

Platform Black

INVOICE
TRADING

Become a Platform Black Buyer and gain attractive returns

Platform Black Invoice Trading is an easy to use, online auction platform for purchasing invoice receivables at a discount

How does it work?

Sellers (companies registered as Platform Black members) post the invoices they wish to obtain finance for (individually or in bundles) on our auction trading platform, selecting the percentage of the invoice they wish to receive (the advance), and how much they are willing to pay for it (the discount fee). They also select the period of time before they buy the invoice back from the winning Buyer (the repurchase date), which is 30, 60 or 90 days.

Buyers view information about each auction:

- The Seller of the invoice, plus their credit score and report, provided by Experian
- The invoice and supporting documents such as purchase order, delivery note, and the Debtor plus their credit score and report, as provided by Experian
- The current winning bid

Buyers can view all auctions, or set up their profile to be alerted when particular sectors, Sellers, Debtors, or invoice sizes are put up for auction.

Why haven't I heard of this product before?

The invoice finance industry is 40 years old, but has traditionally only been available to banks and institutions. Platform Black has developed the technology and the legal infrastructure to revolutionise this industry and make it available to new, as well as existing, providers of funds.

Who are the other buyers?

You'll be joining some well known names, and some new entrants. Existing invoice finance firms have already signed up, as have high net worth individuals and we're on-boarding family offices, liquidity, hedge and specialist invoice finance funds.

Our partners include:



The most recognised law firm in the invoice finance industry

LinksSearch

The premier invoice finance industry risk assessment firm



The UK's Number 1 credit report and scoring company



The UK's national fraud reporting centre.

See overleaf for further details of how the process works >

How does the process work?

Investor wants to make attractive short term returns, and registers as a Buyer with Platform Black.

Buyer views auctions and segments them into books so they are easy to monitor and bid on. Each book can be segmented in any way the Buyer chooses e.g. by credit score of Debtors, or by specific Seller etc., and can hold multiple auctions.

Buyer is alerted to auctions that fit his/her risk model. Invoices of all sizes are available for purchase, from £5,000 to £100,000+.

Buyer places their bid manually or can set the lowest amount they are prepared to receive for provision of the finance, and the system will automatically advance the bid based on this criterion.

As soon as the auction closes, the Buyer transfers the advance amount to Platform Black (minus the winning discount fee), which is then passed on to the Seller.

On the repurchase date the Seller pays the full value of the advance back to the Buyer. The Buyer benefits from a fast, flexible origination of higher rate returns.

Case Study annualised return of 30%

Day One

A Seller put an invoice to a blue chip Debtor up for auction, requesting 75% of the invoice amount to be advanced for a maximum 60 day period. The Seller set the reserve at a 3% discount fee on the advance - this was what he was prepared to pay for his working capital.

Day Two

The first bid was made by a HNW Buyer, matching the reserve discount fee set by the Seller, which meant the Seller had got the deal he wanted, and subsequent bids would only improve on his terms.

Day Three

An institutional Buyer submitted a better (lower) discount fee bid. The HNW counter-bid later in the day. Bidding continued over the course of the auction, and in total seven bids were made between the two Buyers, with the institutional bidder winning with the lowest bid of 2.5%, when the auction closed.

Day Four

Funds were received by Platform Black, minus the discount fee, from the winning bidder.

Day Five

Platform Black transferred the funds to the Seller, which meant that they had the working capital they needed to fund their business' cashflow needs.

Day Sixty

The Buyer secured a return of 2.5% per 30 day period, so 5% for 60 days in this case, delivering an annualised return of 30%.

We've been quoted here >

MailOnline

Telegraph

This is MONEY

FINANCIAL
WORLD

cityWire

NESTA
Making
Innovation
Flourish

What do I do next?

Ask us for an online demonstration of the platform then register to become a member with Platform Black. Once you've cleared our compliance and AML checks you're ready to begin bidding and share in the returns now available from this exciting new investment tool.

Get in touch with our team on

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