Use Case 1: **Simplifying and Speeding - Cross Border Payments**

Overview:

A payments solution is required that will help financial institutions address the processes of universal cross-border payments, and will reduce the settlement time and lower the cost of completing global payments for businesses and consumers.

Current Challenges:

- Banks' reliance on correspondent, relationships drive prohibitive costs and poor customer experience
- Retail banks are losing market share to agile, customer-focused non-bank competitors
- Global de-risking efforts have cut off high-potential emerging markets
- New regulatory requirements address data privacy, security and open up competitors

Business Requirements

- Create secure, high volume, low-cost, cross-border payments services without sacrificing margins.
- Access new markets and currencies with limited risk
- Generate new sources of revenue with value-added products and services
- Integration with digital identity solutions and new value-added services
- Efficient real-time market pricing across digital and fiat currencies driven by proven FX and market solutions
- Multi-ledger settlement network for interchangeable alternative settlement assets and channels
- Simple API for 24/7 payments, regardless of size, origination, destination, or asset type
- Messaging and clearing channels
- Real-time atomic clearing and settlement

Use Case 2: **Simplifying Financial Regulatory Reporting and Compliance**

Overview:

A BlockChain based Regulatory Solution is required that streamlines traditional regulatory reporting processes globally by acting as a central repository for the safe storage and review of large volumes of regulatory data.

Current Challenges:

Operational Inefficiency

- Manual keying from core systems to reporting tools

- Reliance on MS Excel as reporting tool

- Quarterly and month-end workload pressures

- High cost, low value and non-differentiating process

Data Management

- Questionable data quality

- Potential for data manipulations

- Data errors due to manual keying

- Time consuming extraction, reconciliation and report generation

Complexity & Change

- Increasing requirement for granularity with look through and advanced analytics

- Changing requirements of domestic and regional regulators

- High cost of change with legacy applications

Cost Challenges

- Increasing FTE (Full Time Equivalent) cost burden on the fund administrators due to new regulations

- Large scale IT costs relating to improving existing legacy systems

- Adverse effect on the cost: income ratio

Business Requirements

- Enables the logging and recording of transactional and positional data securely using blockchain technology, also acts as an audit database for Financial Regulatory Reporting.

- Ensures data integrity with smart contracts, Executes reporting requirements and Audits any changes made to the data by authorized parties.

- Platform should ensure internal control and regulatory checks (e.g., beta checks) to ensure the participant is compliant.

- Platform should solve Operational challenges while ensuring the integrity of data and removing post submission engagement.

- Creates a single source of truth, which any authorized party can use as a basis for statistical analysis and to provide actionable insights. The platform should also have Integrations to other Reporting Solutions.

- Platform Infrastructure should be Scalable, it should be able to handle multiple transactions and retrieve regulatory reports for authorized parties.

Fintech Open Ended Problem: **Disrupt P2P Lending**

Peer-to-peer (P2P) lending is the practice of lending money to individuals or businesses through online services that match lenders with borrowers. Since peer-to-peer lending companies offering these services generally operate online, they can run with lower overhead and provide the service more cheaply than traditional financial institutions (quoted from Wikipedia). The challenge is to build use-cases and solutions around this leveraging the blockchain & smart contract concept to make P2P lending a free market Environment with no Intermediaries where market participants can engage in business in a trusted, secure and decentralized manner.

Note: Participants are required to submit a Use Case and an Implementable Solution