

Fiatsend Network Litepaper*

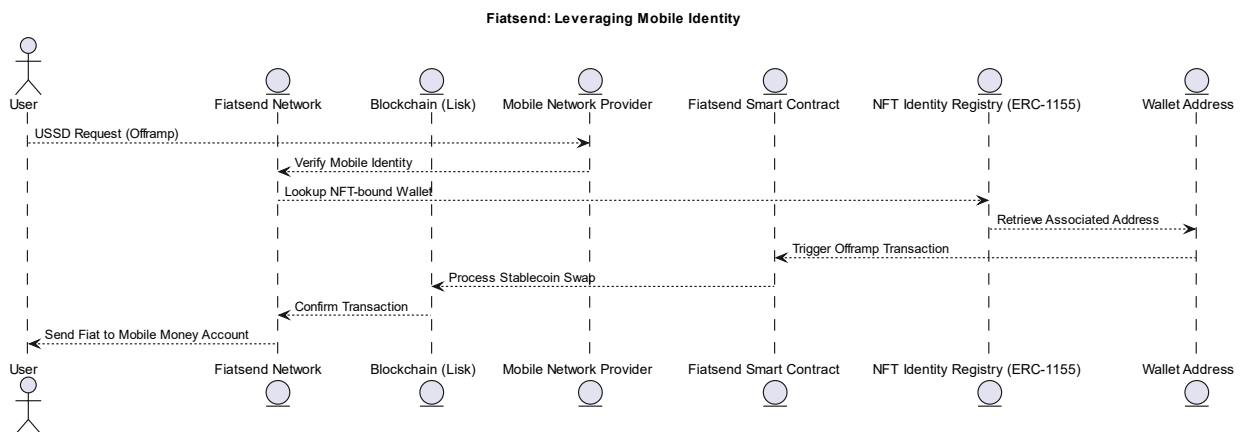
Abstract

The financial landscape in Africa is rapidly evolving, with a significant gap between traditional financial services and digital asset adoption. Fiatsend Network aims to bridge this gap by providing a robust, secure, and efficient stablecoin payment ecosystem that fosters innovation and inclusion. By focusing on fiat tokenization, Fiatsend Network addresses the complexities of fiat-crypto conversions and cross-border transactions, particularly in underbanked regions.

Introduction

The inception of Fiatsend was to solve user experience problem associated with ramping of stablecoins: Ramp widgets involve a lot of complex processes are is hard to fathom for new users. P2P presents a lot of complexity as it can involve many steps for a web3 user: Transferring to a centralized exchange or P2P platform, looking for desired payment method and good rate, waiting for a period of time to receive fiat and then verifying fund has been sent in order to release tokens. Offramps by Fiatsend was born together with the Fiatsend network to help users easily offramp their stablecoins into fiat.

Further UI/UX problems have shaped Fiatsend since then: enabling users to offramp using USSD approach directly from their mobile phones without the need for internet access by leveraging on mobile identity (phone numbers) which resolves to a wallet address on the blockchain.



Our mobile first approach enable us to serve Africa's large underbanked populations of more than 56%. Fiatsend uses NFTs (ERC 1155) to identify user's mobile wallets, easily creating a connection between wallet addresses and mobile numbers.

Fiatsend employs the principles of atomic swap as used in prominent web3 protocols like uniswap to enable close to instantaneous conversion of stablecoins into fiat without the need for long confirmation times, hence solving the wait times associated with P2P.

Inflationary currencies present uncertainties with overcharge for transactions due to unstable exchange rates. Fiatsend solves this by using an incentive-based approach where we reward users with fee rebates and cashbacks up to 1.5%.

Fiatsend has been built to ensure reliability, security and speed and we are built on Lisk EVM L2 which offers fast speed and cheap transactions. We ensure integrity by using proof reserves to attest that there is enough liquidity to facilitate stablecoin payments. With this approach there is 100% confidence that your money is in safe hands.

At Fiatsend, we see payments beyond sending and receiving money but providing a more inclusive approach into the decentralized finance world. We value our community and no decision can take place without them, that is why we are introducing a community governance approach.

Community plays a major role from making decisions regarding transactions, liquidity provision for businesses and voting on where liquidity should be channeled into. This governance model is a community first approach to ensure that no bad actors make decisions that will harm Fiatsend Network.

At Fiatsend, we envision a future where businesses and individuals use onchain payments to make their lives better every day. Very soon businesses across Africa will be able to build on the fiatsend network and unreliability in cross border transactions will become a thing of the past.

Vision and Mission

Vision: To establish the Fiatsend Network as Africa's most reliable and accessible stablecoin payment ecosystem, enabling seamless transactions and fostering economic growth.

Mission: To empower businesses and individuals by providing a secure and efficient platform for stablecoin payments, leveraging blockchain technology to enhance financial inclusion and stability.

Fiatsend Network Overview

Key Features

1. **Fiat Tokenization:** Fiatsend Network employs fiat tokenization, allowing users to convert stablecoins into fiat currencies instantaneously. This reduces reliance on traditional banking systems and enhances accessibility for underbanked populations.
2. **Atomic Swap Mechanism:** Utilizing atomic swaps, similar to protocols like Uniswap, Fiatsend Network ensures near-instantaneous conversion between stablecoins and fiat currencies without lengthy confirmation times.
3. **USSD and Mobile-First Approach:** By prioritizing USSD and mobile accessibility, Fiatsend Network caters to the over 50% underbanked population in Africa. This approach ensures that users can transact without constant internet connectivity, making financial services more inclusive.
4. **Incentivized Transaction Model:** Unlike traditional payment systems that charge transaction fees, Fiatsend Network offers incentives such as cashback up to 1.5% and rebates. This model transforms transactional costs into rewarding experiences, promoting user engagement and loyalty.
5. **Blockchain Technology:** The network leverages Lisk's blockchain infrastructure for enhanced reliability, security, and speed. Blockchain transparency ensures trust and security for all transactions.
6. **Proof of Reserves with zero knowledge Validity Proofs:** To maintain financial integrity, Fiatsend Network uses proof of reserves and zero knowledge validity proofs to ensure sufficient liquidity for stablecoin payments, fostering user confidence.
7. **Community-Owned Liquidity:** Emphasizing community governance, liquidity is supplied and managed by the community, who vote on its allocation. This decentralized approach prevents centralized decision-making and promotes a more democratic financial ecosystem.

8. **Ecosystem Development:** Fiatsend Network serves as a platform for businesses to build innovative applications, enhancing the ecosystem. Offramps by Fiatsend, a flagship product, exemplifies this by offering seamless fiat off-ramping solutions.

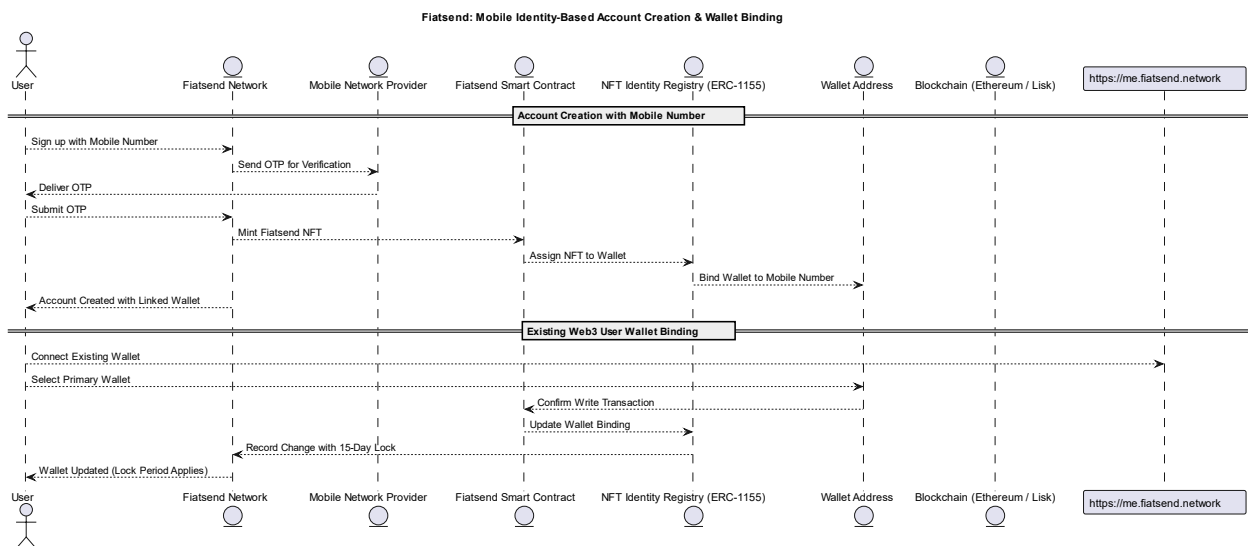
Technical Overview

Platform Architecture

Fiatsend Network's architecture integrates with multiple blockchains, ensuring flexibility and scalability. The Lisk blockchain underpins smart contract functionality, facilitating secure and efficient transactions.

Account Creation

Fiatsend account is created using a mobile number. The mobile owner verifies their identity using an OTP code and gets their fiatsend NFT directly minted into their account and attached to a wallet address. For existing web3 users that want to connect their existing wallet address they can do so by visiting <https://me.fiatsend.network> to set primary wallet for phone number. They will need to confirm a write transaction to update changes on the blockchain. Once changes are made there is a lock period of 15 days for security purposes before another wallet address can be set as primary.



Wallet Integration

Users can onboard through multiple options: creating a new wallet, signing up via email (magic link), or connecting an existing wallet. This versatility ensures broad accessibility.

Smart Contracts

Smart contracts manage token issuance, conversions, and redemptions. Designed for security and transparency, these contracts underpin the network's trustless financial services.

Security Measures

Robust security protocols, including multi-signature wallets and encryption, protect user funds and personal information. Regular audits and compliance checks enhance the platform's security.

Use Cases and Benefits

User Experience

Fiatsend Network simplifies transactions from sign-up to completion, allowing users to verify mobile accounts, add wallet addresses, and instantly convert stablecoins to fiat. Funds are then received directly in mobile wallets.

Business Use Cases

Businesses benefit from Fiatsend Network's streamlined cross-border payments, reducing transaction times and costs. The platform's integration capabilities make it an attractive solution for enterprises seeking efficient payment processing.

Merchants:

Accept payments and automatically convert your revenue directly into stablecoins / Accept stablecoins and receive fiat instantly.

Cross-Border Payments

Instant conversions are particularly advantageous for cross-border transactions, eliminating delays and mitigating exchange rate risks for users across different countries.

Implementation Roadmap

1. **Phase 1:** Initial deployment of core features, including wallet integration and basic fiat-crypto conversion.
2. **Phase 2:** Expansion of supported stablecoins and fiat currencies, enhancement of smart contracts, and introduction of GHSFIAT token functionalities.
3. **Phase 3:** Full platform launch with marketing campaigns and partnership integrations.

Compliance and Regulation

Fiatsend Network adheres to regulatory standards, integrating Know Your Customer (KYC) and Anti-Money Laundering (AML) processes to maintain compliance and enhance user trust.

Marketing and Growth Strategy

The marketing strategy focuses on building partnerships and running incentivized campaigns. Collaborations with local businesses and financial institutions aim to drive user adoption and engagement.

Conclusion

Fiatsend Network offers a transformative solution to fiat-crypto conversions and cross-border payments, providing a user-centric, secure, and efficient platform. Positioned as a leader in the financial services industry, particularly in emerging markets, Fiatsend Network is set to foster economic inclusion and growth.

Appendix

- Technical diagrams illustrating platform architecture.
- Smart contract code snippets.
- References to regulatory frameworks and compliance standards.