

# Debt Collection Scheme

1-90 days

**Full delayed payment received.**

Borrower returns to the initial schedule.

## Delayed payment

1-15 day	<p><b>CROWDESTOR proactively communicates with the Borrower and requests:</b></p> <ul style="list-style-type: none"> <li>Reason for delinquency.</li> <li>Bank account statement (from the time funds received).</li> </ul>			<p><b>1.</b> Update in investor's cabinet on the first day of delinquency.</p>
16-30 day	<ul style="list-style-type: none"> <li><b>CROWDESTOR proactively communicates with the Borrower.</b></li> <li><b>CROWDESTOR verifies cash flow and usage of funds.</b></li> </ul>			
31-60 day	<p><b>COOPERATIVE BORROWER</b></p> <p>CROWDESTOR proactively communicates about repayment options to ensure the corresponding agreement is signed by the 60th day. Two repayment options:</p> <p>↓</p> <p><b>1. The loan period extension.</b></p> <p>The borrower has a right to unilaterally extend repayment of the debt once, for a period equal ½ of the original loan period, but not more than for 6 months.</p> <p><b>Extension fees:</b></p> <ul style="list-style-type: none"> <li>3% fee out of outstanding principal paid to the investors for extension; the extension only valid after receiving the payment.</li> <li>The loan interest rate for the extension period is multiplied by a coefficient of 1.25 (investors will receive higher interest income).</li> </ul> <p><b>2. An alternative repayment option</b></p> <p>Investors' voting applicable.</p>	<p><b>IGNORING BORROWER</b></p> <p>CROWDESTOR continues proactively reaching out to the borrower requesting all necessary information and negotiates repayment options.</p>	<p><b>BORROWER-VIOLATOR</b></p> <p><b>! Negotiations for loan period extension or repayment options are not applicable!</b></p> <p>Misappropriation of the money or suspicious activity detected.</p> <p>↓</p> <p>➔ Termination letter will be sent to the borrower (and the guarantor) on the 61st day (in accordance with the Civil Law §1652).</p>	<p><b>2.</b> Update in the investor's cabinet.</p>
61st day	<p>The extension agreement is signed.</p> <p>max. 6 months</p>	<p>The voting date for alternative repayment options or/and legal enforcement is announced.</p>	<p>Termination letter sent to the borrower (and the guarantor).</p> <p>↓</p> <p>➔ Preparation for a court claim.</p>	<p><b>3.</b> Update in the investor's cabinet.</p>
62-90 day		<p>Start of the voting.</p>	<p>Preparation for a court claim.</p>	
91-120 day		<ul style="list-style-type: none"> <li>Voting results are published.</li> <li>CROWDESTOR acts accordingly.</li> </ul>	<p><b>In accordance with the cooperation agreement:</b></p> <p>A court claim against the pledge is filed.   or   A court claim against the borrower and/or the guarantor is filed.</p> <ul style="list-style-type: none"> <li><b>After 30 days</b> — a court decision that has the power of the Writ of Execution is issued. Court decision and application for the forced recovery is submitted to the bailiff.</li> <li><b>After 105 days</b> — a court decision comes into force. Application for a Writ of Execution is submitted to the Court.</li> <li><b>After 205 days</b> — a Writ of Execution is issued by the Court and application for the forced recovery is submitted to the bailiff.</li> </ul>	<p>Update in the investor's cabinet once a month starting from this day.</p>
240th day	<p>Full delayed payment is received.</p>	<p>Full delayed payment is not received.</p>		

● The updates may be added sooner/more frequent than indicated, but never later.

\* CROWDESTOR follows the debt collection procedure indicated in the scheme above. In exceptional circumstances, CROWDESTOR can adjust the debt collection process to ensure the best possible outcome.