State transition

LOAN
REGISTERED, WORKING, DUE, PAST_DUE, CLOSED, TERMINATED

COLLATERAL
EMPTY, AVAILABLE, IN_USE, MARGIN_CALL, LIQUIDATION_IN_PROGRESS, LIQUIDATION

FIL loan   ETH Collateral

Lender   **Borrower**

① setMoneyMarketBook   ② Upsize ETH

LEND 5Y 15000 FIL 15%   1240 ETH
                               (820 ETH = 10000)
                               FIL
                               EMPTY → AVAILABLE

                               ③ makeLoanDeal
                               Take LEND to Borrow
                               5Y 10000 FIL
                               REGISTERED
                               AVAILABLE

④ 10000 FIL Transfer

   NotifyPayment   ⑤ ConfirmPayment
     with TxHash
                          5Y 10000 FIL
                             WORKING (10000 FIL
                             IN_USE   "
                                       820 ETH

                          ⑥ 1Y - 2weeks later

                          15%   DUE
                          coupon IN_USE

⑧ AUTO LIQUIDATION   ⑦ 2weeks later
   15%   120%   PAST DUE
        x IP level

1500 FIL = ~~LGLL~~

= 1800 FIL = 147 ETH

149ETH ⟵ 1240 ETH (151% cover

In Use: 10000 FIL = 820 ET

⑨ Update State

WORKING

IN USE ⟶ MARGIN CALL

1093 ETH (133% cover)

1093/820 = 1.33