

A new, collaborative model for borrowers and investors.

The Belgian fintech startup **mozzeno** is launching the first digital platform to enable private individuals to participate indirectly in financing loans to other private individuals.

For borrowers, a non-bank collaborative model through which interest is paid directly to other private individuals.

For borrowers, this makes it possible to obtain a financing loan indirectly from other consumers like them, outside of the banking system. The interest to be paid is transferred to the investors financing the loan.

Xavier Laoureux, co-founder of **mozzeno**, explains:

We wanted to get back to the roots of the banking system back when the disposable money of some customers was used to finance the projects of others, without undergoing complex and risky conversions.

The borrower can digitally finalise their entire loan request via a clear and simple interface, developed with ease-of-use as the primary concern.

For investors, an accessible investment with returns of up to 5.79% gross and 3.91% net.

For the investor, **mozzeno** offers access to a new class of asset: Belgian consumer credit. The investor does not invest directly in the consumer credit. **mozzeno** issues financial instruments called "Notes". These are similar to bonds. Each loan corresponds to an ensemble of Notes called a "Series of Notes". The investors invest indirectly in the loans by subscribing to these Notes.

mozzeno has introduced various measures to limit the risk for investors:

- > An assessment of the borrower's profile and their ability to repay, based in particular on data from the Central Individual Credit Register (CICR) and on the experience of the credit insurer, Atradius ICP.
- > Investment diversification - the minimum investment in a Series of Notes (and thus in the same loan) being €25, it is already possible to invest in 40 different loans with a minimum entry investment of €1,000. Furthermore, an investor cannot invest more than 5% of their portfolio in the same Series of Notes.
- > Investment Protection: **mozzeno** works with the loan insurer Atradius ICP which insures loans granted via **mozzeno**. Depending on the class of risk, this insurance covers from 60% to 100% of the payment of three late instalments and of the remaining amount of the loan.
In any event, the debt recovery procedure will always be carried out by **mozzeno** and its partners, never the investors themselves.

Frédéric Dujoux, co-founder of **mozzeno**, explains:

Of course we cannot talk of guaranteed capital investments, but we have done all we can so that the package on offer meets the expectations of as many people as possible while minimising the risks. This is a timely alternative given an environment in which very low interest rates seem here for a while. In addition, investors do not need to have any specific, prior financial knowledge.

For borrowers and investors, Positive Money positioning

Positive Money means loans that respect the borrower. **mozzeno** only offers simple loans, without revolving credit or credit grouping. This is another reason why **mozzeno** is very strict in its selection of borrowers. The loan has to suit the borrower's needs and the borrower needs to be able to prove his or her ability to repay it.

Positive Money also rewards correct repayment. Rather than saddling borrowers with an aggressive APR, **mozzeno** favours borrowers who repay their loan properly throughout by reimbursing them the costs they have incurred once the loan is paid off.

For investors, Positive Money means the possibility of building up a real return on investment for their money.

mozzeno is now accessible to borrowers and investors via <http://www.mozzeno.com>