



CASE STUDIES

- Classic Car Finance
- Plant Hire Company
- Car 'Balloon' payment finance
- Van Hire Business
- Printing Company
- Haulage Company

1. Classic Car Finance

Customer Objective:

A collector wants to finance the purchase of a classic motor car from a vendor (i.e not an established car dealer).

Potential Issues:

The client has struggled to find a finance company who will finance classic cars.

The vast majority of banks/finance companies will not consider unless the car is supplied by an established or franchised car dealer.

Potential Deal Structure:

We are able to provide finance on all kinds of prestige, luxury, classic and historic vehicles.

A formal Valuation is undertaken on Classic/Historic cars

We can provide up to £500,000 to purchase a car, for up to 5 years. We can also offer 'balloon' rentals to keep monthly payments lower.



2. Van Hire Business

Customer Objective:

To purchase new vans to replace older vehicles on fleet, client has been trading successfully for 10 years and has a good credit history.

Potential Issues:

The clients existing credit lines are full and are not due to be revised until end of financial year.

Some other finance companies will not consider finance proposals in this industry sector.

Only other method for obtaining vehicles is on an expensive Contract Hire agreement over 12 months and the client cannot retain the vehicles.

Potential Deal Structure:

Many of our clients are considered 'Prime' by other lenders, we frequently offer to finance vehicles when their mainstream funding lines are full.

We can offer Hire Purchase agreements on 'fleet' or hire vehicles for up to 36 months, where the client owns the vehicle at the end of the agreement.

We could look to offer blocks of £50,000 to purchase new vehicles every 3 to 6 months, with a maximum exposure of up to £1 million.

3. Plant Hire Company

Customer Objective:

To increase fleet by purchasing a variety of excavators, loading shovels and mini diggers

Potential Issues:

Client does not have a deposit / sufficient deposit

Potential Deal Structure:

We could offer to take additional security in lieu of deposit in the form of a second charge over property, or securing over unencumbered assets (free of finance).

If the client had a small deposit we could also offer increase payments for the first 3 to 6 months of the agreement to cover the additional deposit required.

4. Printing Company

Customer Objective:

To purchase a nearby competitor.

Potential Issues:

Client is £100,000 short of being able to complete the buyout.

Potential Deal Structure:

We could offer to refinance the existing assets of the business to raise the required capital, we could also look to raise capital against the assets of the business to be purchased.

If the client owns their current premises and has sufficient equity, we could release some of the equity to aid the transaction.

5. Car 'Balloon payment' Finance

Customer Objective:

Client needs to raise £30,000 to pay a 'balloon' payment about to fall due on their sports car.

Potential Issues:

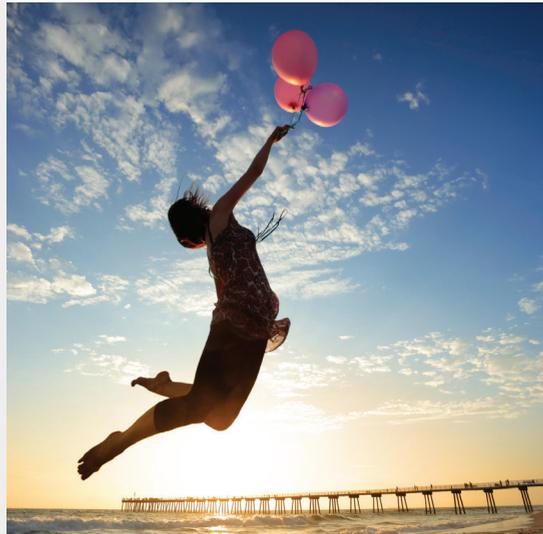
Client does not have the £30,000 available but wishes to keep the car.

Existing finance company will not extend the terms.

Potential Deal structure:

Providing the car's value meets or exceeds the balloon payment due, we could finance on a Hire Purchase agreement by taking an invoice from the existing finance company or from the client directly

We could then finance the £30,000 over a new term of up to 36 months (even providing another 'balloon' payment to keep the monthly payments low if appropriate).



6. Haulage Company

Customer Objective:

To replace non LEZ (London Emission Zone) compliant vehicles.

Potential Issues:

The client has incurred some adverse credit (inc. CCJ's) as a result of bad debt when one of their largest customers entered administration.

The client has approached their bank and existing lenders who are unwilling to increase their exposure.

Other finance companies have declined their business due to the adverse credit.

Potential Deal Structure:

At Liberty we are very familiar with this scenario, as our underwriting is based on the asset value and not just the balance sheet we can be more flexible than some of the mainstream lenders.

We can also consider proposals when the client has some historic adverse credit. We would be able to consider a standard Lease

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