

HOW DO I GET STARTED?

PURCHASE OF ACCOUNTS RECEIVABLE

BHM Financial Corporation provides funding in the range of \$20,000 to \$2,000,000 to small and mid-sized businesses (Clients) by purchasing some or all of the Client's Accounts Receivable (Customers).

1. The client completes a Credit Application and is approved based upon the integrity of the principals.
2. The Client's Customers must be credit approved by insurance company approved by BHM Financial.
3. BHM will confirm with the customers that the goods have been received or services rendered according to customer purchase orders.
4. BHM will purchase invoices with terms up to 60 days on a recourse basis.
5. The client and its owner are also financially responsible to BHM for disputes with the customer and a reserve of 10%-25% is retained to secure this risk. The reserve is remitted to the Client on collection.
6. The initial discount rate ranges from 3% to 6% face value of invoices purchased depending upon; transaction size and volume of continuing business. Invoices unpaid after 30 days bear an additional discount prorated.
7. Client provides BHM with original and copies of invoices, purchase orders, and proof of shipment.
8. Client and BHM send letter of direction to Customer who acknowledges that payments are to be made to BHM.
9. BHM registers a hypothec as collateral security.
10. Once BHM gets invoice we will verify invoice and cheque can be issued as quickly as 24-48 hrs.
11. BHM administers and collects the account.
12. BHM's cheque, equal to 75%-90% of invoices purchased, less the discount fee, is payable to the Client. If the client has a Bank line secured by accounts receivable BHM receives a release on the purchased receivables and issues the cheque to the client and the bank.