

LOQBOX

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Today's session

- ✓ What is financial exclusion
 - ✓ What is LOQBOX and how does it work
 - ✓ How we're collaborating to end financial exclusion
 - ✓ How financial exclusion is impacting the day to day lives of consumers
 - ✓ Exercise - How could the industry better serve those who are excluded
 - ✓ Group feedback and questions
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- ✓ Questions - please ask questions at anytime
 - ✓ Time - this session will take no longer than an hour



Around the globe, **hundreds of millions** of people are excluded from the financial system because they lack the **opportunity** to prove they are **creditworthy**. We built **LOQBOX** to fix this.

The problem

Millions of people around the UK find accessing the financial system difficult or expensive

Why?

They have never borrowed before - they have **no credit file**

They have limited borrowing history - they have a **thin credit file**

They have had problems in the past - they have **historic adverse credit**

The pillars of inclusion

Financial exclusion is the result of the absence of three things



Our solution

LOQBOX is the web app that lets anybody **improve their financial life**. We provide more than just an opportunity.

Our users improve their entire financial life.

Our users...

Build a current **credit history**

Develop their **financial education**

Grow their **savings**

Here's how we've solved credit exclusion in 10 easy steps

Step 1

We ask our user how much they want to set aside per month for the next 12 months. We offer monthly amounts between £20 - £200 per month, meaning our users will set aside between £240 and £2,400 over the year.

Step 2

We sell our user a LOQBOX for that amount. A LOQBOX is a digital, cash redeemable voucher. They cost between £240 and £2,400 each and can be redeemed for their face value at anytime.

Step 3

Instead of buying the LOQBOX for cash, our finance company, DDC, provides each user with an interest free loan to buy their LOQBOX. This is repayable over 12 months with no charges at all and is available to everyone with no credit check.

Step 4

Once our user has accepted the credit agreement DDC settles the LOQBOX purchase on their behalf. This finance agreement, and all future payment behaviour is reported to all three UK CRAs.

Step 5

Whilst our user owns their LOQBOX they benefit from our full LOQBOX Learn education series. All the while, they are making their monthly repayments against their finance agreement to DDC which is building their credit history.

Step 6

At anytime our user can redeem their LOQBOX for its full face value. If there is any outstanding debt owed to DDC this is settled instantly from the proceeds.

Step 7

Once any debt to DDC is paid, the balance of the LOQBOX redemption belongs to the user. This is always equal to the amount the user has paid.

Step 8

Our user opens a new, free bank account with one of our partner banks. These are traditional high street banks and they offer a range of accounts from instant access savings accounts, interest-paying current accounts, long term savings accounts and ISAs.

Step 9

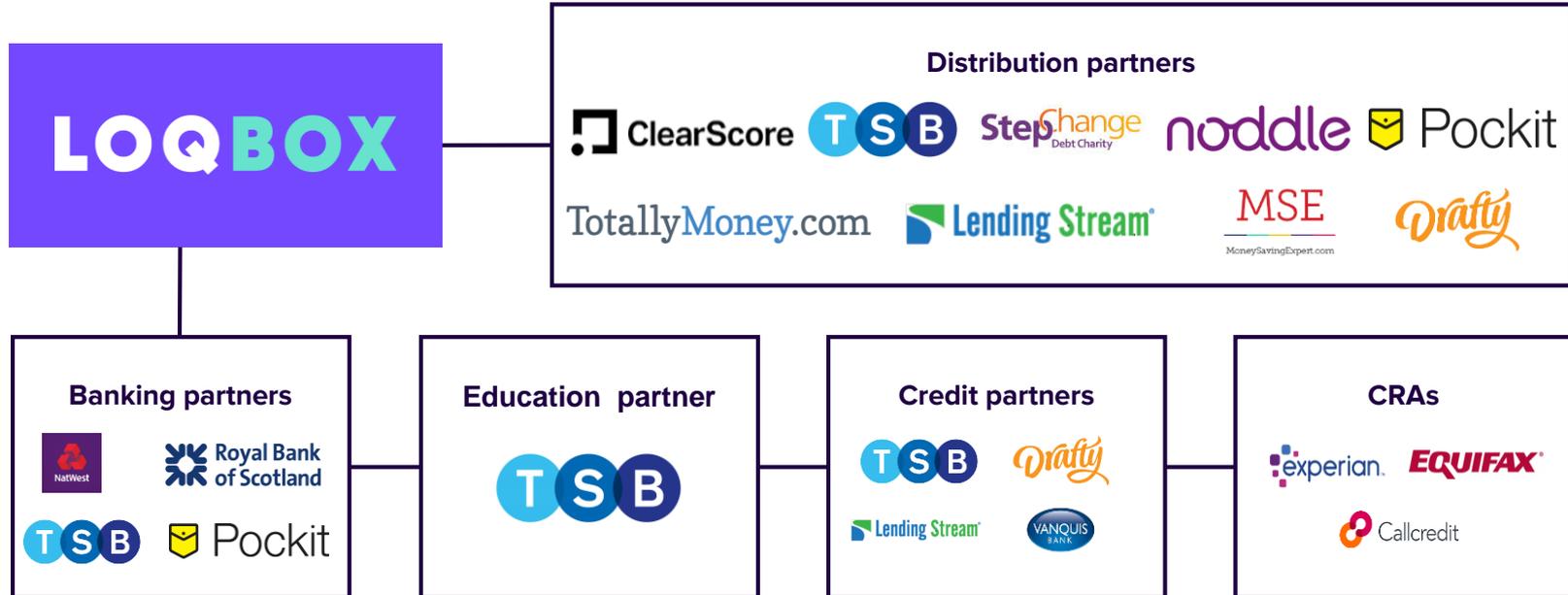
Once our user has their new account we pay 100% of their LOQBOX funds into it. We get paid commission by the banks for introducing a new customer which is how we can offer LOQBOX for free.

Step 10

Our user has now built a credit history by managing a traditional finance agreement. They have increased their financial education thanks to our LOQBOX Learn course. And they have a lump sum of savings in a new account ready for them to use as they want.

Collaboration

We're helping multiple industries and organisations address financial exclusion



How exclusion impacts consumers

Exclusion impacts the two most important factors for consumer financial behaviour



Some real life examples

Consumers don't want 'financial inclusion' - they want 'outcomes'



“Just turned 18, no credit whatsoever. After the first month I'm at 817 on Experian.....I've been able to finance a new PC!”



Having moved from the USA Janet was unable to access any products. She's now planning for a mortgage.



Rupert wanted has now been accepted for his first credit card. He's going travelling and using the card to book his hire car.

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Questions?