

## WHAT THE MARKET WANTS

### Expansion of limited individual investment opportunities for NPL

Non-performing loans (NPLs) are an attractive investment target that can be expected to generate better returns in response to the analysis and appropriate recovery effort of the receivables, but it is difficult for individuals to access due to limitations on investments and regulations. There is therefore always a demand for measures that allow individuals to participate more easily in NPL investments.

### Accelerating debt repayment for undocumented personal loans and account receivables

In case of small interpersonal cash loans made between acquaintances without setting up a repayment schedule or interest, and credits payments that occur frequently with regular customers, creditors often suffer due to poor performing debtors, who are obligated to pay off the debts but delay payment intentionally or unintentionally.

### Minimize social costs caused by excessive credit collection activities

Most debt collection agencies, which are relatively small and unprofessional, often take up the debt collection tasks with an excessive collection fee of 50% or more of the debts collected, along with an initial deposit. The agencies in these cases would normally excessively press debtors in order to collect these debts and it is common for creditors to not be able to withdraw their collected debts upon request. This causes major issues in the system since both creditors and debtors are subject to excessive economic and social costs when using debt collection agencies. Therefore, there exist demand for a smarter and more reasonable method of recovering the debt.

### Problem with encashment of receivables before maturity date & NPL collection period

If the creditor needs funds before the maturity date of receivables, he will raise funds by selling the receivables at a discounted price in the bond market. In this case, since the entire receivables must be discounted even when their value is higher than the required funds, the creditors are bound to bear financial losses.

As for NPLs, it takes a long time even when collateral is set up until the auction procedures of the collateral is complete and receivables are collected. NPLs go through an indefinitely long collection period until the completion of all the legal procedures necessary for receivable collection.

## WHAT REDITUS® SUGGESTS

### RECEIVABLES TOKENIZATION FOR INVESTMENT IN RECEIVABLES

- When receivables are registered for collection in the RMS (Receivables Management System), they are tokenized and converted into a uniquely represented Reditus® RED Token (REDT) based on the characteristics of the receivable.
- REDT can only be purchased using Reditus® IT Coin (ITCO) through the Reditus® platform.
- Based on the value of collected receivables, REDT is converted back into ITCO.
- ITCO is exchanged at the same value for the collected money in legal currency, which is entrusted to the third-party trust companies (including major commercial banks) outside the Reditus® platform.

### DOCUMENTATION OF UNDOCUMENTED PERSONAL LOANS AND ACCOUNT RECEIVABLES

- Reditus® enables creditors and debtors to write debt agreements without issuing any separate promissory note. The Reditus® Creditor Application is used and it processes the registration of receivables conveniently and entrusts receivable collection to Reditus® or other registered collection agencies.
- Users can register undocumented personal loans and account receivables with customers and create an official documented receivable if necessary. This is done by entering the receivables information and making a mutual agreement through the Reditus® Creditor Application on their smartphone or PC.

### PROVIDING STRUCTURED AND ADVANCED RECEIVABLE COLLECTION SERVICES

- Reditus® facilitates the collection of RMS-registered receivables by implementing various, systematic techniques to encourage repayment, such as the notification of early repayment dates for through email, push message, text message, or the introduction of credit opportunities for repayment.
- Reditus® also plans to induce the early repayment of debts by incentivising with ITCO, a fee revenue earned by Reditus®, for debtors who repaid the RMS-registered receivables.

### ENTRUSTING CORE RECEIVABLES

- A third-party trustee protects the cash or the value of receivables collected by the Reditus® platform.
- External stakeholder can be part of the ecosystem by staking IT-Tokens. They are rewarded for their principled participation and likewise, bad actors are punished.

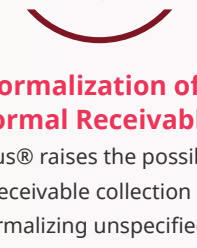
## REDITUS® VALUE PROPOSITION

Through the above solutions, Reditus® proposes the following values:



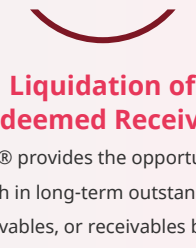
### Gateway to Receivable Investment through Tokenization

Reditus® provides an investment platform for receivables such as new, simple, intuitive NPLs, for individual investors through the tokenization of receivables.



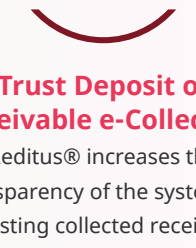
### Formalization of Informal Receivables

Reditus® raises the possibility of receivable collection by formalizing unspecified personal loans and implied-trust-based account receivables.



### Liquidation of Unredeemed Receivables

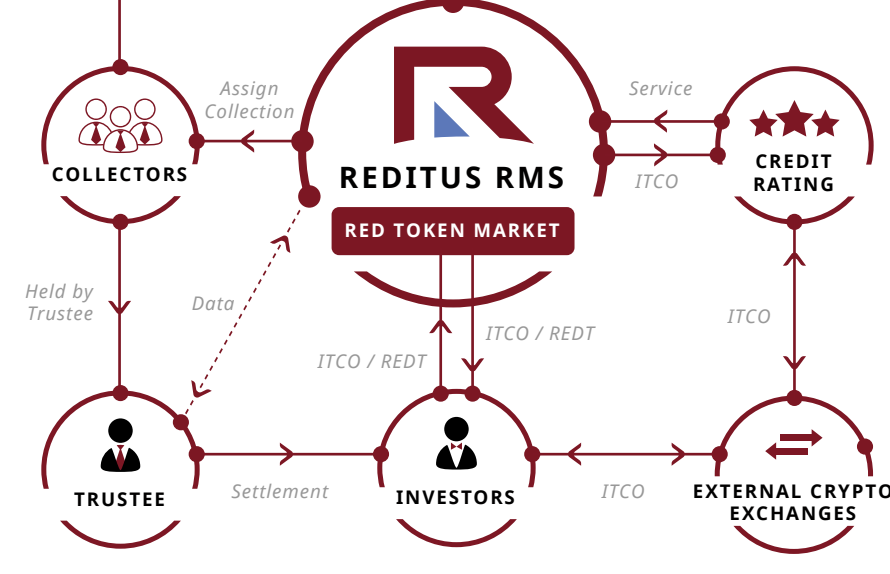
Reditus® provides the opportunities to cash in long-term outstanding receivables, or receivables before maturity by tokenizing outstanding receivables including NPLs, account receivables, personal loans and allowing them to be traded through the Reditus® platform.



### Trust Deposit of Receivable e-Collection

Reditus® increases the transparency of the system by entrusting collected receivables to the external third-party trustee.

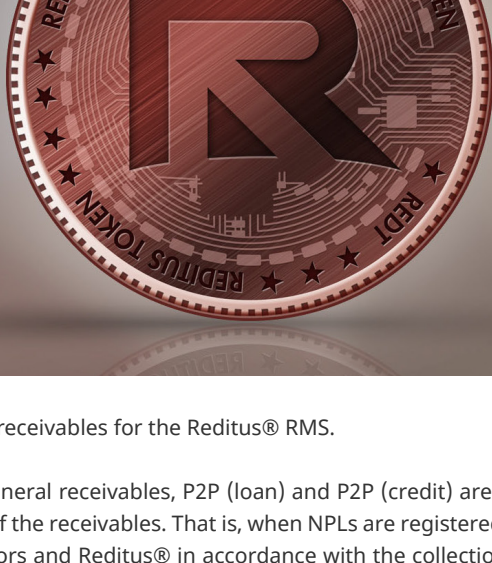
## REDITUS® TOKEN ECOSYSTEM



The figure illustrates how the RED Tokens and IT Coins are used in the Reditus® ecosystem based on the Reditus® platform.

Name	Description
▶ <b>Issuer</b>	The initial receivable owner looking to list on the Reditus® Platform.
▶ <b>Credit Rating</b>	Rates a debtor's ability to pay back the debt by making timely principal and interest payments, and the likelihood of default. <ul style="list-style-type: none"> <li>Reditus will be the default credit rating services provider for the platform</li> <li>External credit rating providers are also welcomed to join the ecosystem</li> <li>External credit rating providers are required to stake IT Coin to be part of ecosystem</li> <li>Credit rating providers will be rewarded IT Coins for their rating services</li> </ul>
▶ <b>Trustee</b>	Commercial Banks or Licensed Escrow Agents. The funds are held by the Trustee until it receives the appropriate instructions or until predetermined contractual obligations have been fulfilled. <ul style="list-style-type: none"> <li>Increases transparency of the Reditus® ecosystem by entrusting the funds to an external third party for the process of transferring funds to creditors generated by the collection of receivables</li> </ul>
▶ <b>Debt Collector</b>	Recovers funds owed on delinquent accounts. Many debt collectors are hired by companies to which money is owed by debtors, operating for a fee or for a percentage of the total amount collected. <ul style="list-style-type: none"> <li>Reditus will be the default debt collection service provider for the platform</li> <li>External debt collectors are required to stake IT Coin to be part of the ecosystem</li> <li>Decentralised rating and score system will be available</li> </ul>
▶ <b>Investor</b>	Individuals looking to purchase REDT or ITCO.
▶ <b>Debtor</b>	A debtor is an entity that owes a debt to another entity. The entity may be an individual, a firm, a government, a company or other legal person.
▶ <b>External Crypto Exchange</b>	Third-party exchanges where ITCO is listed and can be purchased or traded.
▶ <b>Reditus® RED Token Market</b>	Reditus internal platform that facilitates the exchange of ITCO to REDT. <ul style="list-style-type: none"> <li>A voting system will take place by staking ITCO to determine the initial REDT owners</li> <li>Remaining REDT will be listed on Reditus® RED Token Market</li> </ul>
▶ <b>Reditus® RMS</b>	<b>Reditus® Receivables Management System</b> <ul style="list-style-type: none"> <li>Receivables will be converted by the RMS platform to a unique RED Token</li> <li>Each REDT will have specific conditions of the receivable set via smart contract during the registration process</li> </ul>

## REDITUS® RED TOKEN



- RED Token is issued by registering receivables for the Reditus® RMS.
- When receivables such as NPLs, general receivables, P2P (loan) and P2P (credit) are registered through the RMS, the collection rate is determined by the amount of the receivables. That is, when NPLs are registered, RED Token is issued based on the amount of receivables is assigned to creditors and Reditus® in accordance with the collection fee rate. However, a registration fee may not be charged in accordance with the requirements of receivables when using the Reditus® Creditor Application provided by the Reditus® platform.
- Reditus manages and maintains the Reditus® ecosystem to ensure that diverse forms of receivables are circulated in the Reditus® platform.
- Creditors are free to trade their RED Tokens at the RED Token Market (the receivables token market) open in the Reditus® Exchange.

## REDITUS® IT COIN



- IT Coin is a utility token that gives the right to access the Reditus® platform and use the services provided by Reditus.
- Used as a reward to incentivize good behaviour of parties for their contribution to the ecosystem.
- IT Coin is an essential means of operating and maintaining the Reditus® platform.
- The funds raised from the sale of IT Coins will be used for the continuous development and operation of the Reditus® platform.
- IT Coin aims to be listed on major external cryptocurrency exchanges.
- As the use of services provided based on the Reditus® platform increases, i.e. RED Token registrations and transactions are increased, more IT Coins are traded, and this will therefore increase the volume of IT Coin transactions.

## MAINTAINING REDITUS® RED TOKENS AND IT COINS



### RED Token

- The value of RED Token is coupled with that of receivables. That is, details provided when registering receivables for the Reditus® RMS is a core factor that determines the RED Token rating.
- Reditus® RMS allows investors to make an informed judgment by providing them with details on the registered receivables.
- RED Token that has been fully collected or met its contractual end will be returned to Reditus® RMS and burned after settlement.



### IT Coin

- The demand for IT Coins, needed to use the services offered by the Reditus® platform, increases as more people use the services provided by Reditus.
- IT Coins are used to exchange for RED Tokens through the RED Token Market.
- RED Token is issued when receivables are registered through the RMS. The more lucrative the RED Token is, the more IT Coins will be needed to purchase the RED Token.
- Reditus® will utilize IT Coins, that is allocated to Reditus® (as shown in token allocation), for stable operation and development of the Reditus® ecosystem, in order to mitigate the steep fluctuation of IT Coins caused by exogenous variables.