



YouLend x Merchant Industry – Partner Sales Training

September 2023

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SMB Lending by the numbers...

70%

Getting finance
most difficult task
for SMBs

14%

Approval rate for SMBs
applying for bank
financing

82%

SMBs are not getting the
services they need
from their bank

40%

SMBs have 21 days
cash reserves
before bankruptcy

“End users increasingly prefer the convenience of using payments, lending, and other financial services embedded in their day-to-day software, rather than through a stand-alone service from traditional financial institutions.”

Source: Bain & Company, 2022

Introduction to YouLend

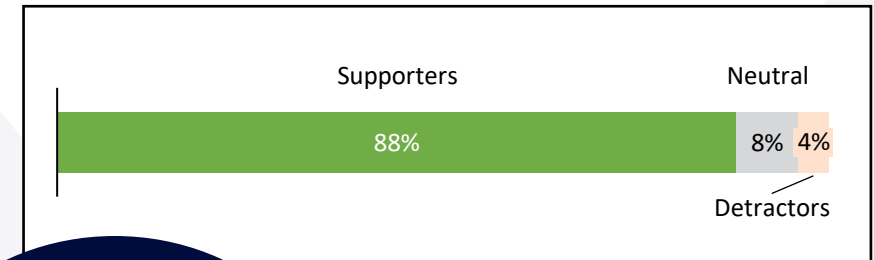
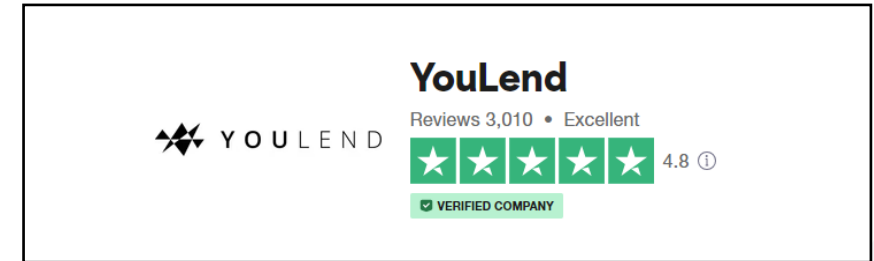
The YouLend Advantage: Why partners choose us

To date, YouLend has funded more than 70,000 businesses who consistently provides good feedback, such as:

- *“The process was so quick and easy. Funds transferred within 24hrs.”*
Nikki
- *“Very effective way of borrowing, I don't feel the pressure in repaying back. Even after repayment is taken, I still have enough for my working capital.”*
Conslata

YouLend is one of the largest embedded finance providers, **enabling lending against ANY non-cash revenue source**, allowing for larger funding sizes at better rates

- YouLend is the only provider that can provide offers to businesses with **3 months sales history and \$1,000/month avg. revenue**
- We are live in the UK, Ireland, Netherlands, Belgium, Poland, Spain, Germany and the USA with **new markets opening** regularly, e.g. France in H2 2023
- We are a merchant cash advance provider – **not** a loan provider
- We have **local language support** for both customer services and marketing support in all geographies



Listen until the end
for a chance to win

\$200

Product knowledge

Fast, flexible revenue-based financing

YouLend financing in partnership with Merchant Industry is short to medium term financing for primarily small and medium sized businesses who are looking for a flexible and sustainable alternative to traditional banking products.

We offer between **\$1,000–\$100,000** with the amount being based on a merchant's previous transaction volumes.

- ✓ **Boost cash flow**
- ✓ **Grow their business**
- ✓ **Marketing**
- ✓ **Train staff**
- ✓ **Manage disruption**



**Merchant
Industry**

Powered by



YOULEND

What is revenue-based financing?

YouLend provides a **revenue based, short-term** business financing (MCA) where customers take an advance on their future sales. It is not a loan.

We offer between **\$1,000-\$100,000**, with the amount being based on a seller's previous transaction volumes.

Repayments are taken as a pre-agreed percentage (between 5-20%) of a seller's daily or weekly sales via ACH.

A **fixed, one-time** fee is charged with no additional late fees, penalties or accruing interest.

What is the YouLend offering?

We set ourselves apart from competitors by having a strong offering enabled by high eligibility rates and flexible repayments to SMBs

Key characteristics:

- Funding sizes between **\$1,000 - \$100,000** with a view to lend up to **£1,000,000** once you grow with YouLend
- Offers which are ranging up to **1-2x monthly revenue** per MCA
- Repayments taken as agreed **% of daily revenue**, and based off all **non-cash revenue**
- **Fixed funding fee** agreed upfront with no hidden costs
- Funding typically **repaid in 3-9 months**
- **Same day top-ups** (typically once merchant >50% repaid)

Key benefits of YouLend funding:

- **Affordability** – repayments are based on a fixed percentage of client's card takings
- **Fast decisions and pay-out** – decisions are available within 24 hours, with funding available same day as contracts are signed
- **Access to additional funding** – 80% of clients that take out YouLend funding become repeat customers, taking out multiple renewals
- **Trusted provider** – YouLend has an excellent Trustpilot rating of 4.8/5 based on more than 3,000 reviews

Features

- Pre-qualified offers
- Apply in 3-5 minutes through link
- Soft credit check
- TIN/EIN accepted
- Open banking connected through Plaid*
- No lockbox
- No collateral
- YouLend handles all aspects
- Renewals typically available from 60% of repaid financing



**merchants in NY and CA must connect banking through Plaid*

Minimum requirements

We set ourselves apart from competitors by having a strong offering enabled by high eligibility rates and flexible repayments

- ✓ Min. 1 business owner living in the country of funding, i.e. US
- ✓ Min. 3 months sales in non-cash revenue (e-commerce sales &/ sales from card terminals)
- ✓ Min. \$3,000 monthly processing volume
- ✓ Fair credit – 580 credit score or better
- ✗ Merchant cannot be a YouLend prohibited industry such as adult entertainment, nightclubs, gambling, used vehicle sales, firearms

How does an offer look?

Once approved, merchants will be presented with 3 offers – merchants can see these offers in their portal

My application

- ✓ Company details
- ✓ Personal details
- ✓ Financial information
- ✓ Application submitted!

Have a question?
We're here to help.

332-345-08560

Select your offer

We are pleased to present you the offers below. Questions about your offers? Take a look at the [frequently asked questions](#) or get in touch. Please note that these offers are subject to final checks and verification.

Offer 1	Offer 2 Selected	Offer 3
Funding amount \$2,500.00	Funding amount \$5,500.00	Funding amount \$10,000.00
Total to repay \$2,750.00	Total to repay \$6,000.00	Total to repay \$11,000.00
Repayment 20% of daily sales	Repayment 18% of daily sales	Repayment 15% of daily sales

Your offers are based on repayments from the following sources:

Select \$5,500.00

- **Funding amount:** The amount funded into the merchant's bank account
- **Total to repay:** The amount (funded amount + fee) that will be repaid
- **Repayment:** The % of sales collected towards repayments

All offers are **unique** (not portfolio-pricing) to the merchant, and we aim to provide the **best possible offers based on the individual business**

What's in it for you?

For each successful funding, Merchant Industry receives 20% of YouLend's fee. ISOs then get paid per their **residual split of the commission** depending **on the size** of the deal

MERCHANT TYPE	FUNDING AMOUNT	PAYBACK AMOUNT	FIXED FEE	FEE AMOUNT	MI COMMISSION - 20%	ISO COMMISSION - 70%
Deli and Grocery	\$16,000.00	\$20,480.00	28%	\$4,480.00	\$896.00	\$627.20
Smoke Shop	\$19,000.00	\$23,940.00	26%	\$4,940.00	\$988.00	\$691.60
Restaurant	\$42,000.00	\$52,080.00	24%	\$10,080.00	\$2,016.00	\$1,411.20

➤ ISO's residuals will be added to their balance sheet for that residual cycle

Plus, added benefits:

- Commission on every renewal deal funded for your merchants (typically avg. 4 renewals per customer)
- Customer satisfaction and loyalty
- Protecting your residuals, i.e. less churn
- Commissions are non-chargebackable

\$100

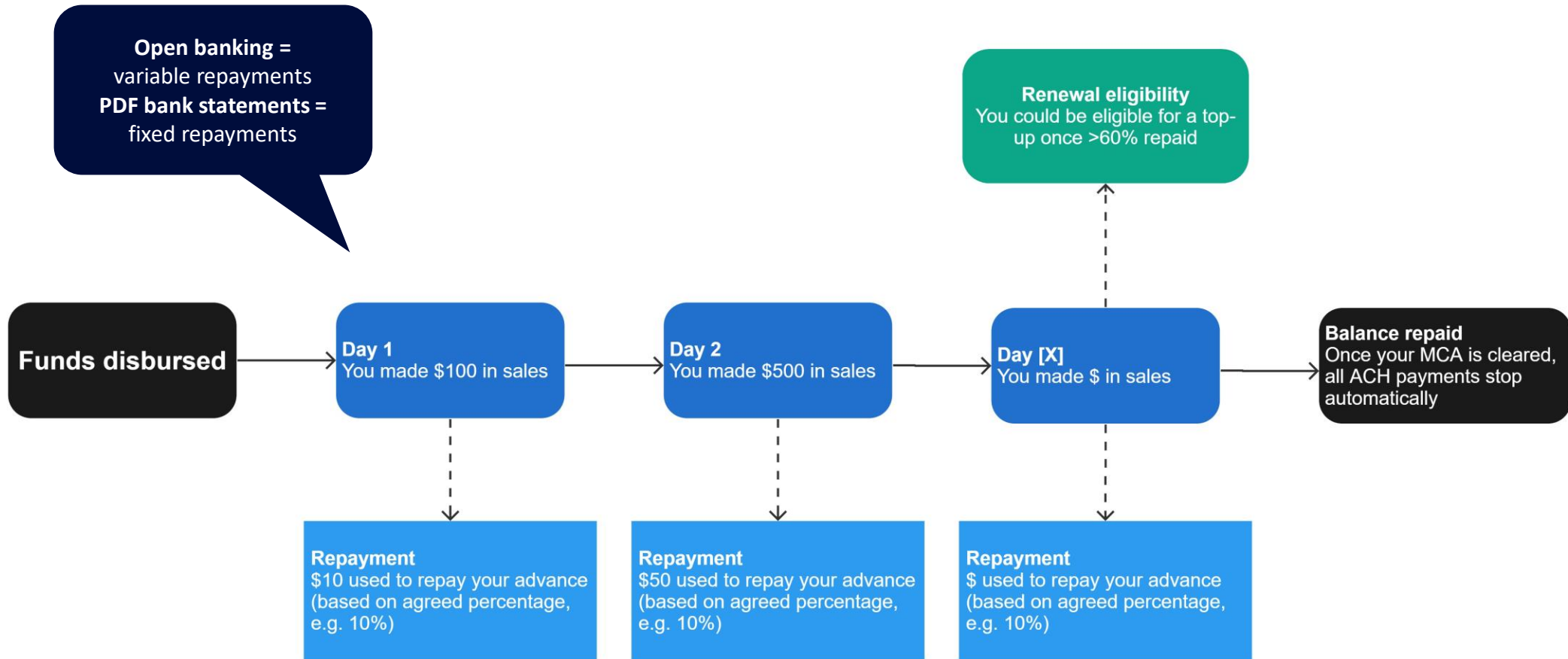
extra bonus for every
deal you fund in
Sept & Oct

You could make \$4.5K on merchants like Angie's Deli & Restaurant



Repayments

We charge the agreed % of sales towards repayments via ACH (daily for borrowers <\$4K and weekly for borrowers >\$4K). If there's not open banking connected, merchants will repay a fixed amount



YouLend application journey

Application process

Merchants can access the application online via this link: <https://youlend.us/apply/swipe4free/en-us/signup>

Merchants can complete the application process in minutes

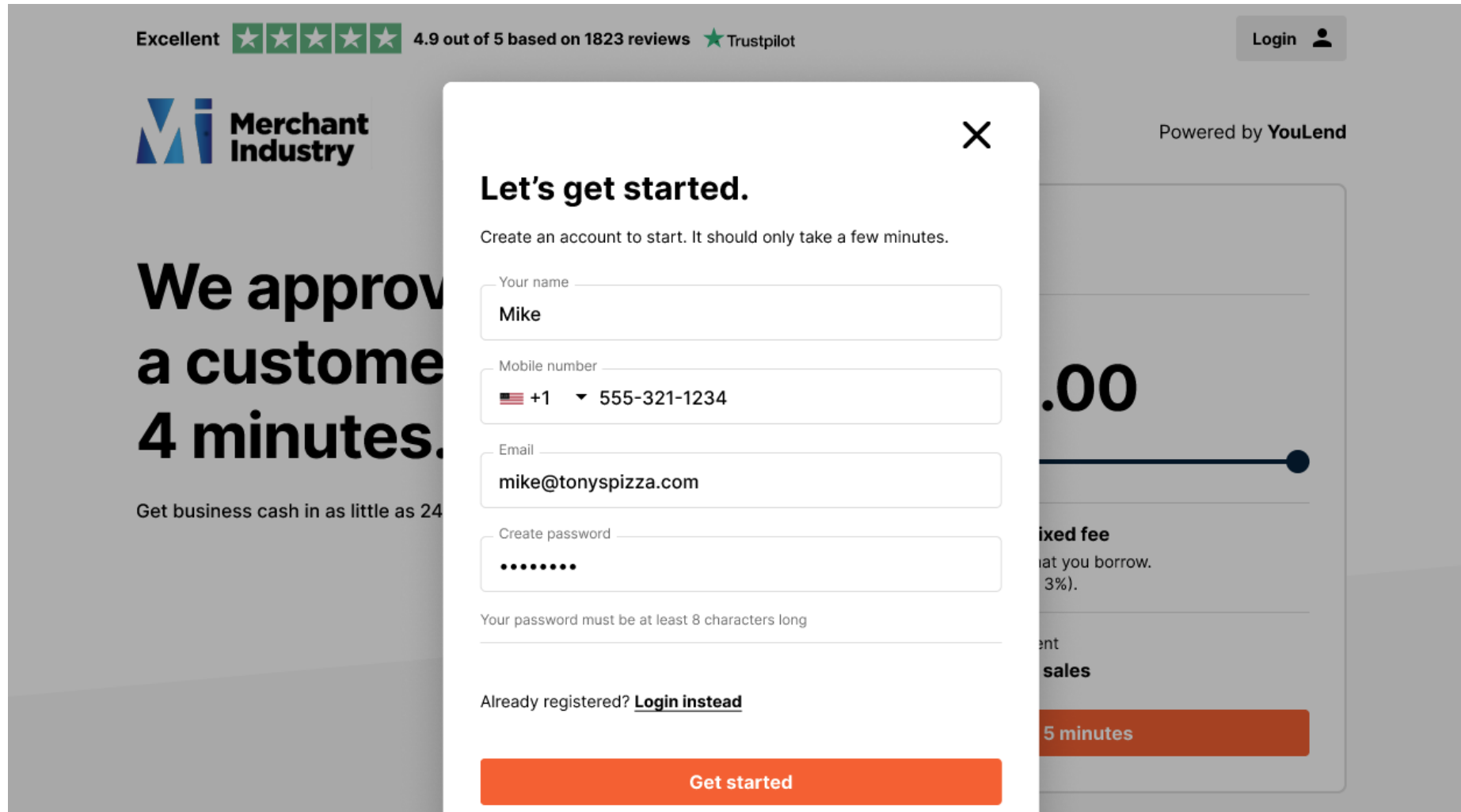
The first step is creating a login for merchants to access their portal

- Merchants must enter the following
 - ✓ **Contact information**
 - ✓ **Company information**
 - ✓ **Personal information**
 - ✓ **Financial information** (make sure they have their **login to online banking** ready)
- After all is complete, YouLend may reach out to your merchant via phone or email to request additional documentation

See customer journey demo [here](#)

How to submit an application (1/5)

This link <https://youlend.us/apply/swipe4free/en-us/signup>, will enable your merchants to sign-up via the Swipe4Free-branded customer journey



The image shows a sign-up form for Merchant Industry, overlaid on a background advertisement. The background ad features the Merchant Industry logo, a 4.9-star Trustpilot rating, and the text "We approve a customer in 4 minutes. Get business cash in as little as 24 hours." The sign-up form is titled "Let's get started." and includes the following fields:

- Your name: Mike
- Mobile number: +1 555-321-1234
- Email: mike@tonyspizza.com
- Create password: [masked]

Below the password field, it states: "Your password must be at least 8 characters long". At the bottom of the form, there is a link: "Already registered? [Login instead](#)" and a prominent orange "Get started" button.

How to submit an application (2/5)

We only require minimal information on the business and its owners to provide a decision



mike@tonypizza.com 

My application

- Company details
- Personal details
- Financial information
- Application submitted!

Have a question?
We're here to help.

332-345-08560
merchindustry@youlend.com

Company details

Country Company type

Nine-digit number e.g.12-3456789. You can find it at the top right of your tax return.



Can be found on your Secretary of State documents. Type to autofill address or **enter it manually**

Next step →

How to submit an application (3/5)

We only require minimal information on the business and its owners to provide a decision



mike@tonospizza.com 

My application

Company details

Personal details

Financial information

Application submitted!

Have a question?

We're here to help.

332-345-08560

merchindustry@youlend.com

Personal details

Please provide information on directors and beneficial owners controlling more than 25% of the company to allow us to run soft credit checks.

Person 1

First name

Mike



Last name

Brown

Email

mike@tonospizza.com

Mobile number

 +1  555-321-1234

Date of birth

MM

DD

YYYY

For example: 03 31 1970

Type of person

Residential address




Can't find the address? **Fill it in manually**

How to submit an application (4/5)

We enable your teams to utilize our open banking integration, enhancing the merchant experience, and enabling variable repayments



mike@tonyspizza.com 

My application

- Company details
- Personal details
- Financial information**
- Application submitted!

Have a question?

We're here to help.

332-345-08560
merchindustry@youlend.com

Financial information

Verify business account and sales history

To generate your funding offers, we need to verify the account to which your online and card sales are paid out. This can be done quickly and securely through your bank.

 [Verify your account](#)



YouLend uses **Plaid** to perform a one-off verification of your business bank account. Your account remains secure through the same 256-bit encryption used by your bank.

I prefer to manually upload documents (slower processing)

[Submit application →](#)

How to submit an application (5/5)

My application

- ✓ Company details
- ✓ Personal details
- ✓ Financial information
- ✓ **Application submitted!**



Thank you!
Your offers are on their way.

What happens next?

Mike, you don't need to do anything. When your offers are ready, **we'll send them to you at mike@tonyspizza.com**

How long will it take?

We'll generate your offers quickly, usually in **a couple of hours** on a business day.

Have a question? Get in touch:

By phone: **332-345-08560**

By email: **merchindustry@youlend.com**

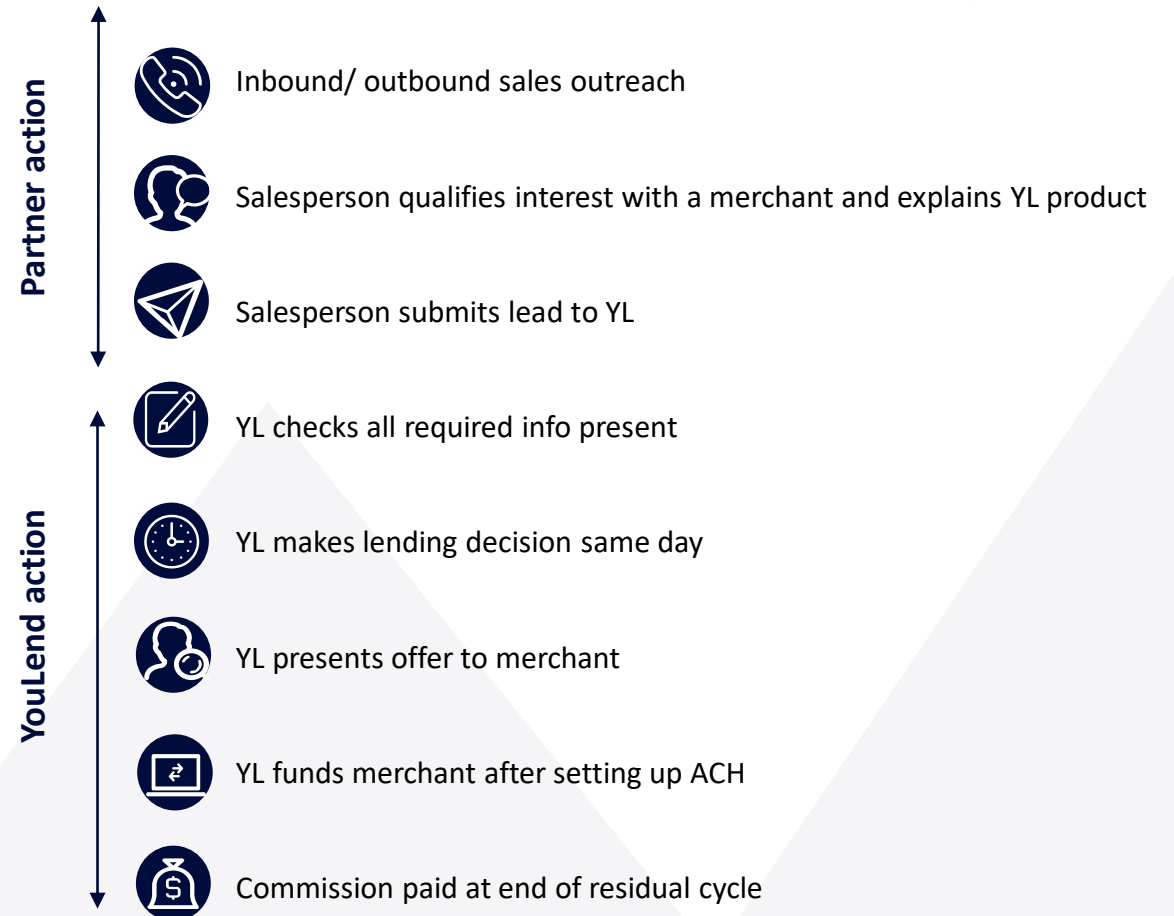
We're on it!

The Youlend Team

What happens after leads are submitted?

- Leads submitted with all required info will **receive a decision within 24hrs**
- **YouLend will contact the merchant** throughout all stages of the application
- When merchant accepts an offer, contracts are sent for electronic signature
- Once contracts are signed, merchant will typically **receive funding same day**
- You get paid **commission**

Process map for hand-off between YouLend and Merchant Industry



How do you start making \$\$\$?

We will help you get started:

Elizabeth will contact you to **opt-in/ give consent to email your existing merchants**

(up until December 2022), please make sure you say 'YES' at this point

- This will enable Merchant Industry and YouLend to send marketing (e.g. prequalified emails and letters) to your merchants → more applications
- Next, you will receive prequalified offers, one-pager and link to application
- Email the application link to **existing merchants**
 - Sell the funding to **new merchants** going forward
 - Fund a deal and **get paid!**

\$100

extra bonus for every
deal you fund in
Sept & Oct

Contact



Elizabeth Izarpate

ISO Support

Office: 866-811-1005 ext 118

Email: eizarpate@merchantindustry.net

You may also contact your Relationship Manager

YouLend contact for merchants

Phone: 332-345-8560

Email: swipe4free@youlend.com

Questions?

Appendix

Pitching the YouLend product

First, identify the customer's need – ask questions about the businesses' need to find a hook to offer capital (+ you may already know them as existing customers of yours)

What are your business plans for the next 6 months?

Typically, when is your busiest season?

How do you prepare the business for this?

**Where do you typically source your stock from?
Would a cash injection help take advantage of more opportunities?**

Pitching the YouLend product

Secondly, explain the USPs – fast, easy, flexible financing

Easy application

For example, just 3 months bank statements



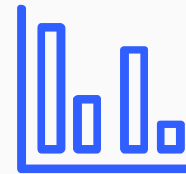
Quick capital

Approval and funding within 24 hours



Flexible repayments

Repay a percentage of your daily sales volume



One-time fee

No ongoing interest or hidden costs. Simple fee that you know up-front



Pitching the YouLend product

Finally, agree an offer – make sure the merchants know the funded amount, fee and repayments when they sign

My application

- ✓ Company details
- ✓ Personal details
- ✓ Financial information
- ✓ Application submitted!

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Select your offer

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Repayment 20% of daily sales	Repayment 18% of daily sales	Repayment 15% of daily sales

Your offers are based on repayments from the following sources:

Select \$5,500.00

Approved offers consist of:

- **Funding amount:** The amount funded into the merchant's bank account
- **Total to repay:** The amount (funded amount + fee) that will be repaid
- **Repayment:** The % of sales collected towards repayments

All offers are **unique** (not portfolio-pricing) to the merchant, and we aim to provide the **best possible offers based on the individual business**

Common objections

	Merchant	YouLend
Offer amount	“The offer is too low” OR “I don’t need this much money”	<ul style="list-style-type: none"> The amount reflects your current and projected sales, but we find that businesses have grown their revenue by >30% in the first half year they got funded with YouLend
Cost of funding	“The offer is too expensive” OR “The APR is too high”	<ul style="list-style-type: none"> Return on investment – the cost of financing is not proportionate to the growth your business can experience using the funds Transparency – other lends aren’t as transparent in quoting the cost of financing but here you know the repayment up-front, e.g. no exit costs or transaction charges
Repayment term	“The funding is repaid too fast”	<ul style="list-style-type: none"> The % is agreed with you so you can choose what suits your cash flow best If you’ve connected open banking, repayments will always be in lines with your sales – but there’ll be none if you go close for the week because of holiday You know the total cost from the beginning so you can easily forecast your cash flow after repayments without having to worry about additional costs
Offer from another lender	“I’ve got an offer from another lender or bank” OR “I can just charge it on my credit card”	<ul style="list-style-type: none"> As a valued merchant with us, you’re already prequalified for funding We are partnered with YouLend because we believe you should spend your time focusing on what matters most – your business – and that means we have searched the market for the most competitive lending solutions available Unlike other lenders, we don’t charge any interest rate or administration fees, and you only repay as you sell so you don’t get charged a large sum during a slow period
No longer needs funding	“I don’t need the money right now” OR “I was just applying to see what I could qualify for”	<ul style="list-style-type: none"> Since the offers reflect your sales, we’re unable to guarantee you the same terms when you apply in the future If you accept an offer now, you can start building your relationship with YouLend and become eligible for additional funding when the need arises in the future
Issues with PG	“I don’t want to provide a personal guarantee”	<ul style="list-style-type: none"> Our underwriters wouldn’t make an offer if we felt the need to exercise the PG No charges over any assets so we can’t seize any assets without court proceedings The funding doesn’t show on your personal credit file If you can’t repay accordingly, YouLend will help you find your solution

Do NOT overpromise!

If you're in doubt, you can always reach out to YouLend via phone +1 332 345 8560 or email ussupport@youlend.com

"You will definitely be approved for an offer"

"You will definitely get the lowest rate possible"

"You can repay entirely in your own time – we won't care"

"You will definitely receive funding today"

"You can get a renewal right after you start your first funding"

Frequently asked questions

<https://swipe4free.com/funding/>

#	Question	Answer
1	What can customers use funding for?	Any purpose, incl. cash flow, stock purchase, new equipment, hire staff, marketing, refurbishment, tax bills etc.
2	What are the USPs of the product?	1) Flexible repayments in line with cash flow 2) Fast decisions (<24hrs if all required info provided) 3) High approval rate (>80%)
3	How much funding can customers access?	On average, 1x monthly card turnover (e.g. if business turns over \$40K in one month, they typically can obtain \$40K in financing). Max 2x monthly card turnover.
4	How do clients repay funding?	If the facility is >\$4K repayments are taken as a daily direct debit (debited on weekdays only), and weekly direct debit if the facility is <\$4K. If no open banking, repayments will be taken as fixed amount via direct debit.
5	Early repayment fees?	None
6	How long is the funding typically for?	On average between 3-9 months, depending on cash flow
7	How quickly does customers get a decision?	Within 24 hours of YouLend receiving the application
8	When will customers receive funds?	Typically, same day as customer signing contracts
9	What is the cost of funding?	Fixed fees agreed upfront, unique pricing per merchant – refer to YL for precise quote
10	What is the interest rate?	There are no interest charges rather a fixed funding fee that is paid back over time
11	What's required to submit a full application?	3 months business bank statements, basic company information, details for significant persons

Overview of end-to-end process

