

Completion Assurance Program™ (CAP)

Introduction for Developers

Innovative, Next Generation, Mid-market Project Finance



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In3 Capital has funded innovative
Impact Projects and Ventures since 1996

Inspire
Innovate
Invest



Next Generation Project Funding

In3 Capital Partners represents an impact-oriented, US-based Family Office

In3's Completion Assurance Program™ (CAP) uses a financial guarantee until completion or smaller cash deposit to fund up to 100% of diverse, mid-market projects globally, from real estate to renewables, agriculture to waste-to-value to water infrastructure.



In3 Capital Group, in business since 1996

Since 2016, In3's capital partners have closed six portfolios of new construction projects in North America, sub-Saharan Africa, Latin America/Caribbean and developing Asia in excess of \$4.6 billion.

Introducing CAP's Unique Financing Structure

- **Complete funding** required to reach Commercial Operation Date (COD) *from any stage of readiness* committed via pre-approved monthly draws from In3 Capital partner's bank.
- **100% funding relies on *completion assurance***, a form of security that's similar to a bond (insurance), but instead is either a cash deposit returned after the final drawdown of funding or a bank-involved *financial* instrument released (allowed to expire) right after COD.
- **Any costs (legal/bank instrument fees) can be reimbursed out of first funds**, with advantages of affordable access (no initial fee) *certainty* (once pre-qualified), *speed & flexibility*.



When is CAP funding the best (or only) option for project finance of \$25m or more? [Answer](#)

Sponsors/Guarantors enjoy a secured position via provisions that make this a no-lose proposition:

- a) Guarantor can request a collateral lien against operating assets (CAP does not use senior debt).
- b) Guarantor can withdraw or “unwind” guarantee prior to first draw, if deemed necessary.
- c) The guarantor can be written into contracts for step-in rights in the unlikely event that the project developer/owner defaults. **Overviews for third-party guarantors: [Teaser](#) | [More](#)**

In³ CAP Project Funding Qualification

Satisfy these four cornerstones and obtain capital that is *faster, easier, better*.



SIZE

\$25 million or more per project or portfolio. Smaller, related projects can be financed under one guarantee/facility. Upper limit: US\$ billions. Finance up to 100% of the budget. Can bundle development costs with CapEx/construction.



SPACE

30+ industries qualify. Preference for “impact” projects – infrastructure, renewable energy, green real estate, food/water, medical, waste-to-value, ... anywhere in the world. [Qualified sectors](#)



STAGE

Project does not need to be “shovel-ready”. Can fund further development work as needed, then supply affordable, long-term capital to build the assets, a mix of equity and mezzanine debt.



SECURITY

Easier due diligence, better deal terms and expedited closing with a [financial guarantee](#) or cash deposit during construction until COD*

Financial closings in under 30 days!

Qualification conditions In3Capital.net/gtee-conditions | [3-stage Process](#) | [Register](#)

What is a Completion Assurance Guarantee?



CAGs offset the risk of project *non*-completion:

- ❖ Used this way, a financial guarantee, usually a [Standby Letter of Credit](#), enables **better terms and easier due diligence**, decreasing financing costs.
- ❖ Offers leverage of a pledged asset to secure **project funding for up to 100% of the budget**. 50-70% SbLC coverage is ideal; can be in 2-3 tranches.
- ❖ **CAGs are quite issuer-favored** (cannot be “called” except as a last resort in extreme cases of fraud)

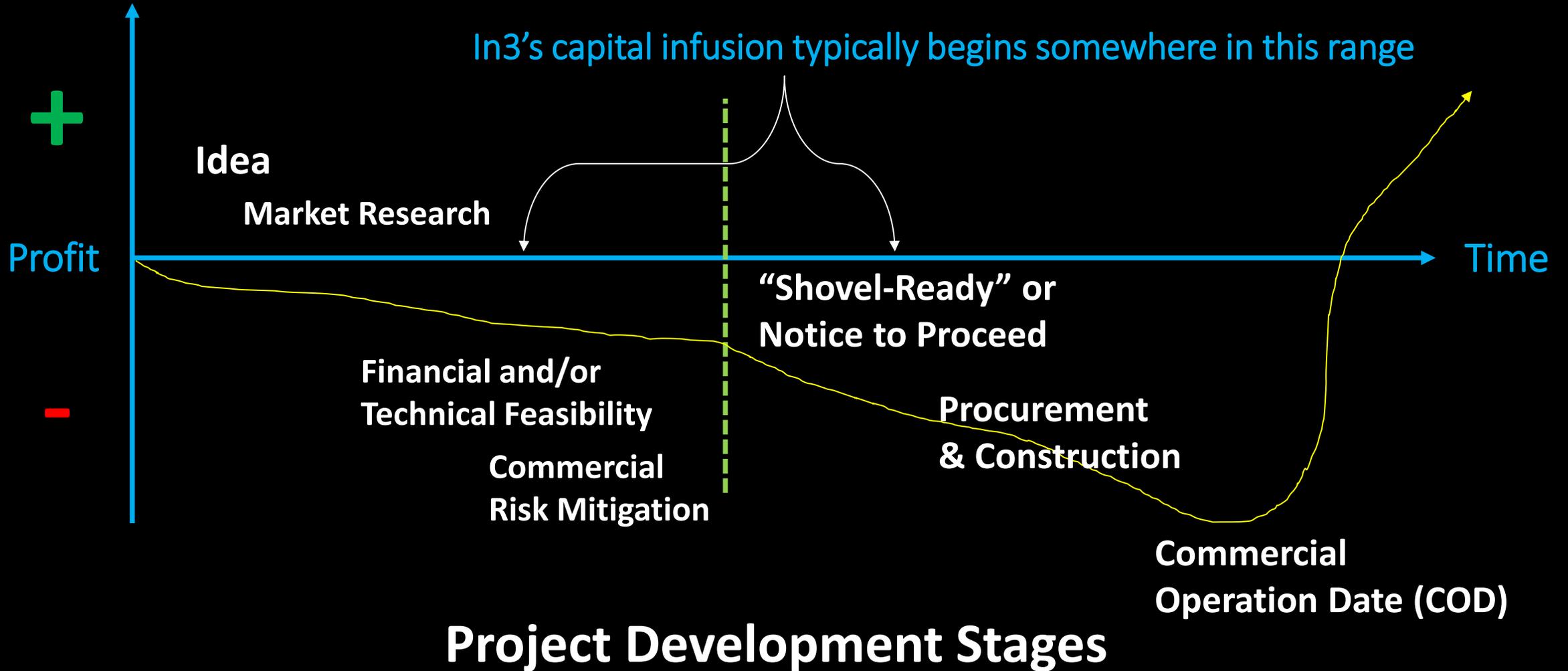
TOOLS &

RESOURCES



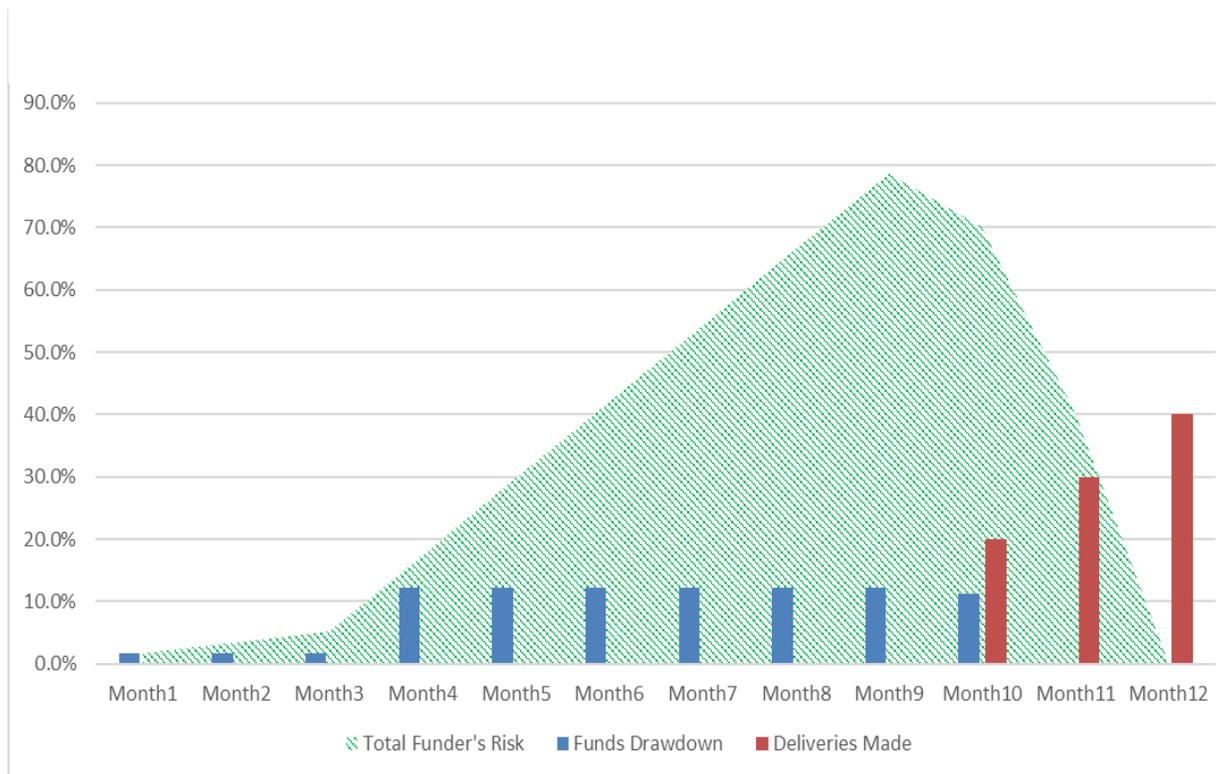
Overview: [guarantees](#) | Compare to [cash](#) | Decision support [here](#)

Why Completion Assurance?



Example of cash investment during construction

Funder's Risk as a % of Contract Value



Why Security is Required

- Funding transfers into SPV account are automatic, bank-scheduled draws against Funding Agreement.
- Progress payments for any hired contractor(s) are guaranteed by the funder; can also further protect by inserting an escrow service, if desired.
- Funder's risk peaks at ~80% of the contract value, before later reducing, as deliveries are made.
- Risk exposure on the security is limited to the accumulated value of funds advanced less deliveries made under the contract.
- Secondary role of the SbLC/BG/SG security is to ensure project completion and commissioning.

How In3's Completion Assurance Program™ (CAP) greatly streamlines fundraising

CAP is not for everyone, but our offer is hard to beat: minority equity carried interest with no loan, streamlined due diligence, fast closings on 100% funding, including any pre-construction costs.



We offset some of the risk of fraud during construction via a financial guarantee or cash deposit to relax other rules that traditional project financiers must follow. This brings significant advantages for qualifying developers.

Our mission is to provide easier access to affordable impact capital.

In3 CAP Funding Program Results



Private Family Office funding with a completion guarantee ...

- ✓ Can make projects that are marginally investible actually work
- ✓ Improves funding flexibility, certainty and terms for bankable ones
- ✓ Takes the guesswork out – rapid/reliable closing once pre-qualified
- ✓ Speeds up the process – first draw within 30-45 days after closing.

Specific challenges CAP helps developers overcome

- 1. Access to 100% financing without giving up control.** If the developer lacks additional cash (unexpended funds) to contribute to the project, no problem! You still maintain majority voting rights.
✓ *Solution:* Secure equity at attractive terms – competitive even for well-defined, “bankable” projects
- 2. If developer is less-than-creditworthy and seeking an equity partner.**
✓ *Solution:* Gain a guarantor or security “sponsor” (usually a well-established party with financial depth that can be incentivized for playing this role) or pay for a Done-for-You (DFY) guarantee ([checklist](#))
- 3. The need for speed**
✓ *Solution:* ~6-8 weeks to funding (~2-4 weeks each for due diligence and, if all goes well, first draw of funding)
- 4. Funding certainty, attractive terms, at any stage**
Traditional project funder’s due diligence is a “blind alley” with seemingly random “jump-through-the-hoops” conditions ...
✓ *Solution:* In3’s innovative and proven program uses a better and more transparent process, interprets risks with an open mind, and offers easier due diligence within known parameters.

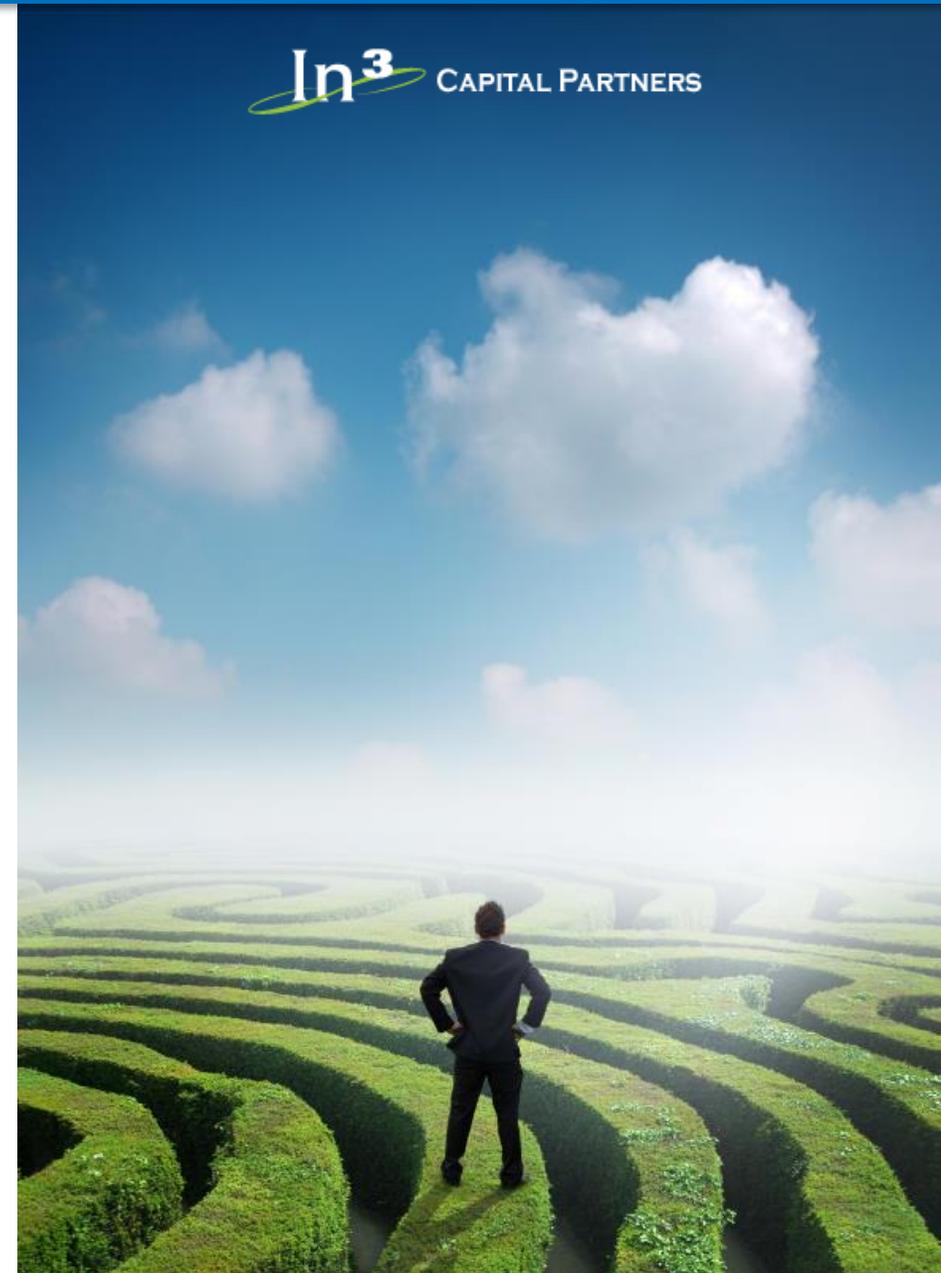


“faster, easier, better”

When is CAP Funding your best (or only) option?



- 1. When the owner has very little “skin in the game”**
- 2. For projects at a relatively early stage** – In3 CAP funding can pay for remaining project development like securing the site, hiring contractors, detailed design/engineering, permits, licenses, etc.
 - ✓ Although standards for actual “readiness to turn dirt” vary by industry, most project financiers have little tolerance for such risks, and will sideline or ignore deals if their standards are not easily met or exceeded.
 - ✓ In3CAP enables you to be transparent about all remaining costs because we don’t mind paying to ensure success; other investors will go cold if they discover gaps during due diligence. Secure funding at any stage.
- 3. To avoid initial fees but still secure 100% financing** – receive a fast yes/no opinion, then rapid closing with either a sponsor’s ~30-33% cash deposit or approved Completion Assurance Guarantee.
- 4. Financial performance below ~10% IRR or ~1.5% DSCR**
IRR varies by industry and can be acceptable to CAP as low as ~5-6% IRR for commodities or infrastructure. At least 10% unlevered IRR is usually necessary just to meet non-CAP alternative funder expectations.

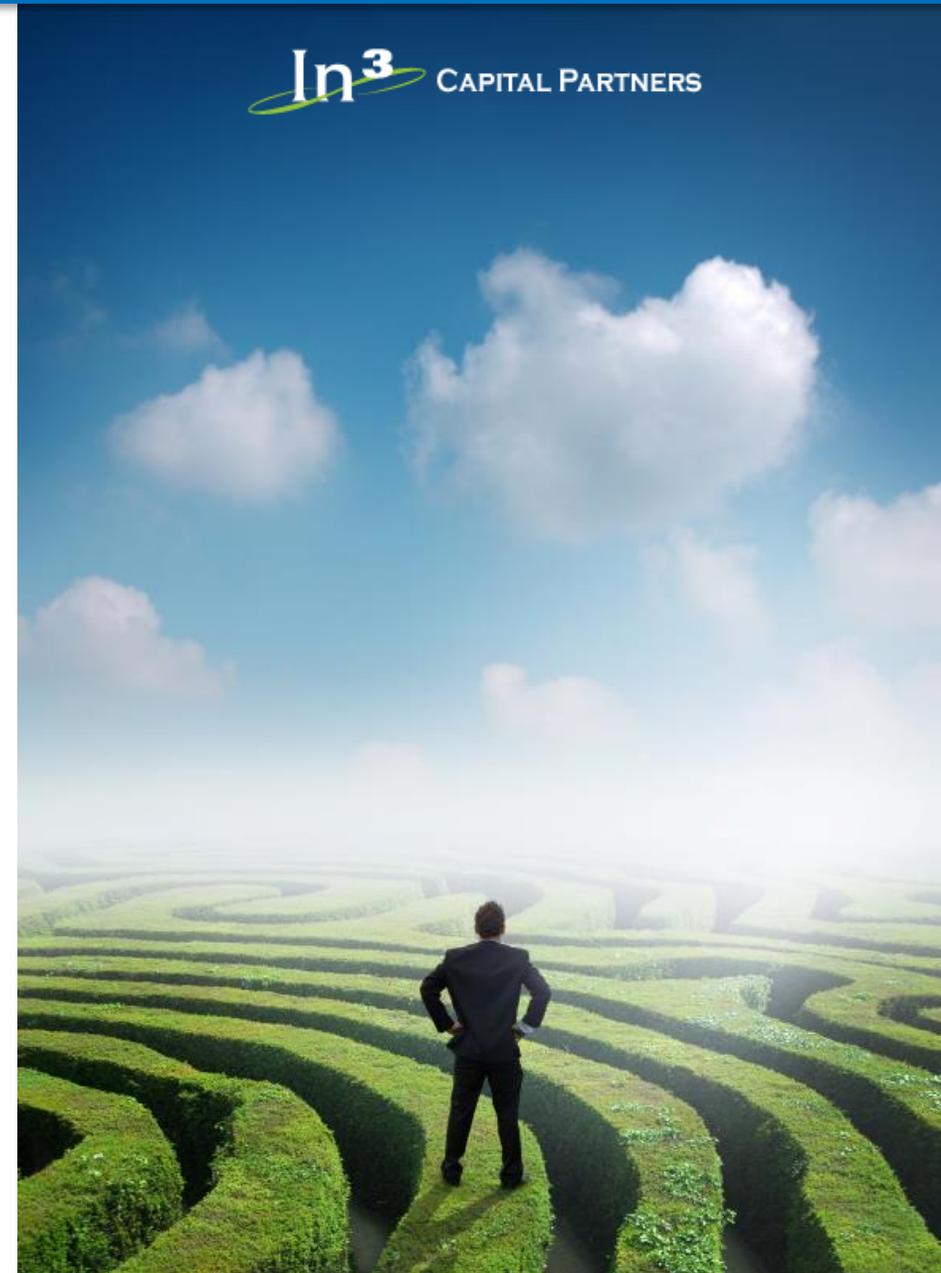


When is CAP Funding your best (or only) option?

Continued ...

- 5. Are there remaining risks, perceived or actual, such as**
 - technology risk
 - execution risk
 - operational risk
 - political/country risk? Some of these risks are insurable, but what about those that aren't, or to save the cost of such a policy?
- 6. Local currency (not US\$ or Euros) is strongly preferred to fund and repay the financing?**
- 7. Does the developer want to take on a true equity partner and build a long-term relationship with a like-minded investor that does not require or expect control?**

If any of these conditions apply, CAP is your best option



What SbLC guarantee assets can be pledged?

Most widely used Standby Letters of Credit (SbLCs) is considered “cash backed” with any of the following assets:

- ✓ Buildings
- ✓ Facilities
- ✓ Bonds (rated/registered)
- ✓ Precious stones/metals
- ✓ Public equities
- ✓ Appraised artwork
- ✓ MTNs
- ✓ Balance Sheet Depth

The guarantor and their bank will together determine any fees and qualifying assets for issuing a Bank Guarantee via SWIFT.



Know more about assets that can be used for a qualifying guarantee [here](#).
[Ask In3](#) for the recommended SbLC, BG or SG wording, or request our templates for RWA (“Ready Willing Able”) or Authorization to Verify letters.

Why In3's CAP – compared to traditional funding

Topic	<u>Traditional Project Finance</u>	With CAP Funding ...	How
Timing: <i>faster</i>	Seemingly takes forever ... 3+ months, 4-6 months not uncommon. Closings remain on the horizon, often don't happen.	Once pre-qualified, often 2-3 weeks to financial closing, first draw in 30-45 days later.	We pre-approve along an established pathway for streamlined due diligence
Work Required: <i>easier</i>	Extreme reliance on perfected documentation and reaching shovel-ready status to eliminate perception of and actual risks.	The project planning burden is far less, due diligence lighter, certainty of success much higher.	Arrange a construction completion guarantee (sent via MT760 SWIFT) or cash deposit
Terms: <i>better</i>	Requires a substantial equity partner, often a <i>majority</i> stake, market rates of interest depending on credit rating	100% financing uses a negotiated equity carried interest, from an excellent JV partner.	Leveraging US\$B's in private family office wealth and lines of commercial credit.

faster, easier, better

In³ Capital's Advantages

With In3 Completion Assurance Program™ (CAP), arranging funding for qualified projects becomes...

1. **Predictable**: greatly increases the odds of reaching a timely financial closing for any well-prepared file
2. **Affordable**, better terms include equity without debt (not interest expense) but still with 100% financing
3. **Flexible**: does not need to be “shovel-ready” and equity isn't based on an inflexible repayment schedule
4. **Highly Leveraged**: debt service coverage ratio or liens as collateral no longer a factor; true equity partners
5. **More open to accepting reasonable risk (technical, political, execution risks)** – just not completion risk
6. **Faster, with streamlined contracting & due diligence**; usually ~6-8 weeks to first funding

(30 days or less to financial closing if all goes well during due diligence and contracting; first draw ~30-45 days later)

Notes:

- Non-traditional capital stack uses *equity only* without giving up control, even with [25-35% cash deposit](#)
- In3 can sometimes help co-develop or assist with guarantees for quality projects within our expertise.
- Alternative loan programs *may* become available later in 2025 with ~20-30% cash down payment.

Looking to stretch CAP security to bring funding within reach? Check out [Quick Read: What's New in 2025?](#)

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