

# Decentralized Car Rental Platform: A Proof-of-Concept Plan

## Part A: The Proof-of-Concept Plan

### 1. Introduction and POC Focus

This document outlines the Proof-of-Concept (POC) for a decentralized car rental platform on Solana. The goal is to validate the core technical loop: enabling a vehicle owner and a renter to complete a rental transaction securely and automatically using smart contracts and NFTs.

A key strategic decision is how the NFT is used. To avoid significant legal and regulatory hurdles associated with digital ownership, this POC adopts the **"NFT as Access-Right, Not Title"** model. The NFT represents a verifiable, time-bound digital key for the rental period, not legal ownership of the car itself. This simplifies the scope and allows the project to focus on the technical implementation.

#### POC Scope:

- **In-Scope:** The core on-chain mechanics, including wallet authentication, minting vehicle "Access-Right NFTs," on-chain booking, escrow of SOL, issuing a temporary "Rental Pass NFT," and automated fund settlement.
- **Out-of-Scope:** Off-chain hardware (digital keys, GPS), direct insurance or fiat integrations, and advanced dispute resolution. These are deferred to a later stage.

### 2. Core Users for the POC

After brainstorming all potential users, the POC will focus on the three most critical personas needed to prove the concept:

1. **The Vehicle Owner (Alex):** Represents the supply side. A tech-savvy car owner looking to earn passive income from an idle asset without the high fees of centralized platforms.
2. **The Renter (Ben):** Represents the demand side. A crypto-native user who values the efficiency, transparency, and lower cost of a P2P rental model.
3. **The Platform Administrator (Developer):** A necessary role for a POC to ensure system safety, manage contract deployment, and have an emergency pause function.

### 3. User Stories: The Critical Path

The following user stories define the essential functions for the POC, broken down by persona. They are granular and action-oriented to guide development.

### Persona: Alex (Vehicle Owner)

- **Story 1:** As Alex, I want to connect my Solana wallet to authenticate myself.
- **Story 2:** As Alex, I want to create a vehicle profile with its basic details.
- **Story 3:** As Alex, I want to mint an "Access-Right NFT" for my car to list it.
- **Story 4:** As Alex, I want to set a daily rental price in SOL.
- **Story 5:** As Alex, I want to set a security deposit amount in SOL.
- **Story 6:** As Alex, I want to mark my car as "available" for rent.
- **Story 7:** As Alex, I want to withdraw my accumulated SOL earnings to my wallet.

### Persona: Ben (Renter)

- **Story 8:** As Ben, I want to connect my Solana wallet to use the platform.
- **Story 9:** As Ben, I want to see a list of all available cars.
- **Story 10:** As Ben, I want to view a car's details, including its price and deposit.
- **Story 11:** As Ben, I want to select rental dates and submit a booking request.
- **Story 12:** As Ben, I want to pay the rental fee and deposit into a secure on-chain escrow.
- **Story 13:** As Ben, I want to receive a "Rental Pass NFT" in my wallet as proof of my active rental.
- **Story 14:** As Ben, I want my security deposit automatically returned to my wallet after the rental ends.

### Persona: System Operator (Administrator)

- **Story 15:** As the System Operator, I need a function to pause all new bookings in an emergency.
- **Story 16:** As the System Operator, I need a function to unpause the system to resume operations.

## 4. High-Level On-Chain Requirements

These user stories translate directly into the following technical requirements for the Solana smart contract.

### For Story #3: As Alex, I want to mint an "Access-Right NFT"...

- **On-Chain Requirements:**
  - A `create_vehicle` instruction that calls the **SPL Token Program** to create an NFT and the **Metaplex Token Metadata Program** to attach its data (name, symbol, URI to off-chain JSON).
  - Create a `VehicleData` account (PDA) to store mutable, platform-specific data like `daily_rate`, `deposit_amount`, `owner_pubkey`, and a reference to the NFT's mint address.

### **For Story #12: As Ben, I want to pay the rental fee and deposit...**

- **On-Chain Requirements:**

- A book\_rental instruction that creates a RentalAgreement account (PDA) to store the rental terms (renter, owner, start\_timestamp, end\_timestamp).
- The instruction must transfer SOL from the renter's wallet to a program-controlled escrow PDA.
- It must validate that the car is available for the requested dates.
- It will also mint the temporary "Rental Pass NFT" to the renter's wallet.

### **For Story #14: As Ben, I want my security deposit automatically returned...**

- **On-Chain Requirements:**

- An end\_rental instruction, callable after the end\_timestamp has passed.
- The function verifies the time using Solana's Clock sysvar.
- It executes program-signed transfers from the escrow PDA: the deposit is returned to the renter, and the rental fee is sent to the owner.
- It then burns the renter's "Rental Pass NFT" and updates the vehicle's status.

### **For Story #15: As the System Operator, I need a function to pause...**

- **On-Chain Requirements:**

- A set\_pause\_status instruction that can only be called by the designated admin wallet.
- A global PlatformConfig account (PDA) to hold an is\_paused boolean flag.
- The book\_rental instruction must check this flag and fail if the system is paused.

## **Part B: Process Appendix**

### **A Note on Process**

This plan was developed through a structured process of brainstorming, AI-assisted critique, and manual refinement. Using an AI as a sounding board helped prioritize features and identify potential blind spots, such as the legal complexities of NFT ownership and the need for basic administrative controls. The final user stories and requirements are the result of this iterative process.

### **A.1. User Prioritization**

The initial brainstorm included many potential users (fleet operators, mechanics, etc.), but for a focused POC, the list was narrowed to the three most essential personas: the **Individual Owner** (supply), the **Individual Renter** (demand), and the **Platform Administrator** (safety). This ensures the POC is lean and targeted at validating the

core P2P rental loop.

## A.2. Key Refinements from Adversarial Analysis

Challenging the initial idea with "what if" scenarios led to several key improvements:

1. **Acknowledging Off-Chain Gaps:** The plan now explicitly states that real-world issues like the physical key exchange are out of scope for the on-chain POC.
2. **Adding a Safety Mechanism:** Realizing a fully automated settlement system is risky for a POC, an admin "pause" function was added. This allows for manual intervention in case of a dispute or bug, providing a crucial safety net.
3. **Clarifying the NFT's Role:** The adversarial critique directly led to the "NFT as Access-Right" model, which is a more practical and legally sound foundation for the project.

## A.3. User Story Refinement

Initial high-level functions were broken down into atomic user stories. For example, "User lists their car" became four distinct stories: minting the NFT, setting the price, setting the deposit, and marking it as available. This granularity makes the development process clearer and more manageable.

## References

[1] Guadamuz, A. (2021). The treachery of images: Non-fungible tokens and copyright. *Journal of Intellectual Property Law & Practice*, 16(12).

[2] Fairfield, J. (2021). *Tokenized: The new economy of digital assets*. Cambridge University Press.

[3] Metaplex Foundation. (2024). *The Token Metadata Program*. Metaplex Docs.