
Bitcoin-Secured Lending Integration Guide

Solutions Architect Portfolio

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Bitcoin-Secured Lending

**Your customers want a Bitcoin-backed loan.
We can help you deliver it.**

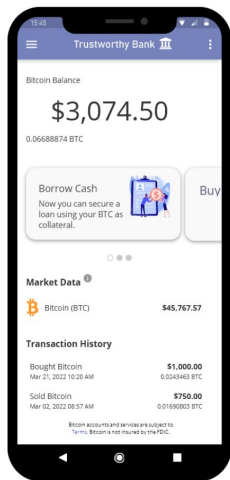
This guide will help you more quickly and effectively integrate our new API's into your existing infrastructure

We present an example mobile app solution so that you can easily understand the workflows and banking activities

Questions? Your partner success team is at-the-ready to answer.


Special Note

All API references within this document are hyperlinked. You can navigate to our live [API documentation site](#) for technical details of each operation.



Get Eligibilities for an account

GET <https://api.example.com/v1/lending/eligibilities?accountId=<value>>



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Get Eligibilities for an Account

Gets lending program eligibility determinations and conditions for a given customer account.

HTTP Request

GET <https://api.example.com/v1/lending/eligibilities?accountId=<value>>

Query Parameters

Parameter	Use	Description
accountId	required	The id of the customer account for which to retrieve lending program eligibility

Response Properties

This API method returns a list of eligibility objects

Property	Description
id	Unique identifier of the eligibility determination
accountId	Unique id of the customer's account associated with the eligibilities
programId	Unique id of the lending program to which the eligibility applies
status	The determination, one of 'ELIGIBLE', 'INELIGIBLE', or 'CONTESTED'
collateralSymbol	The short name (symbol) of the cryptocurrency to be used as collateral
minOfferUSD	The smallest possible loan allowed, denominated in US dollars
maxOfferUSD	The largest possible loan allowed, denominated in US dollars
maxAPR	The maximum APR the partner is allowed to charge the customer
maxInitialTV	The loan-to-value at origination. Value of collateral must be greater than or equal to the borrowed amount divided by this number (expressed as a percentage)
partnerFee	The US dollar amount, expressed as a percentage of the borrowed amount, which must be paid to within 24 hours of loan origination
created	The UTC timestamp of the creation of the loan
expires	The UTC timestamp at which the eligibility determination is no longer valid

Response Codes

HTTP Code	Status
200	OK

SHELL

JAVA

CF

JS

NODEJS

PHP

RUBY

PYTHON

PERL

GO

SWIFT

REQUEST

curl "https://api.example.com/v1/lending/eligibilities?accountId=1" \

RESPONSE

```
{
  "id": 1,
  "accountId": 1,
  "programId": 1,
  "status": "ELIGIBLE",
  "collateralSymbol": "BTC",
  "minOfferUSD": 100,
  "maxOfferUSD": 1000,
  "maxAPR": 15,
  "maxInitialTV": 40,
  "partnerFee": 2,
  "termInMonths": 12,
  "created": "2022-04-02T19:03:32",
  "expires": "2022-04-03T19:03:32"
},
{
  "id": 2,
  "accountId": 1,
  "programId": 2,
  "status": "INELIGIBLE",
  "collateralSymbol": "BTC",
  "minOfferUSD": 0,
  "maxOfferUSD": 0,
  "maxAPR": 0,
  "maxInitialTV": 0,
  "partnerFee": 0,
  "termInMonths": 0,
  "created": "2022-04-02T19:03:32",
  "expires": "2022-04-03T19:03:32"
}
```

Taking a Loan

Discovery

Customer Eligibility

Mobile App Experience

Provisioning & Disbursement

Workflow

Taking a Loan

01 - Discovery

Advertise the partnership and loan opportunity on your website to stir excitement within your customer base

Learn of active and upcoming lending programs

[Get All Programs](https://api.example.com/v1/lending/programs)

GET <https://api.example.com/v1/lending/programs>



BITCOIN SERVICES



BORROW CASH WITH YOUR BITCOIN

Trustworthy Bank has extended its partnership with the industry leader in Bitcoin financial services to provide you with a cutting-edge personal loan opportunity. Access cash today by temporarily locking your Bitcoin. Once you've repaid the loan, you'll receive all of it back. See our mobile app for details.




*Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua. Proin libero nunc consequat interdum varius sit. Pretium fusce id velit ut tortor pretium. In mollis nunc sed id semper risus in. Et leo duis ut diam quam nulla. Fermentum et sollicitudin ac orci phasellus egestas tellus rutrum tellus. Tincidunt augue interdum velit euismod in pellentesque massa. Et tortor at risus viverra adipiscing at in tellus. At auctor urna nunc id cursus metus aliquam eleifend mi. Fringilla est ullamcorper eget nulla facilisi etiam. Diam quis enim lobortis scelerisque fermentum. A cras semper auctor neque vitae tempus quam pellentesque nec. Quis imperdiet massa tincidunt nunc pulvinar sapien et ligula ullamcorper.


Taking a Loan

02 - Eligibility



As the industry leader in regulatory compliance, we will determine the eligibility of each of your customers, as well as conditions of the offer.

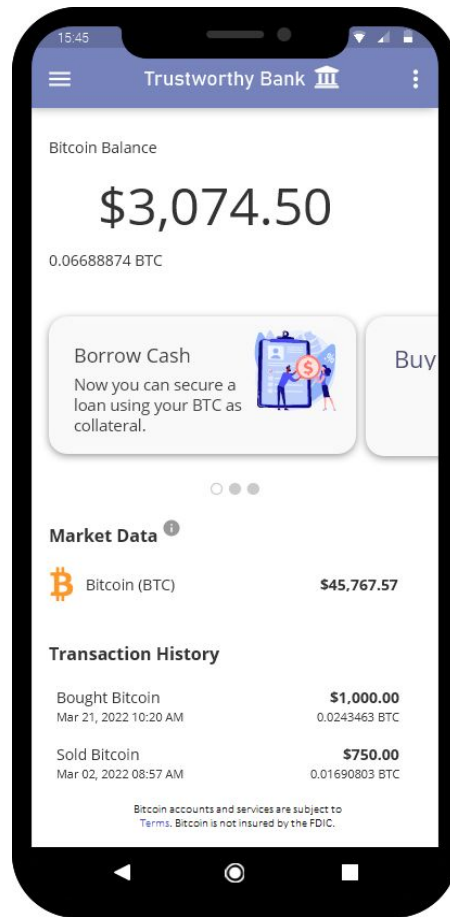
MAX  7.5% APR
\$10,000

 8% APR
\$7,500



You determine the rates and limits, within the parameters we provide

Entice your customers to learn more within your mobile app



[Get Eligibilities for an account](https://api.example.com/v1/lending/eligibilities?accountId=<value>)

GET <https://api.example.com/v1/lending/eligibilities?accountId=<value>>

Taking a Loan

03 - Presenting the Opportunity



The eligibility determination provides key details:

Loan Amount	Max APR	Max Initial LTV	Partner Fee
\$100 - \$10,000	12%	40%	3%

1. A value for calculating the maximum USD loan offer (40% of the market value of customer's Bitcoin holdings)
2. The processing fee you owe*

Present the maximum offer alongside educational content

**Must be paid within 24 hours of loan origination, using the standard settlement and reconciliation process.*



Taking a Loan

04 - Selecting Principal

While the customer is entering an amount, use current Bitcoin market value and *Max LTV* to dynamic adjustly the required lockup amount in real-time

Provide buttons with pre-configured amounts for easier input and quicker commitment by the customer

When the user is ready to continue, create a loan quote to lock in the required collateral.

[Create a Loan Quote](#)

POST <https://api.example.com/v1/lending/quotes>

Taking a Loan

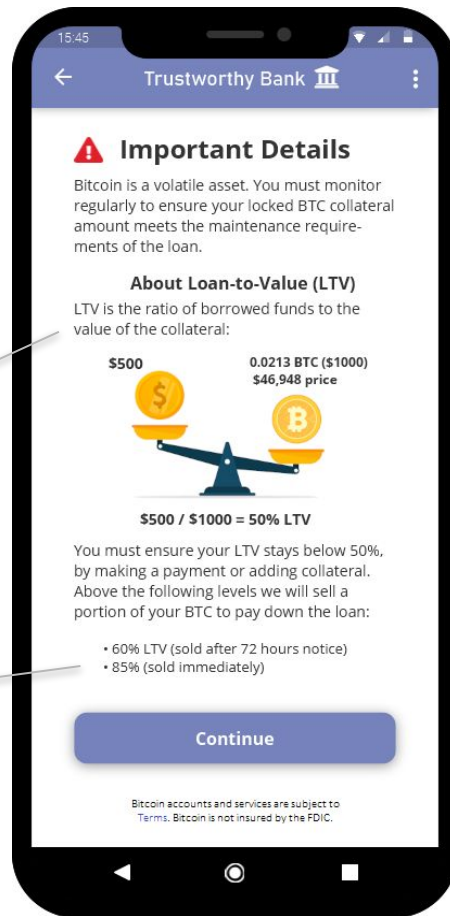
05 - Education

The customer needs to understand this is a different kind of loan

Use the opportunity to educate and inform them of the imperative of maintaining a healthy Loan-to-Value (LTV).

Explicitly state the levels at which the customer's collateral may be liquidated*

**Consult your partner success team to determine levels*



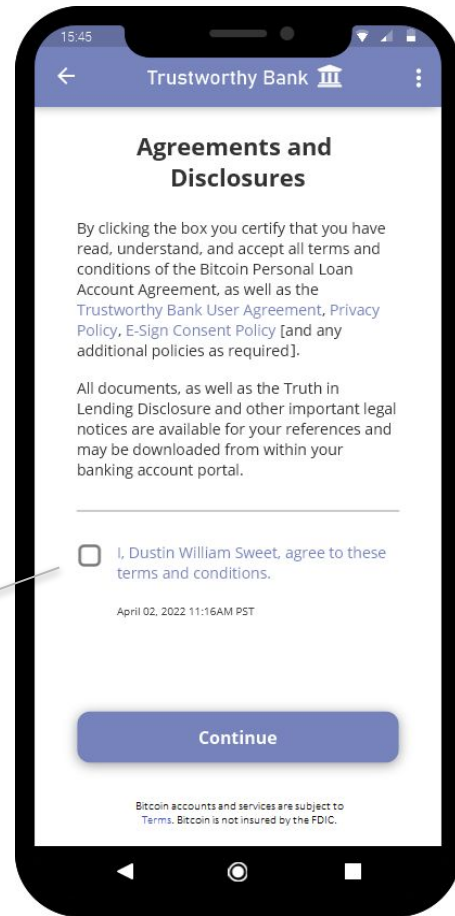
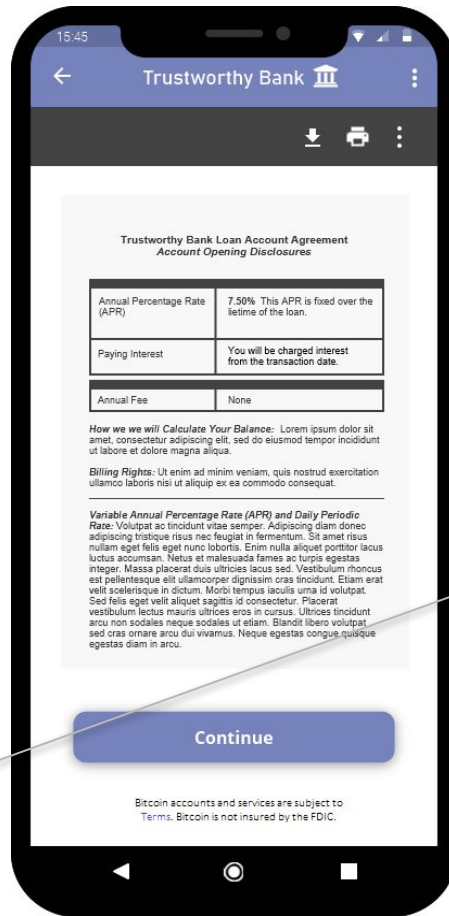
Taking a Loan

06 Legal & Regulatory

Properly collect and archive all disclosures and legal agreements. Work closely with your partner success team to ensure nothing is missed.

Upload all documents before provisioning the loan and dispersing funds.

Include a checkbox and prevent the user from continuing until they've given consent



Taking a Loan

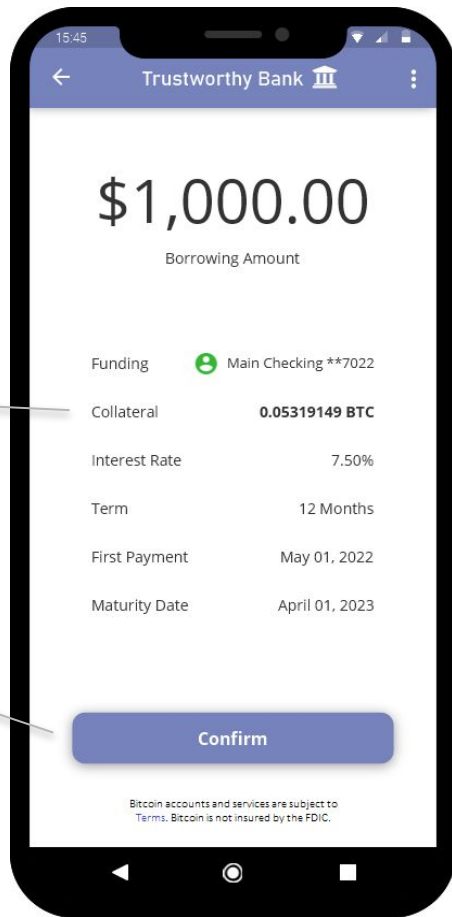
07 - Locking In



If too much time passes, the quote will expire. In such a case, generate a new quote, update the collateral display, and alert the user to the change

Use approved two-factor authentication (2FA) upon confirmation (not depicted).

Proceed with creation of the loan after confirmation.



[Create the Loan](#)

POST <https://api.example.com/v1/lending/loans>

Taking a Loan

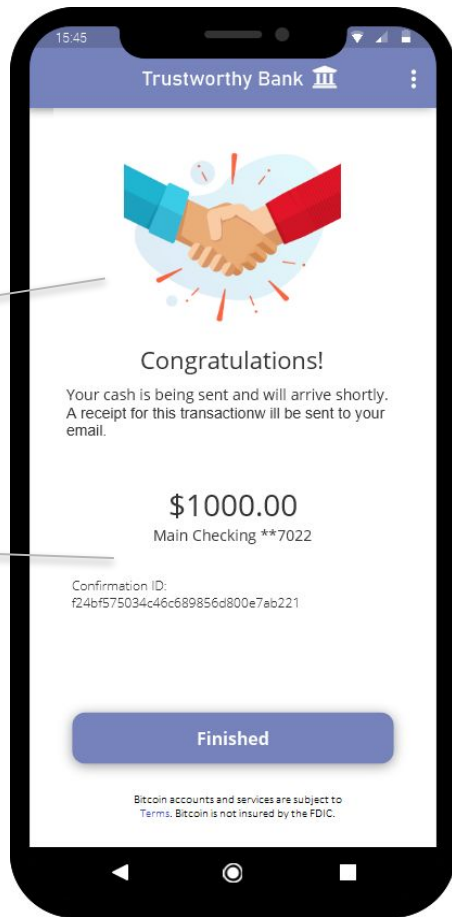
08 - Done Deal



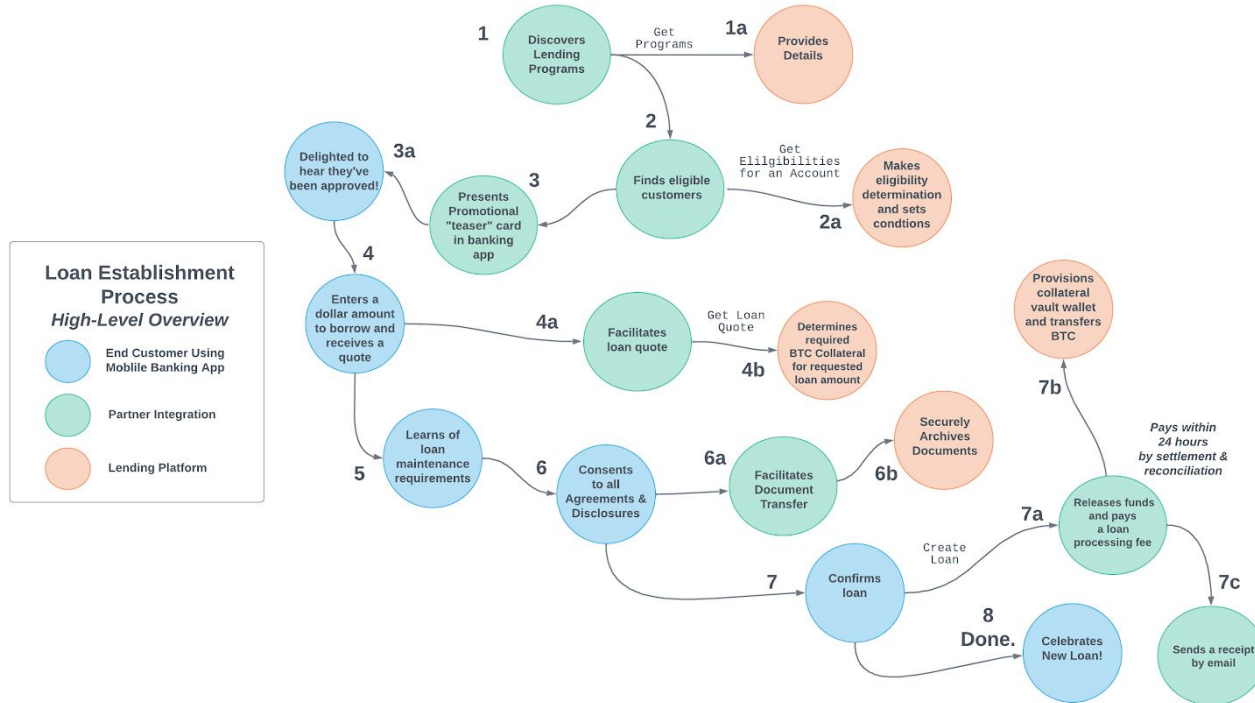
Include images and messaging that give positive reinforcement

The funding account and confirmation ID must be displayed

Disperse cash to the customer's funding account, pay the processing fee via the settlement & reconciliation process, and send the customer a receipt and full details of the loan by email (not depicted).



Loan Establishment Workflow



Customer-Initiated Transactions

Loan Management Portal

Making Payments

Adding Collateral

Workflows

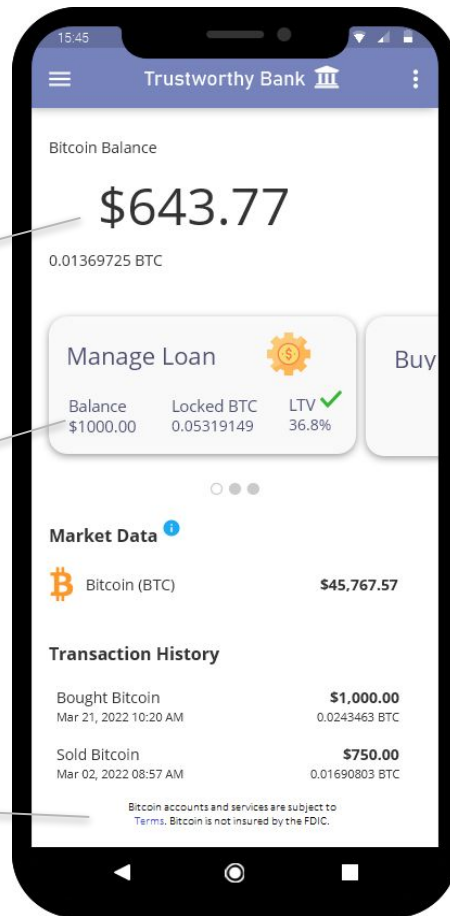
Managing Loan

01 - Portal Access

Note the reduced BTC balance now that the customer has withdrawn a loan.

Make the portal easy for the customer to find. After a visit or two, you can replace the card with a less intrusive menu link.

Remember to include the short-form legal disclaimer on all required pages, per the conditions of the master service agreement.



Managing Loan

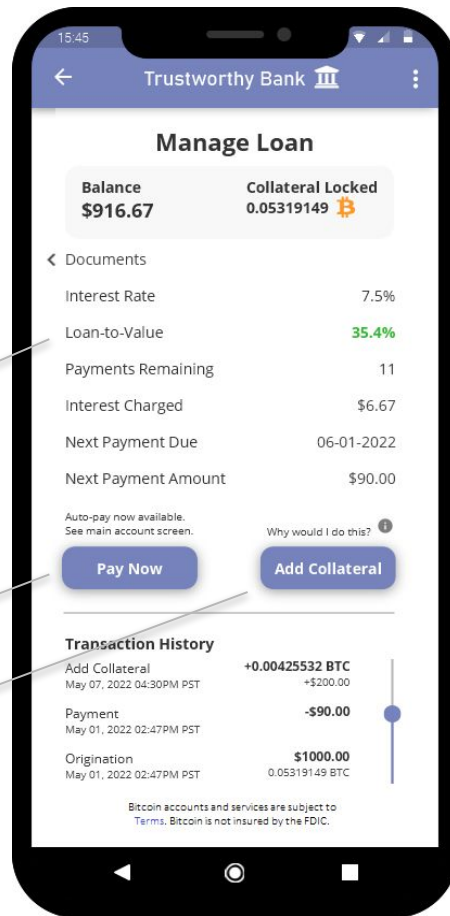
02 - Portal

Present all loan information within a single, easy-to-digest screen.

Include a Loan-to-Value health indicator and proactively alert the user whenever the LTV crosses into unhealthy territory

Make payment easy by offering auto-pay if available.

Encourage the customer to add collateral.



[Get Loan Transaction History](https://api.example.com/v1/lending/loans/<ID>/transactions)

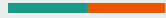
GET <https://api.example.com/v1/lending/loans/<ID>/transactions>

[Get Loans for an Account](https://api.example.com/v1/lending/loans?accountId=<value>)

GET <https://api.example.com/v1/lending/loans?accountId=<value>>

Managing Loan

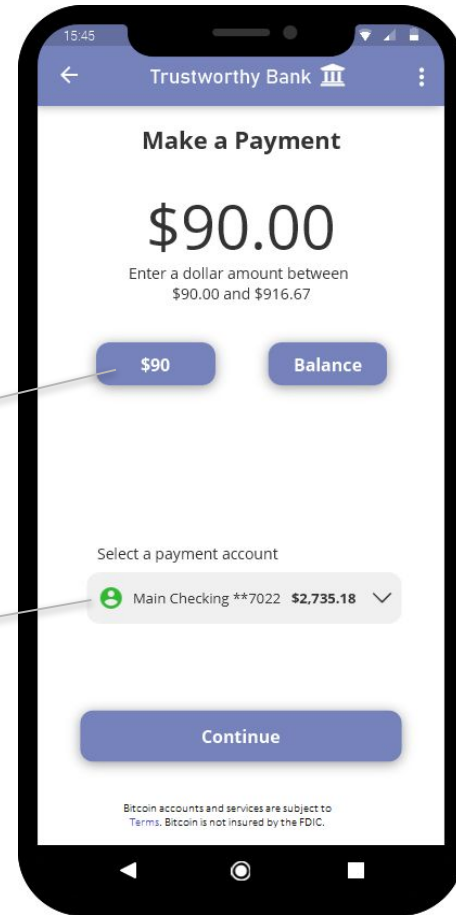
03 - Payment



Keep payment screen uncluttered & simple

Provide buttons with pre-configured payment amounts for a better customer experience

Default to the checking or savings account most frequently used



Managing Loan

04 - Payment Preview

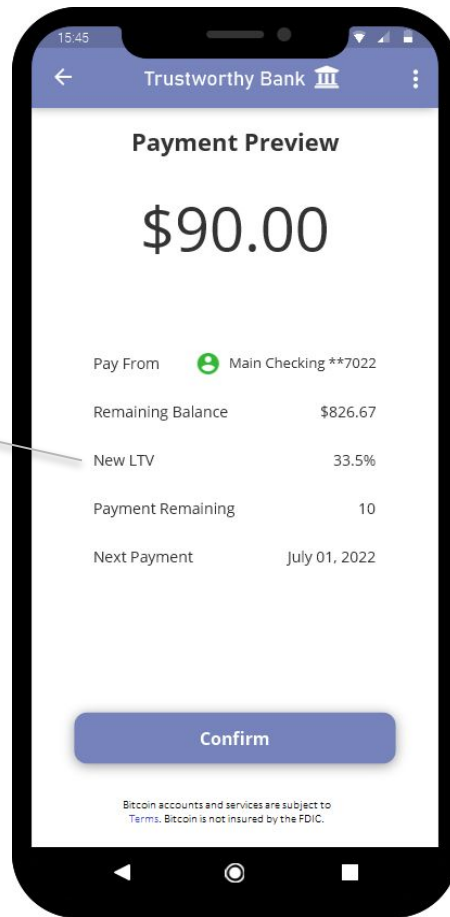


Be sure to include the new LTV value. The customer may wish to navigate back to increase the payment amount

Use approved two-factor authentication (2FA) upon confirmation (not depicted).

Upon confirmation:

1. Move funds from the user's account
2. Log the transaction
3. Send a receipt by email



[Make Payment](#)

POST <https://api.example.com/v1/lending/loans/<ID>/transactions>

Managing Loan

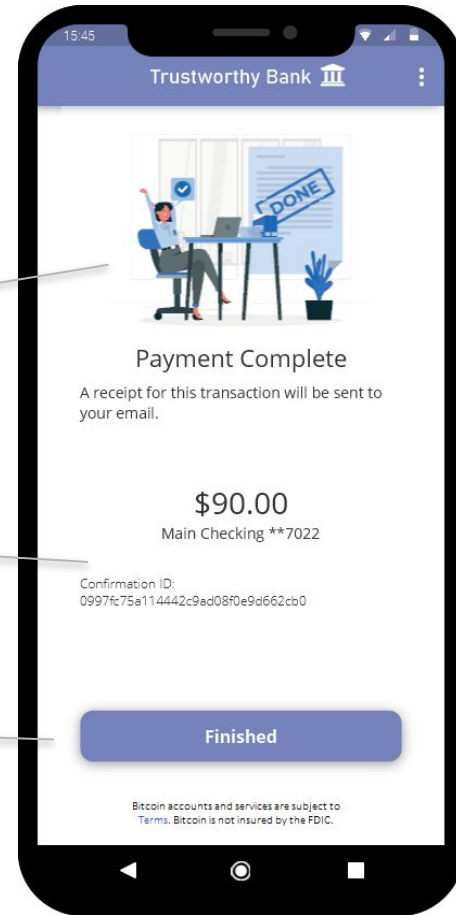
05 - Payment Complete



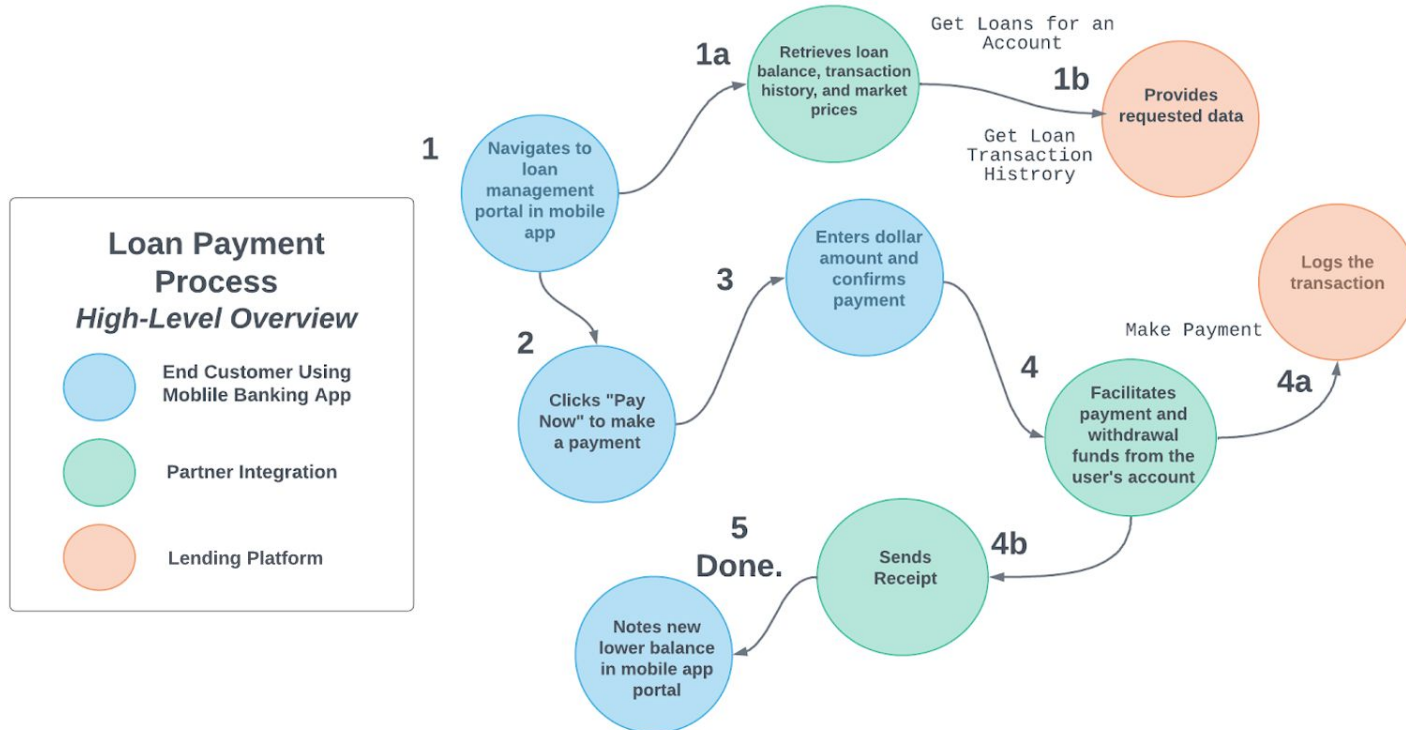
Use images that reinforce trust and boost confidence within the mind of the customer

The funding account and confirmation ID must be displayed

When finished, navigate back to the loan management portal



Make Payment Workflow



Managing Loan

o6 - Adding Collateral

Why?

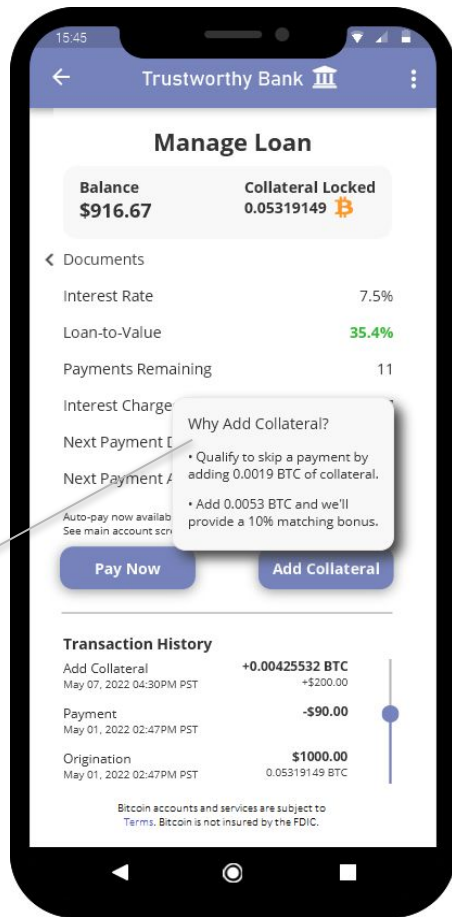
- Lowers LTV, adds security against BTC price volatility, and reduces the likelihood of full or partial liquidation
- Reduces the customer's available BTC balance, increasing their desire to replenish

Incentivize

Offer "Skip-a-Payment" and/or a Matching Bonus when the customer adds collateral in an amount which meets or exceeds their monthly payment obligation

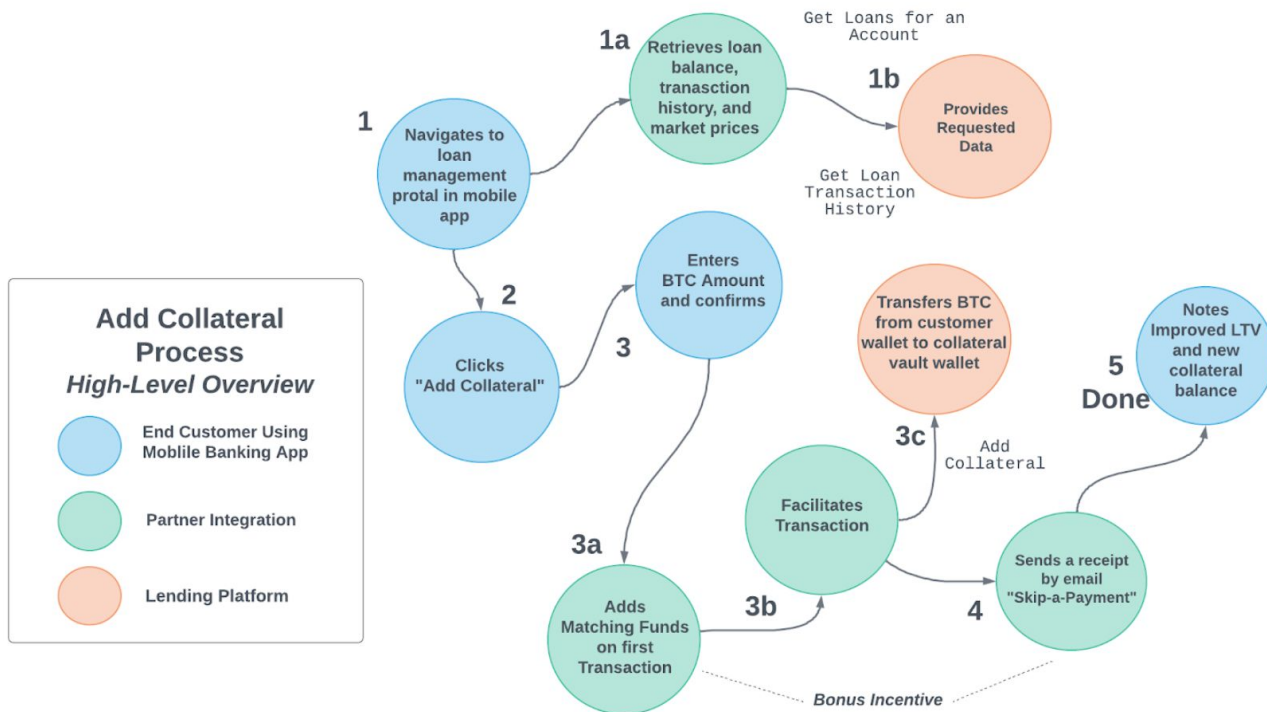
[Add Collateral](#)

<https://api.example.com/v1/lending/loans/<ID>/transactions>



Refer to the previous UI/UX workflow for making a payment. The experience is similar for adding collateral.

Add Collateral Workflow



Partner-Initiated Transactions

Applying Monthly Interest

Liquidating Collateral


Closing the Loan

Workflows



Managing Loan

07 - Applying Interest



Each month you will adjust the customer's outstanding balance to reflect interest accrued.

All transactions, including applied interest, must be made available to the customer in your app's transaction history section of the loan management portal.

Send the customer's monthly statement by email, reflecting all transactions.

Applying Interest

POST <https://api.example.com/v1/lending/loans/<ID>/transactions>

08 - Liquidating Collateral

As lienholder, you have the legal authority to sell off the customer's collateral under certain qualifying conditions (e.g., non-payment or excessive LTV). Consider this an option of last resort. Please speak with our legal support team for details.

You specify the amount to sell off, denominated in USD or BTC. We will sell Bitcoin from the customer's collateral vault wallet at market price.



All legal documents must be uploaded to our secure archive before the transaction can proceed.

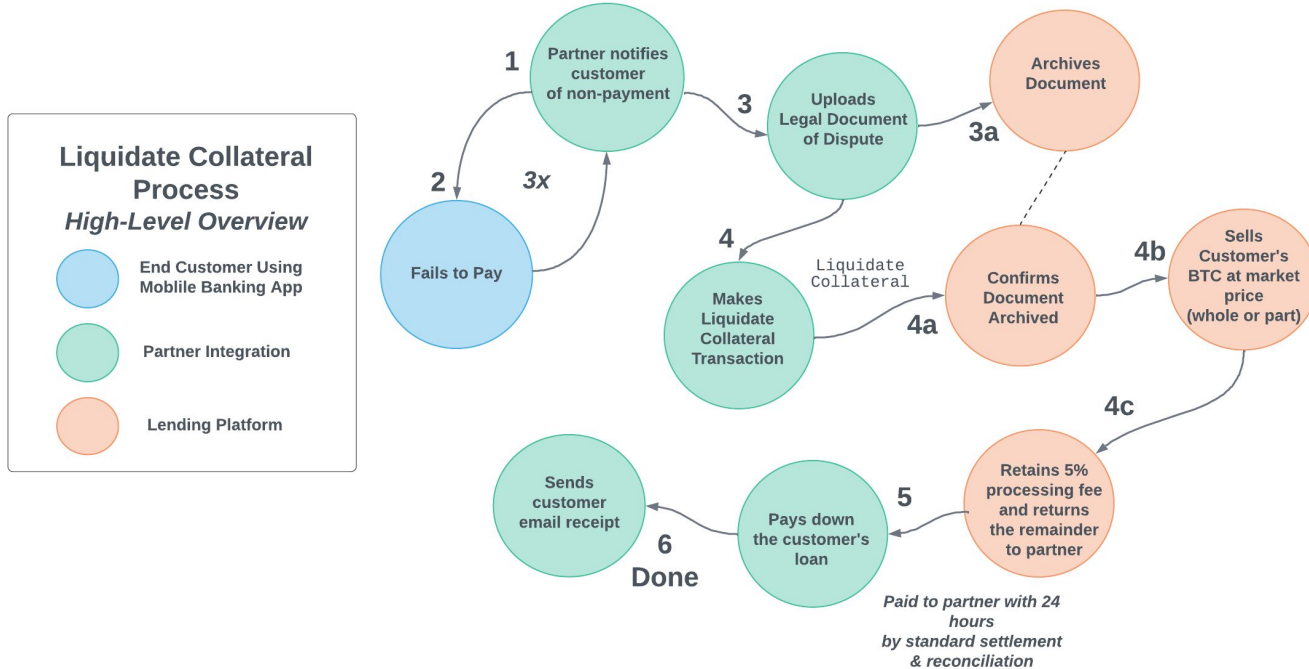


We will deduct 5% of the liquidation proceeds to cover processing costs and send the remainder within 24 hours using the standard settlement and reconciliation process.

Liquidating Collateral


POST <https://api.example.com/v1/lending/loans/<ID>/transactions>

Liquidate Collateral Workflow



Managing Loan

07 - Closing



Once the customer has paid the loan in total, it can be closed. You cannot close a loan with a non-zero balance.

After the loan is closed, we will move the customer's Bitcoin out of the secure collateral vault wallet into their available balance wallet.

Close Loan

PATCH <https://api.example.com/v1/lending/loans/<ID>>

Next Steps

Explore our new [Lending API Documentation](#)

Reach out to your partner success team today to
book a deep-dive working session

Our dedicated team of Solutions Architects is
here to support you

