FLEXFI

SPLIT YOUR PAYMENT WITH CRYPTO

SUMMARY

1. OVERVIEW

FlexFi is an innovative "Buy Now, Pay Later" (BNPL) solution based on cryptocurrencies. It allows consumers to buy now and pay later, using their crypto as a means of payment. FlexFi aims to make cryptocurrencies more useful in everyday life, transforming them into real purchasing power and providing a flexible alternative to traditional financing solutions.

Today, many cryptocurrency holders face obstacles when trying to use their crypto for everyday purchases. FlexFi was created to remove these barriers by offering a flexible financing solution, with reduced fees for merchants and significant benefits for users.

2. CHALLENGES

Consumers face rising inflation, high banking fees, and, for many, difficulty accessing traditional financial services. These obstacles limit their ability to purchase necessary goods without immediate constraints.

For merchants, current BNPL solutions are often expensive, with high fees that reduce their margins. This directly impacts their ability to offer flexible payment options without hurting their profitability. FlexFi aims to change this.

3. SOLUTION

FlexFi offers a cryptocurrency-based BNPL solution with reduced fees and a simplified approach. Users can stake funds to unlock BNPL access, using their crypto to make purchases in installments. This allows them to turn their cryptocurrency investments into a tangible payment method while saving on fees.

After completing a verification process (KYC), the user receives a wallet in which they can stake funds. These funds serve as collateral to access BNPL features. FlexFi thus provides a more accessible and cost-effective approach, making cryptocurrencies even more useful and practical for everyday use.

4. GETTING STARTED

4.1 User - $100 Purchase with BNPL

A user wants to purchase a product valued at $100. To access the BNPL service, they need to stake the equivalent of $100 in cryptocurrencies. This ensures sufficient coverage and secures the loan.

With this staking, they can purchase the product for $100 with the option to pay in installments. FlexFi applies an interest rate of 12% APR, meaning the user will pay approximately $9 per month ($8.33 for the principal and $0.67 for interest) over 12 months. The collected interest is used to maintain system liquidity and cover operational costs, ensuring reduced fees for both users and merchants.

The user's credit score is also impacted by their payment behavior:
- With regular payments, the user's score increases.
- In case of missed payments, FlexFi deducts the missing funds directly from the staked amount, and the user's score decreases.

4.2 Merchant - Receiving Funds for a $100 Purchase

The merchant receives a $100 order through FlexFi. With our solution, they receive the full transaction amount immediately. For this service, FlexFi charges a 2% APR fee on the amount, meaning the merchant receives $98 net.

For the merchant, this represents a significant advantage, as they do not need to wait for the user to complete their installment payments.

This improves their cash flow, reduces financial risks, and allows them to offer an attractive payment solution to their customers.

4.3 Scoring System - Simplicity and Transparency

Start of Scoring

When a user stakes funds and initiates their first BNPL, they start with a score of 50 out of 100. The scoring is calculated automatically by a smart contract based on the user's payment behavior.

Monthly Payment and Notifications

When a user takes out a BNPL, they must repay in monthly installments, with proportional interest. If a payment is missed, a friendly notification prompts them to regularize it within 10 days, such as: "It seems you might have forgotten, but no worries, you still have 10 days to settle your installment."

If the user settles within the 10-day period, their score remains unchanged. In case of non-payment, at the end of the BNPL term, the smart contract evaluates the balance:
- If the balance is zero, the score increases by 5 points.
- If the balance is negative (e.g., $30 remains unpaid), the user's score decreases by 10 points, and the smart contract deducts the outstanding amount from the staked funds.

BNPL Access and Rehabilitationn

If a user has at least 60 points before a missed payment incident, they retain access to BNPL even after a 10-point score reduction.

For example, a user with a score of 60 points who loses 10 points due to non-payment will still have 50 points, allowing them to maintain BNPL access. However, this access will be limited to the remaining staked funds unless the user tops up their staking account.

If the user replenishes their staking account with the outstanding amount, they receive an additional 5 points, encouraging them to regularize their financial situation while maintaining flexibility of use.

Score Increase and Decrease

- Each successful standard transaction (excluding BNPL) increases the score by 1 point.
- Each completed BNPL, with a balance of zero at the end of the contract, increases the score by 5 points.
- In case of non-payment, if the user does not top up their account, they can continue using BNPL but only with the remaining staked funds. Replenishing the account restores their purchasing capacity and grants them 5 additional points.

Access to Partner Coupons

To unlock access to partner coupons, the user must reach a score of 60 out of 100. This rewards responsible behavior and encourages good financial management.

5. ADDED VALUE

FlexFi provides significant benefits for both users and merchants.

For users:
- Greater payment flexibility.
- Access to cryptocurrencies as a daily payment method.
- Reduced fees and the potential to enhance their purchasing power.

For merchants:
- Reduced transaction costs, with fees of only 2% APR.
- Improved cash flow, as funds are received immediately.
- Increased customer loyalty by offering flexible payment options to consumers.

6. TECHNOLOGY

FlexFi relies on the Solana blockchain for its speed and low transaction costs. Smart contracts ensure the automation of transactions, interest calculation, and score management.

The staking process and wallet issuance guarantee the security of funds, while KYC integration verifies user identities, ensuring legal compliance.

7. BUSINESS MODEL
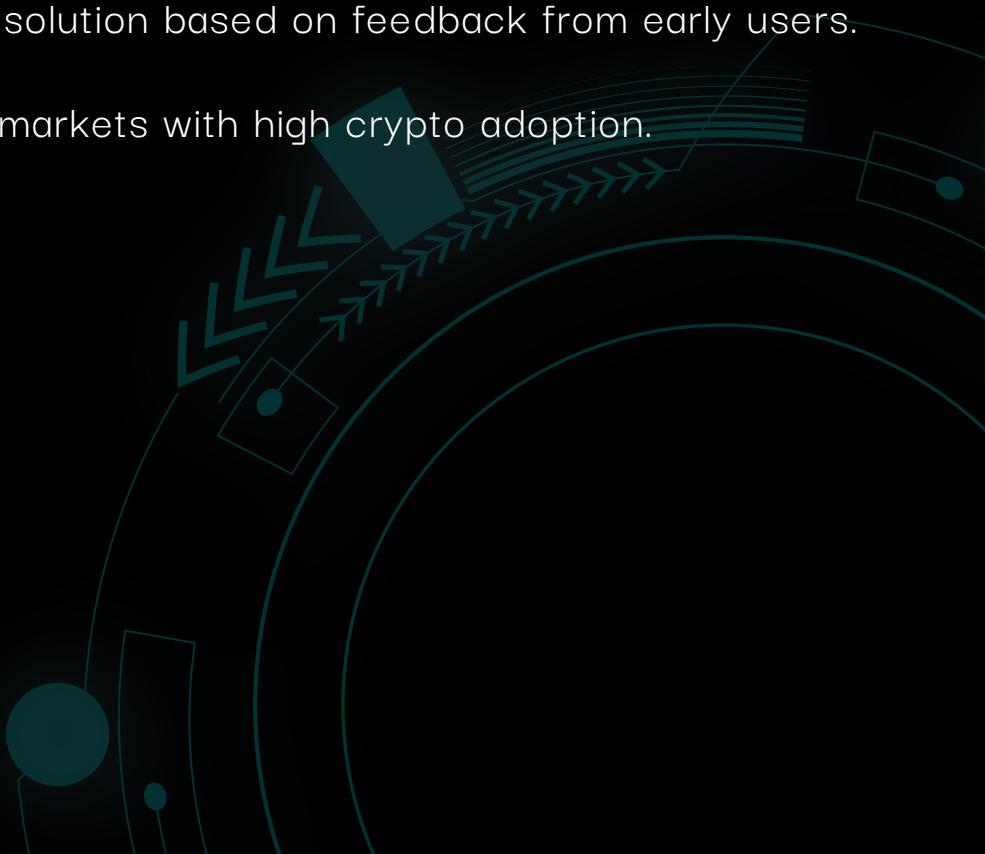
FlexFi applies an interest rate of 12% APR for users and a fee of 2% APR for merchants. These rates are significantly lower than those of traditional players.

The generated revenue helps sustain the system's operation and rewards responsible users while keeping fees low for merchants.
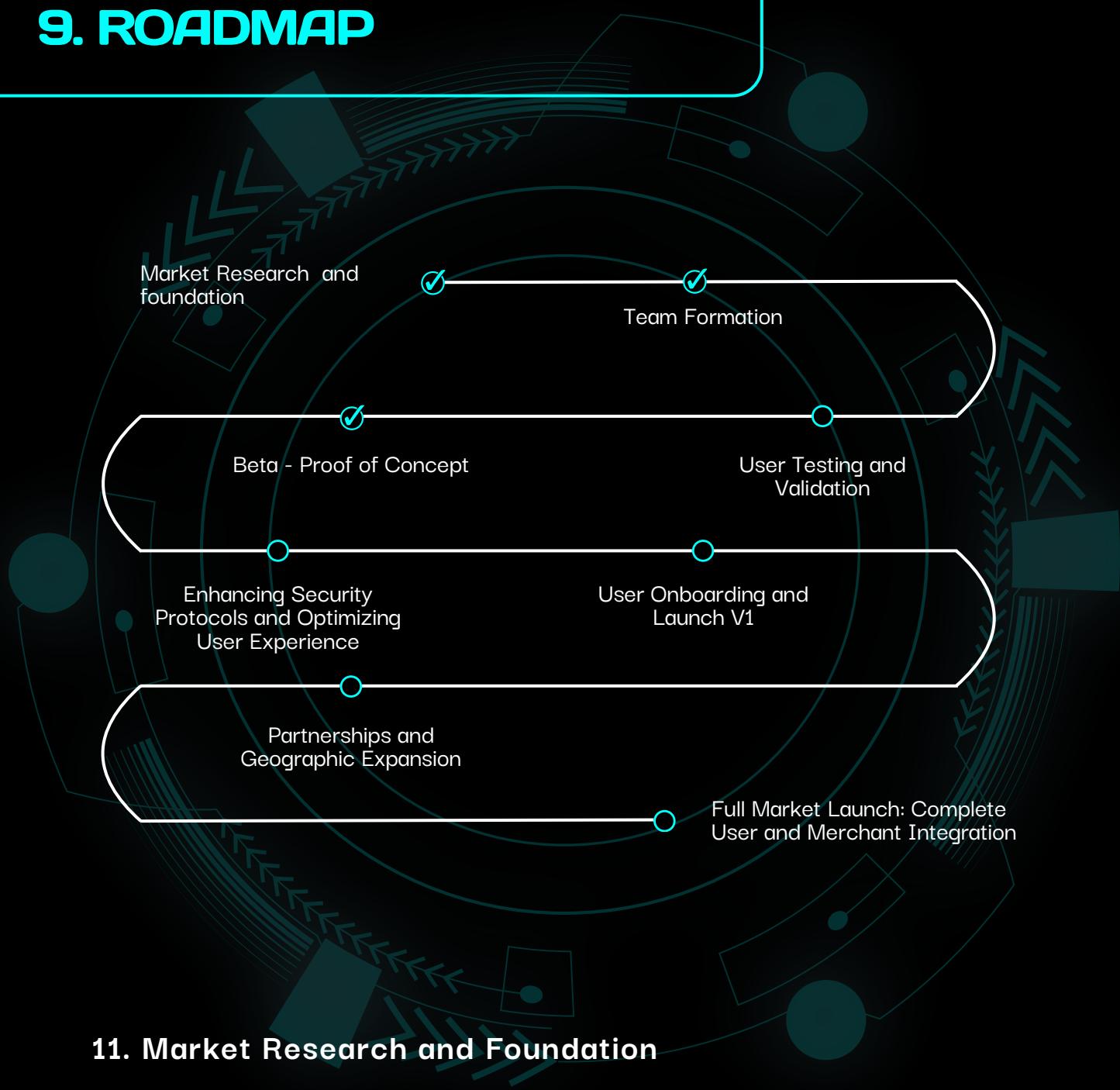
8. LAUNCH STRATEGY

Our initial target market is El Salvador, due to the high adoption of cryptocurrencies and the potential acceptance of BNPL. The development of FlexFi will proceed in phases:

1. Launch of the beta phase to validate user experience.

2. Optimization of the solution based on feedback from early users.

3. Expansion to other markets with high crypto adoption.

Market Research and foundation

Team Formation

Beta - Proof of Concept

User Testing and Validation

Enhancing Security Protocols and Optimizing User Experience

User Onboarding and Launch V1

Partnerships and Geographic Expansion

Full Market Launch: Complete User and Merchant Integration

11. Market Research and Foundation

In-depth market research to identify consumer and merchant needs for flexible payment solutions. This laid the foundation for the development of FlexFi.

2. Beta - Proof of Concept

Development and launch of the beta version to validate the concept.

Objective: verify user adoption and evaluate initial feedback on the use of cryptocurrency-based BNPL.

3. Team Formation

Formation of a complete team of experts, ensuring solid expertise in all aspects of FlexFi.

4. User Testing and Validation

User testing phase to gather detailed feedback and optimize our offering. This includes validating payment processes, ergonomics, and user satisfaction.

5. Strengthening Security Protocols and Optimizing User Experience

Strengthening security protocols to ensure the protection of funds and optimizing the user experience, ensuring a secure and easy-to-use platform.

6. User Onboarding and Version 1 Launch

Beginning the onboarding of initial users and merchants onto the platform, followed by the launch of Version 1. This launch aims to establish FlexFi in the market with well-defined core features.

7. Partnerships and Geographic Expansion

Developing strategic partnerships with merchants and players in the cryptocurrency sector. In parallel, we plan targeted geographic expansion, initially focusing on markets with high cryptocurrency adoption, like El Salvador.

8. Gradual Market Expansion: Full Integration of Users and Merchants

Following the launch of Version 1, we will proceed with the gradual expansion of FlexFi, integrating an increasing number of users and merchants.

This expansion phase will allow us to continuously improve the product based on user feedback and strengthen our infrastructure before reaching sufficient maturity for a full-scale launch.

Each step aims to ensure stable growth for FlexFi, maximizing user adoption while maintaining high standards of security and service quality.

10. TEAM

FlexFi is driven by two co-founders with complementary skills. Mickael is a full stack developer specializing in blockchain development, enabling him to build a secure and high-performance technical infrastructure.

Thomas, on the other hand, focuses on strategy and marketing, responsible for defining the product vision, positioning FlexFi in the market, and designing acquisition strategies to attract both merchants and users.

Together, they combine technical expertise and commercial vision to deliver an innovative and accessible solution for everyone.

11. COMPLIANCE AND SECURITY

FlexFi takes fund security and regulatory compliance very seriously. Transactions are secured through blockchain technology and smart contracts.

The KYC system ensures that all users are verified, providing a compliant and secure usage environment.
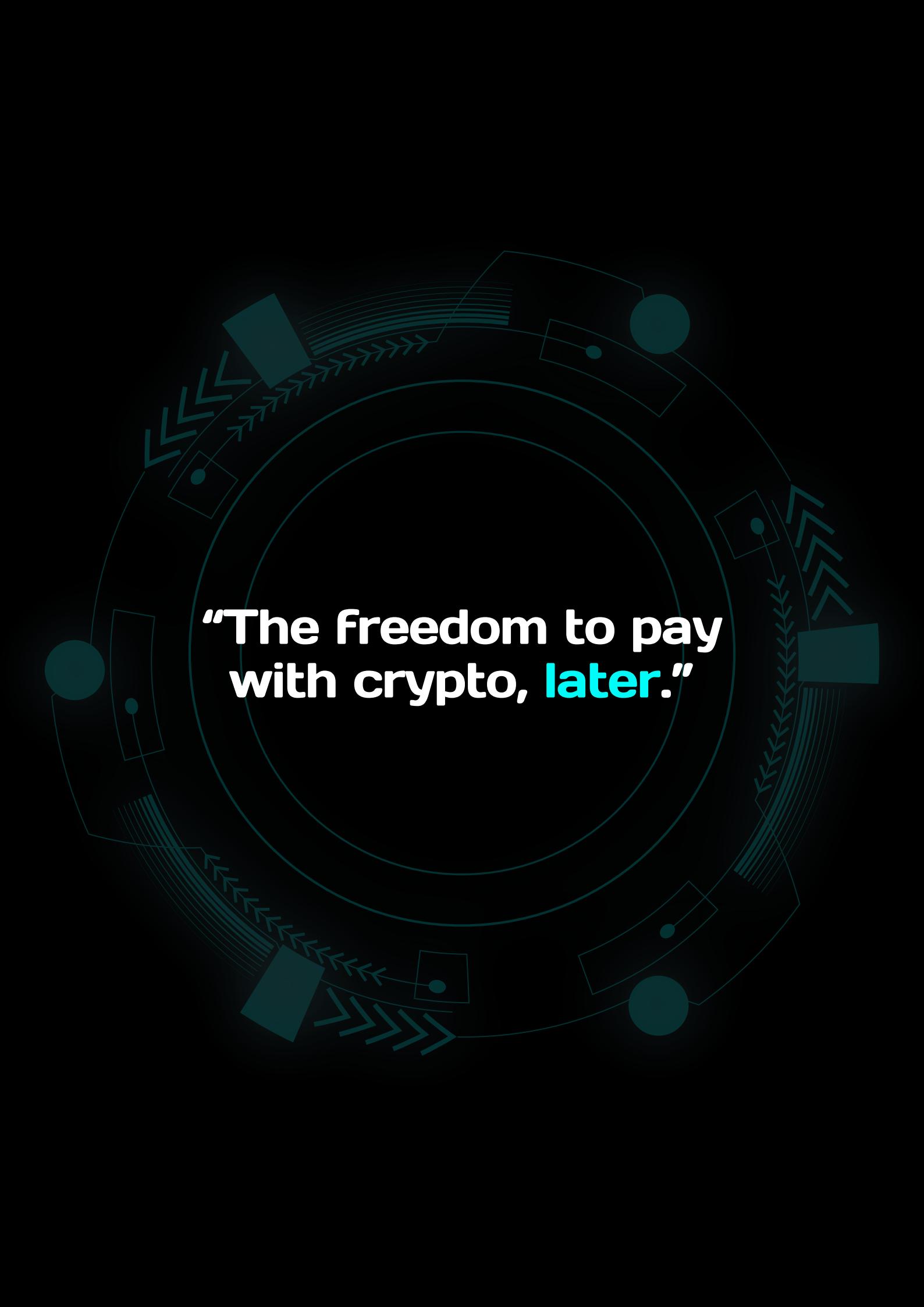
12. CONCLUSION

FlexFi is more than just a financing solution; it is a true revolution in the everyday use of cryptocurrencies.

With FlexFi, users can buy now and pay later in a secure, flexible, and affordable way.

We firmly believe that the future belongs to those who transform their crypto into real purchasing power. FlexFi is the answer to this need.

"The freedom to pay with crypto, later."