

An aerial, high-angle photograph of a large parking lot filled with numerous cars, mostly sedans, parked in neat rows. The image is slightly blurred and has a soft, hazy quality, serving as a background for the text.

Automatic

Fintech for Auto Financing

Our Mission



Bring underserved independent dealers to traditional and alternative lenders in the auto ecosystem through the most trusted fintech platform.

Market Opportunity



**\$443
Billion**

**Used car
loans**

Total Available Market



**\$288
Billion**

**Independent
dealer loans**

Serviceable Available
Market



**\$8.6
Billion**

Automatic loans

3% Share of Market

A \$1.3 trillion industry that stopped evolving in 2004¹

\$7Bln

Origination Fraud²

30%

Revenue Lost due to Inefficiencies³

1Mo

Average Time to Fund Deal

60

Data Points Re-entered Per Application⁴

15%

Transactions Online⁵

2Hrs

Average Time on Paperwork⁶

1. <https://www.Experian.com/blogs/ask-Experian/research/consumer-debt-study>

2. <https://www.iaati.org/news/entry/the-wolf-among-us-fraud-in-auto-finance>

3. <https://defisolutions.com/defi-insight/2019/01/15/paper-vs-digital/>

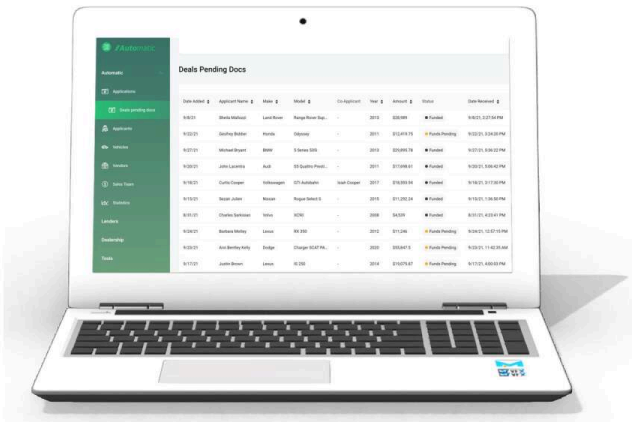
4. Per loan process, 20 data fields re-entered 3 to 4 times across different system

5. <https://www.reuters.com/article/us-health-coronavirus-usa-autodealers/coronavirus-drags-car-dealers-into-digital-commerce-idUSKBN21A3WS>

6. <https://www.onespa.com/blog/global-trends-digital-auto-finance>

How It Works

Automatic's loan syndication process



10:01AM EST

APPLICATION OFFERS

Loans are run through both traditional and alternative data algorithms to assess quality and most competitive pricing available for borrower.

10:45AM EST

FACILITATION OF FUNDING

Dealership uploads all required documents; loan is processed for funding. Dealer liquidity is provided with same day funding.

1

10:00AM EST

APPLICATION SUBMITTED

Application submitted; all loan details (including personal and vehicle information) are entered into platform.

2

10:30AM EST

OFFER ACCEPTANCE

documents, packaged and provided to dealerships. Deal is closed on the spot, dealers now add on additional finance and insurance products.

3

4

Used Independent Dealers



55,000 independent dealerships nationwide



Independent dealers lack the financing support that Franchise dealers receive from their manufacturing arm



\$228B in originated serviceable loans coming from the independent space



39.3 Million used auto units sold in 2020



The lack of new car inventory due to industry shortages lead to an average used auto transaction price of \$26,457 in June of 2021, 27% increase YoY

1. <https://www.statista.com/statistics/183713/value-of-us-passenger-cas-sales-and-leases-since-1990/>
2. <https://www.chron.com/living/article/Edmunds-Vehicle-prices-remain-high-this-Labor-16427548.php>

An Underserved Market



01 Origination Gap

Fintech disruptors have difficulties accessing relationship-driven independent dealers.

02 Funding Gap

Multinational banks (Wells Fargo) pulling out independent dealer financing.

03 Infrastructure Gap

Smaller Independent Dealerships lack the financial infrastructure to accurately source financing and backend products from one stop shop.

04 Technology Gap

Stakeholders throughout the auto finance chain looking for digital solutions.

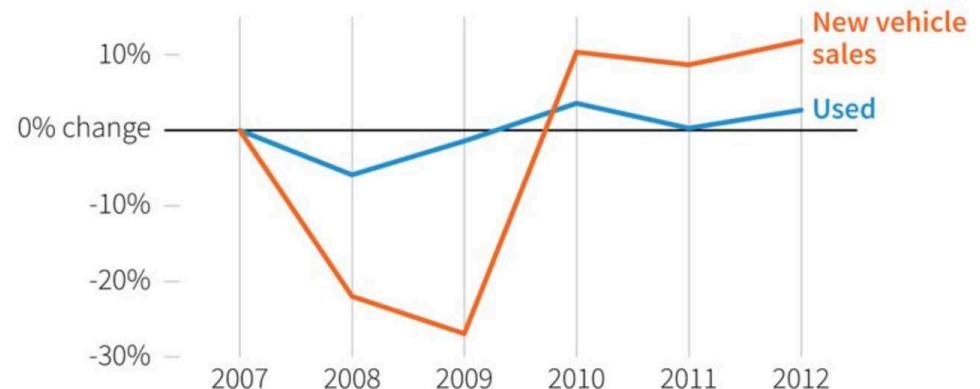
Lasting Market Changes

De-urbanization and economic macro-conditions increase purchases of used cars.

Used car purchases rebound sharply and outperform.¹



Used car purchases outperform in tough times.²



- <https://www.coxautoinc.com/market-insights/week-26-special-edition-economic-impact-on-auto-sales-with-jonathan-smoke/>
- <https://www.reuters.com/article/us-health-coronavirus-autos-used/bargain-conscious-americans-lift-used-car-sales-in-the-coronavirus-economy-idUSKBN23C1FK>

Consumer Trends 2020 -

Accelerated consumer demand for digital journeys and remote transactions.

60%

Consumers have less patience for paperwork.¹

68%

Consumers expect businesses to serve them remotely.¹

40%

Outperformance of disruptive digital dealerships over traditional brick and mortar.²

91%

Dealers believe digital presence is important to strategy.³

The New Dealership Model

- 01** Carvana 750,000 unit transactions since Jan. 2013 - Last quarter: 107,815 units sold - Q2: Revenue \$3.3B
- 02** Independent Dealers will be able to leverage Automatic SaaS to stay competitive
- 03** While the consumer journey may begin digitally, 61.4% of customers still prefer to buy from the dealership.

vroom

getta**car** 

SHIFT

CARVANA

The Value Proposition



Dealerships

- Access to liquidity,
- Instant lender decisioning
- Ability to add multiple ancillary products to financial application
- Cost Efficient
- Integration with DMS's and CRM's



Lenders

- Vetted dealerships
- Big data analysis on loans
- Criteria driven rate cards - Only Pre-qualified applications
- Correspondent lending
- LOS friendly (Fiserv, TCI, Meridian Link)



Now is the time for a
digital platform
connecting
independent dealers,
lenders, and investors
with **transparency** and
trust.



Automatic: A working platform making an impact

87.5%

Reduction in approval time

\$100+ Mil

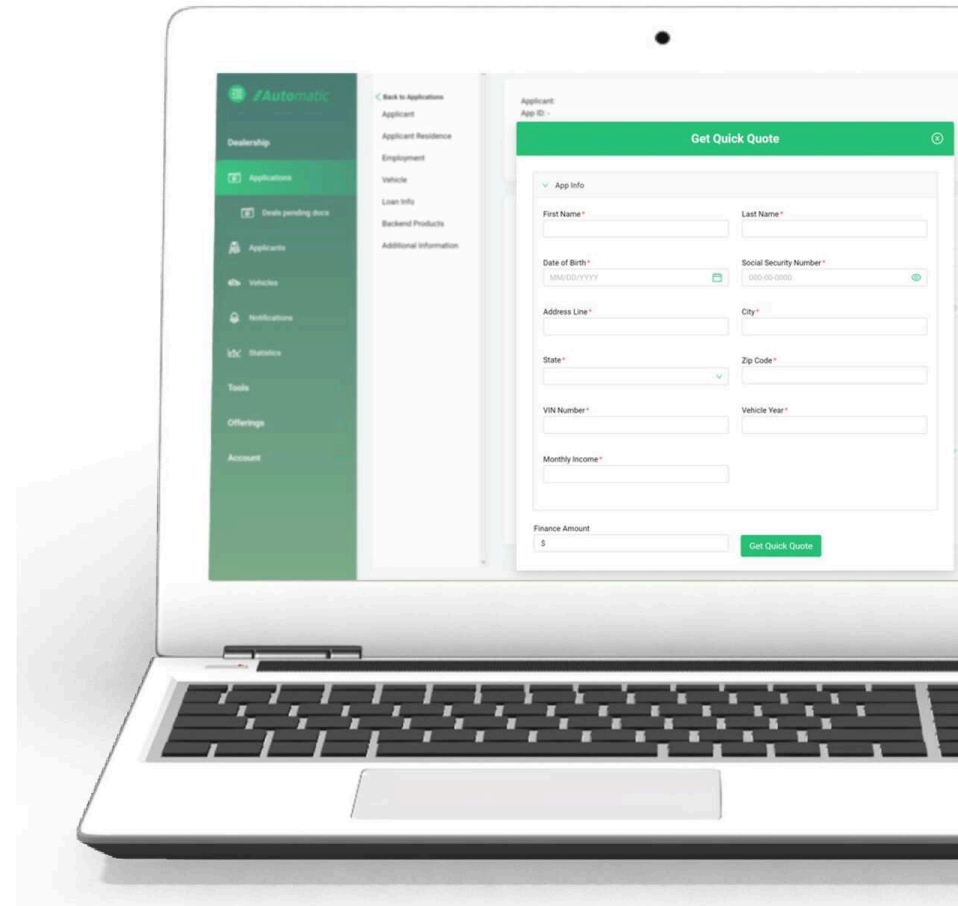
Loans through system

970

Dealerships using system

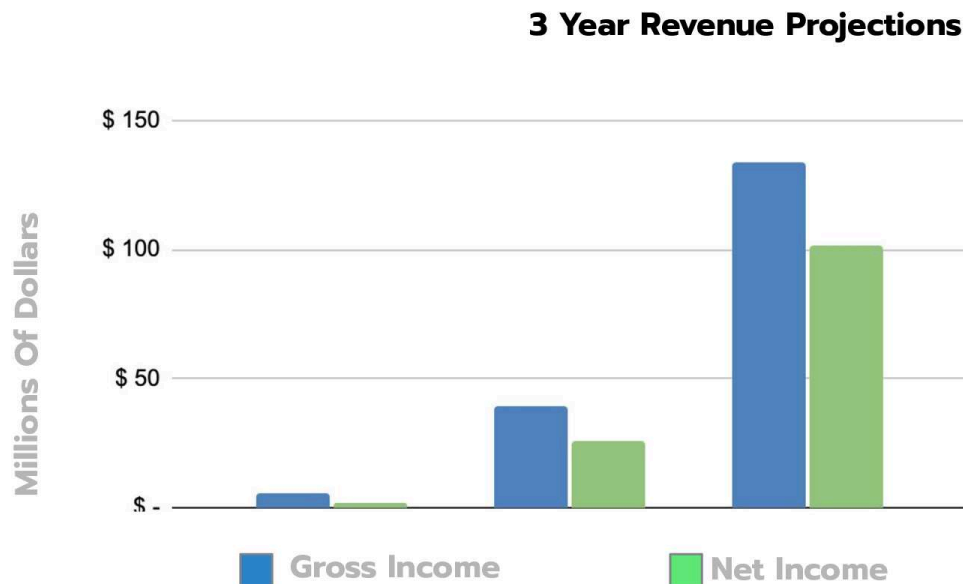
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F&I Integrations



Financials

+ net income achieved by end of yr. 1



These numbers are based on forward-looking projections which can not be guaranteed.

209.59%

CAGR Loans

215.5%

CAGR Gross
Revenue

92%

CAGR Expense

Strategic Customer Acquisition

1

Dealership Headstart - Through **Eric Burney, CEO** and his 20+ years industry experience and a personal network of 1300 independent dealerships.

2

Strategic Vendor Partnerships- Over 75+ **Finance & Insurance** agents will shortly begin signing up dealerships on Automatic's behalf.

3

DMS integrations, currently in talks with multiple Dealer Management Systems to unlock networks of 1000s dealerships per system.

Estimate of adding 2-3K+ Dealerships by EOY 2022 for 122%-233% Growth

Revenue Model: Transactional

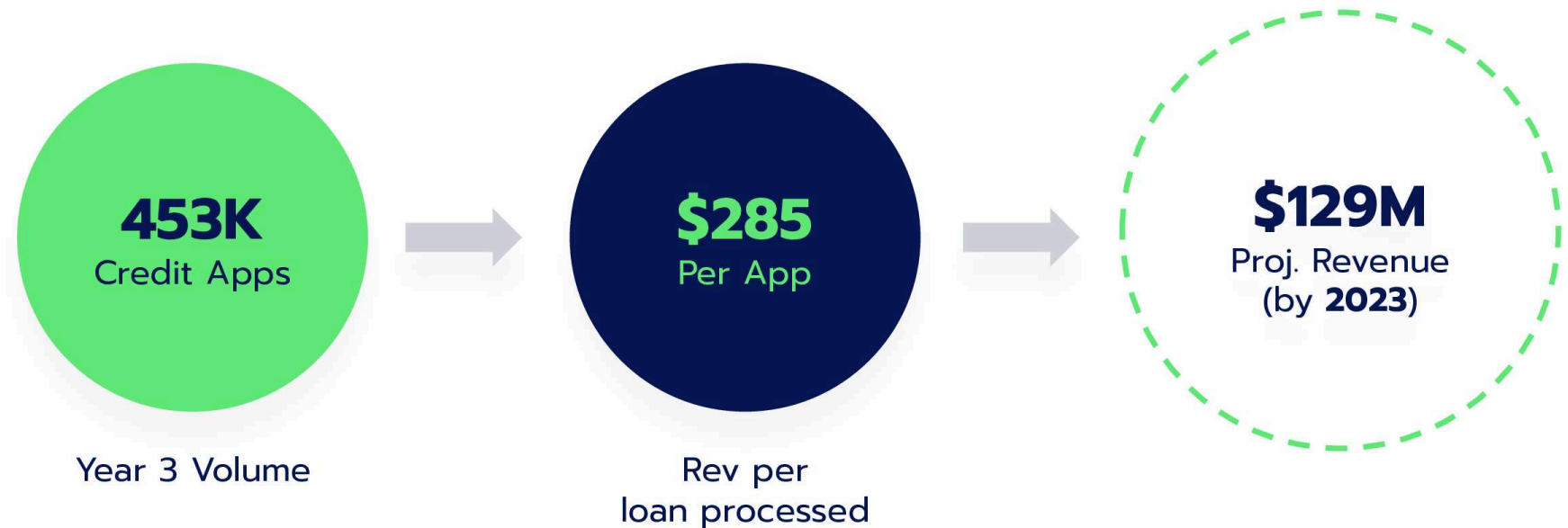
35bps¹ of loan market value, \$300² per lead closed to F&I/Ancillary products, \$25 per Aftermarket product lead



These numbers are based on forward-looking projections which can not be guaranteed.

1. Average across prime and subprime loans.
2. Average across primary F&I and missed opportunities partnerships.
3. Assuming \$14,000 average loan size and 10% average lead conversion to F&I/Ancillary products.

Revenue Projections



These numbers are based on forward-looking projections which can not be guaranteed.

Additional Revenue Opportunities

Resale

Credit Bureau
CARFAX

Aftermarket Products

WeatherTech
Sirius XM

White-Labeling

Foreign Markets
Small National Lenders

Data

Stratified Reporting
Industry Insights

LOS Integration

Receiving Turn Down Loans
Passed Though Automatic Lending Network

Subscription Model

PREMIERE

\$49/month

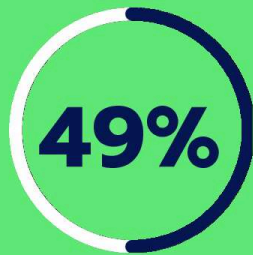
6 Month Free Trial

- Purchase stand-alone warranties and ancillaries
- Earn cash incentives for purchased products..
- Access Financing

Investment Opportunity

\$2.4 Million

at a \$24 Million Post Money Valuation



Product &
Key Hires



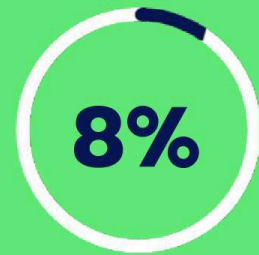
Loan Program



Business
Development







Marketing



Operations

Competitive Advantage

			Dealertrack 	
Consumer Buying UX				○
Re-entry Prevention				●
Loan Decisioning	●	●	●	●
F&I Integrations	●	●	●	●
Pre-Qualifications	●	●	●	●
Lender Document Uploads	●	●	●	●
Intuitive UX/UI	●	●	●	●
Prime & Subprime Access	●	●	●	●

Legend: ● Fully Optimized ○ Planned ● Needs Improvement

Team



Eric Burney

CEO, Co-Founder
20+ yrs. auto lender and broker



Max Kane

CFO, Co-Founder
20+ yrs. MBS market.



John Liu

Co-Founder
19+ yrs. strategy and fintech



Alex Egan

Marketing + Product Advisor
10+ yrs. marketplace tech



RJ Fiondella

Director of Investor Relations
8+ yrs. Institutional Fundraising

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