

## BridgePoint Disbursement Financing Alternatives Summary

	<b>Individual Disbursement Loans</b>	<b>Fixed Term Loans</b>	<b>Credit Facility</b>	<b>Factoring</b>	<b>Plaintiff Loan</b>
<b>Borrower</b>	Law Firm – Process is invisible to the Law Firm’s clients	Law Firm – Process is invisible to the Law Firm’s clients	Law Firm – Process is invisible to the Law Firm’s clients	Law Firm – Process is invisible to the Law Firm’s clients	Plaintiff – Law Firm has no obligation
<b>Loan Size</b>	Minimum - \$2,000 Maximum - \$50,000 Minimum Loan size for a first time borrower is \$10,000.	Minimum - \$100,000	Minimum - \$100,000	Minimum - \$25,000	Minimum - \$5,000 Maximum – determined on a case by case basis
<b>Interest/Financing Costs</b>	18% per annum, semi-annual compounding	18% per annum, varying compounding	18% per annum, varying compounding Stand-by Fee for Undrawn Amounts	Financing cost is dependent on relative age and general characteristics of Disbursement pool	26% per annum, semi-annual compounding
<b>Tax Treatment</b>	Disbursements and Interest/Financing Charges are Tax Deductible	Disbursements and Interest/Financing Charges are Tax Deductible	Disbursements and Interest/Financing Charges are Tax Deductible	Disbursements and Financing Charges are Tax Deductible <sup>1</sup>	No Tax Deductibility for Law Firm
<b>Payment Terms</b>	No ongoing debt service – loans and accrued interest are due when the file(s) settles	Flexibility to choose payment terms (Monthly, Quarterly, Semi-annually)	Flexibility to choose payment terms (Monthly, Quarterly, Semi-annually)	Not Applicable – Sale of Disbursements (Law Firm receives cash “up front”)	No ongoing debt service – loans and accrued interest are due when the file(s) settles and payable out of net proceeds to Plaintiff
<b>Restrictions on Use of Funds</b>	None	None	None	None	None
<b>Due Diligence</b>	Review of Applicable Files	General Review of the business of the Law Firm	General Review of the business of the Law Firm	Review of Applicable Files	Review of Applicable Files
<b>Administration Fees</b>	\$325 plus GST per file	Fees vary depending on size of loan.	Fees vary depending on size of loan	Fees vary depending on size of factoring programme and nature of transaction	\$325 plus GST per file

<sup>1</sup> Assuming that the proceeds from the factoring programme are fully reinvested in disbursements.