



**Evolve**  
Capital Partners

## **Weekly News Update**

Week Ending 01/19/18

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## Preface

Each week, Evolve Capital Partners compiles relevant news and press releases across the finance and technology sectors. We analyze publicly available information and source each article. We also release a weekly summary of M&A and financing transactions.

Evolve Capital Partners is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology. We are a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements. Founded in 2012, we are based in New York.

You can learn more about us at [www.evolve-capital.com](http://www.evolve-capital.com). We post past weekly transaction and news updates on our website, plus in-depth industry research reports.

To contact us, please email [admin@evolve-capital.com](mailto:admin@evolve-capital.com) or call (646) 688-2792.

### Sectors we cover at the intersection of finance and technology include:

 Bank Technology Solutions	 Healthcare Tech	 Securities
 BPO	 Insurance	 Specialty Finance / Alternate Lending
 Financial Management Solutions	 Payments	 Data & Analytics / IoT

## News Count

Sector	Number of News	% of Total
Bank Technology Solutions	9	28%
BPO	2	6%
Financial Management Solutions	2	6%
Healthcare Tech	1	3%
Insurance	3	9%
Payments	7	22%
Securities	4	13%
Specialty Finance / Alternative Lending	1	3%
Data & Analytics / IoT	1	3%
Others	2	6%
<b>Total</b>	<b>32</b>	<b>100%</b>



# **BANK TECHNOLOGY SOLUTIONS**

## CBA introduces Ceba the chatbot

### Bank Technology Solutions

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Commonwealth Bank of Australia has added an AI-powered chatbot to its apps that can help customers with more than 200 banking tasks.

Rolling out to more than 6.2 million NetBank and CommBank app customers in the coming weeks, Ceba will help them do things such as activate cards, check balances, make payments and get cardless cash.

The bot, available 24/7, can recognise approximately 60,000 different ways customers ask for the 200 banking tasks and will eventually be able to tell users what they are spending their money on.

Executive general manager digital, Pete Steel, says: "Banks are moving towards providing personalised and insightful online banking experiences for our customers, and artificial intelligence along with the powerful technology behind it sits at the centre of this shift.

"What's exciting about Ceba is that it will be able to do the banking for our customers rather than just provide instructions on how to do it."

[https://www.finextra.com/newsarticle/31551/cba-introduces-ceba-the-chatbot?utm\\_medium=newsflash&utm\\_source=2018-1-19&member=93489](https://www.finextra.com/newsarticle/31551/cba-introduces-ceba-the-chatbot?utm_medium=newsflash&utm_source=2018-1-19&member=93489)

## Westpac launches iMessage app following PayKey blockage

### Bank Technology Solutions

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Westpac has launched an in-app shortcut for transferring funds to friends via iMessage. The move comes six months after Apple demanded that Westpac disable a feature from Israeli startup PayKey that added optional banking icons to the bottom of the screen during text conversations. An extension of the Westpac Mobile Banking App, the new capability offers customers a shortcut to access banking services while texting with contacts on their iPhone.

By clicking on a Westpac icon in their text conversation window, users can make payments, generate a Cardless Cash code and share their BSB and account details without leaving their text message.

The move marks an about-turn in Westpac's relationship with the consumer electronics giant. Westpac was one of a group of banks in Australia who last year dragged Apple through a long-winded, and increasingly acrimonious battle with competition regulators over access to the iPhone's NFC chip. The relationship was further soured when Apple demanded that Westpac switch off the PayKey keyboard on iPhones just three months after launch.

Westpac chief executive, consumer bank, George Frazis says: "We are keen to give our customers a broad range of choice when it comes to banking and we know digital developments like Westpac for iMessage will be welcome news."

The iMessage application comes just a day after Westpac joined with Amazon to enable customers to access their account balance, recent spending history, and reward points status with voice commerce assistant Alexa.

[https://www.finextra.com/newsarticle/31549/westpac-launches-imessage-app-folowing-paykey-blockage?utm\\_medium=newsflash&utm\\_source=2018-1-19&member=93489](https://www.finextra.com/newsarticle/31549/westpac-launches-imessage-app-folowing-paykey-blockage?utm_medium=newsflash&utm_source=2018-1-19&member=93489)

## Nuvo unveils AI-powered mortgage broker chatbot

### Bank Technology Solutions

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UK fintech startup Nuvo has launched an artificial intelligence-powered Facebook chatbot that helps people find the best deals on mortgages.

The bot aims to fill the gap in the market between expert fee-charging mortgage brokers and price comparison sites which provide users with options but no guidance.

Users answer questions from the bot, which then uses natural language understanding and bespoke algorithms to search through over 50,000 deals from hundreds of providers to recommend products in less than a minute.

Nuvo says that it can field thousands of concurrent conversations and remember user data to avoid lots of repetition when fulfilling new quotes. It treats customers personally, running regular analysis to ensure the user is on the best deal.

The bot can even work out when to re-contact mortgage customers due to come out of an introductory period to provide an up to date quote on the latest deals.

The company also has an in-house team of financial veterans to help advise and guide customers through their purchase when necessary, at no cost to the user.

Richard Hayes, CEO, Nuvo, says: "We've brought comparing complex financial products into the 21st century, whilst maintaining strict controls around data and regulation. In short, we combine everything that's great about comparison sites and traditional brokers, to provide our customers with an all-round better experience."

[https://www.finextra.com/newsarticle/31538/nuvo-unveils-ai-powered-mortgage-broker-chatbot?utm\\_medium=dailynewsletter&utm\\_source=2018-1-19&member=93489](https://www.finextra.com/newsarticle/31538/nuvo-unveils-ai-powered-mortgage-broker-chatbot?utm_medium=dailynewsletter&utm_source=2018-1-19&member=93489)

## Westpac and NAB connect with Amazon Alexa

### Bank Technology Solutions

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Westpac and NAB have joined the voice commerce goldrush, enabling customers to connect their Internet banking accounts to Amazon's Alexa, which has finally gotten its first outing in Australia.

The two banks have been working behind the scenes with Amazon for months to ensure that Alexa's debut in consumer homes can handle basic personal finance queries as well as order music and goods from the e-commerce giant.

Westpac customers can now access their account balance, recent spending history, and reward points status with Alexa, while NAB allows customers to drill the device about their latest deposits and payments in and out of their accounts.

A Westpac financial markets update will also be available via a flash briefing for Alexa, which allows customers to include the financial news in their daily news updates.

Travis Tyler, general manager, consumer digital at Westpac says: "While customers won't be able to transfer funds or make payments yet, our teams constantly look at adding more features to all our technology, so watch this space..."

For NAB, the Alexa experience is the bank's first step in providing 'authorised information' for consumer smart devices. It follows the launch of a Google Assistant app a few months ago, which focused on publicly available information.

NAB executive general manager digital & innovation Jonathan Davey says: "We'll continue to analyse customer use and test new experiences with customers to determine how we continue to provide new features and functionality.

"In the future, we certainly see this experience turning into one where you can pay bills, make funds transfers or even purchase items at the command of your voice."

[https://www.finextra.com/newsarticle/31541/westpac-and-nab-connect-with-amazon-alexa?utm\\_medium=dailynewsletter&utm\\_source=2018-1-19&member=93489](https://www.finextra.com/newsarticle/31541/westpac-and-nab-connect-with-amazon-alexa?utm_medium=dailynewsletter&utm_source=2018-1-19&member=93489)

## Credit card app Curve launches in UK

### Bank Technology Solutions

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Curve, the new app that connects your debit and credit cards to one Curve Mastercard, launched for UK consumers today.

With over 50,000 people on the waitlist ahead of launch, Curve aims to simplify money management by connecting customers' accounts, cards and services to one card and one secure mobile app.

New research by Curve has revealed that Brits are optimistic about getting their finances on track in 2018 - but more than half say losing a wallet or purse is still one of their 'greatest fears' when out of the house. Consumers now carry an average of eight cards in their wallet, and are steadily adding more apps and products as a host of new 'fintech' services take a foothold in the UK. Curve simplifies this disconnected approach to spending and budgeting - meaning Brits can purge their purse and feel better about their finances, with one card for spending and one app to keep them on track.

The Curve card works like a normal bank card anywhere in the world that accepts Mastercard cards - for contactless, chip & PIN, magstripe and ATM withdrawals. New customers can download the Curve app, securely add their existing cards, and start spending from all their card-linked accounts with one Curve card. Users set a default spending card and change it any time with a swipe in the app. More than 100,000 people signed up during Curve's Beta phase, spending over £100m in more than 100 countries.

"Most consumers want the benefits of using multiple banks, cards and services, so they can make the most of their money", says Shachar Bialick, Founder and CEO of Curve. "But managing it all and keeping on top of your spend isn't easy. Now, it's as simple as downloading the Curve app and getting started - with one card for all your spending, and one app to help you stay on track. It's like having a 'mission control for money', in your pocket."

Curve's mobile app also helps customers to be safer and savvier with their spending. It protects users with instant spend notifications, a 'lock card' feature, in-app and 24/7 support; makes budgeting easier by showing spending and insights across all card-linked accounts in one place; makes travelling simpler by allowing customers to use their regular bank cards overseas without hidden fees - and removes the hidden currency exchange fees they would usually pay. Users can even switch payments between cards with a tap, up to two weeks after a purchase, with Curve's world-first 'Go Back in Time' feature.

Mariano Belinky, Managing Partner at Santander InnoVentures - one of Curve's early backers, explains: "Services like Spotify, Citymapper and Amazon Echo are bringing together data and services to make it easier for people to manage different aspects of their life - from travel to getting

a better deal. We will soon see people managing their money in a similar way - using a single intelligent platform to connect all their accounts and services. Curve's launch is an important milestone in the evolution of consumer finance and we are delighted to have supported its development. The philosophy of the Curve team complements that of Santander Group, where we seek to challenge the financial services landscape in order to make meaningful leaps in how customers are served."

In addition to the app's security features, Curve protects its users with bank-level encryption and works with trusted partners, Mastercard and Wirecard Card Solutions Ltd. Its investors include global banks, leading Venture Capital funds and renowned figures from the finance and technology industries including Deutsche Bank, Credit Suisse, Lloyds, Groupon and Google Wallet.

Curve is currently free for new users; Curve Premium, which offers additional Curve Rewards benefits; is a one-off £50 cost. Curve will begin shipping cards to consumers this week; new customers will join the Curve waitlist, currently at just over 50,000, but can jump up the queue by referring friends.

[https://www.finextra.com/pressarticle/72194/credit-card-app-curve-launches-in-uk?utm\\_medium=dailynewsletter&utm\\_source=2018-1-18&member=93489](https://www.finextra.com/pressarticle/72194/credit-card-app-curve-launches-in-uk?utm_medium=dailynewsletter&utm_source=2018-1-18&member=93489)

## COCC partners with Ellie Mae to offer Encompass digital mortgage solution to banks and credit unions

### Bank Technology Solutions

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Ellie Mae® (NYSE:ELLI), the leading cloud-based platform provider for the mortgage finance industry, announced today that COCC, an award-winning client-owned financial technology company servicing financial institutions throughout the Northeastern United States, has entered into a partner agreement with Ellie Mae. Through this partnership COCC will offer the Encompass all-in-one mortgage management solution to members of the COCC cooperative.

Ellie Mae's Encompass all-in-one mortgage management solution offers a digital mortgage experience covering the entire loan lifecycle so lenders can originate more loans, lower origination costs and reduce time to close. Ellie Mae's connected community includes 230,000 users and thousands of service providers, and the Ellie Mae Network processes millions of transactions every month, touching approximately 30 percent of the residential loans originated in the United States.

"Our mission is to be a trusted partner, delivering secure, quality solutions that drive the success of financial institutions," said Matt L'Heureux, SVP & Chief Product Officer, COCC. "Through this partnership, COCC will provide Ellie Mae's Encompass solution to our clients to help give them more control with functions and applications that improve efficiency, enhance quality and ensure compliance."

Launched in 1967, COCC was founded by its clients. This unique cooperative structure has set COCC apart from the competition and is one of the driving forces behind their success. COCC is the fastest growing financial data processing company in the United States and is recognized as a leader in delivering innovation and the quality service financial institutions demand and deserve. "We are delighted that COCC has chosen to partner with Ellie Mae to offer our Encompass loan origination solution to the banks and credit unions in its cooperative," said Cathleen Schreiner Gates, Executive Vice President of Sales and Marketing at Ellie Mae. "By providing these financial institutions with Ellie Mae's Encompass, they can leverage our technology to originate more loans, lower the cost to originate and reduce their time to close, all with the quality and compliance needed to meet the changing industry requirements."

<https://www.businesswire.com/news/home/20180116005490/en/COCC-Partners-Ellie-Mae-Offer-Encompass-Digital>

## Where banks and tech are going head to head

### Bank Technology Solutions

1/16/18

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Big tech has a new opening to disrupt the big banks. A tussle to create a killer banking app is shaping up.

Thanks to “open banking” rules that take effect this month, consumers’ account information in Europe is no longer the exclusive domain of banks. Lenders will have to cough up their customers’ data provided they give consent. Expect the likes of Google, Apple and Facebook to start asking for permission.

Making this possible is the European Union’s Payment Services Directive 2, a package of rules that let nonbank payment providers blaze a direct trail between consumers and retailers, thus bypassing the current card-based, bank-controlled payments network. It also allow aggregators to combine customers’ various financial accounts onto one platform.

To date, big tech hasn’t gotten too deep in third-party payments outside China. Apple Pay, perhaps the most visible meeting point of Silicon Valley and banking, simply grafts smartphones onto the existing infrastructure.

U.S. tech giants are in a good position to take advantage of the new rules, because their strong brands and existing services make it easier to get consumers’ consent. The draw for them won’t be the shrinking transaction fees earned by banks and card companies, but rather the chance to keep customers hooked on their platforms. For Facebook and Alphabet’s Google, for example, the unparalleled oversight of customer spending data offered by stewarding payments could be used to sell more valuable ads.

Tech groups are polishing their payment strategies. Last week Google consolidated its services under one umbrella, Google Pay. Daniel Döderlein, founder of fintech company Auka, sees the rapid adoption of Tez, Google’s payment system in India, as a precursor of what could come in Europe. Last year India adopted legislative changes similar to those under way in Europe.

Banks, of course, shouldn’t be counted out. They are also in a strong position to obtain consumer consents. They and their fintech partners have the advantage of being able to use customer banking data before it becomes more widely available. Scandinavia is ahead of the curve. For example, Dankse Bank, Denmark’s largest bank, has persuaded most Danes to use its MobilePay app even if they bank elsewhere. Bank-sponsored payment apps have also gone viral in Norway and Sweden.

The question is whether banks or tech companies will win out in the rest of Europe, where mobile payments remain largely undeveloped, as in the U.S. Forward-thinking lenders talk of open banking as an opportunity to play a greater role in their customers’ lives, for example by pointing

out when they are paying more than their neighbors for electricity or insurance and then selling them the cheaper product. But they will be fighting for turf more obviously suited to the software and data-management expertise of Silicon Valley.

The fight for European consumers has time to play out. Banks outside the U.K. have a transition period to comply with the more radical aspects. Open banking won't start in earnest across Europe until the second half of 2019.

Given the size of the market and the depth of European consumers' pockets, this could be big tech's next big opportunity. But banks won't cave in without a fight.

<https://www.wsj.com/articles/where-banks-and-tech-are-going-head-to-head-1516105648>

## Erste Group brings PSD2-ready digital platform to Slovakia

### Bank Technology Solutions

1/15/18

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Having racked up nearly two million users in Austria and the Czech Republic, Erste Group is rolling out its PSD2-ready digital banking platform, George, in Slovakia.

Developed by Erste Group Bank's in-house fintech team, George is designed to be an open platform, with API-based architecture and plug-in infrastructure to make it customisable and flexible, particularly for cooperation with fintechs and other third-party providers.

Customers can view, sort and organise the information that George provides them about their spending, savings, investments and payment transfers.

But the ability to personalise extends beyond look and feel: George lets its users choose from a broad range of plug-ins. These include a seven-year account archive, a Remember2Pay function for upcoming bills, and "Watchdogs" that alert users when events that they have specified take place.

Some plug-ins are free, others are offered for purchase on a stand-alone basis or as part of monthly subscription packages. The marketplace model is proving attractive, with customers already activating 210,000 plug-ins as they customise the platform to their specific needs.

Peter Bosek, chief retail officer, Erste Group, says: "We're convinced the future of banking will be built around platforms - and PSD2 will accelerate this. Since the very beginning, we've approached George with an open innovation mindset that allows us to form new partnerships with third parties and add value to our customers.

"So the current 'platformification' trend is totally playing to our strengths: our ambition is to build the iTunes store of European finance."

With nearly 1.5 million users in Austria and 300,000 in the Czech Republic, George is now being made available to Erste customers in Slovakia, with the bank's four other remaining markets - Romania, Hungary, Croatia and Serbia - set to follow by the end of the year.

"Our vision for George was clear from the very beginning: we didn't want to create yet another internet banking, we didn't want to simply retrofit old systems. George is an entirely new way of banking, one reimagined for our digital age. We built it as a platform from the ground-up and co-designed it with our customers - and this is what makes George a game-changer that millions of people want to use," says Bosek.

[https://www.finextra.com/newsarticle/31528/erste-group-brings-psd2-ready-digital-platform-to-slovakia?utm\\_medium=dailynewsletter&utm\\_source=2018-1-16&member=93489](https://www.finextra.com/newsarticle/31528/erste-group-brings-psd2-ready-digital-platform-to-slovakia?utm_medium=dailynewsletter&utm_source=2018-1-16&member=93489)

## Banking app Emma gets FCA approval in time for Open Banking

### Bank Technology Solutions

1/15/18

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London-based Emma Technologies LTD has been approved and registered with the Financial Conduct Authority under the Payment Services Regulations 2017 for the provision of payment services.

The company reference number is 794952. After successfully launching a closed beta in early December, the company can now fully operate under the new PSD2 scheme enacted in the UK on the 13th of January.

Emma is currently building the banking app for millennials (iOS and Android), a mobile only solution that helps consumers avoid overdrafts, find and cancel subscriptions, track debt and save money. The product aims at providing a consumer focused banking experience, with the only aim to improve the financial situation of its users.

In the past years, managing money has become extremely difficult. People tend to have multiple accounts, several contracts, different credit cards and the challenges of having everything under control keep growing. Emma wants to put an end to this. Money management should be easy and straightforward. Consumers should be able to access all the information regarding their personal finance from the push of a button.

Emma is here to solve this problem and try to give customers a different banking experience, which puts them first, not their money or background. The company believes anyone should have an advocate that is able to help in the daily life, no matter who they are and where they come from.

“We started developing Emma on a mission to improve people’s financial well being,” said Antonio Marino, CTO and Co-founder of Emma Technologies LTD. “We are thrilled to announce the FCA has given us full permission to achieve our goal. Further, we are happy to share we are currently working to integrate a series of challenger banks and savings solutions to further extend our offering.”

[https://www.finextra.com/pressarticle/72175/banking-app-emma-gets-fca-approval-in-time-for-open-banking?utm\\_medium=dailynewsletter&utm\\_source=2018-1-16&member=93489](https://www.finextra.com/pressarticle/72175/banking-app-emma-gets-fca-approval-in-time-for-open-banking?utm_medium=dailynewsletter&utm_source=2018-1-16&member=93489)



**BPO**

## Infosys launches Infosys Business Assurance Store to drive productivity and accelerate business agility

**BPO**

1/17/18

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Infosys (NYSE: INFY), a global leader in consulting, technology and next-generation services, today announced the launch of the Infosys Business Assurance Store, a unique knowledge-based solution with a repository of more than 1 million test assets across various industry domains, technologies, products and packages. This solution enables clients to enhance productivity in test planning, aids continuous testing and minimizes dependency on subject matter experts.

The Infosys Business Assurance Store is built on the experience of the Infosys validation teams, and integrates with third-party solutions like HPE Application Lifecycle Management (ALM), MS SharePoint among others. The store helps clients drive greater operational efficiencies and accelerate business agility through improved test design. This solution uses machine learning tools for traceability, knowledge clustering and optimization. Clients can access the solution through the Infosys Quality Assurance Workbench, an artificial intelligence based platform built for supporting all leading digital technologies such as Mobile, Internet of Things, and Cloud among others.

### Highlights

- Infosys' Business Assurance Store fast forwards the testing lifecycle across industry domains - such as Financial Services, Retail, Insurance, Health Care, Life Sciences, Manufacturing, Telecom, Energy, Utilities, Services and others, using technologies such as Java, .Net, MDM, Mainframe, and Middleware
- The solution covers industry leading products and packages like VisionPLUS, Global Pay Plus (GPP), Calypso, Murex, SAP modules, Oracle EBIS, Warehouse Management System (WMS), among many others, and will provide customers starter kits for specialized testing services like security, Internet of Things, big data, and other validation services
- The solution also has numerous test cases on various regulations and compliances which will ensure extensive risk coverage and help customers adhere to different standards across geographies

Dominique Raviart, IT Services Practice Director, NelsonHall, said, "With Infosys Business Assurance Store, Infosys has invested in a systematic approach for creating a repository of test scenarios, across industries, and across application technology. This repository is part of Infosys' strategy to continue automating the full testing lifecycle, adding its own proprietary IP to complement commercial off the shelf solutions (COTS)."

Ravi Kumar S, President and Deputy Chief Operating Officer, Infosys, said, "Testing has taken a paradigm shift from being an end-of-lifecycle activity to managing user experience in the digital landscape. This solution is about expediting testing and utilizing test cases, built through our years

of experience in delivering agility to our customers' businesses. Infosys Business Assurance Store is an endeavor to bring in transformation and fuel automation in the testing space and this solution is testimony of our deep experience of over 15 years."

[http://equitybulls.com/admin/news2006/news\\_det.asp?id=220527](http://equitybulls.com/admin/news2006/news_det.asp?id=220527)

## Advantage to outsourcing executive payrolls

**BPO**

1/16/18

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Complying with legislation that governs director's PAYE for executive payroll is a complex undertaking and it makes business sense to outsource this function - including being able to leverage expertise to tick all the governance boxes.

This is according to management at CRS Technologies, an established provider of solutions focused on the HR and HCM markets.

One of the reasons for the complexity is because a directors' remuneration is often only finally determined towards the end of the tax year or even in the following tax year.

In some cases, directors may receive nominal monthly remuneration and a large bonus at the end of the tax year, resulting in the majority of their tax liability being owed at that stage.

This creates a challenge in determining the amount of PAYE to withhold each month. Typically, the director is required to work out a deemed monthly salary using the average remuneration earned during the previous year of assessment.

Sandra Maritz, Legislation Business Consultant at CRS Technologies, explains that directors' salary is subject to monthly PAYE and UIF deductions.

"This provision applies to directors of private companies and members and officials of close corporations who perform any functions within the CC, which are similar to those functions performed by Directors of Companies. Even 'owner managed' businesses where there is only one director and no employees, the sole director is deemed to be an employee per the Tax Act and his/her salary will be subject to monthly PAYE and UIF deductions and the business is also required to make monthly EMP201 submissions to SARS."

CRS Technologies emphasises the relevance of deemed remuneration, as determined by a SARS formula, to overcome issues with collecting monthly PAYE for directors.

Maritz points out that since the Taxation Laws Amendment Act, 16 of 2016, was signed into law on 11 January 2017, one of the many changes that the Act brings into effect is the repeal of paragraph 11C of the Fourth Schedule to the Income Tax Act, 58 of 1962.

The purpose of paragraph 11C was to provide for the unique circumstances presented in directors' remuneration, whereby actual remuneration for directors would often be inconsistent and amount to ad hoc payments decided and approved from time to time.

"The provision is repealed effective 28 February 2017, which means that a new regime is introduced for deducting PAYE from directors' remuneration effective for the 2018 tax year commencing on 1 March 2017. The new exception that now applies to directors' remuneration is the same regime that has been applied throughout to regular employees, and these regimes can now be said to be aligned," Maritz added.

With the introduction of section 7B, dealing with "variable remuneration" in the Income Tax Act itself in 2013, policy in this regard appears to have changed with National Treasury.

If 'regular' employees need to account for PAYE on an ongoing basis on variable remuneration (also inconsistent) received, the need to differentiate between employees and directors would fall away and no policy consideration would be required.

There should be differentiation made between the PAYE treatment of variable remuneration received by employees in relation to directors' remuneration.

Directors' remuneration will likely not form part of "variable remuneration" as defined in section 7B, and therefore PAYE cannot be accounted for merely on an actual payment basis. PAYE should be calculated and paid over as and when remuneration accrues to an employee (with the exception of variable remuneration), and likewise to directors now too.

The director will always be taxed on actual remuneration received each month. The tax on the actual remuneration is compared to that which is calculated on the deemed amount and, if the latter is higher, the company pays the difference over to SARS.

In such case, the director must apply to SARS for a directive to reduce the monthly PAYE payable whereupon SARS will issue an IRP3(d) directive to reduce the amount of PAYE payable by the company.

CRS Technologies advocates outsourcing the executive payroll because, as Maritz explains, the administrative process can easily become complicated.

"This is just the tip of the iceberg... we have not yet touched on the concept of non-executive directors," Maritz continues.

<https://www.itweb.co.za/content/dgp45MaYEenMX9I8>



# FINANCIAL MANAGEMENT SOLUTIONS

## Paychex updates HCM platform to reflect new 2018 withholding tables

### Financial Management Solutions

1/12/18

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With the Internal Revenue Service (IRS) releasing updated tax withholding tables for 2018 on Thursday afternoon in response to the Tax Cuts and Jobs Act, Paychex, Inc., a leading provider of human capital management (HCM) solutions for payroll, HR, retirement, and insurance services, announced it had updated its HCM platform, Paychex Flex®, by the start of business Friday morning to reflect the new withholding rates.

"The updated tables are now here and for Paychex Flex clients submitting payroll today, those payrolls will be processed using the new withholdings," said Martin Mucci, president and CEO of Paychex. "We're proud of the leadership role we've taken in the payroll industry to be among the first to implement these changes, and we look forward to measuring the impact of take-home pay changes as part of our ongoing Small Business Employment Watch research."

IRS Notice 1036, the just-released guidance, instructs employers how to appropriately withhold wages from their employees' paychecks in 2018. The new tables reflect the increase in the standard deduction, repeal of personal exemptions, and changes in tax rates and brackets. The IRS notes that the tables are designed to produce the correct amount of tax withholding for those with more straightforward situations. Taxpayers with more complex circumstances, such as itemized deductions, dependents or multiple jobs, may want to adjust their withholding. The IRS expects to release an updated withholding tax calculator to assist taxpayers by the end of February.

<https://www.prnewswire.com/news-releases/within-hours-of-release-paychex-updates-hcm-platform-to-reflect-new-2018-withholding-tables-300582161.html>

## Artificial Intelligence to revolutionize finance department and change the role of accountants

### Financial Management Solutions

1/8/18

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Finance & Accounting departments are experiencing fundamental changes as artificial intelligence (AI) software becomes more sophisticated, changing the type of work completed by current staff, according to research results released by BlackLine, Inc. (Nasdaq: BL), a leading provider of financial controls and automation software that enables Continuous Accounting.

The research, conducted by Censuswide, incorporates the responses of 300 CFOs, finance directors and accountants in U.S. companies with annual revenues of more than \$150 million. Nearly half (46%) the respondents indicate AI already plays a role in their organization today, and 30 percent are currently investigating its use.

"The responses underscore the growing power and use of AI tools and the implications for the finance organization," said Therese Tucker, founder and CEO of BlackLine. "The finance department of the future will be a very different place."

Asked to select areas within the finance department that would be most affected by AI, more than half (56%) the respondents said the technology should enable them to complete accounts payable and receivable functions without the need for human intervention.

Almost half (49%) said AI would further facilitate the automation of reconciliations. Nearly one-third (31%) said the tools would assist the financial close. The work performed by AI is not limited to process-heavy and time-consuming tasks, with nearly one-quarter (24%) of respondents projecting that AI tools could undertake strategic financial decisions, as well.

The findings raise several key issues. Chief among them is CFO liability for a financial misstatement attributed to an incorrect decision made by AI that results in regulatory non-compliance.

Interestingly, when asked to nominate who should be liable if an AI tool makes a decision that results in regulatory non-compliance, a fine or a fall in share price, just 16 percent of respondents said it should be the developer of the software. Almost half (45%) of the respondents think the CFO and/or the Finance & Accounting group should be liable.

"As more decisions are taken out of the hands of humans and entrusted to software, the question of liability becomes important," said Ms. Tucker. "Clearly this is something that will need to be carefully considered at the board level before key finance decisions are made by AI."

Rather than being something to fear, Tucker believes AI has the potential to deliver significant benefits to the finance department. "Job roles and workflow processes will alter as AI becomes

more widespread," she said. "But these intelligent tools will free finance and accounting staff from processing low-level tasks to become engaged in higher level, strategic activities."

<https://www.prnewswire.com/news-releases/artificial-intelligence-to-revolutionize-finance-department-and-change-the-role-of-accountants-300578644.html>



# HEALTHCARE TECH

## Healthcare RCM market will impel due to growing entanglement in medical coding

Healthcare Tech

1/16/18

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This report analyzes and researches the Healthcare Revenue Cycle Management development status and forecast in United States, EU, Japan, China, India and Southeast Asia.

The global healthcare revenue cycle management market is predicted to outspread at a balanced CAGR during the forecast period (2017 to 2022), finds a report available on Radiant Insights, Inc. Growing entanglement in medical coding for bill remunerations and increasing rate of claim denials are likely to impel demand for healthcare revenue cycle management practices in the coming years.

High prevalence of chronic diseases owing to increasing number of elderly population is likely to drive growth of the market. Regulatory compliance investigating the use of revenue cycle management (RCM) solutions can further augment market. Increasing necessity of healthcare insurance coupled with process optimization owing to the use of RCMs is expected to propel growth of the market. Rising government support to adopt RCM solutions in healthcare organizations can fuel market growth during the forecast period.

Revenue cycle management can improve claim process, revenue generation, and payment in healthcare organizations. Growing necessity for real time access to claim management, proper scheduling, and payment process management in hospitals and healthcare companies can impel demand for RCM solutions. Considering the rising demand, most companies are implementing RCM solutions to improve operations.

For instance, Humana Inc., recently unveiled that it is planning to acquire Kindred Healthcare Inc. based in Kentucky. The acquisition value is expected to reach USD 4 billion, which can place this deal at the top of the list of recent deals in healthcare revenue cycle management market. In addition, the two private equity companies involved in a discussion with Humana over this acquisition are predicted to lead and manage Kindred's facility operations. This may include the company's acute care hospitals and rehabilitation centers. According to insurance experts, this deal is poised to stimulate demand for medical coding for bill reimbursements and health insurance.

Lack of experienced software professionals to manage RCM processes is likely to hinder growth of the market. In addition, infrastructural loopholes coupled with high cost of deployment can also create obstructions for market growth in the coming years.

However, growing necessity for modernized revenue cycle management solutions is expected to generate lucrative opportunities for the market over the forecast period.

The healthcare revenue cycle management market can be segregated on the basis of type, application, and region. Based on type, the market can be divided into product, deployment, and component. Based on application, the market can be split into physicians, hospitals, and diagnostic & ambulatory care centers.

Request a Free Sample Copy of this Report @ <https://www.radiantinsights.com/research/global-healthcare-revenue-cycle-management-market-size-status-and-forecast-2022/request-sample>

Regional segmentation includes Europe, United States, Japan, China, India, and Southeast Asia. In United States, the healthcare RCM market is anticipated to grow at a steady rate in the coming years owing to high adoption of revenue cycle management, increasing incentives, and favorable government policies. In addition, existence of advanced healthcare infrastructure coupled with continuous innovations in the region is likely to impel market growth.

In India, Japan, and China, the market is expected to expand at substantial rate during the forecast period owing to improvement in healthcare infrastructure and technological advancements in the region.

In Europe, the healthcare revenue cycle management market is poised to propel during the forecast period owing to reducing overall healthcare costs, diminishing reimbursement in healthcare industry, and supportive government initiatives to implement RCM solutions in the region. In addition, rising expenditure by healthcare industry on information technology can propel regional market growth.

Some of the prominent players operating in the healthcare revenue cycle management market are GE Healthcare, Meditech, Allscripts Healthcare Solutions, Cerner, and Carecloud.

<http://www.digitaljournal.com/pr/3624069>



# INSURANCE

## Edison Motor launches on Volante's new UK-based MGA platform

### Insurance

1/18/17

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Volante Global Ltd., a new multi-class and multi-territory international managing general agent (MGA) platform, has announced the launch of Edison Motor and the appointment of Steven Dickie and Doug Ockwell as joint managing directors of the new operation.

Edison Motor is a London market-based MGA that provides comprehensive commercial motor insurance products to niche markets in the UK. Key lines of business include: public sector, including police forces; fire and rescue services; ambulance fleets; hazardous goods, and haulage.

Volante was launched this year by Talbir Bains, formerly group CEO and CUO of DUAL International Ltd. Prior to this, he had a number of managerial positions across underwriting, reinsurance, pricing and business performance at QBE European Operations during 14 years with the QBE Group. Both Dickie and Ockwell were previously employed by QBE.

Edison will offer both conventional and non-conventional insurance products based on robust pricing models, and will provide 'AA+' rated capacity which has been secured on a five-year binder agreement. The agreement was secured by a team from Aon Benfield, the intermediary for the Volante Group, which was led by Vijay Mavani, Mark Flower and Rob Sharp.

Steven Dickie has worked in the motor insurance sector for 40 years, in both underwriting and broking roles, most recently as a portfolio manager for QBE Europe's motor account. For 10 years, he was head of motor fleet for a motor book in the Lloyd's and composite market; and spent a further 10 years as an associate director at one of the London market's leading wholesale brokers. Doug Ockwell has 25 years industry experience in motor and non-motor classes, spanning both motor underwriting (eight years) and broking and account servicing for large corporate clients (17 years). He has specialized in the placement and underwriting of non-conventional motor business for 20 years. Prior to joining Edison Motor, Ockwell was an underwriting manager for QBE Europe's motor account.

"At Edison Motor, our aim is to focus on delivering and maintaining the highest standard of service across all aspects of our client solutions," said Dickie. "That means ensuring we achieve a rapid turnaround on quotes, produce bespoke policies, provide a best-in-class claims service, and offer outstanding risk management support."

"Operating from the Volante platform means we can maximize our underwriting time and hit the ground running," said Ockwell. It provides an end-to-end system spanning everything from initial quotes and binding through to issuing documents and supporting claims management. That means we can concentrate on meeting the unique and increasingly complex challenges faced by

the UK commercial motor market and building close working relationships with our brokers and clients.”

“We are delighted that the first MGA has launched from the Volante platform,” said Bains. “Edison Motor is exemplary in defining the underwriting fraternity that we are looking to create....”

He said Volante’s primary goal is to deliver underwriting profit to its supporting capacity provider and making “huge inroads into key market sectors which we believe are currently underserved.”

<https://www.insurancejournal.com/news/international/2018/01/19/477829.htm>

## Barbican Insurance Group partners with FICO to enhance cyber underwriting

### Insurance

1/17/18

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Barbican Insurance Group has selected the FICO® Enterprise Security Score as its predictive analytic measure of cybersecurity risk for breach insurance underwriting.

The partnership will also provide Barbican's insureds with access to the FICO® Enterprise Security Score Portrait product, enabling continual cyber risk mitigation.

In addition, Barbican will offer premium credit to all of its cyber policy holders that subscribe to the Enterprise Security Score.

Silicon Valley analytics firm FICO today announced its partnership with Barbican Insurance Group (Barbican), a multi-platform insurance group that underwrites business predominantly through its syndicates at Lloyd's of London, and which provides global cyber insurance coverage to its insureds. Barbican will use the FICO® Enterprise Security Score to measure the cybersecurity risk of insureds, and will also provide insureds with access to the FICO® Enterprise Security Score Portrait product, which can help a firm identify and mitigate weaknesses in its defenses.

As cyber insurance is a relatively new class of insurance, underwriters have lacked historic actuarial data upon which to base underwriting decisions. The FICO Enterprise Security Score provides an accurate, empirical, and forward-looking assessment of the overall cyber risk exposure of an enterprise, which insurers can use for underwriting, pricing and ongoing portfolio management.

"We partnered with FICO because of its expertise and experience in predictive analytics and its strong focus on risk quantification," said Graeme King, business group leader for cyber at Barbican. "The FICO Enterprise Security Score gives our underwriters a predictive, stable and objective rating to help better assess cyber risks. It also encourages our insureds to improve their cybersecurity. Using the FICO Enterprise Security Score Portrait product, our insureds receive actionable information to help them proactively strengthen their defenses and reduce their exposure to potential risks."

The FICO Enterprise Security Score is unique in its machine learning approach, internet-scale data collection and pool of curated exemplars. While other firms leverage judgmental assessments and focus on producing the longest possible list of potential vulnerabilities, FICO's purely empirical techniques apply data-driven risk quantification, and allow the user to focus exclusively on issues that are demonstrably correlated with breach outcomes. Jeffrey Wheatman, research director at Gartner, notes, "By 2022, cybersecurity ratings will become as important as credit ratings when assessing the risk of business relationships."\*

"FICO has a history of delivering powerful risk metrics to the insurance industry and the consumer credit space," said Doug Clare, FICO's vice president for cybersecurity solutions. "Partnering with Barbican Insurance to give their underwriting team the ability to better measure and manage their portfolio risk is part of our focus on delivering an industry-standard score to the cyber insurance market. By offering premium credit to their cyber policy holders for the use of the FICO Enterprise Security Score Portrait, Barbican is taking risk mitigation much further than the yearly assessments that are common today."

The FICO Enterprise Security Score is based on an algorithm that leverages supervised machine learning techniques to associate conditional and behavioral characteristics of organizations' security practices with data breaches. Ranging from 300 to 850, the score provides strong separation between high-risk and low-risk organizations, and is the strongest predictor available in the market for discerning the go-forward cyber breach risk of any enterprise. Explainable AI techniques provide the top reasons for each score and advanced anomaly detection identifies weakest assets, allowing users an opportunity to proactively prioritize and remedy their organizational cyber defense.

\*Gartner, "Predicts 2018: Security and Risk Management Programs," Rob McMillan et al, 16 November 2017.

<https://www.prnewswire.com/news-releases/barbican-insurance-group-partners-with-fico-to-enhance-cyber-underwriting-300583189.html>

## Revolut launches geolocation-powered travel insurance

### Insurance

1/16/18

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Fintech startup Revolut is launching international medical and dental insurance. You can subscribe using the company's app for £1 per day or more depending on the options.

But the best part is that you can set it up and forget about it as Revolut uses your device's location data to automatically turn insurance coverage on and off.

By default, insurance coverage costs £1 per day for medical and dental insurance. You can add an option for winter sports and you can also cover your friends and family.

But if you're always on the road and tend to spend weeks or even months abroad, Revolut is going to cap its travel insurance after a certain amount of time. You can also pay a fixed upfront price for an annual policy.

Revolut isn't becoming an insurance company. Just like with its mobile device insurance product, the startup is working with third-party insurance companies. This time, Thomas Cook Money is in charge of the travel insurance product. It's also worth noting that Revolut Premium includes travel insurance.

It's still unclear if Revolut is going to regularly request your location when the app is in the background or if Revolut is just going to get your location when you open the app.

Revolut is slowly building an insurance hub to control all your insurance needs from the company's app. And this is smart as Revolut just has to take a bit of money from your Revolut balance. It feels like you're not spending any money because you don't need to enter your card number.

The startup has been releasing new features at an impressive pace. The service is now much more than a simple prepaid MasterCard with a foreign exchange feature. You can now trade cryptocurrencies in the Revolut app, receive money on your own IBAN, ask for a credit line and more. It's becoming a serious banking alternative.

<https://techcrunch.com/2018/01/16/revolut-launches-geolocation-powered-travel-insurance/?ncid=rss>



# PAYMENTS

## Verifone introduces mobile POS to improve checkout for merchants

### Payments

1/18/18

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#### Verifone e280 Mobile Point of Sale System to Improve Checkout for Merchants

The new Verifone (NYSE: PAY) e280 mobile point-of-sale (mPOS) solution looks like a smartphone and it is just as portable. However for retailers, it means being able to accept payments in different locations throughout the store as well as outside of it.

At just 4.5" long and 2.5" wide, the e280 has a 3.5" color touchscreen for capturing the signature of your customers and on-screen interaction for secure PIN entry. Connectivity includes WiFi, Bluetooth BLE and USB-C so it can communicate with other devices and peripherals.

Small retailers can expect to see less and less foot traffic coming through their doors if their checkout process is not optimized. This is because as consumers shop more and more online, they expect the same level of efficiency when they are in a brick-and-mortar outlet.

The good news is, there are solutions in the marketplace small businesses can use to make checkouts as painless as possible for their customers.

In a press release announcing the new device, Glen Robson, executive vice president and Global Head of Solutions for Verifone, explained, "Retail is greatly influenced by consumer behaviors and experience, and merchants are looking for technology that is adaptable to changing consumer expectations while complying with complex security standards."

<https://smallbiztrends.com/2018/01/verifone-e280-mobile-point-of-sale.html>

## Europe passes new rules to give merchants more choice in card processing networks

### Payments

1/18/18

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The European Commission has issued new requirements that ensure independence of payment card schemes and processing entities, to enhance competition in the card payment market.

Retailers will be able to choose the most suitable processor for their card transactions, to the benefit of consumers.

Commissioner Margrethe Vestager, in charge of competition policy, said: "Many consumers use payment cards every day in shops or online. The Interchange Fee Regulation has capped fees charged by the banks for these card payments, which are ultimately paid by consumers. The new rules will bring more competition to the processing of card payments, which should further reduce costs to the benefit of consumers and retailers."

When a consumer pays with a card in a shop or online, the transaction needs to be processed for the payment to be transferred to the shop's bank account. This service is carried out by processing companies, which manage the necessary communication and IT processes for the payment to be finalised. Payment card schemes often provide their own services for the processing of payment transactions and therefore compete with many other independent companies that also provide the same processing services.

Under the 2015 Interchange Fee Regulation card schemes must ensure the independence of their own processing activities from the rest of their operations. This prevents card schemes from favouring their own processing entities over competing processing entities, and from bundling processing services with other services that the card schemes offer.

To ensure the independence of processing activities within card schemes, the new rules introduce detailed requirements concerning the separation of certain functions, which enter into effect on 7 February 2018. This includes limits on information exchange, as well as separate profit and loss accounts, separate corporate organisation (workspaces, management and staff) and separate decision-making.

As a result of this separation, retailers will be able to choose the best processor for their card transactions, while consumers benefit from reduced processing costs in their daily payments in shops, restaurants, on-line or via a growing range of card-based mobile payment applications.

### Background

The 2015 Interchange Fee Regulation (see full text and factsheet) addressed the problem of widely varying and excessive hidden inter-bank fees for card and card-based transactions which were an obstacle to the Single Market and a barrier to innovation in payments. It introduced caps

on the fees of consumer debit and credit card payments, which are effective throughout EU and thus establish the same benefits for all consumers, regardless of where they live in the EU. It also ensures that consumers and retailers can choose which card payment options to use (e.g. debit card, credit card, loyalty cards of a store, premium cards), rather than this being imposed by card schemes and card issuing banks, and encourages the development of payments via mobile phones and other devices.

The Regulation also enables independent processors to compete effectively through separation of payment card schemes from their processing entities, applicable since June 2016. To establish the requirements ensuring this separation, the Regulation empowers the Commission to adopt Regulatory Technical Standards on the basis of a draft proposed by the European Banking Authority.

On 4 October 2017, the Commission adopted these Regulatory Technical Standards. Following completion of the scrutiny by the European Parliament and the Council, they have now become final and will enter into effect on 7 February 2018, which is the twentieth day following their publication in the Official Journal of the European Union.

[https://www.finextra.com/pressarticle/72240/europe-passes-new-rules-to-give-merchants-more-choice-in-card-processing-networks?utm\\_medium=dailynewsletter&utm\\_source=2018-1-19&member=93489](https://www.finextra.com/pressarticle/72240/europe-passes-new-rules-to-give-merchants-more-choice-in-card-processing-networks?utm_medium=dailynewsletter&utm_source=2018-1-19&member=93489)

## ThreatMetrix and GlobalOnePay partner to enhance secure cross-border eCommerce payments

### Payments

1/18/18

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ThreatMetrix®, The Digital Identity Company®, today announced a partnership with GlobalOnePay, a division of Pivotal Payments, to enhance GlobalOnePay's online fraud detection and scoring engine, Sentinel Defend.

GlobalOnePay, a leader in global payment processing and merchant services, is leveraging the power of the ThreatMetrix Digital Identity Network®, which analyzes 100 million daily transactions, to reduce not only fraud, but also the friction so many customers experience in online commerce. By providing dynamic and real-time intelligence on an individual's true digital identity, ThreatMetrix helps enable trust in digital interactions and accelerates secure cross-border transactions.

This revolutionary approach using anonymized global shared data enables automatic risk scoring of every transaction and instant authentication of legitimate customers, while stopping cybercriminals armed with stolen identities and scripted bot attacks.

“As global commerce continues to grow, decline rates in cross-border payments remain too high, leaving significant opportunity on the table. The ThreatMetrix Digital Identity Network delivers the intelligence needed to safely accept more orders across markets, even where identity verification is challenging,” said Leah Evanski, vice president of strategic alliances at ThreatMetrix. “We are proud to work with GlobalOnePay, a company that is dedicated to ensuring their customers can safely and easily grow their business globally.”

The partnership with ThreatMetrix will further enhance GlobalOnePay's omni-channel fraud mitigation solution, Sentinel Digital Fortress (Sentinel DF). Sentinel DF combines technologies for fraud prevention, post-fraud analysis and recovery, plus a team dedicated to customized fraud and chargeback management.

“Our merchants expect the highest level of card processing security available. This is why we look to the most innovative approaches on the market to ensure we stay one step ahead of emerging fraud patterns,” said Tedd Huff, GlobalOnePay's VP of Product. “The global breadth of Sentinel Defend, part of our Sentinel Digital Fortress program, provides intelligence and protection which spans borders, helping our merchants to expand into new markets with confidence and drive additional revenue.”

<https://www.businesswire.com/news/home/20180118005288/en/ThreatMetrix-GlobalOnePay-Partner-Enhance-Secure-Cross-Border-eCommerce>

## Metro Bank utilizes selfie tech for instant online current accounts

### Payments

1/17/18

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Metro Bank has launched an instant online current account opening process, allowing customers to create a current account online which can be accessed immediately. The new service also gives the option to have a MasterCard debit card printed straight away.

Identification documents, along with a selfie, are uploaded directly to the Metro Bank app. With verification and authentication taking place in real-time, accounts can be opened in less than 10 minutes, including setting-up internet banking.

“Today is an exciting milestone in our quest to provide customers with an unparalleled banking experience,” Craig Donaldson, CEO of Metro Bank told PaymentEye.

“The launch of instant online opening for current accounts is bringing the revolution nationwide and enabling more people across the UK to vote with their feet and join a growing, customer-focussed bank.”

With a recent survey showing that nearly half of millennials prefer mobile payments and banking apps to handling cash, the progression places Metro Bank in a more millennial-friendly position. “Millennials are just so used to doing absolutely everything on their phone. If you can buy a flight or order a cab then opening a bank account online is a no-brainer”, Husayn Kassai, CEO & co-founder of Onfido, recently told bobsguide.

“After all, they would ask why there’s so much friction to access what is essentially their money. Millennials are the first generation to trust technology and that’s why they’ve pushed through the success of the Monzo-type ventures of the world.”

With PSD2 now in effect, consumer choice is the hot topic in fintech. Allowing customers ease of access to financial products in this way could allow banks and fintechs alike to reap the rewards of open banking.

[http://www.paymenteye.com/2018/01/17/metro-bank-utilises-selfie-tech-for-instant-online-current-accounts/?utm\\_source=paymenteye&utm\\_medium=email&utm\\_campaign=newsletter&utm\\_content=2018-01-17-paymenteye-emerging-payments-awards-psd2-metro-bank&mkt\\_tok=eyJpIjoiT0RVNE9EaGpNbVI3TVdZMlslbnQiOiJGR2E3ZkFWc25uMDJRaitUdWlclYt2K0tja0o5T1I4ZU5KS3ppd0t3a3ZlaWxhSk1NcFJyMHJhclhRZGJDckVuSUJRUzhSZkY2R0xUZExFSWVVU21veCtUWkFaRnZaNmlkQnJlaGlyY3BQODN1b210S2VknVlrendlVnZXZTV4UEEifQ%3D%3D](http://www.paymenteye.com/2018/01/17/metro-bank-utilises-selfie-tech-for-instant-online-current-accounts/?utm_source=paymenteye&utm_medium=email&utm_campaign=newsletter&utm_content=2018-01-17-paymenteye-emerging-payments-awards-psd2-metro-bank&mkt_tok=eyJpIjoiT0RVNE9EaGpNbVI3TVdZMlslbnQiOiJGR2E3ZkFWc25uMDJRaitUdWlclYt2K0tja0o5T1I4ZU5KS3ppd0t3a3ZlaWxhSk1NcFJyMHJhclhRZGJDckVuSUJRUzhSZkY2R0xUZExFSWVVU21veCtUWkFaRnZaNmlkQnJlaGlyY3BQODN1b210S2VknVlrendlVnZXZTV4UEEifQ%3D%3D)

## Moorwand and GPS partner to launch UPayCard in UK

### Payments

1/16/18

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International payments company Moorwand and leading global issuer processor GPS have joined forces to launch the UPayCard branded prepaid card solution to the UK market.

UPayCard is a global multi-currency service for businesses and consumers. It is the first programme to be launched by Moorwand and was brought to market in a record time of less than eight weeks.

Account users have access to a comprehensive multi-currency payment solution that allows them to easily make transfers between accounts present on the same UPayCard system. The service provides added value for both consumers and businesses alike, reducing time of fund transfers and enabling secure instant payments in currencies other than US Dollars.

Once seen as industry FinTech rivals, Robert Courtneidge, the newly appointed CEO of Moorwand, and Suresh Vaghjiani, Managing Director at GPS, recently stepped into a boxing ring dressed as the Joker and Batman respectively for the PayExpo 2017 Payments Punch-up - a lively annual debate on the hottest fintech topics of the day. Despite Suresh adding a third consecutive debate victory to his total, the two men have had a long lasting professional relationship and have always shared one common vision to drive change and innovation in the payments industry.

"It's great to finally be on the same team as Suresh," said Robert. "We are combining our unique strengths to 'save the world' - or at least to 'rescue' Programme Managers from the growing confusion of what is possible within the increasingly complex world of payments legislation and rules around BIN access to create a strong, transparent engagement with them. GPS is perfect for Moorwand as we need a partner that can move fast so our Programme Managers can leap 'with a single bound' into new products and markets with speed and confidence. We will also help them to work safely with the new 'crypto -nite' that is tainting the emerging payments industry. GPS has already helped us to rapidly launch the UPayCard Solution - and there is much more to come."

Suresh Vaghjiani, Managing Director, GPS comments: "Robert's recent appointment as CEO of Moorwand creates a compelling proposition for Programme Managers. With a lawyer of Robert's calibre at the helm and his long and distinguished career as a specialist in payments law means that Moorwand's BIN sponsorship solution is exactly what the market has been waiting for. We are delighted to have been selected by Moorwand to help them into their next phase of growth and their issuing services for cryptocurrencies."

[https://www.finextra.com/pressarticle/72185/moorwand-and-gps-partner-to-launch-upaycard-in-uk?utm\\_medium=dailynewsletter&utm\\_source=2018-1-17&member=93489](https://www.finextra.com/pressarticle/72185/moorwand-and-gps-partner-to-launch-upaycard-in-uk?utm_medium=dailynewsletter&utm_source=2018-1-17&member=93489)

## Precise Biometrics addresses fingerprint recognition in smart cards

### Payments

1/15/18

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Precise Biometrics' algorithm solution for fingerprint recognition in smart cards, Precise BioMatch Embedded, has through the cooperation with Fingerprint Cards been deployed in the first market trial of dual-interface biometric payment cards in the USA, which is carried out by Visa and Mountain America Credit Union.

The payment card, which can be used for contact and contactless payments (dual-interface), improves the convenience for consumers as there is no need to remember PIN codes to authenticate payments. The authentication is done by placing the finger on the card, making it easier and faster to make payments, benefitting both retailers and consumers. The biometric card can be used in the existing retail infrastructure. The card will be tested among US customers, commencing early 2018 to assess the cardholder experience and the technology of the biometric cards in different retail environments.

"I am pleased that we are part of the first US market trials for biometric dual-interface payment cards from a global provider of payments solutions. The interest in biometric payment cards is high and Precise Biometrics is at the forefront of this area", said Torgny Hellström, Chairman of the Board of Directors at Precise Biometrics.

[https://www.finextra.com/pressarticle/72174/precise-biometrics-addresses-fingerprint-recognition-in-smart-cards?utm\\_medium=dailynewsletter&utm\\_source=2018-1-16&member=93489](https://www.finextra.com/pressarticle/72174/precise-biometrics-addresses-fingerprint-recognition-in-smart-cards?utm_medium=dailynewsletter&utm_source=2018-1-16&member=93489)

## Transflo and epay announce new prepay option for electronic logging subscriptions

### Payments

1/10/18

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Transflo, a leader in enterprise mobility, telematics, and business process automation for the transportation industry, today unveiled a new telematics prepay option through epay North America, a global prepaid product distributor and technology service provider. epay North America is a division of Euronet Worldwide, Inc. (NASDAQ: EEFT).

Commercial drivers can now use cash to prepay monthly Transflo electronic logging subscriptions in travel stops. The program allows heavy-duty commercial drivers to purchase a Transflo ELD T7 device then prepay three months of monthly subscription service. Use of electronic logs, in contrast to paper-based logs, is a new government requirement that went effect on December 18, 2017.

Through the epay service, upon payment, drivers receive a receipt with a PIN code that is entered in the Transflo electronic logging app to begin or continue service.

The addition of Transflo enhances the epay content portfolio, which includes prepaid mobile top-up, prepaid debit cards, gift cards, digital music and other products and services.

“Thousands of commercial drivers regularly make cash payments in travel centers and truck stops,” shared Frank Adelman, President and Chief Executive Officer at Transflo. “This solution benefits customers who prefer to use cash instead of credit cards. It’s a great option for them, and we’ve not only created an innovative product but also an innovative service and support option.”

A leader in electronic payment services and prepaid product processing, epay has integrated Transflo’s electronic logging subscription into the point of sale systems at Pilot Flying J and Love’s travel stops. Drivers can renew Transflo ELD subscriptions and other prepaid services throughout this network of stores.

“Adding prepaid replenishment for electronic logging to our content portfolio provides a needed service for both professional drivers and truck stop retailers,” added Bryan Zingg, President of epay North America. “We’re strengthening our distribution network and ensuring that drivers, particularly owner-operators, have access to the convenience they need to stay compliant with the government’s new electronic logging rules.”

Clients using the Transflo ELD T7 have access to a wide range of electronic logging and telematics capabilities. This includes detailed vehicle diagnostics and fleet productivity metrics that replace legacy in-cab solutions with next-generation, mobile-based technology.

The new cash payment option through epay for standard ELD services is immediately available.

<https://www.businesswire.com/news/home/20180110005702/en/Transflo-epay-Announce-New-Prepay-Option-Electronic>



**SECURITIES**

## IFA launches investment service for dormant clients

### Securities

1/18/17

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A financial advice firm has launched a digital investment management service for people shut out of traditional financial advice.

IFA firm Symphony is offering a white-label version of provider FinchTech's non-advised robo-service to allow its clients to invest through its website without having to pay for advice.

For a platform fee of 0.25 per cent, investors are given access to four mainstream investment portfolios and four socially responsible investment portfolios via FinchTech, with equity/non-equity weightings ranging from a 'cautious' 35/65 split to the 'adventurous' 85/15.

The plug-and-play solution is managed by discretionary portfolio manager Tam Asset Management, which charges an additional 0.65 per cent for its asset management.

Tam does not charge IFAs for the use of its plug-in service but advises them to pass on a platform fee of between 0.25 per cent and 0.50 per cent to their clients.

Ian Walmsley, director at Symphony, said: "We see the world of financial services changing dramatically and we are excited to use FinchTech for the various connections we deal with in the public and private sectors, where new clients of all ages seek financial services direct."

Mr Walmsley said the platform was targeted at clients left behind by the changes made following the Retail Distribution Review (RDR).

The regulatory review, which was implemented at the end of 2012, outlawed the use of commission on retail investment products, which meant advisers wishing to earn money from clients were forced to levy an adviser charge.

However, the regulator was clear whenever such fees were collected value for money needed to be adhered to, meaning charges had to be proportionate to the amount of money invested or the overall value of the service given.

This made it difficult for advisers to serve clients with lower amounts of money to invest.

Lester Petch, chief executive of FinchTech, pointed to a report from the Association of Professional Financial Advisers, published in 2016, which found two-thirds of advisers had turned away potential clients in the preceding 12 months because of the new rules.

The regulator itself pointed to the so-called advice gap in its Financial Advice Market Review out in early 2016, which found the Retail Distribution Review had created barriers to consumer access to advice.

The watchdog said at the time it was keen to explore whether low-cost technological solutions could fill that gap.

Mr Petch said: "Following RDR, financial advisers have been forced to consider the position of clients that fall below a particular investment threshold.

"These clients either remain unserved or engage with robo-advisers with no long-term proven performance.

"Our white labelled platform can be rolled out in as little as two weeks and helps IFAs re-engage customers who have remained dormant since RDR, while fighting back against robo-creep."

FinchTech currently offers white labelled general investment and Isa products but plans to launch a pension product in 2018.

Darren Cooke, director at Red Circle Financial Planning, agreed the advice gap needed to be tackled but felt automated services, even those called robo-advisers, were not in fact giving advice.

<https://www.ftadviser.com/investments/2018/01/18/ifa-launches-investment-service-for-dormant-clients/>

## Scalable Capital to offer traditional financial advice, reveals new CEO

### Securities

1/17/18

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The digital wealth manager is expanding its offering, but in the opposite direction.

Digital wealth manager Scalable Capital is now offering traditional financial advice to investors. Considered to be one of the larger players in UK robo advice, the firm has over £600m assets under management and more than 20,000 clients under its wing.

Conducted by qualified financial advisors, Scalable will be providing both prospective and existing clients with a “comprehensive financial assessment of their situation” via telephone or personal meeting. After the initial free consultation, clients can book further sessions with an advisor for a fixed fee of £200.

“We are experiencing increasing demand for our risk-managed investment solution from wealthier clients who have more complex financial situations and who told us they would be keen to use such a service,” said Simon Miller, co-founder of Scalable Capital and soon-to-be UK CEO of the business.

“At the same time, we wanted to make sure that our offer was priced such that clients without a high 6-digit-investment would also find it attractive.”

Dr Ella Rabener, Scalable Capital’s Chief Marketing Officer and Co-Founder, added: “Our business is geared towards a lean digital setup, as this allows us to offer attractively low fees to our clients. Our success so far, with over 20,000 clients across three geographies, proves that our digital sign-up process via desktop or app is very well accepted.

“Our new service is therefore meant to be an extension of our core model that will allow us to accelerate our growth by also accommodating investors that require more assistance as they make their investment decision.”

After the firm partnered with ING-DiBa in Germany late last year, Scalable Capital is gearing up for its international expansion. Co-founder Adam French will soon be assuming international responsibilities at the company, focusing on the firm’s collaborations with financial institutions and large corporates across Europe and beyond.

[http://www.altfi.com/article/3960\\_scalable\\_capital\\_to\\_offer\\_traditional\\_financial\\_advice](http://www.altfi.com/article/3960_scalable_capital_to_offer_traditional_financial_advice)

## Robo-advisor platform Emotomy partners with Interactive Brokers

### Securities

1/16/18

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Robo-Advisor platform Emotomy has integrated into Interactive Brokers' online trading platform. The collaboration allows advisors to access critical onboarding tools such as electronic signatures of their agreements and disclosures, as well as account opening at the broker dealer.

By combining their capabilities, Emotomy and IB allow advisors to optimize their operations so that they can focus on serving their clients rather than administrative, back office operations. It also provides access to institutional-quality risk management tools that were once only available to institutions investing billions of dollars.

Emotomy is a provider of online investment analytics, trade execution, risk management, and reporting platforms for RIAs, brokerage houses and banks. The company also offers customized portfolio management for more than 4,000 client accounts in the U.S. and Europe.

In contrast to many direct-to-consumer robo-advisors, Emotomy was created specifically for financial professionals who provide deep expertise and a safe overseeing of client portfolios. According to the Emotomy website, the platform allows users to analyze alternative investments that have traditionally been a 'black box' in a bid to enhance transparency for investors.

Emotomy is also integrated with other leading custodians including TD Ameritrade Institutional, Schwab Institutional, Pershing Advisor Solutions and Trust Company of America.

According to Emotomy CEO Patrick Beaudan: "Integrating with leading firms like Interactive Brokers allows us to help advisors and investors streamline onboarding and transform their investment decision-making, trading, reporting and communications into a seamless experience."

[https://www.financemagnates.com/fintech/investing/robo-advisor-platform-emotomy-partners-interactive-%E2%80%8Ebroker/?utm\\_source=daily\\_newsletter&utm\\_medium=email&utm\\_campaign=17.01.18](https://www.financemagnates.com/fintech/investing/robo-advisor-platform-emotomy-partners-interactive-%E2%80%8Ebroker/?utm_source=daily_newsletter&utm_medium=email&utm_campaign=17.01.18)

## Merrill Lynch partners with fintech on texting service

### Securities

1/11/18

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Bank of America Merrill Lynch on Thursday announced it has partnered with the tech firm CellTrust on a new client-to-adviser text messaging service.

Financial advisers enrolled in Merrill Lynch's mobility program will now be able to text with clients on both Apple and Android devices and through a web interface that provides secure access to corporate email, calendar and contacts from devices linked to their office phone numbers, Merrill said. With the CellTrust SL2 for BlackBerry app, all communication is time- and date-stamped, tracked, logged and archived.

The program will roll out over the course of the next two months. The move is part of "an enhanced suite of digital features designed to make it easier for clients to collaborate with their financial advisers," Merrill Lynch said.

Regulatory concerns have pushed banks and wirehouses to keep strict controls over adviser communications on text and social media. Only in April did the Financial Industry Regulatory Authority release compliance guidelines on text communications for advisers, outlining that they must retain text and chat messages with clients as if they were written or email communications. The move comes at a time when many big banks are focusing more on digital wealth management services. Merrill Lynch is among the financial firms that has built its own robo-adviser, for example.

<https://www.americanbanker.com/news/merrill-lynch-launches-adviser-texting-service>



# **SPECIALTY FINANCE / ALTERNATE LENDING**

## Blockchain is revolutionizing the loan industry - a look at Valorem...

Specialty Finance / Alternate Lending

1/17/18

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Smart contracts are providing the solution to the trust issues that are usually the main concerns in the micro loan industry. Whether it be student loans, cars, or any other kind of micro lending - blockchain technology provides what's needed to move away from the banks, and towards a peer to peer lending model.

Valorem Foundation is building the infrastructure to facilitate exactly this.

One huge advantage of taking traditional banking out of the picture and utilizing a token in the loan process - the entire world opens up. People and businesses in developing nations that may never get the ear of a banker can give their proposal, and find funding on the Valorem platform.

Founder and CEO Val Kleyman, explains the platform like this; "You have to create a community for people to interact, and trust each other. One way we're envisioning to do that is similar to AirBNB, where people trust who their interacting with because they trust the platform they're on. You are able to book and stay at someones place without even meeting. Then they rate each other, and based on that you create a profile for the individual. Once you do that, you can continue to trust someone.

In terms of our world, let's say I need a micro loan to expand my coffee shop, so I go on the Valorem platform and I create a loan. Well on the platform, it doesn't give you everything right away - you have to build trust. After awhile, you've made a certain amount of payments, you've been active on the platform, your profile ranking goes up, to 5 stars or 10 star member. As that happens, more money is released to you and you can do more on the platform.

It's a balance between the valuation of the currency compared with bitcoin or the dollar, and how it translates to the platform itself and your ability to use it"

Valorem is also a multi-layered platform, the other major component being traditional payments - aimed at providing payment solutions for things such as landlords, receiving money rent payments from their monthly rent payments from tenants and other goods and services.

<http://www.globalcryptopress.com/2018/01/blockchain-is-revolutioning-loan.html>



# **DATA & ANALYTICS / IoT**

## Distilled Analytics launches behavioral analytics model to transform financial services

Data & Analytics / IoT

1/18/18

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Distilled Analytics today unveiled its innovative behavioral analytics platform to transform financial services. After a year of working with renowned data scientists, researchers, and investors from leading academic and financial institutions in the world, the company has launched a state-of-the-art, AI-driven data platform to change how asset managers, banks, and nonbank financial institutions manage risk and grow revenue. Today's announcement was made during the annual DMS Governance Conference, where founder David Shrier is keynoting a session to more than 600 of the world's largest institutional investors, hedge fund and private equity managers taking place in New York City.

Financial innovator David Shrier leads the organization as Distilled Analytics's founder and chief executive. Shrier's successful career has included the generation of nearly \$10 billion in growth opportunities for companies such as GE, Wolters Kluwer, Disney, EY, Verizon, and Starwood, in addition to his leadership at several well-known fintech startups and his fostering of fintech entrepreneurship at MIT and Oxford.

"We now are able to measure and predict complex investment-related dimensions that used to be purely qualitative," said Shrier. "Even more important, these new methods of behavioral science, when applied to financial models, enable us to address some of the biggest issues facing financial institutions today: crime reduction, better access to capital, reduced regulatory red tape, and improved prediction of credit risk."

Shrier is joined by longtime technology innovators and co-founders, Alex "Sandy" Pentland and Alex Lipton. Pentland brings many years of expertise from MIT, where he directs the Connection Science and Human Dynamics labs, advises the U.N. Secretary General and the leadership of Google, AT&T, and Tencent. Lipton, founder of Stronghold Labs and adjunct professor of mathematics at NYU, previously led quantitative solutions for Bank of America and authored the Oxford Handbook of Credit Derivatives. The Distilled Analytics leadership team have published hundreds of papers and dozens of books on subjects ranging from financial innovation. Digital identity, cybersecurity, quantitative finance, data-driven design, social physics, and applied mathematics, in addition to launching over two dozen companies among the three founders.

"It's no secret that the current risk and performance measurement systems fall far short of market need," said Wall Street guru and Distilled Analytics advisor John D'Agostino. "The Distilled Analytics model merges institutional investing and credit analytics to sophisticated machine learning predictive models. It's a game-changer for institutions and individuals looking to get the best long-term results from their investments."

Distilled Analytics predicts financial actions using a suite of tools that can provide deep insight for financial professionals. Its artificial intelligence platform ingests unstructured and structured data and analyzes complex patterns to calculate outcomes in areas as diverse as economic development, public health, and identity theft. Key offerings include:

- Distilled IDENTITY™ provides more accurate and timely anti-money laundering (AML) and know your customer (KYC) compliance that eases the burden of observing conflicting regulatory requirements, in addition to helping financial institutions better manage their client relationships
- Distilled IMPACT™ delivers quantification of nonfinancial activities to enable asset growth of impact investing managers
- Distilled CREDIT™ improves understanding of credit risk to enable expanded lending portfolios, identification of unserved or underserved customers, and reduced defaults

<https://globenewswire.com/news-release/2018/01/18/1296455/0/en/Distilled-Analytics-Launches-Behavioral-Analytics-Model-to-Transform-Financial-Services.html>

**OTHERS**

## Carl Data signs partnership agreement with Connected Fintech for development of cryptomining

Others

1/17/18

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Carl Data Solutions Inc. (CSE:CRL, FSE:7C5, OTC:CDTAF) ("Carl Data" or the "Company"), has signed a service agreement with Connected Fintech Inc. ("Connected") that includes the building of cryptocurrency mining facility; the development predictive analytics and operational metrics for cryptocurrency mining; and the development of breakthrough machine to machine (M2M) transactional capabilities.

Carl Data intends on mining the primary cryptocurrencies including: Bitcoin, Bitcoin Cash, Ethereum and Dash. This mining facility will include both GPU (Ethereum) and the most current ASIC machines to provide versatility allowing several dozen different coins to be mined. Based on current cryptocurrency prices, the Company anticipates that the investment will add gross revenues of \$250,000 to Carl Data's annual revenues.

Jay Yu, President and CEO of Connected, "We are excited to partner with Carl Data Solutions in helping them enter the rapidly growing space of cryptocurrency mining and the development of integrating blockchain into the IIoT (Industrial Internet of Things). Connected Fintech is in the process of building out the required infrastructure and hardware needed for Carl's cryptocurrency mining, both offsite and within a portion of Carl's facilities.

Cryptocurrency mining is beginning to experience a significant shift into Canada and this mutually beneficial partnership provides long term strategic value for both companies. Carl Data will have the ability to target and mine the most profitable coins (generally Bitcoin and Ethereum).

Bitcoin can also be used to purchase other coins as a means to diversify its cryptocurrency portfolio, while also maximizing the amounts accumulated. With application of predictive analytics and machine learning this will be a great opportunity to develop more Fintech specific technological knowledge, while providing an additional revenue stream."

Currently, Carl Data works with a variety of devices, sensors and data sources that are all connected to the IIoT. After working closely for years with hardware vendors, the Company knows the technological needs of the newly emerging data economy.

Smart devices and machines will communicate directly – machine to machine (M2M) – to improve operational efficiency, and provide solutions such as Smart Contracts. Carl Data intends to continue to develop the latest and most effective technology in the IIoT space, through their expertise with AI, machine learning and predictive analytics.

Greg Johnston, Carl Data's President and CEO, commented, "Data marketplaces are already being built by companies like Accenture and Microsoft. There is even already a dedicated crypto

currency for IIoT, IOTA. Our development and acquisition strategy is to add complimentary technologies to provide our customers with the best technology available. We are continuing this commitment through our partnership with Connected Fintech."

<https://www.newswire.ca/news-releases/carl-data-signs-partnership-agreement-with-connected-fintech-for-development-of-cryptomining-facilities-predictive-analytics-and-m2m-transaction-capabilities-669709543.html>

## Bank of Lithuania launches blockchain sandbox

### Others

1/12/18

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Domestic and foreign companies will soon be able to develop and test Fintech blockchain solutions in the regulatory and technological sandbox platform-service LBChain, which is to be created by the Bank of Lithuania.

‘Blockchain technology has tremendous potential for innovations that will benefit consumers in both the financial and public sectors. Giving businesses room for the regulated development of this technology will make our country increasingly attractive for investment and help us attract the best talent, as well as make Lithuania a home for innovations,’ states Marius Jurgilas, Member of the Board of the Bank of Lithuania.

Mr Jurgilas point outs that the potential applications of blockchain technology could prove to be extremely valuable for those areas where high data transmission security and credibility is required, e.g. financial operations or electronic voting.

The LBChain platform-service being developed by the Bank of Lithuania will enable Lithuanian and international companies to gain new knowledge, carry out blockchain technology research, and adapt and test services that use this technology within the activities of financial institutions.

The Bank of Lithuania will provide LBChain participants with a technical platform and offer consultations on applicable regulations. It is planned that this platform’s facilities will only be available to innovative companies that are to be selected according to certain criteria.

Upon confirmation of the project’s co-financing with EU funds, and the completion of initial preparations, the LBChain platform/service could be ready to launch as early as 2019.

‘This platform will contribute to the creation of better conditions in Lithuania for the development of FinTech businesses, as well as provide innovation-friendly regulation. Moreover, it will help the Bank of Lithuania to keep pace with the technological innovations that are changing the activities of financial institutions,’ says Mr Jurgilas.

The development of a FinTech-conducive regulatory and supervisory ecosystem, as well as the fostering of innovations in the financial sector, are two of the Bank of Lithuania’s strategic directions.

[https://www.finextra.com/pressarticle/72171/bank-of-lithuania-launches-blockchain-sandbox?utm\\_medium=dailynewsletter&utm\\_source=2018-1-15&member=93489](https://www.finextra.com/pressarticle/72171/bank-of-lithuania-launches-blockchain-sandbox?utm_medium=dailynewsletter&utm_source=2018-1-15&member=93489)