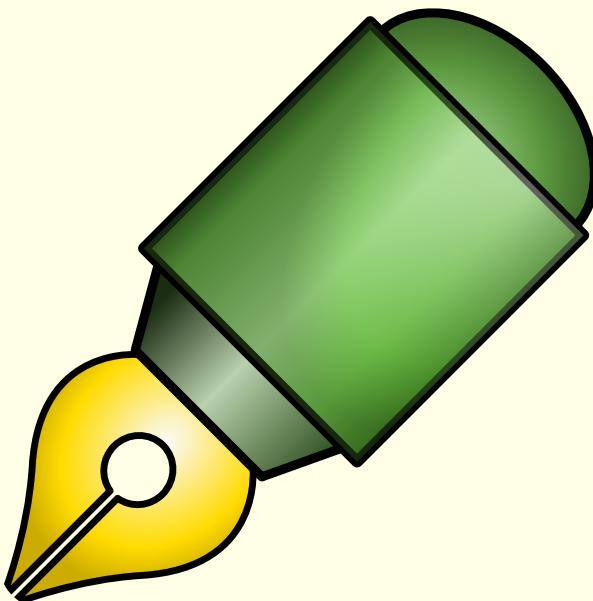


# IOU Notes



Upisom: *Do Better*

Pitch Deck December 2024



# Sofia Can't Make Payroll

## The Crisis

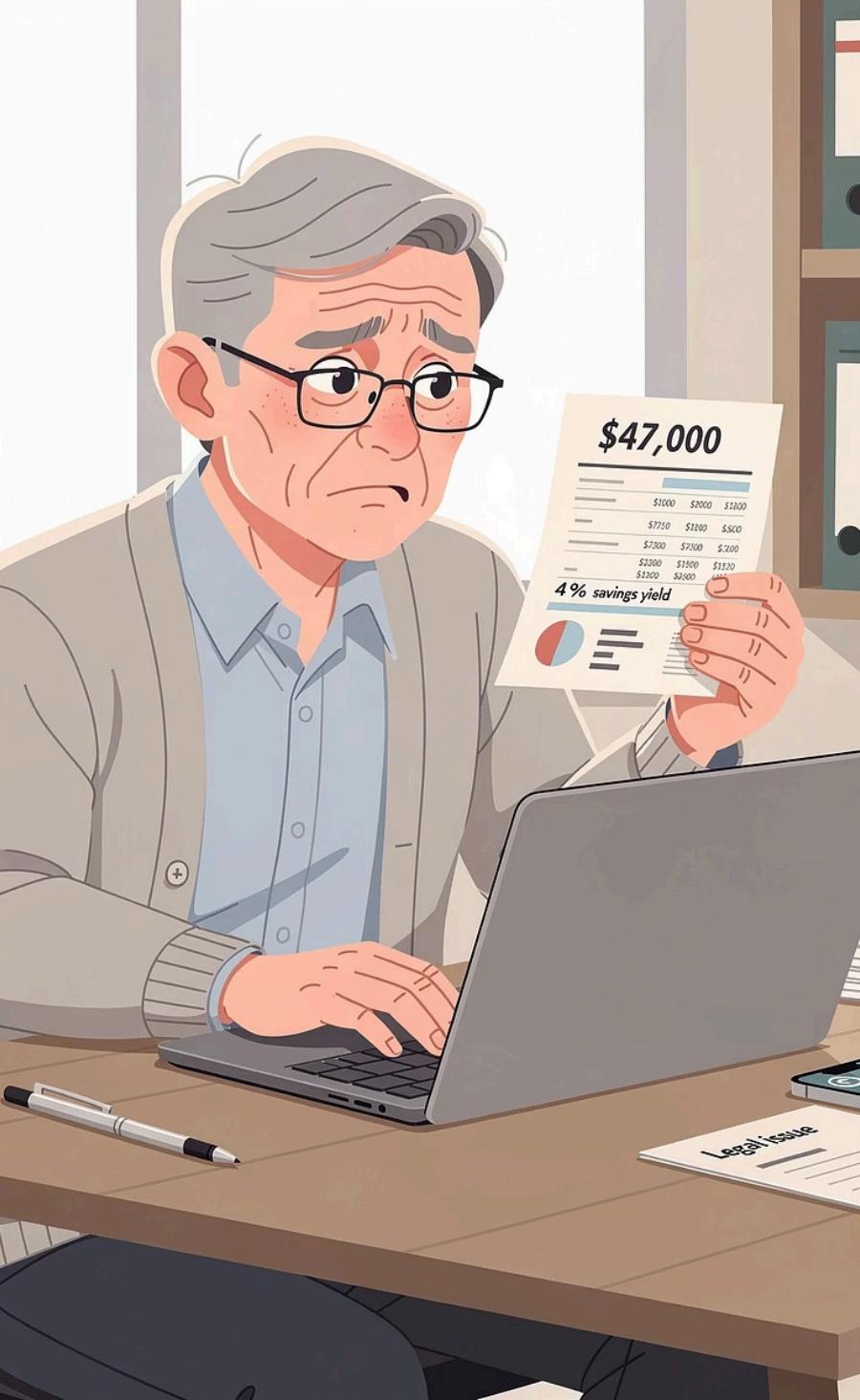
Sofia's catering company delivered a \$47,000 event. Payment was due in 60 days, but 94 days later, she's still waiting. Her supplier demands payment, and payroll is Friday.

## The Pain

A factoring company offers to buy her receivable for 4% monthly—nearly \$2,000 for money she's already earned.

This pain is common:

- 64% of small businesses face invoices 90+ days overdue.
- 37% consider shutting down due to late payments.



# Marcus and his POMO: Pain of Missing Out



## The Opportunity

Marcus knows Sofia (local chamber of commerce) and the agency's CFO (ex-colleague).



## The Gap

Marcus's cash earns 4%. He'd buy Sofia's \$47K receivable at an 8% discount, confident the agency will pay.



## The Pain

Paper IOUs require lawyers and contracts. Marcus avoids the hassle, forfeits his return, and Sofia's crisis deepens.



# Three-way Pain



## The Crisis

Elena borrowed \$15K from Diane for her taco restaurant. Rent jumped 40%. She's 3 months behind but wants to pay.



## The Opportunity

Diane needs cash for tuition. Victor has money and could assume Elena's debt at a discount, giving Elena time.



## The Pain

Novation requires lawyers (\$500-1,500), coordination, notarization. No standard process. Victor does nothing. Diane waits. Elena drowns.

# The Pattern: Debt Is Trapped

## Sofia's Pain

**Role:** Creditor

Cannot convert receivables to cash without high fees.

## Marcus's Pain

**Role:** Would-be Buyer

No efficient infrastructure to buy individual debt.

## Elena's Pain

**Role:** Debtor

No mechanism for friends to assume her debt.

Debt is trapped, unable to flow where it's most useful.

The current system fails everyone. Until now.



# Introducing IOU Notes

## The World's First Peer-to-Peer Debt Ledger

01

### Record Any Debt

Legally enforceable notes for any obligation.

02

### Transfer Any Note

Creditors can seamlessly transfer notes.

03

### Split Any Note

Divide large receivables for distributed risk.

04

### Rate Debtors

Creditors assign trust scores to build reputation.

05

### Resolve Disputes

Built-in escrow and arbitration.

# The Key Mechanism: Debt Assumption



## How It Works

High-trust debtors assume low-trust debt at a discount.

1. Original debtor released.
2. New debtor profits from spread.
3. Creditor paid faster by trusted party.



**Result:** Responsible behavior rewarded. Trust tradeable. Credit flows where needed.

# How IOU Notes Works



## Record

Creditor and debtor create a Note documenting the obligation—amount, terms, maturity date, and conditions. Legally binding and enforceable.

## Rate

Creditors assign trust ratings to debtors based on payment history and personal knowledge. Ratings create reputation capital.

## Trade

Notes can be transferred to new creditors, split among multiple parties, or assumed by higher-rated debtors at a discount.

## What IOU Notes Is NOT

- ✗ No funds pass through the system—purely recordkeeping
- ✗ Non-custodial: parties handle payments directly

- ✗ Not a bank, not an exchange, not a lender
- ✗ No blockchain complexity or crypto associations

# Three Converging Forces Mean Now Is the Time



## Credit Drought

- Bank lending standards tightened 13 consecutive quarters through Q4 2024 (Federal Reserve)
- Global trade finance gap: \$2.5 trillion—up 47% since 2020 (ADB)
- \$5.7 trillion MSME financing gap in emerging markets (IFC-World Bank, March 2025)

## Late Payment Crisis

- 50% of all B2B invoices are overdue (Atradius 2024)
- 47% of EU enterprises report late payment problems—highest in 5 years
- 72% of construction subcontractors waited 30+ days for payment in 2023

## Infrastructure Maturity

- Cloud platforms, identity systems, and API ecosystems now enable P2P financial infrastructure
- Growing rejection of crypto complexity makes traditional database approaches attractive

**The pressure cooker:** Demand for credit is sky-high. Approval rates are rock-bottom. People desperately need alternatives.

# Market Size: Following the Money



## TAM: \$35 Trillion

Annual global trade credit volume—  
40% of world GDP (World Bank,  
2023)

## SAM: €3.9 Trillion

Global factoring turnover in 2024  
(FCI, May 2025)

## SOM: \$2.5 Trillion

The unmet trade finance gap—  
businesses that want credit but can't  
get it. This is underserved demand, not  
competition.

**Adjacent opportunity:** \$41B+ payday lending market (people seeking debt liquidity)

*Sources: World Bank 2023, FCI May 2025, IFC-World Bank March 2025, Federal Reserve 2024, ADB 2024, Atradius 2024, EU Enterprise Survey 2024, Construction Survey 2023, Payday Lending Market Analysis 2024.*

# Business Model

## Primary Revenue: 1% of Discounted Assumptions

When a high-trust debtor assumes a note at a discount, Upisom takes **1% of the discount**.

### Example:

- \$100K note assumed at 10% discount = \$10K spread
- Upisom fee: **\$100**

## Additional Revenue Streams

Stream	Description
Enterprise API Access	Subscription/usage fees for integrations
White-Label Partnerships	License infrastructure to other platforms
Notes Marketplace	Listing fees; price discovery data
Dispute Resolution	Arbitration service fees
Premium Accounts	Enhanced features for power users

## Unit Economics Path

Scale	Monthly Assumptions	Monthly Revenue
Early	250	\$25,000
Growth	2,500	\$250,000
At scale	25,000	\$2,500,000

Network effects create a moat: trust ratings accumulate, making the platform stickier over time.

# Competition

Alternative	Limitation	Notes Advantage
Paper IOUs / Texts	Unenforceable, untransferable	Digital, legal, transferable, rated
Factoring	2-5%/month fees, intermediary required	Peer-to-peer, no middleman, 1% fee
Trade Credit (Net-30/60/90)	Illiquid—stuck on balance sheet	Any invoice becomes tradeable
P2P Lending (LendingClub, Prosper)	Requires exchange, custody	Non-custodial, direct party-to-party
Letters of Credit	Complex, expensive, enterprise-only	Simple, accessible to SMBs

**Key insight:** With Notes, factoring becomes a native feature of the debt itself—not a separate financial service.

# Traction & Product



## What we've built with zero external funding:

- [Working MVP](https://notes.upisom.sk) live at [notes.upisom.sk](https://notes.upisom.sk)
- Full feature set: Note creation, transfer, splitting, trust ratings, escrow, arbitration
- Solo-built over 3+ years of focused development
- App + API architecture ready for enterprise integration

## The API Is the Product

The consumer app is one interface. The real value is the API —a platform for partners, marketplaces, and developers to build services we haven't imagined yet.

Seeking funding to move from product-complete to market-ready.

# The Ask

**€7.75M**

Raising

**10%**

Offering Equity

**30**

Months Runway

## Use of Funds

Category	Purpose
Team	Commercial co-founder, 2-3 engineers, ops
Legal/Regulatory	Jurisdiction-specific templates, compliance
Go-to-Market	Customer acquisition, pilot partnerships
Infrastructure	Scale platform for production

## Milestones to Series A

- First 100 active business users
- €1M+ in notes recorded
- Proven unit economics from live transactions
- Commercial co-founder in place

# Founder and CEO Adam Mackler



Adam has 25+ years building systems that move data, including:

Senior Developer & Tech Lead	FiServ (Bratislava) — current
Senior Developer	Bank of America Global Finance (NYC)
Engineer	Credit Karma (California)
Engineer	Bayer (Germany)
CTO	Prior startup (hard go-to-market lessons learned)
Founder	1990s web hosting startup (successful exit)

He is also a retired member of the New Hampshire State Bar Association.

Self-funded MVP demonstrates technical execution.

## Actively Recruiting



### Commercial Co-Founder

Sales, partnerships, go-to-market



### Advisors

Trade finance, fintech regulatory, marketplace expertise



## Vision

# The world's trust layer for commerce.

Every invoice. Every IOU. Every handshake deal.



Recorded.



Rated.



Tradeable.

**Responsible behavior rewarded. Capital flowing to where it's earned.**