Revolutionizing Commercial Lending

MANAGING LENDING PARAMETERS AND NEW BUSINESSES

August 2013

video: **bbceasy.com/video**
call: **206-922-4502**
email: **info@bbceasy.com**

www.bbceasy.com

video: **bbceasy.com/video**
call: **206-922-4502**
email: **info@bbceasy.com**

www.bbceasy.com

TABLE OF CONTENTS

video: **bbceasy.com/video**
call: **206-922-4502**
email: **info@bbceasy.com**

www.bbceasy.com

INTRODUCTION

At the heart of BBC monitoring is the individual lending parameters used to calculate a business's Borrowing Base. BBC Easy features the flexibility of setting standard default parameters for the entire lending institution or customizing them for each individual borrower. This document reviews the steps for setting the global defaults and then assigning parameters when adding a new business to BBC Easy. Additionally, lenders have the option to submit a manual Borrowing Base Certificate for a business, as part of managing their borrowers.

DEFAULT PARAMETERS

Once set, the default parameters will be available to new businesses. As shown later in this document, when a new business is created, it will automatically display the inherited default parameters. In order to edit the default parameters, lenders are required to have Admin access rights. To set the default parameters, follow the steps below.

Note: changes to the default parameters will NOT impact any existing businesses and only applies to newly created businesses.

1. OPEN THE 'MY ACCOUNT' PAGE

Using the button in the menu bar, access your account page:

2. OPEN YOUR LENDING INSTITUTION DETAILS PAGE

Lending institutions you have access to will be listed on your account page. If you have Admin permissions, click the **Edit** button to open the detail page.

video: **bbceasy.com/video**
call: **206-922-4502**
email: **info@bbceasy.com**

www.bbceasy.com

3. OPEN THE PARAMETERS PAGE

On your lending institution page you can add or remove existing users or change their assigned permissions. With the **Parameters** button on the right, you can access your default parameters page.

	Full Name	Email Address	Their Permissions
Remove	Build Verification Testing Banker Account	bvt@constantbank.com	Admin ▾
Remove	Corey	corey@constantbank.com	Admin ▾
Remove	Demo Banker	banker@constantbank.com	Admin ▾
Remove	Devin ConstantBank	devin@constantbank.com	Admin ▾
Add			

AUTHORIZED BANK USERS

OPTIONS

Parameters

4. SET DEFAULT PARAMETERS

On the Parameters Page, configure your default settings using the checkboxes to select the entries which will be relevant to your lending portfolio. You will have the opportunity to customize them for each individual business later. As you mouse over options, descriptions of the parameters will appear to describe how a specific setting is used in the calculations. When you're finished, select the **Save** button.

PARAMETERS

General

Baseline months   3

☐ Require borrower attestation

☐ Set a Due Date

BBCs are due every [month ▾] on day [15] of the month for the prior month

REMINDER EMAILS

☑ Notify [3] days before the due date
☑ Notify on the due date

Credit Availability

Max loan amount $0

☐ Other credits rate   100%

☑ Allow Advances

video: **bbceasy.com/video**
call: **206-922-4502**
email: **info@bbceasy.com**

www.bbceasy.com

PARAMETERS, CONTINUED.

Accounts Receivable

☐ Max eligible accounts receivable	$0
☐ Accounts receivable advance rate	80%
☐ Max invoice age	90
☐ Max credit memo age	90
☐ Max concentration percentage	20%
☐ Max cross-aging percentage	20%

☐ Exclude contra accounts

> Percent of a customer's invoices (e.g. 20%) that are over Max Invoice Age (e.g. 90 days) triggering exclusion of all of that customer's invoices from Eligible AR

    ☐ Only exclude net contra amount

☐ Exclude government accounts

☐ Exclude foreign accounts

☐ Exclude related accounts

☐ Allow manual deferred revenue

☐ Allow manual retention

Inventory

☐ Max inventory	$0
☐ Inventory advance rate	40%

◉ Automatically use gross inventory

◯ Manually enter detailed inventory

    ☐ Accept raw materials inventory

☐ Raw materials advance rate	100%
☐ Max raw materials	$0

    ☐ Accept works-in-progress inventory

☐ Work-in-progress advance rate	100%
☐ Max works-in-progress	$0

    ☐ Accept finished goods inventory

☐ Finished goods advance rate	100%
☐ Max finished goods	$0

Fixed Assets

☐ Eligible fixed assets	$0

video: **bbceasy.com/video**
call: **206-922-4502**
email: **info@bbceasy.com**

www.bbceasy.com

ADDING NEW BUSINESSES

1. SELECT ADD BUSINESS

Start with the Add Business Button from the menu bar:

ADD BUSINESS

2. SAVE NEW BUSINESS

On the Creating New Business page start by entering a Company Name and NAICS Code. Press the **Save** button on the right to move to the next step.

Creating New Business

COMPANY INFORMATION

Company Name	
NAICS Code	0

3. EDIT BUSINESS PARAMETERS

After saving, you are presented with the Edit Business page. From here you can edit the list of Authorized Bank Users and Authorized Business Users as well as customize the lending parameters. The new business will automatically inherit the default parameters assigned to your bank. If you want to modify any of the parameters specifically for this new business, press the Parameters button.

Parameters

AUTHORIZED BANK USERS

|	Full Name	Email Address	Their Permissions
Remove	Trainer ConstantBank	trainer@constantbank.com	Admin
Add			

BUSINESS INFORMATION

Business Name   Alpha Asphalt
Accounting Package AR Invoice Spreadsheet 1

AUTHORIZED BUSINESS USERS

	Full Name	Email Address	Their Permissions
Remove	Andrew Alpha	alpha.asphalt@testborrower.com	Admin ▼
Add			

video: **bbceasy.com/video**
call: **206-922-4502**
email: **info@bbceasy.com**

www.bbceasy.com

4. ADD BUSINESS USERS

If Borrowers will submit their own BBCs then they will require a user account to access their BBC Easy Business dashboard. Use the Add button in the Business Users section.
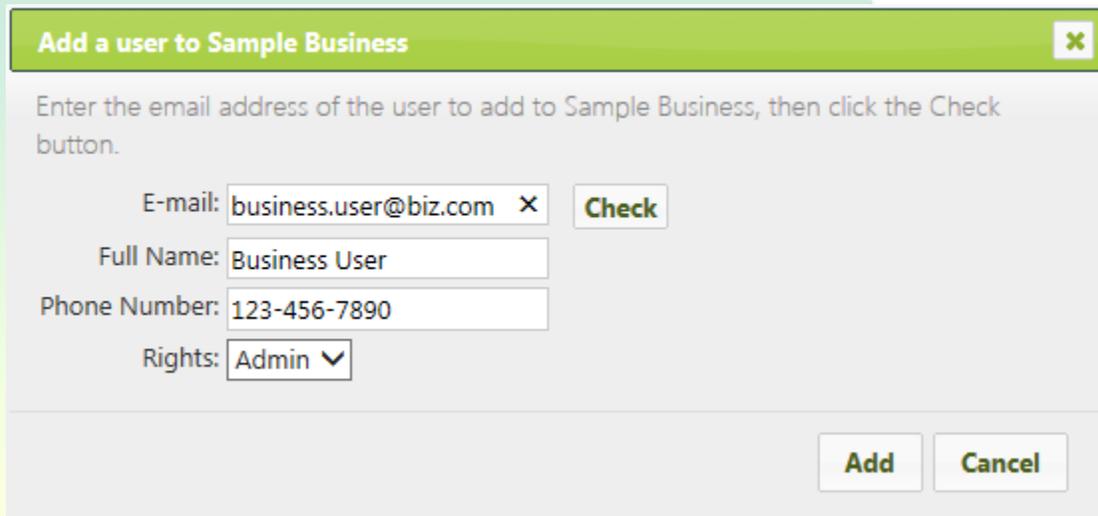
In the Add a User window, enter an e-mail address for the new user. Press the Check button to verify that the user does not already exist in the BBC Easy database. If the user is recognized, the Name and Phone Number is automatically populated, otherwise complete the form manually. BBC Easy recommends that the business's first user be provided with Admin level Rights. This will provides them with the ability to add additional users to their business. The descriptions of the user rights options are listed below.

When the new user is added, they will receive a welcome email from BBC Easy. Using the link in the email they will be directed to set a password for their account and then link their accounting package. Through their dashboard they have the ability to upload new BBCs and review their customer list. Training videos and step-by-step guides are available to walk them through the process.

video: **bbceasy.com/video**
call: **206-922-4502**
email: **info@bbceasy.com**

www.bbceasy.com

SUBMITTING NEW MANUAL BORROWING BASE CERTIFICATES

Lenders can enter new BBC values for the business by using the button New Borrowing Base button on the business overview page for a particular business.

New Borrowing Base

BORROWING BASE CERTIFICATE FOR FULL DEAL TESTING CO

	Information as of date:	3/29/2013
⊗ Sales & Collections		
Sales		$0.00
Collections		$0.00
⊗ Accounts Receivable		**$0.00**
AR accounts (up to 30 days)		$0.00
AR Accounts (31 - 60 days)		$0.00
AR Accounts (61 - 90 days)		$0.00
Aged Accounts over 90 days		$0.00
Gross accounts receivable		**$0.00**
Invoices over **90** days		$0.00
Credit memos older than **90** days		$0.00
Cross-aged invoices		$0.00
Amount over **25%** concentration		$0.00
Foreign invoices		$0.00
Government invoices		$0.00
Contra amount		$0.00
Related invoices		$0.00
Deferred revenue		$0.00
Retention		$0.00
Net accounts receivable		**$0.00**
Accounts receivable advance rate		80%
Max eligible accounts receivable		$1,000,000.00
Eligible accounts receivable		**$0.00**
⊗ Inventory		**$0.00**
Gross inventory		$0.00
Inventory advance rate		50%
Max inventory		$250,000.00
Eligible inventory		**$0.00**