



March 19th 2011

Export Credit arrangements
Productivity Commission
LB2 Collins Street East
Melbourne Vic 8003

Dear Sir or Madam:

Knog has been the recipient of EFICs support since January 2011. EFIC provides a guarantee of \$600,000 to Westpac who then allow Knog to draw down on these funds using a trade finance facility.

These funds enable us to bridge the gap between the need to pay our suppliers on a timely basis and offer our customers terms that are commercially acceptable.

EFIC's support has been invaluable to Knog. None of the banks were willing to provide the level of support that we required. If not for this support, our business would certainly have faltered, resulting in the loss of many local jobs and loss of intellectual property. It would have been a slow and difficult process to recover and build the business back to the current position of relative strength.

With EFIC's help, we have been able to spend the last year developing a new range of bike lights. This has required investment in people, intellectual property, tooling and marketing. The recent successful launch of our Blinder lights should see Knog continue to grow and continue to invest and innovate in downtown Richmond.

Hugo Davidson | CEO

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