



# Crowdfunding models as part of the sharing economy

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# WELCOME TO CROWDFUNDING



## TRADITIONAL FUNDING



Large amounts from  
one, or few sources

## CROWDFUNDING



Many small sums  
from large group of  
individuals

# ALTERNATIVE LENDING PLAYERS – THE FINTECH WORLD






LENDERS	AGGREGATORS	B2B INVOICING	PAYMENTS NETWORKS	E-COMMERCE PLATFORMS
<p><i>Balance sheet lenders</i></p> <p>able Capify CAN CAPITAL FUNDATION</p> <p>SWIFT CAPITAL RAPID ADVANCE OnDeck</p> <p>Kabbage borro BOND STREET IOU Financial</p>	<p>fundera</p> <p>lendio</p> <p>Biz2Credit</p> <p>BoeFly</p> <p>bizfi</p> <p>H&amp;R BLOCK SMALL BUSINESS</p> <p>enter QuickBooks</p> <p>lendingtree</p>	<p>taulia</p> <p>avidxchange</p> <p>BEHALF</p> <p>FUNDBOX</p> <p>viewpost</p> <p>FASTPAY</p> <p>BlueTarp</p> <p>BlueVine</p>	<p>Square</p> <p>PayPal</p> <p>AMERICAN EXPRESS</p> <p>ISOs</p>	<p>amazon</p> <p>Alibaba.com</p>
<p><i>Marketplaces</i></p> <p>P2B Investor LendingClub STREET SHARES Dealstruck</p> <p>Funding Circle RECEIVABLES EXCHANGE bolstr ApplePie CAPITAL</p> <p>PROSPER LIFTFORWARD venovate Dealflow.com</p>				
<p><i>Crowd-source</i></p> <p>KICKSTARTER INDIGOGO seedinvest FUNDABLE</p> <p>CircleUp EquityNet</p>				













Small Business lending more important to core business

Note: Only intended to be representative, not collectively exhaustive  
 Source: „The Brave 100: The Battle For Supremacy in Small Business Lending“

# TYPES OF CROWDFUNDING

-  Rewards/Donation based
-  Debt based
-  Equity based

## Types of Business Crowdfunding

REWARDS Product or Services 	DEBT Interest on Funds 	EQUITY Ownership 
<p><b>Good For:</b> Arts / Charity / New Products</p>	<p><b>Good For:</b> Main Street Businesses</p>	<p><b>Good For:</b> Start Up / Corporation</p>
<p><b>Funds Raised:</b> </p>	<p><b>Funds Raised:</b> </p>	<p><b>Funds Raised:</b> </p>
<p><b>Supporters</b> </p>	<p><b>Investors</b> </p>	<p><b>Investors</b> </p>
<p><b>Rewards in 3-6 months</b> </p>	<p><b>Interest over 1-3 years</b> </p>	<p><b>Returns take 5-10 years</b> </p>
<p><b>Costs Include:</b> Reward, Shipping, Taxes on Income, Platform</p>	<p><b>Costs Include:</b> Interest, Filings, Platform</p>	<p><b>Cost Include:</b> Ownership, Dividends, Filings, Platform</p>

\* Source: InvestNextDoor

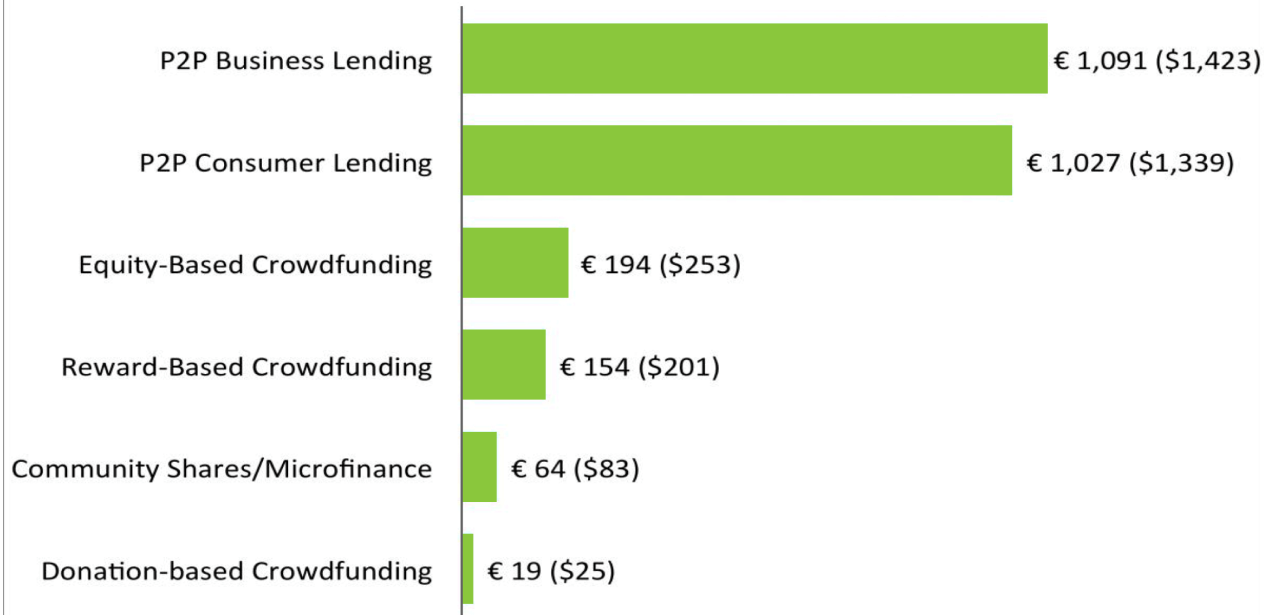
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# PEER-TO-PEER LENDING (P2P)



## P2P Business And Consumer Lending Dominate The Alternative Finance Industry In Europe

*Value Of Loan Originations In €Millions (\$Millions)*



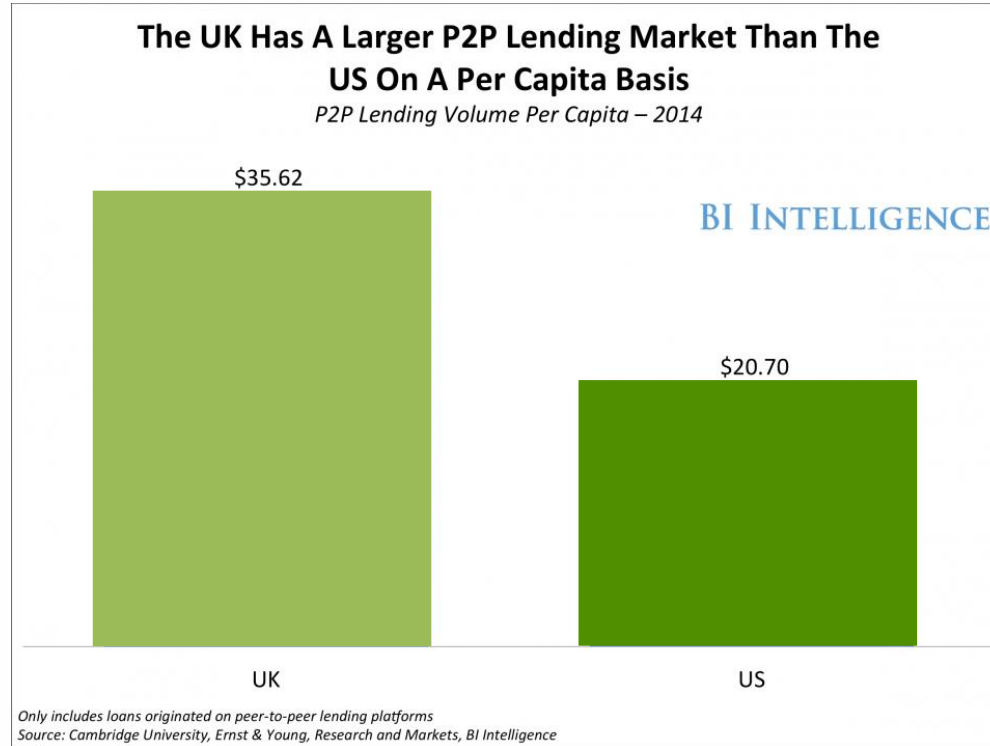
*Dollar values based on 2014 average US Treasury exchange rate  
Source: Cambridge University, Ernst & Young, BI Intelligence calculations*

**BI INTELLIGENCE**

# P2P LEADING MARKETS



**The UK is the most advanced P2P lending market, ahead of the US!**



# P2P LENDING MARKETPLACES (CASE STUDY: IUVO) 1/3



# P2P LENDING MARKETPLACES (CASE STUDY: IUVO) 2/3



## **Risks:**

- Borrower default: each originator has a process of calculating the probability of default of its borrowers.
- Originator default: loan originators are non-banking financial institutions that are regulated by their respective national financial regulators.
- Platform default: the unlikely event of platform closure does not affect the investors in any way.

## **Returns:**

- Returns at iuvo are usually significantly higher than a bank savings account.
- European platforms benchmark: 7-10% net annual ROI.

## **Risk minimization mechanisms:**

- 2000 + loans listed and growing.
- Buy-back guarantee provided by the originator.

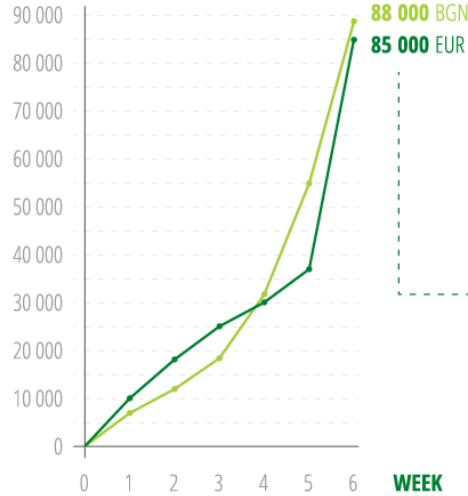




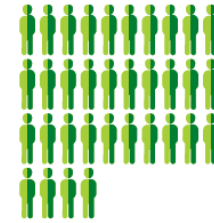
# P2P LENDING MARKETPLACES (CASE STUDY: IUVO) 3/3



LISTED LOANS  
EUR 617 000  
BGN 412 000



IN BGN 35%  
IN EUR 65%



from  
INVESTORS  
339

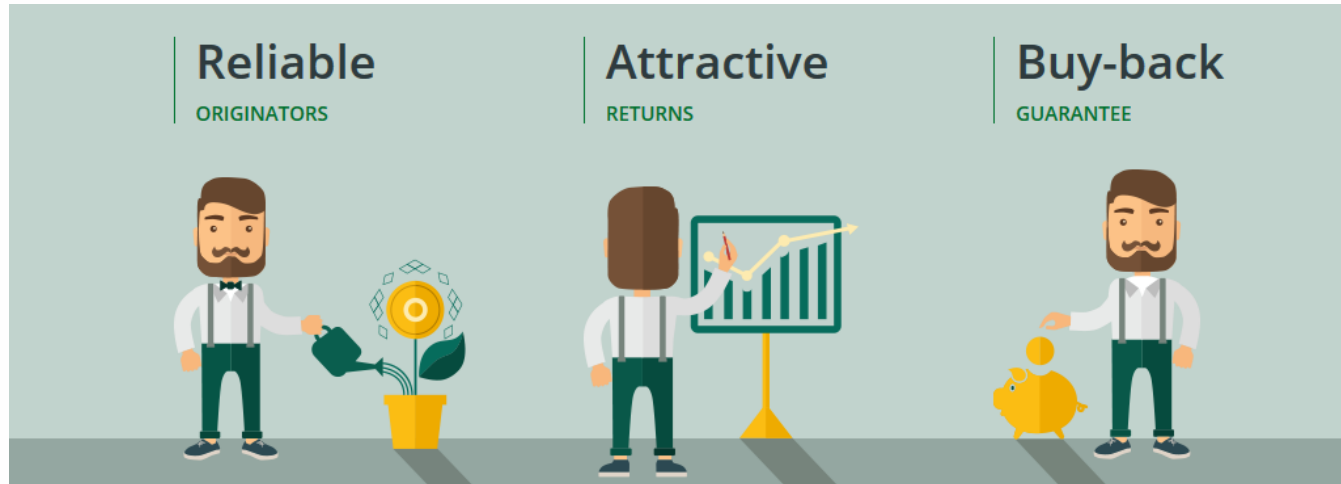
4  
COUNTRIES



# THANK YOU!



Time for questions





[www.iuvo-group.com](http://www.iuvo-group.com)