

Borrowing Base Facility

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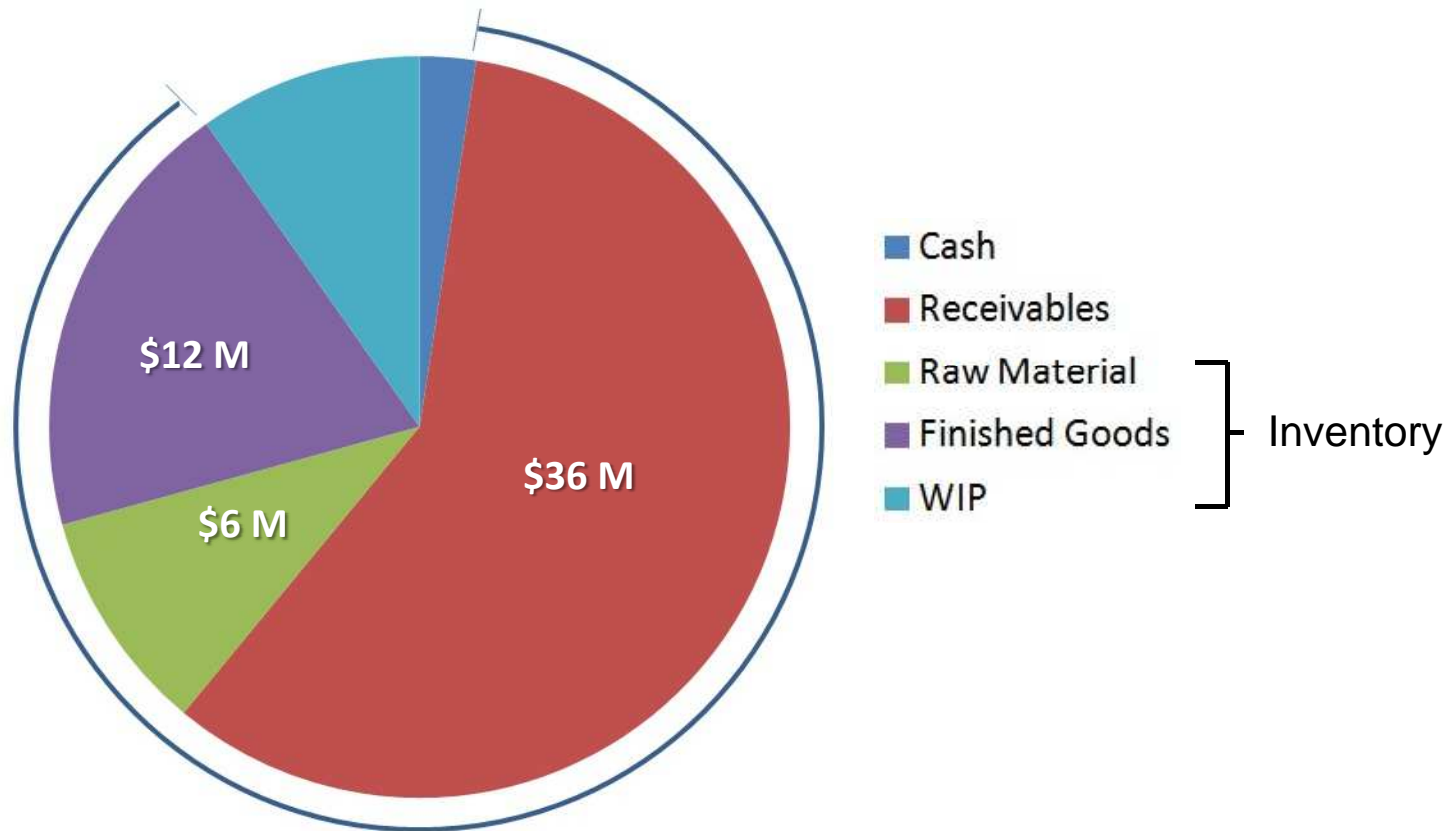
Date : 15th July, 2014

Borrowing Base Facility

- Revolving working capital facility funding the business in a flexible way against security interest over current assets
- Loan balance may fluctuate daily, based on 'Borrowing Base Certificate' submitted by the borrower and subject to a credit limit
- Lender may confirm accuracy periodically by field examinations and A/R verifications

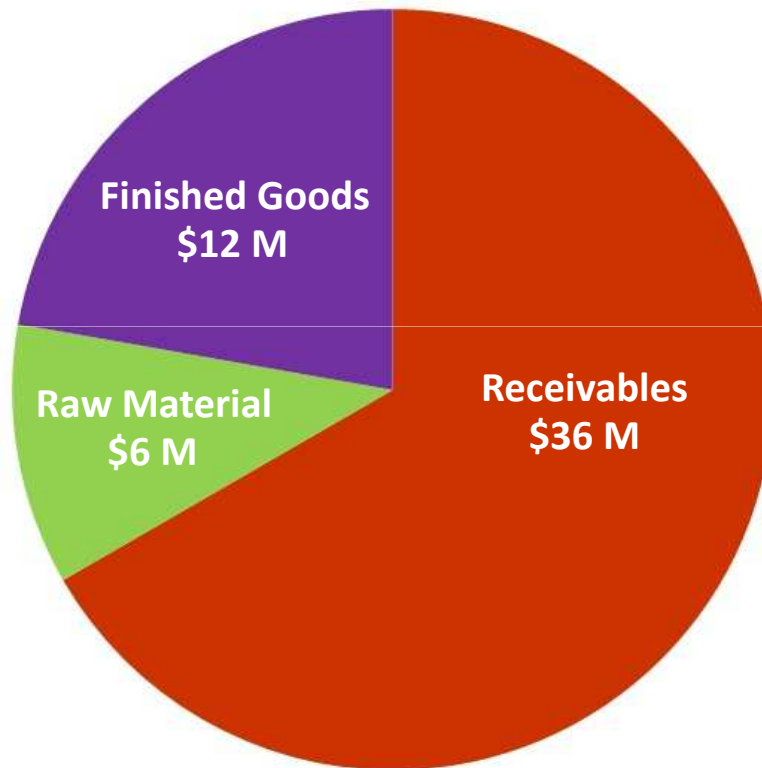
Borrowing Base Facility

Example: Eligible Current Assets



Borrowing Base Facility

Example: Borrowing Base Loan Facility for maximum limit of \$40M



Total Eligible Assets: \$54M

Advance Rate 85%

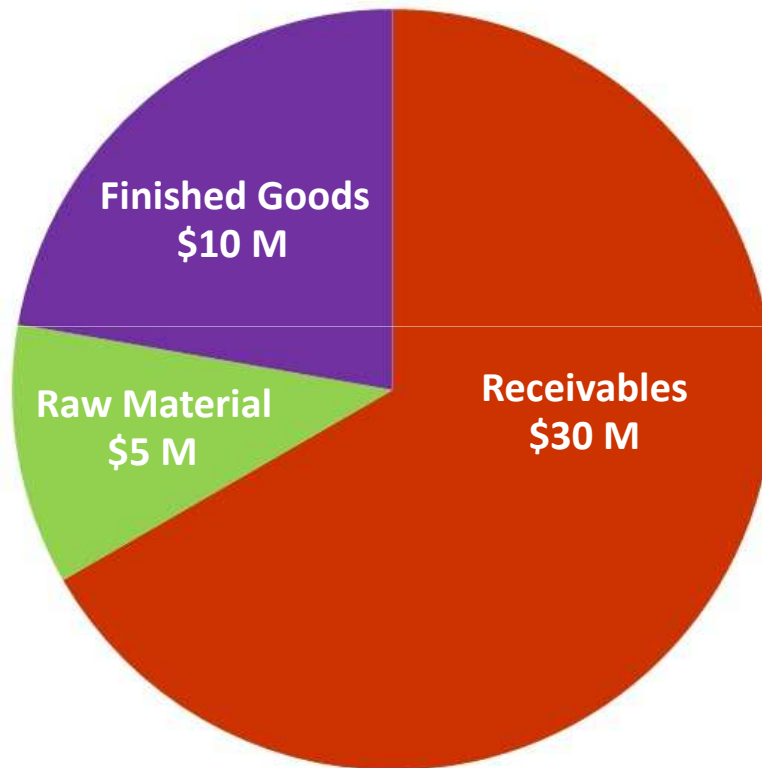
Borrowing Base: \$46M

Loan Draw Down: \$40M

Loan Balance: \$40M

Borrowing Base Facility

Example: Borrowing Base Loan Facility for maximum limit of \$40M



Total Eligible Assets: \$45M

Advance Rate 85%

Borrowing Base: \$38M

Loan Repayment: \$2M

Loan Balance: \$38M

Borrowing Base Facility

Example: Borrowing Base Certificate

Borrower: _____ Date: _____

Total Accounts Receivable: _____

Less Accounts overdue > 90 days: _____

Accounts Receivable (A/R): _____

Eligible Accounts Receivable: _____ **(1)** (A/R x ___%)

Total Inventory (Raw Material + Finished Goods): _____

Eligible Inventory: _____ **(2)** (Total Inventory x ___%)

Borrowing Base: _____ (1) + (2)

Less: Current Outstanding Loan Balance: _____

Amount Available* (Amount Repayable): _____

**Within Credit Facility*

Borrowing Base Facility

Thank You