



CANADA AVIATION AND FINANCE MANAGEMENT LTD.

A COMPARATIVE STUDY

No.

TRADITIONAL BANKING

CANFIM

1.	Proof of Land and Readiness to Mortgage of Land & Project Assets	Proof of Land and Readiness to Mortgage of Land & Project Assets
2.	Preliminary Concept Design, Market Study, and Cost Evaluation at the expense of Project Owner.	Preliminary Concept Design, Market Study, and Cost Evaluation at the expense of Project Owner.
3.	Evaluation of Preliminary Study by the Bank	Evaluation of Preliminary Study by CANFIM
4.	Decision to proceed or to quit	Decision to proceed or to quit
5.	Preparation of final studies, drawings, feasibility study, Bill of Quantity, Licenses etc. This will be financed by Project Owner	Preparation of final studies, drawings, feasibility study, Bill of Quantity, Licenses etc. <i>This will be financed by CANFIM</i>
6.	Bank will require Project Owners' participation to be at least: Cash 33%-50% of Project Value PLUS besides Cost of Land etc.	CANFIM requires only Bank Guarantee for 25%-33% of Funding Assistance and the same is returned unencumbered, without any lien, upon maturity. <i>The Borrower can earn his interest from his bank if he blocks any fund for the purpose of issuing Bank Guarantee.</i>
7.	Bank Finances only 50%-75% of the project. <i>This makes many projects unworkable.</i>	CANFIM offers Finances Assistance upto 100% of the Project. <i>Of course, many projects become workable.</i>



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| 8. Bank will charge local interest not less than current prime lending rate, which vary 9% - 12% p.a. | CANFIM charges interest @ LIBOR +1.5% i.e. approximately 7%, which is the most competitive rate. London Inter Bank Offered Rate (LIBOR) is a yardstick for international rate for interest. |
| 9. Bank offers less moratorium period and intolerable repayment schedule resulting impoverished Cash Flow and unfeasibility of the Project. | CANFIM offers adequate moratorium period & liberal repayment schedule helping improved Cash Flow and viability of the Project. |
| 10. Instruments required by Bank are in Bank's custody till whole repayment of Principle and Interest | CANFIM releases the Instrument i.e. Bank Guarantee as soon as the loan starts repayment. |
| 11. The Bank procedures are slow and time consuming because of lot of formalities and procedures and red tapeism. | The loan process of CANFIM is faster because it involves less formalities and procedures. |
| 12. Banking Assistance is restricted to the types of Projects they can Finance. It cannot be tailor made to the requirement of the customer/borrower. | CANFIM can custom-build according to the requirement of the Borrower and open to almost all types of project. |
| 13. Bank confine its activities only to Financing | CANFIM besides Financing extends help in finding & negotiating with customers/ suppliers/ management/ Franchise/ Contractors to build & assist the business run. |
| 14. Bank NEVER comes forward in Equity Participation with promoters. | CANFIM consider this proposition. |
| 15. Bank does not often offer any Investment Programs to help the Borrower/ Investor to generate fund of their own. | CANFIM offers various Private Placement Programs to help Borrowers / Investors to generate funds for their own project/profit. |
| 16. The processing and management fees are costlier in Banks. | CANFIM offers its service and consultancy at a very competitive rate. |
| 17. Banks personnel are restricted to local need and are not exposed to international arena. Thus at times not professional in approach & service. | CANFIM is very professional in approach and very expert in service as we cater both local and international market. |
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