



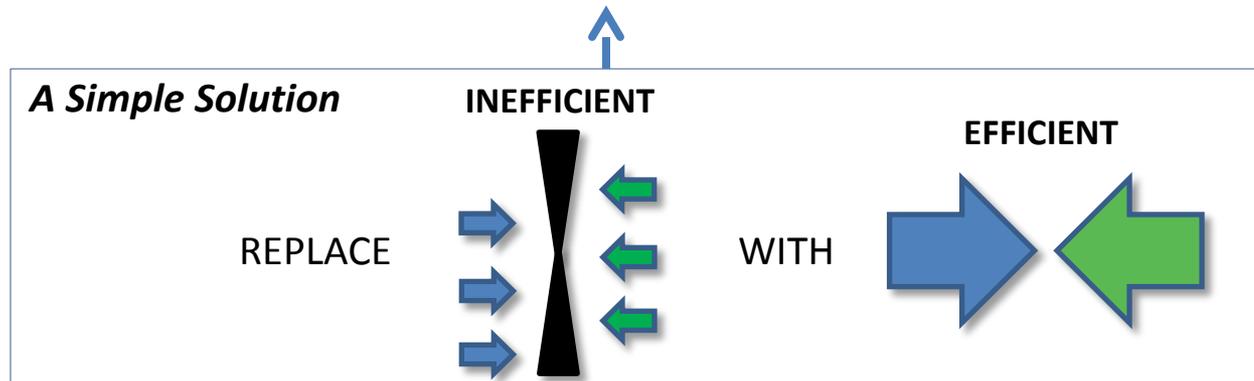
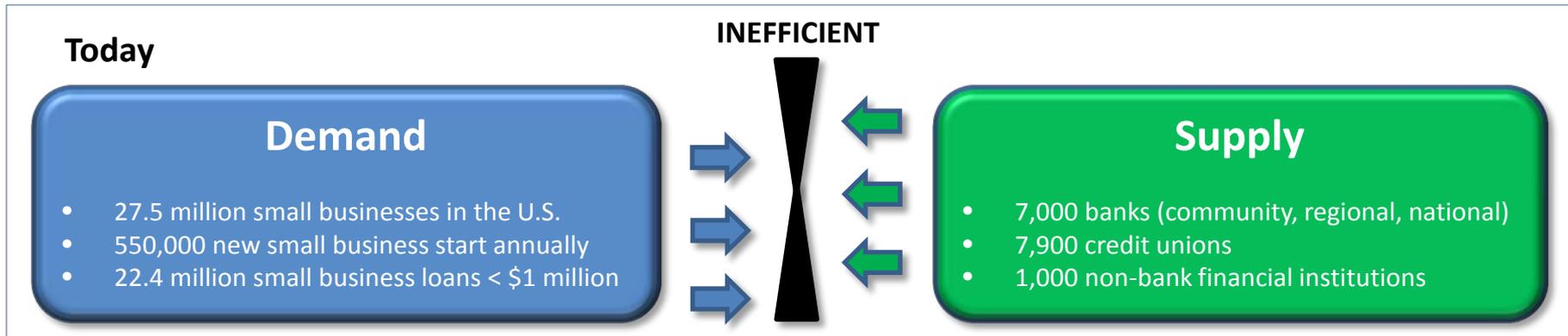
**A Technology to Simplify Business Lending Through an Online
Marketplace**

Federal Reserve Bank of New York
Summit on Small Business Credit Innovations
May 15, 2014

THE MARKET OPPORTUNITY

\$2.2 trillion small business loans outstanding today.

- Up to 4.5 million new business loans annually



VISION: To be the marketplace for small business lending

THE PROBLEM

The old process is extremely **INEFFICIENT** for borrowers and lenders, both from a cost and time perspective.

Summary of Inefficiencies

Borrowers

Lenders

Marketing

- Difficult to find matching lenders
 - Lenders aren't transparent with criteria
 - Little access to lenders outside of local area
- Costly to pay a broker to assist
- Difficult to find a high-quality broker
- Limited opportunity to generate an auction amongst lenders

- Need to pay brokers/originators
 - Excessive rates for proprietary flow
 - Incentive systems causes distrust
- Time intensive and costly to screen applications
 - Most do not meet criteria
- Limited ability to go outside of local footprint

Underwriting

- Not clear what information is required
 - Each lender has separate requirements
 - Diligence request are inconsistent
 - Process can be distracting and harmful to business

- Time intensive and costly to secure all documents
 - Borrowers are rarely well prepared
 - Information is difficult to collect in proper format

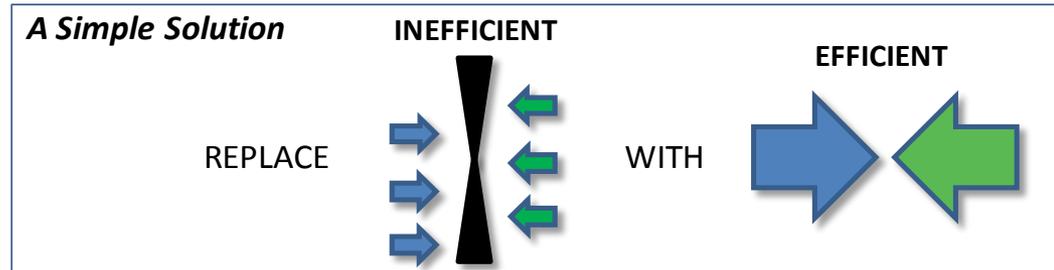
Closing Results

- Higher cost per closing
 - Unable to effectively shop rate and term
 - Longer time to close (time value of money)
- Process pushes clients into more expensive products

- Higher cost per loan originated
 - Pay brokers/origination team
 - Cover expenses for failed deals in underwriting
 - Time delay of funding (time value of money)

HOW WE SOLVE THE PROBLEM

BoeFly is a secure online platform that efficiently connects borrowers (demand) with lenders (supply).



Borrowers

How it Works

1. Complete an online universal loan application
2. Securely add and store key supporting documents
3. Control lender access

Benefits

- Clearly understand data required
- Build a complete package once
- Greatly increase access to an array of lenders
- Create an auction among bankers
- Reduce time from application to funding

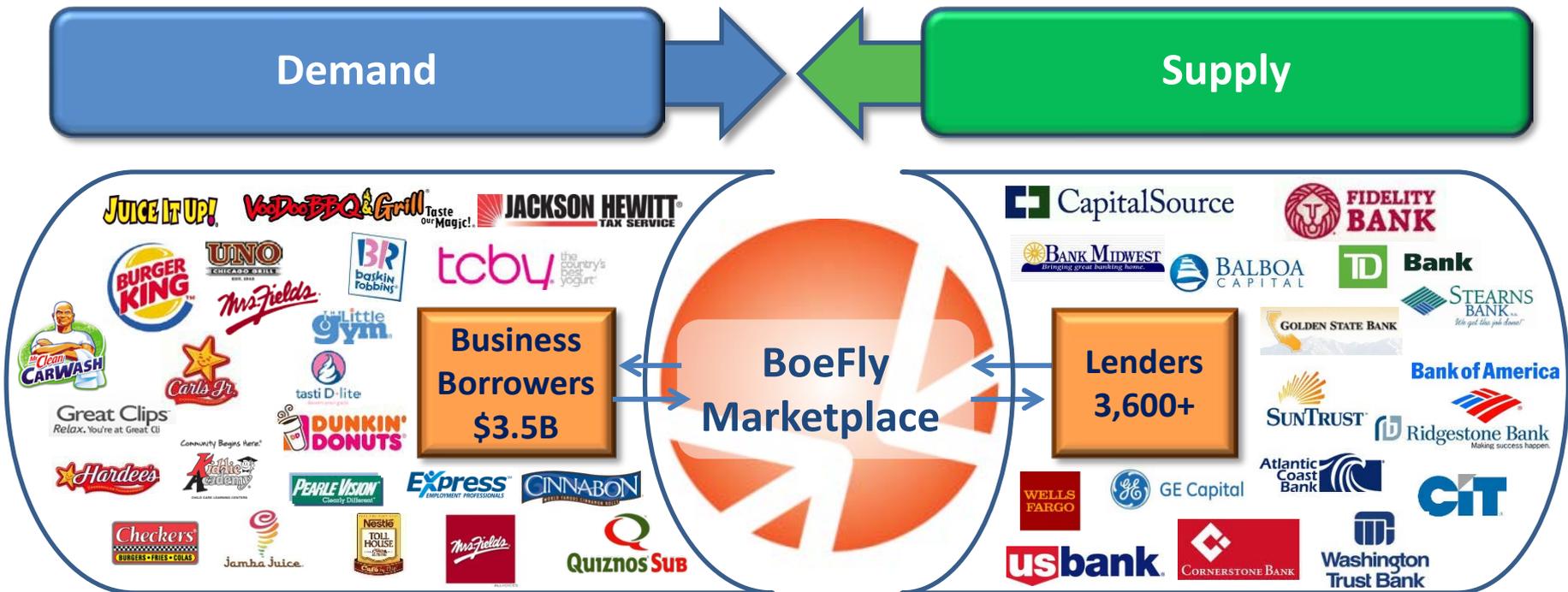
Lenders

1. Specify lending criteria
2. Browse deals based upon substantive information
3. Request access, engage directly with the borrower

- Increase flow of worthy borrowers, reduce load of unworthy borrowers,
- Reduce dependence on brokers, cutting cost and distrust issues
- Reduce time to gather documents, underwrite and close
- Meaningfully lower cost of acquisition

CORE PARTICIPANTS

To be successful as a marketplace, BoeFly needed to secure DEMAND and SUPPLY. Our level of initial adopters has exceeded our expectations.



bQual™ - Incorporating FICO's Small Business Scoring ServiceSM (SBSS)

bQual Financial Assessment Report

Congratulations! You have been pre-qualified for financing by a lender on BoeFly for a Jake's Way Back Burgers.

Schedule a time to speak with a BoeFly financing specialist.

190

SBSS Score
View Report

700

FICO Score
View Report

Your SBSS Report

190

Date Generated: 1/27/2014 9:42 PM
Report ID: 29722

How Lenders View Your Score

The minimum score required to qualify for an SBA loan is 140. Approximately 50% of loans with a 140 will perform for a lender.

Your FICO SBSS score of 190 indicates that (only) 91.16% of loans with this score will perform for a lender.



1. Your SBSS score was based on Consumer Bureau, Application, Business Financials and Business Bureau data. The rankings and percentiles shown above are based on the pool of loans used to build the SBSS model.

A performing loan is one that will not be delinquent for more than 1 cycle

How Your Score Stacks Up

Your loan is scored higher than 75% of all loans used to build the SBSS model.



bQual™ delivers:

- FICO SBSS Score
- FICO Credit Score
- Equifax Credit Report(s)
- Fundability Assessment & Education
- Potential Prequalification Offers from BoeFly Lenders