NNTrust Investment Company

Invest smarter

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Executive Summary

Our company is a web - based institutional investment company where investors can explore and diversify alternative investment solutions, and they can get a lot of benefits like low risk, long-term profits and the best interest rates on personal, education and small businesses. We provide advanced investment strategies to the investors. We use machine learning algorithms to predict whether a loan will be charged – off, before the investors fully fund the loan. We also allow individuals to simulate the portfolio or share their performance with others they trust, and they can learn from top investors, too.

Business Overview

NNTrust investment company is an online peer – to – peer lending company that brings investors and borrowers in a single platform. We match borrowers, with history of minimal to no charge – off, with their potential investors, that benefits both parties. As a result, investors can earn high ROI compared to the products or services offered by banks, and borrowers can borrow money for low interest rates (if they are likely to fully pay the loans). Investors are provided with borrower's credit history and have the authority to set interest rates for them.

Loan amount ranges from small amount of $100 to large amount of $40,000, but not limited. As the company is completely digital, investors can search loan listings on the website and decide on which to invest in, based on the information provided by the borrower (loan amount, loan purpose, employment status). Once investor decides on an investment, the site shows the investor the likelihood of the borrower to charge – off the loan, which is completely automated. If the investor decides to proceed further, borrower and investor communicate with each other regarding credit rates and loan period (can be chosen from three to five years).

The borrowers on our platform answers series of few short questions that triggers their credit check. Based on their credit score, they'll receive a loan grade. To avoid defaulting, we require the borrower's credit to be fair, or low 600s. Borrowers are charged an origination fee of 1% to 5%, depending on the loan amount, credit score, purpose and income, and deducted once the loan is approved.

The investors are initially required to pay 1.5% annual fee. Once they become diversified, and satisfied with their portfolio, and have been using the platform for some period, say 3 years, they are required to pay 2%.

Market analysis

There are many online platforms for people to share their ideas on investing and learn investing skills already. We maintain the best reputation to be listed on the top in every platform.

StockTwits	SeekingAlpha$^\alpha$	robinhood
1.50M	85.0M	2.00M
Monthly Active Users	Monthly Pageviews	Mobile Trading Accounts

We provide the investing advisors who can teach novice and individual investors, we update live tracking of their investments and maintain teams to educate people all over United States about us and our financial insights. We also give ads on social media platforms like Facebook, LinkedIn, Instagram, news channels, etc.

Since the start-up is online, investor and borrower services are available to everyone in United States. However, we would concentrate more on the high – income areas as they tend to take more loans, mostly due to education. We provide customer services for those with doubts on the services being provide.

Goals

Our primary goal is to provide the best investing platform for investors to get profits and low risks, and continuous growth in the investing industry. We provided the estimates below, if number of users, both borrowers and investors, is 200,000 with $2M for next 5 years.

Year	Users	revenue	net profit
2019	200,000	0	0
2020	1,000,000	20,000,000	500,000
2021	2,000,000	40,000,000	1,000,000

| 2022 | 3,000,000 | 60,000,000 | 2,000,000 |
| 2023 | 4,000,000 | 80,000,000 | 4,000,000 |

We started off with giving loans for personal purposes, education and small businesses, rather than all the other unsecured loans options available. We then expand the consumer credit products suites once the investors and the company get high returns.

Evolution of Data Science

The company is built around the assistance of data science. One of the main advantages of NNTrust Investment company is utilization of various predictive models, such as Random Forest and Neural Networks, to determine the likeliness of a borrower to charge – off the loan invested. Even before the lender invests on the borrower, the site provides the former with predicted likeliness of charge – off. He/She can then decide whether to proceed further with the investment or not. Likeliness of loan being charged – off depends on features such as borrower's credit score, employment information, home ownership status, loan amount, term, loan grade, total number of accounts (open or closed), debt – to – income ratio, etc.

Since many peer – to – peer lending platforms occasionally faced default loans, our investment company will prepare the investors with the risk they would be willing to take by fully funding the loan(s) to their borrowers, using machine learning techniques.

Operating Plan:

Since it is a start-up company, we will open an office in San Francisco, California, that employs

- Customer representatives: for customer service
- Investment advisors: advising services provided for novice investors online
- Accounting and financing analyst: analyze company's growth and loss and handles credit audit and compliance
- Data scientist and/or machine learning engineer: predict the likelihood of a borrower to charge-off a loan
- Marketing team: analyze the competition and implement marketing strategies accordingly
- IT employees: responsible for website and its security
- Chief Information Officer: support enterprise goals and oversee the IT needs
- Human Resources