Digital Investment Application

MUNIZA IMRAN

YPay: save smarter, faster than ever.

YPay started as a student loan lender and quickly grew into a full-service finance company with lending, banking, and investing managed in one convenient mobile app. YPay is great for beginners because it includes investment education and allows you to start small with fractional shares, which it calls Stock Bits. YPay Invest users can trade stocks, ETFs that are on a curated list, and cryptocurrencies. Stock and ETF trades are free. YPay Invest also offers a managed portfolio product with no added investment management fees. Overall, YPay offers some impressive accounts that are well priced and easy to use. That's a winning combination.

Our Philosophy

YPay's mission is to help people reach financialindependence to realize their ambitions.And financial independence doesn't just mean being rich—it means getting to a point where your money works for the life you want to live. Everything we do is geared toward helping our members get their money right. We're constantly innovating and building ways to give our members what they need to make that happen.

About Us

YPay is making banking smarter and simpler while serving our communities. We value and encourage the mantra of working better together. Our commitment to our customers has been at the core of who we are, this includes connecting with our communities.

YPay is best known for its low-fee, high-yield bank accounts, but it also offers a top investment platform. YPay Invest within it's mobile app is an excellent low-fee brokerage with no fees for stock, ETF, or options trades. It offers a focused and efficient mobile investment experience. It doesn’t have quite as many features as some bigger apps, but it has every core feature.For beginners, YPay Investments makes it easy to start because it has no minimum required balance and a simple, easy-to-use investment platform. With basic trading and investing needs all covered in the mobile app, YPay is perfect for beginners and those with the most common investment needs.

Company Objectives

- Self Directed Trading: $0 commissions
- Leading Student Loan Refinancing Provider
- Automated Investing: investing free of advisory fees

Most common features in a Digital Investment Application

- Budget Tracker: Mint is best known for their “Budget Tracker” feature. In one click you can see your entire monthly budget vs. actual spend across all your categories (e.g. restaurants, clothing, groceries). “Budget Tracker” shows your entire budget on a single page.

- Credit Score: Checking your credit score can be cumbersome and time-consuming. Mint’s integration with Equifax makes “Credit Check” a very attractive feature for a lot of audiences. Mint’s credit check is fast and easy, especially since you Mint already has your info needed since credit cards can be connected to Mint and it knows balances, spending levels.

- Guidance: SigFig introduced the “Guidance” feature after analyzing data from over $300 billion in tracked assets. With just a few clicks, “Guidance” enables investors to optimize portfolio data, and quickly turn that big data into actionable, and unbiased investing insights. Using “Guidance” SigFig investors can improve their returns, save more money and find ways to reduce or eliminate fees across multiple brokerages. Getting unbiased financial advice can be expensive or difficult to find. Using “Guidance” quickly and easily solves this for investors by the click of a button.

- Potential: It’s tough to see savings growth from squirreling away so many spare change micro-investments. Investors want to see accumulation and long-term potential. Since account balances from spare change accumulate slowly, Acorns decided to add the “Potential” tab, which helps investors see growth potential vs. an account balance. This simple feature highlights what small investment adjustments can do over the long term.

- Assess Your Risk: Review the risk in your portfolio. If you’re taking on too much investment risk, you’ll get suggestions on ways to achieve similar levels of performance while reducing risk.

- Compare Your Portfolio To The Target: See if your current investments are positioned to capture the greatest returns possible. Establish a benchmark for your investments.

- Retirement planner: This calculator helps you work out what income you're likely to get from super and the age pension when you retire, how contributions, investment options, fees and retirement age affect your retirement income and how working part-time or taking a break from work affects your super balance.

- Analyze Past PerformanceExamine how your portfolio would have performed in the past. Compare the performance of your investments over time against your recommended Target Allocation. Would you have left money on the table?

- Get A Target Allocation: Receive an investment strategy that is the optimal blend of asset classes to achieve a given risk-adjusted return.

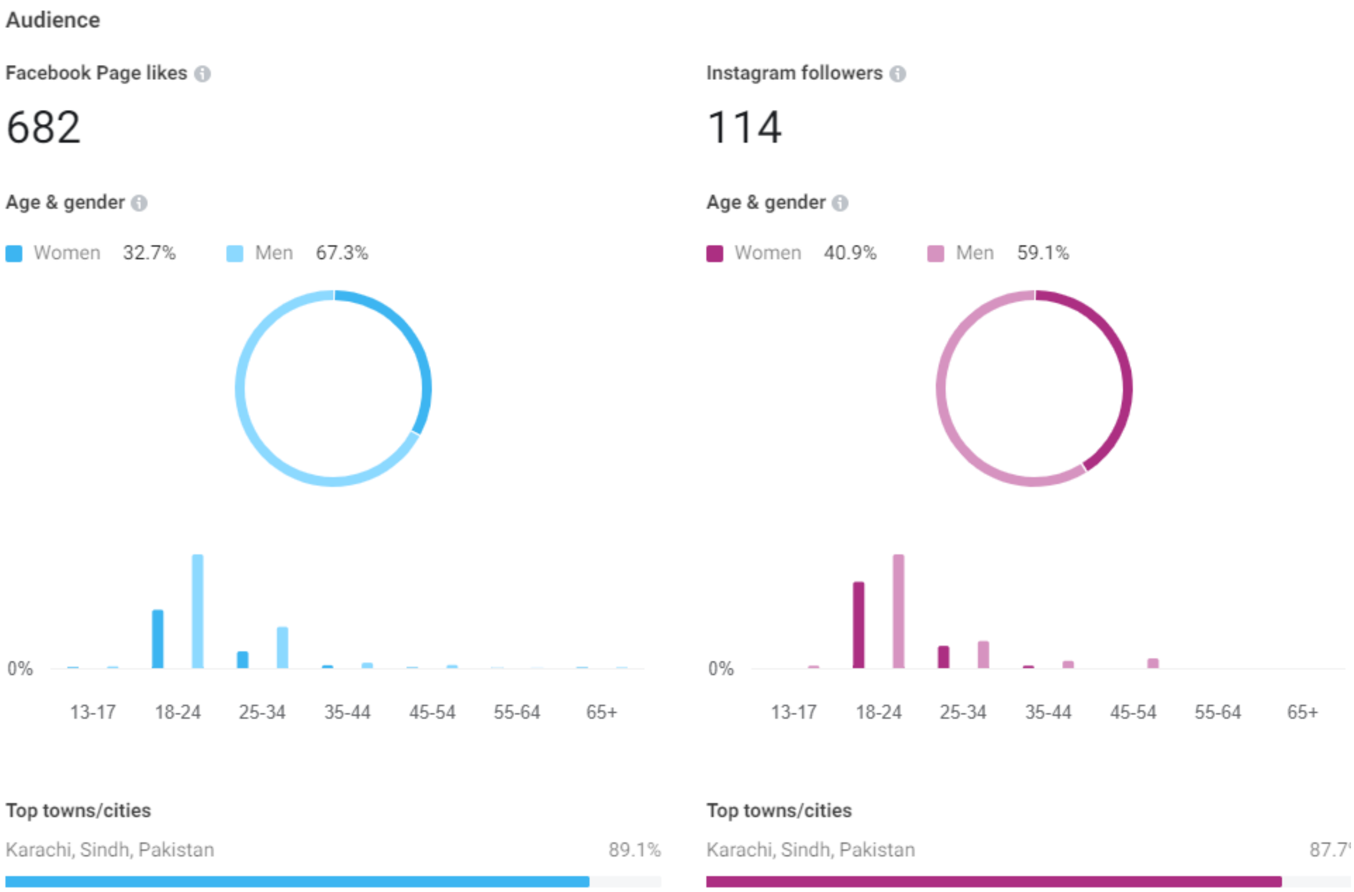
Most Attractive Features for Youth/Students in a Digital Investment App

Education Planner: Our new planning features take the guesswork out of financial decisions by allowing you to create multiple income or spending scenarios. You can immediately see the impact of hypothetical income events like inheritance, the sale of a home, or going back to work after retirement. Similarly, you can input expenses like travel, a child's wedding, home renovation, or making a charitable donation. Our new scenario and comparison tools allow you to plan for multiple potential outcomes. Best of all, you can save different scenarios and compare the impact of various decisions versus your current financial plan.

This feature works together with our newly launched 'Education Planning' tool, which helps you understand and compare the costs of a specific college or overall in-state vs out-of-state college costs, as well as determine your annual savings needs while you track your progress. You can also see how hypothetical changes to education goals impact your overall portfolio and retirement readiness. Our planner helps you calculate how much you need to save per month or per year, from now to the time your student starts college. Personal Capital recommends saving for 70% of the total costs.

Student Loan Refinancing: YPay helps young adults achieve their short- and long-term money goals. Users can track the progress of their financial goals after linking an account. The app allows access to Fidelity's Student Debt Tool, which offers tips to pay down the debt.Since one of the most common goals is to pay off student loan debt, Fidelity is giving three app users a chance at winning $30,000 to help pay down their student loan debt. You can increase your chance of winning by referring friends to the app.

Providing digital solutions for the youth, YPay offers financial assistance in digital investments ranging from the age of 18 to 25. Knowing the fact that the youth looks for solutions online, YPay strategically targets the students that are looking to invest their money online.



Most Compelling Reasons For Youth/Students To Start Saving And Investing Their Money

The importance of saving money cannot be understated. In fact, with so many proven benefits, saving money is one of the best financial habits you can adopt. But, if saving money doesn't come easy to you, or you just don't see the point, it's natural to ask yourself, why is saving money important? First and foremost, saving money is important because it helps protect you in the event of a financial emergency. Additionally, saving money can help you pay for large purchases, avoid debt, reduce your financial stress, leave a financial legacy, and provide you with a greater sense of financial freedom.Truthfully, there are countless reasons to save money.

1. **Freedom To Pursue Your Dream Career:** Have you ever known somebody that was stuck in a job they hate, because they didn't have the financial freedom to quit and pursue something they enjoy? Well, if they had enough savings, I'm willing to bet that wouldn't be the case.One of the most important reasons to save, is to provide yourself with the freedom to pursue a career you love.When you have ample cash sitting in your savings account, and a pile of investments earning interest, there's absolutely no reason to endure a situation you hate.In other words, a big pile of savings gives you freedom to quit a job you hate, and pursue your dream career.

2. **Long-Term Security:** No matter how hard I try, I can't predict the future; and neither can you. And for that reason, saving up a safety net is a really good idea.Think about it — without savings, how will you weather any financial storms? Without investments, how do you plan to make money when you're too old to work? If you lose your job, will you be able to pay your bills?Saving money is important, because it provides you with financial security. And the more you save, the more secure you will be.

Emergencies: It's inevitable that throughout life, there will be some emergencies.From a family emergency that requires you to fly across the country, to less emotional emergencies like a broken down car, having a decent amount of money saved up keeps you from adding financial stress to the pile.Seriously, money is the last thing you need to be worrying about in an emergency. So do your future-self a favor and save up an emergency fund. Hopefully you'll never need to use it, but if you do, you'll be beyond grateful it's there.

Education: You know what's expensive? College. (Though, to be honest, elementary, middle and high school are pricey little endeavors these days as well). Education is important–whether it's your own, or your children's, saving money so you can pay for education is important.

Big Purchases: From cars, to boats, to furniture, to big screen tvs, big purchases have a way of wiggling into the lives of the financially unprepared. Then, when the dust settles and the monthly payments kick in, that thing that cost so much money, transforms into an annoying roommate named, Buyer's Remorse. Big purchases are fun, and at times, necessary. You need a car so that you can drive to work. Living in a home without any furniture is uncomfortable at best. Watching football on a 12-inch tv with rabbit ears is not ideal.But going into debt for a big purchase is worse. Rather, saving money so that you can pay for them outright is the way to go.

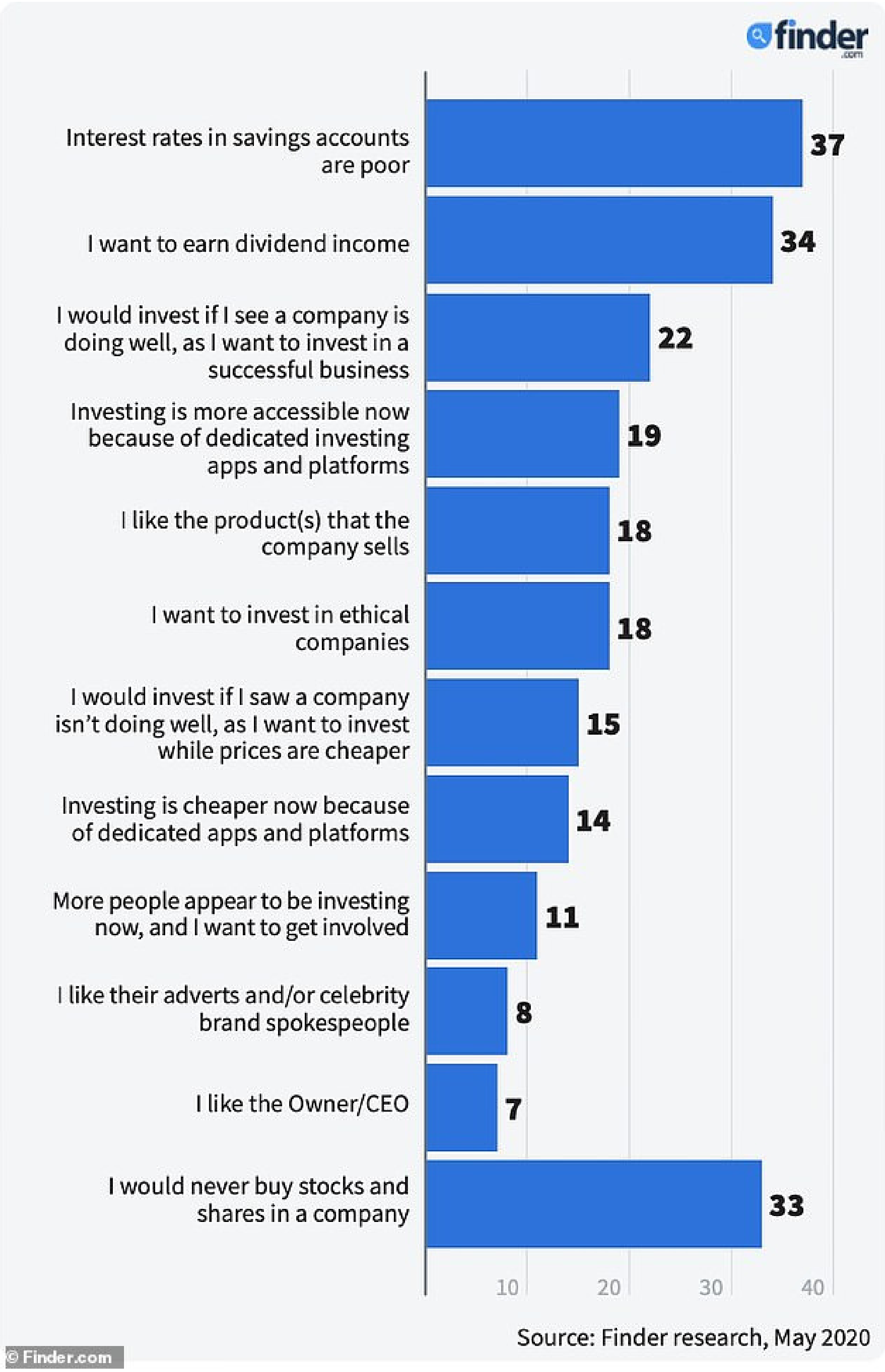
Home Ownership: If you own a home, you've undoubtedly experienced the many expenses that come with it.Whether they're big expenses like kitchen remodels, or small expenses, like buying filters for your furnace, they add up. And while you might be able to cash flow the majority of them, it's in your best interest to prepare for them in advance.In fact, I recommend setting up a specific savings account just for your home expenses. That way, you don't have to feel guilty pulling money from savings when you need to fix or update something.

Major Life Events: Life is full of events, but there are a few big ones that can get particularly expensive. For instance, the two that instantly come to mind are: newborn babies, and weddings.So, it's important to save for them.Here's a couple guidelines to get you started.When that little pee stick reads positive, start a baby savings fund, and throw every last penny you can squeeze out of your budget into it. Then, when your daughter first starts dreaming about her wedding day, start saving for it. Weddings aren't cheap.

Minimizing Financial Risk: The more money you have, the less risky your financial situation will become.For instance, if you have $10,000 to your name, and you invest $6,000 to start your own business, you just risked 60% of your net worth. Whereas, if you save and invest until your net worth crests one-million dollars, then spend $60,000 to start a company, you only risked 6% of your net worth.Plus, when you only invest 6% of your net worth, it's pretty likely you will make up for that in interest, alone, over the next year.Saving and investing your money minimizes your financial risk. Plain and simple.

Compound Interest: If you want to build any kind of wealth, you are going to need to utilize the power of compound interest. But, if you spend all your money, and never learn to save, you will miss out on this valuable financial opportunity.Additionally, the more time you waste, the less opportunity you have. Compound interest is extremely powerful, but you need to give it enough time to work it's magic. You won't just invest one day and see amazing results the next.If you start saving now, it may be years before you start to see impressive results. But if you wait years to start saving, you won't see any results at all.Your future wealth called: it asked you to start saving.

Financial Independence: One of the best parts of being an adult is the independence and freedom to do what you want, when you want. (Within the confines of the law, of course)But the less you save, and the more debt you accrue, the less independence you will have. So, if you want to be financially independent and unshackled, you need to beef up your savings.


finder
Interest rates in savings accounts are poor
37
I want to earn dividend income
34
I would invest if I see a company is doing well, as I want to invest in a successful business
22
Investing is more accessible now because of dedicated investing apps and platforms
19
I like the product(s) that the company sells
18
I want to invest in ethical companies
18
I would invest if I saw a company isn't doing well, as I want to invest while prices are cheaper
15
Investing is cheaper now because of dedicated apps and platforms
14
More people appear to be investing now, and I want to get involved
11
I like their adverts and/or celebrity brand spokespeople
8
I like the Owner/CEO
7
I would never buy stocks and shares in a company
33
10
20
30
40
Source: Finder research, May 2020
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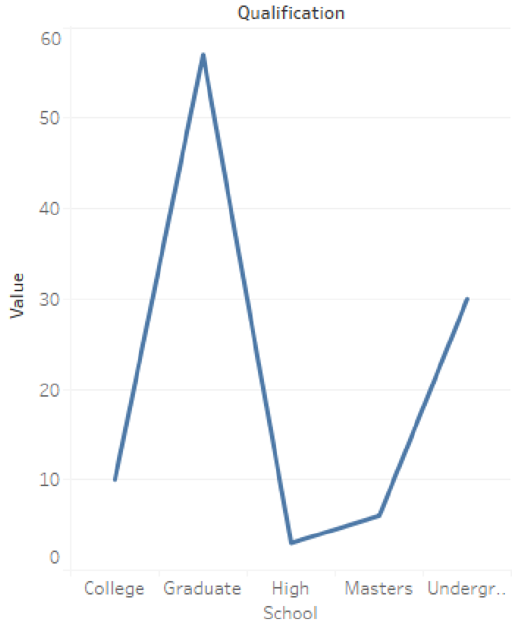
Ideal Set of Features/Offerings that YPay Should Offer in/with its Digital Investment Platform

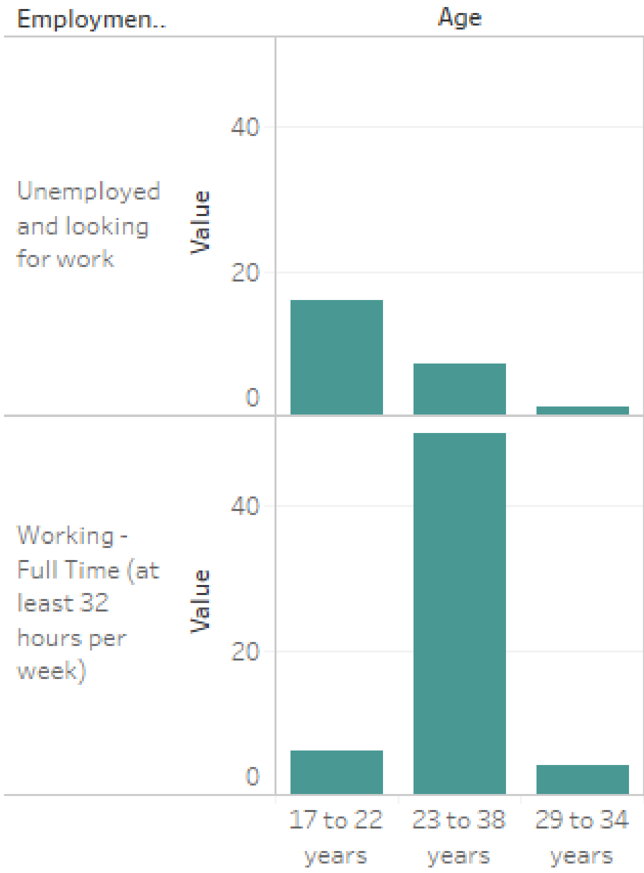
According to the recent survey, the following trends were discovered:



As we know from our social media analytics that most of our potential customers are ranging from the age of 18 to 25, the survey goes to show that most graduates ranging from the age of 25 to 38 are also interested in digital investments. The age group, however, is less tech-savvy, hence are unaware of our product which is digitally available.

One way to market our product to these potential customers is to reach out to them by studying the industry they mostly work in and by partnering with the companies they might be using on a daily basis, such as banks, advertisements on ATM machines, transportation services etc. This way, YPay might be able to gather attention from our most sought-out market, that is the adults ranging from late 20s to late 30s.

Targeting the Right Audience

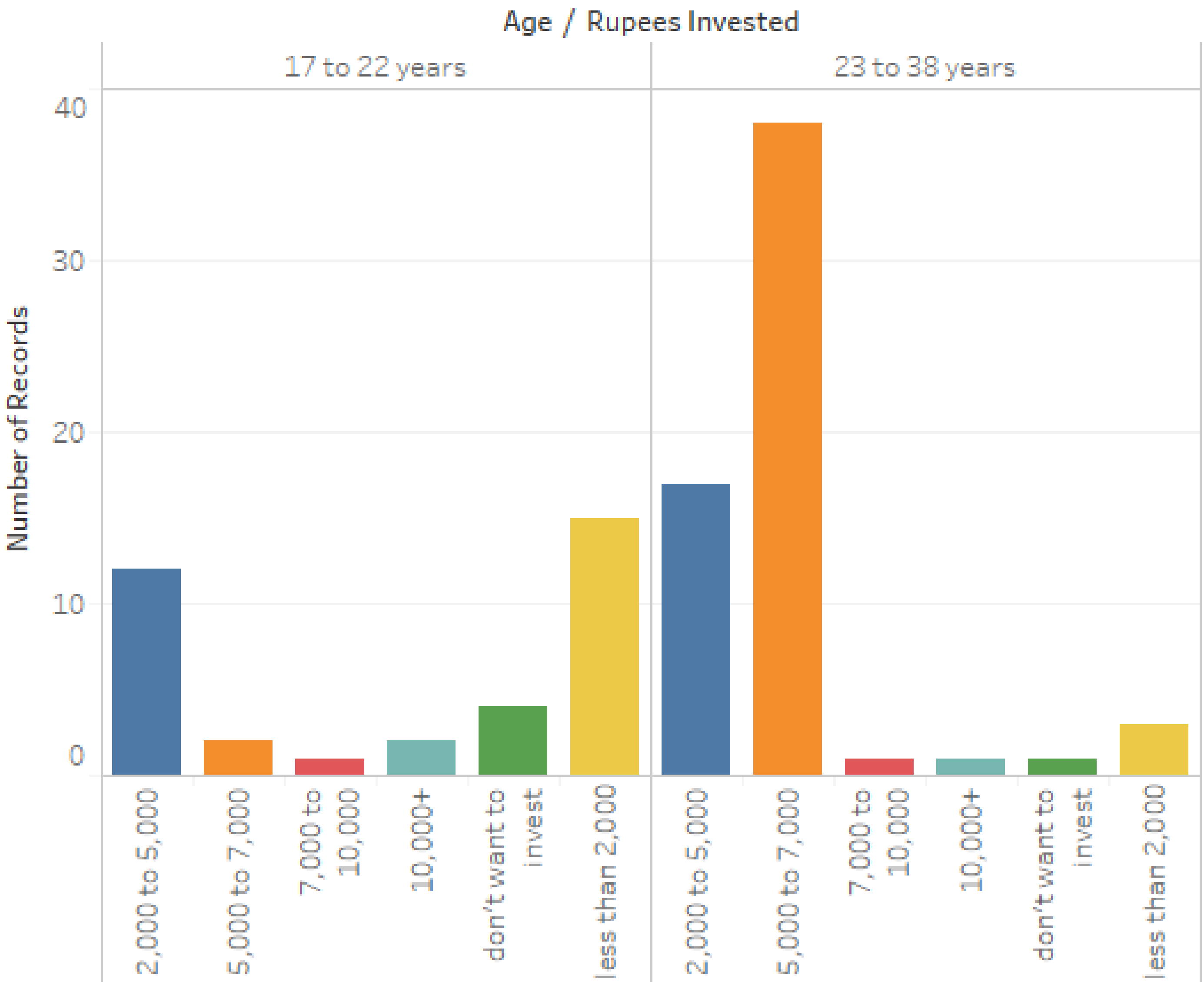


The survey further goes to show that the youth ranging from 17 to 24 are presumably college students or undergrads, during which period unemployment is very common. More youth in this age group do consider investing online as they possibly see the future of technology evolving and ever growing, and consider it a smart safety net. College loans is also another reason why most teens and young adults might be interested to invest through YPay if offered assistance.

The adults interested in digital investments, however, are mostly employed. The reason for them to invest digitally would be to secure a safe retirement.

As most adults are farsighted and have a lot to plan and worry about, such as retirement plans, family healthcare, older parents and grandparents, school for children and much more. Digital investments is a smarter choice as it does not require much work or time and is mostly taken care of by the company providing digital assistance. This leaves them more time to work on their actual job while the rest is being handled professionally.

Why Targeting the Adults will Generate More Leads



The survey also showed a significant spike in the interest adults took to invest their money. More adults that are full-time employee were willing to invest more money digitally. The youth, however, might be hesitant, and rightfully so. Being unemployed with limited funds, investing a lot of money digitally into a new firm may seem a bit iffy. They would most definitely invest more in the future as trust builds.