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Zep Remit

Multi-Currency Remittance Protocol with Native FX Settlement on Arc

Executive Summary

Zep Remit is a non custodial, blockchain native remittance application built on Arc Network Circle's stablecoin first Layer 1 blockchain. Our protocol enables individuals to send USDC across borders to any EVM compatible wallet in under one second, with a flat 0.1% service fee and gas costs below \$0.001 per transaction. This represents a 98% reduction in costs compared to the global average remittance fee of 6.2%, as reported by the World Bank in Q1 2026.

The global remittance market transferred approximately \$860 billion in 2023 and is projected to exceed \$1 trillion by 2028. Despite this scale, incumbent operators banks, money transfer operators, and mobile money platforms extract an average of \$53 per \$1,000 sent, with some corridors charging as high as 10-12%. This fee burden falls disproportionately on migrant workers in the Gulf, Southeast Asia, and Europe who support families in South Asia, Sub Saharan Africa, and Latin America.

Zep Remit eliminates this inefficiency by settling transfers on chain through the Arc Network's native USDC infrastructure. Funds arrive with deterministic finality in under one second. Senders need only a USDC funded EVM wallet; receivers get funds directly. Our current testnet deployment supports 6 sender corridors and 10+ receiver currencies. Mainnet launch is planned alongside Arc Network's production release in late 2026.

\$860B

Global remittance market
2023 total flows

6.2%

Global average fee
World Bank, Q1 2026

0.1%

Zep Remit fee
98% cheaper

The Problem

Remittances represent the single largest source of external financing for low and middle income countries, surpassing foreign direct investment and official development assistance combined. According to World Bank data, the 200 million migrant workers worldwide send money to approximately 800 million family members who depend on it for food, healthcare, education, and shelter.

"Remittance costs remain unacceptably high... meeting the Sustainable Development Goal target of 3% average cost is still far from reached."

World Bank Remittance Prices Worldwide Report, Q1 2026

The problem is structural. Legacy remittance infrastructure relies on correspondent banking relationships, foreign exchange desks, settlement delays (T+1 to T+3), and compliance overhead all of which generate cost. These costs do not serve the sender or receiver; they serve intermediaries. The result is a systemic wealth transfer from the world's poorest workers to financial institutions.

World Bank Data Point

Sending \$200 from the United States to Bangladesh costs an average of **\$12.40** a 6.2% fee. Western Union charges up to **\$15.18** for the same transfer. On an annual remittance of \$6,000, families lose \$370 \$1,080 to fees alone.

Beyond fees, traditional remittances suffer from opacity (hidden FX markups), slow settlement (bank wires take 1-5 business days), geographic restrictions (many rural receivers have no bank branch access), and limited operating hours. Digital disruptors like Wise and Remitly have reduced some of these frictions but even they average 1-2.5% and still rely on underlying banking rails for final settlement.

PAIN POINT	LEGACY BANKS	WISE / REMITLY	ZEP REMIT
Average fee	5.9%	12.5%	0.1%
Settlement time	1-5 days	Hours 1 day	< 1 second
Hidden FX markup	Yes (0.5-3%)	Minimal	None (USDC)

PAIN POINT	LEGACY BANKS	WISE / REMITLY	ZEP REMIT
24/7 availability	No	Partial	Yes
Non custodial	No	No	Yes
Requires bank account	Yes	Yes	No (wallet only)

03 OUR SOLUTION

Our Solution

Zep Remit replaces legacy remittance infrastructure with a direct on chain transfer protocol. By using USDC a fully backed, regulated dollar stablecoin as the settlement asset on Arc Network, we eliminate every intermediary in the traditional flow: the correspondent bank, the FX desk, the compliance clearinghouse, and the local payout agent.

A sender connects their EVM compatible wallet, enters the recipient's wallet address and the amount in their local currency (SAR, AED, USD, GBP, EUR, or USDC), and taps send. The equivalent USDC is transferred to the recipient's wallet via a standard ERC 20 transfer on Arc Network. Settlement is deterministic and confirmed within 800 milliseconds.

The Core Proposition

No intermediaries. No forex spread. No waiting. Just USDC, moving at the speed of a blockchain confirmation, for a flat 0.1% fee plus sub cent Arc gas costs. The sender keeps their key; the receiver gets every cent intended.

Our approach is unique in the remittance space because it is entirely non custodial. Zep Remit never holds user funds, never stores private keys, and never intermediates the transfer. All interactions are client side wallet signatures. The only "fee" we collect is the 0.1% protocol fee, deducted from the USDC amount before it leaves the sender's wallet during the signing flow. Gas costs on Arc Network are paid separately in USDC at the network level and are typically less than \$0.001.

On the receiver side, funds arrive instantly as USDC. For corridors where receivers need local currency (BDT, PKR, PHP, etc.), off ramp integrations with local exchanges and mobile money providers are planned for the mainnet phase, allowing cash out without requiring the receiver to manage USDC directly.

How It Works

The Zep Remit transfer flow is designed to be as simple as any mobile payment app, while being powered entirely by on chain infrastructure. Below is a step by step breakdown of the complete send flow from the sender's perspective.

1

Connect Your Wallet

The sender visits Zep Remit and connects any EVM compatible wallet using the built in wallet picker. Supported wallets include MetaMask, Rabby, Phantom, Coinbase Wallet, Rainbow, Trust Wallet, Zerion, OKX Wallet, and 6+ more. The app automatically detects installed wallets and prompts to add Arc Testnet if needed.

Arc Network auto detection

2

Enter Amount & Currency

The sender selects their source currency (e.g. SAR, AED, USD) and enters the amount they wish to send. Zep Remit calculates the USDC equivalent in real time based on live exchange rate approximations. The sender also selects the receiver's local currency (BDT, PKR, INR, PHP, etc.) and sees the estimated local currency payout value. All fees are transparently shown before signing.

Real time FX conversion preview

3

Paste Recipient Address & Send

The sender pastes the recipient's Arc compatible wallet address (0x...). After reviewing the full breakdown amount, fee, estimated receipt they tap "Send Money" and sign the transaction in their wallet. Zep Remit calls a standard ERC 20 `transfer()` function on the USDC contract at `0x360000...0000` on Arc Network. No custom smart contracts are involved; no trust in Zep Remit code is required for the transfer itself.

ERC 20 USDC transfer · wallet signed only

4

Recipient Receives in < 1 Second

Once the transaction is signed and broadcast, Arc Network's consensus finalizes it with deterministic finality in under 800 milliseconds. The recipient's wallet balance

updates immediately. A transaction hash is generated, visible on ArcScan (Arc's block explorer). The Zep Remit success modal displays the amount sent, amount received, fee paid, and a link to verify the transaction on chain.

Settled • verifiable • non reversible

Note on Testnet

All current transfers use testnet USDC on Arc Testnet no real money is moved. The experience is identical to the planned mainnet flow. Testnet USDC is freely available via the Arc Network faucet at arc.network.


```
// Standard ERC 20 transfer no custom contracts needed  
await usdcContract.transfer(recipient, amountInWei);
```

Fee Structure

Zep Remit charges a single, flat 0.1% protocol fee on all transfers. There are no hidden foreign exchange markups (transfers are USDC to USDC), no withdrawal fees, no monthly subscription, and no corridor specific premiums. The only additional cost is Arc Network's gas fee, which is paid in USDC and is typically less than \$0.001 per transaction.

The table below compares our total cost of sending \$500 against the major players in the remittance market. All figures use publicly disclosed or verified transfer tests as of May 2026.

FEE COMPARISON \$500 TRANSFER, USD → BDT CORRIDOR	
Zep Remit	0.1%
Wise	~1.9%
Remitly	~2.7%
MoneyGram	~5.0%
Western Union	6.3%

PROVIDER	SERVICE FEE	FX MARKUP	GAS / HIDDEN	TOTAL ON \$500	SETTL
Zep Remit	0.1%	None (USDC)	< \$0.001	\$0.50	< 1 sec
Wise	~0.4%	~1.5% mid market spread		~\$9.50	Hours
Remitly (Express)	\$3.99 flat	~1.5%		~\$13.49	Minute hours
MoneyGram	~2%	~3%		~\$25	Minute day
Western Union	~3%	~3.3%		~\$31.50	Minute days

PROVIDER	SERVICE FEE	FX MARKUP	GAS / HIDDEN	TOTAL ON \$500	SETTL
Bank Wire (SWIFT)	\$15 30 flat	2 4%	Correspondent fees	~\$45	15 day

The compounding impact is significant. A migrant worker sending \$500/month to their family pays approximately **\$378/year** to Western Union money that never reaches the family. With Zep Remit, that cost drops to **\$6/year**. Over a 10 year working abroad cycle, the savings exceed **\$3,700** enough to fund a child's university education in many receiver countries.

Supported Currencies & Corridors

Zep Remit currently supports 6 sender currencies and 11 receiver currencies on Arc Testnet, covering the world's highest volume remittance corridors. Gulf to South Asia represents approximately 40% of global remittance volume, making it our primary focus for the initial deployment. UK/EU corridors are in active development for mainnet.

TYPE	CURRENCY	COUNTRY / REGION	STATUS	1 UNIT → USDC
Sender	SAR Saudi Riyal	Saudi Arabia	Live (Testnet)	≈ \$0.267
Sender	AED UAE Dirham	United Arab Emirates	Live (Testnet)	≈ \$0.272
Sender	KWD Kuwaiti Dinar	Kuwait	Live (Testnet)	≈ \$3.26
Sender	USD US Dollar	United States	Live (Testnet)	= \$1.00
Sender	GBP British Pound	United Kingdom	Coming Soon	≈ \$1.27
Sender	EUR Euro	European Union	Coming Soon	≈ \$1.08

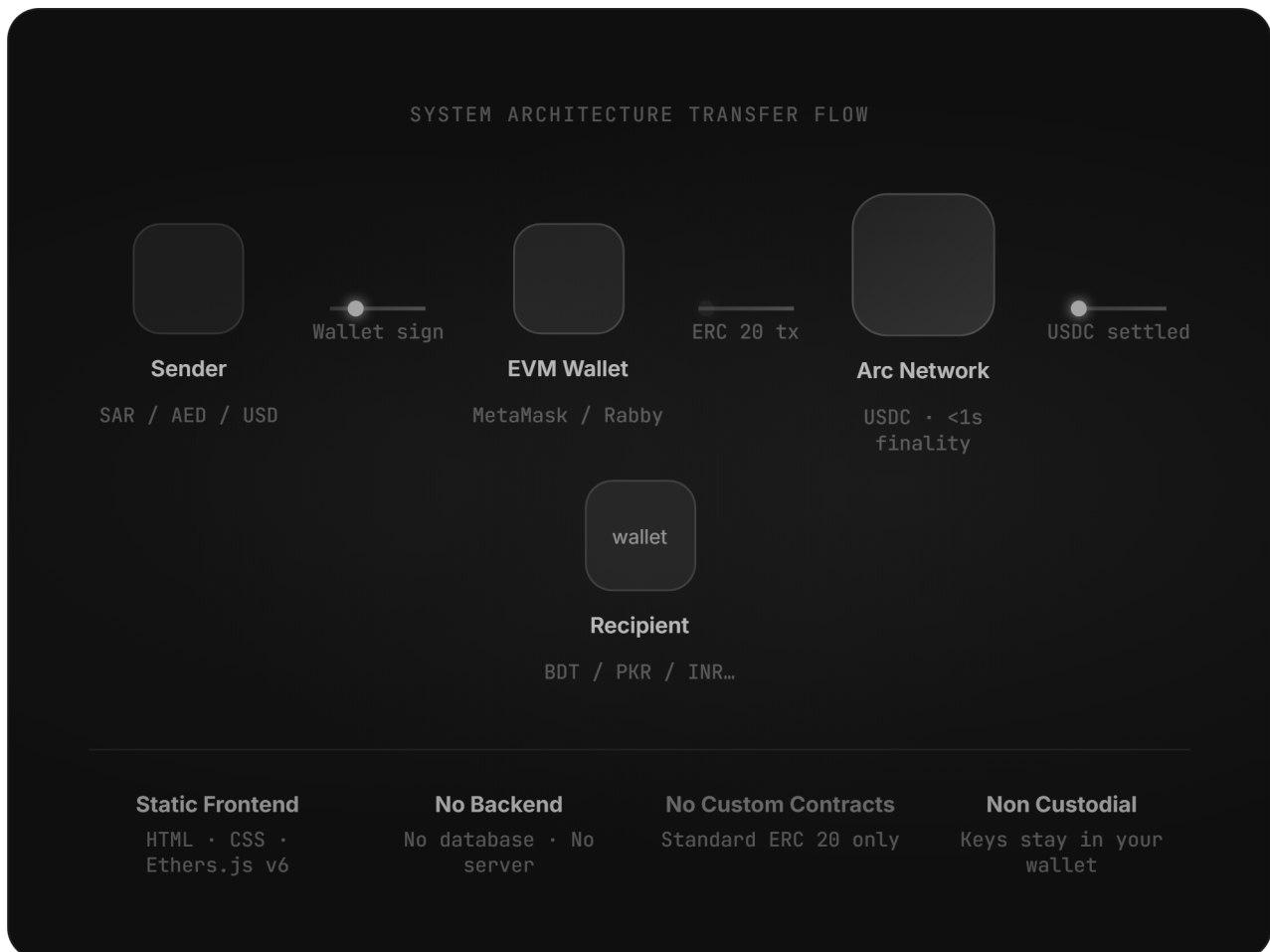
TYPE	CURRENCY	COUNTRY	STATUS	1 USDC → LOCAL
Receiver	BDT Bangladeshi Taka	Bangladesh	Live	≈ 110 BDT
Receiver	INR Indian Rupee	India	Live	≈ 83.5 INR
Receiver	PKR Pakistani Rupee	Pakistan	Live	≈ 278 PKR
Receiver	NPR Nepalese Rupee	Nepal	Live	≈ 133.5 NPR
Receiver	PHP Philippine Peso	Philippines	Live	≈ 56.5 PHP
Receiver	IDR Indonesian Rupiah	Indonesia	Live	≈ 15,750 IDR

TYPE	CURRENCY	COUNTRY	STATUS	1 USDC → LOCAL
Receiver	VND Vietnamese Dong	Vietnam	Live	≈ 24,800 VND
Receiver	CNY Chinese Yuan	China	Live	≈ 7.24 CNY
Receiver	EGP Egyptian Pound	Egypt	Live	≈ 48.5 EGP
Receiver	NGN Nigerian Naira	Nigeria	Live	≈ 1,580 NGN
Receiver	MXN Mexican Peso	Mexico	Live	≈ 17.1 MXN

Rate conversions are currently approximated in the UI for display purposes only. Actual settlement is always in USDC 1 USDC = 1 USD by definition so the "local currency" display is informational. On chain feeds from Chainlink and Arc native oracle integrations are planned for the mainnet phase to provide live, verifiable exchange rate data.

System Architecture

Zep Remit is architecturally minimal by design. There is no backend server, no database, no custodial component, and no proprietary smart contract. The entire application is a static HTML/CSS/JavaScript frontend that communicates directly with the Arc Network via a public RPC endpoint and the user's injected Web3 wallet.



The frontend communicates with Arc Network through the public testnet RPC endpoint (`rpc.testnet.arc.network`) using Ethers.js v6. Transaction history is available through ArcScan (`testnet.arcscan.app`). The UI is hosted as a static site it can run from any server, IPFS, or even be opened as a local HTML file.

For mainnet, the architecture will optionally include: (1) on chain oracle feeds for live FX rates, (2) a lightweight indexer for transaction history, and (3) off ramp adapters for local currency cash out. Even with these additions, the core transfer flow will remain entirely non custodial Zep Remit will never take custody of user funds at any point.

Security Model

Zep Remit's security model is based on three principles: non custody, minimal surface area, and battle tested primitives. We deliberately do not introduce any novel cryptographic constructs, custom smart contracts, or proprietary backend infrastructure that could create new attack vectors.



Non Custodial

Private keys never leave the user's wallet. Zep Remit never has access to, stores, or processes private keys at any point.



ERC 20 Standard Only

All transfers use the standard USDC ERC 20 `transfer()` function the most audited contract type in the EVM ecosystem.



No Backend Attack Surface

There is no server, no database, no API. A compromised Zep Remit frontend cannot steal user funds only the user's wallet can sign transactions.



Fully Transparent

Every transfer is recorded on chain and verifiable by anyone on ArcScan. There are no off chain settlement tables or reconciliation databases.



Circle Backed USDC

USDC is issued by Circle with 1:1 reserve backing, attested monthly by Grant Thornton. There is no stablecoin depeg risk from Zep Remit's side.



Deterministic Finality

Arc's consensus provides deterministic (not probabilistic) finality. Confirmed transactions are irreversible, eliminating reorg based fraud vectors.

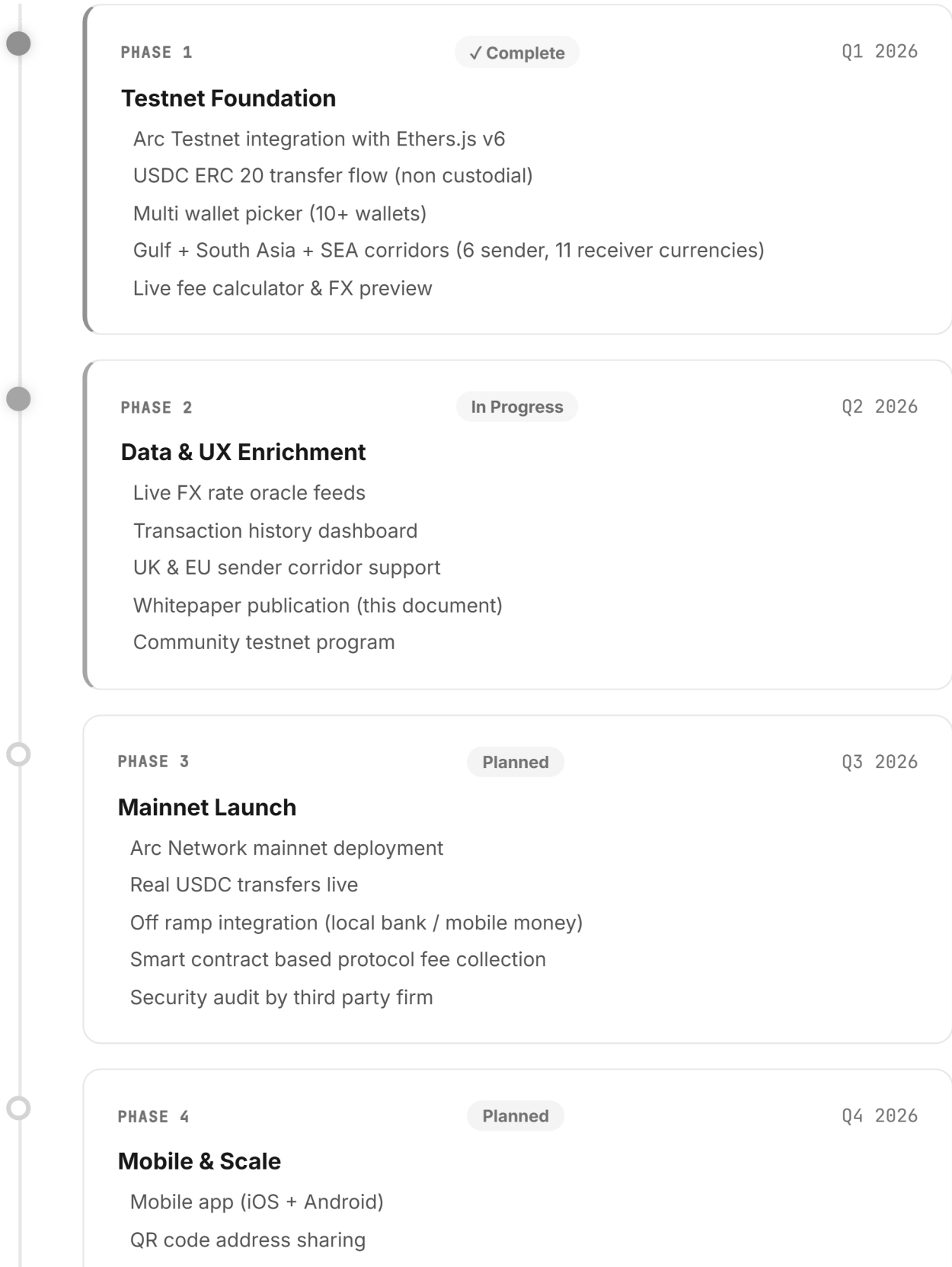
The primary security risk in any Web3 application is frontend compromise (XSS, supply chain attacks, or domain hijacking). We mitigate this by: (a) keeping the application as a single self contained HTML file with no third party runtime dependencies beyond Ethers.js loaded from a

pinned CDN URL, (b) publishing source code openly for community review, and (c) planning to deploy to IPFS for censorship resistant, content addressed hosting on mainnet.

Users should always verify the transaction details in their wallet before signing. Zep Remit will never ask you to sign a `setApprovalForAll()`, `permit()`, or any transaction other than a direct ERC 20 `transfer()`. If you see otherwise, treat it as a phishing attempt.

Roadmap

Zep Remit's development roadmap is organized into five phases, aligned with Arc Network's own mainnet progression. All phases through Phase 2 are currently active or complete. Phases 3 5 are contingent on Arc Network mainnet availability.



Recurring payment scheduling
KYC free micro transfers (<\$200)
Africa & Latin America corridor expansion

PHASE 5

Vision

2027+

Global Protocol

DAO governance over fee parameters
Multi stablecoin support (EURC, etc.)
Business remittance (B2B payroll)
Zep card (debit card off ramp for receivers)
Zero fee transfers for amounts <\$50

Conclusion

The global remittance system is broken not because the technology to fix it didn't exist, but because the incumbents who profit from it had no incentive to change it. Zep Remit changes the calculus by removing all incumbents from the equation. On Arc Network, a USDC transfer is just a transfer: instant, transparent, verifiable, and cheap.

We believe that the 800 million family members who depend on remittances deserve better than losing 6% to intermediaries. A migrant worker in Riyadh should be able to tap their phone and have their entire paycheck arrive in Dhaka before they finish their lunch break. Not in 3 business days. Not with a \$30 wire fee. Now. For \$0.50.

Zep Remit is currently live on Arc Testnet. We invite developers, financial institutions, corridor partners, NGOs, and everyday users to test the protocol, review our code, and join us in building the remittance infrastructure the world actually needs. The technology is here. The network is ready. The only remaining step is adoption and we are just getting started.

Get Started Today

Visit **Zep Remit** on Arc Testnet at the main page. Get free testnet USDC from the Arc Network faucet at **arc.network**, connect any EVM wallet, and try a full transfer in under 60 seconds. No registration. No fees to try. No risk.