



BuroFlex<sup>®</sup> Auto Finance makes the difference

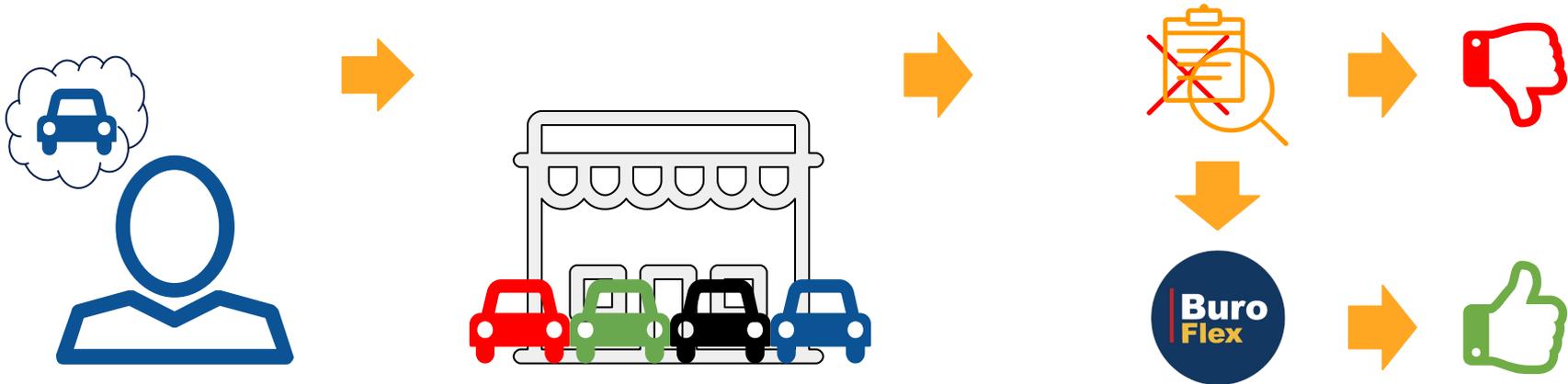
Alvaro Quintero, CEO | [alvaro.quintero@firmautousa.com](mailto:alvaro.quintero@firmautousa.com)

# Problem



## How to get credit if you have no credit?

FirmAuto breaks the vicious circle by tending to low-credit holders and first-time buyers that other lenders refuse, using the BuroFlex technology.



# Team



Angelo Nyars  
Industry Advisor



Jonathon Angell  
Advisor, Outsourced  
CFO



Alvaro Quintero  
Founder & CEO



Ricardo Ramirez  
Dealer Relations  
Manager



Rick Haskell  
Risk Management  
Advisor



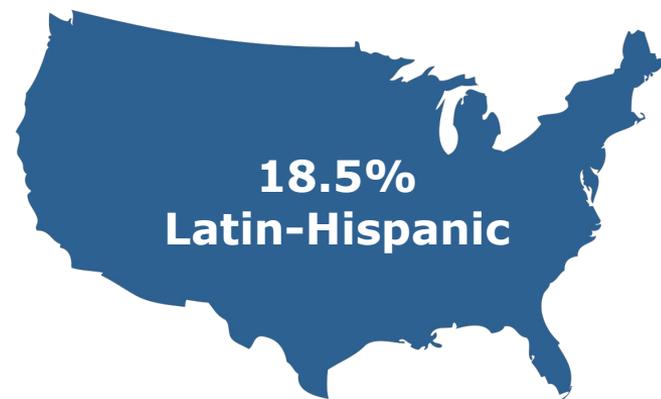
Carlos Betanzo  
Operations  
Manager

# U.S. Car Market



June 2020, YTD

- +16,500 dealers\*
- 6.4 millions units sold
- 437 BUSD in sales
- > 70% of cars were financed



\*National Automobile Dealers Association 2020 Mid Year Financial Profile.

# California Car Market



- > 1,300 dealers. (8% of national total)
- 2 million units sold
- \$120 billion (11% of national Sales)
- > 70% of cars were financed



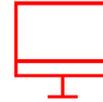
# Competitive Landscape



Banks only target the prime segment.



Credit Unions require membership, savings and have an approval wait time.



Online Lenders serve the subprime segment but have no relation with dealers.



Dealer Financing have higher markups on price and interests, low car quality, and the buy-here, pay-here is expensive.

# The FirmAuto Solution



# Revenue Streams



## In-house lending

Allocating capital through auto dealers

- Figueredo Motors (2)
- Norm Reeves (3)
- Brown (3)
- Mc Kenna (3)
- Dodge Cerritos (1)
- Independent (6)

## Institutional brokerage

Pass-through contracts

- Innovate: A 2 billion fund serving the Non-Prime Auto Finance Market

## Outsourcing services

Loan originations and servicing for Private Investors

- Latin Loans Corp
- Fonderus LLC

# Business Model



## Average Transaction

Amount: \$21,200  
APR: 24.18%  
Term: 60 months  
Buying price: \$18,900

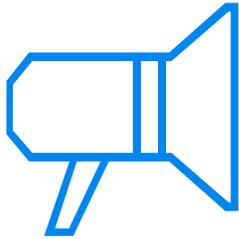


## Unit Cost

Sales: \$636  
Origination: \$226  
Servicing: \$18.50 per month

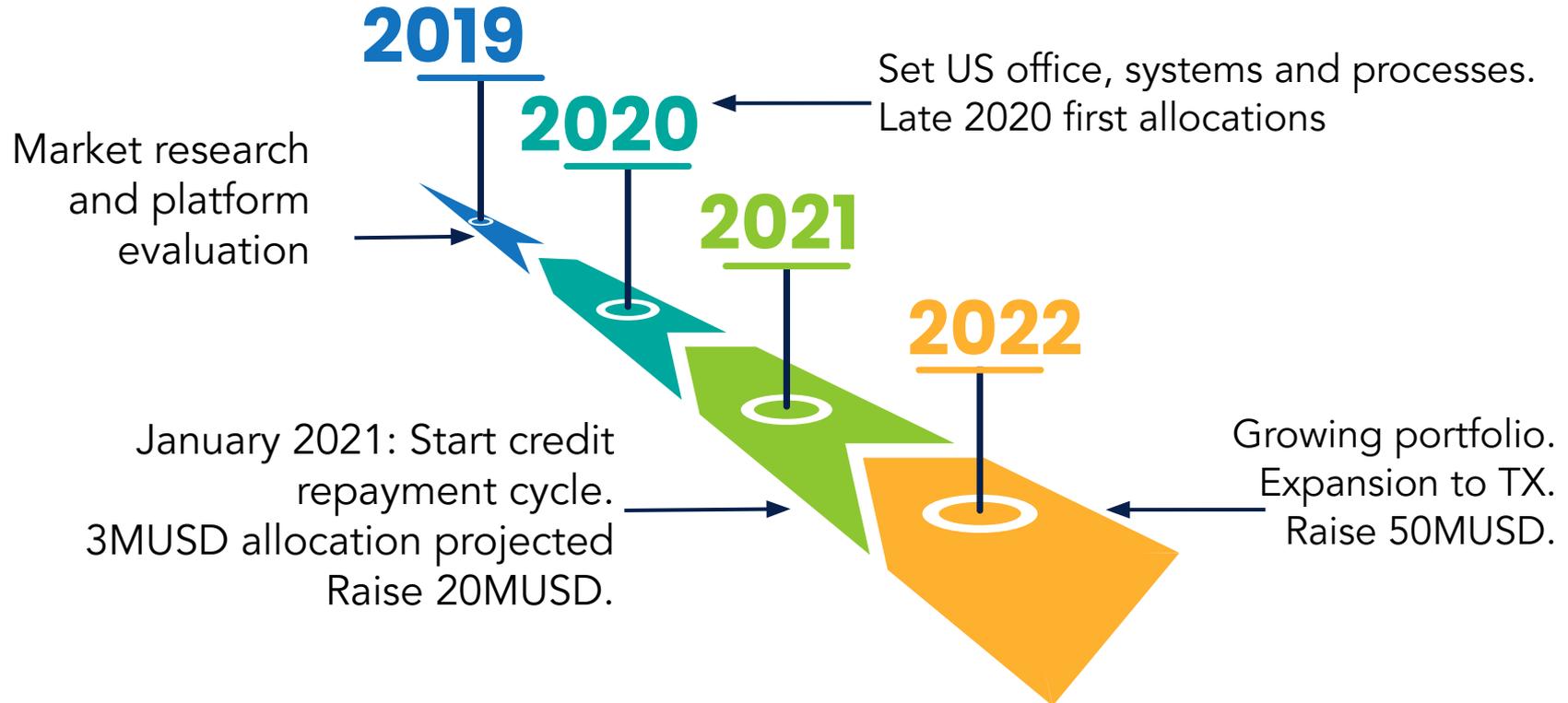
**IRR: 30.90% (gross margin)**

# Key Marketing Strategies



- Direct on-site visits
- Dealers prefer personal attention
- Public relations and networking with dealer groups
- Participate in associations and dealer conventions

# Timeline



# Financial model



Annual performance  
19.53%



X 3 Asset  
reallocation

- 48 Months of cashflow reallocation on new loans.
- 5.8% Default. Capital and Interest lost.
- Model term: Last contract due date at 60 month term ends on month 108. (Pre-payment and portfolio sale can be considered)

# Next goal



Raise 20 million for loan origination  
500k minimum investment



- Preferred stock
- 8% annual return, quarterly payment
- Portfolio as collateral
- No vote



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