

How we support fintech, peer to peer and non-bank lenders

Levi Consulting has worked extensively with fintech, peer to peer and non-bank lenders to help them identify, mitigate and manage existing or potential loan impairments.

These clients choose Levi Consulting for our insolvency expertise, market connections and ability to navigate unique problems. We strive to gain our clients' trust through our integrity and conduct, and always operate with our clients' confidentiality at the fore.

Our approach

Levi Consulting's approach is incisive, efficient, and able to generate commercially focused solutions. Our experience in supporting the fintech lending market to navigate any distress in the loan book has seen us appointed to projects of all sizes, and on loans ranging from \$100,000 to more than \$100 million.

Our repeated success in these assignments derives from the input of Levi Consulting's talented team. With experience spanning from small business enterprises to large corporations, Levi Consulting values building long-term relationships and is more than willing to become an internal resource for advice and mentorship.

Our services

On-demand resource for emerging and mature fintech lenders

We are called in to situations to provide an expert opinion often developed jointly with our clients' legal team and a specialist in PPSR and insolvency.

Retained to engage with borrowers on loans

Where there are impaired or potentially impaired loans, we can meet with borrowers to ascertain the extent of impairment and encourage refinance or settlement.

Working alongside an insolvency practitioner

Where the borrower has appointed a voluntary administrator or liquidator, we work with the practitioners to determine the best outcome for the lender without the need for a receivership.

Act as a receiver for impaired loans

Where other remedies have been unsuccessful, we accept formal receivership and voluntary administration appointments to realise assets used as security by borrowers.

If you are a fintech, peer to peer or non-bank lender seeking advice on the best approach to mitigating or maximising recovery of delinquent loans, we encourage you to contact us.

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About Levi Consulting Levi Consulting is an independent business advisory firm. Our highly experienced industry practitioners draw from multi-disciplinary expertise to deliver simplified solutions to clients with often complex challenges. Our senior leaders and subject matter experts leverage technical excellence and innovative approach to provide high-quality solutions to clients. Our team offers decades of experience and specialised expertise with in-depth knowledge of their field.

Case studies

The project: **Medical Centre, Melbourne**

Problem/Levi's role: Levi was engaged by a fintech lender to investigate the potential delinquency of a working capital loan issued to a medical practice. Investigations revealed the borrower was diverting loan funds to an unrelated, business at the start-up phase, limiting cash flow and resulting in default on the loan. The client also requested Levi develop a recovery and exit strategy.

Solution: After initial investigations and a site visit, Levi identified the misuse of funds. The loan appeared to have been well-serviced before the borrower lost focus on the core business that secured the loan. Levi recommended that the costs of formal appointment would exceed the benefits after costs and recommended that the lender settle.

Outcome: Settlement occurred.

The project: **Green Energy, Brisbane**

Problem/Levi's role: When a formerly stable eco-power solutions business was unable to repay a loan because of the adverse impacts of Covid-19 border lockdowns and the founder's Family Law issues, our fintech client sought Levi's recommendations on an exit strategy and alternatives for the recovery of funds.

Solution: Levi explored the various exit options, including the sale of the borrower's business, or merging this business with another, as well as a formal or informal appointment. After consultation with the lender and the borrower, Levi achieved consensus to obtain a settlement from the proceeds of selling the family home.

Outcome: Settlement exceeded what could have been achieved through a formal appointment considering the related costs.

The project: **Iconic Retailer**

Problem/Levi's role: An iconic retailer had borrowed from several lenders including Levi's fintech client. The other lenders had second ranking security for several million dollars. One of the lenders appointed a voluntary administrator. Levi acted swiftly on our client's behalf.

Solution: Levi's network and reputation expedited a 48-hour solution to arrange for the second ranking lender to purchase our client's first-ranking security.

Outcome: This transaction resulted in a full recovery of the loan amount, mitigation of costs and risks for our client.

The project: **Confidential**

Problem/Levi's role: Levi's client had lent over \$50 million to a borrower for specified purposes outlined within the lender's documentation. When it became clear that the borrower had expended the funds in breach of agreed undertakings and debt covenants, Levi was engaged to determine a recovery strategy and appointed as **receiver to the borrower**.

Solution: Levi worked with professionals to develop and implement a pathway to potentially recover funds. Levi was engaged for its experience and discretion.

The project: **Mortgage Broker, Sydney**

Problem/Levi's role: Levi was engaged to recover a loan over \$8 million against real property, and supported by collateral security over a mortgage broking business.

Solution: Levi met with the borrower and their advisers to develop an exit strategy for the lender. Levi was appointed receiver over a mortgage broking business which was held as collateral security, and developed and implemented a plan to sell the business to reduce amount owing to lender.

The project:	The Trading Company
Problem/Levi's role:	When a business specialising in the sale and distribution of auto and marine parts for recreational vehicles and vessels entered voluntary administration, Levi was engaged by a lender to recover a loan amount.
Solution:	Levi liaised with the administrator to quickly determine the financial position of the business and determine an exit strategy. Levi's investigation also provided a critical assessment as to whether the lender should rely on the administrator or alternatively appoint a receiver.
Outcome:	Levi was subsequently appointed and resigned as receiver within 12 hours, recommending that the lender rely on the administrator to control costs and mitigate risks, and use a personal guarantee provided by a director of the business to reduce exposure to loss.

The project:	Queensland Group
Problem/Levi's role:	A Queensland retailer migrated their business and assets including 5 stores and an online business to a new entity in contravention of the loan covenants put in place by a lender. Levi was engaged to investigate the situation and recover the loan amount and navigate any disputes arising from a litigious borrower.
Solution:	Levi brought the stakeholders together and through negotiation with the borrower and their advisers was able to mitigate the lender's financial exposure. This was a complex undertaking involving multi stakeholders all with separate agendas (read adversarial).

The project:	The Building Company
Problem/Levi's role:	In unexpected circumstances linked to the health of the founding director, a home building business was forced to cease trading and appointed a liquidator. Levi was then engaged by a lender to the company and appointed receiver.
Solution:	Levi, as receiver, liaised with both the liquidator and the founding director to determine the commercial options. Upon reaching a commercial exit strategy within 72 hours, Levi retired as receiver.
Outcome:	Levi continued to liaise with the liquidator to monitor their performance and to realise and recover assets.

