

## Turn Turndowns into a Systematic Lead Generation Machine

As a credit union or community bank you always want to say "Yes" to your valued small business borrowing prospects seeking a line of credit. How can you say "No" and not lose a business client or prospect that does not qualify for traditional bank financing?

For 25 years, Paragon Financial has worked with state and federally chartered institutions to get their business customers working capital through our Invoice Factoring, Purchase Order Funding, AR Management and Credit Protection Programs. Paragon creates opportunities for banks helping the non or under bankable business client.

In the past, there has been small business AR Funding programs but the emphasis was on client acquisition. For those with long memories, the correct emphasis should have been on risk in all its flavors: fraud, proper verification, dilution and debtor credit risk just to name a few. At Paragon, we attribute 25+ years of successful AR funding to prudent risk assessment and we take control (not leaving it to bank personnel) offering our expertise with a historical loss history of less than 1/2 of 1%.

In addition, Paragon understands how difficult it is to keep or capture the depository relationship with current or potential clients in this low interest rate environment. We help you to grow deposits and fee services to customers who you might lose or not capture because they do not meet lending requirements.



**For alliance, branding and referral opportunities, please contact  
Chris Curtin, President 954-524-4840 ext 1.**

### Benefits for Credit Unions/Community Banks

- Paragon offers alternate sources of financing instead of just saying "No" and helps you retain the client for other bank products. You will also have a borrower opportunity when the customer fits your lending criteria in 6-24 months. Paragon becomes your de facto "farm system"!
- Paragon can have an intercreditor agreement with your institution to "carve out" and advance against and manage some or all of your borrower's Accounts Receivable (including SBA 7A loans).
- *We require businesses to keep their existing depository relationship with your institution.*
- Participate with us at no credit risk or take a referral fee. Your choice!
- You can also brand our products under your own banner but outsource all credit, verification, collection, risk and back office functions to Paragon utilizing our 25-years of experience.
- Programs can be designed with specificity in mind. What industries dominate your local footprint? You can be a leader in that type Invoice Factoring. For example, Paragon has deep experience funding all levels of Government Receivables and the oil, staffing, broadband and wine/spirits industries.
- Your client's AR is professionally and cordially managed by our seasoned and professional account managers.
- Paragon has a very strong balance sheet if you choose not to participate with us.
- **We shoulder credit risk** with a portfolio insured against bankruptcy/insolvency in regards to your customer's clients (the account debtors).
- Our programs are great tools to better manage NSF's and give branch personnel and rainmakers more products to cross-sell.
- Your workout department receives an experienced partner in Paragon with bankruptcy and DIP Financing expertise.
- **Have a Factoring or ABL Group?** Paragon can participate on larger or high concentration deals to mitigate risk.

### Benefits For Your Client

- We provide immediate working capital when they need it most.
- Our credit/collection services can eliminate bad debt for your Customers. They get a "free" credit manager from Paragon!
- No credit line caps – line limits based on solid, insurable Accounts Receivable (including SBA 7A).
- Clients can safely offer credit terms to customers thus growing their business by making it easier for their customers to buy from them.
- Client's AR is professionally managed with a soft touch.
- Customer DSO's are historically reduced once they become a Paragon client.
- Client builds balance sheet and credit to the point they eventually qualify for conventional bank financing from your institution.

### Target Client

- Our niche is Fast Growth, Startups, Turnarounds, Bank Exiting and Non or Under-Bankable Relationships.
- Businesses with solid AR from creditworthy customers are Paragon's prospect base.
- Personal credit of the business owner is not an issue; we look at our client's customer's ability to pay. Tax liens, client concentration and other challenging funding situations can be overcome.
- *Our Invoice Factoring, Purchase Order Funding, AR Management and Credit Protection programs are perfect for Fast Growing Clients with B2B or B2G sales of \$25,000 – \$10,000,000 per month.*



**Money when your business needs it most.™**