



COGENT BANK'S INDUSTRY LEADER INSIGHTS

Hear from our market leaders
on how Cogent Bank can keep
Moving You Forward.

TABLE OF CONTENTS

How Bhavsar's Journey Is Helping Shape Cogent's Banking Future.....	2
--	----------

Sharpe's Vision for Banking Excellence at Cogent Bank.....	5
---	----------

Private Banking: A Concierge Approach to Your Finances.....	8
---	---

Starting a Bank and following a dream An Interview with Phil Bravo.....	12
---	----

Asset-Based lending: Fueling Growth with Flexible Financing.....	16
--	----

HOW BHAVSAR'S JOURNEY IS HELPING SHAPE COGENT'S BANKING FUTURE

An Interview with Chirag Bhavsar

May 15, 2025



How Chirag Bhavsar's Journey is Helping Shape Cogent's Banking Future

Florida has long been a land of dreams and dreamers—a place where people come to build, grow, and reimagine what's possible. For Chirag Bhavsar, President and CEO of Cogent Bank, that spirit isn't just positioning—it's personal. In this conversation, he shares how his family's journey to America, his leadership philosophy, and his long-term vision are helping reshape what banking looks like for businesses across the state.

ACCESS TO CAPITAL IS PERSONAL

"America is built on small businesses, and small businesses are built on access to capital."

To Chirag Bhavsar, those aren't just words—it's part of his DNA. At 10 years old his family immigrated to the United States with the proverbial "couple hundred dollars and a dream." What changed the trajectory of their lives was a loan from a bank manager who was willing to listen, to understand their vision, and believe in their ability to succeed. That loan allowed his parents, Jashvant and Ranjan Bhavsar to buy a small 15-room motel in Ocala, where the lessons of entrepreneurship, hard work, and hospitality were learned. Years later, that story has come full circle.

"What we're doing at Cogent is bringing back that access to capital, at scale," Chirag Bhavsar says. "Many banks have gotten away from how capital is actually made available to growing businesses. We're here to change that."

From commercial real estate lending to SBA and USDA programs and specialized financing based on inventory or receivables, Cogent makes tools typically associated with much larger institutions available to the kinds of businesses that often get overlooked. For Chirag and his team, it's not about being the biggest bank. It's about being the right one for their clients.

BUILT TO GROW WITH YOU

Cogent Bank wasn't built to flip or sell—it was built to stay. And that makes all the difference in how it serves its clients.

“There's a fundamental difference in how you treat a business when you're building it to last,” Chirag Bhavsar explains. “When your goal is to sell quickly, you make different decisions—decisions that don't always put the client first. But when you intend to be your client's banker five, ten, even twenty years from now, you operate with a longer horizon.”

That mindset shows up in the way Cogent approaches access to capital. Rather than focusing solely on mature or high-revenue businesses, Cogent has built infrastructure to support growing companies, providing tools and programs typically reserved for larger clients.

“We don't think of SBA or USDA lending as ‘starter’ programs,” Chirag Bhavsar says. “They're just smart, effective tools that help businesses move forward on their own terms. Whether a company is dealing with seasonality, cash flow gaps, or trying to expand operations, we offer solutions that fit—and we do it with fewer fees, faster timelines, and more flexibility than most alternatives.”

More importantly, Cogent's model isn't about helping clients grow so they can be passed off to a bigger bank. It's about helping them achieve their own goals—and retaining those relationships by continuing to offer better support and solutions along the way.

“If we're doing our job right,” Chirag Bhavsar adds, “our clients won't outgrow us. They'll grow with us.”

A BANK DESIGNED FOR EXECUTION

Cogent Bank is entrepreneurial by design, and that starts at the top. Chirag Bhavsar has shaped a bank where execution happens close to the client, not in a far-off corporate tower. Under his leadership, Cogent's structure prioritizes speed, clarity, and local authority.

“Our philosophy is to understand the competition, then design a better product, service, and experience,” Chirag says. “And then market that advantage in a way that actually reaches business owners.”

Chirag has assembled a leadership team that shares his mindset, many of whom he's worked with for years. That familiarity fuels both consistency and collaboration, creating a culture where teams move fast and stay focused on swift decisions and their clients' long-term goals.

“My philosophy has always been—hire good people and get out of their way,” Chirag says. “If everyone understands the mission, you don't need ten layers of approvals to do the right thing.”

SUCCESS ISN'T JUST ABOUT NUMBERS

Ask Chirag how he evaluates success, and the answer isn't just about performance metrics.

"Of course I'm going to be judged on numbers, and that is fine – we have those" he says. "For me, success also means clients feel supported, associates feel respected, and fairness guides every decision. Fairness is non-negotiable."

He continues, "Not everything we do will make everyone happy, but the one thing you can count on is that we'll be fair. If people feel respected, they're more likely to also be happy—and that's how I measure whether we're doing things right."

This balanced approach helps shape a culture where high performance is matched by integrity and trust. It's a leadership style that places long-term relationships over short-term wins and makes room for both growth and goodwill.

WHY LONG-TERM RELATIONSHIPS MATTER

Chirag sees banking as a relationship business. That philosophy is embedded in how Cogent serves clients through quarterly relationship reviews, collaborative business planning, and proactive support.

"We want our clients to think of us the same way they think about their CPA or attorney," he says. "We're part of their trusted network."

This approach aligns directly with Cogent's core company objectives: to be Responsive, Flexible, and Innovative for their clients and their surrounding community.

"We're not trying to be the best bank in Florida," Chirag Bhavsar says. "We're trying to be the best bank for each individual client and business we serve."

BACK TO THE BEGINNING

For Chirag Bhavsar, the work he's doing today at Cogent Bank is rooted in a story that began decades ago, with two parents who left everything behind in India for the chance to build something new.

"My parents were the real risk takers," he says. "They gave up their careers, their community, and their comfort to come here with nothing but belief. What changed our future wasn't a handout—it was someone at a bank who took the time to listen. They saw potential in my parents' vision and gave them a shot."

That shot became a small motel in north central Florida. And eventually, a life built on entrepreneurship, resilience, and service values that now shape Chirag's own vision for Cogent Bank.

"I'll never forget what that one decision unlocked for our family," he says. "That's the kind of impact we want to make every day. Not just loans. Not just accounts. But belief—in people, in ideas, and in what's possible."

SHARPE'S VISION FOR BANKING EXCELLENCE AT COGENT BANK

An Interview with Mikel Sharpe

July 10, 2025



Mikel Sharpe's Vision for Banking Excellence at Cogent Bank

Mikel Sharpe joined Cogent Bank as Market President of Manatee & Sarasota Counties, after working in management and commercial lending for many years. We sat down with him to gather his thoughts about his approach to banking and client relationships.

TELL US ABOUT YOURSELF AND YOUR ROLE AT COGENT

April 1 (April Fools' Day) marked my 29th year in banking. I spent more than four years in the U.S. Navy, while also earning a BS in Healthcare Management from Southern Illinois University, Carbondale, and an MBA from Webster University.

I've been on the boards of the United Way Suncoast, the Boys and Girls Club of Manatee County, and was a Little League board member and treasurer. As a disabled veteran, I also spend time volunteering and advocating for local veterans and helping them deal with the Veterans Administration. My wife Myrtis and I enjoy exercising, spending time in the mountains, taking cruises, and having our kids and grandkids visit us.

My mission at this stage of my career is to mentor our bankers. I spend my time investing in the team, elevating the team, and helping our clients. That's where my satisfaction comes from and that's where the impact is.

WHAT MAKES THE BRADENTON MARKET UNIQUE AND WHY DID COGENT BANK CHOOSE TO EXPAND THERE?

Well, we're a Florida bank and we already have banking centers on the West Coast of Florida in Tampa, Clearwater, Fort Myers, and Naples, so the Bradenton/Sarasota market was a natural step in filling in the footprint of the West Coast of Florida.

If you looked at Sarasota, you would see world-class beaches, you have a thriving and very popular cultural scene with museums, the ballet, opera, and things that make it unique. With Sarasota Memorial Hospital, Sarasota's largest employer, we also have award-winning diverse medical services. We also have a growing arts community in Manatee County. Overall Bradenton is a bit more affordable, and combined there is tremendous growth, especially east of I-75.

WHAT TYPES OF BUSINESSES CAN BENEFIT THE MOST FROM BANKING WITH COGENT?

I would say small to medium-sized companies would really benefit from a partnership with a bank that can support their day-to-day activities, as well as their growth in the future. At Cogent we want to get to know your company and be a part of your team. A lot of business owners don't have that.

HOW DOES COGENT SUPPORT LOCAL BUSINESSES IN TERMS OF LENDING SOLUTIONS AND COMMUNITY INVOLVEMENT?

Most of our lending decisions are made locally, right here in Bradenton. In some cases, we might need the approval of our main office in Orlando. Even then, it's still only a few hours away. We have all the business products that the larger banks have, but with a community bank delivery system.

We are also experts in helping homeowners and condo associations with the banking they need. Many banks don't understand this industries specific needs, but it's something we specialize in.

As a locally focused bank, our team is involved with the Manatee County Chamber of Commerce, which is just a stone's throw from our office, and Manatee Young Professionals. We have team members involved in many other local organizations, such as the Manatee County Humane Society, the Urbanite Theater, Discover Bradenton, and the Bradenton Kiwanis.

Cogent also provides and encourages our associates to take time off from work and volunteer with local nonprofits.

HOW DOES COGENT BANK'S APPROACH TO RELATIONSHIP BANKING IMPACT THE CLIENT EXPERIENCE, COMPARED TO LARGER BANKS?

Cogent Bank's approach is that the client comes first, you put the client in front of whatever you're doing. We're also extremely responsive. We get to know our business clients and their businesses. If you work with us, you're going to have our cell numbers and we're going to be here in the office locally. We're not in a different time zone or another city.

Our goal is to make banking easier and more user-friendly. We ask ourselves how we can be the best in class at what we do.

We also make most of our lending decisions right here in Bradenton. If we have to decline a loan request, we don't just leave it there, we explain our reasoning, so you fully understand the process and can address the issues so that we can relook down the road and hopefully get a more favorable outcome.

We're always looking for ways to be more efficient and to add value to what we do. If we're not adding value then we're just taking an order or processing a payment, and any bank can do that.

WHAT DO YOU RECOMMEND TO A BUSINESS OWNER LOOKING FOR A BANK?

Start by taking a close look at your financials, your cash flow and borrowing needs today as well as how they'll change in the future and the cyclical forces that impact your business.

I would take the approach that you're interviewing the bank just like a new job applicant because they'll be an important part of your team. Meet with a couple of banks to get an idea of how they work with clients and whether their lending decisions are handled locally, out of town, or out-of-state.

Did the bank ask thought-provoking questions? Did they try to understand your business? That's very important, because if they don't understand your business they can't advocate for you. As companies grow and cycle through economic ups and downs, having a local banker that understands your company could make a real difference someday.

MEET OUR BRADENTON BANKING CENTER TEAM!

Mikel and the rest of the Bradenton team can provide the personalized banking experience you deserve. Contact us today to learn more about Business Banking at Cogent and how we can help you move forward!



PRIVATE BANKING: A CONCIERGE APPROACH TO YOUR FINANCES

September 24, 2025



Private Banking: A Concierge Approach to Your Finances

Imagine having a personal concierge for your finances- someone who knows your goals, understands your challenges, and helps you navigate the financial world. That's what private banking offers.

Instead of transacting with a different teller every time you visit the bank, you have a partner dedicated to assisting you with deposits, transfers, loans, and any other banking needs you might have. The financing options are often more flexible than what's typically available.

Jessica Fontana , Senior Vice President and Private Banking Relationship Manager at Cogent Bank, describes private banking as deeply personal. "Private banking is really about relationships. It's about having someone who knows your goals, understands your challenges, and can navigate the financial world on your behalf. My clients don't come to me just for products. They come for solutions, advocacy, and peace of mind."

Jessica compares her role to a financial quarterback- someone who sees the whole field and calls the right plays.

Who Benefits from Private Banking?

Traditionally, private banking was reserved for high-net-worth individuals, including retirees and business owners. But Cogent Bank takes a more inclusive approach.

"Our thresholds are not quite as high as other financial institutions because we want business owners in the accumulation phase of their wealth and help them grow from there. Developing long-term relationships and helping them succeed is incredibly rewarding," Fontana says "while often confused, private banking and wealth management serve different purposes. Wealth management focuses on investment portfolios, while private banking is more like concierge banking- providing solutions to your financial needs without you having to reexplain your situation.

Fontana emphasizes that private banking goes beyond deposits.

“If someone needs a residential mortgage, an aircraft loan, a commercial loan, or a business line of credit, I can help. Clients work with someone who understands their whole picture and whom they trust. I think that’s one of the most compelling aspects customers love about private banking.”

Fostering Lasting Relationships

Fontana starts every new relationship with an in-depth interview to understand short- and long-term goals, creating a collaborative effort to develop the best strategies to meet their objectives.

“Effective private bankers understand the need to ask the right questions upfront. It is important to understand the big picture at the onset of the relationship so we can add value and guide clients in the right direction.”

Flexible Mortgage Lending

Traditional mortgages often come with non-negotiable criteria. Private banking offers more flexibility through portfolio loans which are retained by the bank and not sold to investors.

These loans allow for more latitude with underwriting because they don’t have to conform to Fannie Mae or Freddie Mac standards. That means borrowers who don’t fit into the traditional mortgage box, like business owners with complex income structures or retirees with substantial assets but little income, may still qualify.

“With a portfolio loan, we hold the paper so we can get a little more creative in our underwriting,” Fontana explains. “It’s more flexible with the added benefit of being serviced in-house by the private banker who originated the loan.”

Fontana shares real-life examples, including a client who called her from a weekend trip in Tennessee about a house he loved. She did a quick cash flow analysis and helped him sign a contract that day.

Another example involved a retired couple with substantial assets but little income who qualified for a loan using their liquid assets as income. “These folks had a lot of money saved, and it was structured in certain investment vehicles for tax savings purposes. Our solution allowed them to access that money, if needed, and still get qualified for the amount that they needed to borrow.”

Fraud Prevention and Value-Added Services

Knowing her clients well helps Fontana protect them from fraud. One client was out of town when a six-figure fraudulent check was presented for payment. Fontana recognized it immediately and stopped it. She also helps clients manage finances while traveling and offers quick, secure funding and transfers.

“These types of value-added services foster long-term relationships with clients who trust us,” Fontana added.

A Team Approach

Private banking clients often have complex financial lives. Fontana collaborates with her customers’ entire advisory team- including attorneys, accountants, wealth advisors, and estate planners- to help protect assets, gather financial information, and plan for future needs.

Fontana points out that this integrated approach is not always the norm, especially at larger financial institutions which tend to be more transaction focused.

As a trusted banking partner, Fontana often connects clients with professionals outside the bank. For example, she introduced a general contractor to a real estate broker and helped a client arrange a private fishing charter for their grandchildren. Connecting clients with other professionals helps solidify a value-added relationship.

Client Advice

Fontana encourages clients to have financial goals and a five-year plan. Keeping funds liquid for major purchases and including your private banker in financial decisions can make a significant difference. “The more we know, the better off our client is going to be.”

Business owners should have a five-year plan in place which assists in forecasting cash flow needs. Also important, every business owner should have a succession or exit plan. Cogent Bank offers Exit Planning Advisors (CEPA) certified by the Exit Planning Institute to help.

Fontana also recommends involving your spouse in financial planning and knowing what accounts exist and how to access them.

“Keeping your private banker in the loop with your wealth management activities helps solidify a team approach. Having the bigger picture enables us to give more meaningful advice to our clients.”

“You have to have those things in place. Life is unpredictable, and families shouldn’t be left picking up the pieces.”

The Concierge Experience

Cogent's private banking serves business owners, retired entrepreneurs, and professionals like CPAs, attorneys, and physicians. Their emerging private banking tier starts at \$250,000 in annual income or \$750,000 in investable assets- often the accumulation phase of one's wealth journey.

"Just like any concierge service, I am your one-stop banking professional. I make it a priority to know what you have going on, constantly working to identify opportunities or steer you away from risks. You're not just a number. I want to make banking the easiest part of your day."

Reach out today to learn more about Cogent's concierge approach and meet the private banking team. Cogent has locations throughout Florida to serve you.



STARTING A BANK AND FOLLOWING A DREAM

An Interview with Phil Bravo

November 18, 2025



Starting a Bank and Following a Dream

COGENT CO-FOUNDER TAKES A LEAP OF FAITH TO LAUNCH A COMMUNITY-MINDED BANK

What does it take to turn a dream into reality? For Phil Bravo, it started with a casual comment while in his mid-20s: “I’d really like to start my own bank someday.” At the time, he was a young banker climbing the corporate ladder at a regional bank in Jacksonville. Fast forward to 2018, and he helped launch Cogent Bank – a locally owned community-focused bank that’s redefining modern banking in Florida.

In 2016, Bravo first connected with other Cogent founders from Jacksonville – Lee Hanna, Scott Flanders, and Jim Miller. Though he didn’t know them personally, he respected their reputation in the Florida banking community. Initially, he declined their invitation to join their team. He had a successful banking career, a young family, and plenty of reasons to stay the course. But two years later, when they approached him again with an opportunity to buy and recapitalize Pinnacle Bank, he decided to take a chance.

“It was a huge leap of faith,” Bravo recalls. “My accountant thought I was crazy. My family didn’t really understand, but my wife and a few trusted folks knew it was a strategic decision. I just knew it was going to work. I remember thinking, ‘If I don’t do this now, I might never get another chance,’ he added. “It was scary, but it felt right.”

Together, along with other founders from Orlando, they helped acquire Pinnacle Bank – a struggling bank based in Orange City, Florida. In May 2018, they launched Cogent Bank. Bravo helped open the Jacksonville office a month later and now serves as its Senior Vice President and Market President. With over 20 years of lending experience, he’s an integral part of helping Cogent grow throughout the state.

THE COGENT DIFFERENCE – WHAT SETS US APART

Phil Bravo's decision wasn't just about starting a bank – it was about building something special. Today, Cogent is just that and more – entrepreneurial, responsive, personal, and purpose driven.

- Locally Owned and Operated: “Our growth is a result of hiring exceptional leaders who make good decisions. Most of our employees own part of our bank, creating a strong dedication to our mission of delivering a special customer experience every day.”
- Autonomy and Purpose: “Being a privately owned bank gives you a lot more autonomy,” Bravo says. “We’re not trying to be everything to everybody. We focus on what we do best. We are a smart alternative for small to medium-size businesses.”
- Organic Growth: Cogent started with \$10 million in capital and \$80 million in assets. Today, Cogent serves ten markets throughout Florida and boasts \$205 million in capital and \$2.3 billion in assets – all without acquiring other banks.
- Customer-Centric Approach: No call centers. When you contact Cogent, you reach someone who works at the bank and understands your needs. Experienced bankers are ready to help solve critical issues that keep business owners up at night – like “how can you help me manage my business’s cash flow more effectively?”
- Significant Investment in Technology: Direct dialing, text messages, and emails are used to communicate with customers – allowing Cogent to serve a large customer base without the need for numerous locations. Online account opening and servicing is convenient and user-friendly.

Cogent's growth has been intentional. Bravo and his team have focused on building strong relationships, one client at a time. “We’re not just here to lend money,” he says. “We’re here to help businesses grow, transition, and thrive. Every time I sit down with a client, I ask myself, ‘How can we make their life easier?’” Bravo shares. “That’s the heart of what we do.”

“We’re not chasing volume for the sake of volume. We want meaningful relationships that last. I tell my team all the time: if we take care of the client, the numbers will take care of themselves.”



SERVING OUR LOCAL BUSINESSES AND COMMUNITIES

Cogent's mission is clear: support small and medium-sized businesses. Bravo believes these businesses are the backbone of America and deserve a banking partner that understands their needs. "When you walk into our office, we want you to feel like you're talking to someone who genuinely cares, every business we support is part of our community's fabric," he adds.

- **Local Decision-Making:** Cogent is entrepreneurial by design, empowering each market to make decisions quickly, without layers of bureaucracy common with large banks.
- **Products and Services:** Cogent offers diverse, full-service business and personal banking delivered with leading edge technology and a commitment to superior service.
- **Exit and Succession Planning:** Through its Private Wealth division, Cogent helps business owners plan for retirement, sales, or transitions. This includes personalized strategies and long-term financial guidance.
- **Community Engagement:** From partnering with local schools to volunteering at nonprofit organizations, Cogent is deeply rooted in the neighborhoods it serves. Whether it's mentoring young entrepreneurs or volunteering at local schools, nonprofits, and events, Cogent's role in local communities is much broader than financial services.

Bravo is active in local initiatives and believes in giving back. He has been involved in the Jacksonville Rotary Club for over 14 years and has been a member of the Northeast Florida Builders Association (NEFBA) since 2018. He also services on the Parish Leadership Council and Strategic Planning Committee at his church.



DIGITAL BANKING AND CYBERSECURITY

Bravo emphasizes the importance of embracing digital banking to stay competitive and secure. He points out that small banks often cannot afford the cost of adhering to evolving technology regulations which impacts their ability to keep up with the latest in digital banking.

- **Electronic Transactions:** Streamline business operations – moving away from cash and checks – by using ACH for payments and Remote Deposit.
- **Cybersecurity Tools:** Use of Positive Pay, dual verification, and callbacks to protect customers from fraud and unauthorized transactions. With Positive Pay, customers provide a list of checks issued which are matched to those presented for payment.
- **AI-Driven Efficiency:** Process loan applications faster using artificial intelligence, turning hundreds of pages into a one-page summary in seconds. This means the credit decision-makers are not bogged down in paperwork and are able to make timely decisions.

Bravo sees technology not as a replacement for personal service, but as a tool to enhance it. “We use tech to make things easier, not to replace relationships. Technology should serve people – not the other way around,” he explains. “We’re always looking for ways to make banking more intuitive and secure.”

Cogent invests in training its staff to stay ahead of digital trends. The bank embraces the belief that a tech-forward mindset must be supported by ongoing education and a commitment to customer service.

LOOKING AHEAD

Phil Bravo’s vision is simple but powerful: “I would love to see a Cogent card in everyone’s wallet. We’ve proven we are the alternative to mega banks, and I’m proud of it. This is the best thing I’ve ever done throughout my entire banking career.”

Bravo’s story is a reminder that big dreams often start with small conversations – and that with the right team, vision, and values, those dreams can become a reality.

READY TO EXPERIENCE THE COGENT DIFFERENCE?

Cogent Bank is more than just a financial institution—it’s a community partner, a trusted advisor, and a tech-savvy alternative to traditional banking. Whether you’re a small business owner, a nonprofit leader, or someone looking for a personal banking relationship, Cogent is ready to support your journey.

Visit Cogent Bank to learn more, connect with a local banker, or explore how you and your business can experience the Cogent difference.

Member FDIC

Equal Housing Lender

ASSET-BASED LENDING: FUELING GROWTH WITH FLEXIBLE FINANCING

November 24, 2025



Asset-Based Lending: Fueling Growth with Flexible Financing

In today's fast-paced and unpredictable business environment, some companies need more than just traditional loans to stay competitive – they need financing that is scalable and supports their growth goals. Asset-based lending (ABL) is a powerful tool available to help businesses with their working capital needs and seize opportunities – without sacrificing control.

Abbey Henderson, Senior Vice President, and Managing Director of Specialty Lending at Cogent Bank, puts it simply, “we turn business assets into fuel for growth.”

Asset-based lending provides a revolving line of credit backed by a company's assets. As sales increase and receivables grow, availability on the credit line expands. When clients pay, the line pays down. It's flexible for the client, transparent, and tailored to a company's growth.

According to the Secured Finance Network, asset-based lending commitments reached \$320 billion in the U.S. at the close of 2024, reflecting a steady increase in demand from companies seeking flexible alternatives to traditional financing.

Let's look at how ABL works and discuss key parameters.

Collateral

Common assets include:

- Accounts receivable
- Inventory
- Equipment
- Unencumbered real estate
- Recurring revenue streams – on a case-by-case basis

These assets can support a wide range of capital needs, such as acquisitions, equipment purchases, bridge financing, and seasonal working capital. “We can roll all of that into one or multiple facilities,” Henderson says, “with covenants that allow for faster access to capital and liquidity.”

ABL structures can also accommodate:

- Seasonal fluctuations in revenue
- Expansion plans and new product launches
- Unexpected opportunities or challenges

For example, a company preparing for a major product launch may need short-term liquidity to ramp up production and marketing. ABL can provide that cushion without requiring a long-term commitment or equity dilution.

Who’s a Good Fit For ABL?

ABL isn’t just for distressed companies – it’s also for healthy, growing businesses. Many thriving businesses choose ABL for its flexibility and scalability. Henderson encourages business owners to explore all capital options early, and on an ongoing basis as their needs evolve.

Frequent users include:

- Staffing Companies: to cover payroll between billing cycles, leveraging customer contracts as collateral.
- Manufacturers: use equipment, receivables, and contracts to fund operations and growth.
- Distributors: manage inventory turnover and meet spikes in demand.
- Service Providers: cover liquidity needs to cover inconsistent cash flow.

Take a healthcare staffing firm, for example. Typically, payroll is weekly – but customer payments may take weeks. ABL bridges that gap, providing liquidity based on expected receivables.

“ABL lets companies turn their balance sheet into a strategic growth tool,” Henderson explains.

ABL can also play a strategic role during transitions—such as mergers, buyouts, or leadership changes—when liquidity and agility are critical.

Automated Payment Process

Cogent simplifies the repayment process. Payments go into a Cogent account and are automatically swept into the credit line. The bank verifies incoming funds and invoice amounts, saving time and reducing risk.

“With an ABL shop inside a bank versus a private credit shop, cash movement is faster and automated,” Henderson says. “That level of transparency lets clients manage their borrowing base in real time and make smarter decisions about capital.”

Cogent’s integrated systems also reduce administrative burden, freeing up time for business owners to focus on growth and other important initiatives.

Navigating Supply Chain Challenges

Economic shifts like tariffs, inflation, or pandemic disruptions can impact a company’s inventory values and borrowing base. “We were flexible with borrowers who landed inventory early, before tariffs hit,” Henderson notes. “That made their inventory more valuable since the overall purchase price went up.”

Cogent also uses third-party data to track inventory values and adjust rates, thus helping clients stay ahead of market changes. This proactive approach is especially valuable in industries like manufacturing and retail, where supply chain volatility can have a significant impact on margins and liquidity.



Success Stories

Cogent recently helped a staffing and IT infrastructure company expand after landing a major government contract. Instead of diluting equity, Cogent increased their ABL facility to cover startup costs tied to hardware, tech, and personnel costs, funding against the value of the contract itself.

In another case, Cogent structured an acquisition financing package for a pharmaceutical manufacturer combining a term note with a revolving line of credit, despite the company being primarily cash-based with limited inventory.

“We customized a solution that give them both the acquisition funding and the working capital they need to scale,” Henderson notes.

ABLs vs. Term Loans

Asset-based Lines of Credit offer more flexibility than traditional term loans:

- Borrowing ability is based on asset quality not historical performance.
- Less stringent repayment structures
 - Cash flow recapture structure allows for larger advances upfront.
 - Interest-only payments growth initially and during phases.
- Potential cost savings through efficient repayment and greater growth.

“Monthly payments are lower because we don’t require principal repayment right away,” Henderson explains. “That lets companies deploy capital where it drives the most value.”

Companies can also combine ABL with term loans – one for working capital, another for acquisitions or equipment. This hybrid approach allows businesses to tailor their capital stack to specific needs and growth stages.

“You can’t run a company the same way through every phase of its life cycle,” she says. “Surround yourself with good financial mentors. A good place to start is with your accountant. They will know who the quality financial partners are, including those in the secured finance arena such as Cogent.”

Cogent's Ideal Client

Cogent specializes in serving lower to middle-market companies with real working assets. These businesses value:

- Speed and transparency
- Building relationships with their financial partners
- Local decision-making
- Sponsor-backed acquisition platforms

“We fill a funding gap that larger banks often overlook,” Henderson says. “We execute well in helping companies grow and succeed – even if they eventually outgrow us. That’s the mark of doing our job right.”

Ready to Fuel Your Growth?

Asset-based lending isn't just a financing tool—it's a growth strategy. Whether you're scaling operations, navigating market shifts, or exploring new opportunities, Cogent Bank is here to help.

Contact Cogent today to learn how ABL can support your next phase of success.





Member
FDIC

