



# TRANSFAC CAPITAL

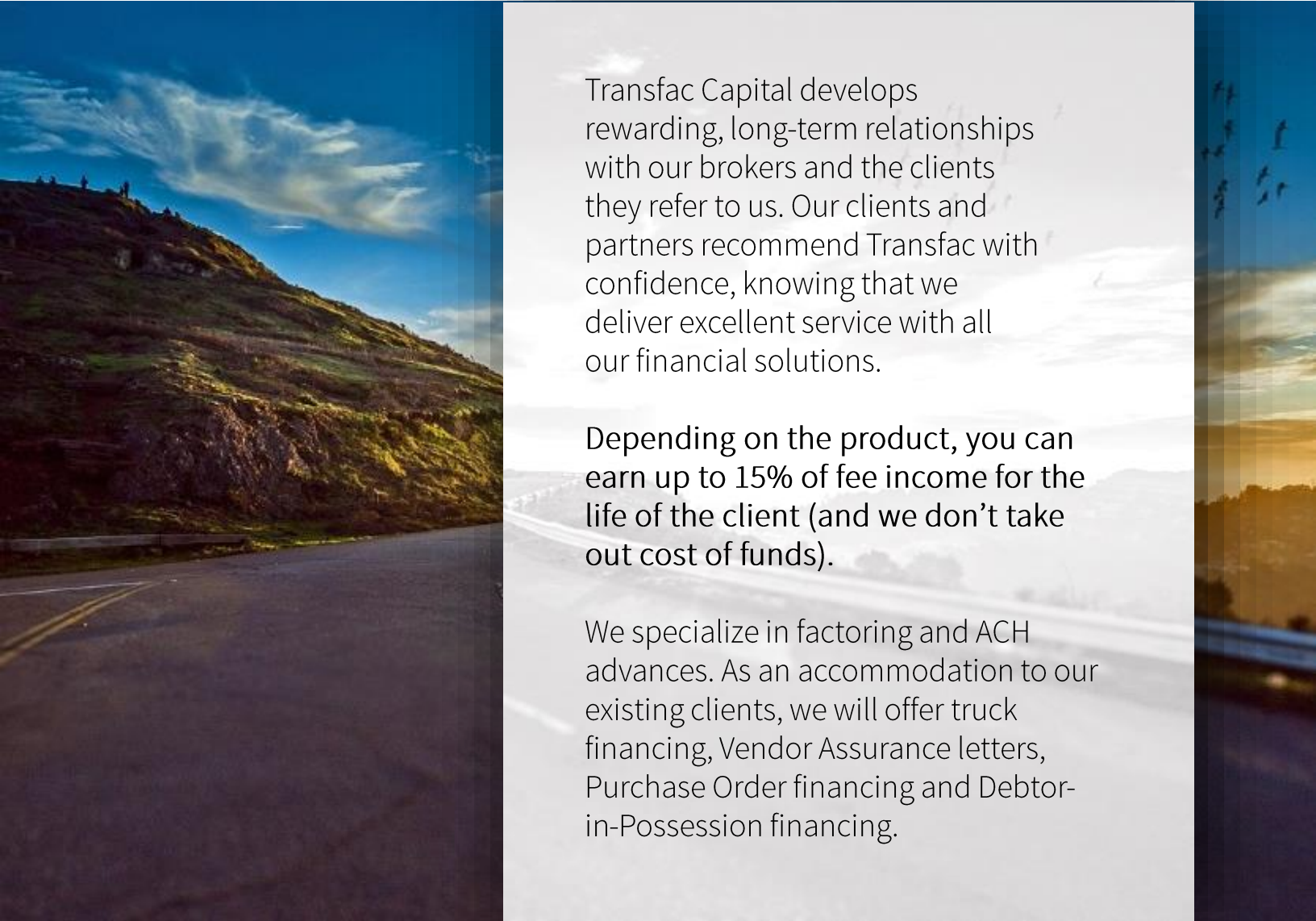
## AGENT WELCOME PACKET

Corporate Headquarters  
257 East 200 South, Ste 350  
Salt Lake City, Utah 84111  
888-222-2840  
801-575-6500

Transfac has regional offices in California,  
Illinois, Louisiana and Tijuana, Mexico.

# Transfac's Agent Program

## Residual Payments, Great Relationships



Transfac Capital develops rewarding, long-term relationships with our brokers and the clients they refer to us. Our clients and partners recommend Transfac with confidence, knowing that we deliver excellent service with all our financial solutions.

Depending on the product, you can earn up to 15% of fee income for the life of the client (and we don't take out cost of funds).

We specialize in factoring and ACH advances. As an accommodation to our existing clients, we will offer truck financing, Vendor Assurance letters, Purchase Order financing and Debtor-in-Possession financing.

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# Since 1942

## The Transfac Difference

Going strong for over 75 years, Transfac can trace its roots to 1942 in accounts receivable funding, business credit risk assessment, and accounts receivables management.

Transfac specializes in Accounts Receivable Financing and Management for small to medium sized businesses.

We help start-ups to seasoned businesses gain and maintain a healthy financial position. We consider ourselves a long term business partner to our clients and a great deal of thought goes in to developing programs to fit the unique need of our individual clients. Perhaps that is why we can boast about so many steady, long-term client relationships.



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# How Commissions Work

We know your first question is “Is this worth my time?” The short answer is “yes”- because residual payments keep coming in for the life of the deal. In other words, you work once and **keep getting checks**.

## RESIDUALS MATTER.

When a client signs on with Transfac, we advance funds based on the amount they submit in invoices, and we charge fees on that basis.

Commissions of up to 15% of those fees are paid to the Broker that brought the client for every invoice the client submits.

We have clients that have been with us for 10 years.

# Transfac's Edge

We account much of Transfac's long-term success to our core attributes:

## **Experience** – “Financing Business since 1942”

Transfac is a credible and successful company to work with. Many other factors open and close their shops in a couple of years and leave their clients in a crunch.

## **Reliability** – “Rely On Us”

We have several clients that have been with us more than a decade, which is rare for factoring companies. Our clients typically stay four times longer than other factoring companies. Professional brokers are most concerned about their reputation when trusting us with a referral. It is also conveyed through testimonials of customers we have had for several years and the experience of our staff.

## **Responsiveness** – “People Make the Difference”

End users and Brokers are concerned about speed of transactions. In most cases, we can provide a proposal (LOI) within a day of receiving the full application and the AR aging/customer list. If all the documentation is in order and all the right criteria are in place, we can fund as fast as 24 hours.

# Transfac's Target Transactions

The following guidelines will help you review a potential transaction and likelihood of closing based on the prospect's volume, industry, yield, accounts receivable quality, and ability to secure our position.

Our basic criteria:

- We can file a UCC in 1<sup>st</sup> position
- The company generates B2B invoices

WE SPECIALIZE IN B2B transportation, manufacturing, energy services, distribution, wholesale, staffing, recycling, cable / telecom and a variety of other industries. We have expanded across the US and into Canada.

Alongside A/R Financing, we also offer A/R Lines of Credit and ACH advances and, as an accommodation to our existing clients, truck financing, a fuel card program, Vendor Assurance letters, Inventory financing, Purchase Order financing and Debtor-in-Possession financing. We also have a white-label product for companies wanting to participate in funding.



# Transfac Products

## INVOICE FACTORING

Your business could make more money with funds to hire new talent, purchase better machinery, secure supplies with bulk discounts or increase marketing efforts. If your funds are tied up in slow-paying accounts receivable, Transfac solves that problem by advancing cash on invoices immediately instead of waiting thirty days or more to collect.

## A/R ASSIST

Could your company use professional help with managing your accounts receivable? With over six decades of experience, Transfac Capital sets the standard for AR assistance and can provide back-office support and collections to client companies even if you don't currently need a funding program.

## INVENTORY FINANCING\*

Carrying large product inventory to service customers can create a cash flow problem. Transfac can finance that inventory – along with the accounts receivable factoring – to reduce strain on daily cash flow.

## PO FINANCING\*

A significant delay between an order and its completion, affects cash flow. We can advance funds on a purchase order, and finance the receivable when the invoice is created. The client will be able to pay the expenses and service their customer.

## A/R CREDIT LINE

Many companies have sporadic cash needs that don't align with their cash flow. Our A/R Credit Line uses accounts receivable as collateral to advance funds when you need them the most. Smooth cash flow cycles allow your business to become efficient with its financial resources.

## DEBTOR IN POSSESSION\*

Companies using our DIP financing program have a shorter reorganization period and usually emerge from the Chapter 11 process faster. Transfac Capital's experienced staff and legal team have provided DIP financing to several companies in various industries. Our program offers financing up to \$5 million.

\*Transfac offers this service as an accommodation to our existing clients

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# Guidelines for Tough Deals

**We will review any B2B transaction that fits our criteria.**  
Certain industries pose a larger risk. We rarely fund these **difficult** transactions unless minimum guidelines are met:

## CONSTRUCTION

Minimum sales \$200,000/month  
Profitable for the last 24 months  
A/R exceeds A/P  
Concentration of largest debtor is less than 25%  
No liens or judgments

## RETAIL DEBTORS

Minimum 6 months sales history  
Documented offsets  
(marketing, slotting, return policy)  
No scan-based trading  
(retailer pays as product is sold)  
**Require one complete sales cycle**  
(determined by U/W)

## MEDICAL

Make sure the majority of the debtors are NOT insurance companies or Medicare / Medicaid (HIPAA prevents invoice verification)

## FOOD

Dry and Canned Food, Non-perishable or Long shelf life products

NO PERISHABLES

## SOFTWARE

Call for Review

## FINANCIAL

Call for Review

## APPAREL

Call for Review



# A/R Guidelines

## **Accounts Receivable Quality:**

Transfac's primary source of repayment on any transaction is A/R, so underwriting will carefully review the quality of a transaction's accounts receivable. Review the prospect's A/R for:

### **CONCENTRATION:**

Risk increases when a potential client's A/R is heavily concentrated with one or two debtors, so any customer having a single debtor with more than 30% of its sales will be carefully scrutinized.

### **INVOICE AMOUNT AVERAGES:**

Larger invoices lower the account overhead cost. All invoices will have a minimum fee of \$10.00 (initial fee plus incremental) charged; meaning smaller invoices are charged a larger percentage if minimums are not met.

### **AGING AND CROSS-AGED A/R:**

Standard recourse is 90 days, but client debtors will be excluded from eligible AR if more than 25% of the balanced owed is 60 days past date of invoice.

### **INVOICE SUBMISSION METHOD:**

We strongly prefer electronic invoice submission but will evaluate the workflow for invoicing submitted by mail, fax, or other means.

# Yield Guidelines

While **we will review any transaction that fits our criteria**, certain industries pose a larger risk. Here is a list of **difficult** transactions we rarely fund unless minimum guidelines are met:

| <i><b>Line Size</b></i>        | <i><b>Expected Yield</b></i> |
|--------------------------------|------------------------------|
| <b>\$50,001 - \$100,000</b>    | <b>40%+</b>                  |
| <b>\$100,001 - \$200,000</b>   | <b>35%+</b>                  |
| <b>\$200,001 - \$500,000</b>   | <b>30%+</b>                  |
| <b>\$500,001 - \$1,000,000</b> | <b>25%+</b>                  |
| <b>\$1,000,001+</b>            | <b>22%+</b>                  |

# Transfac's Portal

## Log in to success!

At Transfac, we want to make it easy for you to submit information to us. Our online portal is available around the clock so you can work with client applications, submit and review information, track deal progress, see your commissions and create reports.

The screenshot displays the Transfac Capital online portal. The main header features the company logo and a login section with fields for 'User' and 'Password', and a blue login button. Below the login section, a navigation bar includes a search icon and a list of icons for various functions. The main content area shows a breadcrumb trail: 'Companies and Contacts > Leads > List [Filter: Lead Summary [Admin...]]'. Below this, there are buttons for 'Leads list', 'Actions', and 'Add record'. A table is visible with columns: 'Lead name', 'Lead status', 'Assigned To', 'Last modified by', 'Modified time', 'Primary phone', and 'Primary email'. The table contains one row with a search icon, the letter 'A', and three 'Select an option' dropdowns. Two callout boxes are present: one pointing to the login area stating 'Deal info is available in our secure portal, 24/7' and another pointing to the navigation bar stating 'Powerful tools keep you organized and informed'.

Deal info is available in our secure portal, 24/7

Powerful tools keep you organized and informed

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# Need More Information?

**Thanks for your interest in becoming a Transfac Agent!**

We're here to help! Contact us via phone during our regular office hours or check out our helpful resources online at [Transfac.com](http://Transfac.com).

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