

Application Guidelines For Introducers

<p>Overview</p>	<p>General guidelines:</p> <ol style="list-style-type: none"> 1. Client – well established and profitable 2. Industry – manufacturing, wholesale, retail, importing 3. Inventory finance – Purchasing stock from a third party for resale or manufacturing 4. Production finance – Payment of invoices for outsourced manufacturing, processing and refining costs 		
<p>Industry Guidelines</p>	<ul style="list-style-type: none"> • Inventory Finance is suitable for Manufacturers, Wholesalers, Distributors and Retailers in almost any industry, purchasing stock from within Australia or overseas. • Production Finance is suitable for Manufacturers who outsource any part of their production process and are invoiced by third party providers for that service. 		
<p>Client Guidelines</p>	<p>Suitable Clients . . .</p> <ul style="list-style-type: none"> • are established for more than 3 years with strong prior management experience • have a pre-tax profit last financial year • require a facility from \$400,000 to \$3 million • have sales of \$3m to \$50m pa • turnover of stock within an acceptable time period (i.e less than 120 days) • will have their last two years financial statements available (and interims if these are more than 6 months old) • have a suitable gross profit margin for their industry • demonstrate company strength through tangible net equity being in line with facility limit sought • have a clear net profit benefit from using inventory and/or production finance • have a 1st or 2nd fixed & floating charge over the business available 		
<p>Inventory Guidelines</p>	<p>Is the Inventory . . .</p> <ul style="list-style-type: none"> • fit for resale or manufacturing • from an unrelated third party supplier • not existing inventory • not on consignment • not hazardous or dangerous 	<p>Services Guidelines</p>	<p>Is the service . . .</p> <ul style="list-style-type: none"> • performed by an outsourced third party • adding value to the manufacturing process

<p>Pricing</p>	<p>Application Fee: \$1,100</p> <p>Establishment Fee: 1% of approved facility limit</p>	<p>Transaction Fee: 30 Days – 3% 60 Days – 5% 90 Days – 7% 120 Days – 9%</p>	<p>Extension Fee: 30 Days – 5% 60 Days – 10%</p>
<p>Application Process</p>	<ol style="list-style-type: none"> 1. Submit two years Profit & Loss and Balance Sheet (plus interims if financials are more than 2 years old), along with Statement of Asset and Liability of Directors for scenario review. 2. Forward the signed application, further requested supporting documentation and credit card details for the application fee of \$1100. Application fee is refunded if the facility is drawdown within 14 days of approval or if the application is declined. 3. We will assess your client's application, including an on-site meeting prior to final approval. 4. When the facility limit is approved, the master loan agreement will be sent to you for your client's signature. The establishment fee of 1% of the facility limit will be debited from your client's account upon return of the signed documents. 5. Master facility is now established. Your client can now make drawdown requests for combined invoice payments from \$100,000. 6. To drawdown, your client will complete and submit their Drawdown Request. 7. Fax or email the signed loan drawdown request and supplier invoices for payment to; fax no: 1800 763 013 email: info@providentcashflow.com.au 8. Invoices will be verified and a transaction bond of 10% debited from your client's account. Payment is made directly to the suppliers bank account. 9. We will pay you the upfront commission upon the initial drawdown. We will also pay your trail on the 15th of each month. 10. On completion of the individual loan drawdown, your client's account will be debited for the loan amount drawn plus the transaction fee. The transaction bond will then be refunded in full to your client's account. 		

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