

# MYC4

## Investor related changes in TIC TAC Phase 1:

MYC4 is undergoing a comprehensive process for improving the quality of MYC4 in all aspects. All projects in this process are compiled under the overall term 'Operation TIC TAC', which is an analogy for the accuracy and quality of Swiss clockwork.

IT-related issues of TIC TAC are carried out in three phases, whereof we are just about to launch phase 1. Below is outlined how these improvements will affect MYC4's Investors.

Today, we are operating with the following terms on the MYC4 marketplace; Investors (you), Businesses (borrowers), Providers (selects the Businesses) and Lenders (handles money transactions and collects repayments).

In order to prepare the marketplace to scale and improve control and security, we will introduce three new terms, namely **Loans**, **Individual(s)** and **Products**, which will entail the largest change for you as an Investor.

In the future, when you invest, you will no longer invest in a Business directly, but in a **Loan** that is attached to a specific Business. This is done in order for each Business to be able to obtain a new MYC4-loan, when the first one is paid back, and it will give Investors an overview over each Business' history, repayment record and development in regards to e.g. income and number of employees. The **Individual(s)** is the person(s), who applies for the **Loan**. There is always one "key individual" responsible for each Business.

Furthermore, we will in the future be operating with the term **Product**, because it will be possible for each of our Providers to offer a range of different Loan Products to the Businesses – just as any bank offers different loan products to their clients. Operating with different Loan Products will create much more clarity and efficiency, since it is now possible for our Providers to create tailor-made Loan Products to specific segments within e.g. the same industry with similar risk profiles or similar loan needs.

We will be operation with the following definition of Loans:

Loan type	Loan amount (EUR)
Micro loan	< 2,000
Small loan	> 2,000 and <10,000
Medium loan	< 10,000 and <50,000
Large loan	> 50,000

The meaning of the terms, you will meet on the marketplace in the future, is:

**Investors:** Individuals, groups, companies and institutional investors who lend out money via MYC4.

**Business:** The Businesses asking for a loan through MYC4. Under Business, you will find all data concerning the Business such as Business name, background of the Business and industry as well as the Business' income and number of employees.

**Individual:** The term Individual is a sub-entry to the Business and covers the person who applies for the loan. Data on the Individual, such as age, gender and number of children, will also be available under each Business. There is always one “key individual” for each Business, and more than one individual as necessary for instance on group loans.

**Loan:** When investors in the future want to invest, instead of different Businesses to invest in, they will see different Loans to invest in. Each loan is attached to a specific Business, so you will know exactly who will receive your investment. As you can see from the below example, the Invest-page will look almost the same as you are used to, and nothing changes in the way you make an investment. A new improvement though, is the extended sorting function that makes it possible to sort the loans by country, Provider, industry, function, gender, and ‘sort by’.

The screenshot shows the MYC4 Beta website interface. At the top, there's a navigation bar with 'Invest', 'About', 'Forum', and 'My Account'. Below this, the 'Invest' section is active, showing a sidebar with 'Loans' expanded. The main content area is titled 'Open Loans' and contains a sorting bar with dropdowns for Country, Industry, Gender, Provider, Function, and Sort By. Below the sorting bar, there are four loan cards for different businesses: Benedict Okec (Retail shop), Henry Tumusiime (Construction), Nzuri Feeds (Animal Feeds), and Faridah Nany... (Tourism). Each card displays loan details like amount, interest rate, repayment period, and bidding end date, along with an 'INVEST' button.

Another new feature is that each loan has an **update function**. The Update is a one-way communication option for our Partners to give updates on the loan in regards to for instance late repayments. Under each Business, there is a Business blog as a two-way communication option for Investors and the Business/MYC4 Partners to exchange information.

**Product:** The term Product covers the different types of loans that each of our Providers offer to Businesses applying for a loan. In other words, a product is a predefined set of criteria for loans. Under each Provider, you can find an overview of the Products they offer.

**Provider:** The Provider's role and function remains the same, but you will experience a difference when you reach each Provider's profile. In the future, you will be able to see key data on each Provider's playing card, which will show how long the Provider has been a MYC4 Partner, amount disbursed, amount repaid, default risk and percentage of loans defaulted. See example below (be aware that the data is only for illustration purpose):

**Ebony Capita...**

**Eb-F Kenya**

Kenya  
 MYC4 Partner Since: 2008  
 Disbursements € 1,166,077.00  
 Repayments € 171919.70  
 Default Risk: 7.68%  
 Defaults to Date: 0.02%

Under each Provider profile, you will be able to see a graph showing the relation between cumulative disbursements and cumulative repayments as shown below (again, the data is only for illustration purpose):

**MYC4**  
YOUR TOOL FOR CHANGE

Invest | About | Forum | My Account

**Invest**

- Loans
- Businesses
- Providers
  - View Provider**
    - Background
    - Products
    - Provider Blog
- Lenders
- Investors
- Countries
- About Investing

**Ebony Capital Enterprise Limited**  
 We support wealth creation among small entrepreneurs enabling them improve their communities livelihood and integrating them into national development. Besides credit offering, we also coordinate provision of business development services

**MYC4 Partner Since:** 16.04.2008  
**Businesses Funded:** €1,166,077.00 in 287 Loans and 286 Businesses  
**Repaid Loans:** €0.00 in 0 loan(s) and 0 business(es)  
**Repayments Received:** €171,919.70  
**Countries of Operation:** Ghana, Kenya  
**Average Loan Size:** €4,088.44  
**Average Loan Duration:** 22.3 months  
**Average APR:** 54.14%

**Graph:** Thousand EUR vs. Time (10.08.08 to 10.05.09)

Time	Disbursements, cumulative (Thousand EUR)	Payments, cumulative (Thousand EUR)
10.08.08	~100	~0
09.11.08	~400	~50
08.02.09	~1000	~200
10.05.09	~1600	~300

**Administrator:** We change the term **Lender** to Administrator. However, we will not be able to change the wording all at once, so in the coming month you will meet both Lender and Administrator on [www.myc4.com](http://www.myc4.com).