

## PRESS RELEASE

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### ArchOver's globally unique secured and insured Crowdlending offer

*'Lender security is our priority'*  
Angus Dent, CEO ArchOver

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**THE PROBLEM:** SMEs are in crisis - their cash flow squeezed by big customers, unfair credit terms and late invoice payments. As ArchOver's advertising recognises (see end of release) the banks might as well be dead as far as small business is concerned

**THE SOLUTION:** The world's first internet-based secured and insured, crowdfunded, low-interest loans for borrowers.

*'Good security for lenders means low cost loans to borrowers'*. Angus Dent.

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ArchOver Ltd today announces the launch of its crowdlending platform [ArchOver.com](http://ArchOver.com) with what it believes is a globally unique '*secured and insured*' offering to lenders.

This comes at a critical time for small and medium sized businesses which are being squeezed on the one hand by their big corporation customers with unfair invoice payment terms and, on the other hand, by the banks which are failing to provide essential loans to the very sector which forms the backbone of the UK economy.

ArchOver aims to help provide a vital lifeline to those SMEs which account for more than 99 per cent of British business. At the same time its initial offering gives a quality of security for lenders which it believes is unmatched anywhere in the global crowdfunding sector.

The product, CapitalArch™ provides lenders with a 5% return with a minimum loan of £5,000. Lending is targeted at borrowers seeking a minimum of £75,000 with a headline rate of 6%.

ArchOver raised initial finance from its founder directors and friends in order to build its platform and has now received backing from Hampden, the insurance and financial services group (Hampden).

Tim Oliver, Chairman of Hampden, said: “The crowdfunding sector is growing fast. We have been impressed by ArchOver’s dedication to lender security and we are pleased to back its highly professional team”.

Brian Basham, Executive Chairman of ArchOver, said: “We could not ask for better partners. Hampden is a long-term strategic investor and has had considerable success in supporting early stage companies.”

Angus Dent, Chief Executive Officer of ArchOver said: “Lender security is our prime concern. On behalf of the lenders we register a first charge over the borrowers’ accounts receivable (debtors) and, as an added level of security, we also insure that debtor book. This achieves two things: it lowers the risk to lenders and it also allows the borrower to benefit from the creditworthiness of its customers.

“This unique level of security has attracted an initial £3million of cornerstone lending from Hampden that is available to borrowers.

**“We want to hear from borrowers who need finance for any legitimate business purpose, maybe to support growth, or perhaps because their cash flow is being squeezed by their large customers, many of whom demand credit terms stretching to 120 days and more.”**

The ArchOver team is confident that the rate offered to borrowers will prove highly attractive and that they will also find its terms of business appealing. Borrowers are offered loans at 6 per cent, which is attractive in itself and, unusually in the crowdlending sector, ArchOver does not ask borrowers for personal guarantees.

**ArchOver believes that its insurance arrangements already offer lenders the best security available in the sector and that personal guarantees are often difficult to enforce, while borrowers detest giving them.**

Angus Dent said: “We have worked hard to find a process that gives lenders security and at the same time will free borrowers from the danger of having to put their homes and families at risk.

**“ArchOver believes that the certainty of its term lending, between six months and three years at the borrowers option, will enable companies to plan with confidence. We also believe that borrowers will especially welcome the fact that they maintain control of invoice collection.**

“ArchOver’s founders are seasoned business people who have experienced the uncertainties, expense and high maintenance associated with both factoring and invoice discounting. That’s why we have devised a process which allows borrowers the certainty of term lending, leaves them in control over invoice collection and is virtually maintenance free. Once the term has been agreed and the security has been approved that’s it until the end of the agreed term. And in due course ArchOver will be rolling out other innovative crowdfunding offerings.”

**ArchOver will launch with high impact 'R.I.P.' advertising which recognises that banks might as well be dead as far as SMEs and private lenders are concerned – see following pages.**

The advertising takes up the theme established by Andy Haldane, the Executive Director for Financial Stability at the Bank of England, when he said: *'The banking middle men may in time become the surplus links in the chain. Where music and publishing have led, finance could follow. An information web, linked by a common language, makes that disintermediated model of finance a more realistic possibility.'*

Brian Basham commented: "Small to medium sized enterprises (SMEs) are vital to the economy. By most estimates they account for 99% of all businesses and provide around 60% of private sector employment and innovation, as measured by patents registered. They need capital to survive, let alone grow, and they are not getting it.

"People think of banks primarily as lenders to business but that's less than 3 per cent of what they do. In January this year the Bank of England reported that SMEs paid back more than they borrowed in the three months to November, with firms reporting that credit is either refused or offered at high prices by major lenders.

"As if that isn't bad enough, their cash flow is being squeezed by their large customers who demand extended credit terms, with more than 60% of invoices being settled late.

"Crowdlenders are demonstrating that they have an increasingly important role in providing a solution to this economically damaging state of affairs. We intend to play our part in the process of disintermediation that is already well under way.

"We are ready to link individuals who are looking for a decent and secure return on their savings with companies that need finance at a sensible price, 'arching over', the banking middle-men in the process."

---ENDS---

See over for ads.

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**[www.archover.com](http://www.archover.com)**

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**R.I.P.**

**BANKS**

**5%**  
PER  
ANNUM

Bye bye bankers, hello  **ArchOver**  
Crowdfunding plus  
A world first. Secured and Insured Lending to Companies over the Internet

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**BANKING**


**IS CANCELLED**

**DUE TO**

**LACK OF**

**INTEREST**

**5%**  
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