



THE FIRST CAR LEASING COMPANY ACCEPTING CRYPTOCURRENCY FOR PAYMENTS

< x x x x



Table of Contents

Abstract	3
Introduction.....	4
Payment Issues and Opportunities	6
Opportunities for Cryptocurrency Payments in Car Leasing	7
Blockchain Technology and Crypto Payments in Car Leasing	8
Effect of Transparency on Existing Disputes in Car Leasing	10
Blockchain entries can also help us estimate the approximate value	10
Unprecedented COVID Pandemic Era and Hard Currency Payments	11
Challenge 1: Acceptance	14
Challenge 2: Compliance	14
Car leasing Market Size, Outlook, and Forecast	15
Increasing Number of Smart Cities to Augment Growth	17
Blockchain efficiency and Competing technologies to spur growth	19
Other Growth Drivers	20
What The Future Looks Like	22
Future trends of the car leasing market:.....	22
1. The surge in awareness about the benefits of leasing	22
2. People shifting from purchase to vehicle leasing	23
3. Demand for the latest models and technology	23
4. Cost-effectiveness	23
5. Advances in safety	25
6. The Impact of Depreciation	26
Car-Leasing and the Future	26
Introduction to GCT	27
What is GCT?	28
How GCT works	28
GCT Ecosystem	29
Why Stellar Blockchain	29
Features	30
Stellar's base transaction fees.....	30
Recognition	31

Why we're introducing leasing cars with cryptocurrency payments.....	32
1. Transactions	33
2. Asset Transfers	33
3. More Confidential Transactions	33
4. Transaction fees	34
5. Greater access to Credit	34
6. Easier International Trade	35
7. Individual Ownership	35
8. Adaptability	36
9. Strong Security	36
Our Loyalty Program.....	37
Token Crowd Sale Parameters	38
Car Deals and Offers	39
Determining the Lease Price	39
Eligibility	40
Membership.....	40
Exchanges & Wallets.....	40
Why Choose GCT Car Leasing Platform?	41
Road map	43

ABSTRACT

Over the last few years, several businesses have witnessed positive transformations owing to the influx of the blockchain technology. The technology's countless benefits including immutability, scalability, data security among others makes the process of transferring data between different entities simpler and easier. There's no doubt that the car leasing industry is a major industry nowadays. For car leasing companies with thousands or possibly millions of cars on the road, tracking the status of cars can overwhelm even the most robust systems and processes. Car leasing involves numerous frameworks, risks, and processes over a chain of procedures such as evaluating the leasee's financial capability, driving qualifications, vehicles available in inventory, car features, and so forth. On the other hand, leasing companies and financiers need to be aware of the goings on once the lease agreement is finalized. The conventional car leasing also takes a lot of time due to the number of stages and procedures from beginning through to completion. But with smart contracts (blockchain's most important component), blockchain can keep things up to speed. The goal of tokenizing the industry not only seek to increase the industry speed and automation, but to bring smart contracts together and make payments more secure, to establish an interconnected, IoT-driven car leasing experience. This paper seeks to develop a blockchain-based car leasing platform. The platform seeks to use the principle of smart contracts, a programmable script, to enforce decisions on all the leasing transactions, alleviate risks, as well as apply penalties in instances of breach of contract.

INTRODUCTION

The leasing industry has seen tremendous growth since its inception. Car leasing companies are always looking for ways to meet and satisfy their customers' demands. And since leasing companies are intertwined with original equipment manufacturers (OEMs), any changes on that market are felt closely within car leasing companies.

The car leasing service is seen as a solution to the mobility problems facing companies and individuals. These issues include vehicle funding, fleet maintenance, and, most importantly, handling residual risks.

Car owning companies offer their fleet to the other parties on a lease for transportation of their good and services. Most people in the transport business would prefer to lease a fleet of trucks from car leasing companies. Corporates prefer leasing automobiles as it is considered a hassle-free mobility service that includes on-demand mobility and after-service facilities.

Car leasing financing is paying for the use of the vehicle, unlike a traditional car loan that you use to purchase a car. The use of a car covers the depreciation cost, any excess mileage and wear and tear during your lease. However, you are expected to pay an interest rate on the purchase price for the vehicle just as you would with traditional financing. This is because a leasing company has to purchase a car before they lease it to you. However, to a dealer, there is no difference between a regular car sale and a lease.

The car leasing volume distribution is mainly concentrated in Europe, the Asia Pacific and the Americas, respectively. However, North America has dominance on this market, followed Europe. North America and Europe account for the majority of car leasing market share on the global market. And they are expected to maintain their dominance; this is despite the low-interest rates provided by leasing companies in this region. The low-interest-rate attracts consumers to opt for car leasing rather than purchasing it.

In the year 2020, the global leasing market size was USD 69.27 billion. However, the covid-19 global impact was unexpected and shocking. Equally, car leasing has experienced a negative impact on demand across

all regions during the pandemic. Based on our detailed analysis, the global market showed a lower growth of -20.6% in 2020 than the average annual growth of 2017-2019.

The market is expected to grow from USD 73.30 billion in 2021 to USD 123.87 billion in 2028 at a CAGR of 7.8% during this time. The increase in CARG is due to the market's growth and demand, with business going back to before the pandemic levels once the pandemic is over.

Some of the key players in the car leasing business include Alamo, Auto Europe, Avis, Budget Rent A Car, Carhire, Advantage Rent A Car, E-Z Rent-A-Car Group Holdings and Dollar. And some of the other players include Easy Car, Economy Car Hire, Europcar, Hertz, Holiday Auto, Avis Budget Group National, Uber, Ola Cabs, Easy Cabs, and Zoom.

This paper explores the car leasing industry developments, including the current payment issues and bottlenecks, cryptocurrency payment opportunities and projected growth. We will focus on three main impact areas, namely:

- **PAYMENTS AS A MAJOR CURRENT TREND AFFECTING THE CAR LEASING BUSINESS;**
- **PROJECTED GROWTH**



- **THE MOST MEANINGFUL TOOLS AND INSIGHTS FOR THE BUSINESS.**

x x x x



PAYMENT ISSUES AND OPPORTUNITIES

CAR LEASING EXECUTED OVER BLOCKCHAIN RESULTS IN COMPLETE DECENTRALIZATION AND DIGITIZATION AND BUSINESS CREDIBILITY IS BOOSTED.



CENTRALISED

VS



DECENTRALISED

The car leasing process is highly centralized, with the car leasing company being the main point of contact for the drivers interested in renting cars. Most car leasing businesses have high operational costs that stem from maintaining fleets of vehicles, car stations and staff to efficiently run their business. As a result, charging rental rates to their customers is the only way these car leasing industries cover these high costs.

Car leasing executed over blockchain results in complete decentralization and digitization besides eliminating intermediaries. Business credibility is boosted because of the transparent transactions made over a distributed ledger, consequently lowering the risk of any fraudulent activity. Blockchain technology in the car leasing industry also eliminates intermediaries lowering the fees offered.

OPPORTUNITIES FOR CRYPTOCURRENCY PAYMENTS IN CAR LEASING

Digitalization, omnichannel customer experience popularity, and the shift from assets owning to sharing economy are issues affecting the car leasing payments.

Consumers enjoy the convenience of seamless payments for most day-to-day transactions. Therefore, they will expect a secure and integrated way to pay for car leasing services. This can be viewed as an opportunity or as a challenge for payment providers. Car leasing clients will expect the same or better level of ease and convenience when transacting with the ever-changing mobility ecosystem.

BLOCKCHAIN TECHNOLOGY AND CRYPTO PAYMENTS IN CAR LEASING

Blockchain is a distributed append-only ledger, and each node in the network has an identical copy. The catalog references all the transactions ever made on the network, and it is secured by the mining network, which authenticates and confirms those payments. The ledger can be viewed by the public via a 'block explorer' to confirm a transaction occurred or that an address has an outstanding balance. However, the information is encrypted and is kept obscured in the form of hashes and hash pointers. As a result, any attempt to alter the data inside the ledger will require an attacker to hack each node of the network simultaneously to decode the encryption. However, in an attack, tampering will be evident because of how the hash functions.

The influx of blockchain technology has seen significant improvements made in the way several businesses are conducted. Scalability, immutability, and the ability to secure data exchange among parties are benefits of this technology. Overall, data transfer has become more accessible and more straightforward between entities. Leasing a vehicle involves several frameworks over a chain of procedures. This includes confirming the lessee's financial status, driving qualifications, accessible car stock and features. Financiers and leasing companies need to recognize what is happening to the vehicles after the lease duration elapses. Since the traditional car leasing process passes through many stages before completion, time consumption needs to be addressed. Blockchain innovations save time by keeping things up to speed with smart contracts. In this paper, we develop a car lease policy that is solely based on blockchain technology. The smart contract is the underlying core principle in this system. The smart contract is a programmable script that enforces decisions on all transactions made of the system and also applies penalties to forfeiters.

Blockchain offers a more transparent, secure, and decentralized way of conducting operations. Blockchain innovation can take the lead in technologies disrupting the way most industries work today. Even though blockchain is still primarily focused on cryptocurrencies, the technology is slowly reaching various sectors, including the leasing industry.

Bitcoin, the most popular cryptocurrency, is rapidly becoming accepted into the mainstream as a viable form of payment. Most luxury car dealerships across the country have begun taking various cryptocurrencies over the past few years with increasing success.

Blockchain technology is designed to encourage a leasing economy platform to become integrated and cost-effective through collaborations among participants in a common, transparent, and trustless environment.

Blockchain has great potential when it comes to leasing. The technology allows for the tracking of a car right from the OEM, transfer of ownership, tracking of repairs, mileage, fuel, and maintenance over a single distributed ledger. This distributed ledger brings visibility across the leasing process. Therefore, helping the customers prevent mileage fraud and eliminate possible disputes at the end of the lease term.

Since all the essential and redundant repairs are visible to all parties involved, calculating charges and violation penalties becomes straightforward.

Using a distributed ledger eliminates the need to embark on time-consuming paperwork at each node of the leasing value chain. As a result, this improves the overall efficiency of the process while cutting costs and making it more cost-effective to lease a vehicle.

A distributed ledger functions similarly in car leasing. It reduces the high costs charged by leasing companies, increasing the popularity of P2P leasing of cars through the smart contract. Blockchain can also be used as an open maintenance log and provide other value-added services such as insurance and toll payments.

Blockchain and smart contracts benefits are most evident at the end of the lease term. For instance, when a customer returns a leased vehicle, the distributed ledger removes existing conflicts between the service provider and end-customer regarding end-of-lease payments. The distributed ledger establishes transparency through the lease lifecycle, including vehicle use records, mileage, fuel, repairs, tire adjustment and insurance. It makes it very straightforward to quantify any end-of-lease cost based on the smart contract's predefined terms. Recipients may get payments automatically in the form of cryptocurrencies or tokens as per the smart contracts.

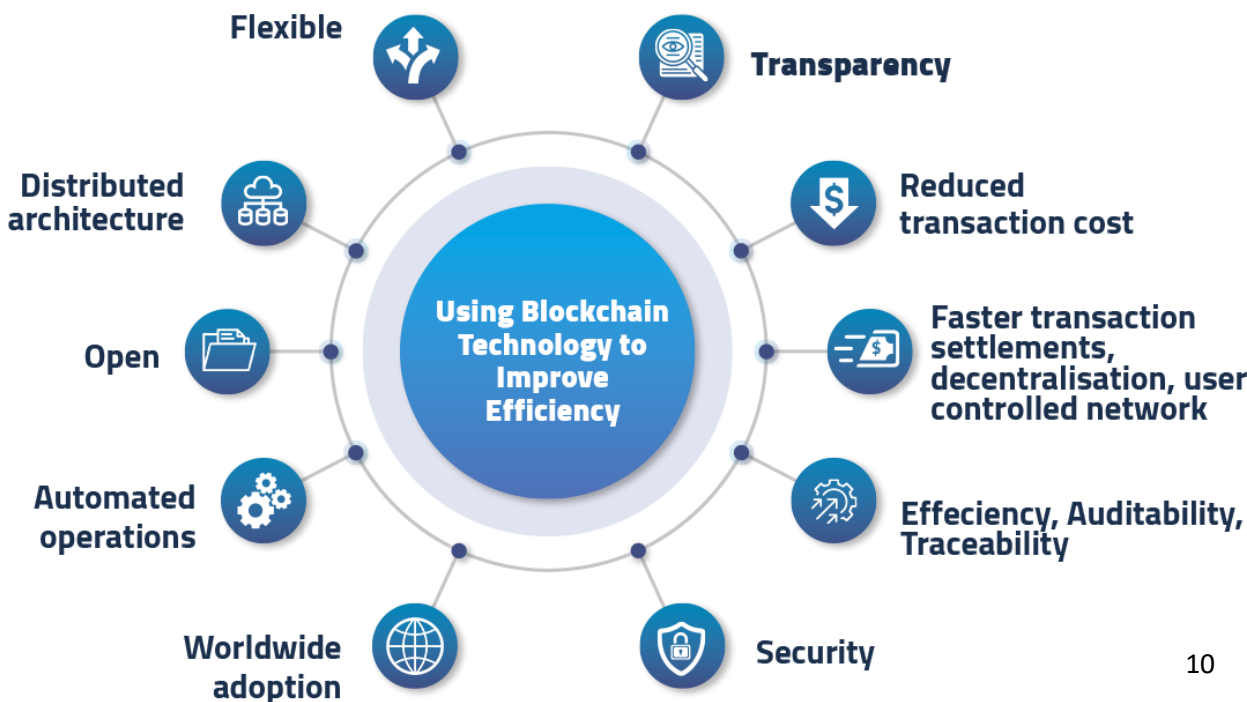
EFFECT OF TRANSPARENCY ON EXISTING DISPUTES IN CAR LEASING

Blockchain benefits are more prominent at the end of a lease term, that is, when a customer returns a leased vehicle. Using an open distributed ledger eliminates any possible dispute between the service provider and the end client regarding the end of lease charges.

The distributed ledger establishes transparency through the lease lifecycle, including vehicle use records, mileage, fuel, repairs, tire adjustment and insurance. It makes it very straightforward to quantify any end-of-lease cost based on the smart contract’s predefined terms. Recipients may get payments automatically in the form of cryptocurrencies or tokens as per the smart contracts.

BLOCKCHAIN ENTRIES CAN ALSO HELP US ESTIMATE THE APPROXIMATE VALUE

Blockchain entries can help car leasing companies to estimate the estimated cost of the car at the end of a lease, making it easier to deduce if they can remarket (re-lease) or dispose of the vehicle. Blockchain can also dramatically reduces the overall time and resources required in the remarketing process.



UNPRECEDENTED COVID PANDEMIC ERA AND HARD CURRENCY PAYMENTS

The monetary revolution is complex that a few people comprehend its full extend. And this revolution is driven by the technological transformation of the internet, with the 2020 pandemic accelerating it. The spread of the people's confusion is illustrated by the conflicting performance of the three forms of money this year: the U.S dollar, Gold and Bitcoin. The U.S. dollar is the world's favorite money; it is not only dominant in the central banks but also international transactions. Since the dollar is a fiat currency, its supply is determined by the Federal Reserve and the U.S. banks.

The relative value can be computed to the goods consumers buy, according to which measure it has scarcely depreciated this year (inflation is running at a 1.2%) or compared to other fiat currencies. According to Bloomberg's spot index, the dollar has been down 4% since Jan. 1. In contrast, Gold is 15% up in dollar terms, but the dollar price of a bitcoin has risen 139% year to date. Even so, this year's Bitcoin caught many people, including the smart ones, by surprise, soaring to the heights of \$65000!

COVID-19 IS PUSHING COMPANIES



TO SCALE
REMOTE WORK



TO ACCELERATE
DIGITALIZATION



TO ACCELERATE
AUTOMATION

The pandemic has hastened the monetary evolution pace, but that shouldn't surprise us. Covid-19 has been good for Bitcoin and cryptocurrency in general. First, the pandemic accelerated our advance into a more digitalized world; what might have taken 10 years has taken a few months to achieve.

Most people that would never have risked an online transaction were forced to try simply because the banks were closed. Second, the pandemic has significantly increased our exposure to financial surveillance and financial fraud due to the sudden changes. Both trends have been good for Bitcoin.

Since the beginning of the coronavirus pandemic, Bitcoin demand has been surging globally. Early this year, the interest reached a fever high. Even with its potential drawbacks, emerging economies are increasingly looking to cryptocurrencies as a way to drive their recoveries from the economic outcome of the virus.

x x x x



CHALLENGES:

ACCEPTANCE & COMPLIANCE

CHALLENGE 1: ACCEPTANCE

Although blockchain has many benefits, there are some challenges in the broad-scale deployment of the technology. The most crucial one is acknowledging cryptocurrencies in key emerging markets in Asia, including China and India. Most blockchain-based solutions seek ICO to generate funds, issuing their cryptocurrencies (commonly based on Ethereum tokens). Ethereum also acts as a mode of transactions and payments of service. When it comes to rental and leasing space, one of the things limiting the adoption of blockchain technology is the lack of cryptocurrency regulation.

Similarly, when it comes to blockchain technology implementation on a broad scale, there is a need for supercomputers along with skilled staff to handle blockchain innovation. These challenges can delay the widespread adoption of blockchain technology for the car rentals and leasing industry significantly.

CHALLENGE 2: COMPLIANCE

Blockchain technology is growing, and the demand is increasing for independent cars. In comparison, most automotive companies are considering blockchain for tracking, storing and digital records. The records include vehicle identification, ownership, warranties, wear and tear, mileage, leases, loans, spare parts and automotive service data. The smart contracts and blockchain allow for the storage of data in a decentralized and a shared ledger format.

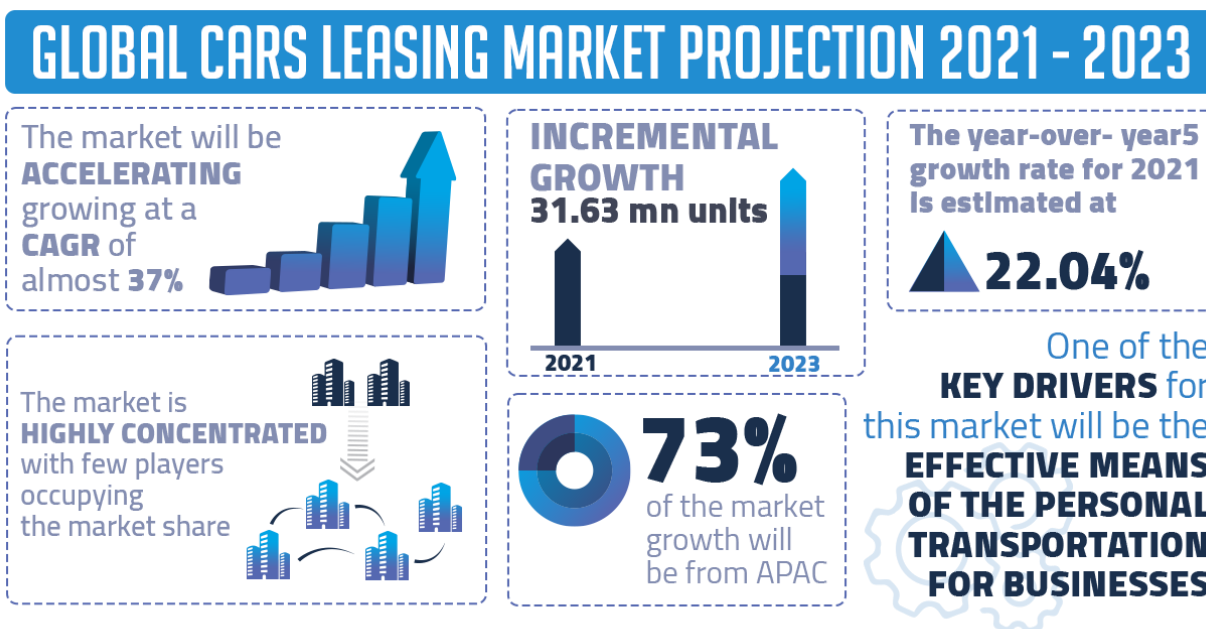
Only the authorized parties have access to the shared ledger depending on their needs and access rights. Blockchain allows vendors, authorities and other involved parties to verify and use credentials in near real-time.

x x x x



CAR LEASING MARKET SIZE, OUTLOOK, AND FORECAST

Car leasing is primarily seen as a solution to the growing mobility problems companies face. These issues include vehicle funding, fleet maintenance and residual risk handling, which is crucial. In these current market conditions, big corporates and businesses focus on their core products and services and outsource all other support activities.



Mobility is a high-cost center that requires resources in terms of time and money—starting right from the fleet purchase to remarketing at a better price. And for each of the intermediary parts in the value chain. Unnecessary cost spikes, utilization mismatches, irregularities in the fleet maintenance and risks of dips of residual value can be an issue unless an expert team is on top of the job. Leasing a fleet is offers a hassle-free mobility service on-demand plus fleet after-service facilities, among other things. These demands are the driving force behind the growth and structure of the car leasing market and a regulated ecosystem.

The report projects the car leasing market will grow from \$73.30 billion in 2021 to \$123.87 billion in 2028 at a CARG of 7.8% during this time.

In 2020, the global car market was worth \$69.27 billion, showing how fast the market is gaining speed. The fast-paced urbanization and the growing number of smart cities are expected to push the demand for car leasing services globally.

The imposition of the lockdown across several countries led to the halting of many industrial operations. These factors negatively impacted the car leasing market, with the market exhibiting a negative rate of -20.6 in 2020. These impositions led to the shutdown of several automotive leasing companies affecting the overall market growth. During the last quarter of the year, phased reopening of industrial activities has led to companies crawling back to normalcy.

The market is projected to return to its pre-pandemic levels in a couple of years. Further, the following circumstances will propel industry growth.

INCREASING NUMBER OF SMART CITIES TO AUGMENT GROWTH

According to the World Health Organization (WHO), an estimated 50% of the global population lives in urban areas. And this number is expected to have a steady rise to about 60% by the year 2025. Better employment opportunities and improved lifestyles are the propelling factors in this urban shift, leading to the adoption of several innovative city initiatives by governments worldwide.

This move is expected to propel the demand for smart mobility to solve the surging number of cars that will likely lead to congestion problems across cities. As a result, this is anticipated to contribute to the global car leasing market growth in the coming years. Although based on the application type, the market is branched into personal use and business use.

Based on the application type, the personal use sector held a significant global car leasing market share of about 35.7% in terms of revenue in 2020.

This segment is expected to show exponential growth backed by the growing demands for leasing services. Exponential growth is expected in this segment, supported by the increasing demand for leasing services, especially since customers, instead of buying, are leasing cars.

North America – This region’s market is expected to lead in the forthcoming years. The growing preference for car leasing solutions due to lucrative schemes offered by leasing companies is one of the factors attributing to growth in this region between the years 2021 and 2028. In 2020, North America stood at \$22.41 billion.

Asia-Pacific – This region is expected to hold a significant spot in the market throughout the forecast period. The increasing cost of vehicle ownership propels the demand for innovative car leasing services in India and China.

BLOCKCHAIN EFFICIENCY AND COMPETING TECHNOLOGIES TO SPUR GROWTH

At present, Asia is witnessing significant growth in the automotive blockchain market. It is expected to grow by 31.1% CAGR in this decade. Most of this growth is attributed to the proliferation of car rental and leasing in Asian giants India and China. In these countries, the populace is venturing into convenient mobility modes to avoid crowding in already jammed roads snarling with traffic in metro cities.

To harness the opportunity number of players are investing in building platforms using blockchain to be used in this region. As early as 2017, Indian car-sharing company Drivezy successfully developed a car rental and leasing platform using blockchain. This platform accepts payments in cryptocurrencies and tokens to lease cars. To expand further, they raised US\$ 20 million in Series B funding through an initial coin offering (ICO) in 2018. This paved direction for fresh startups to venture into blockchain technology in car rental and leasing.

Similarly, Darenta ICO, a Russian startup, entered the car rental market using a platform supporting existing car owners to rent out their cars. They use a digital solution that employs geolocation, smart contracts, and other blockchain technology. Since launching in 2018, they have ventured into 20 countries already. They are planning to enter the USA, Canada, Europe, China and other Asian markets soon.

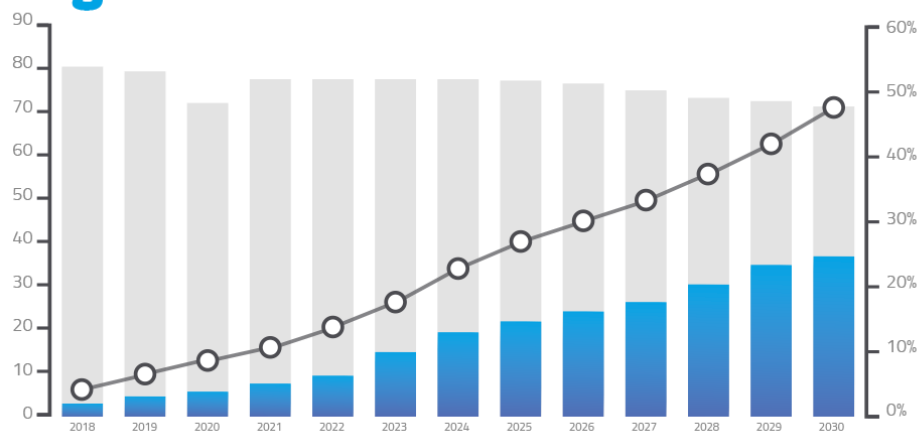
However, apart from startups, several major players are investing in the development of other technology platforms using blockchain technology, which could integrate rental and leasing businesses too. For example, the blockchain-based platform “Tesseract,” launched by Ernst and Young in 2017, supports integrated and autonomous mobility. This would allow car sharing for individuals and corporates where all payments and insurance are processed through blockchain. On the other side of the scale, Renault developed a platform prototype in 2018 using blockchain to track information flow on their vehicles. It could track the vehicle's movement through repair shops, dealerships and regular service stations to log maintenance history in one location using a digital maintenance log.

OTHER GROWTH DRIVERS

Due to globalization and rapid infrastructure development, the demand for vehicles is expected to grow over the forecast period. Usually, vehicle rentals are for less than a month, while the leases are for a year or more. And with vehicles being available for lease or rent at a lower cost, the industry is expected to show significant growth with this additional demand.

This will be augmented by the factors such as quick and ready availability and lesser liability on customers. Furthermore, positive experiences in mobile applications and customer call centers of the lessor have led to increased customer satisfaction. All these are expected to boost the growth of the industry over the forecasted period.

Due to globalization and rapid infrastructure development, the demand for vehicles is expected to grow over the forecast period.



Several new trends are emerging to promote the growth of the vehicle leasing industry in general. The rise of vehicle-on-demand operations with or without drivers is expected to boost the car rental and leasing industry over the forecast period. And as these industries grow, the need for proper backup at the time of emergency is expected to drive the demand for the next seven years.

Similarly, increasing disposable income has boosted tourism and travel, which is expected to drive the demand for rental vehicles over the forecast period.

As the leasing/renting industry grows, additional services such as GPS tracking, accident insurance, entertainment systems, and related services may offer further growth opportunities over the next few years.

The ease of booking using online and mobile bookings facilities are expected to add to the growth. Additionally, strategic marketing, effective management of operational activities and strategic partnerships are also expected to boost the car rental and leasing market.



x x x x



WHAT THE FUTURE LOOKS LIKE

.....



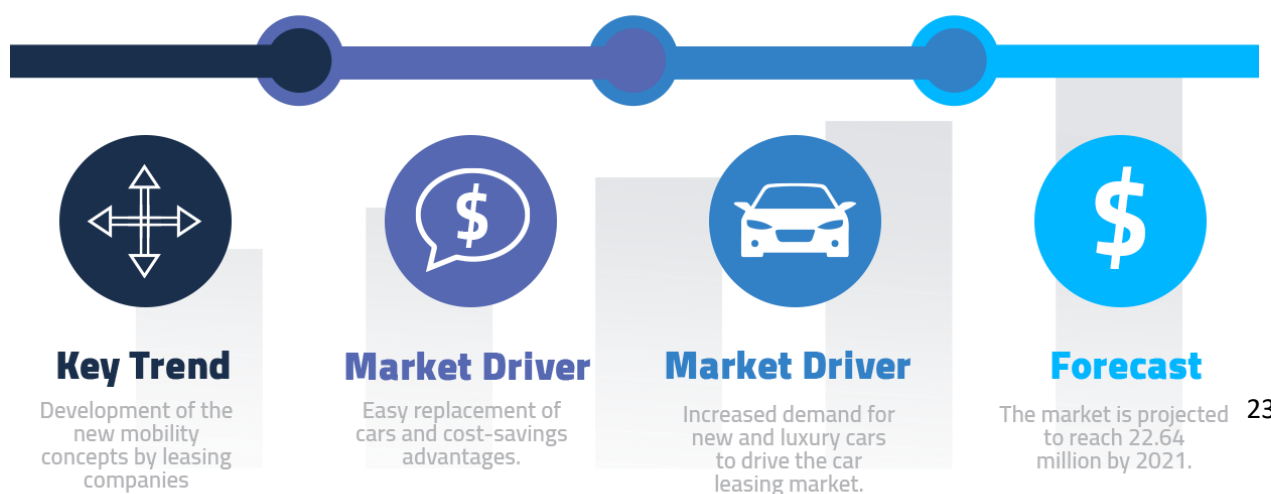
As awareness of the benefits of leasing against purchase grows among the populace, the industry is expected to grow further. Furthermore, government policies declared to increase the use of car leasing at various levels are expected to offer lucrative opportunities for market growth. However, the cost of the original equipment at the time of collision is expected to hamper the market growth.

FUTURE TRENDS OF THE CAR LEASING MARKET

THE SURGE IN AWARENESS ABOUT THE BENEFITS OF LEASING

The rapid industrial expansion of several industries globally has increased the demand for the shared mobility market to facilitate travel and transport to different parts of the country. This has increased the use of car leasing by the corporate sector, which contributes to the increased awareness among non-corporate users of the advantages of leasing over other available options. This fosters well for market growth during the forecast period.

Global Car Leasing Market



PEOPLE SHIFTING FROM PURCHASE TO VEHICLE LEASING

The increase in traffic and pollution in most developed cities is an increasing concern among the population. The rising traffic and pollution has encouraged people not to own personal vehicles but to use shared mobility or lease an automobile for the required time in exchange for timely payment of rentals. This move is expected to boost the market growth during the forecast period.

DEMAND FOR THE LATEST MODELS AND TECHNOLOGY

Regularly advancing technology and design is the norm at present. It prompts consumers to upgrade their products to contemporary designs with advanced features regularly at competitive prices. This phenomenon applies to vehicles too. Therefore, leasing is an attractive option for consumers to upgrade their existing cars to better and advanced models at a reasonable cost. The technology in cars is constantly evolving, thus the desire to upgrade. Leasing allows consumers to regularly upgrade their vehicles with more advanced features such as Apple CarPlay, integrated connectivity, lane assist and highly automated systems.

COST-EFFECTIVENESS

Buying a car could be a heavy financial burden for many, especially those who live on a tighter budget. However, properly structured monthly payments, leasing could offer a cost-effective solution for this segment. Furthermore, leasing will provide stability to a market segment with regular pay but no other income. It will also de-risk the consumers' financial liability against a PCP deal. They will no longer have negative risk equity at the end of the agreement or a balloon payment at the end of their contract with a lower asset value. It is believed that PCP deals it would cost drivers more than double against a leasing

contract. Possible savings by acquiring leasing than a PCP could be £7,000 (US\$9,100) on average, according to research by LeaseLoco.

The uncertainty on the financial outflows is associated with car ownership. The financial implication could be in the form of breakdowns and repairs etc. However, leasing often includes an affordable package covering maintenance, road tax, warranty, and breakdown. Furthermore, with the regular upgrade of the vehicle, the risks of upkeep or repair costs are lower as new models come straight off the production line. This would reduce the risk of failing consumables like brake and clutches liners during the lease. Therefore, leasing offers a reliable motoring experience without financial stress.

ADVANCES IN SAFETY

Health and safety are critical attributes in today's world. With safety is considered an essential aspect of the vehicle, families, especially ones with young children, believe safety is of the utmost priority. Today, the latest developments in car manufacture have advanced systems to improve safety.

Unlike yesteryear, today's cars often possess safety technology that provides collision detection and prevention methods to eliminate human intervention through braking. For instance, Audi has introduced pre-sense technology that applies the brakes fully when a collision is detected through a series of sensors. The technology is expected to prevent accidents at speeds of up to 25 mph. Additionally, the innovation is expected to reduce the impact's severity at speeds up to 53mph. Similarly, the Skoda has incorporated driver fatigue detection and seven airbags, including one for the driver's knees, in Kamiq 2020. These kinds of features were nonexistent in older models.

However, the longer one owns a car; technology could be outdated. Therefore, it is attractive to lease a brand-new model with better safety features than purchasing —whether outright or through something like a five-year PCP deal— for the average individual. At present, buying second-hand, the consumer could be left with substandard safety technology compared to newer models. Regularly updating the vehicle to a higher level with better safety features through leasing will allow the drivers access to those cars at an affordable cost. Therefore, it is believed a growing number of drivers would deviate from the traditional idea of owning a car and head to lease the vehicle.

THE IMPACT OF DEPRECIATION

The depreciation of the value of one's car is a significant concern among car owners. They will have to manage their own financial risk, taking on the resultant economic loss personally. For instance, diesel car owners could be seriously impacted by the depreciation of the value of their vehicles, changes due to legislation relating to the treatment of diesel emissions. However, when leased, the ownership remains with the lessor, and the depreciation becomes a legitimate business expense. Therefore, the impact of depreciation is lesser for the leasing company while not existent to the customer with a fixed series of costs. This would allow leasing to compete for ownership in the vehicle access market out.

CAR-LEASING & THE FUTURE

Carbon emissions and climate change has become a significant concern; therefore, leasing vehicles is considered as a progressive step to reduce emissions. The barriers to leasing vehicles have been lowered with the advent of technology and the usage of apps. The strong smartphone penetration drives the growth of the car leasing market, but further technological advances could move it at a tremendous pace.

Fully electric cars, autonomous driving, route optimization technology, and car-to-car communication and the use of big data to provide accessibility should change the way customers perceive the use of a car. The future will further transform the perception of owning an automobile to convenient access to automobility.

This should develop a new paradigm enveloping convenience and efficiency for all road users by promoting a relationship between cars, infrastructure, and users. And would make different strategies and markets for their products and support services. As these trends in the automotive industry develop through innovation, the role of OEM could change to an equipment supplier at the center, which would further transform the car-leasing market into a future state.

x x x x



INTRODUCTION TO GCT

WHAT IS GCT

Theoretically, blockchain enables a car to become a smart asset among the IoT so as to manage services like lease payments, auto insurance, tolls, and so forth. This would make it possible for car-leasing engagements to flow across the blockchain-based processes. A customer who has duly signed up and completed KYC can search for a vehicle from GCT's inventory, choose a car they'd like to lease, complete a test drive, evaluate all possible options, and complete preapprovals. The identity of the selected car gets registered on the blockchain.

With the lease agreement completed on blockchain and payment through the GCT tokens completed, customers can then drive off after 12 months (from the day payments are made) with their cars interconnected with the support of smart contracts. During the life of lease, the process continues. The system tracks several activities like distance covered, average speeds, and insurance details potentially offering insights on better leasing options and cheaper driving routes.

HOW IT WORKS

The GCT tokens allows members to get temporary access to vehicles, typically for a period of one year (12 months). The company's fleet and eligible members would be logged into a global database. Vehicles in its inventory can only be leased for a maximum period of 12 months.

Once the life of lease elapses, the client then repeats the process by paying for a second contract.

GCT ECOSYSTEM

GCT uses smart contracts to establish self-executing contractual states that are stored as a public ledger on the blockchain. The contractual states process information from other processes and events and act based on the information supplied. Signatures and agreements get validated on the blockchain and recorded on the shared ledger. The actual goal of the GCT is to simplify the process of car leasing and automate the processes in a seamless and completely secure environment.

To accept and handle payments via GCT, the system uses a BitBlinx wallet. The company would charge market rates

WHY STELLAR BLOCKCHAIN

Stellar is a freely available payment technology having many similarities with **Ripple**. McCaleb founded both Stellar and Ripple technologies. Stellar's regular operation works the same way as most decentralized payment technologies. It runs a chain of decentralized servers with distributed ledgers receiving updates every 2 to 5 seconds among all nodes. The most remarkable difference between stellar and bitcoin is its consensus protocol. Stellar's consensus protocol does not depend on the miner's network to approve transactions. But it is processed by Federated Byzantine Agreement (FBA) algorithm for quicker processing transactions. This is because it uses quorum slices (or a portion of the network) for approving and validating a transaction. Every node in the stellar network picks on its own a set of safe, secured nodes. Every node within this set enables a transaction once to be approved. For this reason, a stellar network has been made extremely fast as it processes up to 1000 network operations per second.

Stellar is an exchange network accepted everywhere; hence can host thousands of exchanges between currencies and tokens per second—making it hold undisputed value and utility. It is a costlier and difficult process to process fiat currencies and cryptocurrencies.

But Stellar is a cheaper and faster option. XLM (the cryptocurrency supported within the stellar wallet) pays transaction fees and manages accounts on the stellar network.

FEATURES

Let us have a look at why we love Stellar




- The stellar database is an open-source and decentralized-an example of the best blockchain platform.
- Transactions are carried out between 3-5 seconds by its consensus mechanism.
- It enables multi signatures and smart contracts.
- Thousands of transactions are done per second.
- It has a 1% fixed annual inflation.

STELLAR'S BASE TRANSACTION FEES

The nominal amount associated with each transaction operation is the base fee for transactions in the stellar network. It just acts as a deterrent for malicious activities (like DoS attacks) but does not have a profit motive.

Currently, the base fee is .00001XLM. This expense is incurred by the sender when a transaction is done. The cost is collected by the ledger and redistributed subsequently in the process of inflation.

Summary

Rating: 1.0 ?
Total supply: 9,000,000  GCT ?
First transaction: 2021-09-05 19:24:57 UTC ?
Trustlines: 3 total / 3 authorized / 3 funded ?
Median balance: 965,095.748282  GCT ?
Total payments count: 120 ?
Overall payments volume: 10,057,602  GCT ?
Total trades count: 0 ?
Asset authorization flags: none ?
Issuer account lock status: unlocked ?

RECOGNITION

Stellar gained its fame in October 2017 when it announced a partnership with IBM. This association anticipated the creation of multiple currency corridors among nations in the South Pacific.

The project intends to process up to 60% of all cross-border regionally, including Fiji, Australia, and Tonga. Doing this would link non-profits, small businesses and local banking institutions to expedite commercial transactions. For instance, a farmer in Indonesia would connect and perform a transaction with a farmer in Samoa.

The well-known technology consulting firm Deloitte announced collaboration with Stellar in 2016 to develop a payment app. McCaleb confirmed in a conference in 2017 that 30 banks had collaborated with stellar blockchain to enable cross-border transfers. Payment Stripe has removed bitcoin and replaced it with Stellar on its platform.



x x x x



WHY WE'RE INTRODUCING LEASING CARS WITH CRYPTOCURRENCY PAYMENTS

TRANSACTIONS

Straightforward transactions could be complicated by agents, brokers and legal representatives, therefore, creating more expenses. These expenses result from paperwork, commission, brokerage fee, and all other special conditions that may apply.

Cryptocurrency has the best rates since it is more independent and standardized, discouraging brokers **from cutting out the middleman**. Therefore, there would be a more significant way of creating audit trails, less confusion over unintended payment mistakes and greater accountability since the two parties know each other.

ASSET TRANSFERS

One financial analyst has described cryptocurrency blockchain as resembling an extensive property rights database, which helps execute two-party contracts on different commodities like real estate and automobiles. It can also help facilitate specialist mode of transfers.

For instance, cryptocurrency contracts can be designed to refer to external facts, add third-party approval, or be done at a specific time in the future. Therefore, you are the cryptocurrency holder, and you must manage your account. For this reason, the expenses and time for transferring assets are reduced.

MORE CONFIDENTIAL TRANSACTIONS

You may use either cash or credit systems. All your transaction history will act as a reference document for the bank, or the credit agency involved when making a transaction. At the lowest level, it involves checking your account balances to ensure you have enough balances to complete the transaction. For

more technical transactions, you might need thorough scrutiny of your financial account before making any payments.

Another advantage is that all transactions you make are specifically between two parties. The terms may be negotiated and agreed upon in each case. The marketing of any information is done in a restrictive way whereby you are only allowed to send what you wish to send to the recipient and nothing else.

This feature makes your financial history private and protects you from theft which is common in traditional systems. An insecure system may expose information at any time of the transaction chain, making you lose your account.

TRANSACTION FEES

At some point, you have read your monthly account statements from any credit card company or bank and got surprised at the level of fees charged for funds transfer, writing checks and many other charges. Transaction fees may take a better part of your assets, mainly if you perform many transactions in a month.

Since the data miners who do the number-crunching receive compensation from the cryptocurrency network, transaction fees usually don't apply.

GREATER ACCESS TO CREDIT

The internet and digital data transfer perform are the media responsible for conducting Cryptocurrency transactions. Currently, these services are easily accessible by anyone who has a data connection, knows more about cryptocurrencies on offer, and has quick access to their relevant portals.

Approximately 2.2 billion people worldwide can access the internet or mobile phones but cannot access traditional exchange or banking. The cryptocurrency ecosystem will soon make asset transfer and

transaction processing possible to **this vast market of willing consumers**- when the needed infrastructure (digital and regulatory) is put in place.

EASIER INTERNATIONAL TRADE

Cryptocurrencies have not been approved currently on national levels as legal tender. They are not in any way subjected to interest rates, exchange rates, transaction charges or other levies charged by a specific country.

Applying peer-to-peer mechanisms of blockchain technology and transactions across borders may be done without any difficulties over the fluctuation of currencies and the like.

INDIVIDUAL OWNERSHIP

In the credit card system or traditional system, you effectively change your funds' management to a third party that may expose your assets to unsafe hands. Your account may be suspended for failing to abide by the terms and conditions of a financial institution –if you face such a crisis. As the actual account owner, you will need verification to get yourself back into the system.

The benefits behind cryptocurrencies is that you are entirely in charge of your account unless you have authorized the management of your wallet over to some other person. This security feature was necessary because you are **the sole owner** of the public and private corresponding encryption keys that identify your cryptocurrency network or your address.

ADAPTABILITY

Currently, more than 1200 different cryptocurrencies are circulating the world market. Most of them are very ephemeral, but experts created a more significant proportion **created for a specific use case** that clearly shows the flexibility of the cryptocurrency phenomenon.

For instance, privacy coins help protect your identity on the blockchain and enable the supply chain tokens that facilitate supply chain operations in many industries.

STRONG SECURITY

Immediately a cryptocurrency transfer has been authorized, it cannot be undone as in the "charge-back" transaction, which is legal in some banks and other companies. This security measure protects users against cheating. Therefore, certain agreements on refunds should be made between the buyers and the return policy. Both parties should resolve the mistake and come to a final decision.

Introducing Car Leasing with Cryptocurrency Payments



Straightforward & Confidential Transactions



Greater Access to Credit



Easier International Trade



Low Transaction Fees



Strong Security



Individual Ownership

x x x x



OUR LOYALTY PROGRAM

GCT's loyalty bonus program is an incentivized compensation awarded to its members as a percentage of the company's profit. All loyalty bonuses will be deposited in either the Reserve Account or the Car Return Account.

GCT's loyalty program is meant to give its clients loyalty bonus points that can be spent on leasing vehicles within its platform. This would help the business keep a decent customer retention rate. Research indicates that acquiring new clients costs a business anywhere between 5-25% more depending on the industry. On the other hand, existing clients spend 33% more on average, compared to new customers. This is what necessitated the creation of GCT's loyalty program.

Car Return Account: When the contract starts, the first Loyalty Bonus will be deposited into the Car Return Account, until it reaches 40% of the leasing contract. This amount will be used as a security deposit in case the car comes back with damages after 12 months. If the car is in good condition, the 40% will be transferred to the Reserve Account. If the car needs some repairs, part of the 40% will go towards offsetting car repair costs.

Reserve Account: After Car Return Account has been filled, all Loyalty Bonus will be deposited into the Reserve Account. Reserve Account can only be used for the payment of the leasing contracts. Only the company would be able to transfer the total or a part of the amount of the Car Return Fund to the client's Reserve.

TOKEN CROWD SALE PARAMETERS

During the initial token offering, a total of 9,000,000 tokens will be issued, with no additional tokens generated thereafter. Early participants will receive tokens at an initial price equivalent to 0.00005000 BTC. Within the first 10 days of the token offering, participants will receive a 25% discount. In the following 10 days, participants will receive a 15%. The final discount price will be capped at 10% for the remaining 10 days or until all tokens have been sold.

CAR DEALS AND OFFERS

The company is scheduled to offer the first car deals starting October 2021. As aforementioned, all deals will be 12/12, meaning, upon identifying a vehicle in our fleet, customers would pay (using the GCT token) 12 months ahead of the start of the lease life. The lease life then runs for a 12-month period after which the lease contract expires. Upon the expiry of the lease contract, customers can then renew their contract by making another payment.

Member would be able select cars based on their model, color, and class. Some models available to customers includes Berlines, Breaks, Coupés, and SUVs. Clients may not be able to choose the exact brand and model, but they'll receive cars that match their preference.

DETERMINING THE LEASE PRICE

Lease prices would be determined by a variety of factors including the model of the car, features, and the maximum distance to be covered through the entire lease life.

Option 1: 15,0000 KM

This distance constitutes the base price. No additional costs would be charged for clients looking to cover a maximum of 15,000 km through the entire lease life.

Option 2: 30,000 KM

For customers looking to cover up to 30,000 km throughout the lie of the contract, they will have to pay an extra 10% on top of the base price.

Option 3: 45,000 KM

This is our third and final option meaning that distance covered cannot exceed 45,000 KM throughout the lease period. Clients who wish to cover the said distance over the 12-month period would be charged an extra 25% on top of the base price.

Extra Option: Tow Bar

Customers who would like their vehicles fitted with tow bars would be charged an extra 500 Euros (In GCT tokens) regardless of the make or model of the car.

ELIGIBILITY

We understand that leasing a car can be useful and a flexible alternative to individuals and companies. For this reason, we made our eligibility criteria quite reasonable. However, not everyone may qualify to lease a car. To qualify for membership, users should have a valid driving license. KYC procedures would also be completed using the driving license.

Once the validity of the driving license has been ascertained, users will be required to pay an annual fee of 100 Euro which will be deducted from a linked account. Thereafter, the system would automatically deduct the fee once per year.

- Members must have a driving license to be eligible.
- An initial payment of 100 Euros gets deducted from the member's linked account upon registration (100 Euro, annual fee, is subsequently deducted at the end of every year).

Information provided to us for leasing will not be used for anything else other checking customer's eligibility.

MEMBERSHIP

Membership would not be limited to the existing GTI community (those holding GTI tokens). People from around the globe with universally recognized driving license can actually join in as long as they meet the set criteria. This would give the company impetus to grow rapidly beyond the bounds of the GTI community.

EXCHANGES & WALLETS

Members are required to create wallets in the Bitblinx exchange. The choice of Bitblinx was a result of a combination of factors including its security features (SSL, 2FA, and Mail encryption) and zero fees for deposits and withdrawals.

x x x x



WHY CHOOSE GCT CAR LEASING PLATFORM?



1

Flexibility

GCT gives users the ability to select between different vehicles for different types of trips.



2

Convenience and accessibility

GCT gives you the ability and opportunity to utilise vehicles for different activities (e.g. commuting, leisure trips, hobbies, grocery shopping). This helps take off the stresses associated with car ownership.



3

Affordability

the opportunity to access vehicles yet avoid the total costs of ownership, as there are outsourced to private organizations or other private individuals. The principal advantage of this arrangement is that our members would avoid costs related to parking, maintenance, insurance and so on that are fixed regardless of the extent to which vehicles are utilized

x x x x



ROAD MAP

.....

.....





August 2020

Launch of Global Cars
in the Netherlands
and Belgium

November 2020

Launch of Global
Cars in France &
Switzerland

March 2021

Launch of Global Cars
in Spain & Germany

September 9, 2021

launch of the GCT on
BitBlinx Exchange



September 20, 2021

launch of the Global
Cars website and GC
Founder Shares

October 9, 2021

launch of the Global
Cars leasing concept

October 31, 2021

launch of the GCT
Boosters

The background features a light blue gradient with a pattern of small white dots. Overlaid on this are white, glowing circuit-like lines that branch out across the upper half of the image. Some of these lines have small, bright yellow and green circular highlights at their junctions.

THANK YOU



www.globalcars.net