



## Business Financing

The Way Capital LLC is an affiliate of a leading financial solutions company/investment bank (a direct source of capital – the lender via its relationships) in Washington State that provides a wide range of business financial services to help your business sustain and grow. They have a Joint Venture model where they bring in a capital partner. We work directly with the Founder/Managing Partner who makes the investment decisions. He has provided inspiration and leadership to community banks and credit unions inclusive of Wells Fargo and MaPS Credit Union, the latter overseeing branch management and commercial lending.

### **PPE**

PPE (Personal Protection Equipment) Submission

1. Articles of Organization (or by-laws) for Client
2. Purchase order (s) from end PPE Buyer (s)
3. Invoice for Supplier (s) of PPE – Investor will provide supplier if not provided by client

### **PURCHASE ORDER FINANCING**

Loan Amount: 50K to 50M

Loan to Value: 50% of total invoice

Term: Up to 90 days

Time to Close: Typically 2 weeks

Benefits λ Cash available within 48 hours - no audits λ Credit information and analysis available λ Customized statements and reporting λ Improves uneven cash flow λ Meets seasonal or temporary demand λ No long term contracts λ Reduces accounts payable λ Vendor support, discounts and guarantees

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# SUBMISSIONS

## PO FINANCING

1. For borrowing entity:
  - a. Articles of Organization (or by-laws)
  - b. Operating Agreement
  - c. Copies of dbas (if applicable)
  - d. W9 / Certificate of Formation
  
  - e. If the operating entity has any relation to the real estate holding entity and guarantors, we'll need those same documents
  - f. EIN Confirmation
  - g. Organization chart outlining percentage owners and any related entities
  - h. 3 months of recent corporate bank statements
  - i. YTD balance sheet and income statement (accrual preferred)
  - j. Accounts receivable aging report, detailing customer name, address, and phone #'s (if possible)
  - k. Accounts payable aging report
  - l. 3 years of tax returns
  - m. Business debt schedule
  - n. If tax returns aren't accrual based, then 3 years of balance sheets and income statements
  - o. Number of employees
  - p. Proof of insurance (liability, worker's comp)
  - q. Previous four federal payroll tax filings (Form 941 & 940)
  - r. Application
  - s. **CANADA ONLY** – Retail Sales Report
  
2. For Owners of the borrowing entity owning more than 10%:
  - a. Copy of driver's license / passport
  - b. Individual Credit FICO SCOREs - Screenshot of Credit Karma is acceptable.
  - c. Resume
  - d. Title in the company
  - e. Signed PFSs for those owners (template "PFS Template"), or your own prepared if already prepared
    - i. Please note the individual tabs at the bottom of the workbook, ie Schedule A-E, Schedule F-J, and Personal Info tabs
  - f. 3 years of tax returns
  - g. 3 months of Most recent bank statements for all accounts, including any marketable securities
  - h. Personal debt schedule (if the PFS doesn't outline monthly payments)
  - i. Background Check

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3. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
4. Copy of the purchase order to be financed
5. Sample invoice with backup documentation:
  - a. proof of delivery
  - b. proof of performance
6. Accountant information (if applicable)
  - a. Name, phone number, address
7. Supplier Information for largest items
  - a. Name, product supplied, telephone number
8. Do you own or lease your business space? If lease, we need:
  - a. Name of landlord
  - b. Lease terms
  - c. Monthly rent

## **Equipment Financing Terms and Rules**

### **Lender #1 Equipment - Up to \$10M**

- Lease Terms: 36-48 months
- Lease Rate: 10%
- Must have 2017, 2018, tax return and PL & Balance Sheet YTD
- Sale-leaseback ONLY on the second transaction must-have new purchase first

### **Lender #2 Equipment - Up to \$10M**

- Lease Terms: 36-48 months
- Lease Rate: 25%
- Must have 10-20% down, and 6-12 month in cash to cover payment or net income to support debt request
- Sale-leaseback on the first transaction is ok but limited to 500K and must have been purchased in the last 90 days

## WORKING CAPITAL LOANS

Loan Amount: 250K to 100M

Approval: Dependent on cash flow

Term: 12-36 months

Time to Close: Typically 2 weeks

Additional Benefits λ Evades interruptions in operations λ Ensures liquidity λ Enhance profitability λ Improves financial health λ Evades interruptions in operations λ Allows for business expansion

## SUBMISSIONS

### WORKING CAPITAL

1. For borrowing entity:
  - a. Articles of Organization
  - b. Operating Agreement
  - c. Copies of dbas (if applicable)
  - d. W9 / Certificate of Formation
  - e. If the operating entity has any relation to the real estate holding entity and guarantors, we'll need those same documents
  - f. EIN Confirmation
  - g. Organization chart outlining percentage owners and any related entities
  - h. 3 months of recent corporate bank statements
  - i. YTD balance sheet and income statement (accrual preferred)
  - j. Accounts receivable aging report, detailing customer name, address, and phone #'s (if possible)
  - k. Accounts payable aging report
  - l. 3 years of tax returns
  - m. Business debt schedule
  - n. 3 years of P&L and Balance Sheets
  - o. Projections of income
2. For Owners of the borrowing entity owning more than 10%:
  - a. Copy of driver's
  - b. Individual Credit FICO SCOREs - Screenshot of Credit Karma is acceptable.
  - c. Short Bio's
  - d. Title

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- e. Signed PFSs for those owners (template "PFS Template"), or your own prepared if already prepared
    - i. Please note the individual tabs at the bottom of the workbook, ie Schedule A-E, Schedule F-J, and Personal Info tabs
  - f. 3 years of tax returns
  - g. 3 months of Most recent bank statements
3. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
  4. Breakdown use of funds

## REAL ESTATE

Loan Amount: 250K to 100M

Loan to Value (LTV): 50% to 70% based on property type and location

Term: Inquire

Time to Close: Typically 3-6 weeks

Real Estate Loans λ Construction λ Industrial λ Greenhouse λ Retail Stores λ Warehouses

## SUBMISSIONS

### REAL ESTATE W/CONSTRUCTION

1. For real estate holding entity:
  - a. Articles of Organization
  - b. Operating Agreement
  - c. Copies of dbas (if applicable)
  - d. W9 / Certificate of Formation
  - e. Cap table
  - f. Business debt schedule
  - g. YTD financials for the business (balance sheet and P&L statement)
  - h. 3 months of recent corporate bank statements
  - i. 3 years of tax returns (if applicable)
  - j. Proof that you can build in the county / city
  - k. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
2. For operating entity (if the building is owner-occupied)
  - a. Articles of Organization
  - b. Operating Agreement
  - c. Copies of dbas (if applicable)
  - d. W9 / Certificate of Formation

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- e. Cap table
  - f. Business debt schedule
  - g. YTD financials for the business (balance sheet and P&L statement)
  - h. 3 months of recent corporate bank statements
  - i. 3 years of tax returns (if applicable)
  - j. Proof that you can build in the county / city
  - k. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
3. For Owners of the borrowing entity owning more than 10%:
- a. Copy of driver's license / passport
  - b. Individual Credit FICO SCOREs - Screenshot of Credit Karma is acceptable.
  - c. Resume / bio
  - d. Signed PFSs for those owners or your own prepared if already prepared
  - e. 3 years of tax returns
  - f. 3 months of Most recent bank statements for all accounts, including any marketable securities
  - g. Personal debt schedule (if the PFS doesn't outline monthly payments)
  - h. Bios of Management Team Showing Real Estate Experience
4. Property
- a. Proof of building insurance
  - b. Copies of any pre-paid invoices – these will count as part of your equity
  - c. PDF of engineering plans
  - d. Construction Budget and Scope of Work
  - e. Contractor:
    - i. Resume
    - ii. Copy of Contractor License Bond
    - iii. Copy of Contractor License
    - iv. Copy of Contractor Insurance
  - f. Address of Property (all properties pertaining to this deal)
  - g. Title Reports (all properties pertaining to this deal) (If Available)
  - h. Purchase and Sale Agreement – **If Applicable**
  - i. Closing Statement – **If Applicable**
  - j. Broker's Opinion of Value of the property
  - k. Environmental Assessment
  - l. Property Details:
    - i. Property Type:
    - ii. Building Area:
    - iii. Year Built:
    - iv. Tax Assessed Value:
  - m. Operating Use of Building
  - n. Copy of current lease
  - o. Current pictures of property

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5. General Questions – Please Answer
  - a. What is your exit strategy, ie how is the loan going to be paid off?
  - b. What are the proceeds of the loan going to be used for?
    - i. Please provide an exact breakdown

## **REAL ESTATE PURCHASE OR REFI**

1. For real estate holding entity:
  - a. Articles of Organization
  - b. Operating Agreement
  - c. Copies of dbas (if applicable)
  - d. W9 / Certificate of Formation
  - e. Cap table
  - f. Business debt schedule
  - g. YTD financials for the business (balance sheet and P&L statement)
  - h. 3 months of recent corporate bank statements
  - i. 3 years of tax returns (if applicable)
  - j. Proof that you can build in the county / city
  - k. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
2. For operating entity (if the building is owner-occupied)
  - a. Articles of Organization
  - b. Operating Agreement
  - c. Copies of dbas (if applicable)
  - d. W9 / Certificate of Formation
  - e. Cap table
  - f. Business debt schedule
  - g. YTD financials for the business (balance sheet and P&L statement)
  - h. 3 months of recent corporate bank statements
  - i. 3 years of tax returns (if applicable)
  - j. Proof that you can build in the county / city
  - k. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
3. For Owners of the borrowing entity owning more than 10%:
  - a. Copy of driver's license / passport
  - b. Individual Credit FICO SCOREs - Screenshot of Credit Karma is acceptable.
  - c. Resume & bio
  - d. Signed PFSs for those owners or your own prepared if already prepared
  - e. 3 years of tax returns
  - f. 3 months of Most recent bank statements for all accounts, including any marketable securities
  - g. Personal debt schedule (if the PFS doesn't outline monthly payments)
  - h. Bios of Management Team Showing Real Estate Experience

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4. Property
  - a. Proof of building insurance
  - b. Address of Property (all properties pertaining to this deal)
  - c. Title Reports (all properties pertaining to this deal) (If Available)
  - d. Purchase and Sale Agreement – **If Applicable**
  - e. Closing Statement – **If Applicable**
  - f. Broker's Opinion of Value of the property
  - g. Environmental Assessment
  - h. Property Details:
    - i. Property Type:
    - ii. Building Area:
    - iii. Year Built:
    - iv. Tax Assessed Value:
  - i. Operating Use of Building
  - j. Copy of current lease
  - k. Current pictures of property
5. General Questions – Please Answer
  - a. What is your exit strategy, ie how is the loan going to be paid off?
  - b. What are the proceeds of the loan going to be used for?
    - i. Please provide an exact breakdown

## **SALES LEASEBACK**

1. For purchasing/borrowing entity:
  - a. Articles of Organization
  - b. Operating Agreement
  - c. Copies of dbas (if applicable)
  - d. W9 / Certificate of Formation
  - e. If the operating entity has any relation to the real estate holding entity and guarantors, we'll need those same documents
  - f. Organization chart outlining percentage owners and any related entities
  - g. Business debt schedule
  - h. YTD financials for the business (balance sheet and P&L statement)
    - i. For the operating entity as well (If applicable)
  - i. 3 months of recent corporate bank statements
  - j. 3 years of tax returns (if applicable)
  - k. Proof that you can build in the county / city
  - l. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
2. For Owners of the borrowing entity owning more than 10%:
  - a. Copy of driver's license / passport
  - b. Bios of Management Team Showing Real Estate Experience

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3. Property
- a. Construction Budget and Scope of Work - sources and uses (**Construction Request Only**)
  - b. Proof of building insurance / amount of premium
  - c. Address of Property (all properties pertaining to this deal)
  - d. Title Reports (all properties pertaining to this deal) (If Available)
  - e. Purchase and Sale Agreement – **If Applicable**
  - f. From a commercial real estate agent:
    - i. BPO or Approximate value of the property
    - ii. Comparable leases
  - g. Contractors Resume, Bonding, License (**Construction Request Only**)
  - h. PDF of engineering plans (**Construction Request Only**)
  - i. Environmental Assessment
  - j. Copies of any pre-paid invoices – these will count as part of your equity
  - k. If you don't already have an appraisal, we'll need to have one ordered, of which requires additional documents.

## ACQUISITIONS

Loan Amount: 250K to 7,500,000

Loan to Value: Up to 75% of purchase price

Term: Inquire

Time to Close: Typically 2-4 weeks

Additional Benefits λ Buy out existing partners λ Refinance existing seller financing λ Expand your current operations

## COLLATERALIZED STOCK LOANS

Loan Amount: 250K to 100M

Loan to Value: Up to 80%

Term: 2-7 years

Time to Close: Typically 2 weeks

Additional Benefits λ Loan proceeds to be used for any purpose and not restricted in any way  
λ Securities are the collateral λ Securities are deposited into a shared third party custodial account  
λ Securities remain in clients name λ No borrower qualification required λ Non-recourse loan, i.e. no corporate or personal guarantee required

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## STOCK LOANS

1. For borrowing entity:
  - a. Capitalization Table
  - b. Company ORG chart
  - c. 3 months of recent corporate bank statements
  - d. 3 Years Audited Financial Statements
  - e. Company prepared YTD Financials
  - f. Projections of income with capital infusion
2. Management Team
  - a. Resumes & Bio's
  - b. Title
  - c. Executive ORG chart
3. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
4. Breakdown use of funds
5. Summary of Project Opportunity
6. KYC (Know your customer) form (Will Provide)
7. Stock Information – Ticker Symbol, Exchange
8. Brokerage Statement of free trading shares
9. Name of Owner(s) of the pledged stock.
  - a. Copy of ID or Passport

## FACTORING

1. Company Org chart
2. Executive Summary/Investor or Slide Deck/Business Plan in word or power-point
3. For borrowing entity:
  - a. Articles of Organization (or by-laws)
  - b. Operating Agreement
  - c. National Tax ID
  - d. 6 months of recent corporate bank statements
  - e. Business debt schedule including payment info – ask us for template
  - f. LY balance sheet and P&L
  - g. YTD balance sheet and P&L
  - h. YTD Accounts receivable aging report, detailing customer name, address, and phone #'s (if possible)
  - i. YTD Accounts payable aging report
  - j. 3 years of tax returns (If Applicable)
  - k. Proof of insurance (liability, worker's comp)
  - l. Application
  - m. **CANADA ONLY** – Retail Sales Report
4. Copy of driver's license / passport of the borrowing entities authorized signer

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- a. Resume & BIO's of Management Team
  - b. Background Check
5. Master Borrower and Borrower's Client Agreement
  - a. Borrower's invoice to purchaser of product
6. Business Location Details:
  - a. Name of landlord
  - b. Lease terms
  - c. Monthly rent
  - d. Address of location

## THE PROCESS

Please start with the "Submissions List" and financials to begin the process.

As soon as the Founder/Managing Partner reviews the initial request and determines they can help you - our client, they will send The Way Capital LLC an LOI with the terms and conditions they think you will qualify for.

After you review the LOI and would like to move forward, we will schedule a call to discuss details and options with the Founder/Managing Partner. After the call, if you like the plan, you will be sent the LOI with the terms and conditions. This LOI is sent via DocuSign for easy signatures as well as an emailed PDF for easy review.

You sign the LOI. Financial Solutions Company/Investment Bank sends you an invoice for \$1,000.00 (per LOI) for initial underwriting. After that is paid, you are introduced to the CFO and COO who has over 25 years experience in finance with a background in corporate valuations, corporate advisory, project finance, real estate, renewable energy, employee stock ownership plans, wealth management and global bank branch management where he held Series 3, 63/65, 7, and 9/10 FINRA licenses.

The \$1,000.00 underwriting fee will be applied to fees at closing if the final loan is 1,000,000.00 or more. At any time, if the loan is denied, or you, the client declines the loan for any reason, the fee is nonrefundable.

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