

The Value Chain of Pro-Active Reconstruction

Mortgages and other collateral should no longer protect poor Credit Extension and hinder viable Pro-Active Restructuring and Reorganization (PARR) and Debt Relief. Phenomena of «Debtors' Prison» - *described by Charles Dickens* - can be reduced by fair play reforms and other measures - *to give future a better chance.*

Fair Play Reforms for Reconstruction, *i.e. Debt Relief and PARR*, must take place in the wake of the COVID-Pandemic, warfare and resulting Crises. *Cf. UNCITRAL-efforts and EU's Directive for Restructuring as well as Debt Relief-reform must be implemented.*

A New Deal with focus on the Real Economy and Institutional Changes is essential for effective, pro-active Reconstruction - to reduce Bankruptcies. Look to the pages:

- 2) Reduce loss of resources/competence + jobs by pro-active reconstruction;***
- 3) The Urgency of a New Deal and some of its Strategic Issues;***
- 4) The Value Chain of a «No-Group-Structure» + Fintech for Impact Investing;***
- 5) Strategy for successful Scaling-Up of a «No-Group-Structure»:
A Collaborative Approach for PARR and effective Impact Investing;***
- 6) Summing-up a CVN's «No-Group-Structure» for Impact Investing***

Presented by S.T.Evensen,

c/o www.bankier.co + Endowment for Ethics & Enterprise (EEE)

2) Purpose: To reduce loss of resources/competence and jobs by pro-active reconstruction

| Whistleblowing and -blowers – <i>signals and parameters...</i> | Ownership <i>represented by directors and their responsibilities</i> | Immaterial assets + brick & mortar – <i>reevaluation and consequences</i> | Collaborative Value Network (CVN) – <i>Approach for Impact Investing</i> |
|---|--|--|--|
| Debtor's actual access to competence and liquidity | Request for restructuring to a Reconstruction-Center* | Reconstruction Law and -regulations <i>built on e.g. EU's Directive 7-2021</i> | CASES – for learning transformation by <i>PARR (Pro-Active Restru. and Reorg.)</i> |
| Insurance-scheme for Pro-Active Restru. and Reorg. (PARR) by PPC** | Analysis of possible viability – based on pro-active measures | Reconstruction-Center with Specialized Court and Cluster* | DEBT RELIEF-REFORM – <i>to give the future a better chance</i> |
| Regulation against creditors' abuse to secure their own positioning... | <i>Time Line starts, when viability is ascertained as likely</i> | Structure for reconstruction, <i>hereunder debt relief</i> | ECONOMIC CO-RESPONSIBILITY / <i>Tax reform for Value Creation</i> |

*) Mobilizing local and regional competence – as well as capital - for pro-active reconstruction

***) PPC = Public- and Private Cooperation – an arrangement with mutual- and social impact

3) The Urgency of a New Deal and some of its Strategic Issues

| Fair Play Reform for Debt Relief and Pro-Active Restructuring... | Collaborative Value Network (CVN)- Approach for Impact Investing | Enterpriser-Marts for Broadcasting Initiatives, Needs, etc. | Applications of the CVN-Approach for Impact Investing in Maritime Regions |
|--|--|--|--|
| <i>Write-offs of Receivables get Tax Breaks only if the New Face Value is offered to debtor(s)</i> | Focus on the Real Economy and Institutional Changes - in the Wake of Crises | <i>SMEs' Access to Competent Trustees and Independent Expertise for Verification</i> | <i>Water/Food/Health + applied Logistics and Life Sciences + fair play, general «Green Pricing»</i> |
| <i>Debt Relief can bolster Pro-Active Restructuring and Reorganization (PARR)</i> | Ocean Strategy - a.o. to focus on uncontested market space - for example underserved SMEs | <i>Focus on Maritime Regions, where needs with the Owner/Enterpriser/ Investor are similar</i> | <i>Land Banking-techs and Mobilizing of Local- and Regional Knowledge & Equity Capital to improve...</i> |
| <i>PARR-capacities can be expanded by innovative CVNs for Impact Investing</i> | SMEs, hereunder family-firms, stand for > 80% of BNP in developed Nations | <i>Enterprise requires Good Basic Infrastructure - a. o. based on RIMTA*</i> | Cyber-secure Infrastructure is vital to productivity and predictability |

**) Regional Inter-Modal Transport Analyses (RIMTA) – for simulation of strategic alternatives...*

4) Role-divided Value Chain by a No-Group-Structure for Impact Investing

| Become stakeholder / be accredited | Relation-building - value proposition | Preparing / Verification / Grading | Perform Impact Investing | Measure impact & report value |
|--|---|--|---|--|
| Alliance-profiles | Consortium of Alliances (CoA) | Setting strategic direction | Serving as catalysts | Co-opt to achieve... |
| Potential Limited Partners | Protection Club-participants | Participants' issues | Ad hoc participations | Serving as catalysts |
| Potential RNPs = Regional Network Partners | Regional- and Inter-regional Franchisees | Confidants or trustees/ fiduciaries | PARR*-expertise and/or BB***-strategists | Pluralism, ethics and enterprise |
| Stakeholders-/ Capital Partners of InvestCo | Protection Club + FINTECH for Impact Investing | Graded Investment-alternatives | Self-directed as to an individual Master Account | According to the Credo of Creditas? |
| Potential Impact Bond-holders | Potential Capital Partners | Investment-alternatives | Ad hoc participations | Voluntary contributions |
| Broadcasting of Initiatives and Projects? | Dialogue to formulate a Value Proposition | Valuation/ Restructuring/ Brand-building | Selected for ESG-quality and UN's SDG-contribution | Purpose beyond profit? |
| Protector's Role as to Owners' Agreement | Co-arrange Regional Summits | Empower and/or monitor | Monitor and/or intervene | Evaluate all above aspects |

*) Pro-Active Restructuring & Reorganization (PARR) **) Brand-Building (BB)

5) Strategy for successful Scaling-Up of a «No-Group-Structure»:

A Collaborative Approach for PARR and effective Impact Investing.

**Endowment
for Ethics &
Enterprise (EEE)**



The above flag-symbol marks EEE with secretariat c/o Bankier.co. It promotes roles/functions/Initiatives, which are lacking or faulty in maritime regions.

A Consortium of Alliances (CoA) can serve as a Catalyst for Real Financial Innovation by a Flanker Bank-Fintech Initiative. *Cf. The Economist's Special Report May 4th 2019: «Tech's raid on the banks, Page 10 - 11.*

CoA helps arrange Regional Summits on Social Enterprise for Impact Investing - *organized as a Collaborative Value Network (CVN)* - supported by **EEE** (*look to left column*).

Regional Summits in Maritime Regions can recruit trustees of RNPs. Summits can also shed light on e.g.:

- «Enterpriser-Marts» for broadcasting initiatives, needs, etc. – *and access to independent expertise for verification;*
- «The Intangible Economy and -Investments»;
- «Green Pricing» - taxing and/or stimulating use of resources and technical standards;
- «Social Impact Analyses» - *read: Analyses of social ripple-effects and repercussions;*
- «Regional Inter-Modal Transport Analyses (RIMTA)» - to simulate alternative strategies – *a. o. for effective Basic Infrastructure and environmental Use of Land;*
- «Land Banking» - *e.g. in vulnerable coastal areas/seasides and beaches;*
- «Renewable Energy Sources» - *e.g. Ammonia, Hydrogen, LNG.*
Cf. The Economist Science & Technology July 4th 2020: «Another Look in the Toy Box».

Definition of «Social Enterprise», «Impact Investing» and «CVN» is available as an excerpt of Bankier.co's entry in HBS.edu New Venture Competition 2017 – either as a 1-one Page hand-out - or it can become available by request addressed to: steco@bankier.co

6) Summing Up a CVN's «No-Group-Structure»*
for Impact Investing
as an Alternative to Vulture Funds stimulated
by a «2/20-formula» and «Carried Interest»

Presented by S.T.Evensen,

www.bankier.co

steco@bankier.co

**) A Collaborative Value Network (CVN)-Approach has a «No-Group-Structure»
for impartiality - with a role-divided business- and an open ownership model*

A Consortium of Alliances (CoA) serves as Catalysts at Regional Summits on the Power of Collaboration to discuss a CVN-Approach* for Impact Investing

| | | |
|---------------------------------------|----------------------------------|---------------------------------------|
| Chamber of Commerce etc. | Owners' Agreement (LoI) | Endowm. Ethics & Enterpr. |
| InvestCo. + Protection Club | | Bankier.co |
| Capital Partners' Master Acc.s | «Peer-to-peer» relations | Trustees/fiduciaries - |
| FINTECH/BlockChain DB Tech | | Regional Network Partners |
| | Uncont. Market Space** | |
| *) Collaborative Value Network | by Blue Ocean Strategy | <i>Needs of owners/investors</i> |
| <i>A «No-Group-Structure» with</i> | | <i>are similar everywhere</i> |
| <i>a separate Business Model and</i> | Pro-Active Reconstruction | <i>especially in Maritime Regions</i> |
| <i>an Open Ownership Model</i> | Enterpriser Marts*** | <i>Verification-expertise</i> |

*****) SMEs, hereunder family-owned firms, without «Names» in media and markets – are underserved by transaction fee-driven incumbents of the financial industry. Some time a SME will be identified as a «cherry» for- and by a «vulture fund»... The alternative is reconstruction (pro-active restructuring, solvency-measures and Debt relief) - in time.**

*****) For broadcasting initiatives, needs, etc. + access to independent verification.**

A CVN's «No-Group-Structure» with a role-divided business- and an open ownership model – for Pro-Active Restructuring & Reorganization (PARR) and Impact Investing

| Alliances - 40% of vote-rich A-shares | Regional Network Partners 40% | Protector 20% - to follow up stakeholders | ESA Complaint re: «National Remedy» | «State Liability» re: violation of the EEA-Treaty |
|---|--|--|---|--|
| | Restru-Reorg Ltd. Restru.Net PARR Restru-Insurance | | Bankier.co Bankierhuset Ltd. B. Steco | |
| | <i>Broadcasting initiatives, needs, impact investing</i> | Enterpriser Mart in language zones / maritime regions | <i>Verify/grade – assess impact – report impact</i> | |
| | Protection Club for self-directed capital partners | | The Endowment for Ethics & Enterprise | |
| Capital Partners are the future* majority owners | <i>Impact Bonds & others for a future multiplier effect</i> | <i>Cyber-secure FINTECH Block Chain DB-Tech.</i> | <i>Promote roles, functions, initiatives...</i> | Mobilizing knowledge + capital |
| <i>A right*, but not an obligation, to become member...</i> | <i>Regional Inter-Modal Transport Analysis (RIMTA)</i> | <i>*) Pro-Active Restru. and Reorg. (PARR)</i> | <i>Green Pricing re: use of resources and technical stds.</i> | <i>Case on Scaling-Up of a CVN-Approach for Impact Invest.</i> |

*) Capital partners hold vote-week B-shares – and choose to participate in Protection Club Ad Hoc-consortiums