

The RECEIVABLES EXCHANGE

The Receivables Exchange provides quick access to the working capital you need, when you need it.

The Benefits of Working Capital:

- ✓ Grow revenues
- ✓ Hire and train employees
- ✓ Introduce new products or product lines
- ✓ Market to more customers
- ✓ Invest in new equipment
- ✓ Buy additional inventory

An Attractive Proposition

The Receivables Exchange is a real time electronic exchange where companies list their accounts receivables for sale and accredited financial institutions compete to provide the most amount of cash against the receivables. Using the Exchange when they want to, companies large or small have quick access to competitive capital sources anywhere in the world by selling their invoices at a discount. The creation of a centralized marketplace for market participants to list and sell receivables efficiently constitutes a major step forward in capital markets and creates attractive new business possibilities for corporate buyers and sellers alike.



Sellers of Receivables

The Exchange provides companies or “sellers” the opportunity to list and sell their receivables and extract value out of their short-term accounts. Listed receivables are open for competitive auction to accredited financial institutions who bid in real-time to buy receivables. For the first time, small and medium-sized companies will have streamlined access to working capital to grow their company efficiently.

Global Network of Accredited Financial Institutions
Sellers have global access to The Receivables Exchange qualified network of dependable financial institutions. Buyers on the Exchange have been thoroughly screened and have successfully passed background, credit, reference checks and capital commitments.

Guaranteed Results:

- ✓ It works—secure, available, trusted and screened buyers
- ✓ It's easy, no committee, no covenants
- ✓ You decide—its your decision—you are in control
- ✓ You save time
- ✓ It's efficient



Powered by NYSE Technology

The Exchange provides the services required to ensure the integrity of the transaction. The Exchange markets, handles all administrative aspects of transactions, has partnerships with outside credit and financial data databases, and provides a secure central medium through which participants interact.

The Exchange's primary activities include:

- ✓ Sourcing, screening and registering all sellers and buyers
- ✓ Providing financial documentation and 3rd party credit ratings for each AR listing
- ✓ Monitoring and maintaining the security of AR auctions
- ✓ Auctioning and executing buy and sell orders
- ✓ Processing and clearing payments, transferring funds and settling AR trades
- ✓ Facilitating credit insurance and collection services

Powering the Exchange is a technology platform that enables secure funding, trading, processing, management and settlement of AR financing through the use of straight through processing coupled with real-time bidding and monitoring. The trading platform is derived from the same family of technologies used to create the New York Stock Exchange (NYSE) electronic bond trading system.

This architecture provides a highly scalable, fail-safe and autonomous solution coupled with the capability to trade multiple types of AR instruments. The model is based on visibility, security, and efficiency—the same tenets that empower other capital market exchanges. The benefits of the business model include the proven efficiencies of other centralized electronic marketplaces—such as straight through processing, market value pricing and transparency.

How it Works

1. Registration

Buyers and sellers register to become members of the Exchange. As part of this process, the Exchange retrieves corporate documents, gathers financial documentation and analyzes credit reports. Both buyers and sellers enter into participation agreements that allow the Exchange to handle lien filing requirements and the transfer of secured interest. Upon registration approval, sellers are given ticker symbols and screen identification names that allow them to list anonymously.

2. Listing

Registered sellers submit AR invoices to be qualified and listed on the Exchange, specifying the verification options and auction parameters desired. Each AR submission is processed by the Exchange's listing team, which handles the due diligence and approval process. Once approved, AR invoices are placed on the Exchange and made available for bidding with supporting documentation provided.

3. Auction Opens

The Exchange opens the auction on the AR invoices. Buyers are notified of listed receivables that meet their customized preferences in terms of specified face value, yield, credit rating, industry, etc.

4. Live Bidding

Buyers submit real-time competing bids on the AR invoices while sellers monitor the incoming bids. The auction remains open for the time period originally specified by the seller.

5. Auction Closes

When the auction closes, the winning bid is determined. The seller and winning buyer are notified.

6. Auction Clearing

The buyer allocates funds to its account on the Exchange through a fully automated clearing process. The Exchange then validates the transaction has been properly completed.

7. Settlement Clearing

The seller repays the amount due through its account at the Exchange upon settlement date. The Exchange validates that the repayment of the transaction has been properly completed.

Call today to learn more about joining the Exchange!

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