

BETTER RESULTS WITH HIGHER RISK LOANS:

- New Loans
- Existing Loans:
 - Restructuring
 - Extension

KGI'S QUALITY OF CASH FLOW PROJECTIONS ("QCFP") REPORT.

For over 30 years, KGI has advised lenders and helped companies assess and complete higher risk financing transactions.

COMMON CHARACTERISTICS OF HIGHER RISK LOANS INCLUDE:

- Negative trends in financial performance and cash flow
- Loan covenants in default
- Additional funding needed due to liquidity shortfalls
- Forbearance agreement required
- Loan restructuring required
- Bridge loan needed to complete a capital transaction, including a sale or refinancing

THE BENEFITS TO LENDERS INCLUDE:

- Credible analysis of a company's projected cash flow and liquidity
- Better strategies and analysis for loan structuring and pricing
- Independent and objective third-party professional report
- Completion of critical transaction due diligence
- Additional talent and resources to complete transactions efficiently

KGI'S QCFP REPORT ASSESSES AND ANALYZES AREAS SUCH AS:

- Income statement and balance sheet integration
- Credibility of financial models and underlying assumptions
- Financial covenant and credit ratio analysis
- Profitability improvements
- Historical to projection comparisons
- Borrowing base and collateral coverage analysis
- Reserves and one-time / non-recurring items
- Sensitivity and scenario analysis
- Compilation of key observations and findings, assumptions, and data

PARTIAL LIST OF KGI'S EXPERIENCES:

Industry	Loan	
■ Restaurants	\$50 million	New loan
■ Aerospace	\$30 million	New loan
■ Pharmaceutical	\$30 million	New loan
■ Consumer Finance	\$145 million	Extension
■ Pharmaceutical	\$85 million	Extension
■ Financial Services	\$45 million	Extension
■ Higher Education	\$20 million	Extension
■ Consumer Products	\$90 million	Restructure
■ Retail	\$45 million	Restructure
■ Retail	\$35 million	Restructure
■ Consumer Products	\$30 million	Restructure
■ Music Industry	\$22 million	Restructure
■ Digital Marketing	\$16 million	Restructure

Depending upon the lender's timing and needs, KGI can deliver a written report or a compilation of critical data and analyses. The project is typically done between 2-6 weeks depending on the scope of work, and the availability and quality of the company's data and information.