



SFNet's Annual Report **2022**  
**Mastering Disruption**





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J.P. Morgan,  
Immediate Past President of SFNet

JenniferPalmer  
SFNet President



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CEO, SFNet

# Introduction

2022 was a year in which our industry and your association demonstrated their resilience and emerged stronger than ever. Through a period of unprecedented geopolitical, economic and social disruption we were able to anticipate and respond in ways that allowed us to fulfill our essential purpose of bringing together the resources to Put Capital to Work.

We drove real increases in member value as the number of engaged individuals continued to grow over prior years and net promoter scores, which we track as a measure of loyalty, increased nearly 15% across multiple points of engagement.

We converted a number of active non-members to join SFNet and had well over 90% retention of existing members.

We introduced free on-demand education classes and added a new mentoring program to help develop young talent and added more diverse and young professionals to our committees than ever before.

We provided more information to more constituents in more formats. Regular factoring webinars, *The Secured Lender Data Issue*, a new cross-border deal archive, and our new SFNet Presents In The Know podcast series are some examples.

We played an important role in legislative matters, getting concessions on EIDL subordinations and influencing state disclosure laws. Our comprehensive Guide for members to comply with California’s new onerous regulations has been downloaded by our members over 500 times.

And we did all of this while maintaining financial stability and continuing to invest in strategic value creation for our members.

As we look toward the year ahead, we will build on these successes. A new leadership program with NYU, expanded programming targeted to attract new entrants to our industry while cultivating emerging talent, deeper content and information resources, and more robust advocacy work in the face of new regulations to ensure we represent the interests of all our members are all on tap for 2023.

We talk about ourselves as all-weather financial solutions providers – and there’s no doubt that at times like this we shine. Coming together as a community helps us make each other better, and our industry and our economies stronger.

Thanks for everything you do for our vital and thriving community. And for your continued support and stewardship of SFNet and our Foundation.



# Highlights of 2022 Initiatives

click + to learn more

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**Groundbreaking DEI Study**

SFNet’s DEI Committee, in conjunction with Rutgers University and underwritten by the Secured Finance Foundation and Wells Fargo, commissioned a first-ever comprehensive perspective on the current state of diversity, equity and inclusiveness among SFNet member companies. Members can access the webinar covering the results.

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**The SFNet Guide to the California Commercial Finance Disclosure Laws and Regulations**

SFNet provided members with the most comprehensive Guide to complying with the controversial new California Disclosure Regulations for Commercial Finance Transactions that went into effect December 9, 2022.

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**Mentoring Program**

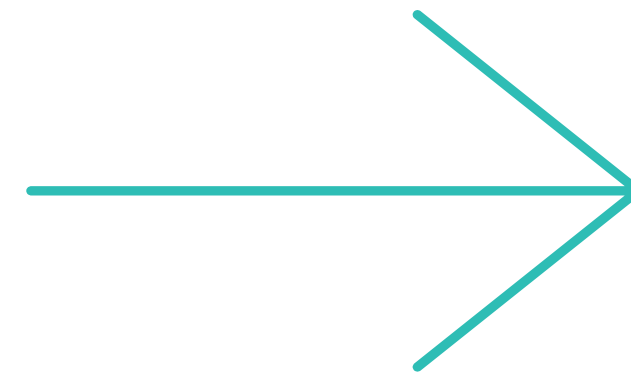
In 2022 the Secured Finance Foundation and the SFNet DEI Committee created a mentoring initiative to serve the community by connecting established veterans in our industry and with those cultivating their careers.

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**The Secured Lender Data Issue**

In July 2022, as part of SFNet’s continued effort to enhance our offerings to our members and raise the profile of the secured finance industry, TSL published its inaugural Data Issue.





# Financial Performance

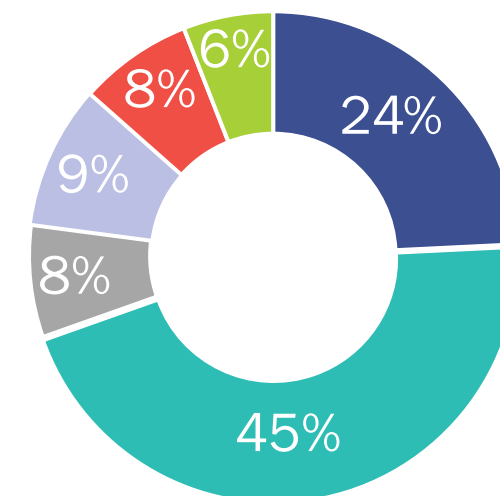
The Secured Finance Network, Inc & Affiliate's FY22 Net Income and Net Operating Income was \$555,666 and \$194,748, respectively. Strong performance was driven by higher member engagement and a return to live events, coupled with one-time non-operating pandemic related federal grants. As a nonprofit 501c6, the FY22 surplus, by SFNet policy has been reinvested in additional value-creating programming for our members as part of our board-approved FY23 budget and to ensure long term financial sustainability.



To see our audited financials and 990 tax filings

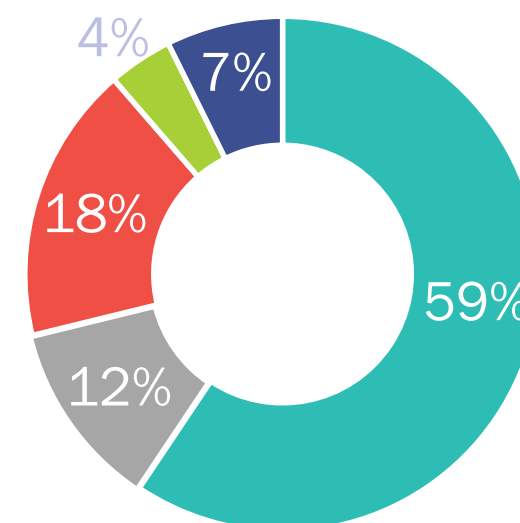
## FY2022 Financial Summary

### Revenue



- Events & Networking** \$2,743,306
- Dues** \$1,465,541
- Data & Information** \$571,478
- Contributions** \$454,724
- Professional Development** \$453,922
- Non Operating Income** \$359,918

### Expenses



- Events & Networking** \$3,262,849
- Data & Information** \$959,203
- Advocacy** \$222,270
- Professional Development** 647,577
- Administration** \$402,324



# Membership 2022 Update

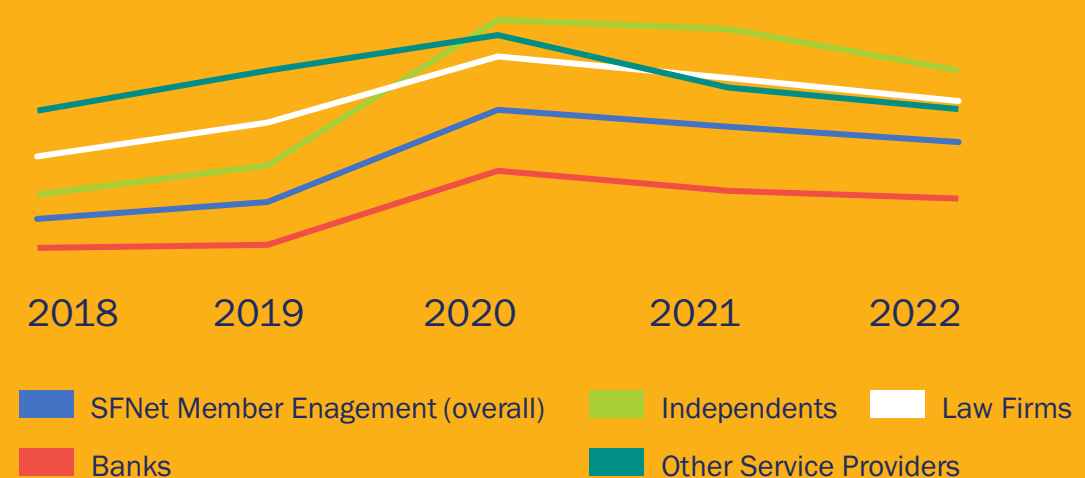
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SFNet welcomed 32 new members in 2022. New member profiles can be found in both *TSL Express* and *The Secured Lender*. We engaged 300 additional member employees who attended events, education programs, webinars, etc. and saw increase in Net Promoter Score (NPS)

## Net Promoter Scores (NPS)\*

2019	→	42
2020	→	49
2021	→	56
2022	→	55

## SFNet Member Engagement Measures\*\*



\* SFNet year end suveys (2019-2022)

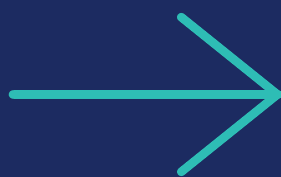
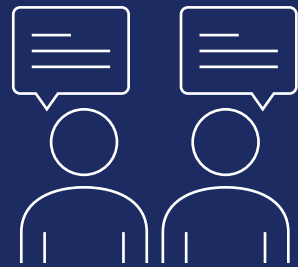
\*\* SFNet Member Engagement measures are based on a composite of individual activity with weighted scores for:  
Event & Education consumption **25%**; Chapter Membership **15%**; Foundation Contributions **30%**; SFNet Committee Participation **30%**



Highlights from year end 2022  
**SFNet Member Survey**

Excellent **Net promoter score of 55** (2X association benchmarks). **8 out of 10 engaged members** would recommend SFNet to others, with >90% rating SFNet offerings predominantly better than their best experiences at other associations to which they belong

SFNet is investing resources in line with members' desire for more networking opportunities, data and forecasts and access to talent in the year ahead.



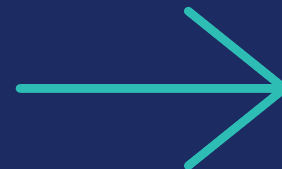
89%

Networking is the most important service offered by SFNet, every aspect of which improved over the previous year



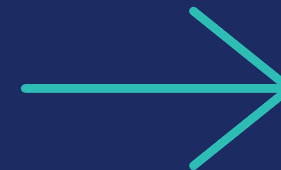
75%

Rate SFNet's Industry data reports and forecasts as highly valuable offerings



84%

Named *The Secured Lender* and *TSL Express* as the most valuable offerings overall



81%

Say that SFNet helps in building personal relationships and in making new connections



“So much of my career success is from what I’ve learned from SFNet. I’m expecting to take more courses and get more involved in 2023.”

— Response from the SFNet 2022 Survey

“I appreciate the wonderful resources [*The Secured Lender* magazine, *TSL* emails, webinars, conferences] that helps me learn more about the industry and make new connections.”

— Response from the SFNet 2022 Survey



202240 Under 40 Awards



2022Annual Convention



2022YoPro Leadership Summit

# → Highlights of Networking

Over 2,400 member and nonmembers attended events, including 8 conferences featuring over 70 live and virtual panels

SFNet brought together our community for networking, relationship building and deal-making opportunities.

Events saw an overall increase in in-person attendance (approaching pre-pandemic levels).

- Asset-Based Capital Conference: **“The networking and informal discussion is always important, but the industry data/intel provided is the most helpful in a broader context.”**
- Return to in-person 40 Under 40 celebration in June held at the Plaza in New York City. **“Receiving an SFNet 40U40 Award elevated my visibility both within my firm and the industry. The event in New York City was a night I’ll never forget.”**
- Successful Annual Convention with over 900 attendees. **“You can’t beat the networking opportunities. It would take weeks of travel normally to make the connections I made during the Convention.”**
- Women in Secured Finance Conference was held live in June with a refreshed venue and format. **“The networking time and roundtables fostered opportunities to connect with people. The speakers were particularly insightful and engaging.”**
- The YoPro Leadership Summit was held in Atlanta in August. **“Really appreciated the combination of interesting panels and easygoing ways to get to know people. The ice-breakers turned out to be really fun and a helpful way to get to know people, so keep those in!”**
- Independent Finance Roundtable was held in Austin in April. **“I appreciate the frank and open discussion across the topics, with a comfortable space for questions and comments.”**
- The International Lending Conference was once again held in London after two years of being virtual. **“Outstanding content and fantastic networking opportunities.”**
- Virtual Cross-Border Summit was held in September. **“It was so valuable to hear different perspectives from people across the globe.”**
- SFNet regional chapters offered outstanding networking activities at the local level including golf outings, sporting events, beach parties as well as educational events. 11,300 visits to the Chapters page on sfnet.com





# Professional Development

**Over 1,300 member employees participated in professional development programs**

SFNet continued its focus on encouraging members to take advantage of the association's education offerings and assisting in their professional development:

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■ Successful Mentoring Program: In 2022 the Secured Finance Foundation and the SFNet DEI Committee created a mentoring initiative to serve the community by connecting established veterans in our industry and those cultivating their careers. By incorporating elements of diversity, equity and inclusiveness, this program adds additional dimensions to our members' professional trajectories. This program was lauded as a success by both mentors and mentees and will be offered on a continued basis in 2023.

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■ Ten Crucial Conversations webinars were held including an Overview of California's Commercial Finance Disclosures Regulations and several hosted by SFNet's Factoring Committee.

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■ Provided seven Guest Lectures at various colleges and universities. These lectures are an ideal way to inform students about our industry and enables them to learn firsthand about career opportunities in industries they might not have otherwise known existed. Click [+][to read about one presenter's experience.](#)

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■ Established the Martin I. Katz Guest Lecture Scholarship. Funds are available to attract next generation secured financiers.

■ Introduced new CLE program through the American Bar Association, offering 11 CPE accredited education courses, which helped solidify and expand registrants' field of knowledge.

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■ 225 member employees attended education programs (Reminder: all employees of member companies are entitled to attend On-Demand classes at no cost.)





# Information Resources

**Nearly 200,000 views of TSL Express and The Secured Lender articles.**

SFNet delivered robust content and data in 2022:

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■ The SFNet Quarterly Asset-Based Lending Surveys as well as the Annual ABL and Factoring Surveys were published. The surveys were enhanced in order to include deal counts and new clients in the quarterly reports. There was a 40% increase in participating companies.

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■ *The Secured Lender* published its first Data Issue in July.  
■ *The Secured Lender's* October issue featured Great Places to Work profiles highlighting SFNet members companies. The issue was distributed to colleges and law schools to increase knowledge of the industry and encourage the next generation to explore career opportunities in the industry.

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■ Member forums among functional and leadership cohorts were held both virtually throughout the year and during SFNet's Annual Convention in Austin.

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■ SFNet's International Finance and Development Committee launched an ABL Cross-Border Database. The database is a comprehensive compilation of information from publicly available credit agreements in large cross-border asset-based loans.

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■ SFNet and industry veteran Barry Bobrow partnered to produce a series of video and audio podcasts focused on important trends and developments in secured lending.

■ SFNet website was visited almost 300,000 times with nearly one million page views.



# Advocacy Initiatives

**SFNet, through its Advocacy Committee, furthered the interests of the industry on impactful matters:**

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- SFNet successfully negotiated a consensual form of subordination agreement with the Small Business Administration on EIDL loans
- SFNet contracted with the law firm of Hudson Cook to create a California Financial Disclosures Law Compliance Guide for factors, asset-based lenders and other secured finance parties, which was released in October and accessed by over 500 members.

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- Launched a quarterly Advocacy Newsletter and regularly refreshed grid on SFNet.com to keep members apprised of latest developments.

**“This is without a doubt the best resource on these laws.”**

- Submitted numerous comment letters relating to various state and federal issues from disclosures to Dodd Frank section 1071 reforms
- Tracked and kept members informed of relevant and pending legislation at the state and federal level.
- Retaining highly regarded public affairs firm, National Strategies, to proactively engage legislators concerning state financial disclosure legislation.
- 1,200 members accessed the SFNet Compendium of Secured Finance Law





# Secured Finance Foundation

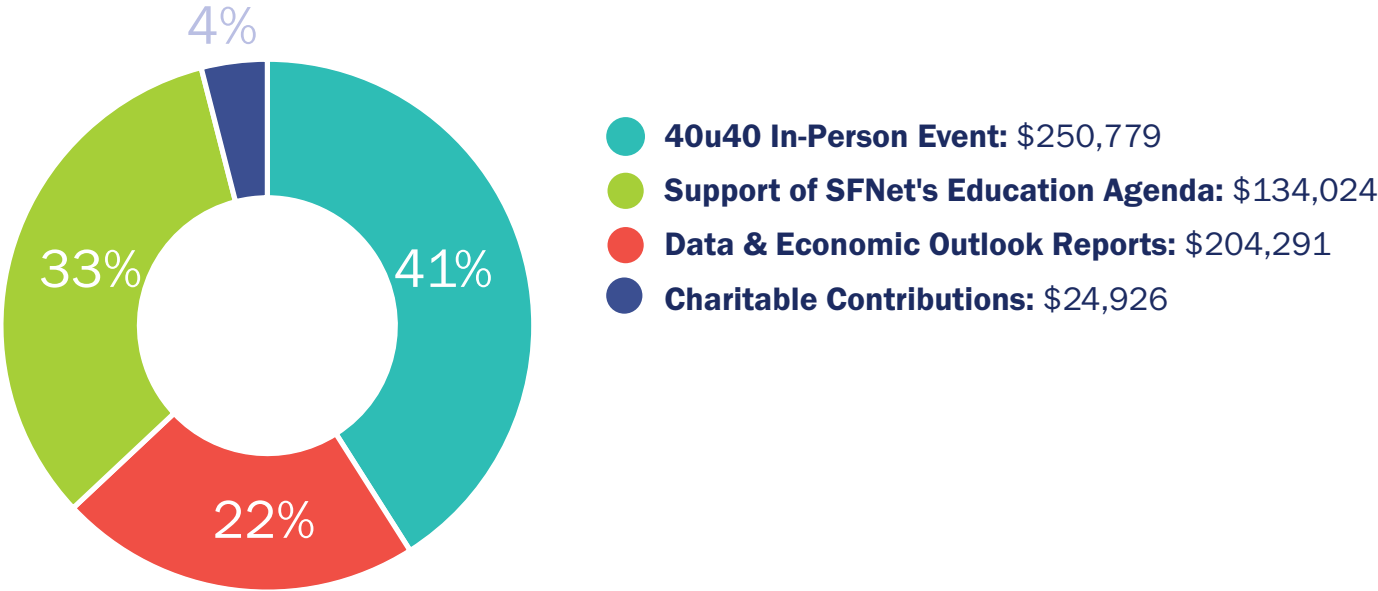
The mission of the Secured Finance Foundation is to encourage, facilitate, and support education, innovation, and charitable works for the betterment of organizations and professionals who deliver and enable secured finance—and for the communities of which they are a part. As a separate entity from the Secured Finance Network, the Secured Finance Foundation is a 501(c)(3) organization that funds crucial initiatives benefiting our members.

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- SFFound raised \$432,670 in 2022, exceeding 2021 fundraising efforts
- Returned to a memorable in-person 40 under 40 event at the Plaza Hotel in New York City
- Published 5 data studies and 2 Market Pulse forecasts. Initiated 2018 Market Sizing and Impact Study refresh, which will be released early in 2023.
- Expanded education programs' accessibility and utility in 2022 through new free-to-members OnDemand programming in factoring, legal and appraisals
- Developed framework for reimagined leadership development program in conjunction with NYU to be held in June 2023.
- Funded successful Diversity, Equity and Inclusion baseline study with over 50 member companies participating.
- Engaged our Next Generation of industry leaders via an expanded University Guest Lecture program.

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## Where do your donations go?





SFNet  
Management Committee



Jennifer**Palmer**  
SFNet President



Barry**Bobrow**  
SFNet First Vice President  
Regions Business Capital



Robert**Meyers**  
SFNet Vice President  
Republic Business Credit



Bobbi Acord**Noland**  
SFNet Co-General Counsel  
Parker, Hudson, Rainer  
& Dobbs LLP



Jonathan**Helfat**  
SFNet Co-General Counsel  
Otterbourg P.C.



Rich**Gumbrecht**  
SFNet CEO



SFNet  
Executive Committee



Hamid**Namazie**  
SFNet Advocacy Committee  
McGuireWoods LLP



Ian**Fredericks**  
SFNet: At-Large  
Hilco Global



Bethani**Oppenheimer**  
SFNet: At-Large  
Greenberg Traurig, LLP



Supremna**Cole**  
SFNet Chapters Committee  
Wells Fargo Capital Finance



Donald**Clarke**  
SFNet Convention Committee  
Asset Based Lending Consultants



Tina**Capobianco**  
SFNet Education Committee  
J D Factors LLC



William**Bence**  
SFNet Entrepreneurial Committee  
Wingspire Capital



Robert**Grbic**  
SFNet Factoring Committee  
White Oak Commercial Finance



Steven**Holstein**  
SFNet Marketing Committee



Lawrence**Flick**  
SFNet Membership Committee  
Blank Rome LLP



Peter**York**  
SFNet Nominating Committee  
J.P. Morgan



Laura**Glass**  
SFNet Women in Secured  
Finance Committee  
Bank of America, N.A.



Kathleen**Parker**  
SFNet YoPro Committee  
HYPERAMS, LLC



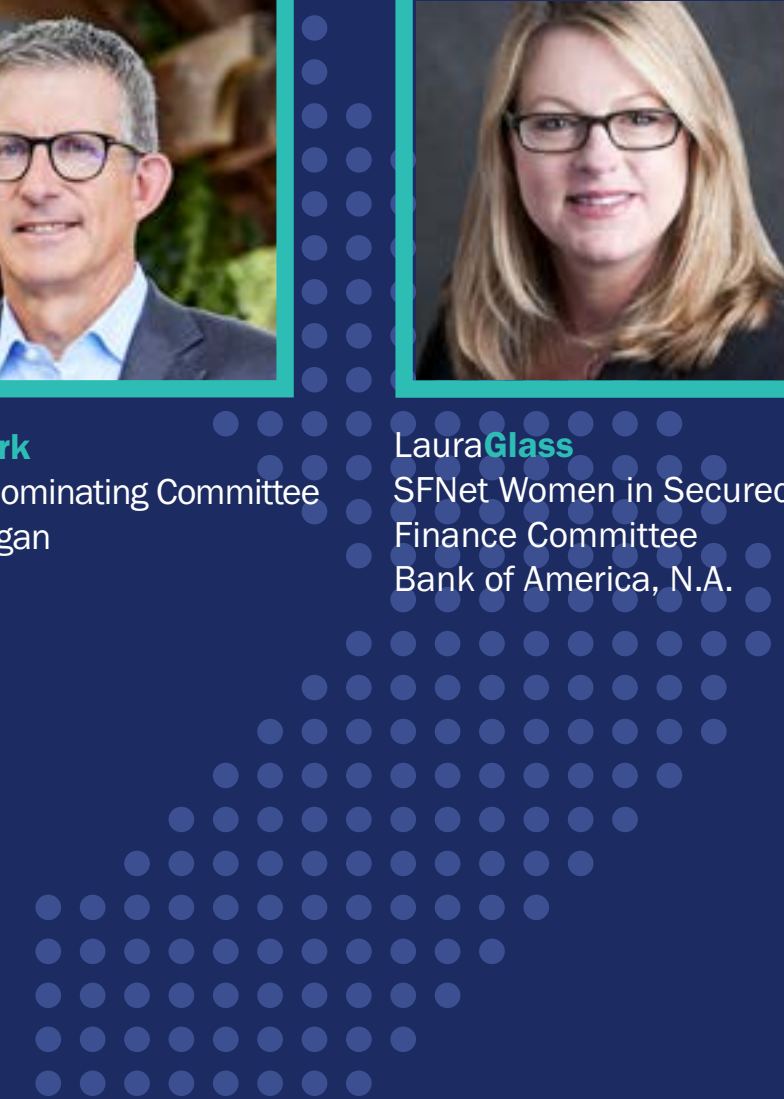
Betty**Hernandez**  
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SLR Business Credit



Lawrence**Chua**  
SFNet Data Committee  
Ares Management LLC



Richard**Kohn**  
SFNet International Finance and Dev. Committee  
Goldberg Kohn Ltd.





SFFound  
Board



Joe**Accardi**  
SFFound Education  
M&T Bank



Amy**Barrentine**  
SFFound Corporate Campaign  
Regions Business Capital



Barry**Bobrow**  
SFFound Finance and Audit  
Regions Business Capital



William**Brewer**  
SFFound Nominating  
Winston & Strawn



Miin**Chen**  
SFFound Data  
Siena Lending Group



Steven**Gold**  
SFFound NexGen  
Allied Financial Corporation



Rich**Gumbrecht**  
SFFound President  
Secured Finance Foundation



Stewart**Hayes**  
SFFound Chairperson  
Wells Fargo Capital Finance



Janet**Jarrett**  
SFFound Individual Campaign  
Truist



Bethani**Oppenheimer**  
SFFound Fundraising  
Greenberg Traurig LLP



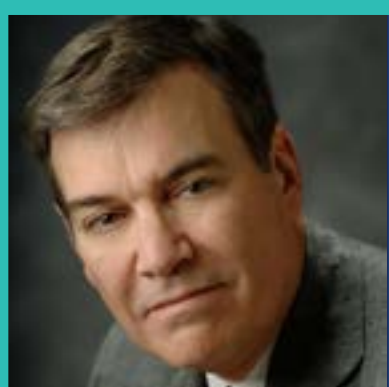
Michael**Scolaro**  
SFFound Community  
Development  
BMO Commercial Bank ABL



Greg**Slowik**  
SFFound Secretary & Treasurer  
Secured Finance Foundation



Bobbi Acord**Noland**  
SFFound Co-General Counsel  
Parker, Hudson, Rainer  
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Jonathan**Helfat**  
SFFound Co-General Counsel  
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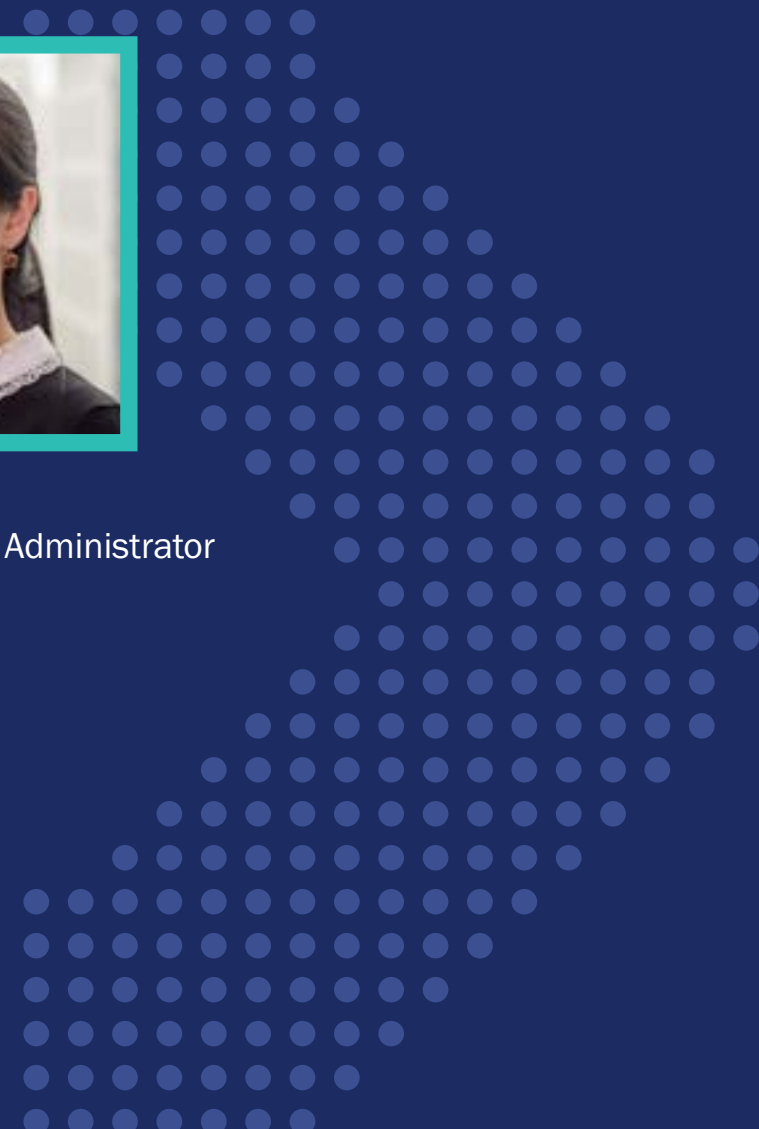
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