



TRANSFAC CAPITAL

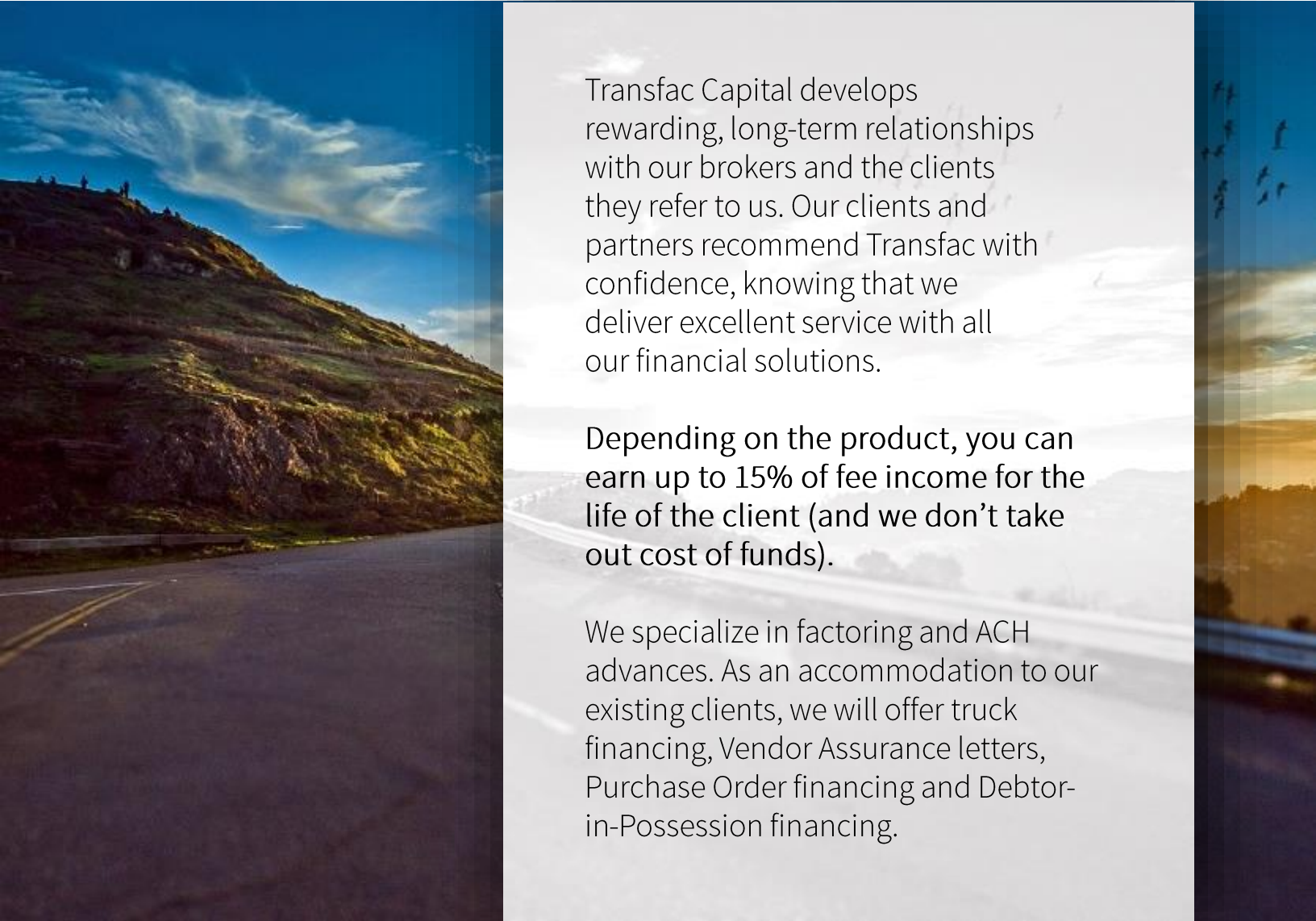
AGENT WELCOME PACKET

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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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.

We will review any business applicant that fits our basic criteria:

- We can file a UCC in 1st position
- The company generates B2B invoices

OUR FAVORITE INDUSTRIES:

Transportation still constitutes a portion of our current business, but we have expanded across Canada and the US in a variety of B2B industries including manufacturing, energy services, distribution, wholesale, staffing, recycling, cable / telecom and others.

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. See more about this on the next page.

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.

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 stay 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 Products

Invoice Factoring

Most businesses could make more money if they had more available to utilize. Funds could be used to hire people, purchase better machinery, secure supplies in bulk at a discounted rate, or increase marketing efforts. However, many businesses have sales tied up in slow-paying accounts receivable. Factoring solves that problem by advancing cash on invoices immediately instead of having to wait thirty days or more to collect.

Accounts Receivable Line of Credit

Cash flow in a business is not as fluid as some would like. Many companies have sporadic cash needs at different times in their business cycle. A line of credit using accounts receivable as collateral can resolve cash flow dilemmas and allow the business to be most efficient with its financial resources.

AR Assist

Some businesses do not need funding, but do require professional help with managing their 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.

Debtor in Possession (DIP) Financing

Companies receiving DIP financing have a shorter reorganization period and are more likely to emerge from the Chapter 11 process quicker. Transfac Capital's experienced staff and legal team have provided DIP financing to several companies in various industries, with financing up to \$5 million.

Inventory Financing

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

Purchase Order Financing

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

Trucking Deals: Fund My Freight or Transfac Capital?

We will do transactions with up to \$5 million in outstanding accounts receivable, but generally do not exceed \$2.5 million in AR per transaction. Prospects use a quick application and underwriting process for deals up

Sweet Spot: Transportation:







- a) Transfac Capital – 3+ Trucks
- b) Fund My Freight: – < 3 Trucks

Commercial:

- a) \$50k-\$250k at 30+%
- b) \$250k-\$750k at 24+%
- c) Will do \$30k if company can grow and no concentration

Guidelines for Tough Deals

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:

	Medical: Any applicant where the majority of their debtors are insurance companies and/or Medicare/Medicaid
	Construction: Any applicant that doesn't meet the following: Minimum of \$200,000 per month in sales Profitable for the last 24 months Accounts receivable exceed accounts payable Concentration of largest debtor is less than 25% No liens or judgments
	Customers with Retail Debtors: Look for the following traits for all potential transactions where the majority of debtors are retailers: Minimum of six months of sales history to retail debtors Documented offsets (marketing, slotting, return policy) No scan based trading (retailer pays customer as product is sold) Require one complete sales cycle (determined by U/W)
	Computer Software
	Produce
	Financial

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

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 prospects A/R for:



Concentration: any customer having a single debtor with more than 30% of its sales will be heavily scrutinized



Aging: While standard recourse will be at 90 days, client debtors will be excluded from eligible AR if said debtor has more than 25% of the balanced owed after 60 days past date of invoice (Cross Aged)



Size of Invoice: Larger invoices are easier for operations to manage. All invoices will have a minimum fee of \$10.00 (initial fee plus incremental) charged; meaning smaller invoices will be charged a larger percentage if minimum not met



Submission of Invoice: Consider the potential client's ability to submit invoices by mail, fax, or electronically

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 tabs for 'Leads list' and 'Actions', and a dropdown menu for 'Lead Summary [Admin]'. A table of leads is visible, with columns for 'Lead name', 'Lead status', 'Assigned To', 'Last modified by', 'Modified time', and 'Primary phone'. The table contains one row with a search icon, a dropdown menu, and several text input fields. Two callout boxes highlight key features: 'Deal info is available in our secure portal, 24/7' and '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.

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