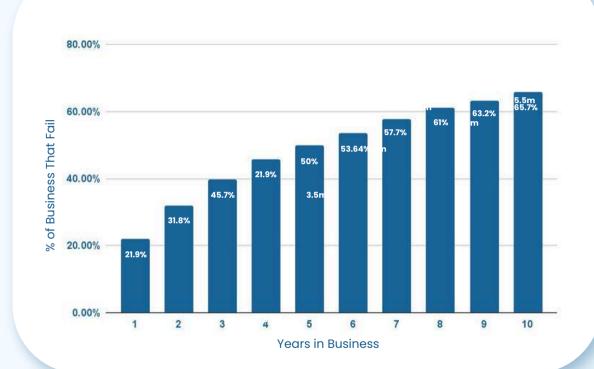
Understanding the *Surge* in Business Funding Demand

US total annual small business applications



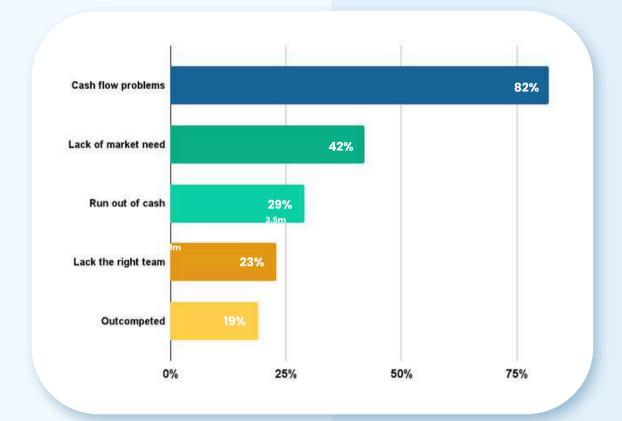
Small Business Failure Rate

From Zippia

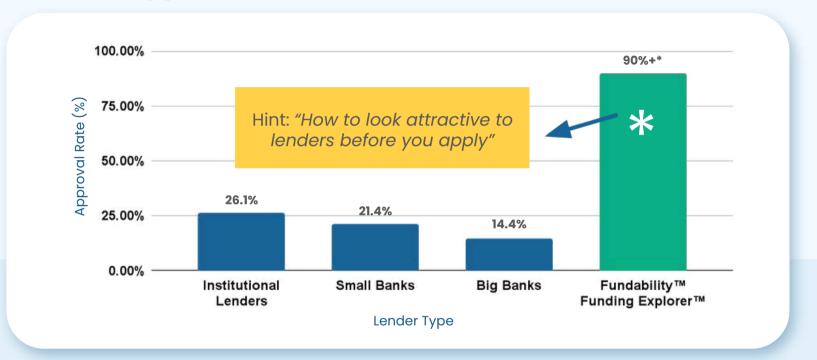


Why Small Businesses Fail

From Zippia



Loan Approval Rates at Traditional Banks - Jan 2023



Why Business Owners Are Discouraged From Applying for Financing

% of discouraged nonapplicants



SME Financing Gap

"In 2019, SMBs were *unable* to secure an estimated \$3.4 trillion."

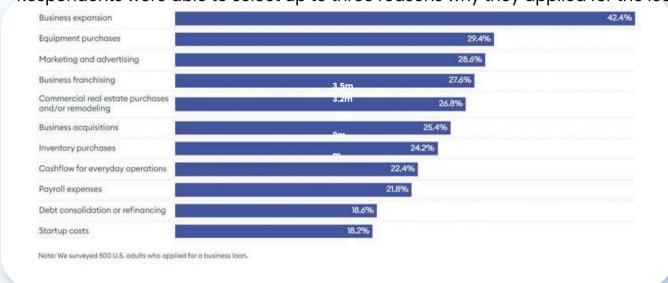
- FICO

*This figure has increased post-covid.

What Businesses Need Money For

Reasons for Applying for a Business Loan

Respondents were able to select up to three reasons why they applied for the icon.





Understanding the Solution to the Surge in Business Funding Demand

The Solution to the Funding Demand Surge

- The number of new businesses is exponentially increasing, and so is their demand to obtain capital for survival
- The answer to this demand is more ways for business owners to secure capital
- ... and to develop a <u>funding blueprint</u> plan to get capital NOW, while setting up the business longer-term to get optimal capital





SmartFund Ai

- We've long sought to offer all funding types to borrowers
- But, human capacity to remember all funding programs and qualifications has limited our ability to do it
- Our brand new SmartFund AI fixes that
- For the first time ever, there's a now a solution for a customer to <u>qualify for ALL funding</u> <u>programs in one place</u>
- Some we offer them direct, others we guide them direct to the source

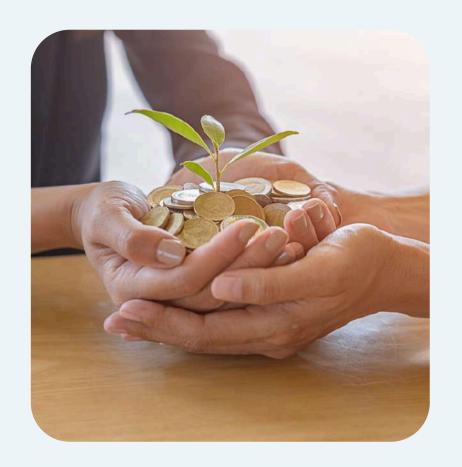


SmartFund Ai

- This lets us now get more customers funded
- And get <u>even more financing</u> for those customers
- Funding Stacking will get clients even more funding
- This applies to those looking for startup, and growth capital
- And those looking for major expansion capital, acquisition capital to buy an existing business or franchise

All Funding In One Place

- To get more funding for more customers, we need more funding programs Here's a
- look at our expanded funding arsenal:





Description: This program offers a revolving credit line through business credit cards, typically with a 0% APR for an introductory period, after which the rates increase based on creditworthiness.

- Line Amounts: \$10,000-\$150,000
- **Term:** Revolving credit cards
- Rates: 0% APR typically for 6-18 months, after that 5-29% APR, 9.9% success rate fee paid after funded
- Collateral Required: Strong personal credit
- Credit Requirements:
 - O Personal credit score 680+ on all 3 bureaus
 - Under 40% utilization on each revolving accounts
 - No more than 4 bank inquiries per bureau in the last 12 months (Does not include secured inquiries like auto loans and mortgages)
 - O No more than 3 unsecured accounts opened in past 12 months
 - O No bankruptcies at all
 - No open/unpaid collections or judgments.
 - O No late payments in 2 years and no charged off accounts
 - Seasoned major bank card trade lines \$5,000 limit +. Must have a minimum of 2 open revolving accounts with \$5,000 limit +, with at least 2 years of history or more



Term Loans

Description: This program offers loan approvals of up to \$10 million, with terms ranging from 1 to 5 years, and monthly payments available. The loan is based on consistent business revenue, verifiable through business bank statements.

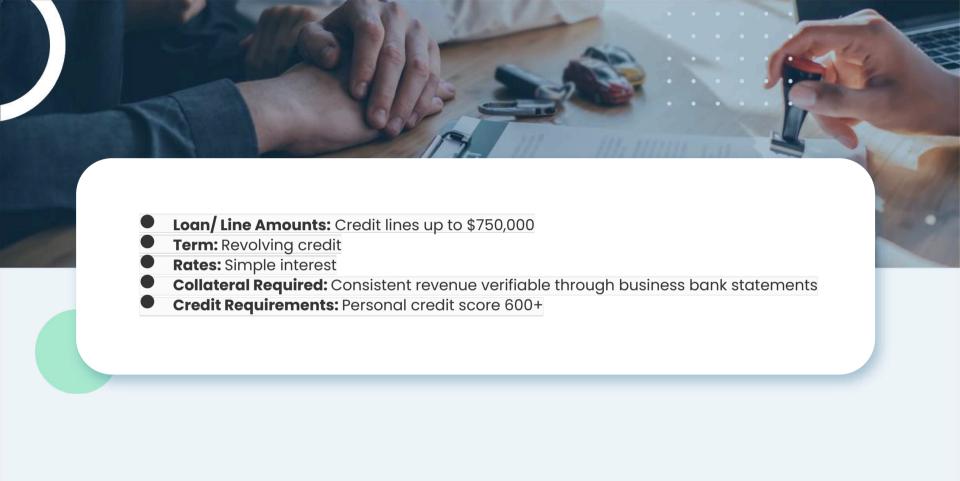


- Loan/ Line Amounts: Approvals up to \$10 million
- Term: 1-5 years, monthly payments available
- Rates: Variable
- Collateral Required: Consistent revenue verifiable through business bank statements
- Credit Requirements: Personal credit score 650+



Line of Credit

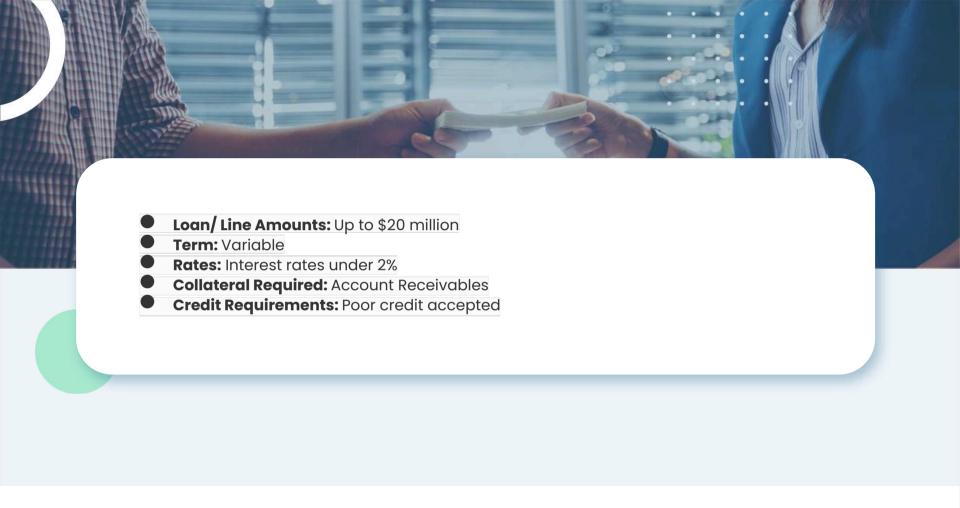
Description: This program offers revolving credit lines of up to \$750,000, with simple interest rates and the ability to only pay on the amount drawn.





Account Receivable Financing

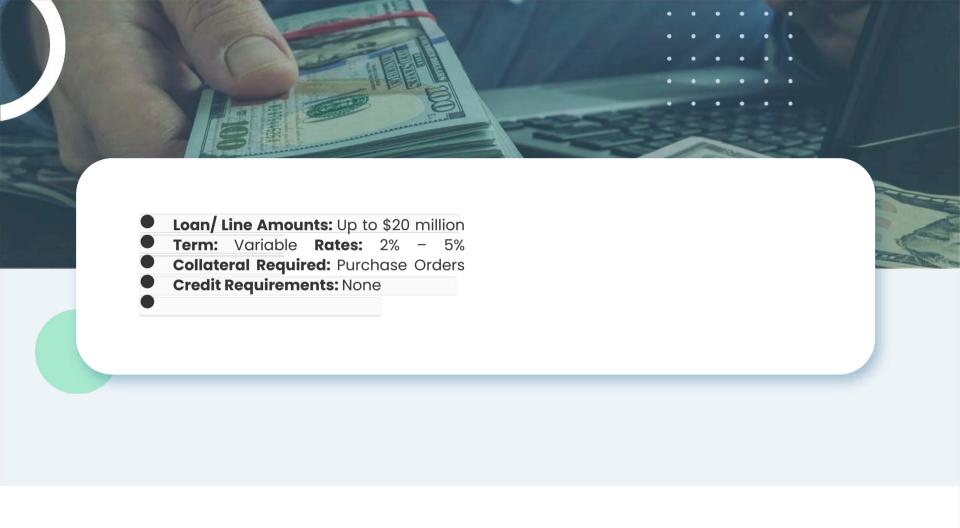
Description: This program provides advances on account receivables, allowing businesses to access cash before customers pay their invoices, with no application fees and flexible terms.





Purchase Order Financing

Description: Purchase Order Financing program provides financing based on existing purchase orders, with funds paid directly to the supplier to help businesses fulfill large orders.





Equipment Financing

Description: Equipment Financing program offers financing for purchasing equipment, with loan amounts up to \$5 million and flexible terms, including special conditions for long haul trucking.





Sale-Leaseback Financing

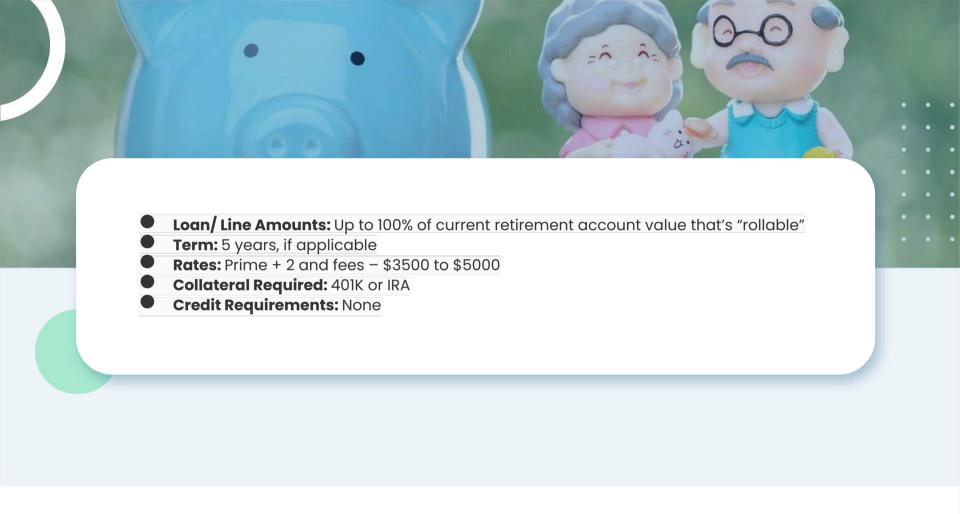
Description: This program offers financing for titled equipment with loan amounts based on the equipment's value, and flexible terms of 2 to 6 years.





Retirement Account Financing

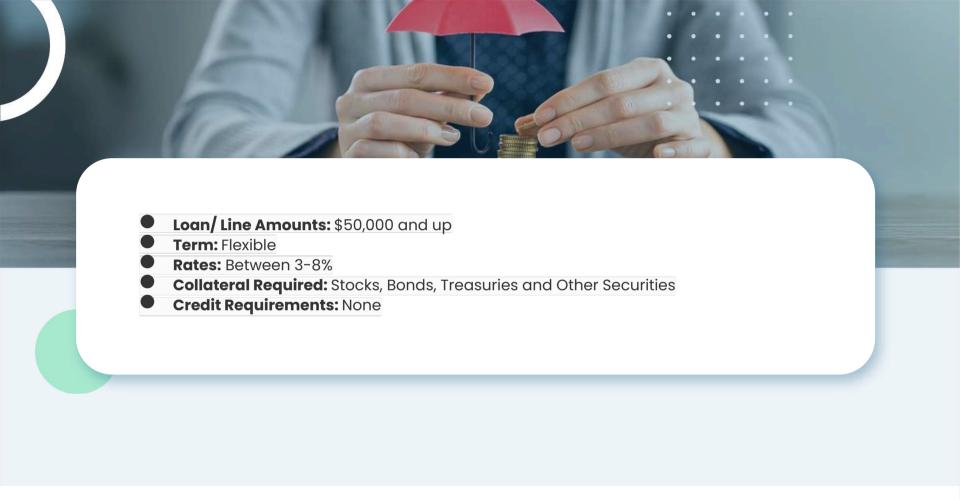
Description: This program allows you to borrow up to 100% of your "rollable" retirement account value, such as a 401K or IRA, with no credit requirements.





Securities

Description: This program offers financing based on stocks, bonds, treasuries, and other securities, with flexible terms and no credit requirements.



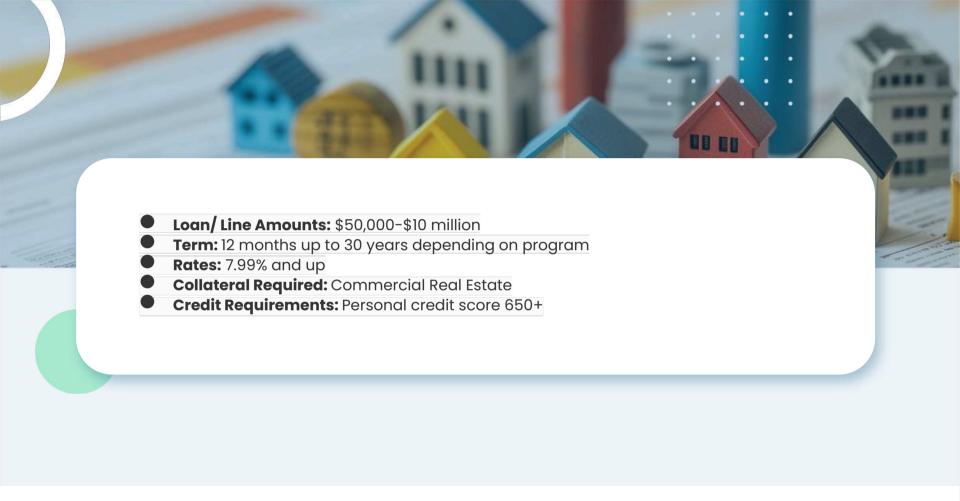


Description: This program offers SBA-backed loans for businesses, with funding amounts up to \$5 million, flexible terms, and specific requirements for business profitability and personal credit.





Description: This program offers loans for commercial real estate, including fix-and-flip, multi-family, and new construction projects. The program is designed for business owners or investors with equity in commercial properties.





Description: This program offers financing for insurance businesses based on their book of business, including options for acquisition, working capital, or business debt restructuring.





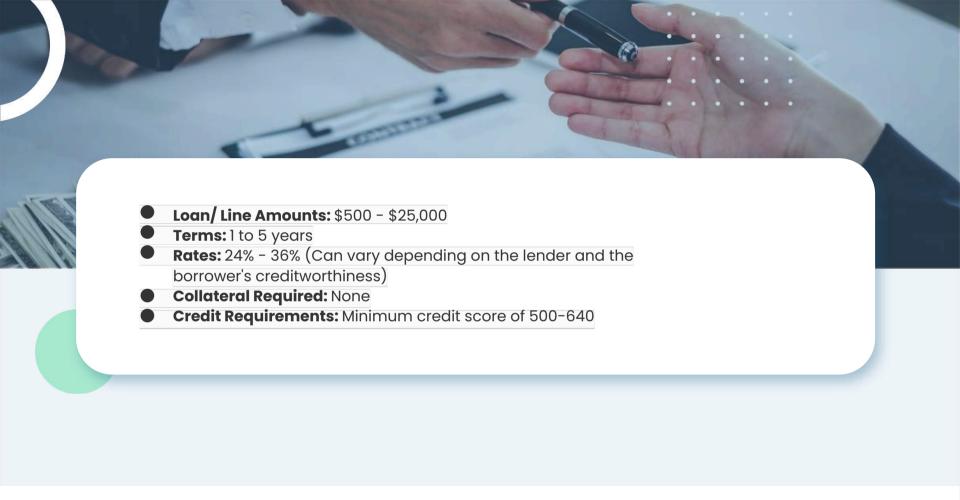
Personal Loans

Description: Personal loans provide individuals with flexible funding options, ranging from small to large amounts, for various purposes such as debt consolidation, home improvement, or emergency needs.





Description: This loan program is designed for individuals who may have a lower credit score (typically below 640), making them ineligible for prime loan options. The loans can be used for a variety of personal expenses, including debt consolidation, medical bills, home improvements, or emergencies. These loans typically come with higher interest rates to offset the increased risk to the lender.



Personal Loan Stacking

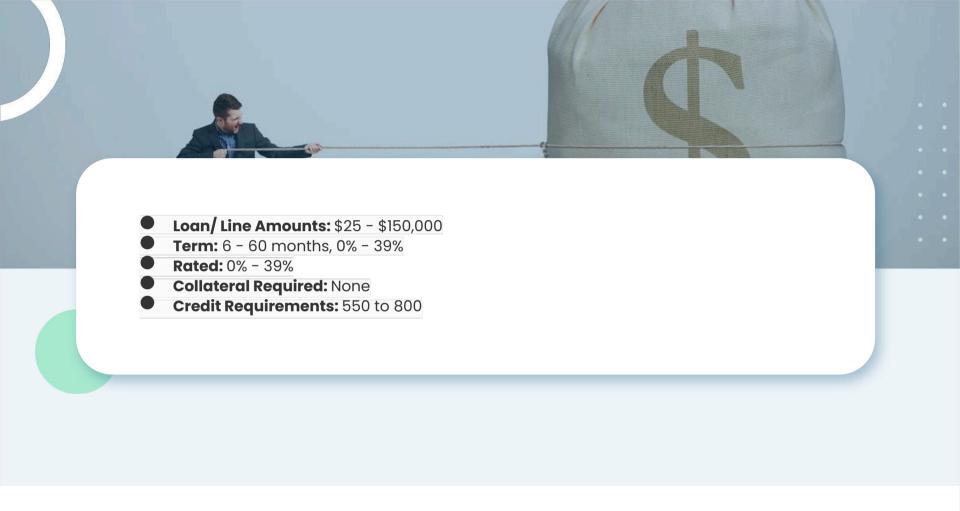
Description: This program is designed for individuals who seek to access larger sums of money by stacking multiple personal loans from different lenders or financial institutions. The purpose of this method is to allow borrowers to secure more funds than they might be able to obtain from a single loan. While this can offer more flexibility, it also carries increased risks such as managing multiple repayments, higher interest rates, and a potential negative impact on credit scores.





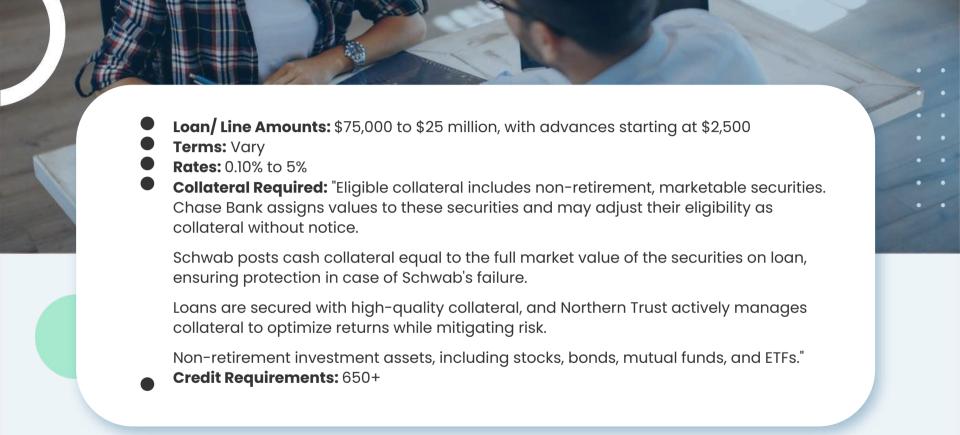
Microloans

Description: Microloans offer small loans to individuals or businesses, often aimed at helping startups, small businesses, or personal financial needs.



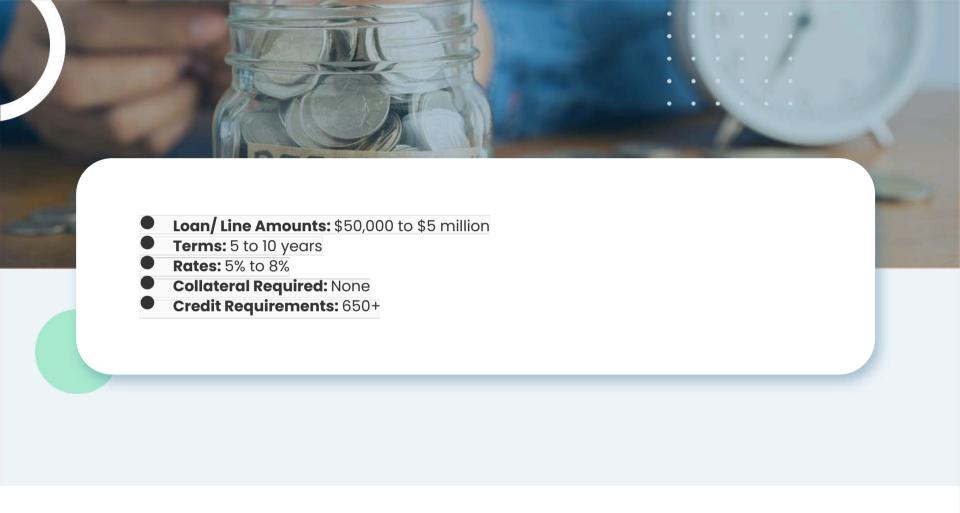


Description: Securities Financing allows clients to borrow funds by leveraging their non-retirement, marketable securities as collateral. This type of loan is ideal for clients looking to access liquidity without having to liquidate their investments. The program offers flexibility in loan amounts, terms, and uses high-quality collateral to secure the loan, ensuring minimal risk for both parties.





Description: ROBS allows individuals to use their retirement savings (such as 401(k) or IRA) to fund a new business or franchise without incurring penalties or taxes. This financing option is ideal for those who have a substantial amount in their retirement accounts and want to use those funds to invest in their business without taking out a traditional loan.





Description: Crypto Financing allows individuals or institutional investors to access liquidity by using cryptocurrencies as collateral. This type of loan is designed for those who wish to leverage their cryptocurrency holdings without the need to sell them. By offering crypto-backed loans, clients can retain their crypto assets while gaining access to immediate funds for other investment opportunities, debt repayment, or other personal or business needs.

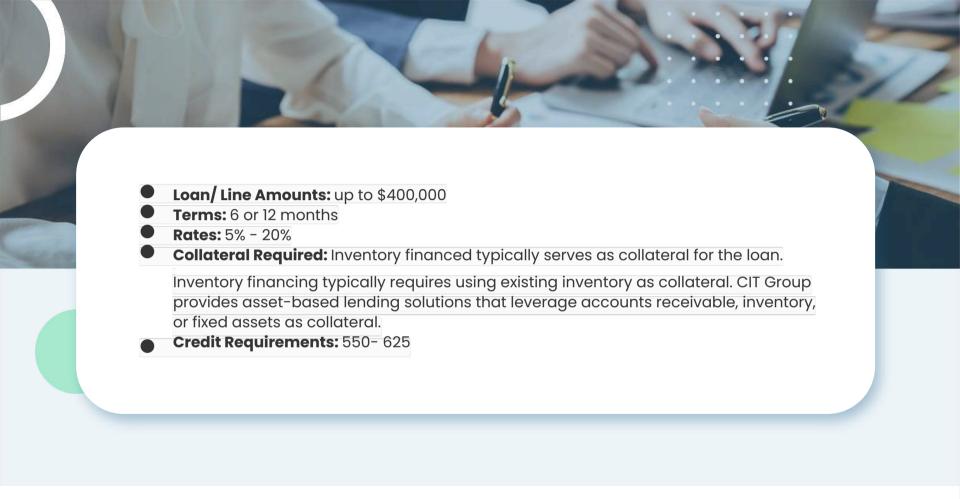
- Loan/Line Amounts: \$50 to \$2 million
- **Terms:** 1 week to 2 years
- Rates: 0% to 13.9%
- Collateral Required: "Accepted collateral includes various cryptocurrencies like Bitcoin (BTC), Ethereum (ETH), and others. Each has its own LTV ratio.
 - Accepted collateral includes Bitcoin (BTC), Ethereum (ETH), and Solana (SOL). Each cryptocurrency has its own LTV thresholds and margin call limits.
 - Accepted collateral includes mainstream cryptocurrencies like Bitcoin, Ethereum, Litecoin, and Cardano. The specific cryptocurrencies accepted can vary by lender
 - Loans require BTC or ETH as collateral, with a loan-to-value (LTV) ratio of 50%."

Credit Requirements:

- Typically not required as loans are secured by the value of the cryptocurrency being pledged.
- However, lenders may assess overall financial health (income, other assets, or existing debts) as part of the application process, especially for larger loan amounts.

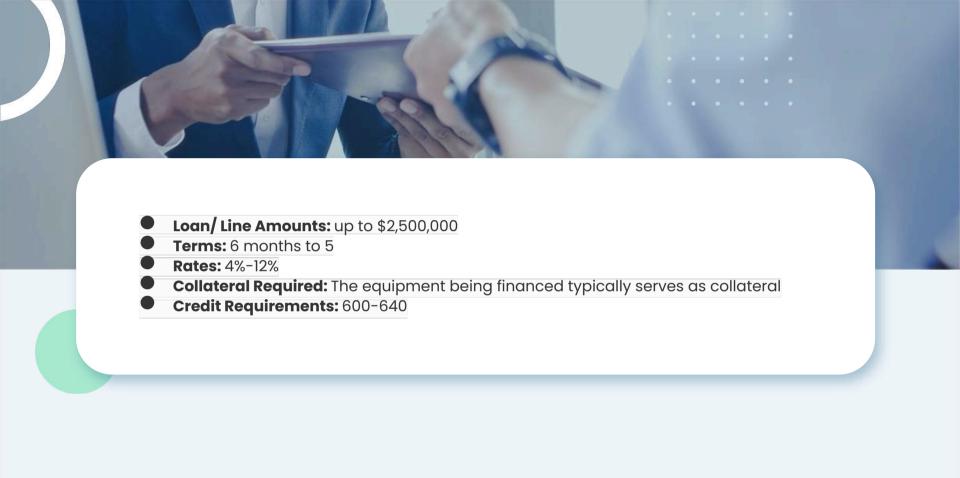


Description: Inventory Financing provides businesses with the capital they need by leveraging existing inventory as collateral. This type of loan is ideal for businesses that need quick access to cash but do not want to sell their inventory. The loan can help with purchasing more inventory, managing operational expenses, or bridging short-term cash flow gaps. By using inventory as collateral, businesses can unlock liquidity without sacrificing their assets.





Description: Equipment loans provide businesses with the necessary capital to purchase or lease new or used equipment. The equipment itself serves as collateral, meaning businesses can secure financing based on the value of the equipment they wish to acquire. This type of loan is ideal for companies in need of heavy machinery, vehicles, technology, or other operational equipment without disrupting their cash flow.



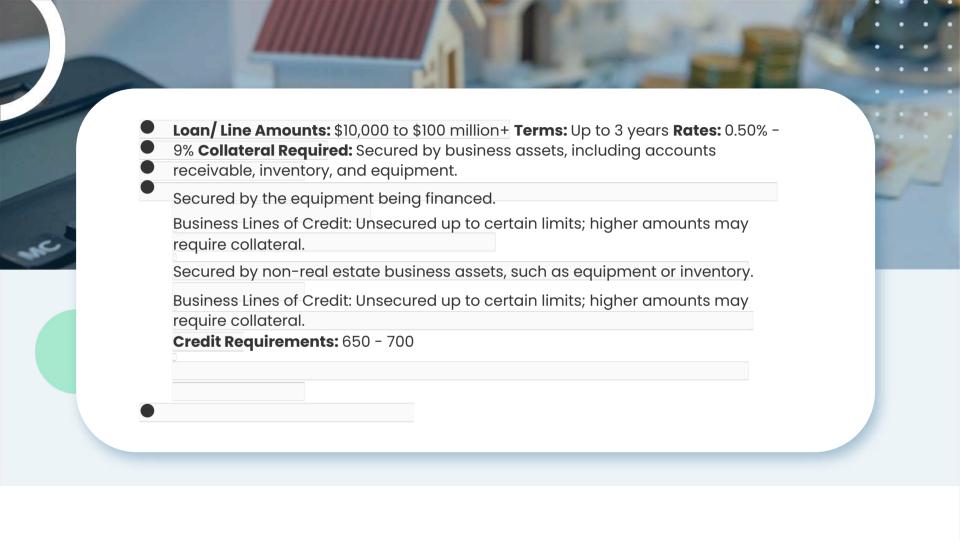


Description: Equipment Leasing allows businesses to acquire equipment without the high upfront costs. Rather than buying equipment outright, businesses can lease it for a specified period, with an option to purchase, renew, or return the equipment at the end of the lease term. This option provides flexibility, preserves cash flow, and helps businesses keep up with the latest technology without the risk of obsolescence.



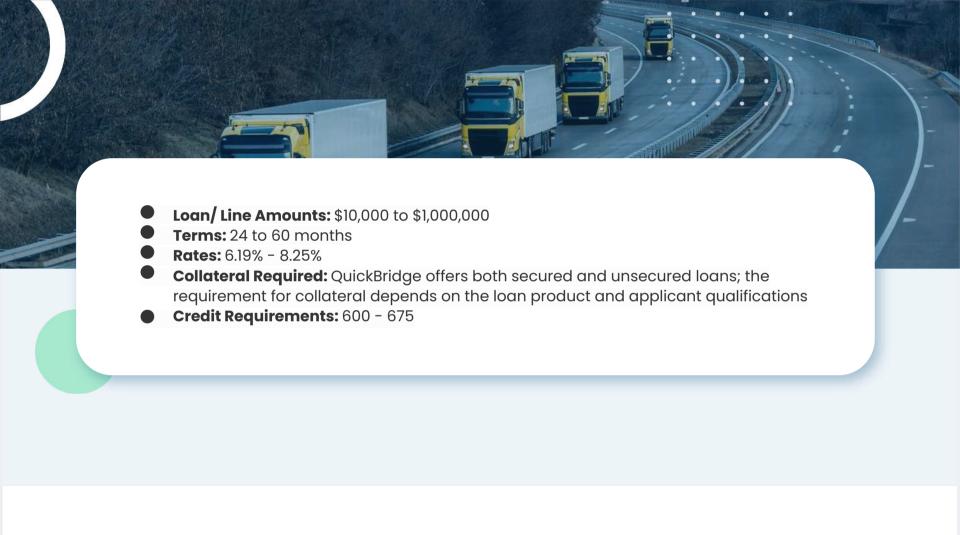
NEW Equipment Line of Credit

Description: An Equipment Line of Credit provides businesses with flexible access to capital specifically for purchasing equipment or managing equipment-related expenses. Unlike traditional loans, a line of credit allows businesses to draw funds as needed, up to the approved credit limit. This makes it ideal for companies that need to purchase multiple pieces of equipment or want the flexibility to finance equipment on an ongoing basis as their business grows. Repayments can be made as funds are used, with interest charged only on the amount borrowed.



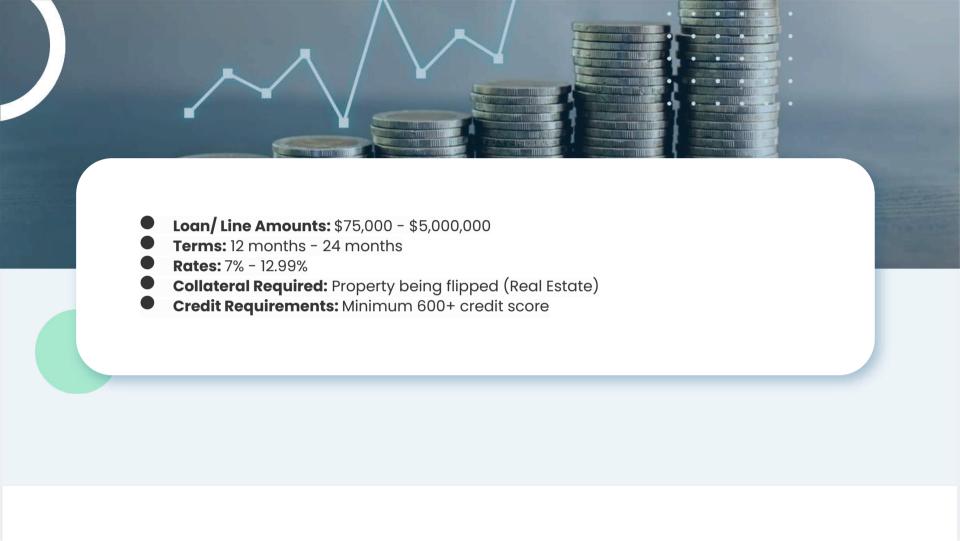


Description: Commercial Truck Loans are specifically designed to help businesses finance the purchase or lease of commercial vehicles, such as trucks, vans, or specialized vehicles. These loans enable businesses in industries like transportation, logistics, or construction to acquire vehicles necessary for operations. The loan is typically secured by the financed vehicle, ensuring that the lender has collateral in case of default.



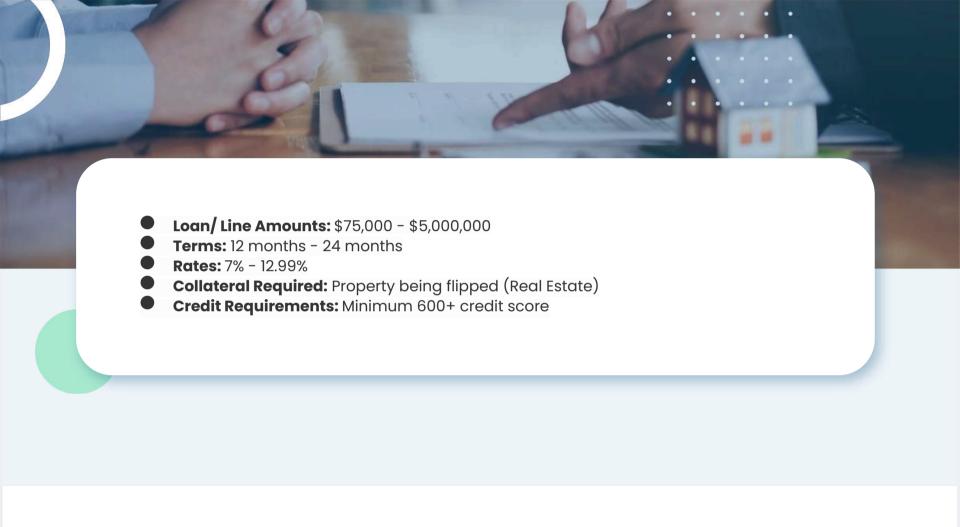
Fix and Flip Financing

Description: Fix and Flip Financing is a short-term loan designed specifically for real estate investors who purchase properties to renovate and resell at a profit. These loans are typically used for residential properties that need repairs or upgrades before being resold. The financing covers the purchase price and renovation costs, and is paid back after the property is sold or refinanced.



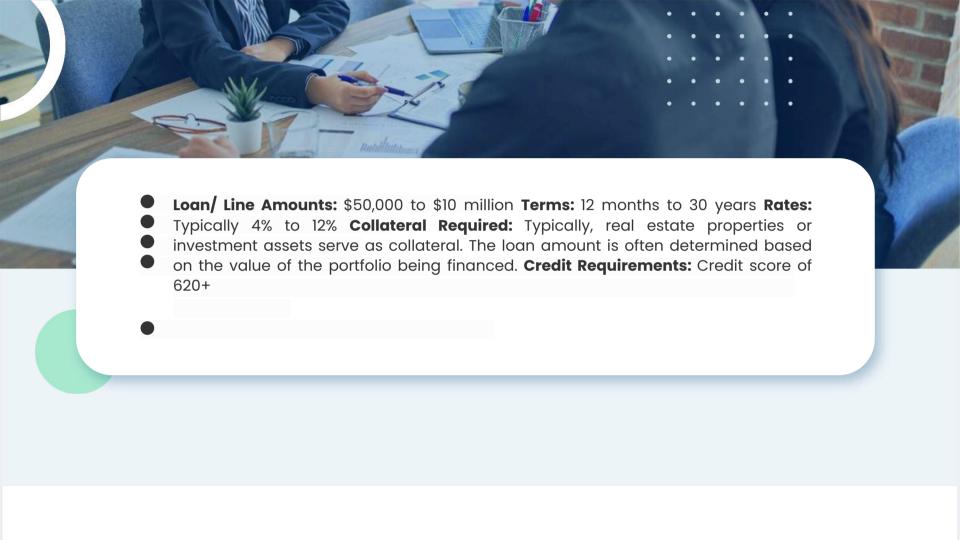


Description: Debt Service Coverage Ratio (DSCR) Loans are a type of real estate financing that evaluates a borrower's ability to repay a loan based on the income the property generates. DSCR is a key financial ratio used by lenders to assess the risk associated with a loan, particularly in investment properties. It is a measure of a property's ability to cover its debt obligations using its operating income. These loans are commonly used for commercial real estate, rental properties, and multi-family units.



NEW Portfolio Loans

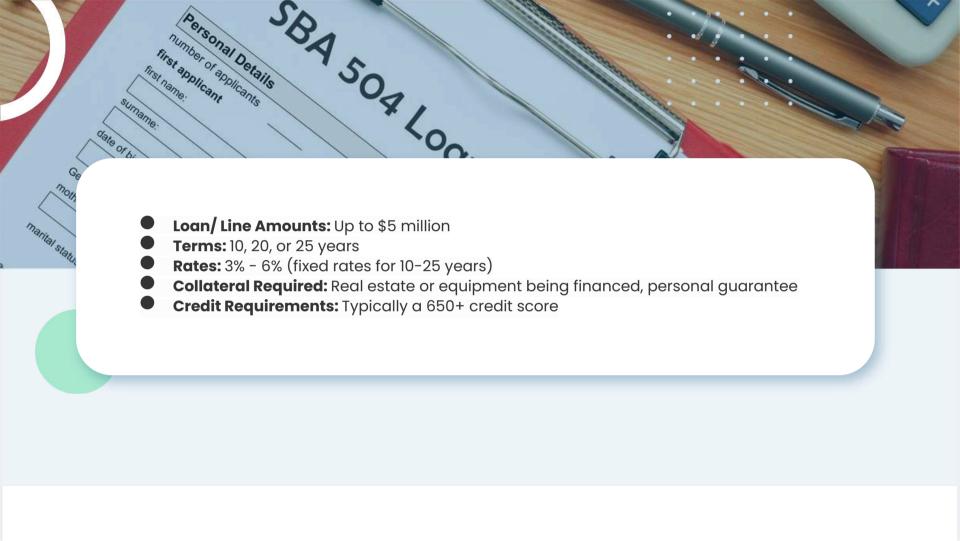
Description: A Portfolio Loan is a type of loan that is underwritten and held in-house by the lender, typically a bank or credit union, rather than being sold on the secondary mortgage market (like Fannie Mae or Freddie Mac). These loans are ideal for borrowers whose financial situation doesn't meet the rigid requirements of traditional loans. A portfolio loan can be used for a variety of purposes, such as purchasing real estate, refinancing properties, or consolidating debt, and is often offered to individuals with unique financial circumstances.



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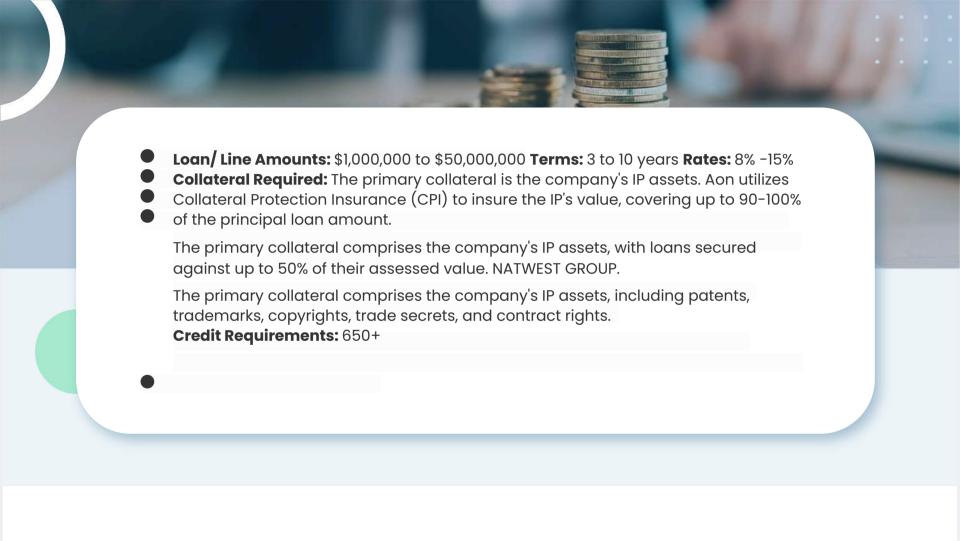
SBA 504 Loans

Description: SBA 504 Loans are long-term, fixed-rate financing options provided by the Small Business Administration (SBA) to help small businesses purchase real estate, machinery, and equipment. The SBA 504 program is designed for businesses that are looking to expand or acquire large fixed assets, such as commercial real estate or heavy equipment, without putting too much strain on their cash flow. It offers lower down payments compared to conventional loans and more favorable interest rates.



NEW IP-Backed Loans

Description: IP-Backed Loans are a type of financing that allows companies to leverage their intellectual property (IP), such as patents, trademarks, copyrights, and trade secrets, as collateral. These loans are ideal for businesses with valuable IP assets but limited physical or cash collateral. IP-backed loans are often used for research and development, expansion, working capital, or strategic acquisitions, enabling companies to unlock capital tied up in their intellectual assets.





Description: Patent Financing provides businesses with capital by using their patents as collateral. This type of financing allows companies to leverage their intellectual property (IP) assets to secure funding for growth, R&D, or other business needs. It's especially useful for businesses in tech, pharmaceuticals, and other innovation-driven industries.



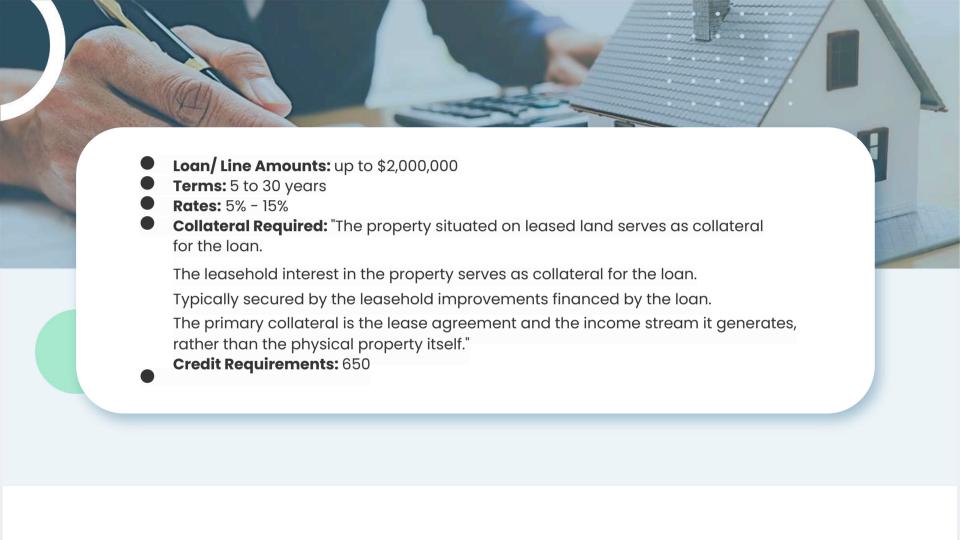
NEW CD-Backed Loan

Description: A CD-Backed Loan (Certificate of Deposit-Backed Loan) is a type of secured loan where a borrower pledges a Certificate of Deposit (CD) as collateral in exchange for a loan from a financial institution. The borrower can access funds without cashing in their CD, and the CD continues to earn interest while serving as collateral. This type of loan is often used by individuals or businesses who wish to unlock liquidity from their CDs without losing the interest income.





Description: Leasehold Financing allows businesses to secure loans using the leasehold interest in a property as collateral, where the property is located on leased land. This type of financing is ideal for borrowers looking to finance improvements or leverage a lease agreement that generates income.





Description: Intangible Asset Financing allows businesses to secure loans by leveraging luxury assets (like fine art, classic cars, jewelry, watches, and collectibles) or intangible assets (such as patents, trademarks, and other intellectual property). This financing is ideal for companies or individuals looking to unlock the value of assets that aren't physical property but still hold significant worth.

- Loan/ Line Amounts: \$2,500 to \$5,000,000 Terms: 1 to 24 months Rates: 8% 20%
 - **Collateral Required:** "Loans are secured by luxury assets, including fine art, classic cars, jewelry, watches, and other collectibles.
 - Intangible assets, such as patents or trademarks, may need to be independently valued to serve as collateral.

Valuation of both tangible and intangible assets to serve as collateral.

Valuation of assets, including intangible assets, to serve as collateral.

In ABF transactions, financing is secured by valuable and often highly diversified pools of assets.

In asset-backed financing transactions, financing is secured by valuable and often highly diversified pools of assets.

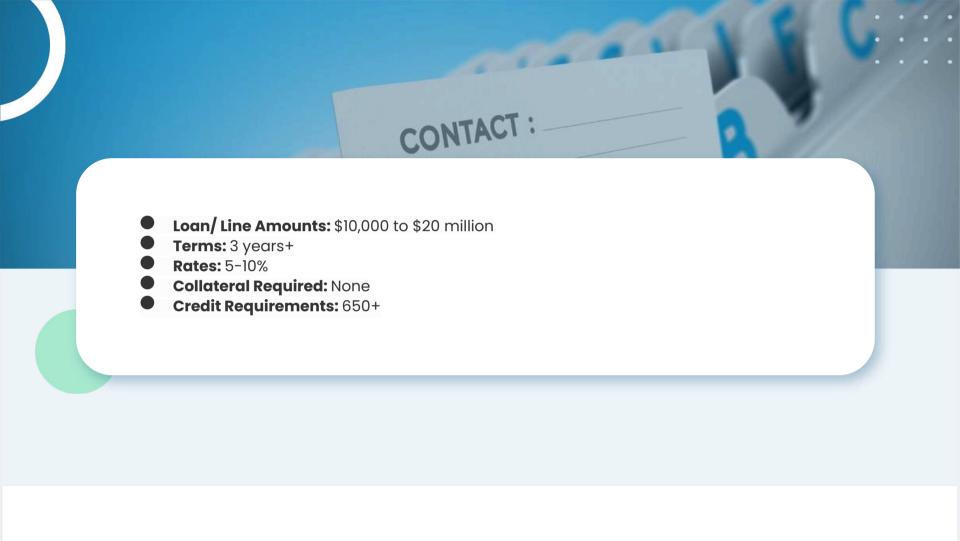
In ABF transactions, financing is secured by valuable and often highly diversified pools of assets."

Credit Requirements: 650+



NEW Customer List Monetization Loans

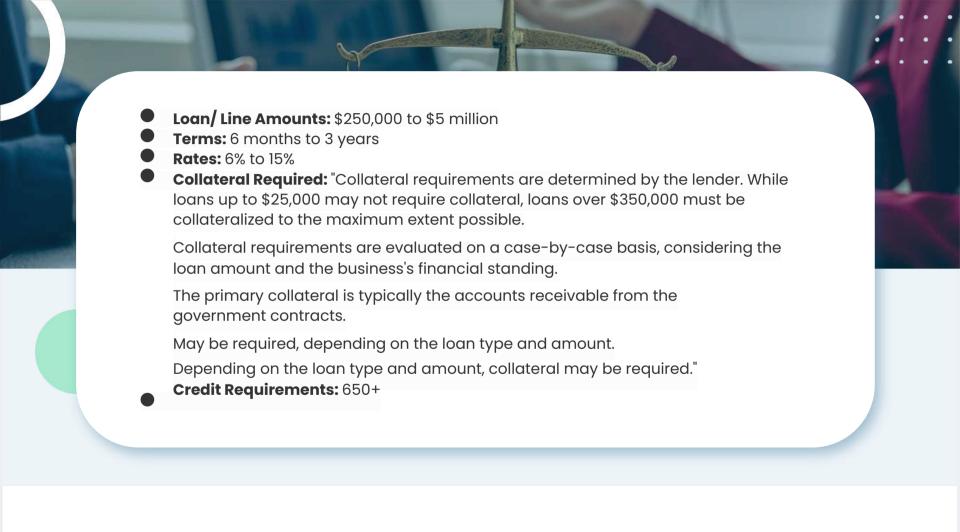
Description: Customer List Monetization Loans allow businesses to leverage their customer database or customer lists as a form of collateral for financing. The loan is based on the future value of the business's customer base, making it ideal for companies with a large, engaged customer list that can be monetized for future sales.





NEW Government Contract Financing

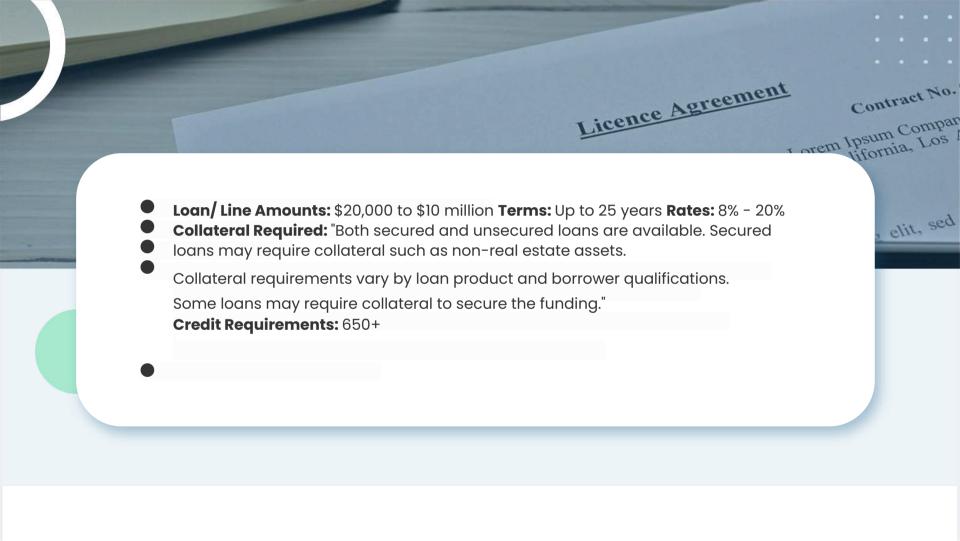
Description: Government Contract Financing provides working capital for businesses that have secured government contracts. The financing is typically based on the accounts receivable from those contracts and helps businesses manage cash flow while waiting for payments from government entities.





NEW License-Backed Business Loans

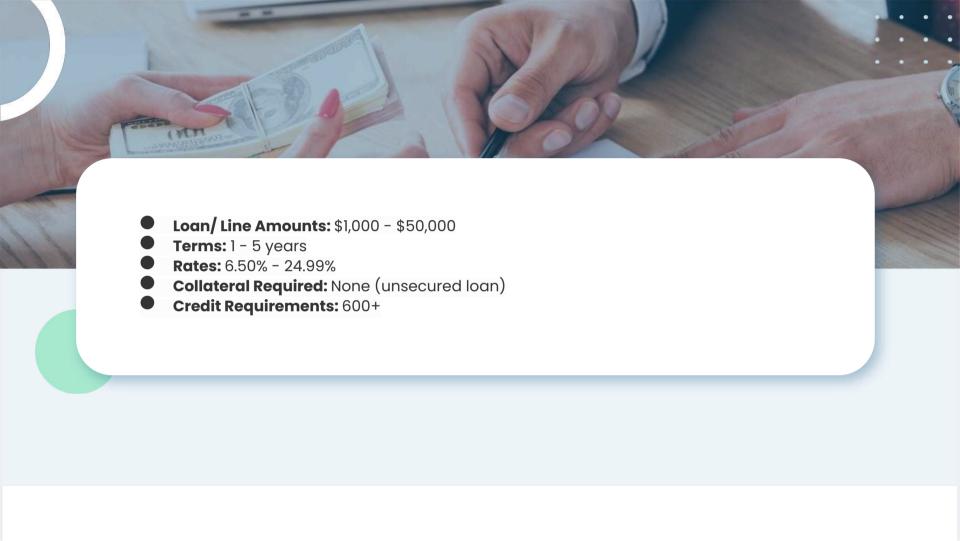
Description: License-Backed Business Loans allow businesses to leverage their licenses (such as business, software, or franchise licenses) as collateral for funding. These loans provide working capital or growth capital by monetizing the value of the business's intellectual property or licenses, helping businesses expand or improve operations.





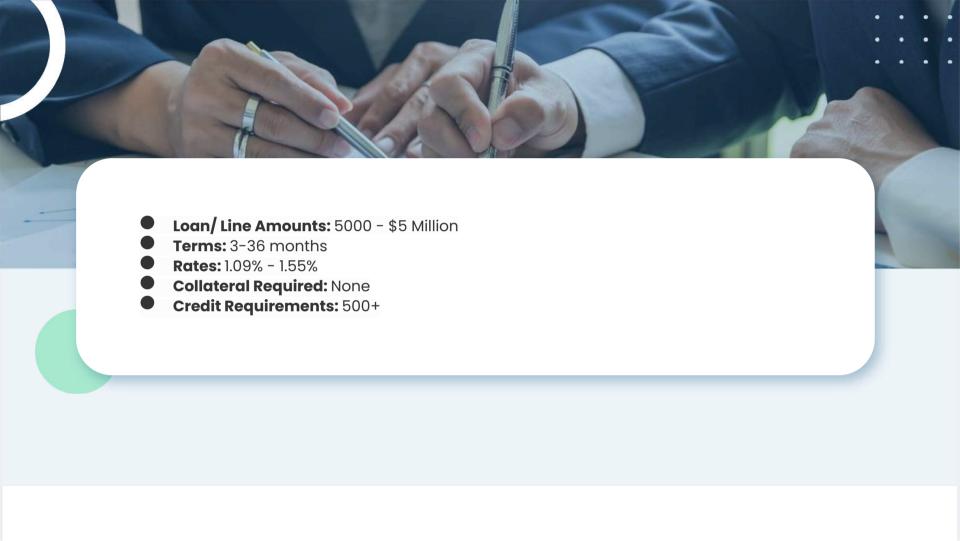
NEW Credit Union and Bank Signature Loans

Description: A Signature Loan is an unsecured loan offered by banks and credit unions, where the borrower agrees to repay the loan based solely on their signature (i.e., the promise to repay). Since the loan is unsecured, no collateral is required. These loans are ideal for individuals who need a lump sum of money for personal use, such as debt consolidation, emergency expenses, home improvements, or other personal needs.



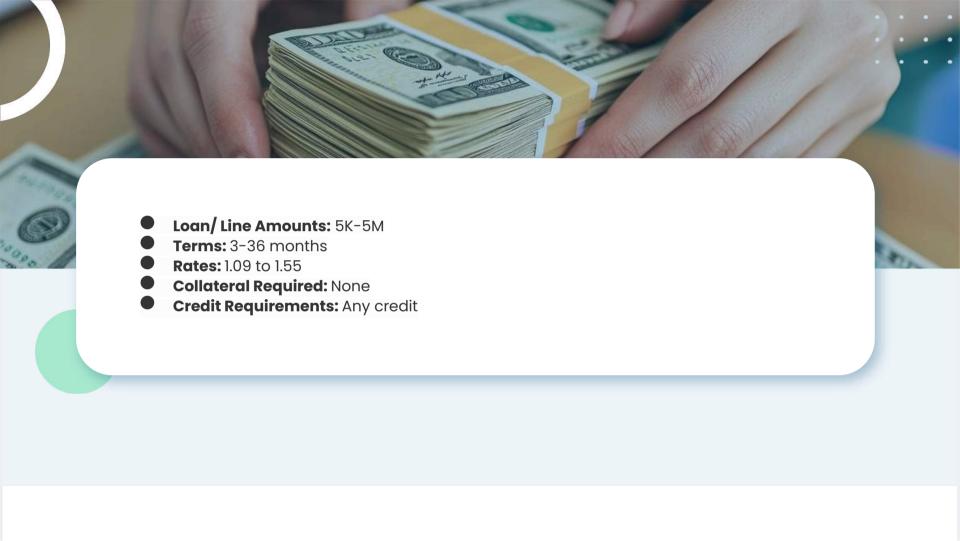


Description: Revenue Lending is a financing option for businesses that want to borrow money based on their monthly revenue, rather than their credit score or traditional collateral. It's ideal for companies with consistent cash flow but less-than-ideal credit scores. The loan is repaid through a percentage of daily revenue.



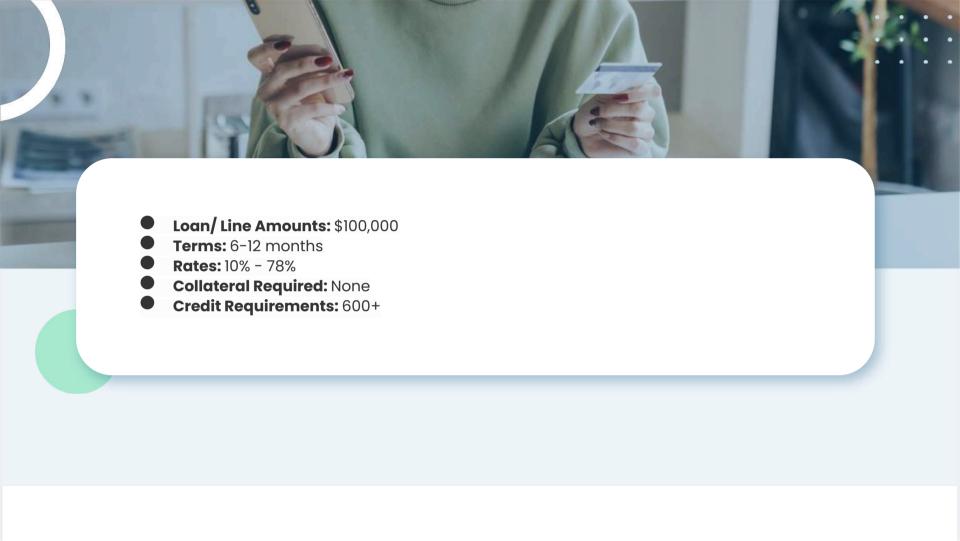


Description: Merchant Cash Advances provide businesses with quick access to funds based on their daily credit card sales or revenue. This is not a loan in the traditional sense, but an advance on future sales. Repayment is made through a percentage of the business's daily credit card receipts or revenue. MCAs are ideal for businesses that need fast access to capital and have a steady flow of credit card transaction.



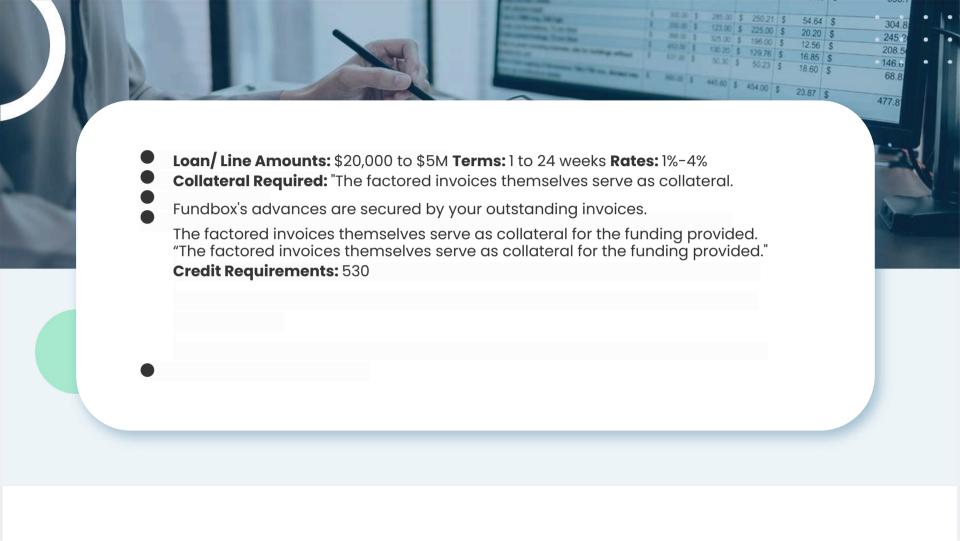


Description: A Business Line of Credit (LOC) provides a flexible financing option that allows businesses to access funds up to a certain credit limit. Unlike a traditional loan, businesses only pay interest on the amount they borrow, rather than the full credit limit. This revolving credit facility helps businesses manage cash flow gaps, finance short-term needs, and cover unexpected expenses.



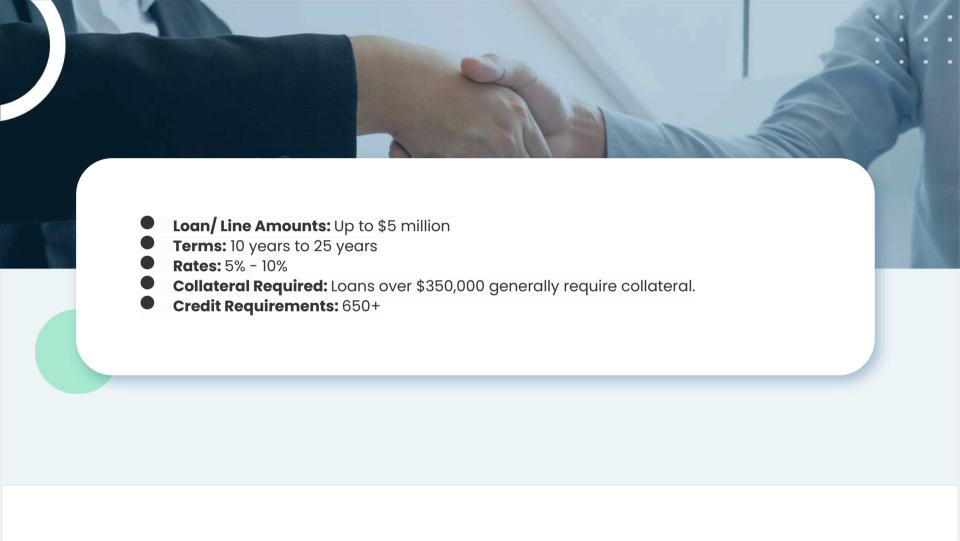


Description: Invoice Factoring allows businesses to sell their outstanding invoices to a lender or factoring company in exchange for immediate funding. This provides businesses with quick access to capital, helping them manage cash flow while waiting for customer payments.



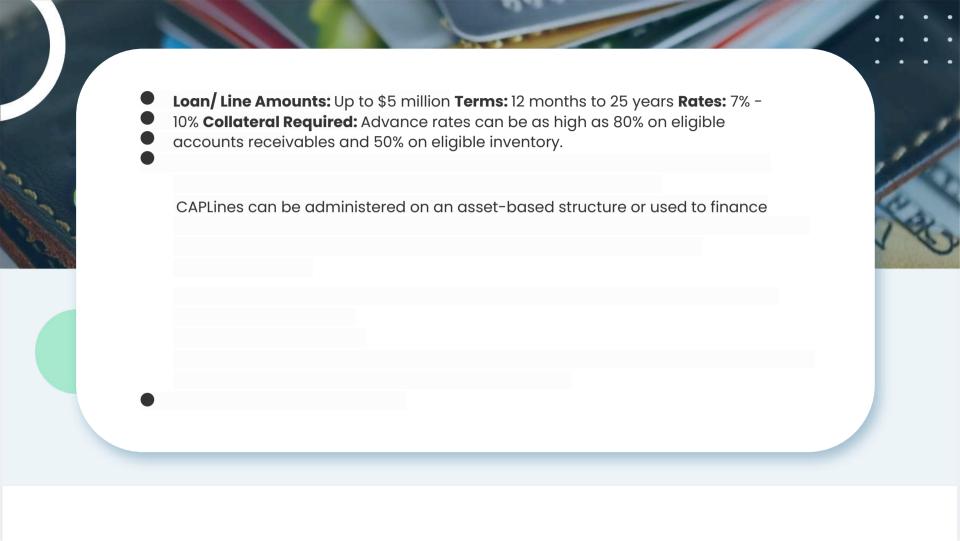


Description: SBA Loans are government-backed loans designed to help small businesses secure funding with favorable terms. These loans provide capital for business growth, working capital, and other financial needs while offering lower down payments and longer repayment periods compared to traditional loans.



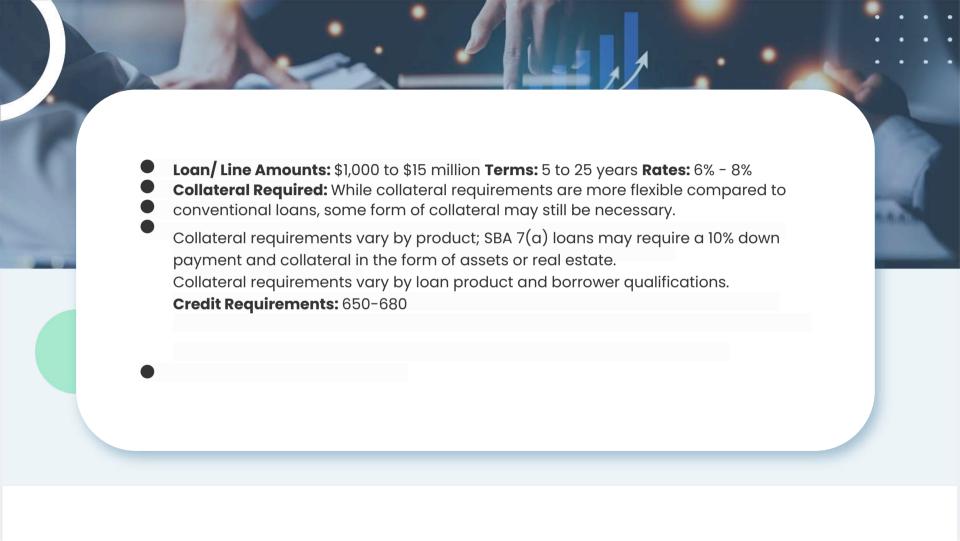


Description: SBA Credit Lines provide businesses with flexible access to working capital. These lines of credit are supported by the SBA (Small Business Administration), which helps reduce the risk for lenders, offering competitive rates and longer repayment terms for qualified businesses. Funds can be used for various purposes, including inventory, accounts receivable, and general working capital.



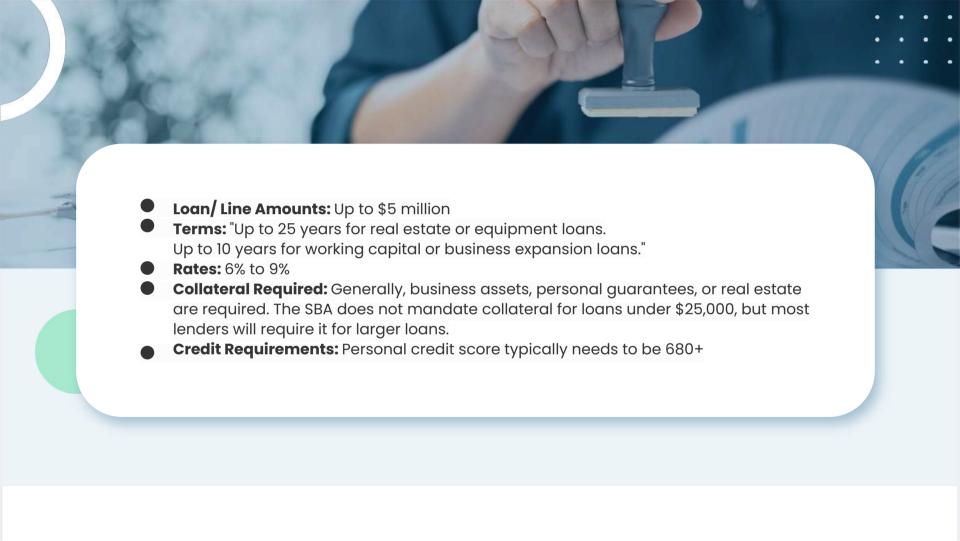


Description: SBA Acquisition Financing is designed to help businesses acquire other companies, real estate, or assets with government-backed loans. These loans offer favorable terms and lower down payments compared to traditional financing, making it an ideal option for small businesses looking to expand through acquisitions.



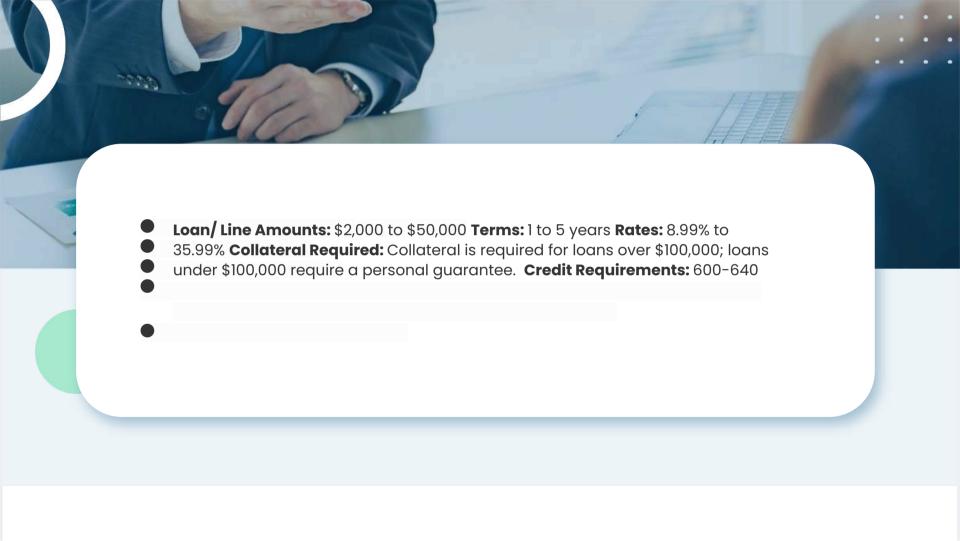


Description: SBA Startup Loans are specifically designed to help new businesses get off the ground by providing access to affordable financing. These loans are offered through SBA-approved lenders and come with favorable terms, including lower interest rates and longer repayment periods compared to traditional business loans. The goal of SBA Startup Loans is to give entrepreneurs the resources they need to launch their business and ensure long-term success.



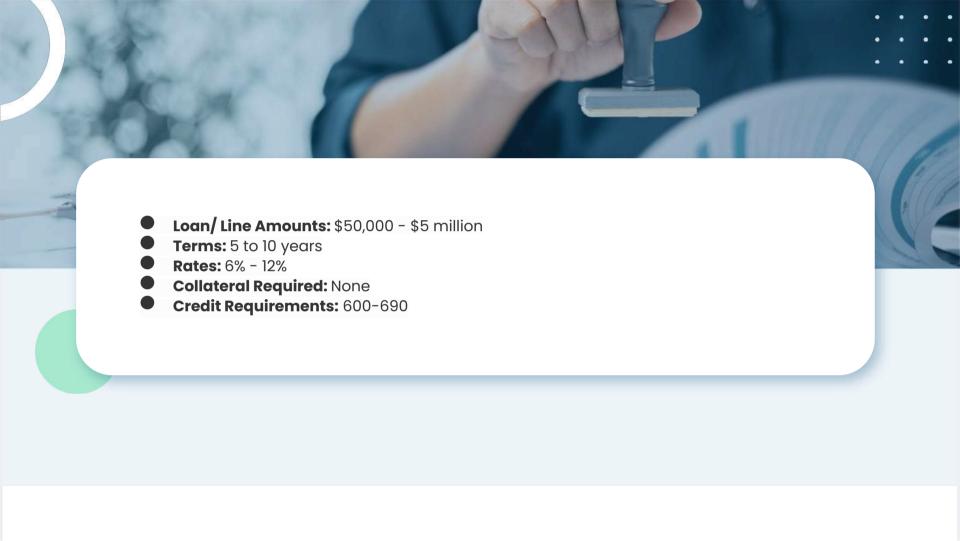


Description: P2P (Peer-to-Peer) Financing allows individuals or businesses to borrow money directly from investors, bypassing traditional banks and financial institutions. This type of financing offers competitive rates and flexible terms, making it an attractive option for those with good credit who want quick access to funds.





Description: Franchise Funding provides capital to individuals or businesses looking to start or expand a franchise. This type of financing helps cover startup costs, expansion, equipment, and other operational needs, offering flexible terms and competitive interest rates to support franchisees.





Description: Small Business Investment Companies (SBICs) are privately-owned, government-regulated investment firms that provide funding to small businesses through equity capital and debt financing. SBICs are licensed by the U.S. Small Business Administration (SBA) and are designed to help small businesses that may not have access to traditional funding sources. The SBA guarantees a portion of the funds invested by SBICs, reducing the risk for investors and making it easier for small businesses to obtain necessary capital.

