



## THINCATS GENERATOR

ThinCats Generator expedites lending decisions for businesses looking for finance between £250,000 and £750,000.

We take a personal approach to decision-making; our dedicated credit analysts get to know local businesses and utilise our unique risk grading model to offer bespoke funding solutions. The process provides a clear and transparent criterion for a quicker result on funding decisions at a competitive price.

### DIVERSE FUNDING

ThinCats has £800m of lending capital from a wide range of sources, enabling us to price across a broad credit risk spectrum and tailor solutions to SMEs nationwide.

### INTEREST RATES

The indicative interest will depend on both the strength of the credit grade – ranging from 5 stars (strongest) to 1 star (weakest) – and the security grade – ranging from 5 padlocks (strongest) to 1 padlock (weakest).

from  
5%

### prism RISK

Our **Propensity** and **Risk Model** analyses vast sets of SME data enabling us to work with UK SMEs to find lending solutions that work for their business.

This translates simply as a two-tiered grading system:








Prism Risk combines market and company financial data with proprietary non-financial data to provide a credit grade of 1 (weak) – 5 (strong) Stars.







The security grade reflects available security combining balance sheet with predictability of cashflows to provide a security grade 1 (limited asset cover) – 5 (significant asset cover) Padlocks.

## GENERAL CRITERIA

-  **Business** Business UK SMEs trading across all sectors excluding property
-  **Amount** £250k – £750k (arrangement fee can be added on top)
-  **Repayment Terms** 3 months – 4 years
-  **Purpose** Working capital, refinancing, stock / equipment / property purchase, acquisition finance (excluding MBOs/MBIs)
-  **Security** 1st ranking debenture / fixed charge over fixed assets where applicable (excluding hire purchase) / no other lenders except hire purchase / personal guarantees

## INFORMATION REQUIREMENTS

-  2 years' historical, 1 year's forecast in monthly (Excel) format
-  Most recent management accounts, not more than 2 months old
-  Last 3 months bank statements
-  Turnover and debtor breakdown by customer

## CASHFLOW LENDING

<b>Grading</b>	Minimum ThinCats Credit Grading combination of 5 e.g. 3 stars / 2 padlocks		
<b>Cashflow Metrics</b>	Review of customer concentration and level of revenue that is contracted, predictable and/or repeatable		
<b>Minimum Cash</b>	Minimum of 3 months' repayments		
<b>Restrictions</b>	Directors salaries / dividends / distributions may be capped		
<b>Covenants</b>	Leverage	Total Debt: EBITDA	<2.50x
	Debt service coverage ratio	Cash flow available for debt service (CFADS): Principal + Interest	>1.30x
		<b>or</b> EBITDA: Principal + Interest	>1.50x
	Interest coverage ratio	CFADS: Interest	>2.50x
		<b>or</b> EBITDA: Interest	>2.75x
Min. Liquidity	3 months' Debt Service Cover		
Net Assets	Positive net assets		

## ASSET BASED LENDING

<b>LTV</b>	75% max on secured pool of assets at market value
<b>Eligible Assets</b>	Property, receivables, stock and plant & machinery / (standard write down criteria to apply)
<b>Valuation</b>	If property, independent valuation required from a ThinCats approved valuer



## GET IN TOUCH

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[www.thincats.com](http://www.thincats.com)

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