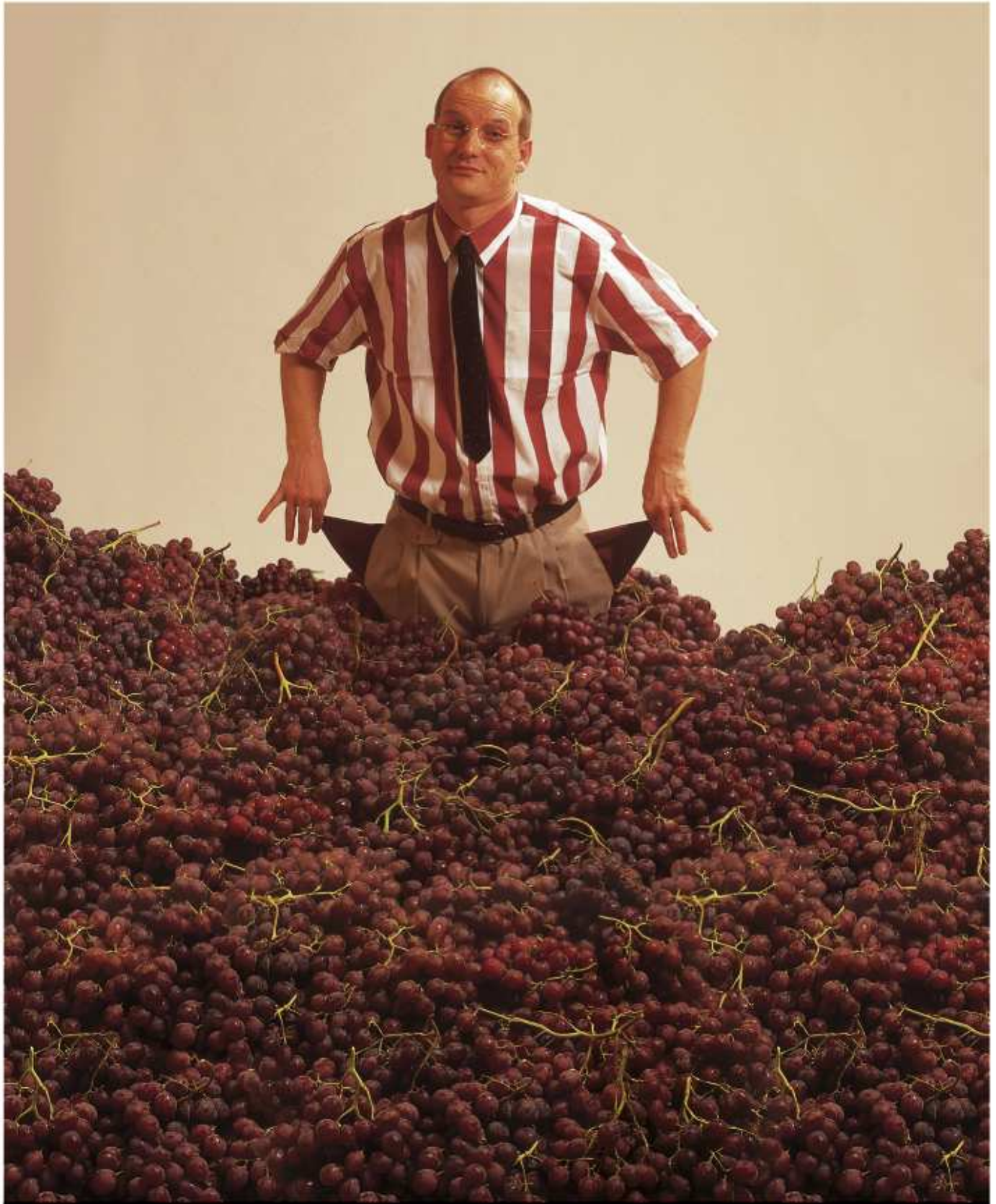


Your client has more in store
than you might think.



Take full advantage of your client's working assets with **INVENTORY COLLATERAL**



Inventory Collateral

With Inventory Collateral you can optimise your client's hidden potential.

Your client sometimes has more in store than you think. Increasingly the resources of a modern entrepreneur are its current assets, the stock principally, which forms the core of the business. So it makes sense that an entrepreneur desires full value from his inventory.

It also makes sense that the banker financing those stocks should desire a link between the changing level of inventory and the financing which is provided.

With Inventory Collateral, stock financing becomes a sound and well-structured credit tool. That is because it creates a 100% legal priority right over the inventory. This is a proper guarantee, supplemented and reinforced by regular, well-organised monitoring and reporting.

This means that the banker can respond appropriately and quickly to the needs of the entrepreneurial manager, who in turn obtains the maximum benefit from the working assets of the business. Thanks to this simple and flexible financing technique he is free to concentrate on growing and improving the business.

With Inventory Collateral in the picture, you have an original solution in-store.

100% PRIORITY RIGHT

Inventory is increasingly the dynamic driving force behind many modern businesses. Consider a rapidly-growing business whose turnover and stocks almost always grow in parallel, and which principally has its stocks to offer as security. Or the toy manufacturer which has to begin to build up stocks long before the December-holiday period without the benefit of any immediate sales to show for it.

If a banker is going to finance inventory, it makes sense that he should be given that asset in pledge as well. It is hard to imagine a more powerful form of interaction. Stocks and credit are linked together inextricably and interactively. The entrepreneur uses the credit to build up stocks, and concurrently the inventory financed is used as collateral.

Inventory Collateral ensures that stock financing takes place on a safe and sound basis. The registration of a classic "Pand op het Handelsfonds" only gives the banker a 50% priority right over the stocks. **By placing stock under strict control of a Third-Party-Holder, that legal priority right is raised to 100%.**

The inventory physically remains in its original storage area, and as long as a minimum threshold, or "safety stock" level is maintained, both inward and outward movements continue in the normal course of business.



hidden wealth



MONITORING, CHECKING AND REPORTING



Anyone who is going to finance inventory will of course also want to monitor the dynamic changes in the current assets, like stock, that form the "borrowing base". Objective information is the link that makes stock financing a sound and well-structured credit tool.



The NV Warrant provides its lengthy experience with stock when it monitors the credit provided. Stock movements are both reported and checked in a regular and organised manner. The lender is given an extensive reporting of those assets and more, each month, and in appropriate detail.



That means that you are always in touch, on a continuous basis with the core assets of your client's business. And you can adjust your lending in-line with his needs. With Inventory Collateral you and the entrepreneur can reap the previously hidden wealth of his internal resources. The interests of the business and the bank are drawn together in a mutual and rewarding partnership.

The RIGHTS granted to lenders are paramount

The new legislation concerning the Compulsory Settlement and Bankruptcy puts bankers in a difficult situation.

How can a bank continue to finance clients' growth, if the possibility of liquidating stock as primary collateral taken at the outset of granting credit is jeopardized?

*Only Inventory Collateral gives you time-tested tools and proven effectiveness, thanks to physical possession, and the **right of retention** associated with it.*

Inventory Collateral forms the basis for sound and well-structured stock financing. It not only provides a full legal priority right, but it also gives the information needed to monitor and track the "borrowing base" on a continuing and ongoing basis. Inventory Collateral is a flexible financing technique for modern businesses in changing times.



Inventory Collateral

Flexibility with Strength

Would you like to reap the benefits of
sound, flexible, stock financing?

Call: 32-2-511 29 31

Ask for Levi Van Havere



Inventory Collateral

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