

Understanding CedisPay and Its Processes

- 1. Understanding CedisPay loan products**
- 2. Understanding CedisPay lending process**
- 3. Understanding CedisPay Credit Score**
- 4. Understanding how CedisPay determines interest rate**
- 5. Understanding how CedisPay determines loan amount**
- 6. CedisPay Legal Terms and Conditions**

CedisPay Loan Products

LOAN PRODUCTS

- Personal Loan (Loan Me)
- Payroll Deduction Loan
- Pension Backed Loans
- Mobile Money Deduction Loan (CedisCredit)
- Business Loan (Capital Me)

ELIGIBILITY CRITERIA

Provide only ONE Of these 6 items:

- Hold a non-cancelable debit agreement
- Present an employer letter verifying employment status
- Have payroll deductions set up
- Offer pension assets as collateral
- Demonstrate investments or savings
- Provide evidence of assigned receivables (for business owners)

REQUIREMENTS

- Proof of Identity
- Proof of Address
- Employment or Business Stability
- Proof of Income
- Proof of credit worthiness through Credit bureau report and alternative data
- Debt-to-Income Ratio not exceeding 30%

Understanding our loan products and requirements can help you make informed decisions about your financial needs. Contact us for more information and to apply for a loan that suits you!

LOAN DETAILS

- Pension Backed Loan
 - Fully secured
 - Interest Rate: 1.8%
 - Loan Limit: GHS 20,000
 - Loan Duration: 12 months
- Payroll Deduction Loan
 - Interest Rate: 4%
 - Loan Limit: GHS 10,000
 - Loan Duration: 12 months
- Unsecured Personal (Loanme)
 - Interest Rate: 4%
 - Loan Limit: GHS 10,000
 - Loan Duration: 12 months
- Unsecured Business Loan (Capitalme)
 - Interest Rate: 6%
 - Loan Limit: GHS 10,000
 - Loan Duration: 6 months
- Momo-Backed Loan (CedisCredit)
 - Interest Rate: 6%
 - Loan Duration: 3 months
 - Loan Limit: GHS 3,000

DOCUMENT REQUIREMENTS

After completing the loan application process, please upload the following documents:

- Ghana Card
- 3 months mobile money statements
- 3 months bank statements
- Proof of address
- 3 months payslips

Understand CedisPay's Credit Model Before Applying:

Risk-Based Scoring, Guarantors, and Responsible Lending Explained

At CedisPay, our credit model is built on a risk-based approach, utilizing both traditional and alternative data to determine creditworthiness. Our unique credit scoring system assigns a passing credit score of 80, with specific adjustments for different scenarios.

Security-Based Scoring

- **Lower Passing Score with Security:** If you have a security like a Tier 3 pension asset or investment to back your loan, the passing credit score drops to 50. This allows you to qualify for a loan with a lower credit score when you provide security.

Guarantor Requirements

If you don't have a pension or investment to secure your loan, you'll need one of the following guarantors to qualify:

- Non-cancelable debit agreement
- Employer letter verifying employment status
- Payroll deductions set up
- Evidence of assigned receivables (for business owners)

These guarantors serve as a form of security, reducing the risk of default.
Guarantor Responsibilities

If you're asked to guarantee someone's loan, it means the borrower's risk of default is high. As a guarantor, you should ensure:

- You have a better credit profile than the borrower
- You earn more than the borrower

Being a guarantor means taking on significant financial responsibility.

Alternative Guarantors

- Employer Letter
- Payroll Deductions
- Non-cancelable Debit Agreement

These alternative guarantors provide security from your employer, payroll company, or bank, essentially acting as a guarantee.

Transparency and Responsible Lending

At CedisPay, we believe in transparency and responsible lending. Understand our credit model to make informed decisions about your financial future.

Next Steps

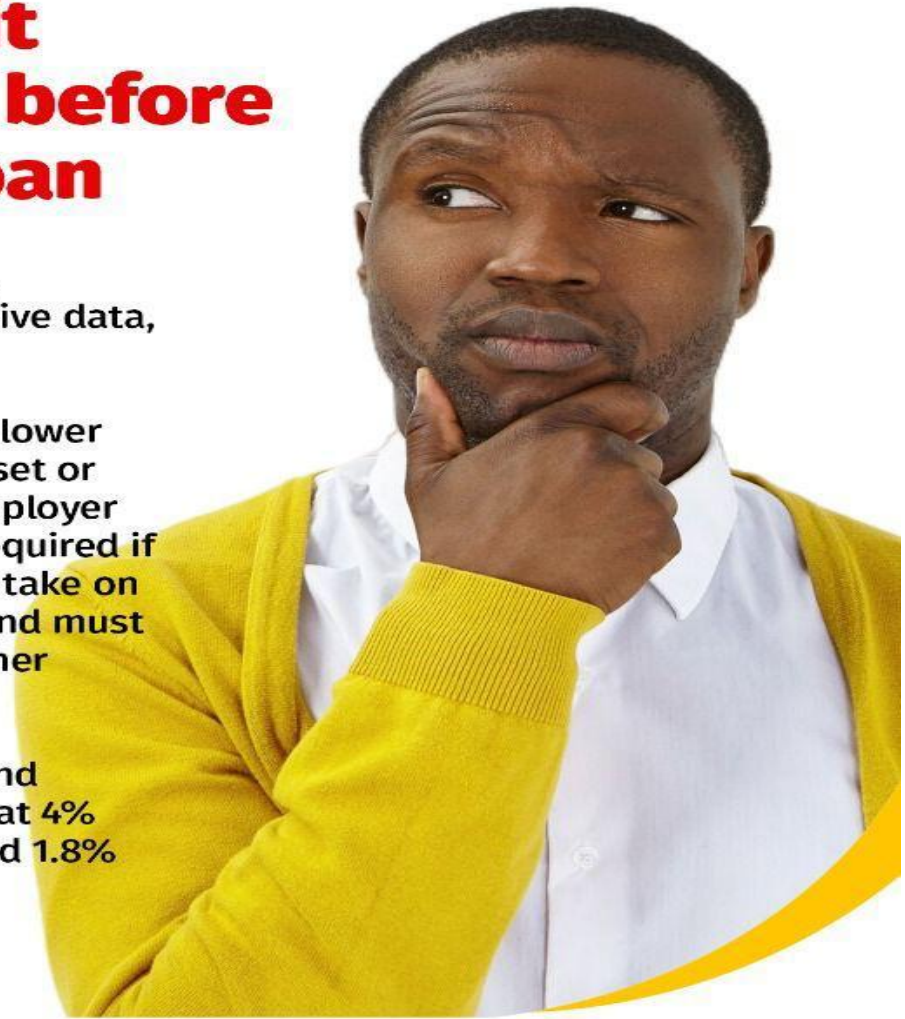
If you're ready to proceed, visit our website:
<https://cedispay.com.gh>

Understanding CedisPay's credit model is crucial before applying for a loan

The model uses risk-based scoring, considering traditional and alternative data, with a passing score of 80.

Security-based scoring allows for a lower score of 50 with a Tier 3 pension asset or investment. Guarantors, such as employer letters or payroll deductions, are required if no security is provided. Guarantors take on significant financial responsibility and must have a better credit profile and higher income than the borrower.

CedisPay prioritizes transparency and responsible lending, offering loans at 4% monthly with payroll deductions and 1.8% per month with pension assets.



Understanding CedisPay Lending Process

1

STAGE 1 - INITIAL ELIGIBILITY CHECK

"Meet the Criteria"

"Qualify for a loan with CedisPay by meeting at least one of the following criteria"

- Hold a non-cancelable debit agreement
- Present an employer letter verifying employment status
- Have payroll deductions set up
- Offer pension assets as collateral
- Demonstrate investments or savings
- Provide evidence of assigned receivables (for business owners)

2

Stage 2 - ADDITIONAL ELIGIBILITY CHECK

"Additional Requirements"

"Meet the following conditions to proceed with your loan application"

- Proof of Identity (Ghanaian citizen, 18+ years old)
- Proof of Address (residence in Accra)
- Employment or Business Stability (3+ months)
- Proof of Income (3 months mobile money/bank statements)
- Credit Report (no unpaid loans)
- Debt-to-Income Ratio (<30%)

3

STAGE 3 - LOAN APPLICATION PROCESS

"Apply for a Loan"

"Visit our website or contact us directly to start your loan application"

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STAGE 4 - DOCUMENT REQUIREMENTS

"Upload Required Documents"

"Submit the following documents to complete your loan application"

- Ghana Card
- 3 months mobile money statements
- 3 months bank statements
- Proof of address
- 3 months payslips

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STAGE 5 - INSTANT LOAN DECISION PROCESS

"Automated Loan Decision"

"Our system evaluates your creditworthiness and debt-to-income ratio"

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STAGE 6 - DETAILED CREDIT AND INCOME ASSESSMENT

"Comprehensive Assessment"

"We verify your identity, address, credit, and income within 24 hours"

7

STAGE 7 - LOAN DISBURSEMENT

"Receive Your Loan"

"Get your loan approved and disbursed within 24 hours"

Understanding CedisPay Credit Scoring Process

INTRODUCTION

“Empowering Your Financial Journey”
“CedisPay Credit Scoring Process: A comprehensive evaluation for responsible lending decisions”

2: UNDERSTANDING CREDIT SCORES

- **“Unlock the Secrets of Your Credit Score”**
“A credit score is a numerical representation of an individual’s creditworthiness”
- **Indicates ability to manage financial responsibilities**
- **Affects loan applications and interest rates**
- **Ranges from 0-100**

3: CEDISPAY CREDIT SCORE DEFINED

- **“A Comprehensive Evaluation”**
“CedisPay Credit Score: A specific scoring system for responsible lending decisions”
- **Considers various financial factors**
- **Provides a comprehensive evaluation**
- **Range: 0-100**

4: CHALLENGES IN CREDIT SCORING

- **“Unveiling the Complex Landscape”**
“Challenges faced in credit scoring: Incomplete data, cash-based systems, and unshared utility data”
- **Incomplete credit bureau data**
- **Cash-based systems**
- **Unshared utility data**

5: CEDISPAY’S SUCCESS STORY

- **“A Journey Since Inception”**
“CedisPay’s journey: Overcoming challenges and providing credit scores to customers”
- **May 2021: Inception**

6: SETTING THE INITIAL CEDISPAY SCORE

- **“A Detailed Process”**
“Three-step process: Data collection, scoring, and loan product customization”
- **Data collection**
- **Scoring**
- **Loan product customization**

7: UNDERSTANDING THE CEDISPAY CREDIT SCORE RANGE

- **“Unlocking Financial Opportunities”**
“CedisPay credit score range: Unlocking financial opportunities”
- **81-100: Excellent**
- **71-80: Good**
- **61-70: Fair**
- **0-60: Bad**

8: INCREASING YOUR CREDIT SCORE

- **“Practical Tips for Improvement”**
“Improve your credit score with these practical tips”
- **Spend less than you earn**
- **Automate loan payments**
- **Save for emergencies**

9: GETTING YOUR CREDIT SCORE

- **“A Simple Guide”**
“Get your credit score with CedisPay’s pre-approval calculator”

Understanding How CedisPay Determines Customers' Interest Rate

INTRODUCTION

"CedisPay Pricing Model"

"CedisPay's pricing model ensures loan terms are suitable for customers' economic activities"

2: CedisPay Pricing Model

"Five Elements Determine Interest Rate"

"Cost of funds, cost of operations, cost of credit risk, customer-specific risk premium, and desired profit margin"

- *Cost of funds*
- *Cost of operations*
- *Cost of credit risk*
- *Customer-specific risk premium*
- *Desired profit margin*

3: Cost of Funds

"Ghana Reference Rate + Markups"

"CedisPay pays to borrow money from other sources, including deposits, wholesale funding, and other sources"

4: Cost of Operations

- "Expenses Incurred in Running CedisPay"

"Salaries, rent, utilities, marketing expenses, and other overhead costs"

5: Expected Default Rate

- "Percentage of Loans Expected to Default"

"Historical data and other relevant factors determine expected default rate"

6: Desired Profit

- "Average Return on Capital (ROE) of Banking Industry"

"CedisPay's desired profit based on average ROE of banking industry in Ghana for last five years"

7: Customer-Specific Risk Premium

- "Credit Score and Historical Loss Rate Determine Premium"

"Baseline risk premium plus historical loss rate on product, multiplied by credit score bracket"



Cedispay



Cedispaygh



CedispayCredit



How CedisPay Determines Your Loan Amount

INTRODUCTION

- “Responsible Lending Based on Income Capacity”
- “CedisPay tailors loan solutions to meet individual circumstances and goals”

2: NINE CRITICAL FACTORS

“Meticulous Eligibility Model”

“CedisPay considers nine factors to determine eligible loan amount”

- Credit behavior and score
- Monthly income
- Income stability
- Current debt level
- Current expenses
- Savings and investments
- Automated loan arrangements
- Availability and security
- Insurance coverage

3: SEVEN-STEP PROCESS

“Systematic Loan Amount Determination”

“CedisPay follows a comprehensive seven-step process”

- Steps:

1. Customer’s income adjustment
2. Deductions
3. Available income
4. Future residual income
5. Present value of future residual income
6. Haircut adjustment
7. Final loan amount adjustment by deviation from CedisPay final DTI guidelines

4: D=TI ADJUSTMENT

“CedisPay’s Final DTI Adjustment”

“Ensuring responsible lending practices”

- Unsecured loans: 30%
- Secured loans: 43%
- Actions for loans exceeding DTI thresholds:
 - Reduce loan amount
 - Extend loan term

CedisPay Legal Terms and Conditions-10 key items

1. Protecting Your Information

- CedisPay may verify your identity as required by law
- Your personal information will be collected, used, and disclosed in accordance with the CedisPay Privacy Code

2. Understanding Your Account

- Your Account statement may be sent by mail or electronically
- Review your Account activities and transactions regularly

3. Communication

- Electronic communication received from you will be considered duly authorized
- We may send notifications, alerts, and other communications electronically

4. Default and Remediation

Default: Missing payments for 30+ days (monthly) or 7+ days (weekly)

Consequences:

- Reminders and communication
- Additional fees and penalties
- Legal action (if necessary)
- Collateral liquidation (if applicable)

Loan Security: Business stock and inventory (present and future) serve as security

Late Payment: 10% penalty per annum on overdue amount

Prepayment: No penalty fees, but total interest will still be charged

Collateral Liquidation Fee: 2% of outstanding loan amount + penal rate

Repossession and Recovery: Legal options, including informing contacts and repossession of business shop

Legal Fees and ADR Fees: Borrower liable for legal fees, costs, and expenses

Administrative Fee for Default: 3% of outstanding loan balance

Support for Borrowers: Encouraged to reach out to customer service team for assistance

CedisPay Legal Terms and Conditions-10 key items

5. Data Consent:

CedisPay may access social media activity, digital footprints, and phone data for creditworthiness assessment

6. Release and Indemnity:

Borrower indemnifies CedisPay against losses or damages from acting on faxed or emailed instructions

7. Accuracy of Information:

Borrower warrants correctness of information provided

8. Disclosure to Credit Reference Bureaus:

CedisPay may disclose credit transactions to credit reference bureaus

9. Investment and Savings Data Consent:

CedisPay may collect investment and savings data for loan eligibility assessment

10. Customer Consent for Employer Loan Application:

Borrower consents to collection of employment-related information from employer

By understanding these key legal terms, you'll be better equipped to navigate the loan agreement and make informed decisions about your financial future.

Learn more

Visit <https://cedispay.com.gh/about/account> for more information

Review and consent to these legal terms during loan application

You will be directed on loan application to review this legal terms and consent

CedisPay: Services and Products

- 1. Responsible Loans:**
We offer loans with flexible terms at low interest rates.
- 2. Empowerment Programs:** We foster empowering beliefs and mindsets.
- 3. Educational Tools:**
We provide resources for developing positive financial habits.

Loan Qualification and Support

Not everyone will qualify for a loan immediately, as trust must be earned through demonstrable character and the ability to repay. We understand that some individuals may not initially meet these criteria.

Our Promise

CedisPay's brand promise is that we leave no one behind. For those who do not qualify for a loan, we offer a Credit Builder Program, which includes financial education and empowerment tools. This ensures that even if you don't qualify for a loan today, you can still work towards qualifying in the future.

How to Qualify

To increase your chances of qualifying for a loan, you can provide one of the following assurances:

- Pension assets
- An employer letter
- Direct deduction at the source by your employer, payroll deduction company, bank, or mobile money company

By adopting the right financial habits and providing these assurances, you can enhance your eligibility for a loan with CedisPay.

CedisPay Loan products-approval criteria

Product	Minimum Credit Score	Debt to Income Ratio (DTI)	Qualify for a Loan with CedisPay	Additional Eligibility Conditions
Pension Backed Loan	50	Not more than 30	Pension Asset	<p>To proceed with your loan application, you must meet the following additional conditions:</p> <ul style="list-style-type: none"> - Proof of Identity: Be a Ghanaian citizen over 18, verified by your Ghana card - Proof of Address: Show evidence of Accra residence - Employment or Business Stability: Demonstrate 3+ months of stable employment or business activity - Proof of Income: Submit 3 months of mobile money or bank statements - Credit Report: Have no unpaid loans on your credit bureau report - Debt-to-Income Ratio: Maintain a ratio less than 30%"
Pension Backed Loan - Future Contribution	50	Not more than 30	Pension Asset	
Investment Backed Loan	50	Not more than 30	Investment/Saving Asset	
Payroll Deduction Loan	40	Not more than 30	To provide assurance of your trust for your CedisPay loan repayment, if you don't have pension assets or investments or savings to use as collateral, you need to provide one of the following:	
Personal Unsecured (Loan Me)	80	Not more than 30	<ul style="list-style-type: none"> - A non-cancelable debit agreement - An employer letter verifying your employment status 	
Business Unsecured (Capital Me)	80	Not more than 30	<ul style="list-style-type: none"> - Payroll deductions set up - Evidence of assigned receivables (for business owners) 	

CedisPay Loan products 2024 Pricing

Product	Maximum Loan Amount (GHS)	Interest Rate per Month	Processing Fees	Qualify for a Loan with CedisPay
Pension Backed Loan	20,000	1.8%	2%	Pension Asset
Pension Backed Loan - Future Contribution	20,000	3.50%	2%	Pension Asset
Investment Backed Loan	20,000	2.50%	2%	Investment/Saving Asset
Payroll Deduction Loan	10,000	4%	2%	To provide assurance of your trust for your CedisPay loan repayment, if you don't have pension assets or investments or savings to use as collateral, you need to provide one of the following: - A non-cancelable debit agreement - An employer letter verifying your employment status - Payroll deductions set up - Evidence of assigned receivables (for business owners)
Personal Unsecured (Loan Me)	10,000	5%	4%	
Business Unsecured (Capital Me)	10,000	6%	4%	