



libertybankcard

YOUR BUSINESS COMES FIRST...ALL THE TIME!

Quick Advance® Program

Small Business Funding

Merchant Guide

Cash Advance

Business Capital

(877)-600-LIBERTY

1-800-830-0144 (FAX)



Quick Advance® Benefits

The benefits are endless and very enticing if you need extra cash. We can *quickly advance cash* within days without any hassles, monthly payments, or collateral. Best yet, it's not a loan and challenged credit is OK. You are never billed and the **Quick Advance** is paid back within months from your daily credit card volume.

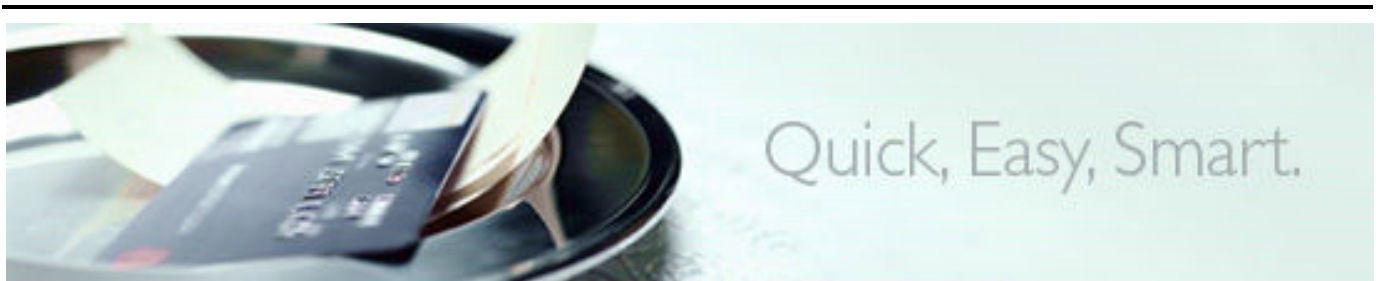
What is Quick Advance® and how fast can you get money?

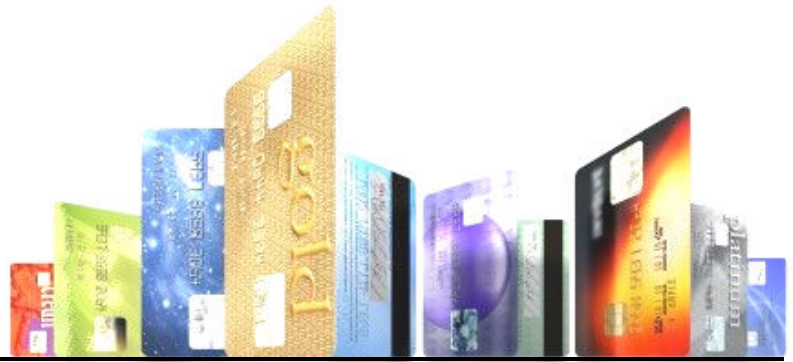
1. **Quick Advance**® is working capital that helps small business merchants grow without borrowing money.
2. Pre-approval takes between 24 to 48 hours and funding can occur within 10 business days.
3. Once approved, Liberty Bankcard opens their merchant account within 72 hours.
4. The application is simple and set-up fees are minimal with no deposits or collateral to put up.
5. The **Quick Advance**® is automatically retrieved from your credit card processing volume.
6. **Quick Advance**® is geared to enhance cash flow, not constrict it. It helps capitalize the business.
7. A percentage of a merchant's gross revenue is retrieved at approximately 24 to 33% of their daily gross sales.
8. Additional access to cash is always available and we can fund multiple locations at the same time.
9. Our renewal department calls the merchant when 90% of the **Quick Advance**® has been paid back.
10. The **Quick Advance**® is deposited into the merchant's checking account 3 days after the first batch.

Merchant Funding

How does Quick Advance® work?

1. The investment group buys a fixed amount of the merchant's future Visa and MasterCard sales volume.
2. Liberty's **Quick Advance**® program is backed by investors, risk management groups and financial institutions.
3. Liberty provides a fast, accurate and proven method for businesses to gain access to working capital.
4. This is not a loan. It's an advance on future processing receivables to be used for capitalizing the business.
5. **Quick Advance**® is re-paid by taking a small fixed percentage from the merchant's future card volume.
6. Within days, the merchant receives a lump sum payment wire-transferred directly into their bank account.
7. The **Quick Advance**® is paid back within 7 to 12 months interest-free with only a fixed fee.
8. Liberty Bankcard underwrites the Visa and MasterCard processing account within 5 days.





Merchant Funding: Continued

How does the merchant repay the Quick Advance®?

1. There are no fixed payments to mail every month. The payment varies with daily credit card volume.
2. No bill is ever sent, only a statement showing the merchant's balance and credit card processing volume.
3. The merchant is not tied to a fixed period because repayment may take a little longer, depending on sales.
4. Liberty Bankcard "split-funds" the **Quick Advance®** every time a credit card is swiped through the terminal.
5. There is no collateral required, attachment on personal property, or tough requirements to fund the cash.
6. The merchant can come back for quick emergency money anytime after repayment; within a few days.
7. We will lend on multiple locations as many times as you want, without lengthy credit checks or paybacks.
8. Merchants do not need excellent credit scores and past bankruptcies are strongly considered.
9. The merchant can use the money for consolidating debt if he wants; so long as it helps the business grow.
10. Processing volume can be as low as \$4,000.00 per month average over the last 4 months.

Does Liberty Bankcard fund the money?

1. No, Liberty underwrites the application for the investment group and provides the processing services.
2. The program must *never* be considered, or spoken of, in terms of a loan because it is an investment.
3. The venture capital group invests in businesses looking for short-term capitalization, not long-term loans.
4. The Investors are relying on future credit card receivables and *advance cash* for working capital purposes.
5. We avoid using words and phrases such as loan, interest rate, payment term, APR, principal or any other traditional lending institution language that would imply that **Quick Advance®** is a loan. *It is not a loan.*
6. The merchant pays a *discount fee* split-funded by the processor. Liberty strictly underwrites the investment.
7. After application is approved, an agreement is forwarded and funding can occur within 10 business days.
8. Liberty Bankcard underwrites the merchant account and charges a discount rate for the processing.
9. Liberty needs 4 months of bank and credit card statements, a copy of a Landlord Lease, and 2 tax returns.
10. Monthly credit card volume may qualify the merchant for \$3,000.00 to \$150,000.00 in funding, not lending.





Merchant Funding: Continued

Does Liberty Bankcard provide the Quick Advance®?

1. No. *Liberty Bankcard* underwrites the credit card processing account and services the merchant.
2. A *Risk Management Group* approves the merchant for transaction processing.
3. The *Investment Group* funds the project assumes the risk on all working capital provided to the merchant.
4. The risk management group represents the investment group that funds the project.
5. Liberty Bankcard has an agreement with the Risk Management Group and The Investment Group.
6. Risk Managers assesses the risk, investors provide the funds, and Liberty underwrites the processing.
7. Liberty Bankcard downloads the split-fund software into the terminal and a processor services the merchant.
8. The processor provides 24 hour terminal support and regular hours help desks for the merchant.
9. Risk managers provide front and back end support for Liberty Bankcard Services Inc.
10. Liberty Bankcard is not a middle-man between Risk Management Group and The Investment Group.

What role does Liberty Bankcard play in the funding?

1. Liberty Bankcard is a Merchant Service Provider for credit card processing services nationwide.
2. Liberty underwrites merchant agreements within the United States and Canada for credit card processing.
3. Liberty Bankcard processes credit card transactions and investment groups assume all liability.
4. The Risk Management Group assesses the risk and monitors fraudulent transactions for the investors.
5. The Investment Group, through its investment pool, provides the **Quick Advance®** to the merchant.
6. If the merchant defaults on the **Quick Advance®**, Liberty Bankcard discontinues the processing.
7. The Investment Group loses the money and pursues the merchant through legal channels.
8. Unlike our competitors, there are no legal hoops to jump through, since ownership has guaranteed the note.
9. The merchant cannot change processors during the payback period. They would be in violation.
10. After paying back the **Quick Advance®**, the merchant may cancel for a \$500.00 fee.





Funding Qualifications

Liberty Bankcard helps provide working capital to small businesses through channel partners that invest in a merchant's future bankcard receivables. Third party organizations review your existing cash flow and provide carefully timed funding to assure your business' continued growth. Our typical customer is a merchant with a small retail establishment, restaurant or medium sized organization with up to five locations. These owners typically depend on the livelihood of their business and occasionally require quick cash for short periods. Banks usually decline them.

Is there much demand for small business working capital?

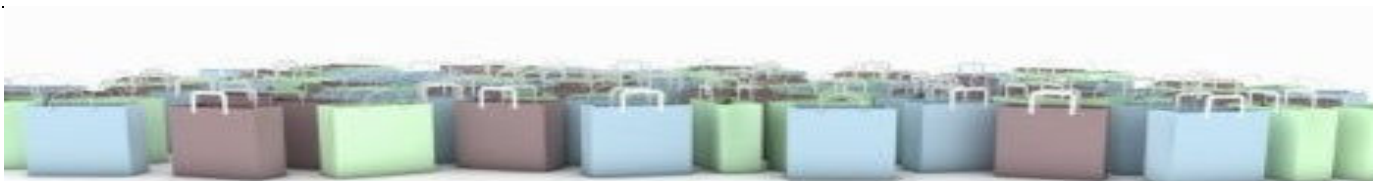
1. According to the Small Business Administration, over six million small businesses are financially challenged.
2. Inadequate or ill-timed financing is a major reason for small business failure.
3. Demand for **Quick Advance®** is constant because businesses always need money.
4. Seasonal businesses are always looking for cash because lenders are reluctant to lend on a cyclical business.
5. Approximately 92% of business owners are refused loans from traditional lending.

Why is it so hard for a small business to get a loan?

1. No collateral is the number one reason why they are refused business loans.
2. The business or its ownership has less than perfect credit and co-signers are hard to find.
3. Most small businesses do not fit the lending models of major banks and risk paying high interest rates.
4. Insufficient time in business, low volumes, and risky merchants pose a high probability for default.
5. Large debt ratios, high overhead, employee turnover, and slow payments are major turn downs.

What qualifies the merchant for a Quick Advance®?

1. You must process an average of at least \$4,000 per month in Visa & MasterCard volume.
2. The business must be in good standing and operating for at least 12 months, unless otherwise approved.
3. One exception is a well established existing location that is purchased by a credit worthy individual.
4. An existing client opening an additional location can be approved fairly easily.
5. There are special programs available for new businesses that meet conditional underwriting criterion.
6. They must provide four months of Visa/MasterCard statements and Bank Deposits showing proof of income.
7. Although we prefer sound established businesses, all businesses are strongly considered.
8. If in doubt, just ask. Do not pre-judge your situation and let us take a good look at the business.





Funding Qualifications: continued

Are there any businesses that do not qualify for a Quick Advance®?

1. Yes. There's a complete list that risk managers provide upon request. Listed are the most obvious.
2. Most businesses whose transactions are internet-based have a high failure rate and are not considered.
3. All adult entertainment related businesses do not meet Visa/MasterCard and Investor profiles. Home-based operations are considered short-lived and high risk. Their volumes are usually low and seasonal.
4. Some home-based businesses can be funded, but very unlikely and at a very low amount.
5. We cannot fund a merchant on the Visa/MasterCard "Terminated Merchant File" listed Visa/MasterCard.
6. Every merchant is carefully looked at, with risk being the major consideration for approval.

Funding Amount

The funding amount is based on the merchant's projected future Visa and MasterCard sales volume. By reviewing the merchant's four most recent credit card processing statements, we can calculate the average of your monthly credit card volume. Seasonal businesses require more statements in order to properly determine their average volume. There are three simple programs we offer merchants, depending on their specific situation.

How do you determine funding based on the processing volume amount?

1. Take your 4 most recent statements, average the volume and multiply by 7 months.
2. This helps determine the merchant's estimated future Visa and MasterCard sales volume.
3. We then determine a **Specified Purchase** of that estimated future sales volume.
4. The Specified Purchase is the percentage of the merchant's V/MC volume that goes toward repayment.
5. A **discount** is then taken from the volume resulting in a **Specified Percentage** of the daily Visa/MC batch.
6. The net amount, which is called the **Funded Amount**, is wire-transferred into the merchant's bank account.

What is the estimated period for repayment of the Quick Advance®?

1. The estimated timeframe for repayment is the same as the projection period.
2. For a 7 month program, the target repayment timeframe is seven months, 9 months and 12 months.





Funding Amount: Continued

Repayment Plans

The 7 month Funding Program

1. It is based on seven months of future Visa/MC sales volume.
2. The merchant's average monthly V/MC sales volume is multiplied by seven months.
3. We can purchase up to 10% to 30% of this estimated V/MC sales volume.
4. This percentage is called the Specified Percentage.
5. The merchant repays up to \$1.35 for every \$1.00 received.
6. For \$10,000 in funding (the Purchase Price) the investors will receive \$13,500, (the Specified Amount).
7. Funding ranges from \$5,000 to \$150,000 per location depending on the program.

The 9 month Funding Program

1. It's based on nine months of future Visa/MC sales volume.
2. The merchant's average monthly V/MC sales volume is multiplied by nine months.
3. We can purchase up to 10% to 30% of this estimated V/MC sales volume.
4. The merchant repays up to \$1.45 for every \$1.00 you receive.
5. For \$10,000 in funding the merchant, will payback \$14,500 over the approximate nine month period.

The 12 month and the 11% rule Funding Programs

These two plans are for strong and healthy businesses that usually ask for larger amounts of money. We deal with them on an individual basis, and use the 7 and 9 month programs predominately. In any case, the funded amount and the specified percentage the merchant will pay back, stays the same. Regardless of funding, the merchant must change their credit card processing to Liberty Bankcard Services Inc. The merchant must switch processors.

Small Business Funding

1-877-600-LIBERTY (5423)

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