

# GovFunding, LLC

## - Executive Summary



GovFunding LLC, a privately owned limited liability company, provides critical financing for Federal Government contracts. We provide a variety of structures tailored to meet the needs of our clients while still offering competitive pricing.



# Identifying Opportunities for our clients

**GovFunding links manufacturers with our network companies to sell products and services to the various agencies of the US Federal Government. The principles:**

- Mr. Kevin Amsler
- Mr. Bill Colburn

**Both gentlemen have extensive experience in direct sales to the government and in financing these transactions.**

# Current Manufacturing Partners

- Bulova Technology Group – Simulators, Firing Devices, Mortars
- MG Taylor / Athenium – Custom Furniture and Design
- Big Tray – Food Service Equipment
- Koala - Mattresses
- Ice ROC - Water
- Commercial Concrete Systems – rebar, rip rap, quick set
- BioDefense Systems – sanitizing lotion
- G1 Energy Mints - new product
- M Waste – Medical Waste Disposal
- Bahama Blue – Sunscreen plus insect repellent

# Current Sales Affiliates

- Maris Solutions, LLC
- Interior Fusion, LLC
- Government Business Products, LLC
- Direct Government Sales, Inc
- CMARK International

# Mission

Our mission is to obtain for the Federal Government of the United States unbeatable pricing and support for the items they require.

We support the efforts of disabled veterans by assisting with financing, business development and the identification of synergistic relationships.

# AIR

- Designated as both an Indirect Air Carrier with the TSA and CRAF partner; Maris provides transportation to all corners of the globe for both Department of State and Department of Defense and their prime contractors.



# GovFunding, LLC

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# HISTORY

- GovFunding, LLC (“GF”) was founded in 2009 by Bill Colburn and Kevin Amsler as a Florida limited liability company.
- The principles have successfully provided Structured Finance solutions for 10+ years.
- GF can structure transactions that hold and finance inventories for a limited time during transport and storage. We prefer to take title to the goods as a way to control the “collateral”.
- The individual transactions are asset backed, short term, self-liquidating and generate cash returns for distribution.
- GF focuses on goods such as furniture, food service equipment, food and other commodities, as well as select mission critical industrial parts.

## History continued..

- GF originates, structures and manages the deals. On some occasions, 3rd party investors provide the funding for the transactions. The individual deals can be booked in separate special purpose vehicles to maximize transparency and simplify operational management.

**Global trade finance markets have been severely hampered by the recession and credit crisis. Worldwide, banks are restricting lending activities. Additionally, many banks are withdrawing into home markets. The following quotes illustrate the trend:**

- **“Up to 90 percent of the \$13-14 trillion in world trade is funded by trade finance -- the lubricant in the wheels of commerce which is traditionally one of the simplest and safest forms of credit. However the price of credit shot up last year and its availability dried up, particularly for developing countries. Trade is forecast to contract this year for the first time since 1982. A senior trade source said last week that the IMF would shortly revise its forecast of the decline to 5 percent or more and many countries are reporting double-digit falls in exports.”** *(WTO in 2009)*

**“The shortage of lending is particularly stark because trade finance is normally relatively risk-free. The collateral is the underlying merchandise itself, which is occasionally lost at sea or damaged but cannot vanish into the air like home values or the price of a stock.”**

***(Herald Tribune in 2009)***

## Example of a Transaction

- *Trading Agreement: GF buys product from Client or Suppliers (normally against assignment to GF of end-customers' purchase orders), holds it and sells it to end buyers ("Buyers"). The funds are directly remitted to GF by Buyers. The Client becomes temporarily a procurement and sales agent. GF is owner of product during the tenor of the trading agreement.*
- GF prefers the ownership structure in order to a) control the flow of goods and, b) to manage the "collateral risk". The holding period of the goods is on average 50-90 days. GF has three sources of repayment: 1) Buyer, 2) Goods/Inventory, and 3) recourse to Client/Guarantees of owner of Client.

# Strengths

- 1. Transactions are asset based with temporary GF ownership of the goods.
- 2. Short-term nature.
- 3. Self-liquidating deals.
- 4. Advance rate concept limits the price risk.
- 5. Underlying goods are freely tradable or of mission critical nature. GF is active in low price volatility sectors.
- 6. GF's product ownership reduces jurisdictional, legal and fraud risks.

## Strengths continued

- 7. The usage of experienced logistics, transportation and warehouse companies mitigates operational risks.
- 8. Other safety features are insurance policies, guarantees of owners/parent companies, third party product inspections etc.
- 9. The Principals of GF are experienced in the credit, working capital, logistics finance and trade finance areas.
- 10. The disruption of the bank markets provides high returns for the risk profile.
- 11. The correlation with other asset classes is minimal.