

# COLLATERALIZED ONLINE LOANS





# Ibancar: An Alternative Lender

## Large unbanked population creates need for alternative lenders

- Since the financial crisis a decade ago, huge losses incurred as a result of bad lending practices by over-leveraged banks have led to onerous new regulations and, notably, more risk averse financial institutions.
- Even today in many developed economies getting a loan has become impossible for many - there are hundreds of thousands of consumers who do not have access to any form of credit because they do not fit the lenders' profile.
- People who miss payment of a phone or electricity bill end up being blacklisted and cut-off from all forms of credit - removing oneself from these blacklists is often difficult and building up a new credit history can take years.
- This negative credit environment does not seem to be disappearing, there is clearly a "financial hangover" that could be here to stay for all "high risk" borrowers.

**This void left by the banks has not been filled by new online lenders who only offer small loans for short periods.**

**Ibancar has the perfect solution as it offers a straightforward replacement for these now unavailable bank loans.**

# Collateralized Loans = Reduced Risk

Ibancar loans are guaranteed by the borrowers car. On average the value of the car is 2x the amount borrowed. The Ibancar loan product was designed to ensure total protection of capital.

- Currently Ibancar offers loans from €1,200 to €6,000 for terms of 12, 18, 24 or 36 months
- Clients must have regular income of at least 3.3 times their monthly payments
- The car must be less than 12 years old, free of charges and pass a technical inspection
- The car is valued at 70% of its fire sale value, equivalent to 50-60% of its market value
- Clients can obtain the loan in as little as 48 hours and can do so without leaving home
- By the time we have extended a loan, we have spoken to the client on average 3 times
- In contrast to other types of online loans, Ibancar establishes a relationship with the client prior to issuing the loan



Online lead acquisition from both own advertising and affiliate networks



Valid leads include information on the client and the car as well as documentation



Service team call clients to assess suitability, confirm accuracy of information and give indicative terms



Credit team approves, amends terms or declines loan. Verifies car value and if clients monthly payment is manageable



Service team confirms offer to clients and makes appointment for car inspection



Credit team reviews inspection report and confirms or amends terms of loan to maintain LTV parameters



Service team confirms final terms to client and arranges paperwork



Credit team reviews documentation for final approval, schedules bank transfer



# Credit Management Strategy

The credit strategy, along with its proven results, serves as a key differentiator and pillar of the business

We value the cars according to tables published quarterly by “GANVAM” (National Association of Car Dealers) and lend a maximum of 70% of the average PURCHASE value paid by dealers for that specific brand, model and year. This approach ensures that the maximum LTV is around 50%. We then adapt this maximum loan amount in order to take into account the borrowers monthly income.



We have found that a fully automated scoring system does not deliver consistent risk assessment so our approval process combines both technical and human analysis.



We initially filter leads based on technical criteria that evaluate the value of the collateral, the client's ability to repay and his or her credit history. We also verify every email address and phone number.



If technical requirements are met and backed by valid documentation, we review the application manually taking into account age, educational and social background as well as information on social networks.



We never approve a loan without having spoken to the client at least twice. We use this verbal communication to further evaluate the clients attitude towards debt and the suitability of the loan.

# Zero Capital Loss over 4 Years

Our key focus is capital protection and that means that we also seek amicable resolutions for non performing loans

Our track record speaks for itself - we have issued over €1,500,000 of loans over the last four years with zero credit losses whilst maintaining returns.

Our non performing loans can result in profits or losses depending on how much capital is recovered, but given the pro-active resolution policy, our 4 year capital recovery rate is 114% of the outstanding capital

Our average loan is currently €4,100 and the average duration is close to 3 years.

**We believe no other lender in the online consumer lending space can make this claim.**



# The Managing Board

The Board brings both in depth financial knowledge, banking expertise and management experience. We are experts at what we do.

Founder &  
Chief Executive Officer



**Alex Melis** is an ex investment banker who was MD at Credit Suisse and BNP Paribas prior to founding Ibanicar. Prior to his banking career Alex spent many years working as a management consultant and besides his financial knowledge brings management and organizational skills to the business.

Board Member



**Erik Martel** is a Harvard Business School graduate and ex Goldman Sachs banker with a 15 year track record in venture capital & private equity investing; he brings valuable finance and management experience to the business.

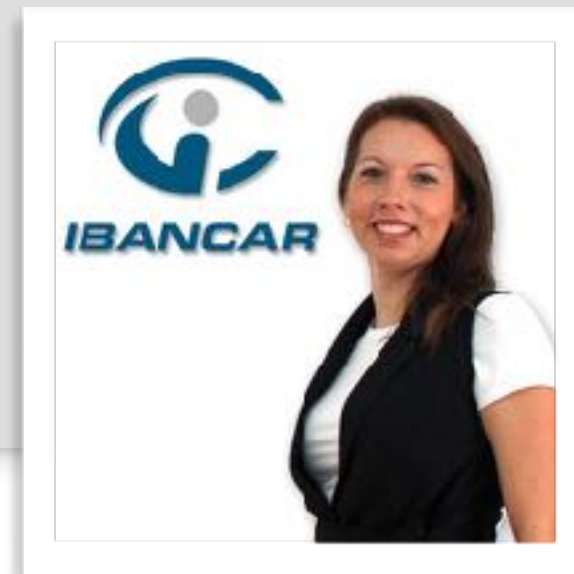
Company Secretary



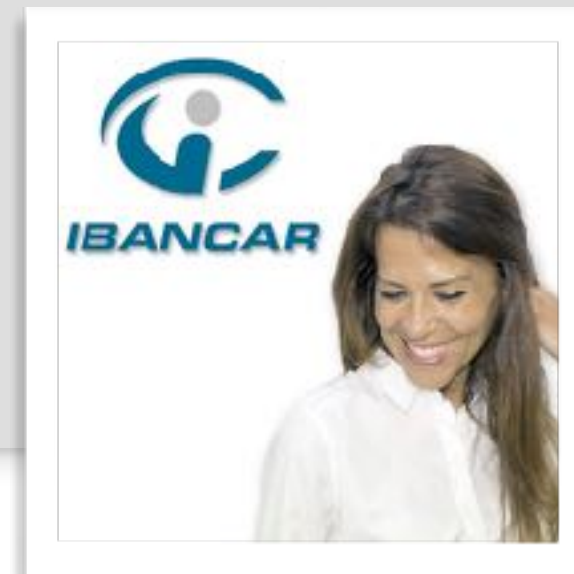
**Ester Ruiz Nuñez** studied at the university of Granada and has been with Ibanicar in several roles since 2011; she has helped to shape and build the business and has been a great contributor to our product development. She now manages all aspects of the day to day business.

# The Team

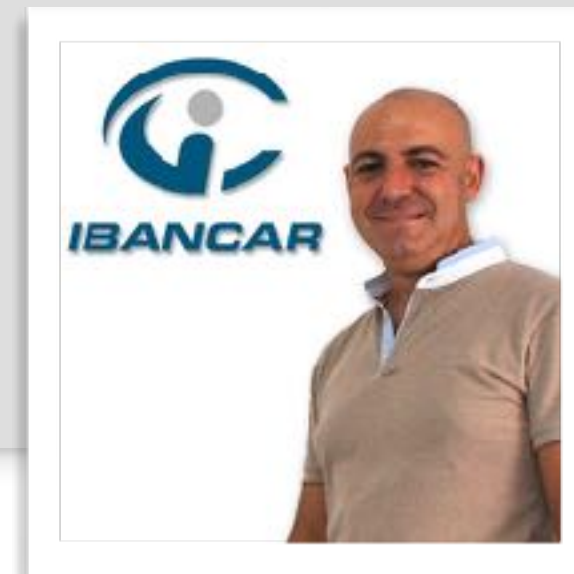
The IBANCAR team consists (unintentionally) mainly of women and this is no doubt this part of our success! All key team member are equity incentivized and have spent an average of 3 years at the company



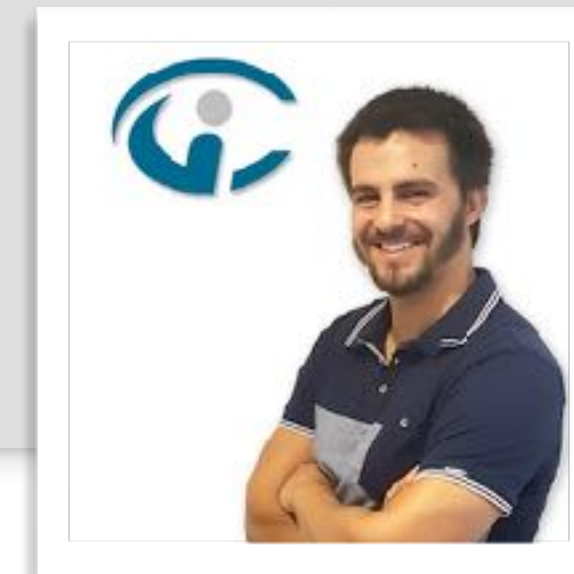
**General Manager**  
Ester Ruiz Nuñez



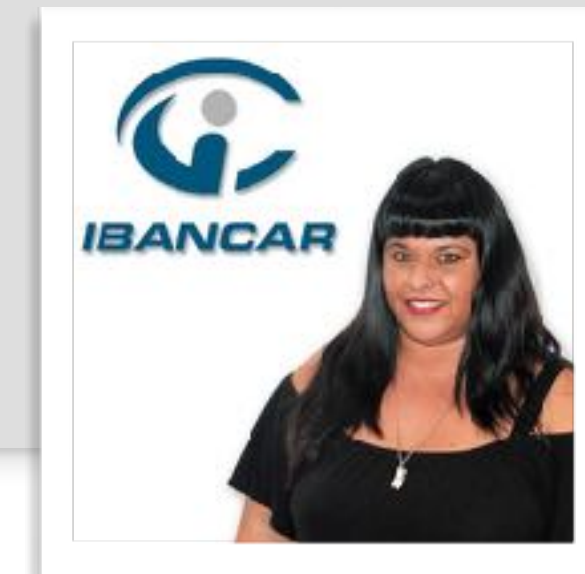
**Financial Controller**  
Mercedes R



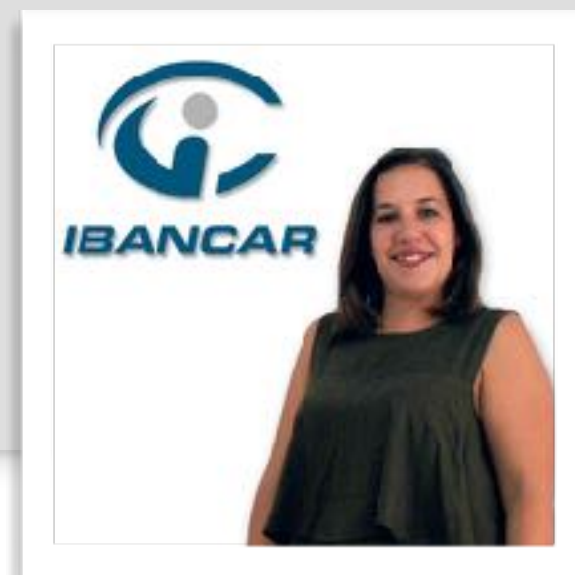
**Head of IT**  
Jesús S



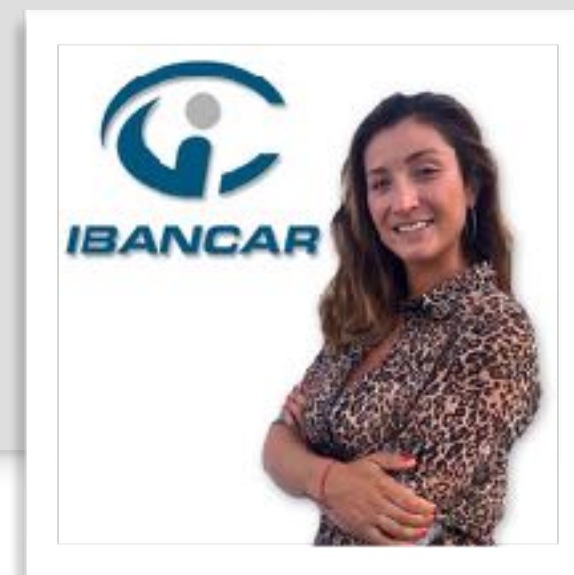
**Digital Marketing**  
Ignacio A



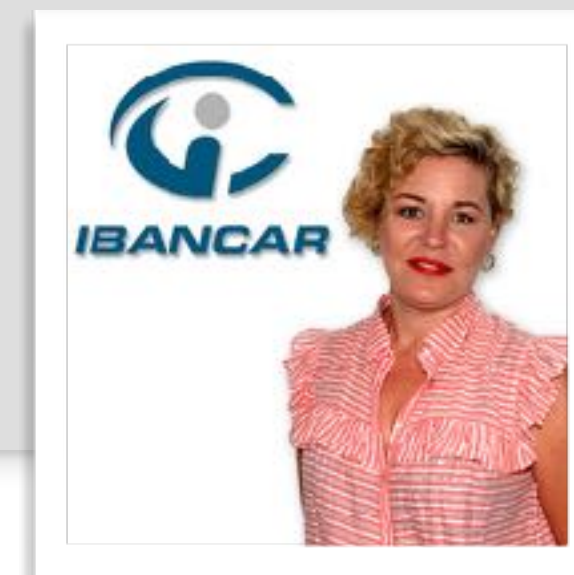
**Risk Manager**  
Ana G



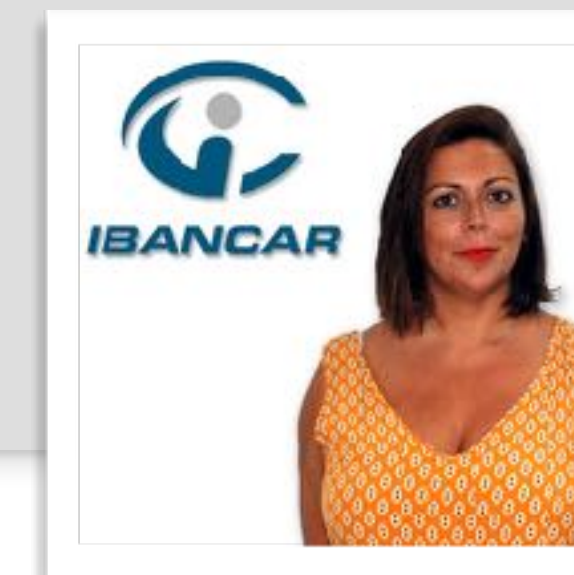
**Risk Assessor**  
Jessica T



**Customer Service Manager**  
Antonela M



**Customer Service**  
Verónica P



**Customer Service**  
Mercedes M

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