

BACK 2 BUSINESS CHECKLIST

FINANCIAL SERVICES: Worksheet #3

Inventory Finance

Cashflow for many retailers was disrupted by COVID-19, and many are experiencing pressure when it comes to the sustainability of compliance with inventory finance agreements. In addition, post-pandemic consumer demand, paired with anticipated supply chain challenges for many manufacturers, may create a need for larger credit lines to support increased inventory needs.

- Consider inventory finance deferral options:** Nationwide's inventory finance partners have offered payment deferrals to help retailers through this difficult time. Consider forward planning around your company's engagement with any deferral opportunities you have or can take advantage of, including:
 - Wells Fargo Commercial Distribution Finance
 - April and May payments were deferred until June. Confirm you are ready for these increased payments when June arrives, and plan now to be ready.
 - Northpoint
 - Did you ask for a deferral from Northpoint? Was it granted? Confirm your due date for these deferred payments, and confirm that your company will be ready for these increased payments.

- Consider requesting any needed credit line increases now:** As the economy begins to recover from the great shutdown, many experts anticipate an increased demand for consumer durables. Concurrently, many in the industry anticipate product supply chain challenges will be forthcoming from an array of manufacturers.
 - Consider whether your current credit line can support any anticipated need for inventory increases.
 - If you determine that a larger credit line will be needed, make the request now, and be ready to support your request with both business logic and a plan to manage the increased credit line, should it be granted.

