

Nostro individual fiat accounts behavioral model.

1. Interchange (card transactions)

Parameter	Value / month	Justification
Average monthly purchase volume	€200 (€150 within SEPA, €50 international)	This is a realistic average for a typical digital bank user. €200/month reflects basic consumer activity in the Eurozone — groceries, transport, and services. An additional €100 for international purchases or travel is assumed to reflect moderate usage, excluding professional expenses.
Interchange rate for SEPA transactions	0.2%	This is the standard interchange rate regulated by the EU for SEPA card payments.
Interchange rate for international transactions	0.5%	Outside the EU, interchange is less regulated. Transactions like purchases on Amazon.com, AliExpress, or travel expenses typically yield ~0.5%.
Share of interchange revenue retained by Nostro	85%	Industry benchmarks from neo- and fintech banks show that around 10–15% of interchange goes to partners (e.g., processor, license provider). We assume a realistic 85% retention by Nostro as an industry average.
Revenue from SEPA transactions	$€150 \times 0.2\% \times 85\% =$ €0.255	0.2% rate applied to €150 volume, with 85% retained by Nostro.
Revenue from international transactions	$€50 \times 0.5\% \times 85\% =$ €0.2125	0.5% rate applied to €50 volume, with 85% retained by Nostro.
Total revenue from interchange	€0.4675	This is a balanced, conservative estimate — lower than for power users, higher than for card-inactive ones. SEPA + international transactions

2. FX markup (international purchases)

Parameter	Value / month	Justification
Average monthly international transaction volume	€300	Based on moderate usage: international online shopping, travel, hotels, flights — applies to ~30% of users
Average monthly international transaction volume	€50	Represents the remaining 70% — low-activity users
FX markup	1%	Standard market markup for FX transactions via neobanks and fintechs (e.g., Revolut, Wise, Payoneer) ranges from 0.5–1.5%. We use a conservative 1%.
Share of FX markup retained by Nostro	50%	Half of the markup goes toward operational and third-party costs: FX rate providers, partner banks, and risk mitigation. 50% represents a realistic net revenue.
Total FX markup revenue	Weighted average volume: $0.3 \times 300 + 0.7 \times 50 = 90 + 35 =$ $€125$ $€125 \times 1\% \times 50\% =$ €0.625	Direct revenue from moderate international transaction volume. This may vary slightly by user location but represents a reliable average.
Total	€0.625	Weighted average approach

3. Card issuance and maintenance (physical and virtual)

Parameter	Value / month	Justification
A. Physical cards	$50\% \times €30 = €15 \rightarrow €15 \div 24 = \mathbf{€0.625}$	50% of users order a second card for €30. First card is free. Cost is spread over 24 months.
B. Reusable virtual cards (valid for 1 year)	$40\% \times (1 + 1/3) \times €3 = €1.60 \rightarrow €1.60 \div 24 = \mathbf{€0.067}$	40% of users issue one card for €3. One-third of them renew it for a second year.
C. Single-use virtual cards	$60\% \times 8 \times €1 = €4.80 \rightarrow €4.80 \div 24 = \mathbf{€0.20}$	60% of users issue these cards. Frequency: 1 card every 3 months. Total of 8 in 2 years. Cost: €1 per card.
Total for virtual cards	$€0.067 + €0.20 = \mathbf{€0.27}$	Sum of B and C.
Total (physical + virtual)	$€0.625 + €0.27 = \mathbf{€0.895}$	Sum of A and virtual card income.

4. Cash withdrawals (ATM fees)

Parameter	Value / month	Justification
SEPA – partner ATMs	$€0 \times 30\% = \mathbf{€0.00}$	Free withdrawals in partner network, no revenue. 0.3 withdrawals / month, €0 fee, Nostro revenue = 0
SEPA – third-party ATMs	$€2 \times 30\% = €0.60 \rightarrow 50\% = \mathbf{€0.30}$	Regular use of non-partner ATMs within SEPA. 1 withdrawal / month, €2 fee, 50% of users, Nostro margin 30%
Non-SEPA – Europe	$€8 \times 30\% = €2.40 \rightarrow 15\% = \mathbf{€0.36}$	Limited frequency, realistic fee. 1 withdrawal / month \times (€5 + 3%) of €100 = €8, 15% of users, Nostro margin 30%
Non-SEPA – Global	$€9.50 \times 30\% = €2.85 \times 0.2 = \mathbf{€0.57}$	Withdrawals outside Europe: rare but costly. 0.2 withdrawals / month, €5 + 3% of €150 = €9.50, 30% margin
High-cash users	$€20 \times 30\% = €6 \rightarrow 0.5\% = \mathbf{€0.03}$	Behavioral add-on: rare large withdrawals influence the average metric. 0.5% of users withdraw €1000 / month, 2% fee = €20, 30% margin
Weighted average approach	$€1.26 \times 40\% = \mathbf{€0.50}$	Realistic fintech user behavior. 60% of users don't use ATMs at all. 40% follow current ATM model.
Total	$\mathbf{€0.50}$	Weighted average approach

5. Account maintenance

Parameter	Value / month	Justification
Paying users (< €1K balance)	$€5 \times 10\% = \mathbf{€0.50}$	10% of users pay €5/month due to low balance (< €1K) and zero monthly activity
Paying users (> €1K balance)	$€10 \times 1\% = \mathbf{€0.10}$	1% of users pay €10/month due to low balance (< €1K) and zero monthly activity
Free users	$€0 \times 89\% = \mathbf{€0.00}$	89% of all users pay nothing
Total	$\mathbf{€0.60}$	Sum of all parameters

6. P2P transfers (between users and to external accounts)

Parameter	Value / month	Justification
Internal transfers between Nostro users	€0	Free, do not generate revenue
Paid P2P transfers per month	$1 \times 20\% \times €5 \times 30\% = \mathbf{€0.30}$	20% of users make 1 paid transfer/month. Fee per paid transfer is €5. Nostro's margin is 30% (the rest goes to payment providers)
Total	$\mathbf{€0.30}$	Sum of all parameters

7. Documents and certificates

Parameter	Value / month	Justification
Document requests (regular users)	$(€5 + €10) / 24 \text{ months} \times 90\% =$ €0.563	Based on industry benchmarks: around 90% of users request at least one archive (€5) or certificate (€10) within 2 years for visa, credit, or income verification purposes
Active users / freelancers	$(€5 + €10) / 6 \text{ months} \times 10\% =$ €0.25	Behavior typical for active clients or self-employed users: 10% request certificates or statements more frequently
Notarized documents	$€500 \times 0.1\% \div 12 \text{ months} =$ €0.042	€500 per 0.1% users per annum
Total	€0.855	Weighted average: infrequent requests + power users

8. SMS-notifications

Parameter	Value / month	Justification
SMS-notifications	$3 \times €0.05 \times 25\% \times 80\% =$ €0.03	Average user activity: login, transfer, top-up alerts. Notification frequency 3 SMS per month. Average outbound SMS cost across Europe €0.05. 25% of users enable SMS notifications. Others use push or email notifications. 80% stays with Nostro (after operator fees) 20% goes to SMS gateway integration and telecom charges
Total	€0.03	Sum of all parameters

9. Additional behavior-based income to adjust the model

Parameter	Value / month	Justification
Card replacement / re-issuance	$(€5 + €5) \times 20\% \div 24 \text{ months} =$ €0.083	€10 for card replacement (including delivery) once every 2 years for 20% of users; less frequent than regular issuance
SEPA transfer outside the EU	$€3 \times 15\% \times 30\% =$ €0.135	€3 per transfer per month for 15% of users, with 30% Nostro margin
SEPA Instant Transfer	$€2 \times 1.5 \times 20\% =$ €0.60	Charged separately if not included in the plan. 1.5 transfers/month for 20% of users
SWIFT (outgoing)	$€25 \times 2\% \div 12 \text{ months} =$ €0.042	Rare but high-cost behavior. €25 once a year for 2% of users
FX from inter-account transfers	$€200 \times 1\% \times 20\% =$ €0.40	“€0 + currency conversion cost” – all revenue comes from FX. €200/month from 20% of users, with 1% margin
API access (paid)	$€5 \times 2\% =$ €0.10	Depends on the selected plan; assumed €5/month paid mode for 2% of users
Total	€1.36	Sum of all parameters

Summary

Paid services	Value / month
Interchange (card transactions)	€0.4675
FX markup (international purchases)	€0.625
Card issuance and maintenance (physical and virtual)	€0.895
Cash withdrawals (ATM fees)	€0.50
Account maintenance	€0.60
P2P transfers (between users and to external accounts)	€0.30
Documents and certificates	€0.855
SMS-notifications	€0.03
Additional behavior-based income to adjust the model	€1.36
Total	~€5.63
pre-LTV (24 months)	€135.18

LTV

Parameter	Value	Justification
Adjustment for user activity ratio	60%	<p>Active users regularly use Nostro: card payments, transfers, document requests.</p> <p>Inactive users opened an account but barely use it. They may be:</p> <ul style="list-style-type: none"> - users who forgot about the service, - one-time users, - “registered and left.” <p>why 60%:</p> <ol style="list-style-type: none"> 1. Realistic average across the market <ul style="list-style-type: none"> ○ Most European neobanks report client activity rates between 50–65%: <ul style="list-style-type: none"> ▪ Revolut: around 55–60% ▪ Monzo, N26: 50–65% ▪ Wise: 60–70% (but they are closer to B2B) ○ 60% is neither optimistic nor pessimistic, it’s a median market scenario, suitable for evaluating both potential and risk. 2. Nostro’s current stage <ul style="list-style-type: none"> ○ The project has no active user base yet. ○ Without real user data, it’s better to apply a conservatively realistic scenario that avoids overestimating engagement. 3. Nature of the product <ul style="list-style-type: none"> ○ Nostro encourages activity via cashback, rewards, and inactivity penalties. ○ But there's no guarantee this will work for everyone. ○ So expecting 60% activity is reasonable — the rest may: <ul style="list-style-type: none"> ▪ use only basic features (e.g. IBAN for salary), ▪ register but never start using the service, ▪ become “dormant” after the first month.
LTV	€135.18 × 60% = €81.10	See competitors’ comparison

Competitors comparison

Project / Model	Approximate LTV (€/user)	Comment
Revolut (basic users)	€50–90	Large user base but low monetization on basic plans
Monzo / N26	€80–120	Slightly higher if users are active and use premium features
Wise (personal accounts)	€90–130	High turnover, but some revenue is eaten by banks and FX partners
Nostro	€81.10	No premiums, low fees, and realistic user behavior