Dealstruck is a new financing platform for small businesses

“Our mission is to be the best place for small businesses to finance their growth by providing them with efficient service and innovative funding solutions that are fair and transparent”
MULTIPLE PRODUCTS FOR SMB LIFE CYCLE

- **Equity, family & friends**
- **Startup**
- **Early success**
- **Sustained success**
- **Rapid growth**
- **Maturity**

- **ABL, term loan**
- **Short-term loan, factoring**
- **Bank financing**
- **Bond financing**
Many products with varying benefits

<table>
<thead>
<tr>
<th></th>
<th>Traditional &amp; SBA</th>
<th>Investment Lenders</th>
<th>Short-term Lenders</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SBA Financing</strong></td>
<td>Max: $5 million</td>
<td>Line of Credit</td>
<td>Factoring</td>
</tr>
<tr>
<td></td>
<td>Average: $330k</td>
<td></td>
<td>Up to $500k</td>
</tr>
<tr>
<td><strong>Traditional Bank Loan</strong></td>
<td>$150k and up</td>
<td>Term Loans</td>
<td>Up to $500k</td>
</tr>
<tr>
<td><strong>Loan Amount</strong></td>
<td></td>
<td></td>
<td>70-90% of invoices</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Up to $500k</td>
</tr>
<tr>
<td><strong>Timing, Application to Funding</strong></td>
<td>3-6 months</td>
<td>1-2 weeks</td>
<td>1-2 weeks</td>
</tr>
<tr>
<td><strong>Use</strong></td>
<td>Any business use</td>
<td>Stabilize irregular cash flows</td>
<td>Cover operating expenses until invoices are paid</td>
</tr>
<tr>
<td><strong>Term</strong></td>
<td>3-10* years</td>
<td>Inventory, capital, general growth</td>
<td>Short term needs: cover payroll and/or unexpected costs</td>
</tr>
<tr>
<td></td>
<td>* Terms &gt;5 yrs usually real estate</td>
<td>1 year renewable contracts</td>
<td>Usually 30 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3-12 months</td>
</tr>
<tr>
<td><strong>Payments</strong></td>
<td>Monthly Payments</td>
<td>Weekly, Bi-Weekly, or Monthly Payments</td>
<td>No Payments (Cost is 2-3% of invoices)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Daily payments of a fixed % of sales</td>
</tr>
<tr>
<td><strong>APR Range</strong></td>
<td>Term Loan: 5.5%-6%, Line of Credit: 9%-12%</td>
<td>Weekly, Bi-Weekly, or Monthly Payments</td>
<td>Equivalent APRs are 30%-50%</td>
</tr>
<tr>
<td></td>
<td>4%-8%</td>
<td></td>
<td>Equivalent APRs are often 60%-150%</td>
</tr>
</tbody>
</table>
QUALIFICATION CRITERIA

- 1+ year time in business
- $20,000+ month in sales
- Breakeven or cash flow positive
- Existing 1st priority blanket liens must be removable
- No major derogatory credit marks in last 24 months (rule of thumb, FICO > 600)
Term Loan
- $25,000-$250,000
- 6-36 month terms
- APR range: 8.99%-28.99%

Asset-Based Line of Credit
- $25,000-$250,000
- 12 month renewable contract
- Up to 85% of outstanding A/R
- Cash control required
“I know exactly what I need and how much it costs.”

- **Proper Uses**
  - Refinancing high cost (MCA) debt
  - Vehicles & Equipment
  - Leasehold Improvements
  - Opening additional locations
  - Partner Buyouts and Acquisitions
  - New hiring and marketing initiatives

- **Improper uses**
  - Recurring payroll
  - Materials and Supplies
  - Cash flow
"I have working capital needs but I’m exactly not sure when or how much I’ll need."

**Proper Uses**
- Payroll
- Materials & Supplies
- Inventory
- Cash Flow

**Improper uses**
- Vehicles & Equipment
- Leasehold Improvements
- Opening additional locations
- Partner Buyouts and Acquisitions
- Financing Fixed Assets
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