



**TCG**

**Finance** LTD  
Trade Finance & Equity Fund

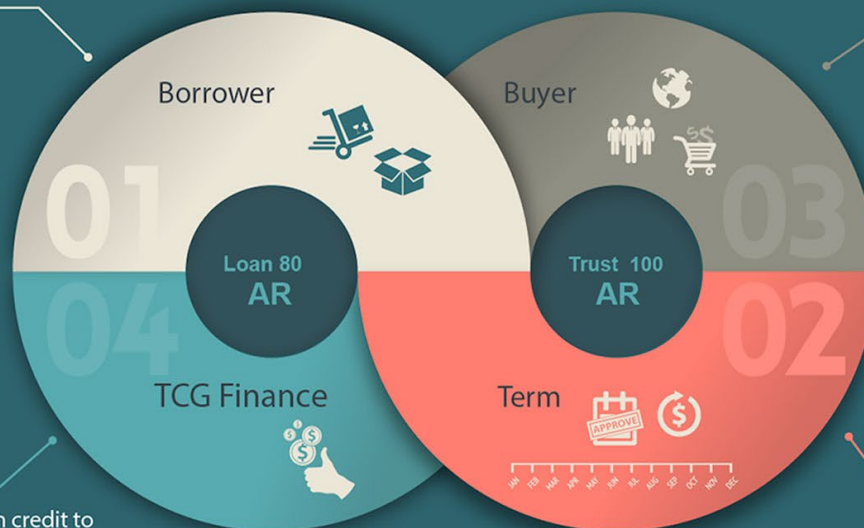
**SUPPLIER FINANCING**

## Borrower

Supplies, Services,  
Materials, etc...

## TCG

Provides long-term credit to  
Borrower with no Capital  
repayment



## Buyer

The **client** receives  
goods and invoice

## Term

Choice of commercial  
credit term  
60 → 90 → 120

## SUPPLIER FINANCING

**When the supplier is the leader, this is the one that creates the network of buyers who have to be financed, when the buyer is the leader, this one is the one that creates the supplier network to be financed.**

Also known as Supplier Credit, supplier financing is the circumstance in which products or services are delivered to the buyer using payment terms that are deferred. The supplier always receives immediate cash payment against the delivery of the product or the service by this facility.

The usual financing terms can range from 30 to 120 days, at the decision of the supplier or the buyer.

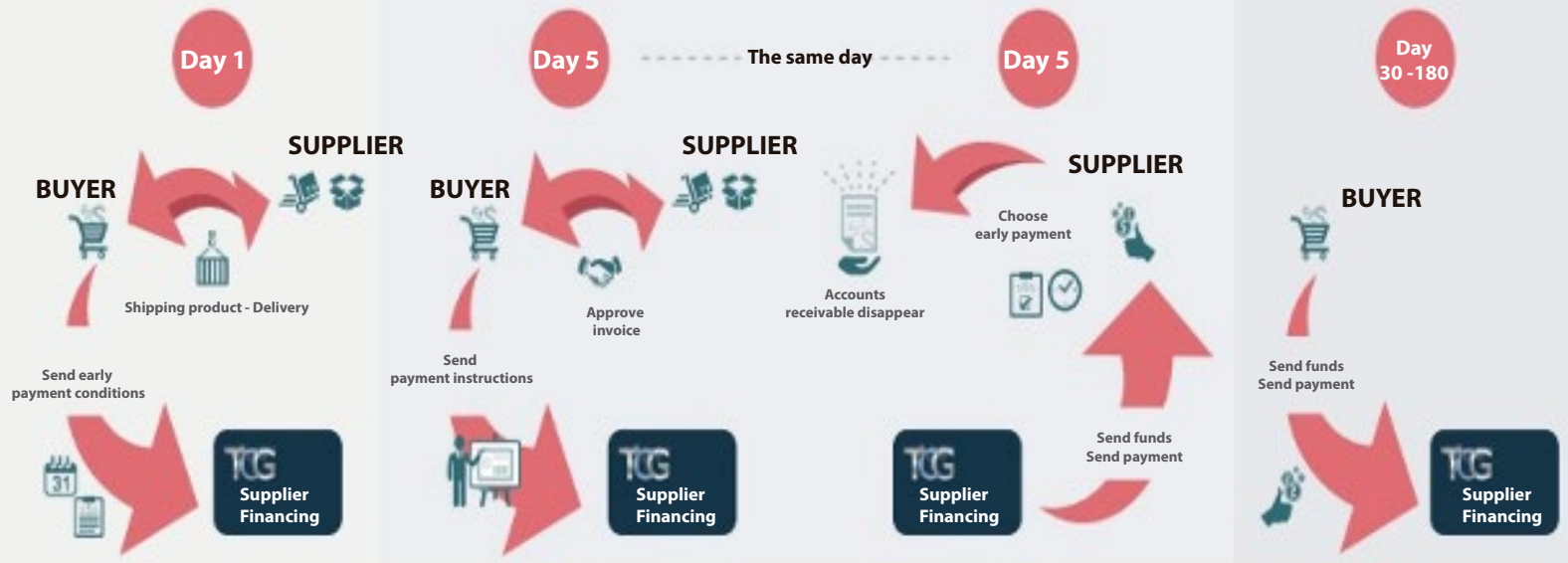
There are several benefits of supplier financing:

**The Buyer:** The opportunity to receive products and services now and pay later means that there is time to resell those products before the payment to the supplier is due. Then it is possible to receive the products and services, sell them to customers, and pay for the products with the same revenue generated by these sales. As a result, the buyer has the working capital to buy more, sell more, and grow.

**The Supplier:** By extending this type of credit to buyers, the vendor can move larger quantities of product in a shorter time. Since the transaction is insured, the seller knows that the payment will be made within the agreed term. If the buyer defaults, the insurance covers the risk without recourse against the seller. As a result, the supplier has the working capital to sell more and grow. Its receivables disappear from the balance sheet, and sales become cash in banks. Suppliers of everything from payroll and outsourcing services to supplies of raw materials of all kinds can be eligible for the supplier credit with the **network of approved buyers**.



## SUPPLIER FINANCING



**Buyers of everything from payroll and outsourcing services to supplies and raw materials of all kinds can be chosen to use the supplier financing with the network of approved suppliers.**

### Benefits to the network:

- The seller/supplier is paid immediately upon delivery of the product.
- The buyer gets an extended payment term.
- The liquidity of network participants improves.
- The relationship between buyers and suppliers becomes more efficient and robust.
- Payment terms do not create bottlenecks in the cooperation between the supplier and buyer. Network sales gain more flexibility and competitiveness.
- Available warranties are optimized and released for all – typically real estate.
- The buyer accepts the invoices and undertakes not to make claims about the deliveries.
- The supplier receives payment of its invoice immediately after the sale and delivery.
- Accounts receivable are removed from the supplier's balance sheet.
- The supplier credit is in the local currency. Pesos, in the case of Mexico.

### Products and Services that qualify for the supplier credit:

- All