

## PRICING

# SG&A Comparison

QuickFi's digital, embedded finance platform costs **\$799 per booked transaction, with no additional costs for credit declines or any pre-booking services. This pricing is less than 1/3 of the cost of the industry average<sup>1</sup>** according to the benchmark small ticket SG&A data from the 2023 ELFA Survey of Industry Activity.

QuickFi reduces expenses by:

- ✓ **Dramatically reduce employee costs** including salaries and commissions in credit, collections, operations, customer service, I.T., compliance & regulatory services.
- ✓ **Reduce ongoing compliance and frequently changing state and CFPB disclosure requirements** with built best-in-class BSA/AML, fraud prevention, verification, disclosure, and security capabilities.
- ✓ **Establish a new digital delivery model** embedded into equipment sales channels with a frictionless, highly differentiated transaction processing capability.
- ✓ **Remove friction on repeat transactions** and shield top customers from competitors by enabling instant repeat business capability to dramatically increase total customer lifetime value (CLV).

## <sup>1</sup>Methodology, Assumptions, & Data

The \$3,119 average industry cost per small ticket transaction is calculated from the 2023 ELFA Survey of Industry Activity Report (SEFA) and the 2023 ELFA Small Ticket SEFA Report.

The \$3,119 cost is derived by dividing the Net Sales Expenses (**Figure 17f. Cumulative Income Statement by Market Segment, Compared to Net Adjusted Revenue**, page 80 of the SEFA report) by the Number of Applications Booked, Funded or Sold (**Figure 14a. Applications Processed by Type of Organization for Small Ticket**, page 42 of the Small Ticket SEFA Report). The math is \$1,964,552,000 divided by 629,896 = \$3,119.00 per transaction cost. The current industry cost per small ticket transaction incurred by the large small-ticket bank and finance companies participating in the ELFA surveys has INCREASED by \$500 per transaction during the past five years.

## REPORTS REFERENCED



ELFA 2023 Survey of Equipment Finance Activity Report



ELFA 2023 Small Ticket SEFA Report

17f. Cumulative Income Statement by Market Segment, Compared to Net Earning Assets																
	Overall				Small-Ticket				Market Segment Middle-Ticket				Large-Ticket			
	FY 2022	FY 2021	FY 2020	FY 2019	FY 2022	FY 2021	FY 2020	FY 2019	FY 2022	FY 2021	FY 2020	FY 2019	FY 2022	FY 2021	FY 2020	FY 2019
<b>Assets:</b>																
Net Farming Assets	\$247,166,753	88.1%	\$236,210,286	87.8%	\$74,041,770	88.5%	\$66,763,805	88.2%	\$115,045,040	91.2%	\$112,744,309	90.4%	\$58,079,535	83.3%	\$56,702,172	82.7%
Operating Lease Assets	31,563,819	11.2%	32,771,714	12.2%	8,891,286	10.5%	8,908,839	11.8%	11,807,153	9.3%	11,962,776	9.6%	11,499,160	16.7%	11,902,220	17.2%
<b>Net Assets</b>	<b>\$278,730,572</b>	<b>100%</b>	<b>\$268,982,000</b>	<b>100%</b>	<b>\$82,933,056</b>	<b>100%</b>	<b>\$75,672,644</b>	<b>100%</b>	<b>\$126,852,193</b>	<b>100%</b>	<b>\$124,707,085</b>	<b>100%</b>	<b>\$69,578,695</b>	<b>100%</b>	<b>\$68,604,392</b>	<b>100%</b>
<b>Revenues:</b>																
Lease and Loan Revenue	\$14,360,726	5.1%	\$14,426,832	5.4%	\$5,795,302	7.0%	\$5,504,196	7.3%	\$5,759,729	4.6%	\$5,092,207	4.0%	\$3,414,704	4.9%	\$3,230,329	4.7%
LESS: Depreciation for Operating Leases	3,940,725	1.4%	4,230,501	1.6%	1,679,725	2.0%	1,783,763	2.4%	1,441,127	1.1%	1,683,630	1.3%	844,973	1.2%	886,138	1.3%
LESS: Interest	6,543,168	2.3%	3,884,284	1.4%	3,418,828	4.1%	3,181,811	4.2%	1,688,837	1.3%	1,828,218	1.4%	1,435,483	2.1%	1,096,215	1.6%
Net Lease and Loan Revenue	4,446,867	1.6%	6,309,087	2.3%	2,696,754	3.2%	2,532,622	3.4%	2,629,765	2.1%	2,492,499	1.9%	1,134,248	1.6%	1,247,976	1.8%
Excess Residual Values Rec. through Sale	291,351	0.1%	34,729	0.0%	122,872	0.1%	31,778	0.0%	335,205	0.3%	(1,516)	(0.0%)	(156,289)	(0.2%)	4,467	0.0%
Excess Residual Values Rec. through Finance	161,254	0.1%	276,383	0.1%	200,579	0.2%	340,427	0.4%	572,895	0.5%	489,275	0.4%	90,851	0.1%	92,736	0.1%
Finance Residual Values Rec. through Other	1,333,279	0.5%	833,112	0.3%	431,000	0.5%	381,200	0.5%	899,090	0.7%	487,709	0.4%	84,203	0.1%	90,744	0.1%
Other Income*	3,165,512	1.1%	2,640,965	1.0%	690,950	0.8%	695,921	0.9%	955,429	0.8%	343,116	0.3%	1,612,177	2.3%	1,207,020	1.8%
<b>Net Adjusted Revenue</b>	<b>\$10,848,854</b>	<b>3.9%</b>	<b>\$10,683,164</b>	<b>3.9%</b>	<b>\$4,037,210</b>	<b>4.9%</b>	<b>\$3,779,743</b>	<b>4.9%</b>	<b>\$4,104,284</b>	<b>3.2%</b>	<b>\$3,433,314</b>	<b>2.8%</b>	<b>\$2,709,160</b>	<b>3.9%</b>	<b>\$2,530,107</b>	<b>3.7%</b>
<b>Expenses:</b>																
Provision for Bad Debt	414,843	0.1%	146,392	0.1%	318,623	0.4%	110,258	0.1%	78,021	0.1%	122,156	0.1%	18,205	0.0%	(85,000)	(0.1%)
Sales and Marketing Exp. (incl. sales related salaries & wages)	550,823	0.2%	562,229	0.2%	310,549	0.4%	320,304	0.4%	151,750	0.1%	151,029	0.1%	96,324	0.1%	79,434	0.1%
Other salaries & wages	1,054,365	0.4%	976,090	0.4%	685,137	0.8%	592,465	0.8%	296,165	0.2%	266,748	0.2%	113,063	0.2%	113,657	0.2%
IT expenses	240,768	0.1%	245,454	0.1%	185,090	0.2%	193,427	0.2%	93,227	0.0%	90,321	0.0%	2,446	0.0%	1,876	0.0%
Other general & administrative exp.	2,604,431	0.9%	2,564,613	1.0%	1,933,773	2.3%	2,218,882	2.9%	1,372,010	1.1%	1,340,362	1.0%	446,848	0.6%	400,249	0.6%
Salaries, General, & Administrative Exp.	4,436,385	1.6%	4,345,386	1.6%	3,164,523	3.8%	3,444,710	4.6%	1,874,562	1.5%	1,820,560	1.4%	598,881	0.9%	575,416	0.9%
<b>Total Expenses</b>	<b>\$4,913,224</b>	<b>1.8%</b>	<b>\$4,959,719</b>	<b>1.8%</b>	<b>\$2,283,123</b>	<b>2.8%</b>	<b>\$3,164,869</b>	<b>4.2%</b>	<b>\$1,952,973</b>	<b>1.6%</b>	<b>\$1,951,814</b>	<b>1.5%</b>	<b>\$2,777,061</b>	<b>4.0%</b>	<b>\$2,629,296</b>	<b>3.9%</b>
<b>Income:</b>																
Income before taxes	\$5,935,630	2.1%	\$5,723,445	2.1%	\$1,754,087	2.1%	\$1,714,773	2.3%	\$2,151,311	1.7%	\$1,481,500	1.2%	\$2,022,074	2.9%	\$1,903,711	2.8%
LESS: Total Provision for Income Taxes	(274,472)	0.1%	(309,037)	0.1%	(208,340)	0.3%	(207,484)	0.3%	(302,182)	0.2%	(218,714)	0.2%	(6,307)	0.0%	(374,699)	0.6%
<b>Net Income</b>	<b>\$5,661,158</b>	<b>2.0%</b>	<b>\$5,414,408</b>	<b>2.0%</b>	<b>\$1,545,747</b>	<b>1.9%</b>	<b>\$1,507,289</b>	<b>2.0%</b>	<b>\$1,849,129</b>	<b>1.5%</b>	<b>\$1,262,786</b>	<b>1.0%</b>	<b>\$1,987,771</b>	<b>2.9%</b>	<b>\$1,529,012</b>	<b>2.3%</b>
<b>Number of Respondents</b>	79				41				31				7			

\* Other Revenues include excess interest, program, investment income, non-recurring income, sale from and warranty fees.

\*\* These percentages represent income distribution from a net of discounting sales and net of operating lease expenses and net of 10% as a percent of total adjusted revenues as shown in table 17a to 17d.

\* Other Revenues include income from royalties, investment income, discontinued lines, life from and non-life from

These percentages represent income statement items as a percent of net earning assets and operating lease assets and NOI as a percent of total adjusted revenue as is shown in tables 17a to 17d.

14a. Applications Processed by Type of Organization for Small-Ticket									
	Overall		Banks		Captives		Independents		
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021	FY 2021
<b>Total Number of Applications:</b>									
Submitted	1,142,244	1,203,451	648,233	659,930	286,407	345,878	207,604	198,643	
Approved - Auto Decisioned	507,519	540,322	269,215	282,655	187,173	216,553	51,131	41,114	
Approved - With Manual Intervention	412,732	369,946	232,437	166,946	78,426	100,020	101,869	102,980	
Booked and Funded or Sold	629,896	660,161	312,121	309,150	228,521	271,395	89,254	109,890	
<b>Avg. Number of Applications Per Resp.:</b>									
Submitted	30,059	31,670	36,013	36,607	35,801	43,235	17,300	16,554	
Approved - Auto Decisioned	17,501	14,603	19,230	16,627	37,435	27,069	5,113	3,426	
Approved - With Manual Intervention	10,861	9,735	12,913	9,275	9,803	12,503	8,489	8,582	
Booked and Funded or Sold	16,576	17,373	17,340	17,175	28,565	33,924	7,438	6,635	
<b>Percentages based on Number of Applications:</b>									
Approved as % of Submitted	80.6%	75.6%	77.4%	68.2%	92.7%	91.5%	73.7%	72.5%	
Booked & Funded/Sold as % of Submitted	55.1%	54.9%	48.1%	46.9%	79.8%	78.5%	43.0%	40.1%	
Booked & Funded/Sold as % of Approved	68.4%	72.5%	62.2%	68.8%	86.0%	85.7%	58.3%	55.3%	
<b>Total Dollars (in \$000's):</b>									
Submitted	\$56,198,201	\$53,890,518	\$29,087,108	\$26,613,380	\$15,766,364	\$17,460,974	\$11,344,729	\$9,816,164	
Approved - Auto Decisioned	\$22,158,904	\$21,917,690	\$11,767,713	\$11,338,679	\$8,425,984	\$8,949,814	\$1,965,207	\$1,629,197	
Approved - With Manual Intervention	\$25,292,962	\$20,741,007	\$13,078,322	\$8,448,952	\$6,315,619	\$7,441,381	\$5,889,021	\$4,850,674	
Booked and Funded or Sold	\$29,802,766	\$28,684,922	\$13,015,928	\$11,600,103	\$12,734,132	\$13,823,829	\$4,052,706	\$3,260,990	
<b>Avg. Dollars per Application (in \$000's):</b>									
Submitted	\$49	\$45	\$45	\$40	\$55	\$50	\$55	\$49	
Approved - Auto Decisioned	\$44	\$41	\$44	\$40	\$45	\$41	\$38	\$40	
Approved - With Manual Intervention	\$61	\$56	\$56	\$51	\$81	\$74	\$58	\$47	
Booked and Funded or Sold	\$47	\$43	\$42	\$38	\$56	\$51	\$45	\$41	
<b>Percentages based on Dollar Amt. of Applications:</b>									
Approved as % of Submitted	84.4%	79.2%	85.4%	74.4%	93.5%	93.9%	69.3%	66.0%	
Booked & Funded/Sold as % of Submitted	53.0%	53.2%	44.7%	43.6%	80.8%	79.2%	35.7%	33.2%	
Booked & Funded/Sold as % of Approved	62.8%	72.5%	52.4%	68.8%	86.4%	85.7%	51.5%	55.3%	
<b>Number of Respondents</b>	38		18		8		12		