Fifo Factor Solution Overview

Fifo Capital provides fast, flexible finance for New Zealand business – a complementary service for those times where traditional finance is not geared to meet your clients’ needs. Our promise to our professional partners is simple: your clients will deal with one point of contact, who is both fast and expert in tailoring business finance for specific client needs.

Following is an overview of Fifo Factor: How it works; fees and structure and the business scenarios it is an ideal fit for.

How it works. Three simple steps.

1. Your client invoices their customer for services or goods provided.
2. Your client chooses which invoices to fund and receives up to 90 per cent of the invoice value – within 24 or less of completing an application.
3. The remaining 10 per cent less a fee is paid to your client when their customer pays the invoice.

Here is why more businesses are using Fifo Factor:

- Need to fund business growth – e.g. sales growth and contract mobilisation and delivery
- Manage fluctuating cash flow i.e. seasonal businesses
- Have a high concentration of their business with one or more customers.
- Are financing a start-up business
- Either lack or do not want to use real estate security
- Deal with long payment terms from customers
- Have lean cash flow and need to access cash that is locked in unpaid invoices
- Can negotiate supplier discounts by paying early
- Are financing mergers and acquisitions
- Are financing management buy-out / buy-in and succession planning.

Fifo Single Factor - Product Details

<table>
<thead>
<tr>
<th>Funding size</th>
<th>$5,000 to $250,000+ per month. Funding grows as the business grows.</th>
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<tbody>
<tr>
<td>Approval</td>
<td>Funding can be advanced in as little as 24 hours after a completed application. Subsequent transactions are advanced in as little as four hours.</td>
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<td>Transaction types</td>
<td>Business to business transactions</td>
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<td>Term</td>
<td>No fixed term contract. Clients can use Fifo Factor once, or multiple times in line with their business needs.</td>
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<td>Application requirements</td>
<td>A simple and straight-forward application, which is submitted with the following information:</td>
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<td></td>
<td>* List of aged debtors and creditors</td>
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<td></td>
<td>* Recent management accounts and the previous year’s financial statements (P&amp;L and Balance Sheet)</td>
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<td>* Statement of Financial Position</td>
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<tr>
<td>Security</td>
<td>No real estate security is required. Security requirements include:</td>
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<td></td>
<td>* Director Guarantee and Indemnity</td>
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<td></td>
<td>* Security interest in invoice(s) funded</td>
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<td></td>
<td>* Other security is considered on an individual basis</td>
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<td>Fees</td>
<td>Fees are charged on a sliding scale, depending on the length of time the funds are required.</td>
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<td>Debtor disclosure</td>
<td>Fifo Capital is a disclosed facility whereby the debtor confirms that the goods or services has been delivered and the payment will be made to Fifo Capital.</td>
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<td>Customer relationships</td>
<td>While Fifo Capital receives payment from your client’s debtor, the client always maintains the relationship with their customer and all interactions regarding the transaction are handled with the highest degree of professionalism.</td>
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Key industry sectors
Fifo Capital works with clients across a broad range of industries. These typically include - but not are limited to - the following:

- Wholesale trade
- Manufacturing
- Construction (engineering, earthmoving, concreting etc)
- Consulting and professional services
- Transport and storage
- Retail
- Labour hire
- Importing
- Other SMEs offering credit terms to large slow paying clients corporates and government clients

Professional partnerships
Our difference is quality service delivered through one-on-one relationships and specialist business finance expertise. There is a multitude of finance options available, but in our view, relationship and expertise makes the difference between a short-term fix and a solution for long term success.

- Fast, direct access to the expert decision maker
- 24 hour funding after completed application
- Consultation – we partner your expertise to find the right solution
- No cookie-cutter solutions; purpose-fit finance for clients’ needs

More and more clients are discovering why Fifo Capital has quickly become one of New Zealand’s leading alternative commercial financier. But don’t take our word for it - here’s what our clients have to say about working with Fifo Capital:

"Fifo Capital is an absolute breath of fresh air. Their ability to see the potential business asset for what it actually is, is so rare. I highly recommend working with them – I have never dealt with someone more flexible and understanding. The interaction, the flexibility, their knowledge and their ability to fund you quickly – that’s really valuable.”

About Fifo Capital
We launched in New Zealand in 2005, opened our doors in Australia in 2007 and following this success, expanded into Ireland. The Fifo Capital network 70+ Business Partners are quality professionals who thrive on designing solutions specific to the needs of their clients. Privately owned, advocates of business and here when your clients need – one off or ongoing – Fifo Capital has the financial backing and expertise to deliver solutions for short term finance needs, and long term business success.

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