



Cherry Godfrey

FINANCIAL EXPERTS YOU CAN TRUST

INVESTING IN THE COMMUNITY



Invest Locally
with



Cherry Godfrey

FINANCIAL EXPERTS YOU CAN TRUST

CHERRY GODFREY GROUP

Good evening.

Thank you all for coming along to this evening's presentation.

We are very pleased to see so many of our Loan Note Investors and we are going to use this evening to share with you an overview of our business during 2015 and what we see happening in 2016.

There will be an opportunity to ask any questions at the end of the presentation and we will all be available to discuss any questions you may have after this on a one-to-one basis.

OUR PEOPLE

David Cherry

David Barrow

Selena Cherry

Diane Barrow

Tanzy Cherry

Hazel Turvey

Marie Donnelly

Andrew Moore

We can all be identified by our name badges, please feel free to ask us any questions you may have.

CROWD FUNDING

As you know, your money is used to make thousands of modest loans to local families and businesses. This activity is now widely known as Crowd Funding and is becoming more and more a mainstream form of lending throughout the world.

We see this form of alternative financing continuing to replace much of the traditional bank lending for many years to come.

We are very proud that Cherry Godfrey is well established as the largest Channel Island Crowd Funder.

2015 FINANCIAL HIGHLIGHTS

We are delighted to report that 2015 has proved to be an exceptional year for Cherry Godfrey in a number of key areas.

Funding and the support of our investors has enabled our continued growth. New Investment in Loan Notes has averaged nearly £1m each month.

As a result, we have been able to re-invest in excess of £2m each month back into our local communities.

2015 FINANCIAL HIGHLIGHTS

Monthly income generated from lending activities has exceeded projections for the year whilst our arrears' ratio for bad debt has improved.

We believe the key element for both of these factors to be directly attributed to good old fashioned “customer service”.

We focus on the quality of our key functions, due diligence, underwriting and internal audit to ensure our future performance.

THE LOAN NOTES

New Loan Notes in 2015	156
Total Loan Notes Established	360
Value of Established Loan Notes	£28,335,000
Number of Investors	435

THE LOAN PORTFOLIO

Number of Loans under management	12770
Total Value of Loan Book	£33,512,000
Value of Arrears	£117,292
Arrears as %	0.35%
Loans Written in 2015	8265
Loan Amount Advanced in 2015	£25,025,000
Average Advance to Customer in 2015	£3028

REMINDER OF THE CORPORATE STRUCTURE AND THE PROVISION OF SECURITY

Initially your invested funds are cleared through the banking system by the Escrow Agent who holds the original copies of your application. From there, the funds move to Cherry Godfrey Finance who provide and manage consumer loans for clients.

All loans provided by Cherry Godfrey to our Customers are immediately assigned to the Trustee under the security arrangement. Likewise, all related bank accounts are also assigned to the Trustee.

It is from interest earned on the loans that your 6% interest return is generated and the related costs of running the Loan Notes are met.

In the event of default, the Auditors will instruct the Trustee to take full management control of the assets for the protection of Investors. The Auditors carry out a quarterly review of the loan structure.

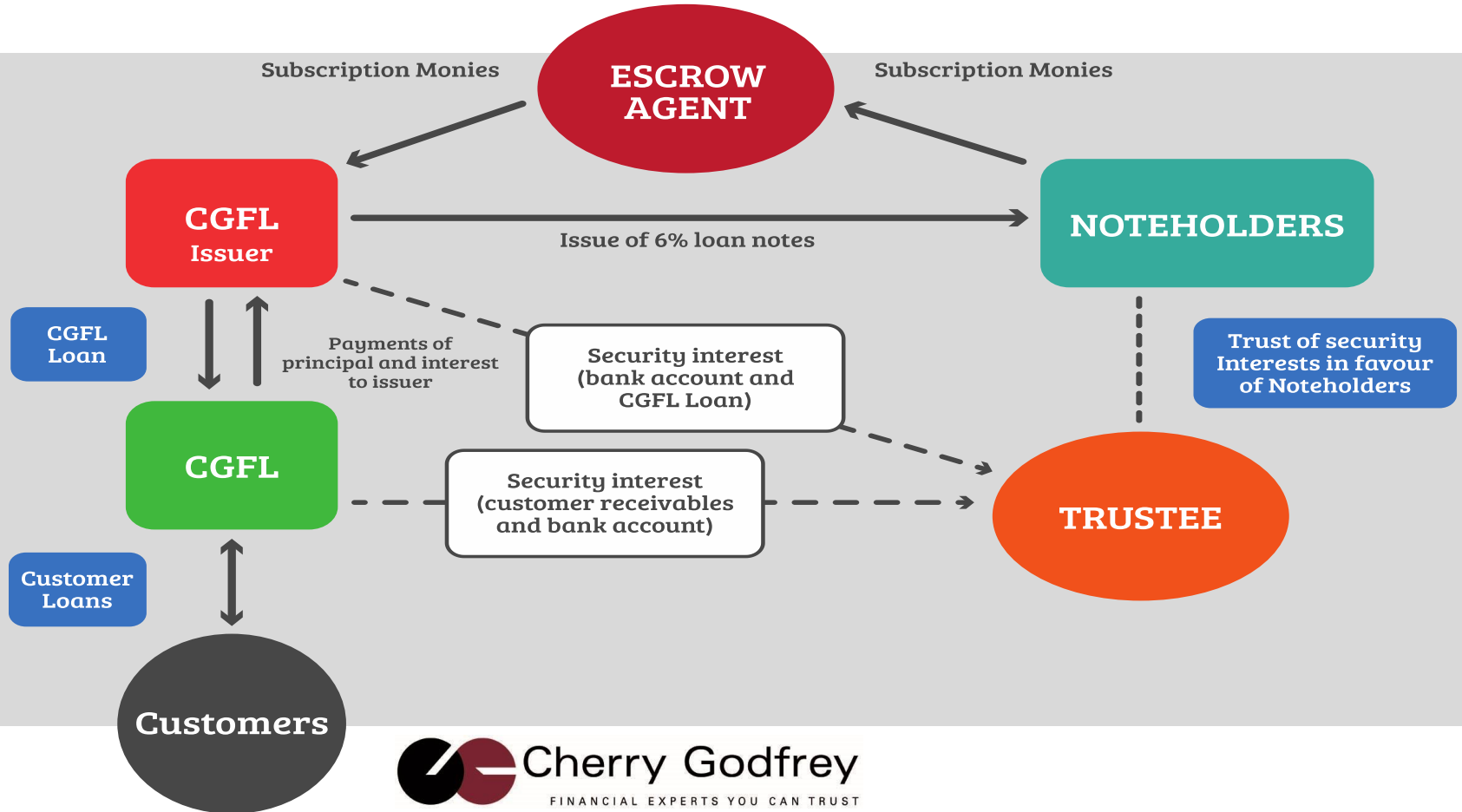
ADVISORS

Babbé continue to provide oversight for the legal aspect of each Loan Note.

JTC, one of the Channel Islands' largest Trust companies, are responsible for holding the assets on behalf of Investors. In addition Escrow Services are provided to ensure due diligence and the clearance of the funds for new investors.

Grant Thornton provide External Audit on a quarterly basis ensuring that assets under trust always exceed funds invested.

Loan Note Structure



LENDING BUSINESS HIGHLIGHTS

Sustained steady growth in both customers and loans made.

Full utilisation of Loan Note funds.

Most of our loans are made to longstanding customers. We are also seeing more introductions from our Retail Business Partners for whom we write on average 600 loans a month.

Member of UK CCTA (Consumer Credit Trading Association)

Participating in the GFSC Lending, Credit & Finance Review Project

OUR FUTURE

We have seen good steady growth throughout the year and every sign suggests that 2016 will see more of the same.

As part of our planning for the future we are launching a new Loan Note product, that we shall tell you about in more detail shortly.

In anticipation of the future growth, we have appointed two new Directors – Marie Donnelly and Hazel Turvey.

Tanzy Cherry has also joined Cherry Godfrey as it is our intention to carry on as a family owned business.

OUR CORE PRINCIPLES

As you would expect, we take our responsibility to our Investors, Customers and the Bailiwicks very seriously. As one of the Channel Island Primary Lenders for over 20 years, our overriding business principles remain unchanged.

We Will

- **Value our customers and treat them fairly**
- **Ensure our customers can afford their loans by understanding their circumstances and capacity**
- **Embrace technology to aid our decision making process**
- **Provide an environment and atmosphere where a client can approach us and expect to be treated like a human being**

It is these factors which have left us with a bad debt record the envy of our competitors.

We Won't

- **Provide sub prime (high risk/cost) products**
- **Provide any form of Pay Day Loan**
- **Knowingly overcommit our customers**
- **Turn away a customer seeking help**

In short, we see ourselves as providing the kind of old fashioned service we all used to enjoy from our banks.

INSURANCE BUSINESS HIGHLIGHTS

Sustained Policy & Premium Growth

Awarded NFU (Islands Insurance) Brokerage

Lloyds of London Cover Holder

Appointment of Ben Meader (Head of General & Commercial Insurance Guernsey)

Appointment of Martyn Tanguy (Group Sales Manager)

Appointment of Adrian Staddon (Mortgage Manager)

INSURANCE POLICIES AVAILABLE

High Net Worth – Property Owners

Motor

Household (including UK & European properties)

Breakdown

Travel

Motorcycle

Medical

Marine

Specialised Cover (i.e. weddings etc.)

Life Assurance

Commercial (i.e. Personal Indemnity & Public Liability)

LOAN NOTE THREE

That concludes the presentation and we are now happy to take questions from the floor.

My colleagues and I will be available if you have any specific questions during the evening or at any other time.

Thank you!



Cherry Godfrey

FINANCIAL EXPERTS YOU CAN TRUST



Cherry Godfrey

FINANCIAL EXPERTS YOU CAN TRUST