

### Situation

- AIL is a privately owned investment holding company incorporated in New Zealand
- Fundcorp Holdings Pty Ltd (“Fundcorp”) is a newly formed special purpose consumer finance company targeting micro and small ticket loans in Australia and New Zealand.

### Approach

- ARC Associates (“ARC”) conducted an analysis of the effect on shareholder dilution of potential further shareholders in Fundcorp for AIL.
- ARC conducted a full investigation of the returns of the investment and the associated risks by reviewing the business plan and projections.
- ARC was actively involved in the negotiation of the terms of the transaction and in funding alternatives for the investment including the coupon.

### Transaction

- The transaction was completed on 30 July 2004

July 2004

**AIL**

has acquired

**a 6.7% convertible preference share  
stake in**



Fundcorp Holdings Pty Ltd

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The undersigned acted as financial advisor to  
AIL in this transaction

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ARC  
ARC ASSOCIATES