



ArchOver Limited (“ArchOver”)

Review of Credit Processes and Procedures by Moorfields Advisory Limited (“Moorfields”)

Date: 30 November 2018

Moorfields were engaged to review ArchOver’s credit processes and procedures, including but not limited to:

- New lending and client onboarding.
- Monitoring of existing loan portfolio.
- Procedures for additional lending to existing clients.
- Default and recovery procedures.

Our overall assessment was that the procedures during all stages of the lending lifecycle are appropriate for a Peer to Peer lending platform of this size and borrower profile. The specific loan file reviews we undertook demonstrated a good level of adherence to the stated procedures.

We observed a strong credit culture throughout the organisation in terms of both attitude and experience, particularly when compared to other P2P platforms.

Management are focussed on continuing to improve and refine their procedures as the business grows in order to minimise default risk as far as possible and had already been working on a number of our recommendations.

ArchOver intend to continue having independent reviews carried out on a regular basis in order to ensure they maintain and develop their credit procedures as the business evolves.

Moorfields’ Credentials

Moorfields are a specialist advisory firm with a combined 70+ years’ experience of advising banks, lenders and other financial institutions on all areas of risk management. The review team was led by Phil Smith, supported by Gerry Hoare and Tom Straw.

Phil Smith spent 17 years in commercial banking in various roles including relationship management, internal audit and risk management. He implemented credit procedures and formulated the recovery procedures for a high street bank, overseeing a team of 150 managers. For the last 20 years he has been assisting corporates, secured lenders and other stakeholders with turnaround and risk management strategies.

Gerry Hoare has worked in the banking sector for more than 30 years and been involved in the setting up of 3 large asset-based lenders in the UK. He has a wealth of experience of new lending

Tom Straw is a Chartered Accountant and qualified Insolvency Practitioner with over 10 years’ restructuring experience advising banks and other financial institutions as well as working within the credit and recovery team of a major high street bank.

Disclaimer

Moorfields’ full report is confidential and has been prepared exclusively for ArchOver. The report cannot and will not be made available to third parties. Moorfields does not accept liability or responsibility in any circumstances for decisions made or losses incurred as a result of the above statement or our full report.

Moorfields Advisory Limited