

Q&A with eProdigy CEO **David Rubin**

1. How can eProdigy's platform help me as an ISO sell more product, faster?

Our 1Workforce platform eliminates the need for a large amount of manual underwriting. Instead of taking 5 days you can get businesses funded the same day, enabling you to service your clients that much faster. 1Workforce provides a depth of data, control, ease and logic on which it runs—from origination to servicing a loan to remittance to collections. It does everything from managing lead flow as a basic CRM function, to marketing, sales support, automation and keeping tabs on commission payments and residuals. We also have a white label program that puts you into the driver's seat as the funder with your merchant clients.

2. How does eProdigy differ from other providers of Merchant Cash Advances?

In our industry, a merchant's positive cash flow and other factors determine if that merchant would be considered A paper—a low risk, and moves through to D paper—which is considered high risk. In the beginning eProdigy serviced mainly C and D paper merchants. These days we cover A through D paper, creating a one stop shop for an ISO. No more relationships with various funders that leave you having to decipher who's going to be the right fit for a particular deal. ISOs find eProdigy's platform foolproof to work with, because we make everything from origination to servicing easy and seamless. You can submit any deal to us and get instant approval for one of our specific programs. We eliminate the need to shop the deal around with different funders.

3. Beyond MCAs, what other products are offered by eProdigy?

We provide ACH processing for the MCA industry through ACHBanking. We provide cash advances—and several different loan programs, depending on risk presented by the borrower—and we service portfolios. As described above, our origination platform, 1Workforce, is a standalone tool that can be white labeled for partners and other alternative funders.

4. From a tech point of view, what do I need to be able to "plug into" eProdigy?

All you need is a computer. 1Workforce is in the cloud, so ISOs on the platform can simply plug into the platform from their desktop or laptop. They can also connect a USB headset to their computer to create and connect to marketing calls.



David Rubin is the founder and CEO of eProdigy, a FinTech holding company serving the alternative finance industry. He can be reached at ceo@e-Prodigy.com

eProdigy is a FinTech holding company serving the alternative lending industry by providing products, services and a lending platform through its subsidiary companies, Capital Stack, ACH Capital, eProdigyACH DBA ACHBanking, eProdigy Loans, and 1Workforce. In addition to originating loans and cash advances, the company makes its platform available to ISOs and other funders. Capital Stack is the co-founder and 50% owner of DailyFunder, an online forum and publication that covers the alternative finance industry.

5. What's likely to slow down an application at eProdigy, and what do I need to do to keep an application going?

Make sure you know your customer. Do some due diligence to make sure all relevant and pertinent data is there—for example, if the Federal Tax ID, social security number or date of birth is inaccurate or written incorrectly, that's going to slow down the application process. Is your customer an A or a D? Package the application correctly. If you're sending it to a funder who requires four months of bank statements, be sure that's included from the outset. Not having these requisites could slow things down.

6. How do I write more business?

As someone who has to think about marketing all the time, it might help the ISO to know that you can write more business with eProdigy through the advanced technology that we have. 1Workforce carries many

secondary benefits, as well—automatic underwriting, a clear report from Thomson Reuters and Infogroup USA, connection to the merchant's bank information, Quickbooks account and PayPal accounts, to name a few. You as the ISO are probably already cross-selling to merchants who might, for example, be upgrading their credit card reading system to EMV chip-readiness. These merchants could possibly use an MCA to cover the costs.

7. If one of my borrowers is already paying off an MCA, is an application for a new MCA always going to be rejected by eProdigy? Can a merchant refinance an MCA?

At eProdigy, we generally want prior MCAs to be at least 55% paid off before refinancing the original advance. If it puts additional cash flow into the merchant's pocket today, and can qualify for enough to pay off the original advance while still netting a fair amount, we'll do the deal.

8. How do I explain the high factoring rate to my clients?

Our factor rates may seem high, but remember, we offer faster and easier funding than a traditional bank. And services like this come at a premium. In the near future, with large players like Amex and PayPal entering the business, the cost of the Advance may start to come down. But there's obviously still a market need for MCAs—which is good news for ISOs and for us, too. The question really becomes, what makes the most sense for your merchant? The factor rate might be a small price to pay if merchants can use the funding they receive from us to significantly increase their revenue.

