



Project Fender: \$7,000,000 Revolving Line of Credit

Executive Summary & Request

Rush Street Capital has been engaged on a new debt private placement for a \$7,000,000 asset-based revolving line of credit. The line of credit will be fully collateralized by eligible Accounts Receivable, and will be governed by a conforming monthly borrowing base. The company's receivables will experience seasonality with maximum availability occurring during Fiscal Q2 & Q3.

Project Fender is a North American based automobile dent removal service that specializes in painless dent repair or PDR. The company has business in the U.S. and Canada. We are seeking an 85% advance rate against eligible A/R. Funds will be used to refinance existing bank debt with a commercial bank and provide working capital for ongoing business operations.

Background Information & Description of Business

Founded in 2010, Project Fender specializes in painless dent repair or PDR. The company is under Private Equity ownership and has received substantial equity backing to date (over \$12 million of cash equity, including additional investments in 2017). The management team is composed of seasoned industry experts who have experience working with senior lenders and with asset-based credit facilities. The company's financial reporting is excellent.

The business experiences seasonal demand, largely driven by changing of seasons, weather patterns and weather events. Historically, demand and accounts receivables peak in Fiscal Q2 and Q3. Fiscal Year 2018 is expected to follow this trend creating up to \$7,000,000 of A/R availability for the revolving line of credit.

Project Fender's accounts receivables are generated through business in the U.S. and Canada. 60% of the 2018 revenue is projected to be generated through U.S. customers, with the remaining 40% being generated from Canadian clientele.

Demand comes from individual consumers but payment is collected from insurance companies, third party administrators, and other similar organizations. Project Fender has developed a platform to be a "one stop shop" for insurance companies and TPA's, reducing claim times and expediting the repair process for vehicle owners. Project Fender has carved this unique market position through the creation of a proprietary technology that allows for a more accurate and efficient repair process.

Additionally, 2017 brought with it the addition of new blue-chip clients and advancements on its proprietary technology. Project Fender is in an excellent position to capitalize on these relationships and grow market share.

Project Fender is seeking an asset-based lender that can provide flexible capital for the company and can underwrite and fund by the end of March, 2018 to meet the deadlines associated with its natural seasonality and refinance its existing senior lender.