

## How we work – fact and terms

### Facts

Our focus is on getting to know and understand the person behind the idea or business so that investment is sourced at the right time.

Using our experience and resources, we have adapted our place in the market. We know what is required to secure successful investment, utilising private money solutions that are not rigid in structure like corporate bank financing.

If we do not remain committed to our key value, understanding the person behind the business and the idea, then we will not invest. Lending money has to be a balance between project and security. If you are lending large amounts of money you must be willing to give up shares in your company, the market is still very fragile. Security is a key factor to successful transactions. Flexibility is also vital, in order to complete the deal.

We don't believe in rigid financing. We think outside of the box, and that is how we add value to the process. Rather than just sending a business plan to 10 banks or financial institutions, we look at the credentials of each project or business and match those credentials to innovative and creative sources of financing.

Our favourite approach is using private investment vehicles to create joint ventures – bringing specialists together to share a common goal and idea, but deliver profit and purpose to each investment.

### Terms

We only involve our legal representatives when we are comforted and happy as a team of people as to whether what you have presented is fundable.

Each opportunity will be assessed on solid business merits with a real purpose and market position (or ability to obtain a strong market position) with a strong and experienced management team.

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Throughout our process we are transparent in our approach and therefore each stage and its requirements are non-negotiable.

This keeps all parties from spending unnecessary money and from wasting valuable time. We are business people at heart. We are creative in how we raise business finance so if we don't think it can be done, then we are being honest and we advise that you get a second opinion.

If we cannot fund your project from our own credit lines we will introduce you to a partner or associate that we know can deliver. We are not a bank, and therefore select clients for funding by our own scoring system. We are forecast to commit investment of \$350 million throughout 2011 and 2012.

### **Our process (non negotiable)**

1. Submission of documents by client.
2. Initial communication, email and conference calls to present and get to know each other. Agree on how we work and communicate throughout. Agree next conference call.
3. CBF Scoring system and assessment of investment solutions.
4. If accepted, a Letter of Interest with a clear overview of how CBF International can structure your investment.
5. Further communication to agree the next steps and then signature of a Memorandum of Understanding with agreed time line of events.
6. Draft terms issued for financing subject to contract, on agreed dates.
7. Legal undertaking agreed before any loan agreements begin.
8. Draft Loan agreement created within 4-6 weeks.
9. Final preparation of all contracts and agreements for first drawdown.
10. Loan Agreement signed.
11. Project transfers securities and assets to lender(s) – Special Purpose Vehicle is created.
12. First drawdown from lender to borrower on agreed date.
13. Drawdown schedule is reviewed on an agreed basis.
14. Monitoring and evaluation begins.