

FINTRUX NETWORK

Making Unsecured Loans Easy, Fast and Highly Secure.

Whitepaper v4.1 – October 26 2018

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IMPORTANT

EXECUTIVE SUMMARY

FintruX Network is the **true P2P lending ecosystem** built on the blockchain, powered by credit enhancements and no-code generation. The platform makes it easy for borrowers to connect with reputable lenders and servicing agencies, save money with competitive interest rates, and get an affordable loan within minutes in a fair and transparent process without physical collateral. FintruX Network aims to disrupt the way unsecured loans are being originated and administered, *making unsecured loans easy, fast, and highly secure*.

An unsecured loan is a loan that is not protected or secured by any asset. In this case the lender is taking a lot more risk and would likely charge a higher interest rate. The riskier the loan, the more expensive it will be. We are going to change that.

While pursuing traditional financing, small businesses do not have access to loans when they most need it. Banks prefer to lend cash on cash, and the loan amounts requested are usually too small for financial institutions to do efficiently. If a loan is procured from alternative financing sources, the interest rate is generally too high. Finance companies only utilize a few data sets to evaluate SME borrower worthiness resulting in poor representation of credit, and traditional p2p lenders offer high interest rates due to private equity backing. Additionally, capital that could have been invested in small business credit has been largely locked out of the market. Individual investors generally lack the size and access to directly invest in small business credit, and while institutional investors have had some access to this market, they lack the tools to customize portfolios to their specific risk tolerance.

FintruX Network is comprised by a dynamic team of skilled professionals in strategy, commercial lending, operations, marketing, sales, and technology. Our technology is supported by Robocoder Corporation, which has over 20 years of enterprise software development experience. The technology team has been servicing the securitization industry in Canada since 1999, and is currently managing billions of dollars of assets for reputable banks and insurance companies. Our team is complimented with advisors and directors ranging from esteemed individuals who have held prominent positions such as managing director of Dun and Bradstreet Asia, and director of TNG Asia, chairman of the ELFA in USA, to leaders at various fortune 500 companies in the telecom, banking, and technology sectors.

We leverage our extensive expertise and technology to create an ecosystem of lenders, borrowers, and service agencies operating in a true peer-to-peer marketplace to reduce the friction of small business (SME) lending. Our platform makes unsecured financing easy, fast, and highly secure with **credit enhancements**, **no-code generation**, and an **open ecosystem**.

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STRATEGY

One of the most important motivations in securitization is cost reduction, often done via **credit enhancements,** historically only available to securitizations of large portfolios. Our background and technology enables us to create novel credit enhancers for our true P2P lending platform, acting as cascading levels of insurances to cover potential losses. This *reduces the lender's credit risk* and interest rates for borrowers is lowered.

Our **no-code generation** technology enables us to simplify and streamline the loan application process, *increasing efficiency* and lowering costs. Borrowers and lenders of various risk profiles and tolerances can easily find each other online. An open-source unique loan smart contract is automatically generated and deployed by FintruX Network for each approved loan in real-time to provide unambiguous, immutable, and censorship resistant records where no arbitration is required and expected obligations are *transparent*. Special instructions such as refinance, prepayment, end-of-term processing, are self-executing and previously agreed upon.

To further enhance our offerings, we invite partners to join our **open ecosystem** such as fraud and identity (KYC/AML) service agents, credit scoring and decision agents, escrow agents, collection and recovery specialists, wallets, exchanges, brokers, insurance companies and technology companies; to develop a new generation of financial products and innovative new tools for use on our platform. By enabling borrowers and lenders direct access to a wide host of financial services, we create maximized opportunities and freedom to make the right decisions.

Borrowers can choose to be scored by a variety of credit scoring agencies to build a more comprehensive and holistic view of their creditworthiness, unlocking access to additional sources of funding. For the first time, lenders are able to choose from a variety of credit models from established credit decision agencies, modify reference packages, or even build their own models from scratch. Incented guarantors improve overall interest rates by guaranteeing loans, earning a portion of the interest for an incentive fee. Service providers are offered the opportunity to expand their offerings from a traditional wholesale model for financial institutions, to a retail model selling directly to consumers. All participants can rate each other on a decentralized review platform, offering a reliable source of comparability that can be used for trust, assessment of risk, and branding.

FintruX Network is making decentralized financing with trust a no-brainer for borrowers and lenders. Our vision is to build an ecosystem where ***transparency, risk reduction, and efficiency*** is maximized to ensure all participants win.

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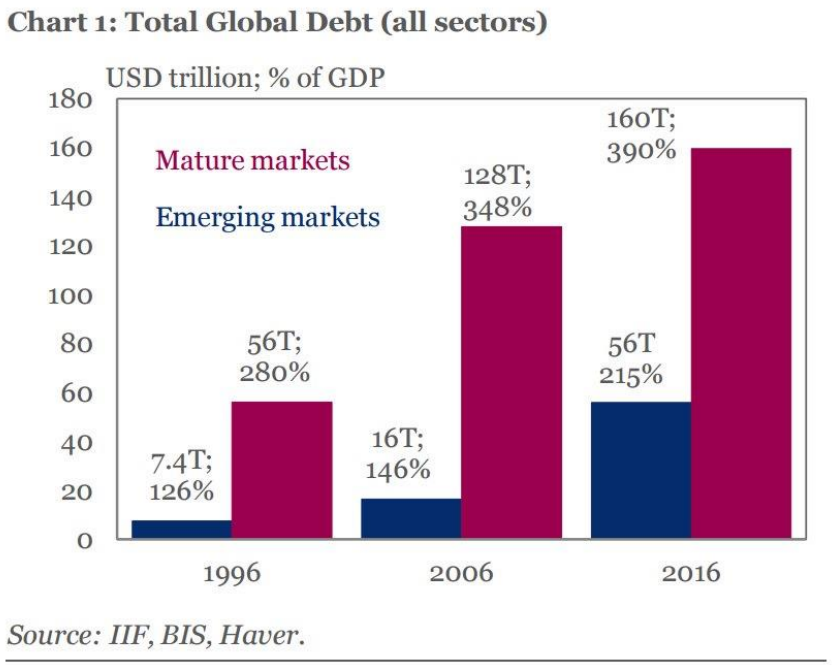
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MARKET OVERVIEW



Peer-to-peer ("P2P") lending is also called marketplace lending [2]. This type of consumer lending in the UK grew at 81.2 per cent a year between 2010 and 2015; SME lending growing at 6 per cent a year during the same period; the total number of active borrowers almost doubled in 2015 alone [5]. According to Morgan Stanley, while marketplace lending in 2015 was still ~1% of unsecured consumer and SME lending in the US, it can reach ~10% by 2020 — and expect China, the UK, and Australia to follow. The global market can grow to $150-490 billion by 2020 [3].

Global debt rose to 325 percent of the world's gross domestic product in 2016, totaling US$215 trillion an Institute for International Finance report released in April 2017 showed, boosted by the rapid growth of issuance in emerging markets. Global debt grew by $7.6 trillion in 2016 compared with the prior year. Issuance rose from 320 percent of GDP in 2015 [7].

Traditional local banks and credit unions offer unsecured loans. However, it is notably difficult to get an **unsecured business loan** through traditional lenders; especially if your business is relatively young and hasn't had enough time to establish good credit. It can also take extensive lengths of time to apply and get approved. Generally, banks focus their operations in determined geographic locations, which makes it difficult for people in different areas to connect for purposes of credit transactions.

Private lenders are few and far in between and scattered throughout the country. There exists tougher requirements to be approved for a private loan, as the repayment method is not automated.

Alternatively, online platform lenders such as direct and peer-to-peer lenders can offer a faster, easier online application process [1].

Peer-to-peer platform lenders use other investors to fund their loans. This means that the money for your business loan might be originating from dozens, or even hundreds of individual investors all over the world. They usually offer more flexible approval and repayment terms than either bank or direct online lenders, but their interest rates are generally a bit higher.

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MARKET OVERVIEW

Just recently, Amazon announced that it has made $1 billion in small-business loans, ranging from $1,000 to $750,000 for up to 12 months, to more than 20,000 merchants in the United States, Japan and the U.K. during the past 12 months.



Since Amazon Lending launched in 2011, it has surpassed $3 billion in loans to small businesses in more than 130 different countries across the globe. Furthermore, Amazon can do it without the regulatory compliance that banks must meet [11].

Direct platform lenders issue loans from their own company's capital, just like a bank, but without some of the traditional requirements and limitations of bank lending. As a result, direct lenders are often able to issue loans more quickly than a bank or even peer-to-peer lenders, and can offer some of the best rates available outside of traditional lenders.

However, something is still missing. Current traditional P2P platforms are not *true P2P* because they internalize and centralize the decision making. Their operations lack transparency and lenders are not provided the tools to understand and protect their investment. Additionally, these platforms typically only utilize a few service providers to score their borrowers, leading to situations where creditworthiness may be under-reported.

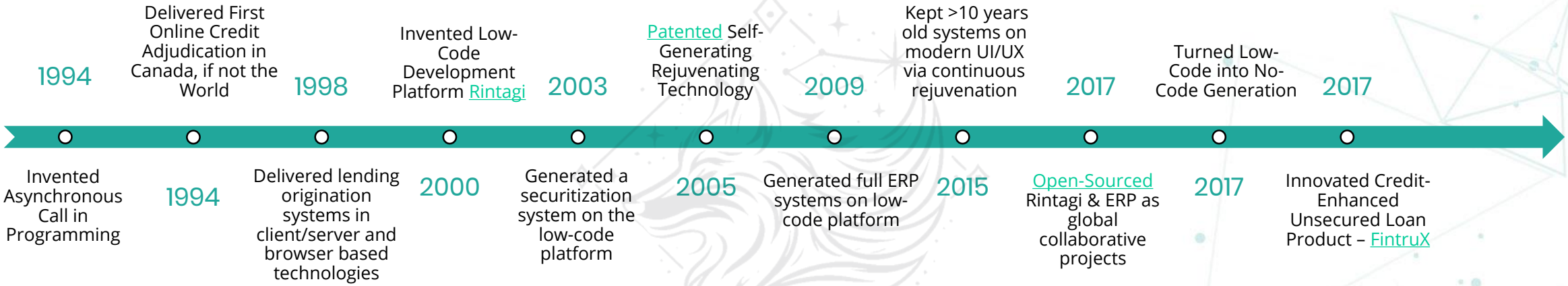
Thanks to the rising power of decentralization we can achieve much more and bring higher benefits to both borrowers and lenders.

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WHY NOW?

"In the 80's financing was done via faxing. In the 90's we built a system using client/server technology to originate and administer financing over dialup modem and private leased line. Later we rewrote the same application into interactive web-based solution on Web 2.0. Today we are embarking on a new journey to enable financing on Web 3.0"

Our founder Nelson Lin has been an innovator all his life since he started his career in the financial-technology sector as a Systems Analyst at J.P. Morgan in 1986.



Nelson Lin has been wrestling with this concept for many years, waiting for the right technology and opportunity. He made his mark in the finance and leasing industry by creating the market's first online credit adjudication software, as mentioned in the book 'Unstoppable' published 2014 by Beth Parker and endorsed by the Canadian Finance and Leasing Association (CFLA). In order to communicate with the remote mainframes of the credit bureaus, he simulated asynchronous call functionality before it even existed. Nelson founded Robocoder Corporation in 1999, a reputable software design & development firm and continued to deliver successful solutions in the financial sector. In 2000, Nelson invented the *low-code development platform Rintagi* - a proven tool that builds mission-critical custom enterprise applications with the ability to rejuvenate its applications with latest user interface, experience, and technology with just the press of a button.

One of the Rintagi-built mission-critical applications delivered in 2003 is currently serving the pass-through securitization market in North America, managing several billions of dollars of assets for reputable financial institutions. When the Ethereum Virtual Machine (EVM) was brought to his attention in early 2017, he recognized the opportunity to combine his experience and knowledge to turn his *low-code development platform* into a *no-code development platform*, with the ability to generate self-executing smart programs (smart contracts) on a decentralized ledger. Intrigued by the potential, Nelson engaged several existing clients who agreed to further explore how this platform could reduce risk and improve liquidity, security, administration and cost in the financing industry, especially between small businesses and investors.

These technologies combined with risk-reduction mechanisms utilized by securitization funders and an open ecosystem of sophisticated operators and agencies opened up a golden opportunity to create a simple trustless world of borrowing and lending, starting with the simplest unsecured loan.

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PROBLEM

Traditional Systems are Inadequate

Lots of Intermediaries

Most financing is still originated via third parties such as brokers and other intermediaries. They sell their contracts to banks or originators who have credit lines obtained from banks. The cost of the credit line is then passed on to the borrowers. Only when their portfolios get to a very large size the originators can securitize their contracts to get lower cost of funding.



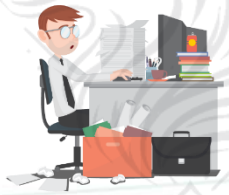


Fragmented and Inconsistent

Most systems employed are not fully automated, records are mutable, censored, and subject to the patriot act of the country of domicile. Furthermore, these islands of data do not communicate with each other, making it difficult to synchronize and collaborate through a shared process. This adds tremendous complexity and cost for auditing.

Labor Intensive

Most financing contracts are difficult to understand and special instructions such as refinance, prepayment, end-of-term processing, etc. are largely manually performed on spreadsheets.





Startups and Small Businesses Underserved

There is a growing number of small businesses, especially startups, which fail to get loans from banks:

- The loan amount required is too small for banks to be interested in.
- Loans are usually brought in by brokers who don't earn enough incentives on the smaller loans to follow through.
- Banks usually take a long time to reach a decision.
- The bank's requirement for documentation is very high.
- Some small businesses do not meet the internal policy parameters of the banks even though they are credit worthy by other standards.

Marketplace Lending Still Has Problems

The new social technologies of the Internet have helped to expand the boundaries of the traditional banking system by offering novel credit alternatives, such as marketplace lending. These technologies helped the credit system to move forward on the following key points:

- the networking effect in modernizing the whole credit-granting process increased;
- the segment of the population covered by the marketplace credit system increased;
- the localization issue was mitigated – to certain extent;
- the intermediation costs were reduced, to the extent that the P2P interest rates were less than most traditional bank lending rates; and
- the shift brought better conditions for both borrowers and lenders for evaluating creditworthiness.

BUT...

Credit risk is generally still assumed by the lender, and not by the P2P platform.

Credit risk evaluation process, though improved, remains centralized and non-transparent to the lenders.

The lender has limited tools to manage and understand their investments.

If the company behind the P2P platform defaults or declares bankruptcy, the lender has limited recourse with respect to the borrower.

Money is transferred with the P2P platform as the intermediator, and thus may be susceptible to misappropriation.

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Small Business Financing Is Essential to the Economy.

Cash flow is an issue for many businesses, and while the cash fluctuations may be small they can have a huge effect on a business' ability to run. This is where an unsecured loan comes in. The ability of small businesses to access affordable credit is essential to stimulating and sustaining a healthy, diverse and innovative economy. According to the Federal Deposit Insurance Corporation (FDIC), as of March 31, 2014, there were $292 billion of commercial and industrial loans outstanding under $1 million.

Borrowers Are Inadequately Served by the Current Lending System.

Due to its high fixed cost of underwriting and servicing, the traditional banking system is ill-suited to meet small business demand for financing and the possibility of incurring additional fees and penalties. Online financing portals attempting to bypass the intermediaries have failed to address these issues.

Lenders Have Limited Options to Participate in Small Business Financing.

As individual investors generally lack the size and access to invest in structured products directly, they are unable to invest in small business credit. While institutional investors have had some access to this market, most have lacked the tools to customize portfolios to their specific risk tolerance, and banks accessing this market generally hold the loans they generate on their balance sheet. As a result, we believe additional capital that could be invested in small business loans has largely been locked out of the market.

Value is in the Network Effect.

From a lender's perspective, the importance of the return of principals and interests cannot be over-emphasized. The ideal scenario is to choose from an abundant supply of rated agencies with fixed costs providing services such as fraud & identity detection, credit scoring decisions, etc.

Being the first to create online credit adjudication in Canada in 1994, if not the world, and working with reputable funders managing billions of dollars of securitized assets, we are well positioned to create a new, alternative marketplace and automated administration platform for peer-to-peer lending with credit enhancement as a back-bone to protect lenders' interest.

In addition, our experience in creating a low-code self-generating development platform enables us to generate robust smart contracts based on selected legal terms and administrative options. Programs are generated and deployed instantly online and real-time via drag & drop and point & click easy-to-use interfaces with user-experience as our number one priority for both borrowers and lenders.

In sum, FintruX Network offers a disruptive environment which will be beneficial to the global economy.

In recent years, the economic powers of disintermediation have materialized. Uber has disrupted the transportation industry and achieved a valuation of $69B [9]. Airbnb has disintermediated the lodging sector and become the largest "hotel chain" in the world without owning a "hotel", giving them a value of $31B [10]. 88% of the Fortune 500 companies were too late to realize that value is in the network effect of their users, not the cost of physical assets they own, and as a result they disappeared [6].

P2P lending platforms built from the ground up on blockchain technology are starting to emerge, particularly with technologies such as Ethereum, however, any asset locked up as collateral would have to be equal or larger than the loan, complicating the decision-making process. These platforms are still at a very early stage.

There is an opportunity for the online marketplace model to make unsecured loans as risk-free as possible, due to its simplicity as compared to its title-loan alternative with assets as collaterals. We believe a transparent and open marketplace with fully automated administration is necessary.

Borrowers and lenders can have access to secure and transparent information, complemented by advanced technology and tools to enforce immutability. This can make credit more affordable, less confusing, more confident, and redirect existing pools of capital trapped inside the banking system while attracting new sources of capital. Marketplace lending has the power to facilitate more efficient deployment of capital and improve the global economy.

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SOLUTION



Our mission is to make decentralized financing with trust a no-brainer for borrowers and lenders.

Our vision is to create an ecosystem where *transparency*, *risk reduction*, and *efficiency* is maximized and all participants win.



Participants in the FintruX Network ecosystem can configure and construct each open-source loan smart contract in real time and expected obligations are **transparent** to all involved parties. Trust is amplified by increasing the freedom of choice. SMEs have the opportunity to select from a list of rated lenders matching their criteria, and ordinary citizens or accredited investors can make their own credit decisions to maximize control over their investments.

By providing our lenders access to **risk-reduced lending** with novel credit enhancers, investors have peace of mind and interest rates for borrowers is lowered. Borrowers can choose to be scored by a variety of credit scoring agencies to build a more comprehensive view of their creditworthiness and unlock access to additional sources of funding.

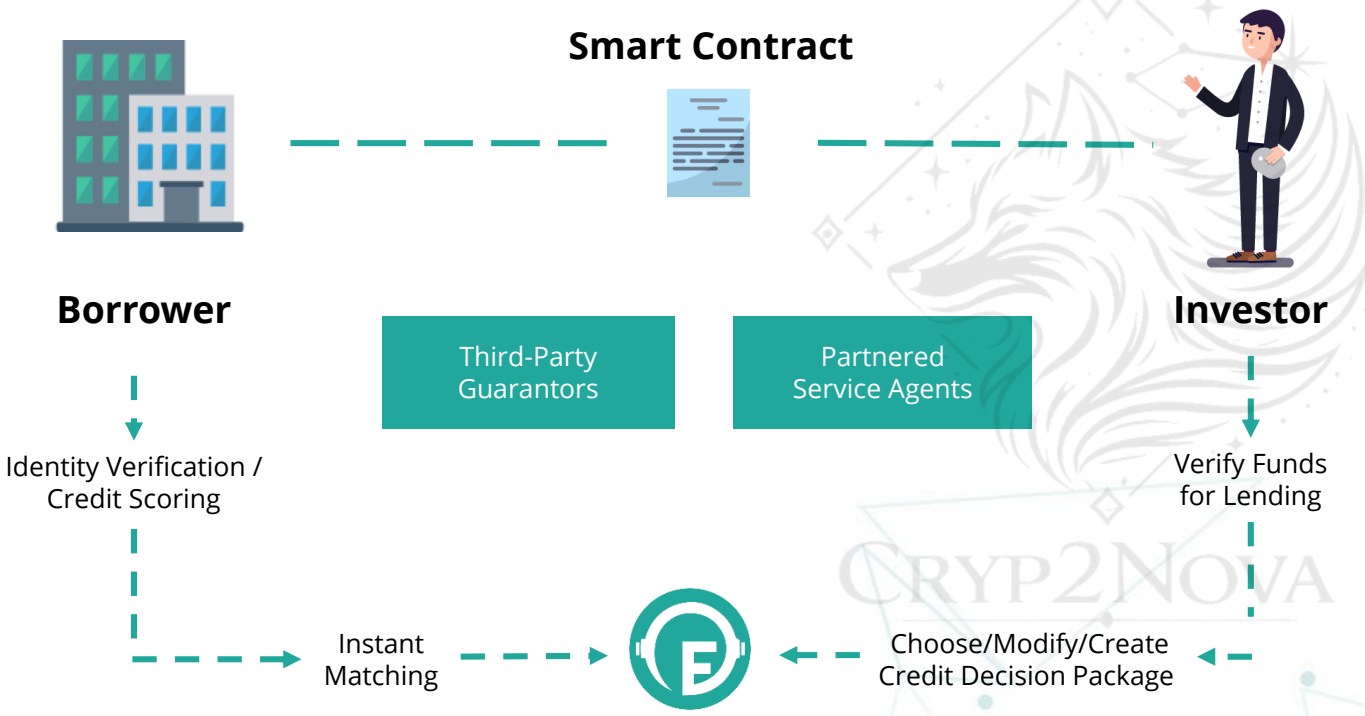
Our platform removes the need for physical infrastructure and brings out convenience and total automation; **increasing efficiency**, reducing manual processes and improving the overall user experience. Borrowers and lenders of various risk profiles and tolerances can easily find each other online. Special instructions such as refinance, prepayment, end-of-term processing, are self-executing and previously agreed upon.

The net result is faster growth of the small business sector, a major driver in any economy; through greater employment and innovation, ultimately driving income equality.

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BUSINESS MODEL

Participants



*In order to facilitate payments within seconds, FintruX Network will introduce an FRX ledger to represent 1:1 of the local currency, honored by lenders. FRX can be sent to borrowers within seconds. Only lenders can create and destroy FRX ledger in exchange for fiat currencies.

FintruX Network is a multi-sided platform[13] and ecosystem that delivers value not just to borrowers and lenders, but also to incented third-party guarantors and partnered agencies.

Lenders verify funds they wish to lend, and are credited on an FRX ledger* in their account. They can then either choose a credit decision package curated by a rated agency for a fee, modify from reference credit decision packages, or create their own.

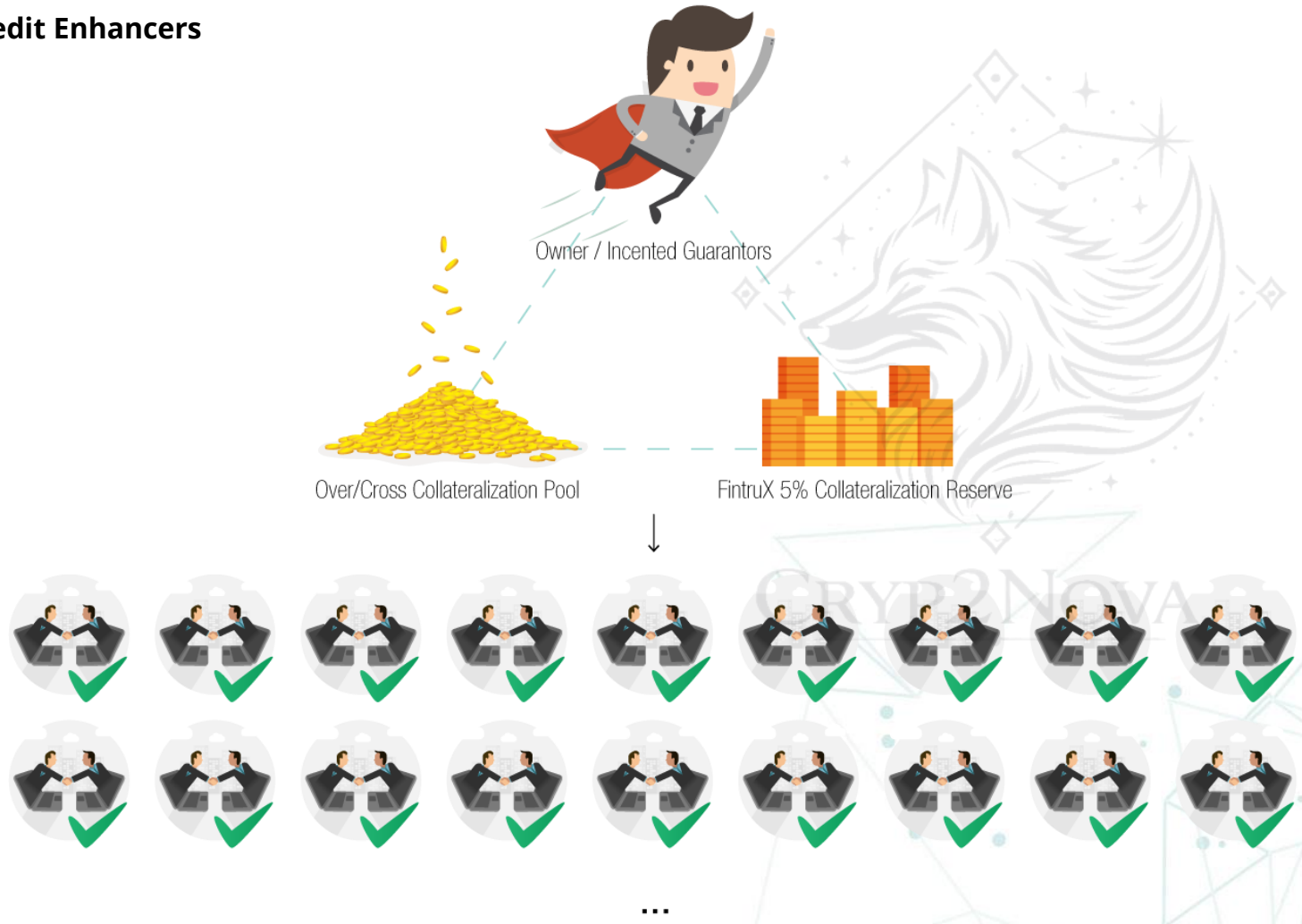
Borrowers will go through popular identity verification and credit scoring services paid for by FintruX Network, and be instantly matched to appropriate lenders. If they do not find a preferred match, borrowers can choose to pay for additional scoring services for extra datasets, increasing the chances of a positive match with a lender. Additionally, they can invite or choose an incented third-party guarantor to compliment their application and lower interest rates for a fee. Borrowers can be represented by affiliate marketing agency partners or brokers.

After due diligence, the smart contract is deployed and funding is provided via FRX automatically sent from lender to the borrowers. Borrowers can now present FRX to the lender to receive their funds in the required currencies. Subsequently, lenders receive the invested principal and/or interest upon payments made by the borrowers.

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BUSINESS MODEL

Credit Enhancers



We apply four (4) cascading levels of credit enhancements to provide unprecedented risk reduction towards unsecured loans:

Level #1: Over-collateralization *(security deposit)* of 10% held back on every loan, immediately covers the delinquent amount;

Level #2: Cascading owner and incented guarantors covers delinquent amounts over 10%;

Level #3: A cross-collateralization pool *(credit risk pool)* made up of all over-collateralization amounts of the same class covers additional delinquency;

Level #4: Failing all of the above, 5% of all FTX tokens *(FintruX Reserve)* has been reserved to cover remaining losses.

The implementation of incented guarantors provides an unique situation where it is possible for loans to be significantly lower risk.

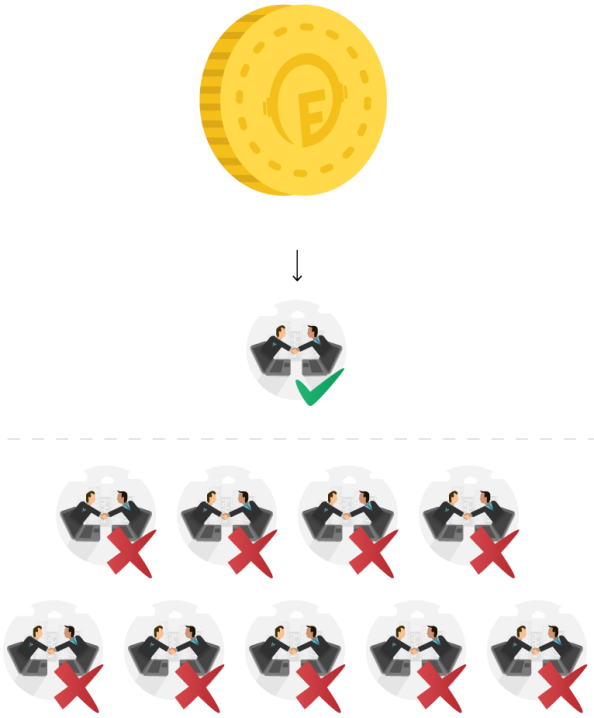
As the platform operates, there will be a continuous injection of *security deposits* into the *credit risk pool* from new loans; creating a buffering effect and making it a safe insurance to neutralize the credit/default risk for lenders. Performance statistics on each pool will be transparent to the lenders involved.

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CREDIT ENHANCERS

Security Deposit

Level #1:
10% protection.



Since the **security deposit** is one-tenth of the loan, it is capable of covering **one out of ten bad loans** from the same borrower.

Guarantor Protection

Level #2:
Complete protection by owner and incented guarantors.



For loans under their protection, the owner and incented guarantor(s) are responsible for **losses over 10%** in a cascading manner. The company owner is always the first guarantor to be responsible.

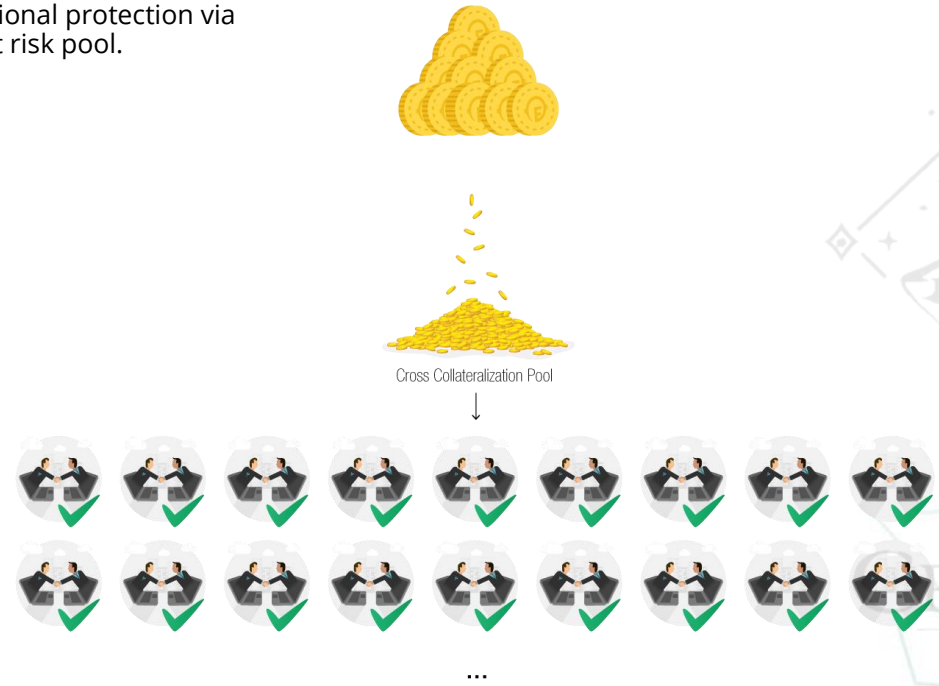
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CREDIT ENHANCERS

Cross-collateralization is a term used when the collateral for one loan is also used as collateral for another loan.

Cross-Collateralization (Credit Risk Pool)

Level #3:
Additional protection via credit risk pool.



The cross-collateralization pool is made up of the security deposits (10% hold back) of loans in the same class (risk & currency). *The class of any particular loan will be verified by FintruX Network's internal reference score.* If all guarantors for a loan default, then the respective pool can cover additional losses, neutralizing the risk for lenders.

Continuous injection of security deposits from new loans and recovery from defaulted loans will make this pool one of the safest insurance mechanisms.

FintruX Reserve

Level #4:
Ultimate reserve protection



Failing all previous credit enhancers, **5% of all FTX Tokens** has been reserved to cover remaining losses. This scenario is extremely unlikely in a healthy ecosystem of reasonable actors, incented guarantors, and loan volume.

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BUSINESS MODEL

Trust-Institution



A **trust-institution** is a reputable, prominent and progressive commercial financial institution that acts as a trusted escrow agent for lenders. Upon funding, the lender automatically sends 90% of the loan in FRX to the borrower, and 10% of the loan in fiat (security deposit) must be transferred to the trust-institution to participate in the over/cross collateralization pool.

At the end of the loan term, provided there are no delinquencies in the same credit risk pool, the lenders would receive the security deposit from the trust-institution.

Incented Guarantor



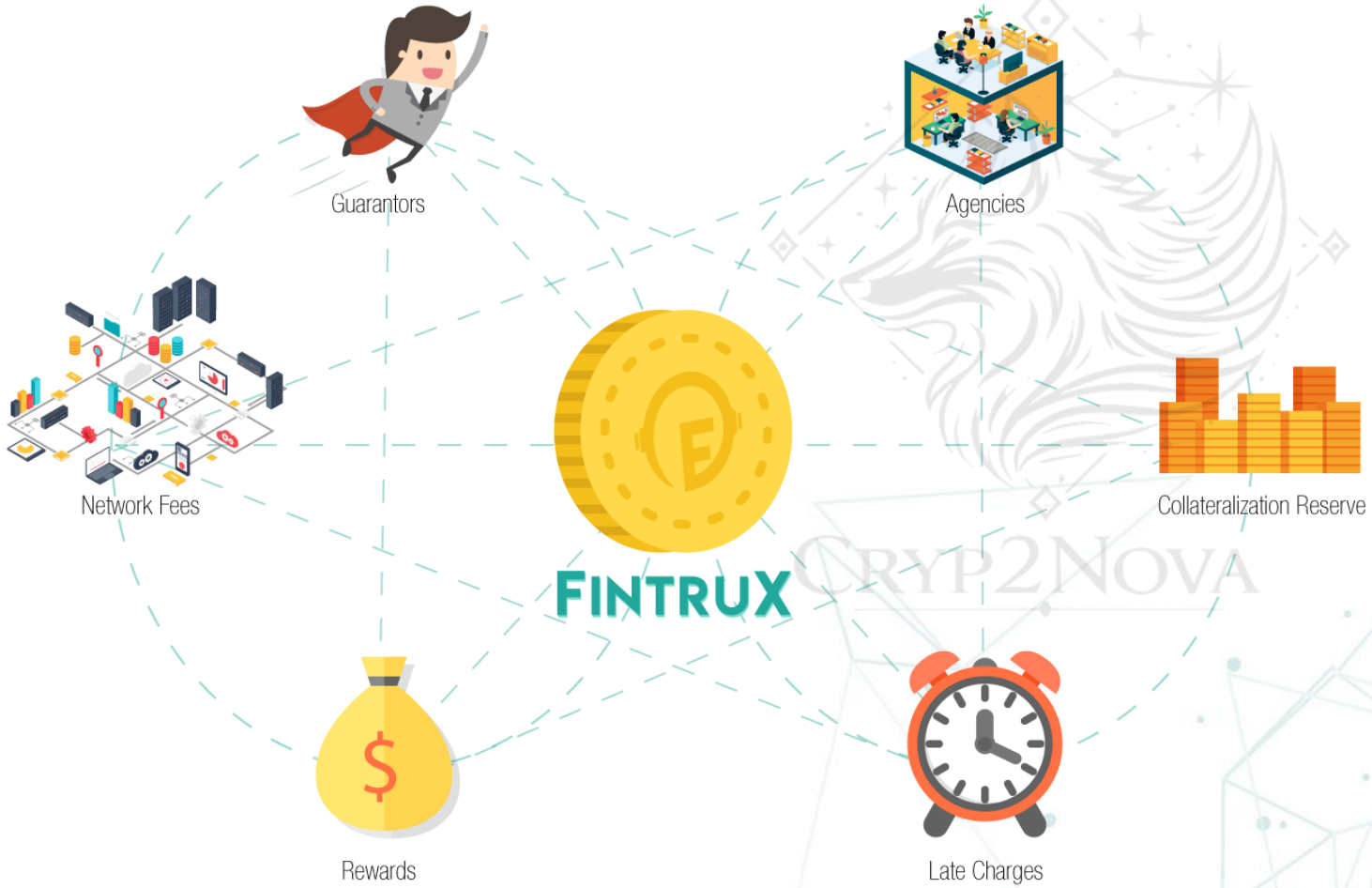
An **incented guarantor** is an investor who takes on potential risk of guaranteeing loans as a *third party* for a share in the reduced interest.

Incented guarantors can sign up, be credit scored, and indicate the class of loans they'd like to participate in. When borrowers are applying for a loan, they are able to select from a list of incented guarantors with various credit ratings and incentive appetite to lower the risk of their loan application, and thus reducing overall interest rates. Borrowers can also directly invite friends and family to be their incented guarantors.

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REVENUE MODEL

The following fee structure is preliminary and can be subject to change.



The Lender:
- Pays fixed setup fee to FintruX Network to set up their lending instructions;
- Pays ~2% of loan amount as loan maintenance fee to FintruX Network;
- Pays for Credit Decision Package(s) to agency (optional);

The Borrower:
- Pays ~2% of loan amount as loan maintenance fee to FintruX Network;
- Pays for ID/KYC/Credit Scoring services to agency;
- Pays late payment charges (penalty) to lender and FintruX Network;

Incented Guarantors:
- Pays fixed setup fee to FintruX Network to set up their risk and compensation profiles;
- Pays a percentage of their incentive fee to FintruX Network;
- Pays for ID/KYC/Credit Scoring services to agency;

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TOKEN UTILITY

Planned benefits for FTX Token holders (if held on FintruX Network or in synchronized wallets) include:

- Discounts on FintruX Network service fees;
- Exclusive access to features and products;
- Enhanced service and benefits;
- Ability to refer friends and family to be users to get rewarded;
- Improved loan terms (borrowers only);
- Collateralize loans with FTX to lower interest rates (borrowers only);
- Access to additional classes of loans (lenders only);
- Additional reputation for risk assessment (borrowers, lenders, service providers);

Automated Gas Fee Handling:
Even though the deployment of each smart contract is performed by and gas fee paid for by the FintruX Network, participants on the FintruX Network are required to maintain a small amount of Ether in their accounts. These Ether will pay the gas fees charged by the Ethereum Virtual Network for the execution of the actions within these smart contracts.

FintruX Network would reimburse these tiny gas fees to top up the participants' accounts if they happen to fall below a required minimum. Nevertheless, it is generally a good practice to avoid these tiny reimbursements to avoid unnecessary increase in block sizes.

```
Function transfer(address _to, uint256 _value) returns (bool) {
    require(canTransferTokens());          // Team tokens lock 1 year
    if (_value < token4Gas) {
        revert();                          // do nothing if less than allowed minimum
    }
    if (balances[msg.sender] >= _value && balances[_to] + _value > balances[_to]) {
        balances[msg.sender] = balances[msg.sender].sub(_value);
        balances[_to] = balances[_to].add(_value);
        Transfer(msg.sender, _to, _value);

        // Keep a minimum balance of gas. Won't execute if the account has enough ETH.
        if (msg.sender.balance < minGas4Accts) {
            // reimburse gas in ETH to keep a minimal balance for next transaction.
            if (!msg.sender.send(gas4Token)) {
                GasRebateFailed(msg.sender,gas4Token);
            }
        }
        if (_to.balance < minGas4Accts) {
            // reimburse gas in ETH to keep a minimal balance for next transaction.
            if (_to.send(gas4Token)) {
                GasRebateFailed(_to,gas4Token);
            }
        }
        return true;
    } else {
        revert();                          // Caller may not check "return false;"
    }
}
```

The FintruX Network is powered by **FTX ("or ∫"),** a utility token that rewards participation in the marketplace. Activities on the platform have costs that are specified in FTX, but tied to fiat. This enables a self-regulating mechanism— if FTX becomes more expensive, the amount of FTX required for services will automatically reduce.

All participants on the ecosystem will pay and be paid for their services in FTX token. These would include:

- ID/KYC/Credit scoring;
- On-time payment (good behavior) rewards and late fees (punishment);
- FintruX Network service fees;
- Principal and interest payments (optional);
- API licensing;
- Additional services to be offered;

The FintruX 5% Reserve acting as the ultimate level of credit enhancements is held in FTX. Over time, the operation of the business should drive this reserve pool to grow in value, providing greater levels of security for the lenders and lower overall interest rates.

The ownership of FTX Token does not have any rights other than the rights to exchange and claim them on the platform. To be certain, FTX has no ownership rights or equity or security or equivalent, intellectual property rights or any other form of control or revenue sharing relating to the FintruX Network.

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PROCESS ANALYSIS

The following high-level process charts are representative diagrams and final process may differ.

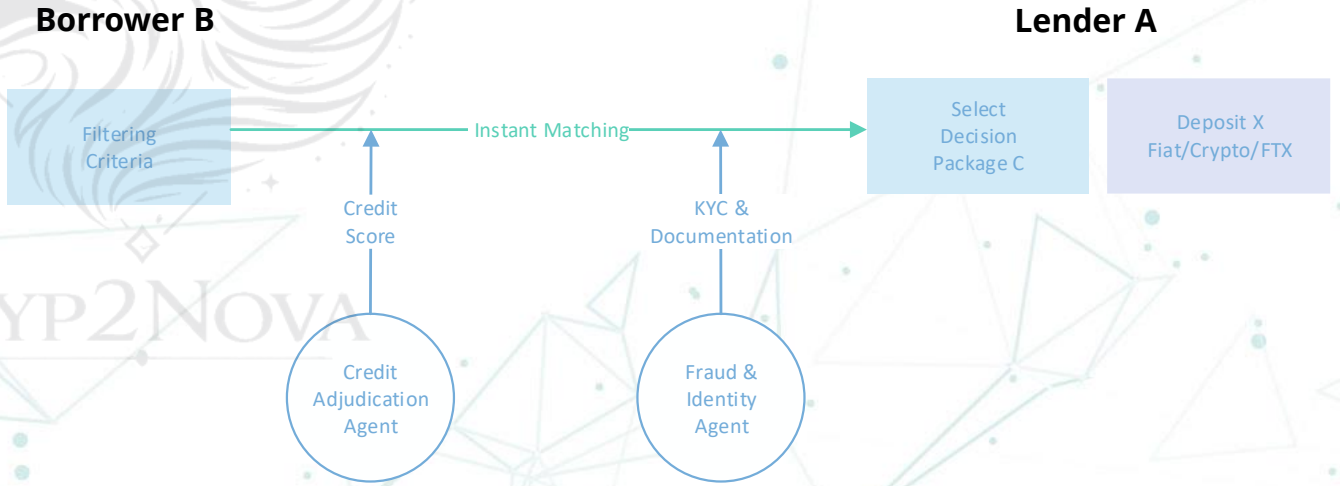
Configure Financing Parameters

Lenders pre-define their parameters based on a set of decision tables available on a list of packaged classes provided by rated agencies. The package may include their choice of fraud, identity, and credit scoring agencies. Alternatively they can construct their own or modify from a reference credit decision package. Lenders pay a fixed fee to FintruX Network as setup fee for each lending instruction (changes are free).



Instant Matching

Using our responsive user interface, borrowers can configure their financing request via point & click and drag & drop. Instant matching can occur when borrowers narrow down their searches based on available parameters and requirements.



While answers are being provided on the questionnaires, credit adjudication and scoring are being performed in the background and increasing approval amounts will be announced at intervals based on owner's personal credit and financial scores, plus borrower company's business and financial scores. Then a list of lenders with ratings, reviews, high-level information and special offers will instantly be available for selection by the borrowers.

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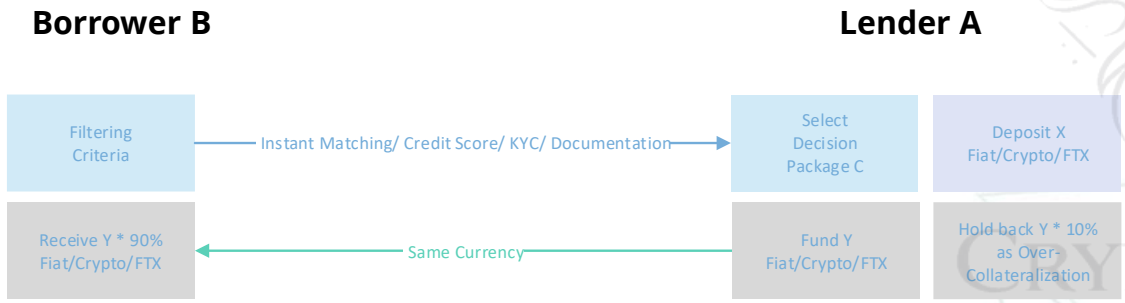
PROCESS ANALYSIS

The following high-level process charts are representative diagrams and final process may differ.

Get Funded

After a due diligence process, the application is approved, a fully customized and simplified smart contract is generated for the participants, with detailed information. When the borrower confirms the application, this smart contract will be added to the distributed ledger.

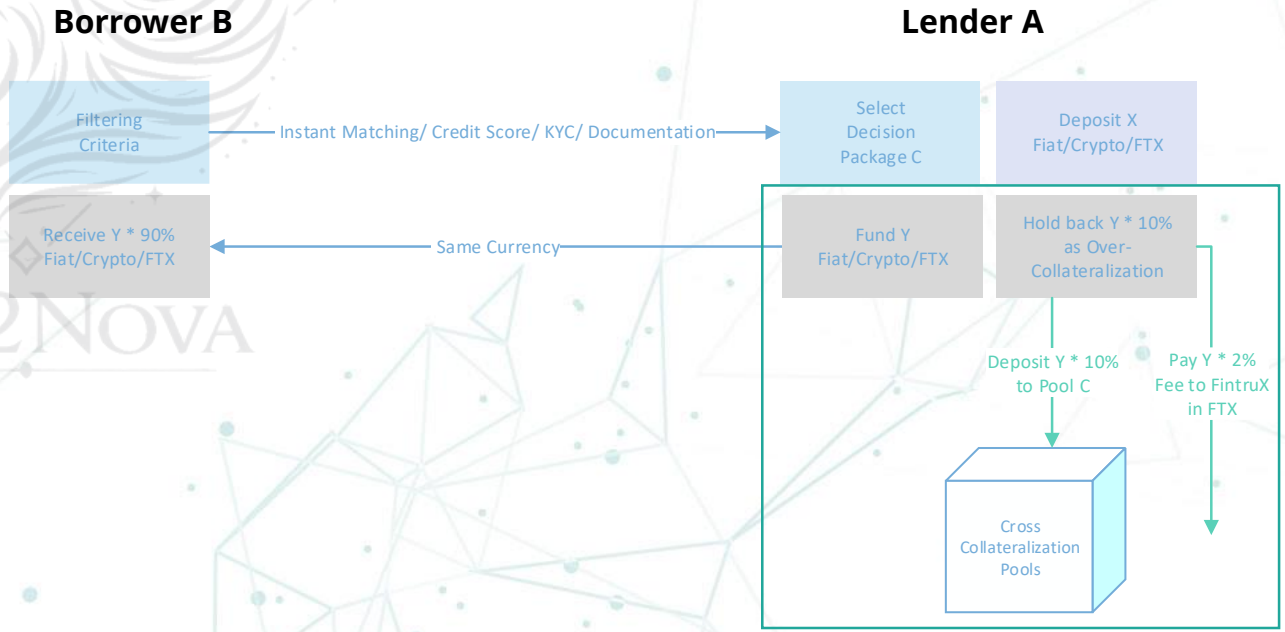
Funding is immediately triggered as all relevant and required documents/images are already captured and verified by the selected fraud and identity agent.



Our blockchain solution ensures that borrowers, lenders and guarantors can see the same transaction details and documents. This transparency eliminates the cost for third parties to verify and confirm the transaction.

Collateralization

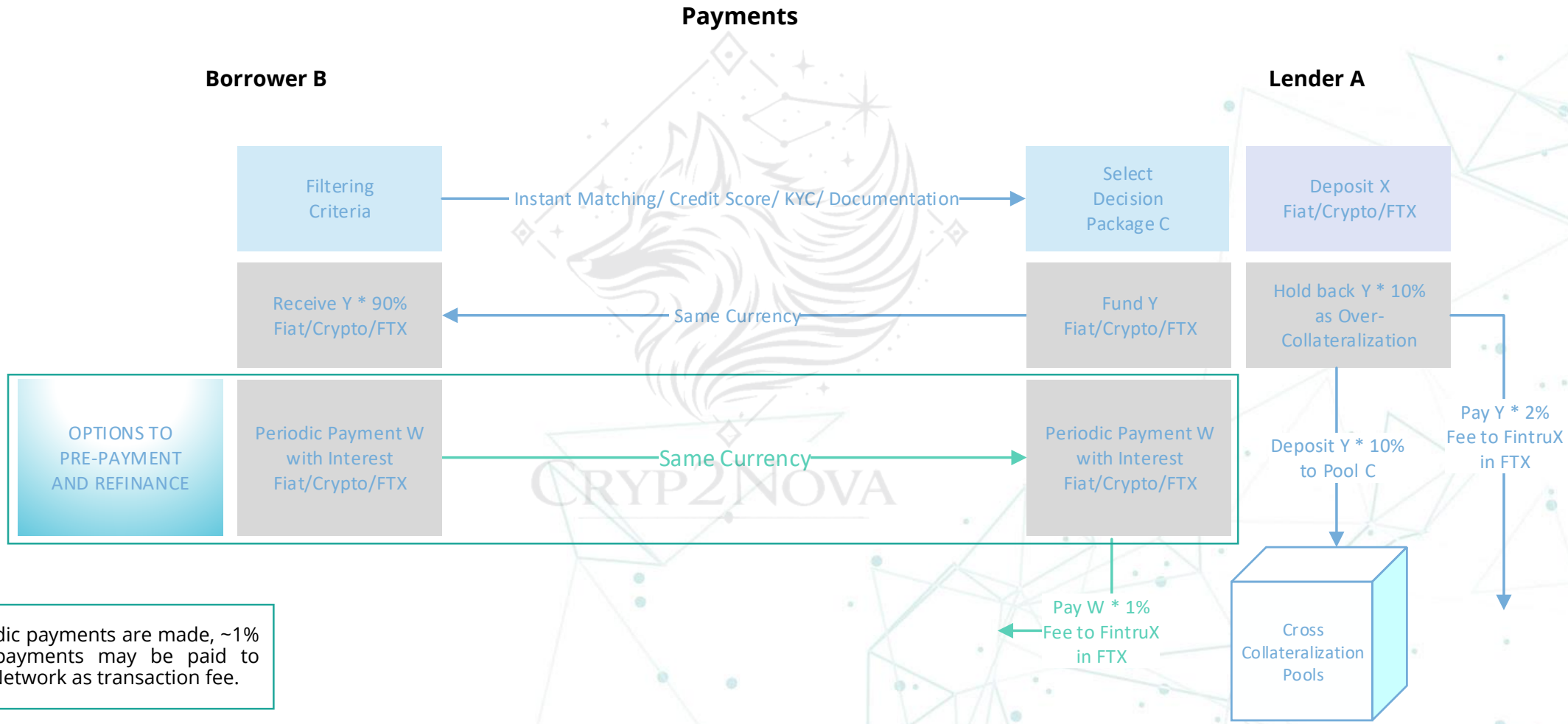
As part of the credit enhancements, there is a *security deposit* of 10% per loan. It will be stored with the local trust-institution in the respective *cross-collateralization pool (credit risk pool)* determined by FintruX Network. Both borrower and lender each pays ~2% fee to FintruX Network for loan maintenance upon funding.



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PROCESS ANALYSIS

The following high-level process charts are representative diagrams and final process may differ.

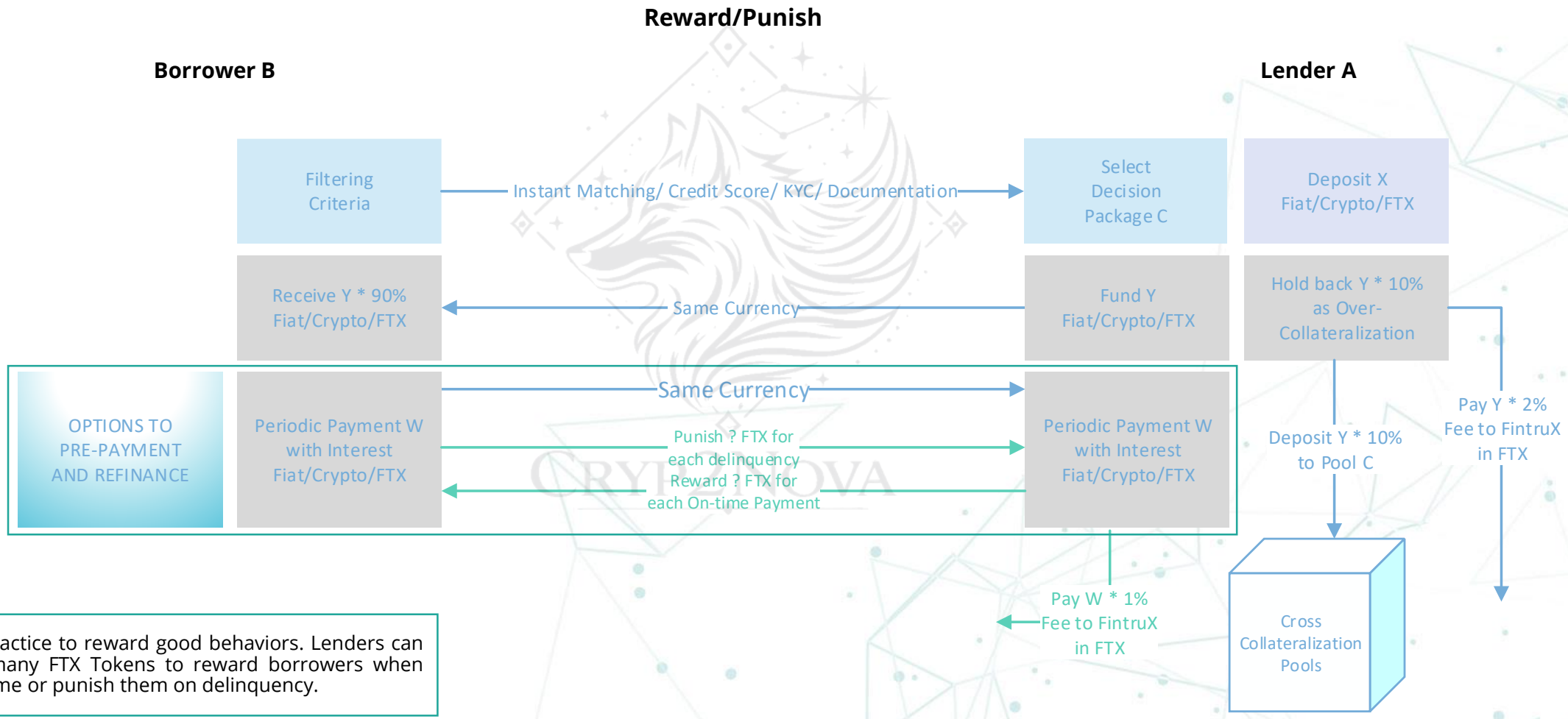


As periodic payments are made, ~1% of the payments may be paid to FintruX Network as transaction fee.

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PROCESS ANALYSIS

The following high-level process charts are representative diagrams and final process may differ.



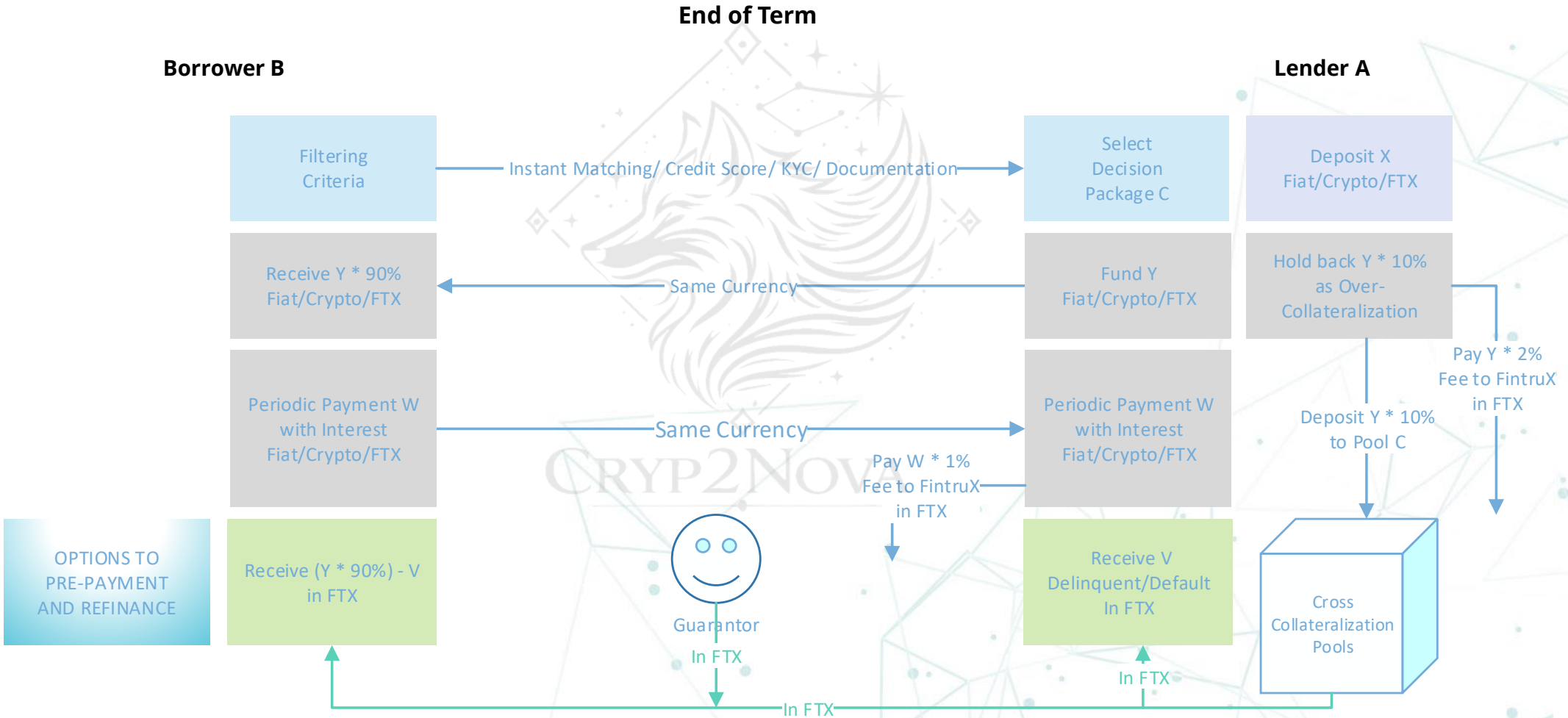
It is a good practice to reward good behaviors. Lenders can decide how many FTX Tokens to reward borrowers when they pay on time or punish them on delinquency.

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PROCESS ANALYSIS

At end of term, two scenarios may happen. Lenders may get back their security deposit; alternatively, if there were delinquencies / defaults in the same risk class pool, the lender will receive the remainder of the security deposit minus losses incurred.

The following high-level process charts are representative diagrams and final process may differ.



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BREAKDOWN

FintruX Network does not lend its own money and is not responsible for any delinquencies and defaults over and above the four (4) cascading credit enhancements can carry.

	Borrowers	Trust-Institution	Partner Service Agents	Lenders	Incented Guarantors
Privileges	• Lower interest rates thanks to FintruX credit enhancements;	• Escrow security deposits in various credit risk pools; • Earn interest and make safe investments;	• Earn fees for providing professional services; • Branding opportunity with ratings by lenders and / or borrowers;	• Loan delinquencies and defaults are covered by FintruX credit enhancers as long as they are not depleted; • At the end of term receive the security deposit from trust-institution*;	• Earn interest for guaranteeing selected loans without any collateral;
Obligations	• Security deposit of 10% of loan; • Borrower is responsible for their own delinquencies;	• Use the security deposit to pay any delinquencies & default of the same loan; • Use leftover from security deposit to pay delinquencies and defaults of other loans in the credit risk pool if guarantor(s) fail to deliver; • Return any leftover security deposit to return the held-back 10% to lenders;	• Provide specialized ID / KYC / AML / CREDIT / DUE-DILIGENCE / etc. services as requested;	• May incur a loss of 10% if the borrower and guarantor(s) have defaulted and the credit risk pool was depleted;	• Must repay any unpaid delinquency or defaults under their guaranty not covered by the security deposit and other guarantors in a cascading manner;

*if no delinquencies / default and credit risk pool is not depleted.

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ADDITIONAL FEATURES

Decentralized Rating & Review

We provide and maintain a decentralized review platform for borrowers, lenders and all service agencies on the blockchain. In contrast, reviews written on a third-party website are subject to change by the site owner – there is no integrity in the current non-blockchain based systems. The need of gaining qualified feedback/market research data to enhance the quality of risk assessment, service and transparency cannot be over-emphasized.

On the other side, we see borrowers, lacking a reliable source of comparability between different lenders as well as the possibility to give unfiltered feedback to share their opinion and thoughts. The same for lenders who can now rate and write reviews on their borrowers and agencies; subsequently these can be used as part of the credit scoring mechanism for assessment of credit risk.

Due Diligence

When the borrower has selected the package and is ready to commit, a list of documents will be requested by the selected fraud and identity agent. Both personal and business documents are required. Examples of know-your-customer (KYC) documents are:

Business:
- Business name, address, email address, phone number
- What your business does
- How long the business has been open
- Annual sales
- Annual business profit before taxes
- The type of legal entity your business is
- The percentage of the business you own
- How you plan to use the money
- If your business has any outstanding debt
- How many employees you have
- Whether you own or rent your office space
- If you have property or liability insurance

Personal:
- The value of your personal bank and retirement accounts
- Household income
- If you have personal life insurance

As all the required documentations are submitted, the fraud and identity agent will coordinate the validation and either approve the transaction, request for more information or decline the application.

With the permission of the borrower, these documentations can be made into a KYC profile so that it can be reused, simplifying future due diligence processes.

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ADDITIONAL FEATURES

Growing Asset Classes

FintruX Network initially introduces two asset classes of loans:

- $5,000 to $250,000 based on borrower (SME) credit, financial & business scores + guarantors credit & financial scores;
- $250,000 to $500,000 based on borrower (SME) credit, financial & business scores + guarantors credit & financial scores + lender's option to convert loan into X% equity any time during the term of the loan (to come in phase II);

Post Funding Administration

Self-serve options such as prepayment and refinance are available for the convenience of borrowers if selected by the lenders. Prepayment is necessary when the small business can afford to pay back the loan earlier to save on the interest cost. On the contrary, when times are tough, refinancing can avoid delinquency which can affect ratings and incur extra penalty charges.

Each funded transaction is represented by a smart contract generated by FintruX Network based on the agreed upon configurations by both parties. This smart contract is visible and transparent to parties involved. It is immutable and censorship resilient. Selected administrative options are all executable based on this smart contract which will last through the life-time of the financing.

Automated messaging delivered via text to mobile, email, social media, etc. are available on many occasions such as funding, payments, delinquency, collection, expiry, etc..

Portfolio Management

Our portfolio functionality provides a summary view of key metrics as customizable to individual borrowers, lenders and service agencies. Not only can they get an overview of the transactions they have or have not executed, performance indicators are displayed and complex structures simplified.

High-level information such as delinquency, defaults, and other performance information is available and can be visualized and exported.

Market Insights

FintruX Network has the ability to aggregate statistics to provide more relevant and exceptional view of the financial market. Summary overview with drill down of market activity across countries, market sectors, exposures, etc. will be displayed.

The dashboard to individual borrowers, lenders and service agencies displays selective market data and user notifications with customization to their preferences.

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BENEFITS TO USERS

Benefits to Borrowers

Access to Affordable Credit. Our innovative marketplace model, online delivery, process automation, and credit enhancements enable us to offer borrowers interest rates that are more competitive than the rates charged by other financial companies offering unsecure loans such as traditional P2P lending platforms and banks, not to mention credit cards.

Superior Borrowing Experience. We offer a fast and easy-to-use online application process and provide borrowers with access to live support and online automation throughout the process and for the lifetime of the financing. Borrowers can choose to be scored by a variety of credit scoring agencies to build a more comprehensive and holistic view of their creditworthiness and unlock access to additional sources of funding. Our goal is to form long-term relationships with borrowers, facilitating their access to an array of financial products that meet their evolving needs over time.

Branding Opportunity. All participants can provide ratings and transparent reviews on the blockchain to establish trusted lenders, borrowers, and service agents within the ecosystem. With better ratings, borrowers can save on interest rates on subsequent loans. Moreover, borrowers can take this opportunity to give unfiltered feedback to share their opinion and provide a basis of comparability between different lenders.

Transparency and Fairness. Each customer contract is generated as a self-executing fully-customized smart contract on a blockchain. It is secure, transparent, immutable, and censorship resilient. Historical data and expected obligations are at borrower's fingertips.

Lowered Transaction Fee. Consequently, since each smart contract is fully-customized and simplified for each loan, it is much easier to understand and without ambiguity. No more "if … then … else" statements and unnecessary code. Smaller programs lead to lower transaction fees (gas); in fact, this is paid for by FintruX Network.

Super-Fast and Efficient Funding. We leverage online data and intelligent technology to instantly match risk, credit rating and any unique parameters pre-determined by lenders in decision tables. Borrowers can evaluate options and are instantly matched to lenders of their choice without impacting their credit score.

Self-Service. All available options such as refinance, prepayments, etc. can be done online within minutes, on all devices including mobiles and tablets.

Benefits to Lenders

Access to Risk-Reduced Investing. Credit enhancements historically only available to securitization funding of large portfolios is now available to lenders on FintruX Network. By applying cascading credit enhancements, FintruX Network seeks to neutralize the lender's credit risk and, in the case of a default, provide cascading levels of insurance to cover the loss.

Superior Lending Experience. We offer a fully automated application process and provide lenders with access to live support and online tools throughout the process and for the lifetime of the financing. Our goal is to form long-term relationships with lenders, facilitating their relatively risk-free offerings to their borrowers.

Branding Opportunity. Borrowers can provide ratings and transparent reviews on a blockchain to establish trusted lenders within the ecosystem. With better ratings, lenders can build up their brand and reputation. Moreover, lenders can gain access to qualified feedback and market research data to enhance the service they provide to borrowers.

Transparency and Fairness. Lenders can make their own credit decisions based on facts, market insights, and/or third-party analysis for the first time, thus giving them more control over their investments.

Access to a Network of Expertise. A network of rated agencies such as fraud, identity, credit scoring and credit decision are readily available.

Attractive Returns. By having access to lower risk of funding and cutting major costs associated with administering the financing, these savings become additional profit margins. Once their decision tables are chosen and configured, the whole lending process is automated.

More Satisfied Customers. Self-service increases customer satisfactions. It is fast, efficient, transparent and expectations are met easily. Saving the lender's time means they can service their borrowers better. More satisfied customers can turn into more business.

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BENEFITS TO USERS



Benefits to Incented Guarantors

Unique Opportunity. Guarantors are rewarded for reducing the risk of a loan application and helping borrowers get a more affordable loan.

Attractive Earnings without Lending. Guarantors can earn attractive interest rates without investing any money, trading on their reputation.

Transparency and Fairness. With access to credit ratings, market insights and third-party analysis, guarantors can make their own credit decisions with full control over their exposure.

Automated Matching. Once instructions are set up, our system will immediately start matching guarantors with eligible loans.

Benefits to Service Providers

Retail Customers. Service providers are offered the opportunity to expand their offerings from a traditional wholesale model for financial institutions, to a retail model selling directly to consumers.

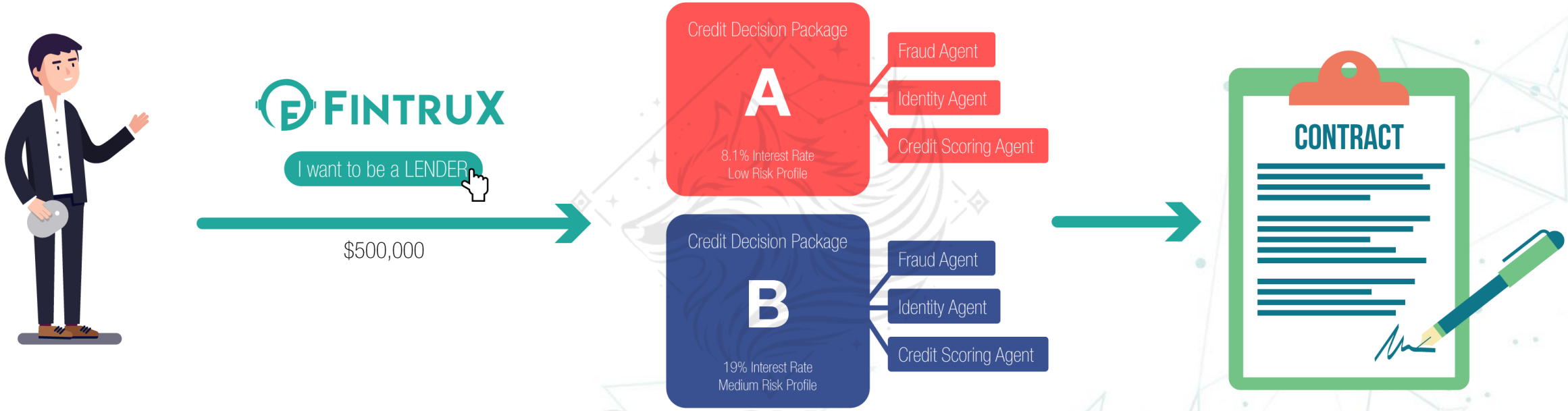
Branding Opportunity. By providing excellent service and support, service providers can establish themselves as a trusted partner and benefit from increased exposure.

No Overhead. Self-service enables revenue generation with no customer acquisition costs.

Infinite Scaling. Service providers can provide their offerings to potential customers globally, with no upfront costs.

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REAL WORLD USE CASE 1

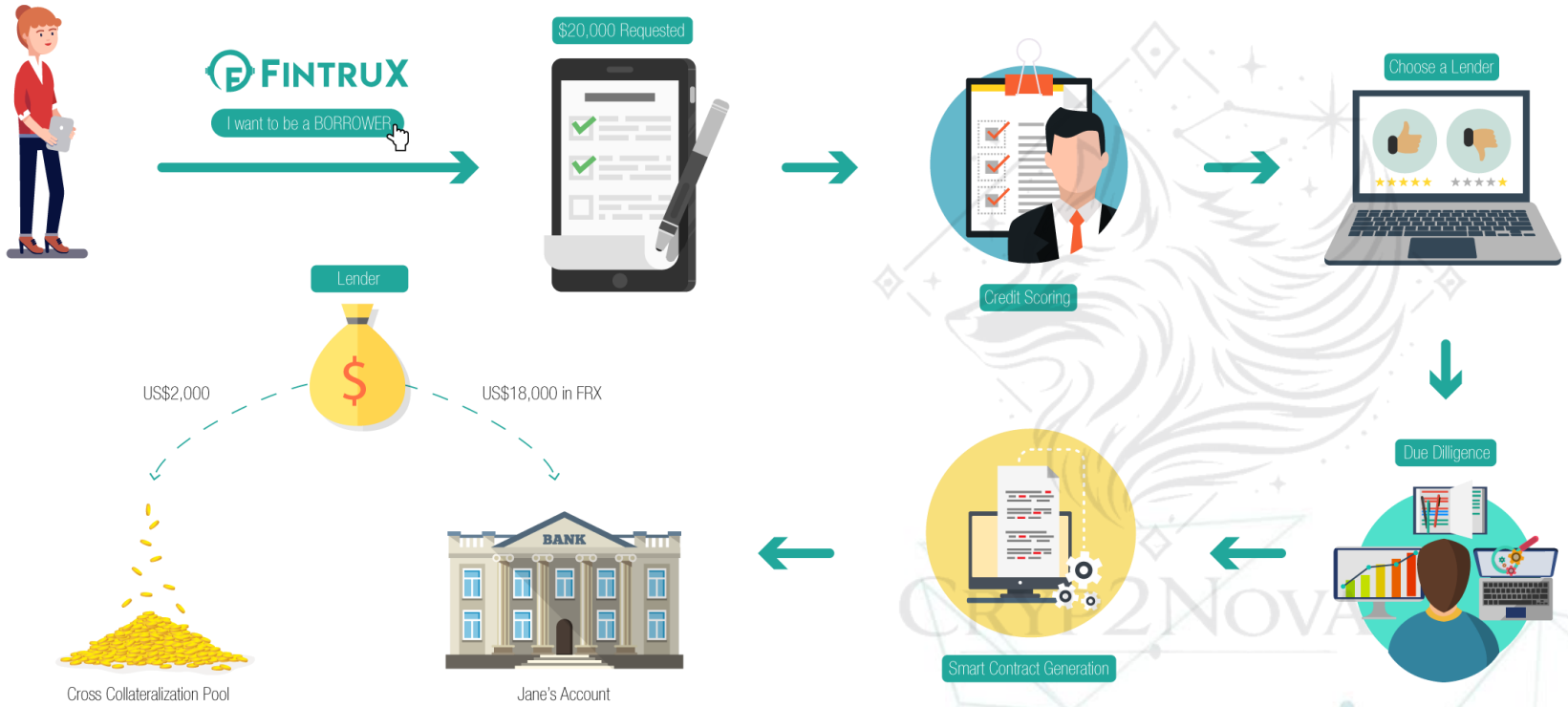


Paul, an airline pilot domiciled in Singapore, has S$500,000 extra savings that he is not planning to spend for a while. He decides to invest that money in a P2P loan, so he signs up to FintruX.com stating that he is a lender. He verifies that he has S$500,000 ready to lend, and is issued 500,000 FRX. After customizing two different credit decision packages of different risk profiles to split up his funds, he pays FintruX Network S$500 for each package in FTX. The credit decision packages also come with reputable fraud, identity and credit scoring agents. He signs the power of attorney for FintruX Network to execute lending transactions on his behalf based on his rules defined in those packages.

Paul is now ready to engage in automated matching to borrowers. Upon funding, he will pay ~2% maintenance fee in FTX to FintruX Network.

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REAL WORLD USE CASE 2



Jane is now committed to return a debt of US$18,000 in 24 monthly installments of US$989.07. US$18,000 in FRX is immediately deposited to Jane's account. She may present that at her own discretion to the lender for the exchange of fiat currency. The lender deposits US$2,000 directly with the local trust-institution to the appropriate cross-collateralization pool (credit risk pool) to cover credit/default losses. If Jane pays back her loan gracefully over the course of her term, and there are no defaults in the same risk pool, the lender will receive his security deposit of US$2,000.

Jane, the owner of ABC Ltd, a company from San Francisco, California, wants to borrow US$20,000 to pay for an unbudgeted marketing campaign. She requests an unsecured loan from FintruX.com. Knowing that there is 10% hold-back as security deposit, she would receive only US$18,000 when successfully funded.

She filters through a set of parameters including a range of interest rates and the number of installment payments she will make. After answering some preliminary questions, she is pre-approved. To find the optimal interest rates she now goes through the most popular identity and credit checks which will be paid for by FintruX Network. If she wishes to retrieve the details of her score, she can pay to receive the specifics. If she wants to explore more opportunities to reach additional lenders and lower interest rates, she has the option to pay for service agents for additional credit checks, and invite incented guarantors to join her loan application.

She finalizes her decision, including selecting her favorite lender. The partner due- diligence service agents selected by her lender verifies her information and completes the documentation and due diligence process. An open-source smart contract is generated. She is satisfied after reviewing and the loan smart contract is deployed.

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COMPETITIVE ADVANTAGES

We believe the following strengths differentiate us and provide us with competitive advantages in realizing the potential of our market opportunity.

True P2P Lending
For the first time, lenders are able to choose from a variety of credit models from established credit decision agencies and evaluate which ones fit best for their needs, modify reference packages, or even build their own models from scratch. Ordinary citizens have the opportunity to tap into small business credit and make their own credit decisions based on facts, market insights, and/or third-party analysis; giving them unprecedented control over their investments. Payments are transferred directly between the participants, and FintruX Network is not a party of the loan agreement.

Unprecedented Risk-Reduction
Our background and technology enables us to create novel credit enhancers for our true P2P lending platform, acting as cascading levels of insurances to cover potential losses. This reduces the lender's credit risk and interest rates for borrowers is lowered. This unlocks tremendous liquidity for small businesses, who typically do not have the adequate collateral to obtain a secured loan.

Token as Transaction Fee
Many service agencies are still charging an upfront licensing fee, annual maintenance fee, and hourly customization fee. FintruX Network will pay them in fiat or a combination of fiat / FTX while collecting all fee payments in FTX tokens. This simplifies the onboarding experience by removing the barrier to entry. Eventually, service providers will directly charge FTX to their users per use in a retail model.

Decentralized Ledger Technology (Blockchain)
Using blockchains such as Ethereum provides high availability. It is decentralized and its hashing provides immense security on identification and privacy. Smart contracts are not prone to failures such as power cuts, node failures etc. There is no risk of misplacing or losing the customer contract as the contract is saved on a distributed ledger. Data records are immutable and censorship resilient. All activities and documentations relating to each financing is locked-down with full audit, even locations and conditions of items if requested. The lending process is transparent and fraud is minimized.

No-Code Generation and Instant Deployment
Our smart contracts will not be hand-written. Transitioning Robocoder's low-code development platform into a no-code development platform enables all possible contract combinations to be presented as user interface to borrowers and lenders. Codes with the latest technology are generated and deployed at real time. Special instructions such as refinance, prepayment, end-of-term processing, are self-executing and previously agreed upon. Each financing on FintruX Network is regulated by its self-executing smart contract and automates administration which increases efficiency, eliminates human error, and reduces risk.

Many Systems-as-a-Platform Architecture
Smart contracts provide transparency to both borrowers and lenders. It is unambiguous and choices made are visible on a user-friendly interface. Both parties can examine each contract at a granular level and continue to monitor ongoing performance. Instead of one huge program to process millions of borrower contracts, our platform is comprised of millions of small smart contracts, fully-customized and simplified for each borrower contract. No arbitration is required, and expected obligations are transparent. Highly reduced "if … then … else" statements and unnecessary code. Smaller programs lead to lower gas fees.

Open Ecosystem
FintruX Network partners with rated agencies such as fraud/ID/KYC/AML service agents, credit scoring and decision agents, escrow agents, collection and recovery specialists, wallets, exchanges, brokers, insurance companies and technology companies. By enabling borrowers and lenders direct access to a wide host of financial services, we create maximized opportunities and freedom to make the right decisions.

Decentralized Reputation Ratings
We provide a decentralized review platform for all participants recorded on the blockchain. Borrowers can now rate their lenders and have a reliable source of comparability between different lenders. Lenders can rate and write reviews on their borrowers; which can be used for additional assessment of credit risk. Service providers can also be rated, offering a new retail branding opportunity.

These provides tremendous time and cost advantages over other P2P lending platforms.

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RISK ADDRESSED

Below is a demonstration that FintruX Network has evaluated all risks and concluded that unsecured loans offered to SMEs in the ecosystem should enjoy lower rates due to the risk-reduction mechanisms introduced.

Identity Risk. Only reputable fraud and identity agencies will be allowed to operate on FintruX Network.

Credit Risk. This is managed by each credit decision package provided by rated agents to a level commensurate with the return. Higher risk higher return.

Risk of Loss. This is significantly reduced, if not neutralized, through four (4) cascading credit enhancers.

Locked-in Risk. Liquidity is important to a lender. Since lenders only need to disperse funds per loan commitment, uncommitted funds are available for use at any time. For the committed funds, FintruX Network will provide a trading platform available to lenders to trade and securitize their loans with each other as part of phase II.

Risk of Multiple Borrowing. FintruX Network discourages lending more than the borrower can afford. It can be difficult to prevent borrowers from the practice of taking loans from different sources within the same period. Some borrowers may also borrow from one account to cover another. We will work with partners (credit bureaus, etc.) to determine if the same borrowers have other obligations.

Devaluation Risk. Since credit risk pools are held with the trust-institution for the duration of their terms in its original currencies, there is no devaluation risk to worry about.

Lack of Information Risk. Each borrowing is one unique smart contract – unambiguous, immutable, no arbitration required.

Prepayment Risk. A reasonable fee can be charged by the lenders for each early prepayment to compensate for the opportunity loss in interest charges.

Interest Rate Risk. Interest rate risk is the possibility that a fixed-rate debt instrument will decline in value as a result of a rise in interest rates. This is out of the scope of FintruX Network.

Risk of Delinquency. This risk is mitigated by self-serve refinance option and guarantors. We also recommend texting, email, rating, reviews, rewards, late charges, etc. as tools to deter delinquencies. For small businesses, delinquency will negatively affect owner's credit and company reputation.

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LENDING BEST PRACTICES



1. Fraud and Identity Management - all fraud and identity service agents will be screened to make sure proper due diligence are implemented to prevent fraud and identity scam. For small business borrowers, not just the business identity will be checked, the identity of the business owner will be checked as well. In addition, the name of the bank account where funds will be transferred must match either the owner name or the business name.

2. Credit Score Management - all credit scoring service agents will be screened for professionalism. For small business borrowing, both business and owner(s) will be credit checked. For example, if the borrowing business is a startup, that is, the company is less than one (1) year old, the owner must have over 650 FICO score.

3. Credit Decision Management - all credit decision service agents will be screened for best practices. FintruX Network will provide reference scores developed by our in-house experts to determine the appropriate credit risk pools which can be used as a reference opinion for lenders to compare against their own or third-party credit decisions.

With the above due diligence we trust that we can successfully keep FintruX Network running as a healthy lending highway for all legitimate participants.

Now that we are capable of making unsecured loans highly secure, the onus is on FintruX Network to prevent abuses. These best practices describe how we can keep borrowing scams and unreasonable lending away from our ecosystem.

In addition to having built-in credit enhancers to protect lenders, collection will be handled by partnered collection agents.

Notifications will be sent to borrowers when they miss a payment. The partnered collection agents chosen by the lender will step in when delinquencies is over six (6) months. Any recovery amount we receive from the collection process are payable to FintruX Reserve, credit risk pools, guarantors, and lenders in that order.

In the case of a delinquent/default loan having a incented guarantor, collection will be performed by this guarantor.

In our experience in applying credit enhancements such as security deposit and credit risk pools to securitization funding, the cost of fund (interest rate) can be typically reduced by 100 basis point for investment grade portfolios. We expect the application of incented guarantors and token collateral reserve should further enhance this.

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ARCHITECTURE

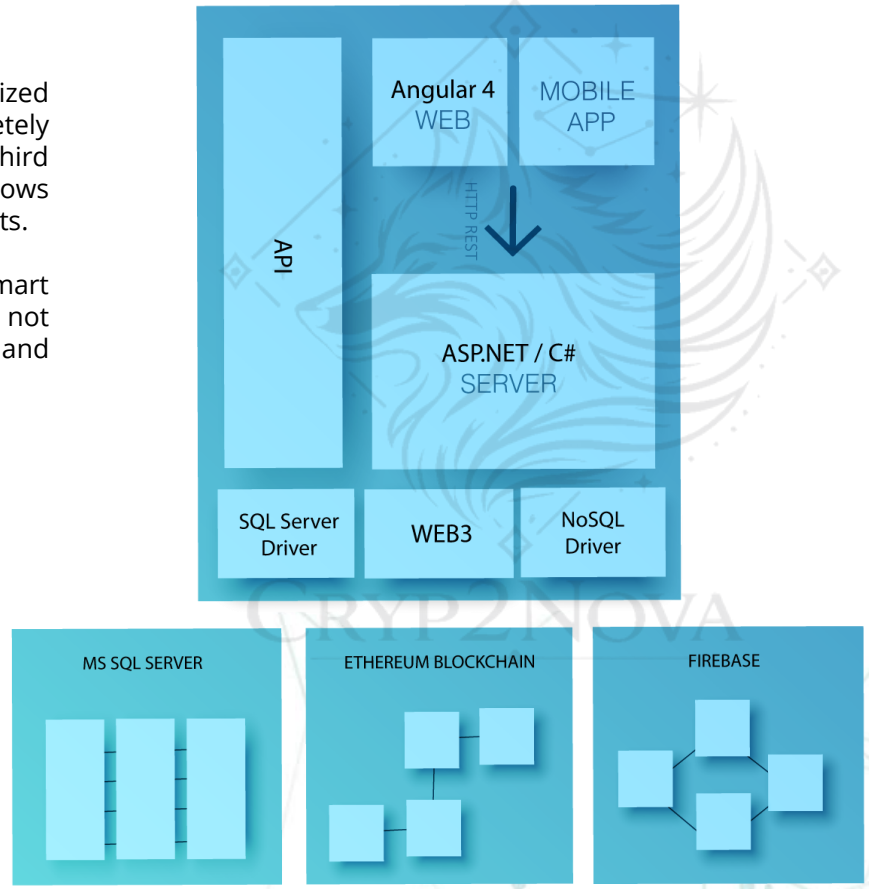
Blockchain

FintruX Network marketplace leverages decentralized blockchain technology which offers a completely trustless interaction between parties, minimizing third party verification costs and commissions. It allows consistent, shared and secure access to all participants.

Our no-code development environment generates smart contracts onto various blockchains, including but not limited to Ethereum - leveraging the benefits and strengths of concurrent blockchain technologies.

Private, High-Performance Storage

In order to process certain transactions, private and confidential information is required to be stored and exchanged. Our storage is a secured SQL database. It complements the blockchain network by providing fast access to data such as borrower records or other confidential information. Multiple levels of security, external authentication and strong usage profiling are involved.



The FintruX Network architecture is a highly automated, scalable and robust combination of the latest advances in blockchain technology, decades of user-experience, and most efficient computation and data management in the appropriate layers of client, web-services, and server tiers.

The user interface (“UI”) is implemented using ReactJS which is fast and responsive to handle client-side logics. JSON web services will connect ReactJS to Node.js which handles backend business logic. Combining ReactJS, JSON and Node.js has proven to be very fast, lightweight and robust architecture.

This web-app renders responsively on desktop, tablets and phones. We also plan to develop special mobile apps to utilize native phone capabilities and create unique user-experiences.

The backend composes of three databases: Ethereum blockchain, MSSQL, and Firebase.

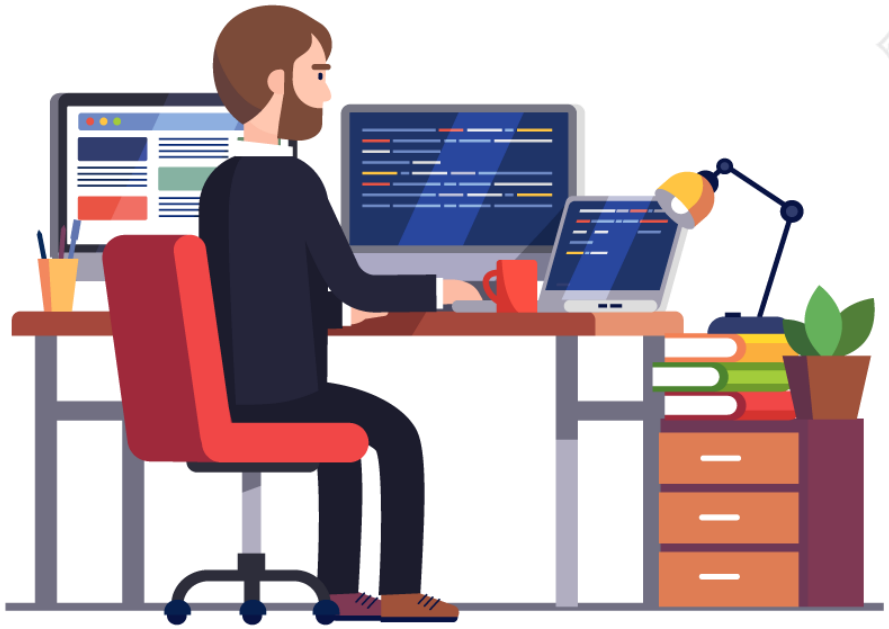
1. The Ethereum Virtual Machine handles blockchain data including smart contracts for each borrower contract and associated documentations;
2. The SQL database handles fast and mission-critical structured data, especially data that requires guarantee that two or more updates either succeed or fail as an atomic unit;
3. The NoSQL database handles dynamic unstructured data such as personalization, user profile management, big data, interacting with internet of things (IoT), etc.;

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NO-CODE GENERATION

"In algebra, we turn 5(2+x) + 3(5x + 4) – (x2)2 into a simpler form 20x + 22 – x4 before solving for x. It is much easier to understand and much easier to solve.

In writing, we turn "you'll hear from me coming back to this point again and again" into a simpler form "I'll keep coming back to this point". That is, we are constantly simplifying constructs to communicate more effectively."



All the code is specifically catered for **one fully customized event.**

Smaller programs lead to lower gas fees and faster transactions. Simplest is best.

Robocoder Corporation provides the infrastructure and low-code technology to build the no-code generation for FintruX Network, providing immense benefits. In addition to generating the architecture for the system, it also enables instant deployment of unique loan smart contracts.

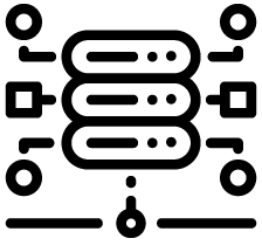
Traditional automation is one system for all varieties of transactions – lots of "if-then-else" statements, very complicated. We are shifting the programming paradigm with FintruX Network. We enable the generation of one unique program ("Smart Contract") for each borrower contract to be deployed at real-time on the blockchain via configurable user interfaces for the platform participants. By generating a new contract for each individual use case, each program is in its simplest form, no more if-then-else statements.

What it means to our programmer: before, we used to make all programs flexible, no hard-coding; now it is just the opposite - all hard-coding to make sure it is in its simplest form and fully customized for one scenario, one situation, one event.

The Smart Contract becomes a binding agreement between the participants - unambiguous, immutable and no arbitration required on the terms and conditions, and status of repayment at any time.

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BIG DATA



BIG DATA ANALYTICS

Collecting all data from FintruX platform, partners, and available API



RESEARCH

- University Partnership
- Small Business Researches



MACHINE LEARNING

- Fraud Detection
- Default Predictability
- Credit Scoring



AI ADVICE

- Credit Decision Improvement Advice via Deep Learning

FintruX Network will generate large amounts of data which will be of huge value to our customers. The data will provide a market insight which does not exist today. Partners and external companies are able to utilize this anonymized data as part of their solutions, even if they are not directly using the FintruX marketplace. Parts of our software will be open source, available to other financing solution vendors to use. By doing this we aim to create a strong ecosystem with an active community of adopters.

FintruX Network will gather all data from the platform and all available API, service agents, etc. We are leveraging key partnerships with Robocoder Corporation, Enterprise Ethereum Alliance, Microsoft and various universities to conduct research for the purpose of improving credit decision making, fraud, identity management, and risk reduction in the industry.

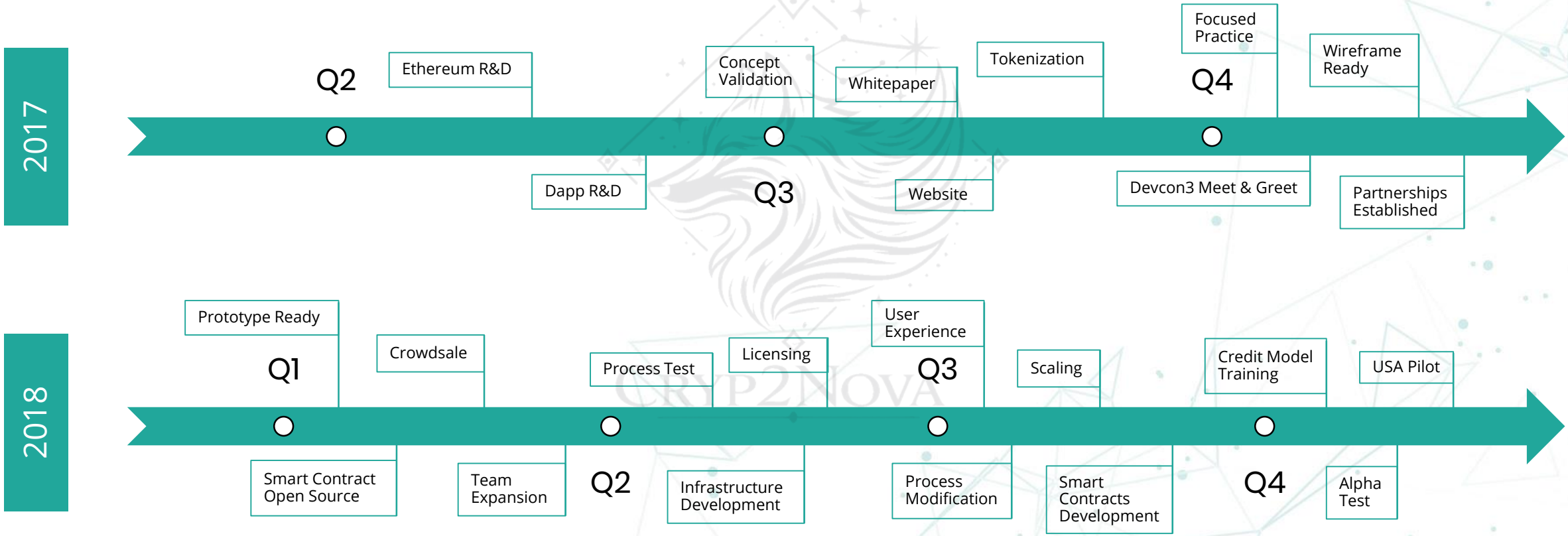
Utilizing big data analytics, we can provide AI advice to lenders on how to improve their credit model over time, and in timely response to market movements and relevant news. In doing so, we enable lenders the power to ensure that they are providing services to the best borrowers for their risk appetite.

Robocoder licenses its technology and provides extensive development services, analytics, and market data to FintruX Network. Having served the securitization sector since 1999, Robocoder has accumulated immense statistical data for many billions of dollars of financing assets. This big data will be used to validate FintruX Network's servicing models.

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ROADMAP (2017-2018)

What we strive to achieve.



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ROADMAP (2017-2018)

What we strive to achieve.

2017

Q2:

Ethereum R&D. Researched into blockchain technology; taken numerous courses on Smart Contract and Solidity development; practiced on Ropsten Testnet and internal private Ethereum Virtual Network.
Dapp R&D. Development team researched and practiced Angular 4, Truffle framework, Metamask, and interconnectivity with Smart Contract on private network and Testnet.

Q3:

Concept Validation. The concept of FintruX passed around existing clients and board members of Canadian Finance & Leasing Association for validation.
Whitepaper Ready. Documented and published blockchain based financing and automation into whitepaper.
Tokenization. Design token utilization practice to the most efficient and effective operation of the FintruX platform.

Q4:

Focused Practice. Focus FintruX financing on one specific product – "making P2P unsecured loan highly secure". FintruX Network facilitates global networking with specialized service agents.
Wireframe Ready. The functionality of lenders selecting decision package, borrower instant matching, credit approval, fraud and identity verification, documents audit, smart contract generation & deployment, and funding demonstrated.
Partnerships. Establish relationships with people from the financing and block-chain industry.

2018

Q1:

Prototype Ready. First prototype comprising basic functionality of the wireframe deployed to Ethereum Testnet.
Open Source. The smart contracts' solidity source code published on Github.
Funding. Crowdsale campaign completed.
Team Expansion. FintruX Network will expand the development team and hire experts in the financing and blockchain development sectors.

Q2:

Process Test. Loan of $300,000 SGD deployed to test viability of business and legality in Singapore.
Infrastructure Development. Prototype refined with new infrastructure and architecture. Improved programming language such as react.js, redux and bootstrap.
Licensing. Worked with top legal minds in Singapore, US, and Canada to contact and seek licensing requirements from respective regulatory bodies. Explored opportunities and legalities in Malaysia, Indonesia, and Vietnam.

Q3:

User Experience. Developed our no-code generation to generate a new class of responsive mobile first screens to be extremely lightweight, user friendly and easy to use.
Process Modification. Revised business processes with our legal team in 3 continents to clear regulation hurdles for licensing.
Scaling. Ensured modified process does not require licensing and can scale globally with minimal customization and no legal requirements.
Smart Contracts Development. Merged smart contracts with localized loan agreements in different jurisdictions. Designed and tested FRX smart contract to facilitate all payments on the platform to be sent and received in seconds.

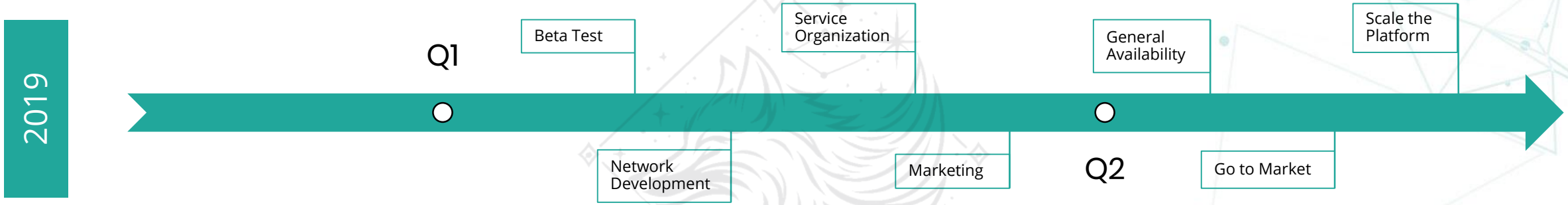
Q4:

Credit Model Training. Training videos and seminars to be released to general public, educating potential lenders on how to perform SME credit adjudication based on credit, business, and financial risks.
Alpha Test. Fully functional version of the prototype deployed to production EVM with added functionality such as credit checks and scoring, scheduled payments, fee payments, cross collateralization pool management, end of term processing.
USA Pilot. Facilitate 30 loans at ~US$40,000 with alpha system. Initial setup in Q4, extending to Q1 for onboarding completion.

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ROADMAP (2019 & Beyond)

What we strive to achieve.



2019

Q1:

Beta Test: Pending successful licensing in Singapore, we aim to facilitate 50 loans as well as extend downstream processes and functionalities, such as statistics and management reports.
Network Development. The platform will be ready to grow exponentially by adding new participating service agents.
Service Organization. Our support team would already have been set up to help participants in our ecosystem.
Marketing. PR, marketing campaigns, event participation, and sponsorships would have been established and efforts will be ongoing.

Q2:

General Availability. The initial version will officially be available to Singapore and US participants.
Go to Market. Sales and support teams would already have been established.
Scale the Platform. The platform is tested to serve the masses.

Additional roadmap will be added upon successful completion of Q2 goals.

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EVOLUTION OF PLATFORM

Phase I: CREDIT-ENHANCED FINANCING

Using the credit enhancement principles of securitization, we deliver **highly secure unsecured loans** to benefit the small businesses borrowers, investors, and financial institutions of the world.

Phase II: ADDITIONAL LICENSED FEATURES

FintruX Network will provide a trading platform for lenders to **trade and securitize their loans** in licensed jurisdictions. Additional enhancements such as convertible bonds, crowdfunding, AI advice, etc. can be applied.



Phase III: EXPANDED ASSET CLASSES

FintruX will invite many innovative asset classes created by other network partners to prosper in this ecosystem so it becomes the **go-to financing hub of the world**.

Phase IV: ONE WORLD

The interest rate of one country can be as high as 40 times than another. For instance, the prime rate of Madagascar can be as high as 60% while Japan can be as low as 1.5% [4]. Though there are currency controls, exchange rate risk, and other regulatory and localization issues to resolve, FintruX will use its best effort to enable cross-countries financing by partnering with wallets, exchanges, and regulatory bodies. **Ultimately, small business borrowers from higher rate countries can take advantage of lower rates offered by lenders located in lower rate countries.**

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USE OF RAISED FUNDS

FintruX Network will use the funds raised from the crowdsale towards development of alpha, beta and production versions of the platform, marketing, key hires, forming essential partnerships for the ecosystem, legal and compliance (licensing), infrastructure, etc.

The following distribution of funds for our crowdsale is preliminary and can be subject to change.

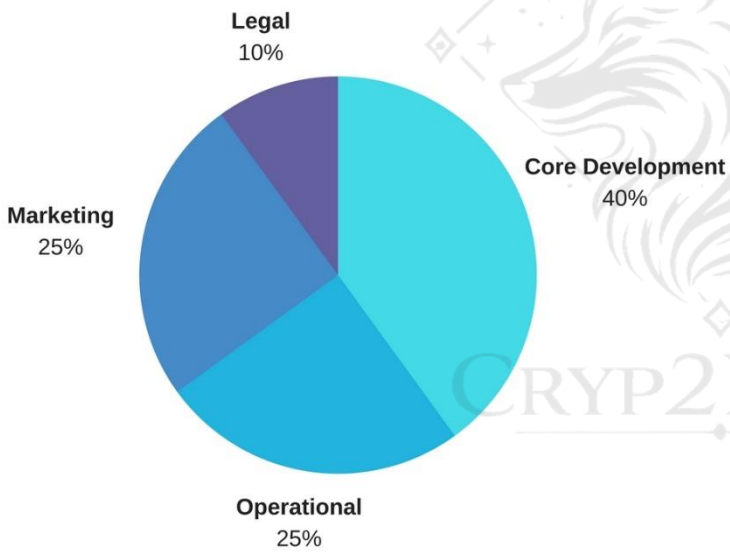
Use of Funds

Core Development – 40%:
Core development will involve the development of the technology as described in this document. This includes: proprietary functionality, smart contract generation, supporting services, decentralized end user applications, etc.

Operational – 25%:
This covers the necessary costs incurred for a functional system. This includes: hosting and infrastructure costs, staffing, outsourcing, management and other related expenses.

Marketing and Sales – 25%:
Marketing costs will be used for partnerships development and direct marketing. Sales costs will largely be incurred by direct P2P sales to small businesses.

Legal and Compliance – 10%:
There are legal costs associated with privacy protection and registrations with regulators. The legal costs might vary from region to region.



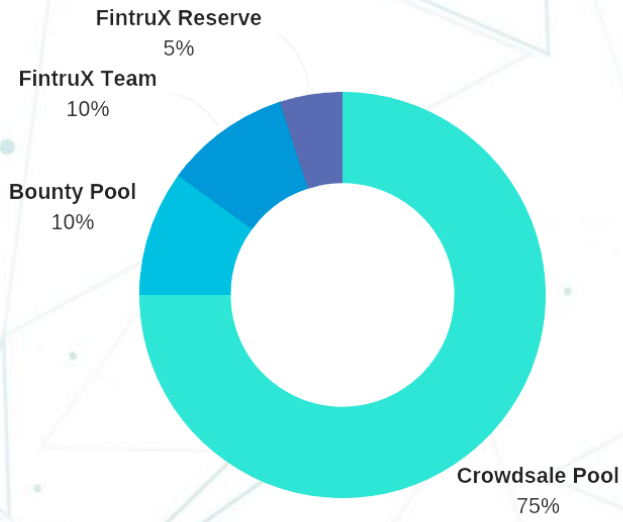
Token Distribution

Crowdsale Pool:
Maximum of 75,000,000 FTX. Funds raised during the crowdsale will be used solely for the development of the FintruX Network.

Bounty Pool – 10,000,000 FTX:
This portion will be allocated to reward advisors, early adopters, bounty programs and provide liquidity to the market if required.

FintruX Team – 10,000,000 FTX:
This will be allocated to founders and team. Tokens will be locked for a 12-month period in a multisig wallet.

FintruX Reserve – 5,000,000 FTX:
For the unplanned compensation of losses incurred by lenders in the case of default.



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FOUNDERS

The founders behind it all.



Nelson Lin
Founder & CEO

Nelson has successfully delivered numerous enterprise solutions to global organizations such as J.P. Morgan, AT&T Capital, Newcourt Financial, Hydro International, Banco Central Hispano, Trans Union, National Leasing, Securcor Financial Group, Spartan Compliance Services, Roynat Capital, Bank of Nova Scotia, Sun Life Assurance, Pacific & Western Bank, Versa Bank, Aileron Capital, Beacon Trust, Stonebridge Financial, CWB Maxium Financial, etc..

He was also the creator of applications such as Credit-Link (automated credit adjudication & lease origination), Market-Link (data-mart & pivot tables), LOIS (end-of-lease management, collection & accounting), Fast-Credit, and CALMS (web-based version of all the above) in the financing industry. In fact, Nelson Lin built Newcourt's - and the market's - first online credit adjudication software for the asset-based finance and leasing industry in Canada, as mentioned in the book 'Unstoppable' published 2014 by Beth Parker and endorsed by the Canadian Finance and Leasing Association (CFLA). In order to communicate with the remote mainframes of the credit bureaus, he simulated asynchronous call before it even exists in 1994.

He graduated from the University of Western Ontario with an MBA and B.Sc. Honors in Computer Science, and is one of the first few professionals to have achieved both Microsoft Certified Systems Engineer (MCSE) and Solution Developer (MCSD) qualifications. Mr. Lin is also a certified Scrum Master, and was formerly trained on the Microsoft Solutions Framework (MSF) project management methodology.



Conrad Lin
@cryptolin
Co-Founder & CMO

Conrad Lin is a young and dynamic entrepreneur, public speaker, and influencer with a background in Neuroscience and Psychology from the University of Toronto. He is a proven expert in social media growth hacking, inbound marketing, and marketing strategy - with a specialty in DLT (distributed ledger technologies). In 2018, Conrad spearheaded the marketing efforts to successfully raise $25M USD for his blockchain-enabled startup FintruX Network.

Conrad dedicates his efforts towards initiatives that impact the world positively and benefits the global community. FintruX Network aims to disrupt the way unsecured loans are being originated and administered, making unsecured loans highly secure. The platform makes it easy for borrowers to connect with reputable lenders and servicing agencies, save money with competitive interest rates, and get an affordable loan within minutes in a fair and transparent process without collateral.

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FOUNDING TEAM

The team behind it all.



Gary Ng
CTO

Gary is a veteran in software development and has been a seasoned architect in the financial sector for the past 25 years, including some of the top global banks. He is skilled in all major programming languages and computing platforms.

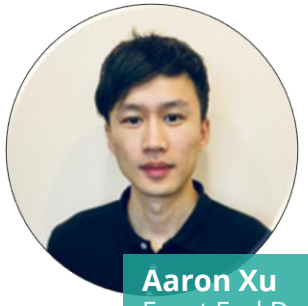
He has been instrumental in turning our low-code development platform into a no-code generator for smart contracts. Scalability and security is his main focus in designing mission-critical architecture as well as delivering cost-effective solutions.



Douglas Thiessen
Blockchain Developer

Douglas is a full stack developer on a wide variety of computing languages for 12 years, including a full suite of blockchain technology and Smart Contracts with Solidity.

Passionate on security and quality, he tests his code extensively by applying Scrum methodology. Douglas' technical expertise enables him to evaluate and tackle complex programming challenges.



Aaron Xu
Front End Developer

User experience has been Aaron's forte for the last 8 years. He has formal education and practical training in web development and digital design.

He designs visually stunning user interfaces that integrates well with all other software. Aaron is adept at generating responsive mission-critical applications with low-code technology and designing easy to use mobile applications.



Philemon Selvaraj
Data Analyst

Philemon's passion and expertise is in data analysis, machine learning, AI, and business intelligence. He brings with him 13 years of analyst programming experience in the accounting and financial sectors.

This list includes mission-critical systems for large fortune 500 companies. He has both MBA and engineering degrees and international experience working for multinational companies.

The full list of our growing team can be found at: https://www.fintrux.com/team

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ADVISORY & PARTNERS

LIST OF ADVISORS AND PARTNERS
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CONCLUSION



FintruX Network is the true P2P lending ecosystem built on the blockchain, powered by credit enhancements and no-code generation. The platform makes it easy for borrowers to connect with reputable lenders and servicing agencies, save money with competitive interest rates, and get an affordable loan within minutes in a fair and transparent process without physical collateral.

Comprised of a dynamic team of skilled professionals, FintruX Network leverages on their extensive expertise and technology to make unsecured financing easy, fast, and highly secure with credit enhancements, no-code generation, and an open ecosystem. FintruX Network is making decentralized financing with trust a no-brainer for borrowers and lenders, building an ecosystem where transparency, risk reduction, and efficiency is maximized to ensure all participants win.

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On Telegram:
https://t.me/FintruX_ANN

See our code on Github:
https://github.com/FintruX

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