



Integrity Medical Capital, LLC

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The Advantages of IMC Financing

vs. a

Local Bank Loan

What are the differences? What are the advantages of IMC Financing vs. a local bank loan?

Everybody Has a Limit: Although your local bank is holding your deposits as collateral, you have a credit limit with that bank. Everyone has a limit! It is not in the banker's best interest to tell you that limit upfront. If you reach your credit limit on equipment that IMC could have financed, your local bank won't be able to help you with future unsecured borrowing needs, the kind of lending only a local bank can fulfill. **IMC financing is an alternative financing source, expands your borrowing capacity and protects your local bank credit limit.**

Interest Rate: Banks typically offer a variable interest rate that can increase. This places the interest rate risk on you... instead of the bank. **To protect you from rate increases... the IMC interest rates are fixed for the term of the financing.**

Down Payment: Local banks typically require a 25% down payment on any equipment financing. **IMC financing offers 100% financing and does not require a down payment. This significantly improves your cash flow.**

Compensating Balances: Local banks typically require that you maintain certain minimum deposit balances if you want their lowest interest rates. This ties up your working capital. **IMC financing has no such requirement.**

Blanket Lien on Business: Local banks will file a "blanket lien" on all present and future assets. This includes equipment, inventory and receivables. **IMC financing requires only a UCC filing on the specific equipment you are acquiring via the IMC financing.**

Restrictive Covenants: Most local bank loans contain restrictions and covenants, such as maintenance of certain financial ratios, restrictions on future debt and salary restrictions. Additionally, look for "Call" provisions on local bank loans that give them the right to demand an early payoff of your loan. **IMC financing has none of these of provisions.**

Revolving Loan: Local banks prefer "Revolving" loans. This gives them the ability to extend or cancel the loan on a yearly basis. This means you must supply financial statements annually for the local bank's review and they must re-approve your loan annually. Additionally, the entire loan is now a current liability, which distorts your financial ratios. **IMC financing is offered on a fixed duration and fixed interest rate.**

Credit Review Process: The local bank credit review process is often a long and exhausting process. **IMC Financing is typically credit approved within 24-48 hours after all the requested financial information has been received.**