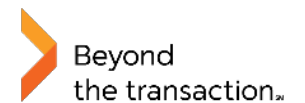


# First Data Merchant Cash Advance

December 2014



# First Data Merchant Cash Advance Program

Working capital alternative for small businesses

The biggest need of most small businesses is preservation of capital and access to funds

Lending to small businesses has continued to contract over the last four years

- The total number of small business micro loans (<\$100,000) declined 4.0% from June 2010 to June 2011<sup>1</sup>
- In the last four years, 43% of small businesses that needed funds were unable to find a lender
  - 53% of those merchants were unable to grow business or expand operations due to the lack of capital availability

Merchant Cash Advance provides quick and easy access to working capital to help small businesses run and grow their businesses

Working capital	Inventory
Expansion	Remodeling
Web development	Open new location
Any other business purpose	

# First Data Merchant Cash Advance Program

- Provides quick and easy access to working capital to help small businesses run and grow their businesses.
- Offers capital to merchants who may not qualify for traditional lending:
  - Have less than perfect credit
  - Have been in business for one year or greater
  - Have no collateral
  - Fall outside small business banking policies or industry types

# Features and Benefits

## Features

- No monthly fees, payment is received from each daily deposit.
- Does not impact other opportunities to apply for traditional financing.
- Fast and easy application process.
- Quick turnaround time for approval and funding.
- Dedicated customer service team.
- Split funding from processing account (avoid bank overdraft fees or escrow accounts)



## Benefits

- Increased cash flow.
- Opportunity to expand your business.
- Cash Advance is not included as debt item on credit history.
- Alternative capital solution vs. going into a partnership or giving up equity (keep ownership control!).

# Cash advance defined



A Merchant Cash Advance (MCA) is the sale of a merchant's future credit card receivables.



# First Data Cash Advance Criteria

Merchants meeting the following criteria will be considered for an advance:

- Minimum one year in business
- Minimum \$1,500 in V/MC processing per month
- Minimum six months processing history
- No bankruptcies in last two years
- MCC not on restricted list

Advance assumptions:

- Estimated payback time typically 7 months, but First Data offers programs ranging from 3-12 months
- Daily retrieval rate typically ranges from 10-20%
- Advance amount is typically up to 100% of average monthly processing

# FD Cash Advance Application Requirements

What information does the FD MCA group require?

1. Six most recent processing statements (not required if currently a First Data merchant)
2. Two most recent bank statements
3. Property lease (9 months remaining) or mortgage statement
4. Driver's license or Passport
5. Voided Check (we will obtain from MPA or First Data system)
6. For advances over \$75K:
  - Tax returns/financial statements
7. Site Order Inspection Report – required for funding (3rd party will conduct and provide to FDGL)
8. Merchant Purchase Agreement – required for funding



# Why First Data?

- One stop shop for your financial needs:
  - ✓ Work with a provider you already know as a trusted partner.
  - ✓ Quick and easy application process:
    - Minimal documentation required since we already have established relationship.
  - ✓ Single, consolidated statement.
  - ✓ Experienced sales and service teams.
- No collateral requirements
- No monthly minimums
- Opportunity to renew cash advance for additional funding



# Support

- **FD Cash Advance Phone Numbers**
  - Sales/Boarding Support: 855-205-6712
- **Email Inquiries**
  - [fdcashadvance@firstdata.com](mailto:fdcashadvance@firstdata.com)

# FAQs

- What if I already have an existing agreement with another cash advance provider?
  - You can use a portion of your First Data advance to pay off your existing balance.
- How long does it take to get approved?
  - Merchants supplying complete application materials can be approved in as little as 3-5 business days.
- What can I use a merchant cash advance for?
  - The advance can be used for any legitimate expense to help grow your business.
- How do I know if I qualify?
  - An FD MCA representative will contact you to confirm your approval.
- How do I make payments?
  - Payments are extracted from your daily MC and Visa credit card deposits (typically up to 20%). Retrieval percentage is based on credit card volume.
- How do I determine my outstanding balance?
  - Call the First Data MCA customer service team at 1-855-205-6712 or email [firstdatamca@firstdata.com](mailto:firstdatamca@firstdata.com).

Thank you.

