

BTCJam.com

Worldwide Credit Bureau



5 Billion

Unscored People Worldwide

1

Credit Scoring Algorithm

```
code = curl_easy_setopt(conn, CURLOPT_ERRORBUFFER,
errorBuffer);
if (code != CURLE_OK)
{
    fprintf(stderr, "Failed to set error buffer [%d]\n",
code);
    return false;
}

code = curl_easy_setopt(conn, CURLOPT_URL, url);
if (code != CURLE_OK)
{
    fprintf(stderr, "Failed to set URL [%s]\n", errorBuff-
er);
    return false;
}

code = curl_easy_setopt(conn, CURLOPT_FOLLOWLOCATION, 1);
if (code != CURLE_OK)
{
    fprintf(stderr, "Failed to set redirect option [%s]\n",
errorBuffer);
    return false;
}

code = curl_easy_setopt(conn, CURLOPT_WRITEFUNCTION,
writer);
if (code != CURLE_OK)
{
    fprintf(stderr, "Failed to set writer [%s]\n",
errorBuffer);
    return false;
}

// libxml end element callback function
static void EndElement(void *voidContext,
const xmlChar *name)
{
    Context *context = (Context *)voidContext;
    if (COMPARE((char *)name, "TITLE"))
        context->addTitle = false;
}

// Text handling helper function
static void HandleCharacters(void *voidContext,
const xmlChar *chars,
int length)
{
    if (context->addTitle)
        context->title.append((char *)chars, length);
}

// libxml PCDATA callback function
static void Characters(void *voidContext,
const xmlChar *chars,
int length)
{
    Context *context = (Context *)voidContext;
    handleCharacters(context, chars, length);
}
```



Key Metrics

- 8 employees
- 6M in loans funded to date
- 1M per month in new loans
- 1.2M seed round in Feb '14
- 85% market share



Celso Cardoso Pitta

- Built cryptographic systems for Visa and Citibank EDI platform
- Developer of complex computer vision algorithms which perform facial detection and recognition, used to detect driver's fatigue
- Attended Unicamp, described as the MIT of Latin America by Wired Magazine



Gustavo Guida Reis

- Co-Founder @ HelpSaude (merged with NetCom)
- Co-founder @ Bondfaro (merged with Buscapé, sold for US\$400M)
- BA in Economics Rio de Janeiro's Catholic University



Flavio Rump

- Cofounder/CMO of DeinDeal.ch (acquired by Ringier), Switzerland's largest group buying site scaled revenues to USD 35M through PPC/CRO
- cofounded pollpigeon.com, 1M users through viral growth
- BSc in EE from Top 5 School (ETH Zurich, ranked #5 in QS World Rankings)



Raised \$ 1.2M in February 2014

Ribbit Capital



Bitcoin
Opportunity
Corp.

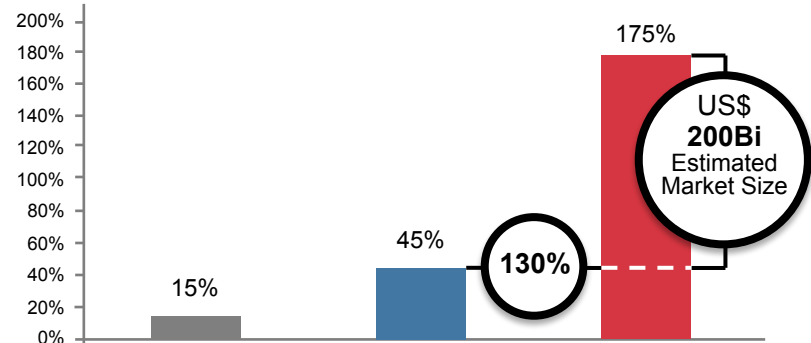


Mission

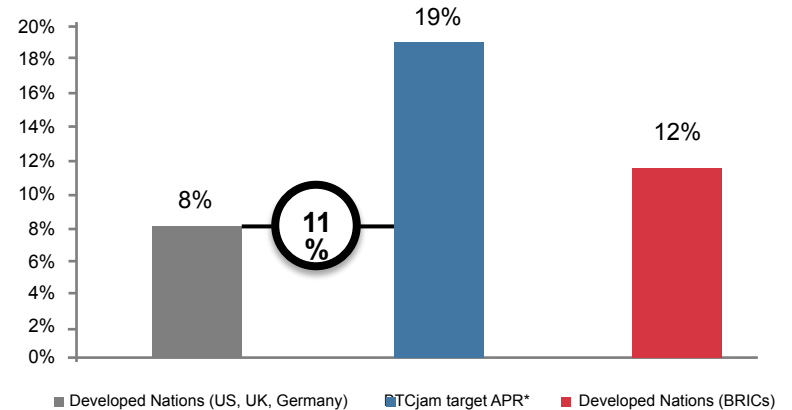
Make credit **accessible**
and **affordable** to all,
while promoting
a great and **safe return**
to investors.

To arbitrage market asymmetry

Credit Card Average APR*



Average Return (% a.a.)*



*Source: Euromonitor Consumer Lending 2013 – Trends, developments and prospects: outstanding credit card

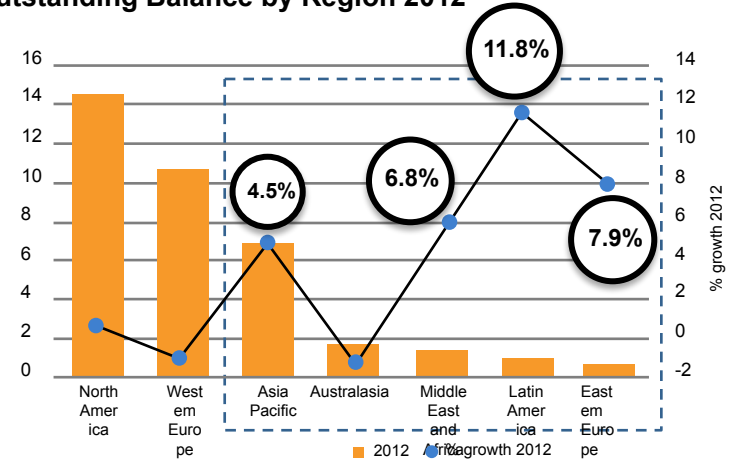
Market
landscape

Emerging economies access to credit

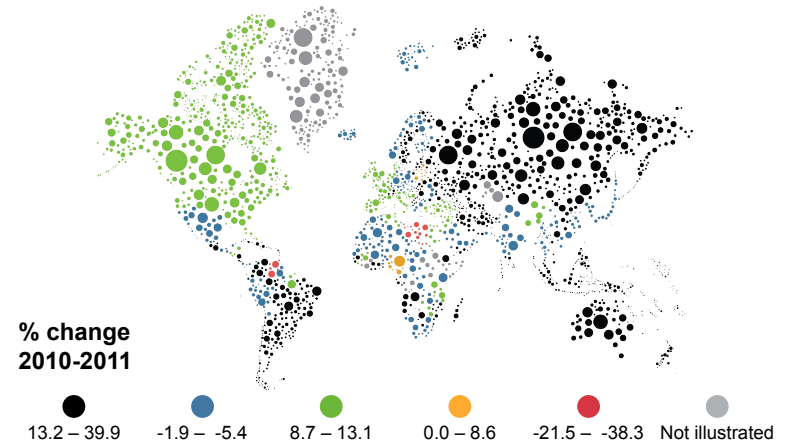
Rising disposal incomes in emerging markets, thirst for luxury goods and major appliances, spur a rise in consumer credit.

*Source: Euromonitor Consumer Lending 2013 – Trends, developments and prospects

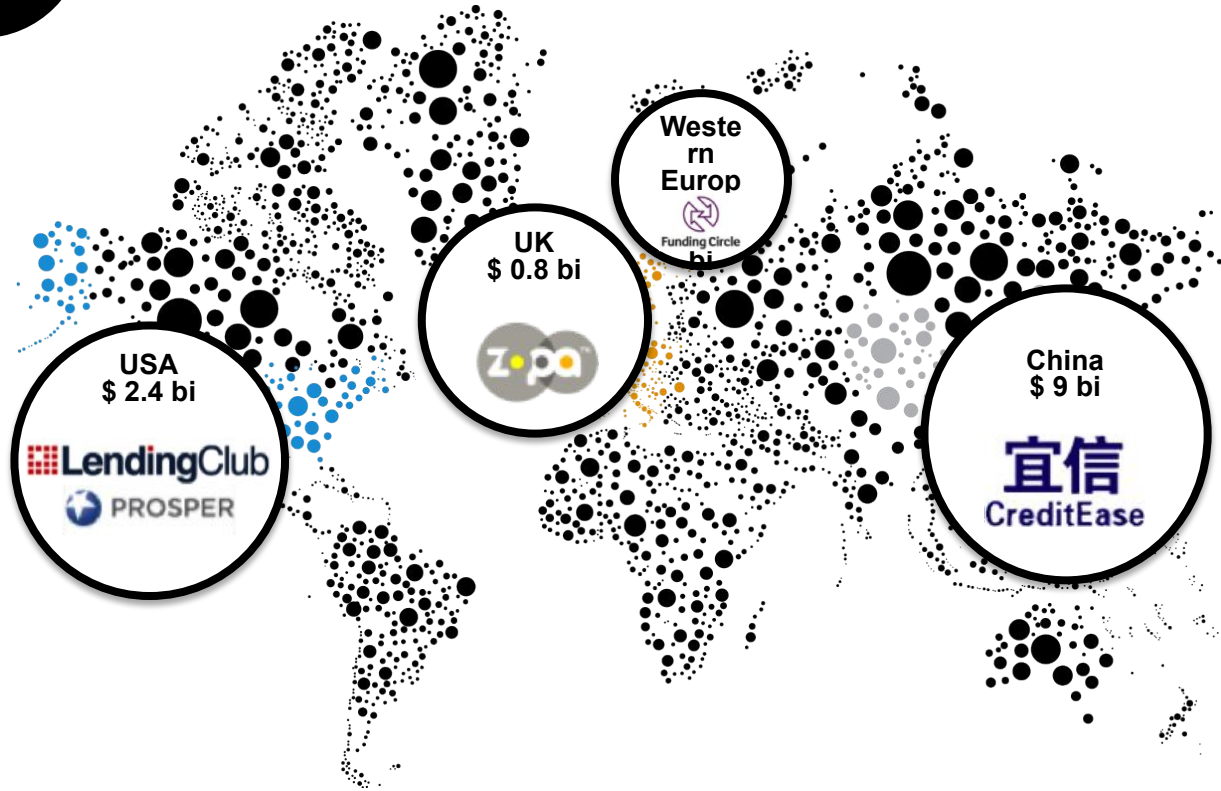
Global Consumer Lending
Outstanding Balance by Region 2012



Change in consumer expenditure 2010-2011



Market landscape



Global Peer to Peer lending

The total addressable market is estimated to be around US\$ 1 trillion with peer to peer lending industry capturing less than 1% of the market today (USD\$ 5.3 Bi \approx 0.005%)

US
\$
1 tri

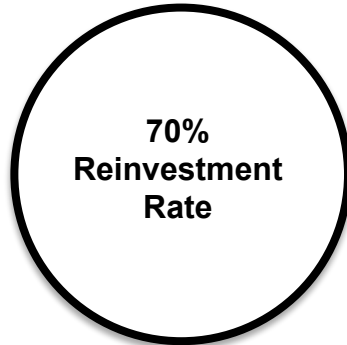
Taking p2p lending to a **global level**



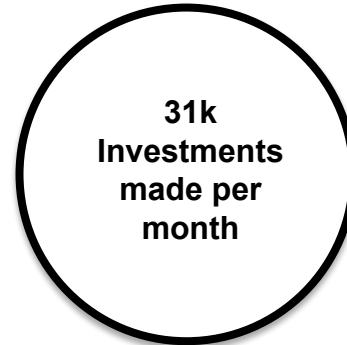
Lending
without borders



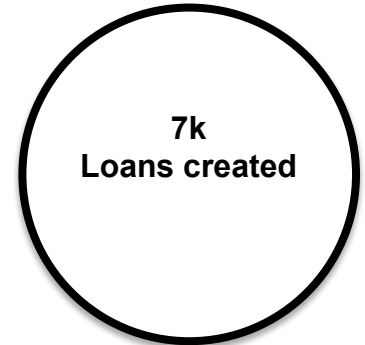
Investors keep
investing



Investors find loans
that fit their needs



Investors diversify
their investments



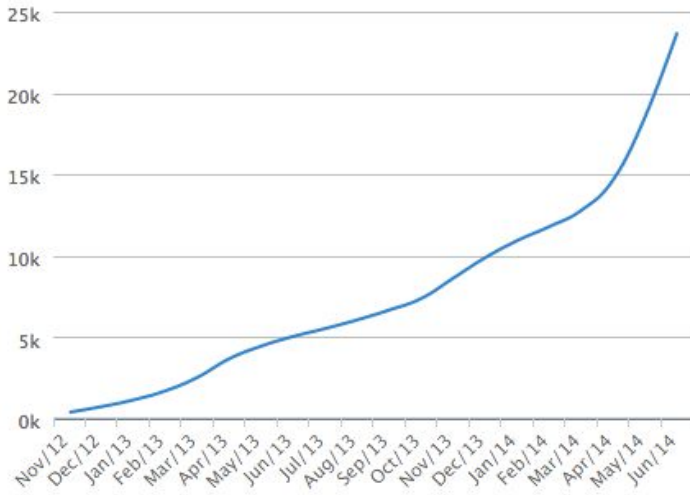
and providing credit to the bitcoin economy.



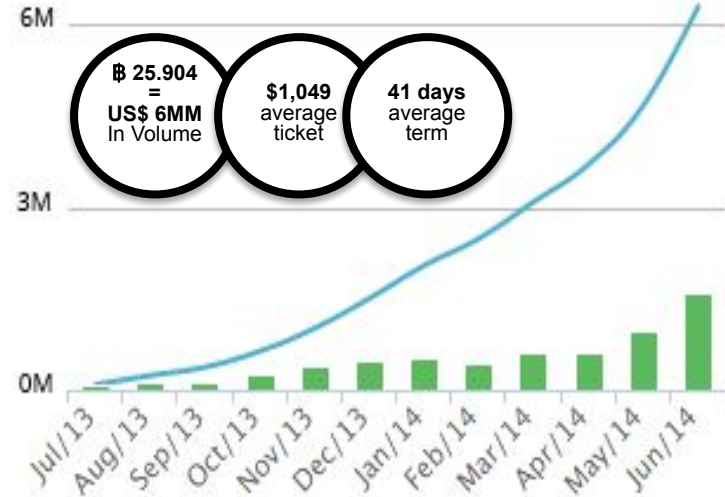
Evolution

The worldwide leader in p2p lending

Users in the platform



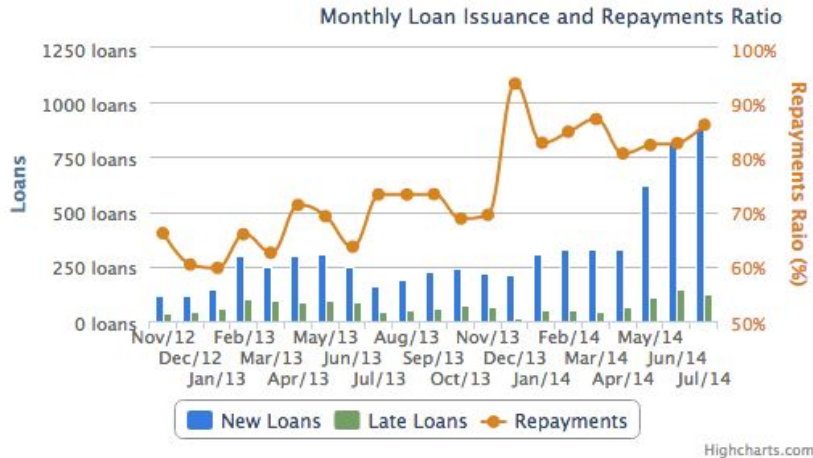
Loan Volume (USD)



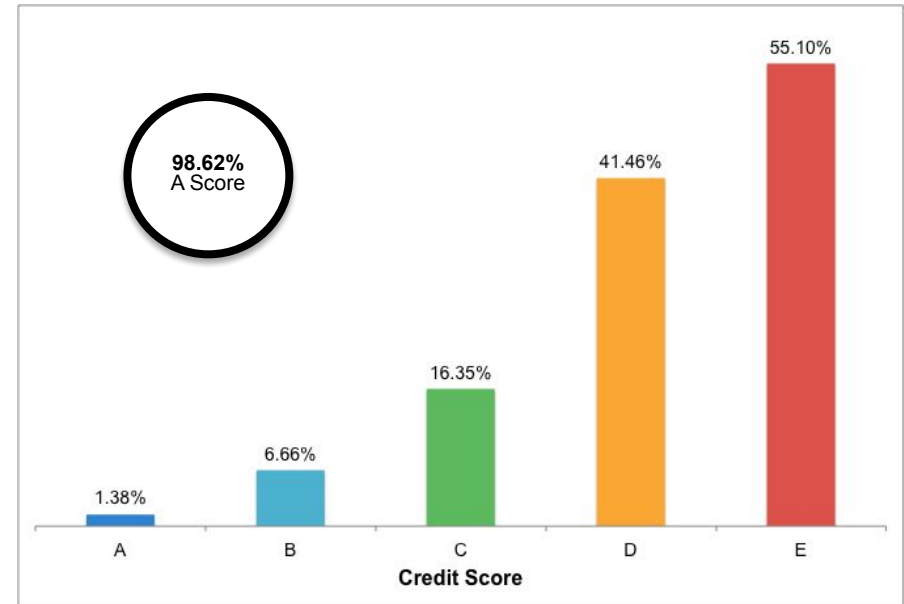
The worldwide Credit Bureau

Loan Volume and Overall Repayment Rate

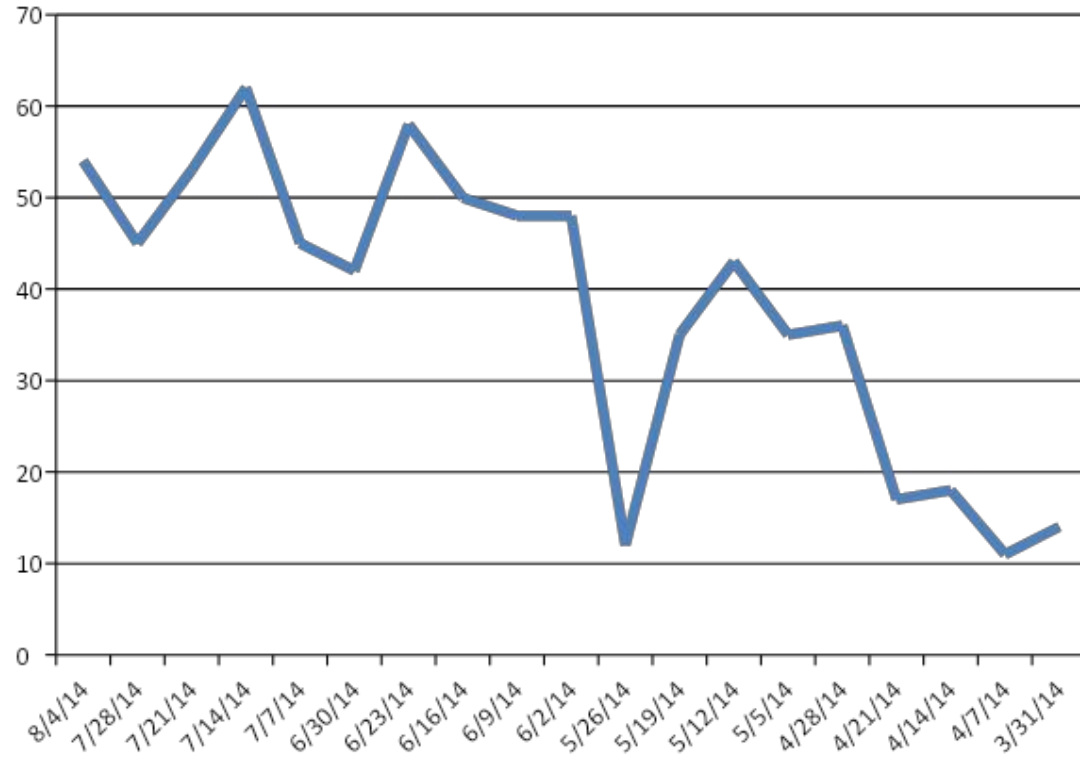
Loan & Repayments Ratio



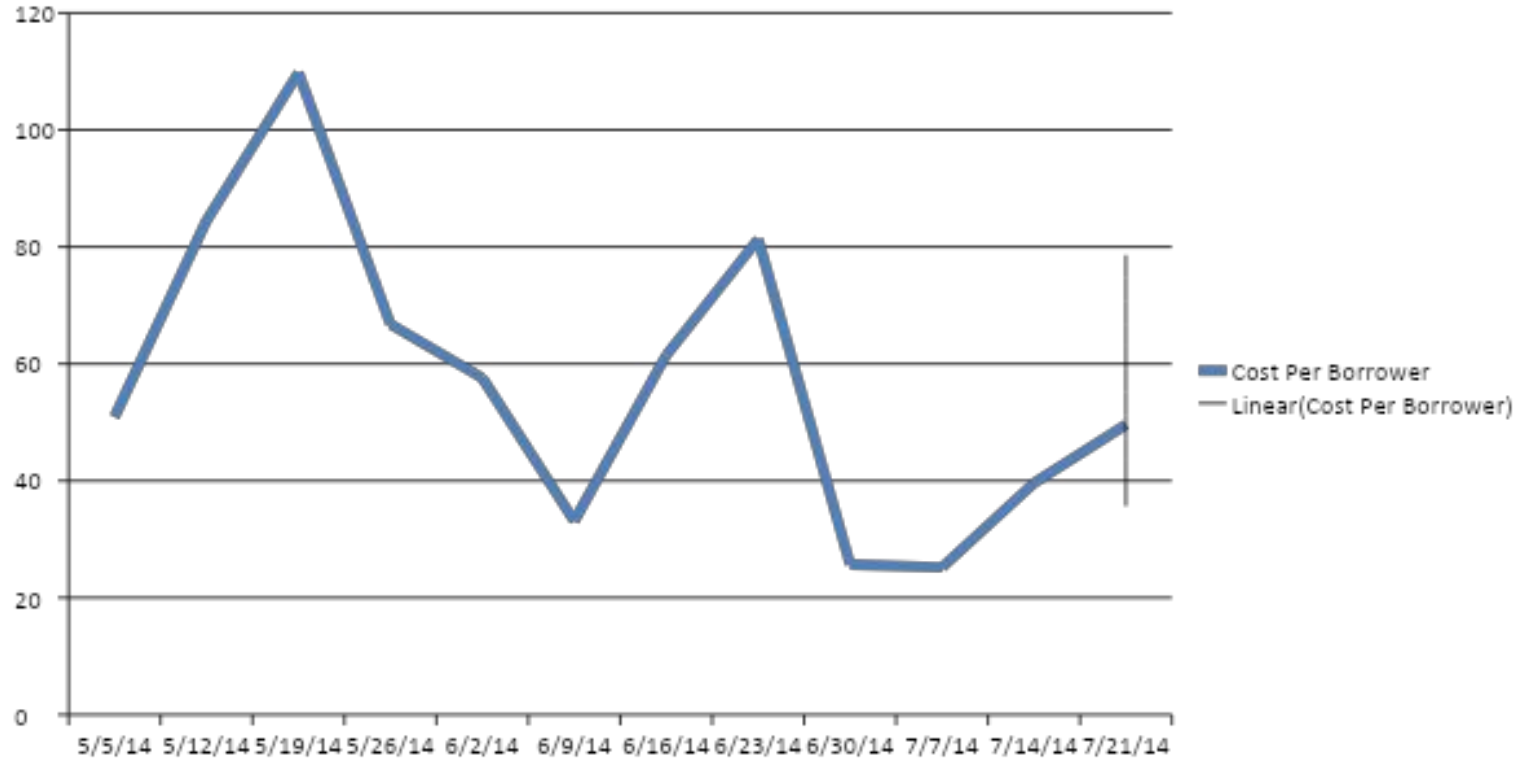
Default Rate by Credit Score



New Borrowers per week up 300% since start of marketing



Growing while lowering costs per borrower



Borrower LTV & CAC

Strategic

become borrower	Loan Volume	CLV 4%	CAC	ROI	1	2	3
May	\$1,143	\$46	\$67	-32%	\$353	\$293	\$498
June	\$1,732	\$69	\$83	-16%	\$1,248	\$484	
July	\$749	\$30	\$45	-33%	\$749		

Strategic

Referrals


become borrower	Loan Volume	CLV 4%	CAC	ROI	1	2	3
May	\$8,725	\$349	\$20	1645%	\$675	\$999	\$7,051
June	\$2,266	\$91	\$20	353%	\$805	\$1,461	
July	\$1,367	\$55	\$20	173%	\$1,367		

Organic

become borrower	Loan Volume	CLV 4%	CAC	ROI	1	2	3
May	\$3,181	\$127	\$-	\$1,014	\$1,577	\$590	
June	\$2,714	\$109	\$-	\$1,640	\$1,074		
July	\$1,378	\$55	\$-	\$1,378			

Overall

become borrower	Loan Volume	CLV 4%	CAC	ROI	1	2	3	4	5	6	7
January	\$10,246	\$410	\$50	720%	\$787	\$1,096	\$1,256	\$1,290	\$1,508	\$1,811	\$2,497
February	\$8,267	\$331	\$50	561%	\$963	\$2,052	\$1,247	\$1,559	\$1,317	\$782	\$348
March	\$5,114	\$205	\$50	309%	\$781	\$1,581	\$1,169	\$714	\$647	\$223	
April	\$5,324	\$213	\$50	326%	\$928	\$1,091	\$2,153	\$912	\$239		
May	\$3,390	\$136	\$50	171%	\$941	\$1,483	\$783	\$184			
June	\$2,666	\$107	\$50	113%	\$1,554	\$939	\$173				
July	\$1,432	\$57	\$50	15%	\$1,222	\$210					



The past
3 months



API Integration
with wallets

Referral
program

Investor
Leaderboard

UI/UX
Improvements

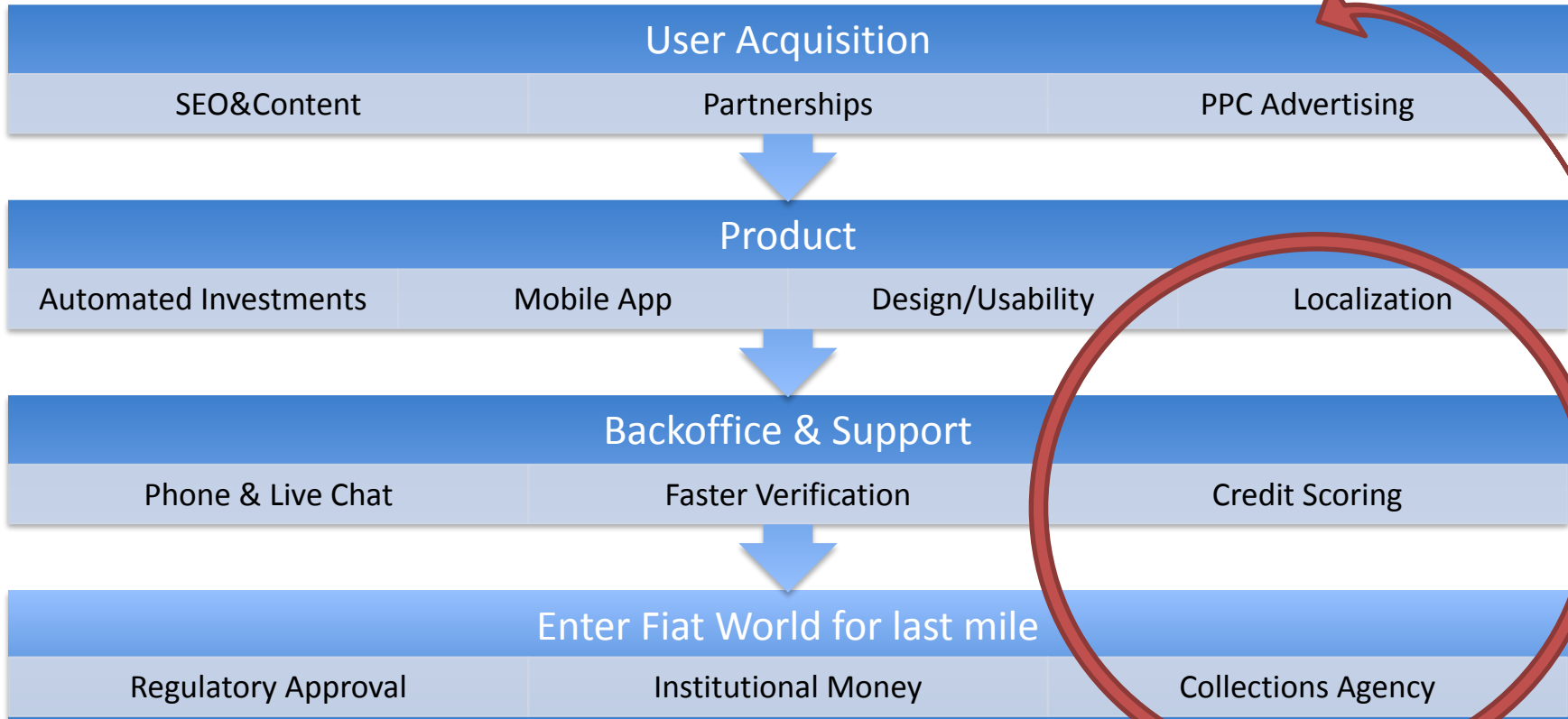
Lead nurturing
and mailing list

50% MoM

and all of that spending \$ 600k

The next steps

Use of Proceeds

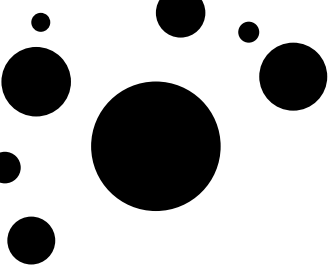


Recap


- Killer team with 3 exits
- 1 Trillion dollar market size
- 5 Billion unscored people
- Growing 20% MoM



celso@btcjam.com



Appendix



**The next
steps**



**Hiring
-Engineers
-Support
-Marketing**

**Automated
Investments**

**Make UX more
social**

**Improve
customer
support**

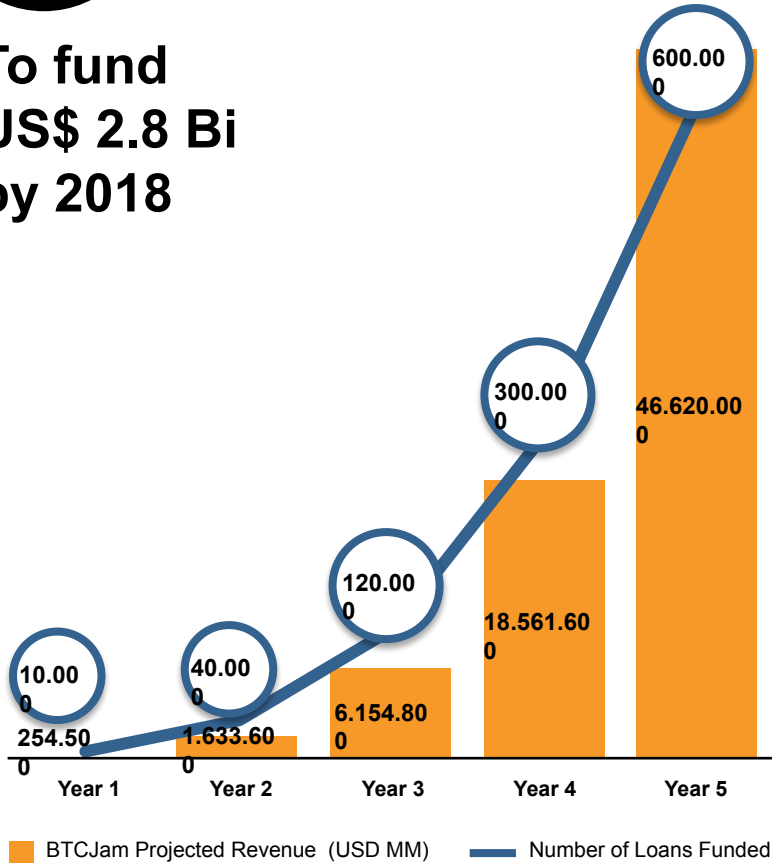
Mobile App

**Accelerate
Marketing efforts**

Our goal is to keep at least a 20% MoM growth

Our projections

To fund
US\$ 2.8 Bi
by 2018



Assumptions

Quantity of loans funded

- Annual Growth (11-12) Lending Club: 354%
- CAGR BTCJam: 178%

Average ticket

- Lending Club (2013): USD 8,000
- BTCJam (2017): USD 3,000

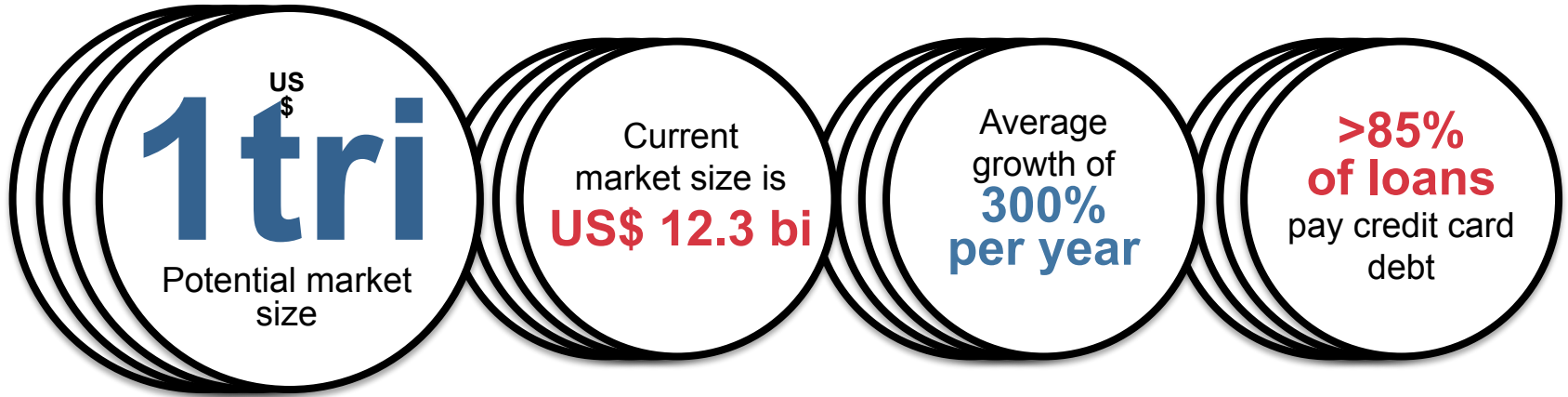
Commission fee average: 2,50%

US\$ 2.83Bi in loans funded by 2018

Global community, with users from 5 continents and 180 countries

Global Peer to Peer lending

The total addressable market is estimated to be around US\$ 1 trillion with peer to peer lending industry capturing less than 1% of the market today (US\$ 5.3 Bi ≈ 0.005%)



Facts

USA, UK and Europe have 2 to 3 platforms with over 80% of the market

China has over 400 platforms

Consumers in developed economies believe P2P to be a great alternative to banks

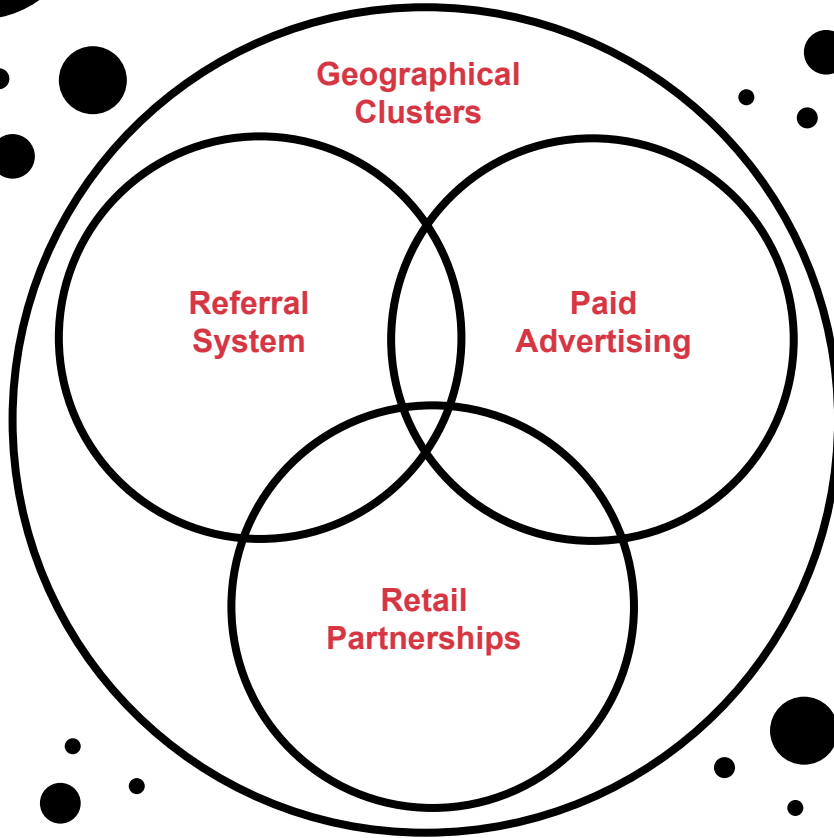
Chinese consumers rely heavily on the community for replacing banks (trust factor)

Alternative lending is highly accepted in LATAM (15 – 35% of total lending) because of banks bureaucracy and high cost of capital

User acquisition strategy



Borrowers



Geographical Clusters

Referral System

Paid Advertising

Retail Partnerships



Geographical Clusters

Build network effect in regional clusters (forums, communities, etc.)



Targeted Advertising

LinkedIn / Facebook
Google / Reddit



Referral System

Borrower can refer a friend and get % off from his listing



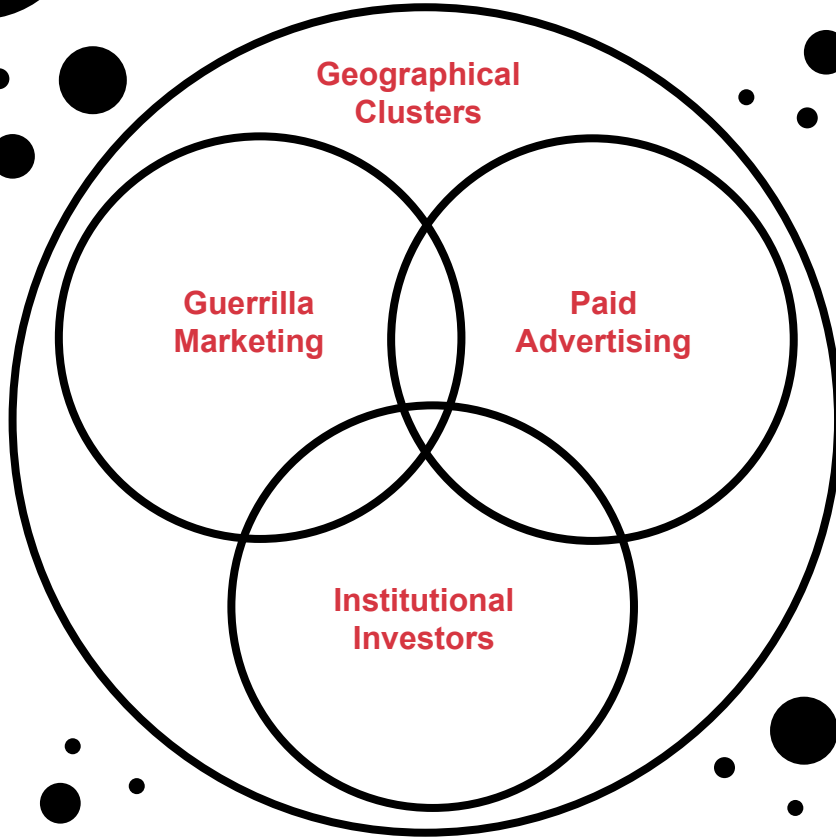
Retail Partnerships

Retail loan booth (being where the customer needs credit) "Pay later" button

User acquisition strategy



Investors



Geographical Clusters

Guerrilla Marketing

Paid Advertising

Institutional Investors



Geographical Clusters

Build network effect in regional clusters (forums, communities, etc.)



Targeted Advertising

LinkedIn / Facebook
Google / Reddit



Guerrilla Marketing

Unconventional, low cost marketing strategy to create awareness in certain forums and communities



Institutional Investors

Build track record and go after investment funds

Execution
strategy

Focus on building
a **strong interconnected
community** around a
first class credit scoring
algorithm and a **reliable
payment infrastructure**
powered by bitcoin.



Hiring

- Retail marketing expert • UX designer • Statisticians
- Software engineers • Support



UX

- Frictionless investments and payments • Customized experience based on user profile • Conversion focused landing pages • Retention and lead nurturing



Partnerships

- Bitcoin payment processors
- Bitcoin exchanges • Online marketplaces • Retail stores
- Collection agencies • Institutional investors

Competition

Potential Competitors

Regulatory Barriers

What are we doing to win this game?

How?

Current P2P Local Communities



Other e-currencies



- Local governments might create regulations over BTC currency
- International arbitration is still being validated with BTC loans (96% efficiency in other fields)
- E-currency adoption by merchant and buyers is a cultural barrier

We are **nurturing the trust** network between **lenders** and **borrowers**

- Always **improving** our borrowers **validation process** and our **scoring algorithm**, reducing default risk
- Making local partnerships with **credit scoring systems**
- Using the **unique characteristics of Bitcoin** network to create **new types of risk assessment**, unknown in a fiat currency environment
- Using innovative ways of **contract enforcements** like International Arbitration awards
- Bringing **the trust relationship** already built in **other social networks** (ebay, Facebook, G+, LinkedIn)