



Data Management using Blockchain in Lending

2018 LIXI Forum and AGM



Connecting you with truth by creating systems of ultimate speed,
efficiency and security.

Value Chain of Lending Data



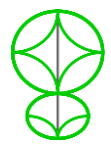
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Capture through to Settlement

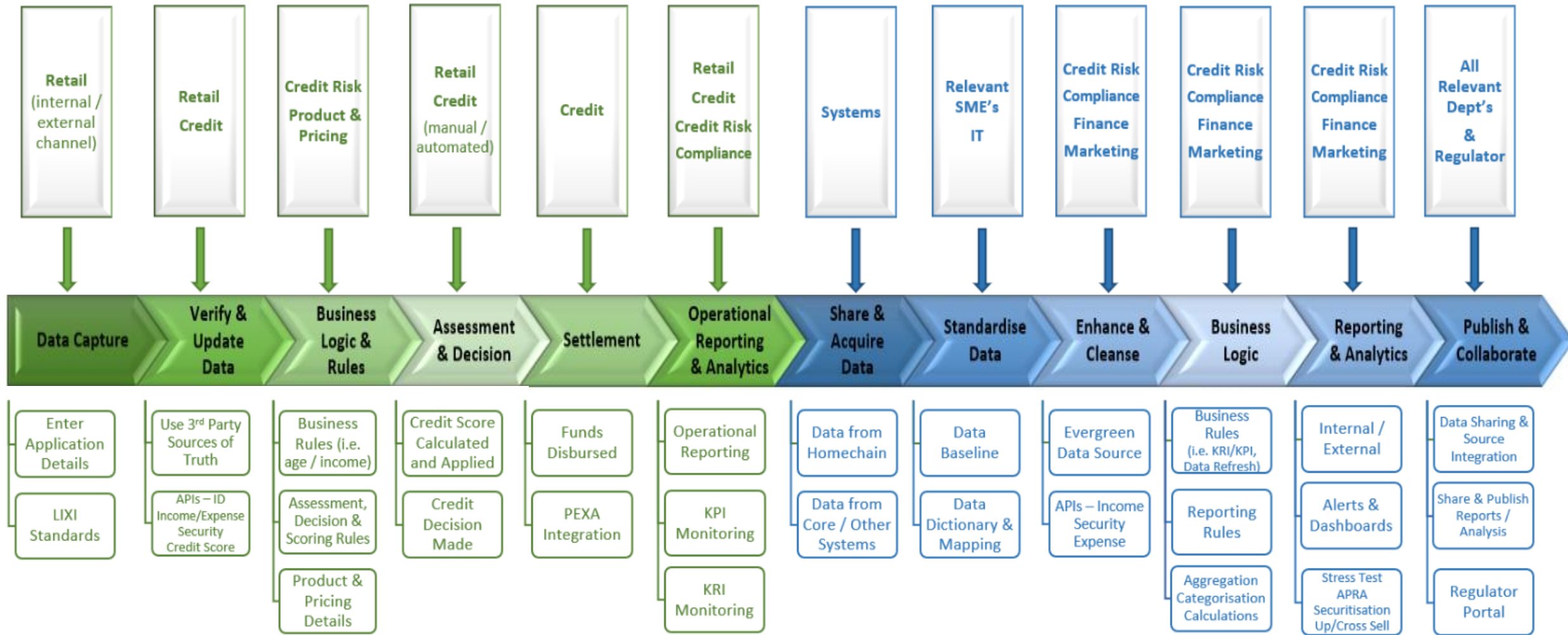
REG  CHAIN[®]

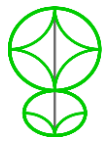
Settlement through to Compliance and Retention

- Holistic view of management of lending data throughout lifecycle
- Value Chain of lending data



Stakeholders and Data Usage/Enhancement





Challenges

Financial institutions compliance-related costs in excess of \$270 billion* each year due to:

Inefficient Loan Origination Processes

- Manual business rules
- 42 days submission to settlement
- 60% of applications reworked between 9-11 times
- Increases remediation activities
- Manual / limited portfolio risk management

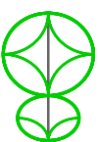
Poor Data Quality

- Multiple legacy systems
- Manual data input
- Reactive portfolio management
- Multiple silos of value added data

Increasing Regulation

- Increased internal & external reporting requirements (BEAR, EFS)
- Cost of change programs to meet regulatory changes
- Cost to manipulate data to meet regulatory partner requirements

*<https://internationalbanker.com/technology/spotlight-compliance-costs-banks-get-business-ai/>

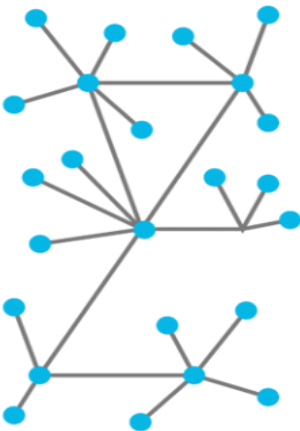


Blockchain Overview

Centralized



Decentralized



Distributed Ledgers



The New Networks

Distributed ledgers can be public or private and vary in their structure and size.

Public blockchains

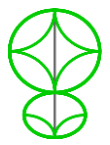
Require computer processing power to confirm transactions ("mining")

- Users (●) are anonymous
- Each user has a copy of the ledger and participates in confirming transactions independently

- Users (●) are not anonymous
- Permission is required for users to have a copy of the ledger and participate in confirming transactions



Live-Drawing of Shermin's talk on 'Blockchain & The Future of the Web' conducted by [Riesenspatz](#) (Anna-Lena Schiller, Eli Breuing, Anna Fritsche).



Blockchain Benefits

Distributed
Data / sharing
/ management

Private &
Permissioned

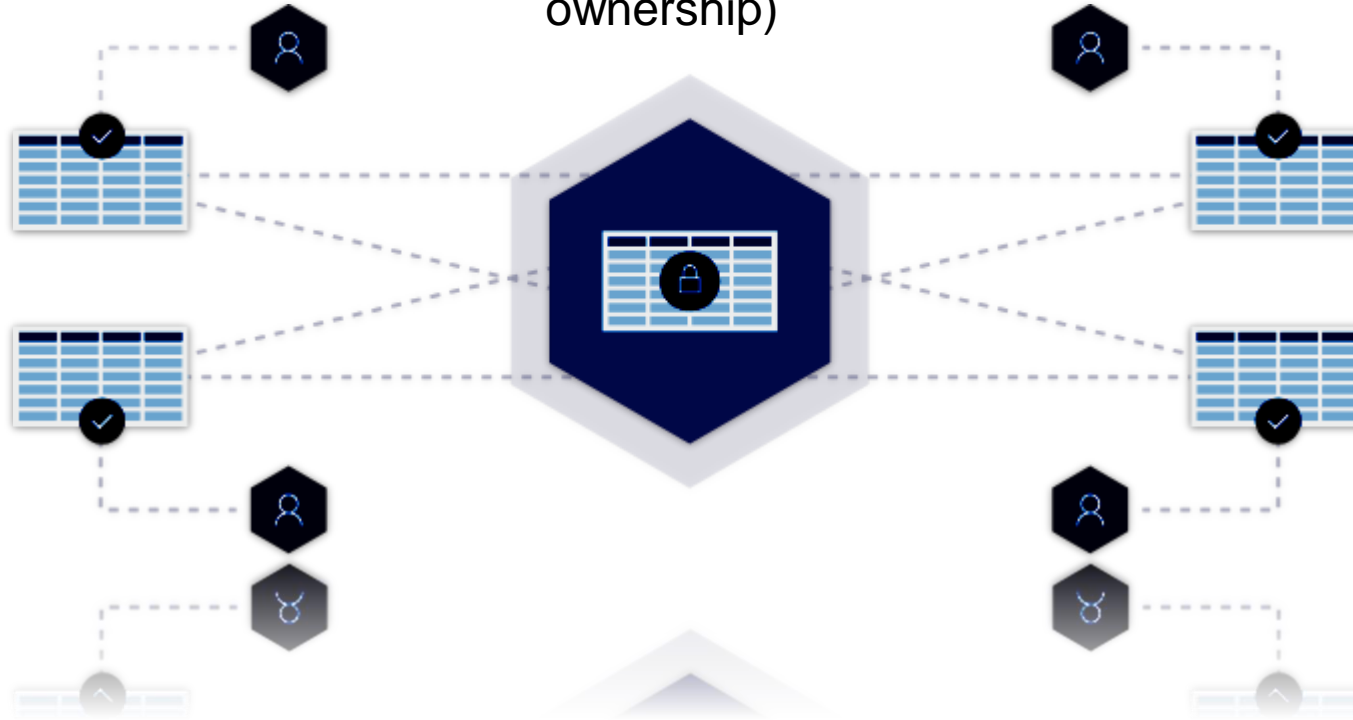
Secure Ledger
providing a Digital
Record
(Provenance)

Supports data management across
a value chain (distributed data
ownership)

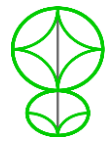
Transparent &
Auditable

Digital Trust
through consensus

Immutable

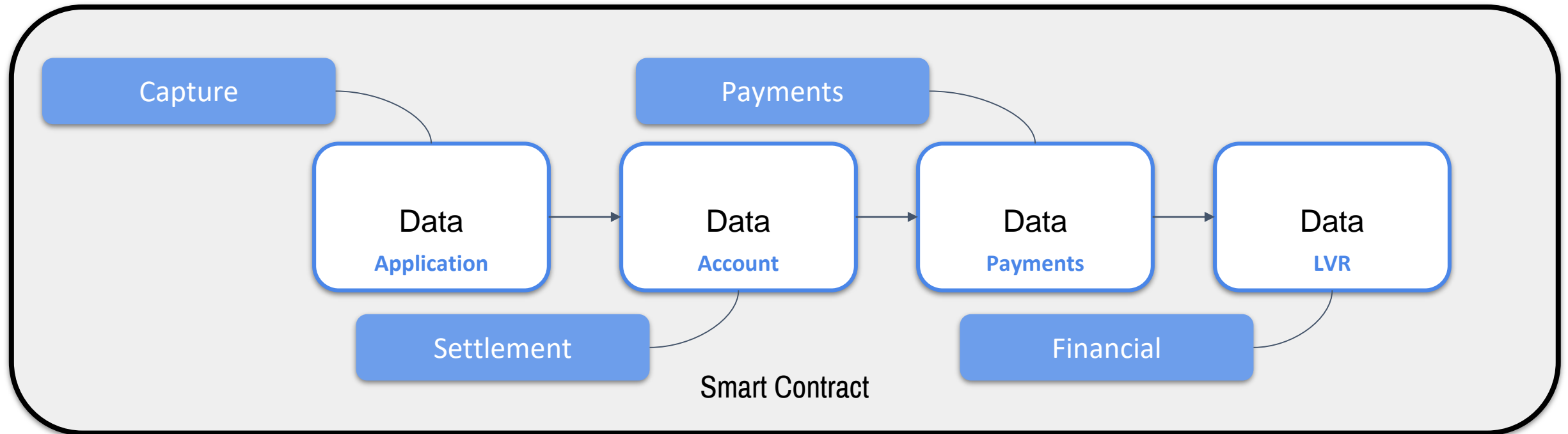


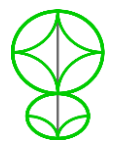
Provides a secure, immutable, distributed, permissible data layer between participants.



Smart Contract Overview

A smart contract is a collection of code (its *functions*) and data (its *state*) that resides at a specific address on the blockchain.





Summary & Questions



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Capture through to Settlement

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Settlement through to Compliance and Retention