



ChainNinja
Blockchain Solutions

Making Blockchain **REAL** for business



CASE STUDY: Shared Reference Data

Background

In **Banking and Financial Services**, financial instruments represents either ownership (equity), rights to ownership (options) or creditor relationship (bonds) depending on the business transaction

Every day, thousands of firms (entities) and individuals interact with each other while dealing with a wide range of financial assets (equity, fixed income, currencies, commodities) through various intermediaries (exchange, broker, custodian, multilateral trading facility)

There is no decentralized, largely consensus driven and open data set to link all these aspects (client-party, products, pricing) to help to efficient management throughout the transaction and relationship life cycle(s). Also helping to cut across different domains which includes risk, regulatory to client reporting activities.



CASE STUDY: Shared Reference Data



Case Study Client

Industry:

Finance/Banking

Applicable Industries:

- Health & Life Sciences
- Insurance

Business Use Case

Reference data makes up 40% to 70% of the data used in financial transactions and includes information such as financial product specification, issuer detail, counterparty information, currencies, corporate actions and prices.

Reference data requires constant maintenance as reference entity names, counterparties, and securities data change over time.

Lack of automation and a reliance on legacy systems and processes currently require each institution to keep its own record of reference data, introducing inconsistencies and requiring resources for reconciliation.



CASE STUDY: Shared Reference Data



New and emerging regulations such as EMIR in Europe and the Dodd-Frank Act in the US have highlighted the need for financial institutions to effectively manage and maintain reference data.

Challenges

- ✓ Lack of automation and a reliance on legacy systems, means that each have their own records, with inevitable and costly inconsistencies that need to be reconciled
- ✓ Middle and back offices rely on legacy systems and (manual) processes to manage and repair unclear, inaccurate reference data
- ✓ Quality of data has become a crucial issue for financial institutions in today's markets



CASE STUDY: Shared Reference Data



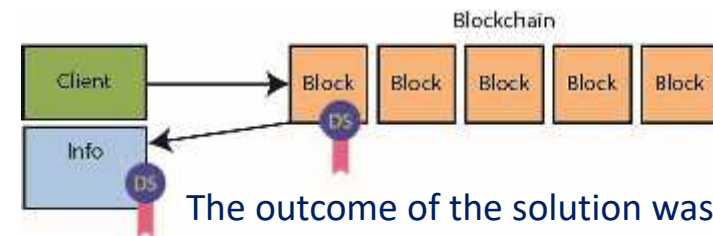
Reference data is a major Pain Point for financial firms which suffer from a lack of automation and rely on legacy systems.

Solution/Objectives

- ✓ Prototype showed how Blockchain technology can be used to allow regulators and network participants to view in real time which parties on the ledger have created, issued and proposed amendments to the data record
- ✓ The prototype was created distributed ledger software to simulate the collaborative management of reference data, as well as the use of that data for corporate bond issuance
- ✓ Participants could interact with reference data after issuance, with any proposed changes requiring validation by the underwriter to ensure the ledger provided a single, immutable record of all data related to the bond
- ✓ Significantly lower costs while improving speed and data quality



CASE STUDY: Shared Reference Data

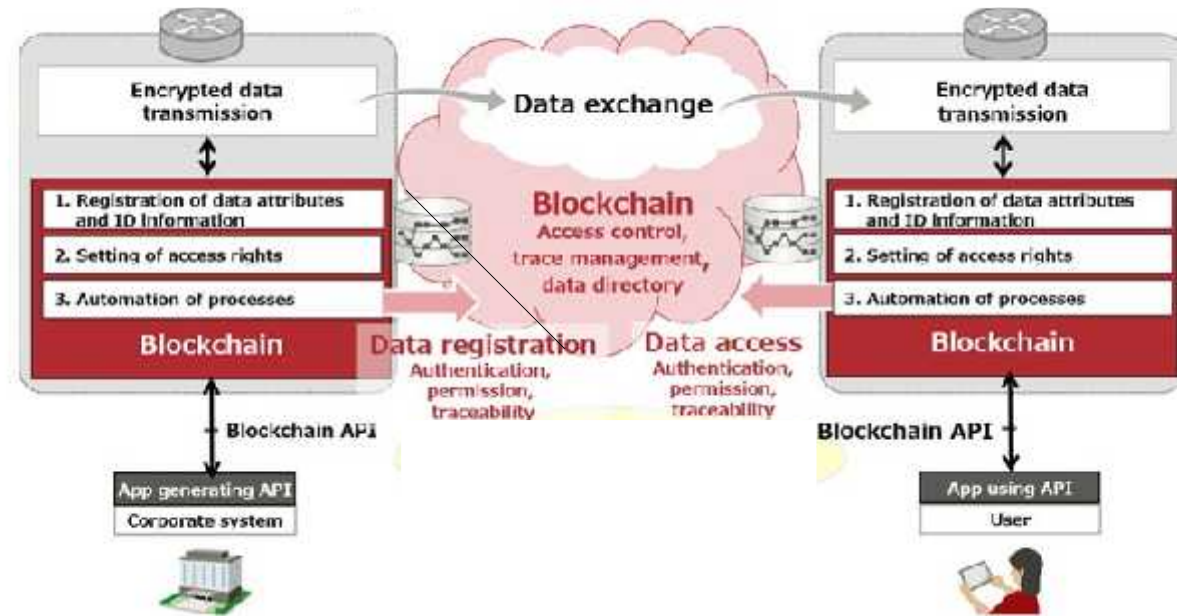


The outcome of the solution was dependent on Selecting The Right Blockchain Technology

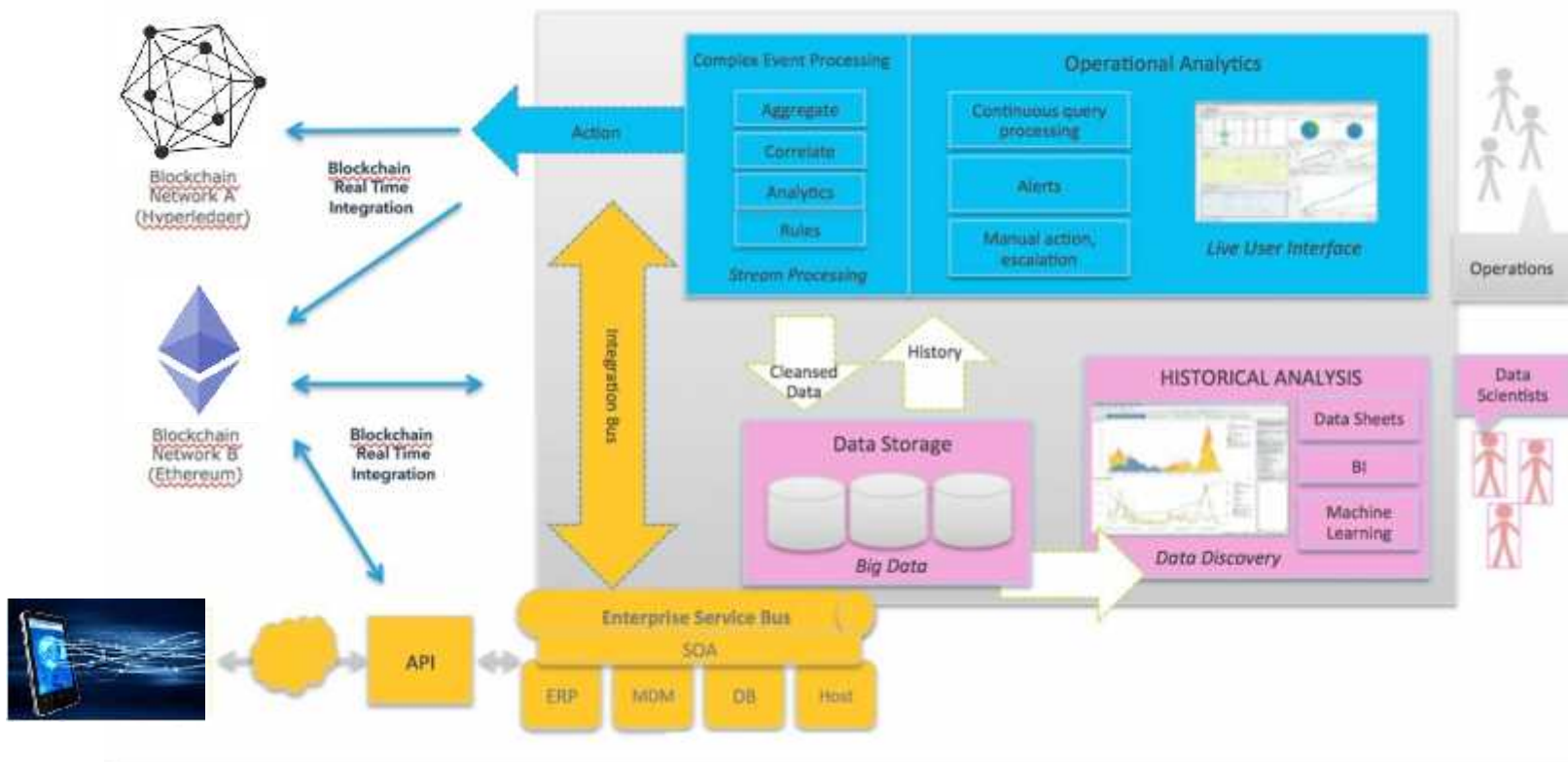
R3/Corda

Distributed Ledger Technology

Conceptual

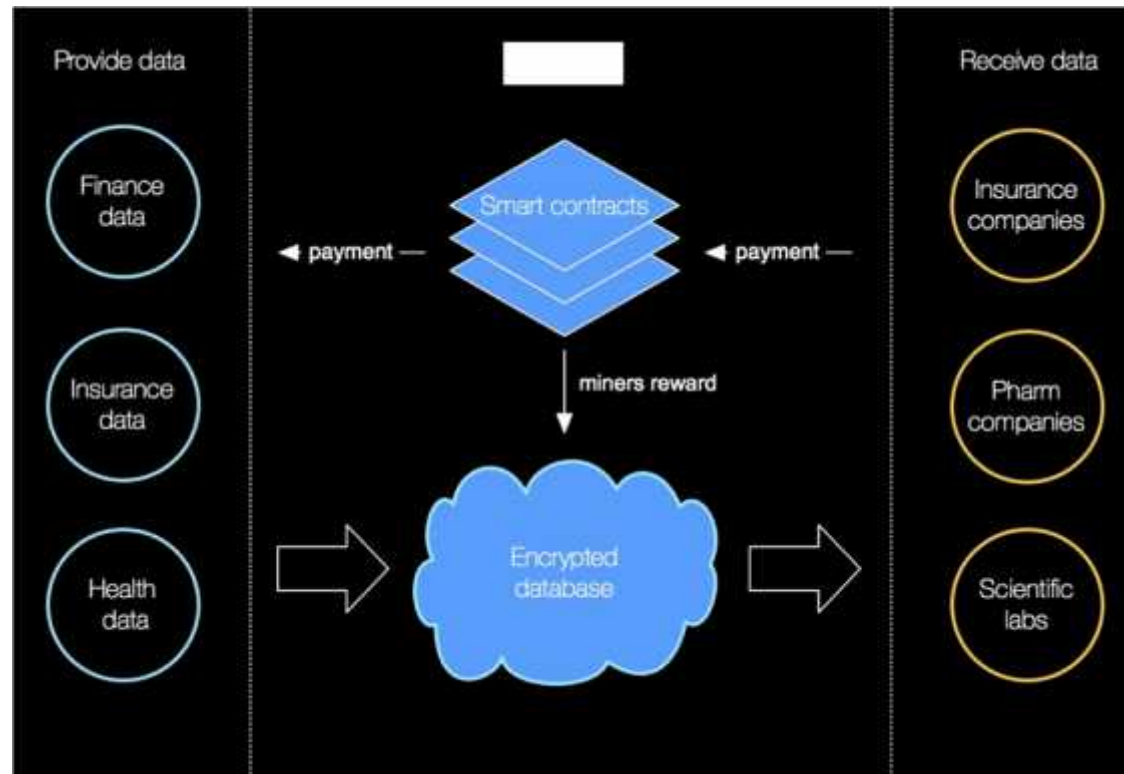


Technical





Logical



ChainNinja = Results

- ✓ Custom End to End Solutions
- ✓ Specialized Blockchains
- ✓ Collaborative, Agile and Efficient
- ✓ Open Platform and Open Governance
- ✓ Regulatory Compliance
- ✓ Coexistence with Adjacent Systems

Sanjay Kumar, CTO provides strategy and architecture consulting, business use cases applicability assessment, Blockchain tools selection, developing PoCs using open source frameworks for both public and private Blockchain platforms.

