
# HashCash Consultants – HC NET in Wealth Management

Hashcash Consultants

# HashCash Blockchain Initiative

The distributed ledgers, Blockchain technology can be implemented in a number of pragmatic ways within the wealth and asset management lifecycle. The highly flexible Blockchain technology would enable the client to ensure an onboarding process without significant friction. These distributed ledgers can streamline management of model portfolios, speed the clearing and settlement of trades while easing the compliance burdens concerning Anti-Money Laundering (AML) and Know Your Customer(KYC). This Would enhance the client experience by abandoning redundancy and reducing operational expenses. Blockchain can be well implemented to reconcile information through already existing systems and create opportunities for new markets and products. It can be included in transactions where assets are moved between parties or contracts are executed- rollovers, trusts, estates, and insurances. The distributed ledgers support to validate and execute complex transactions in near real time. The smooth operation that Blockchain technology offers will enrich the client experience by streamlining different processes while reducing operation costs, significantly.

# Introduction

The recent exploration and experimentation concerning innovative ways to enable quicker transactions and an enhanced customer service by the organizations in the financial sector, also, put a high priority in ensuring cost efficiency in its operations as well as maintaining utmost transparency that satiates the regulators and the customers. Digitization of records has given birth to large volumes of data that makes it utmost important for any organization to defy security threats while achieving superior cost efficiencies. This particular prospectus invites Blockchain, an entity boasting decentralized ownership allure C-suite executives. With its immutability and cryptographic security of data, Blockchain has enabled the realization of the disruptive potential of this technology. The following paragraphs will discuss in depth, the different ways through which wealth and asset management firms can harness the benefits of Blockchain technology through real-world applications. The paper will also give an insight into approaching Blockchain innovation as well as highlighting near-term practical applications of the same.

Hashcash Consultants

## What is HC NET & HCX?


### HC NET Perspective

The challenges in current market scenario especially in disruptive technology can be addressed with HC NET, the blockchain technology platform on which HC Remit, the remittance product operates. There are other products as well which works on HC Remit platform- HC Trade Finance, HC Commerce, HC Market Maker and HCX. The Blockchain network is trusted by Banks, currency exchanges, corporate houses, Fintechs, Global Merchants and payment networks

### HCX Overview

HCX forms native assets on HC NET. Asset is defined as an item value that is stored on the ledger. One HCX forms the unit of digital currency like any other digital currency such as Bitcoin. The HCX, forms the medium to move money around the world and to construct transactions between different currencies quickly and securely. HCX is further fragmented at the base level in units called JOTs. A JOT can be defined as the one -tenth million of HCX, i.e., 10 millionth of HCX equals to a JOT. The HC NET platform offers all of the innovative features of a shared public ledger on a distributed database—often referred to as blockchain technology

Hashcash Consultants

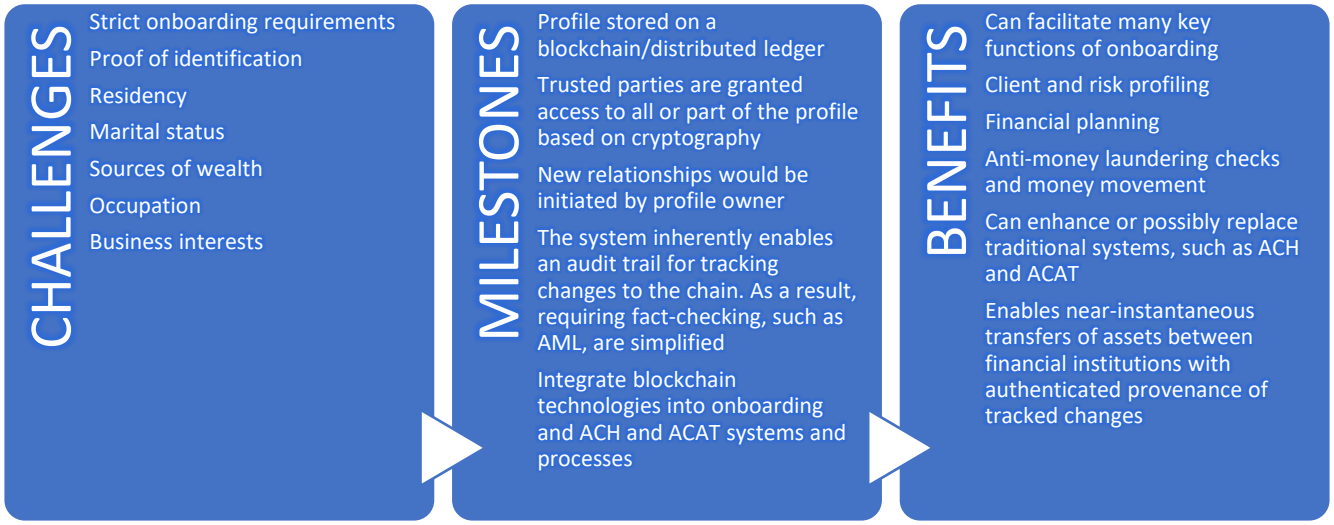

# HASHCASH IN WEALTH MANAGEMENT

## Scope 1: KYC & AML Management

Blockchain technology can be brought in to build and enrich a client profile that will surpass excellence. All confidential data points such as net worth, social media profiles, account information, preferences and profile data are allowed to be given access to with proper permission - to edit, read and write the data. Each data point and individual block of data is stored securely and can only be accessed through authorized permission.

## Driving Factors

Client onboarding has never been easier than with Blockchain. Wealth managers must go through a tedious verification of client identification by taking into consideration, sources of wealth, business interests, political affiliation, residency address proof and many more. Verifying and collecting such volume of data often needs a time investment of days or even weeks.

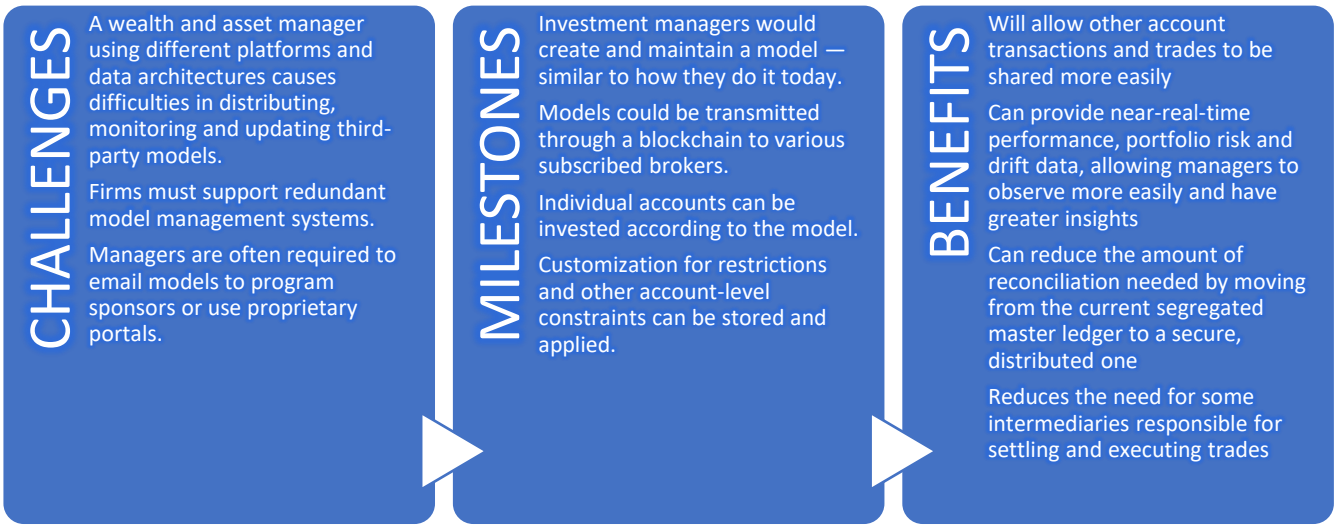


## Scope 2: Open Architecture Investment Management

Open architecture, in its definition, is the ability of a financial institution to offer its clients proprietary as well as external services and products. The perspective offers investment firms to get past the conflict of interest or favouritism, practicing which the firm may only recommend proprietary products.

## Driving Factors

Wealth managers often face challenges regarding open architecture investment offerings. The rapidly multiplying facet of an open architecture as well as the third party investment models which are placed in separately managed accounts often is the harbinger of complex operational challenges. On the other hand, a distributed ledger technology enables the portfolio managers to instantly notify all subscribed clients if there are any changes in the portfolio. It also allows real-time views of cash flows and individual account performances. Smart contracts also let the management of fees paid by sponsors relatively easy by transacting a payment every time the model is downloaded or used.

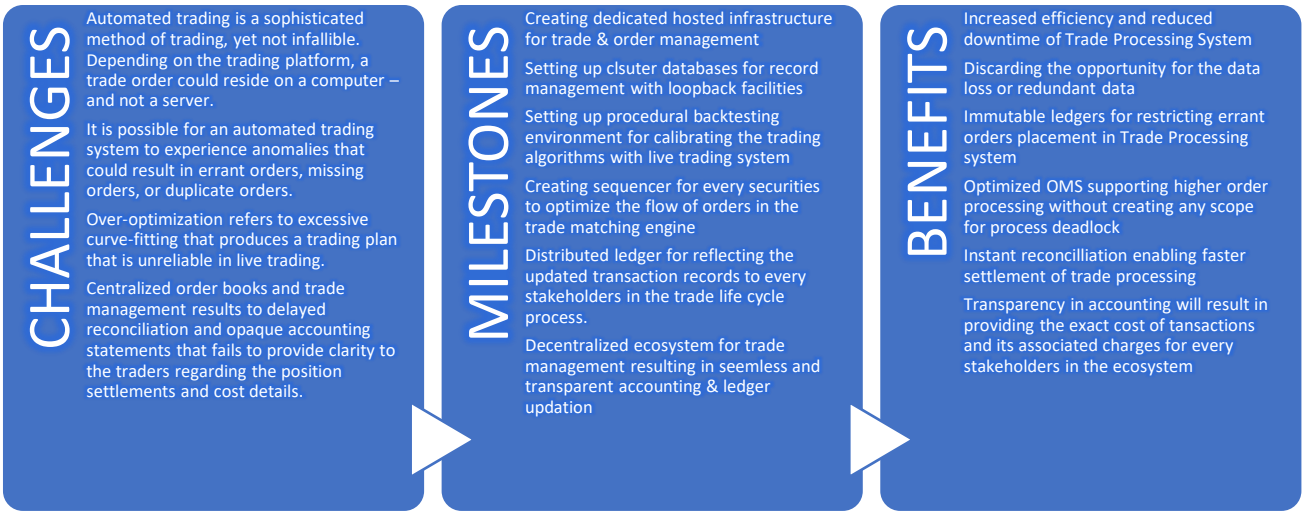


## Scope 3: Centralized Automated Trading System

Boasting synonymous terminologies like automated trading, system trading, mechanical trading systems or algorithmic trading, the Automated Trading System allows traders to execute clearly conditioned rules for trade entries and exits. Once programmed, these norms and regulations can be executed via any computer. The norms set for the trade entries and exits deal with conditions such as simplistic moving an average crossover, or, it can be an amalgamation of complex strategies which involve a deep understanding of the programing language of a particular user's trading platform. It may from time to time demand the expertise of a sought-after programmer.

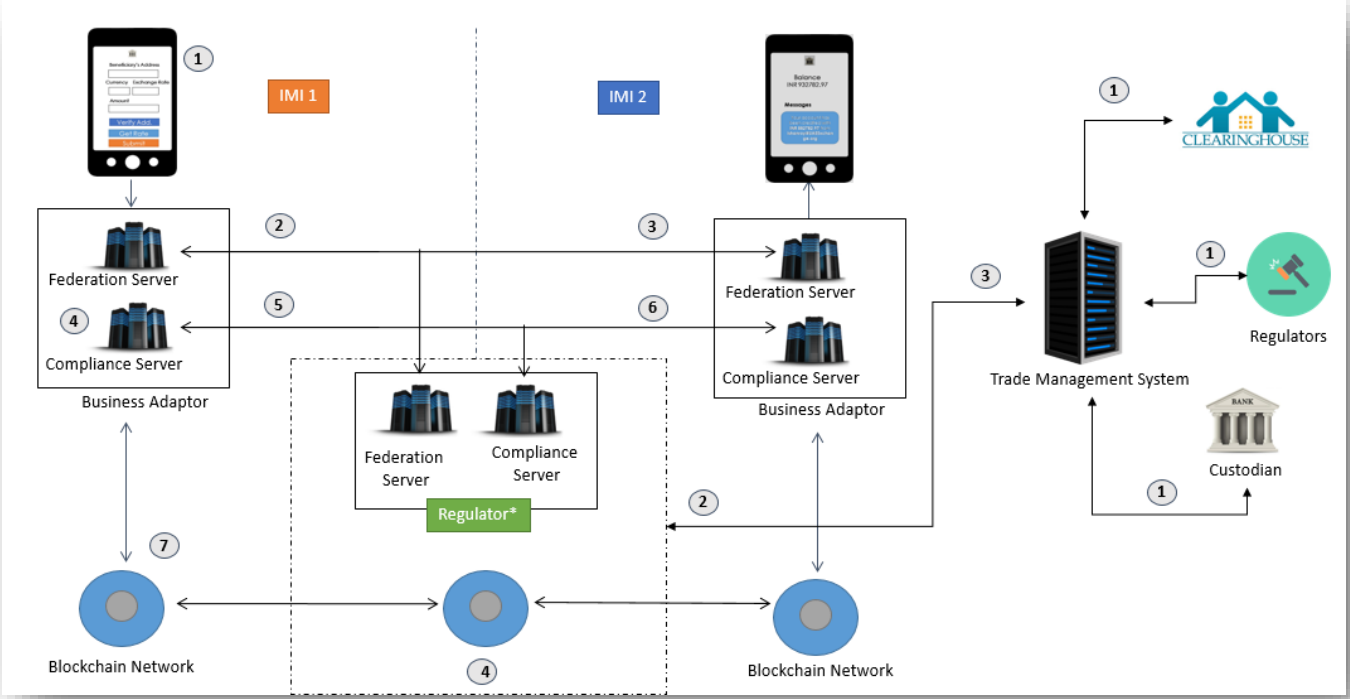
## Driving Factors

Automated Trading Systems enables the traders to stick to a particular plan by eliminating significant chances of emotions being present in the trading process. As a precaution, the traders can always use pre-decided norms on pre-existing data before putting out money in a real world, live trading situation. The opportunity of backtesting lets the traders examine the legitimacy of a trading idea. It also presents to the traders, a chance to determine the system's expectancy, that is, the chances of winning or losing an average amount, per unit of risk.



Hashcash Consultants

## Process Framework




***Keywords:***

*IMI – Investment Management Institution responsible for managing the client's portfolio*

*Federation Server – Federates the friendly account id mapped with actual account details of the client.*

*Compliance Server – Checks the KYC & AML details of the clients*

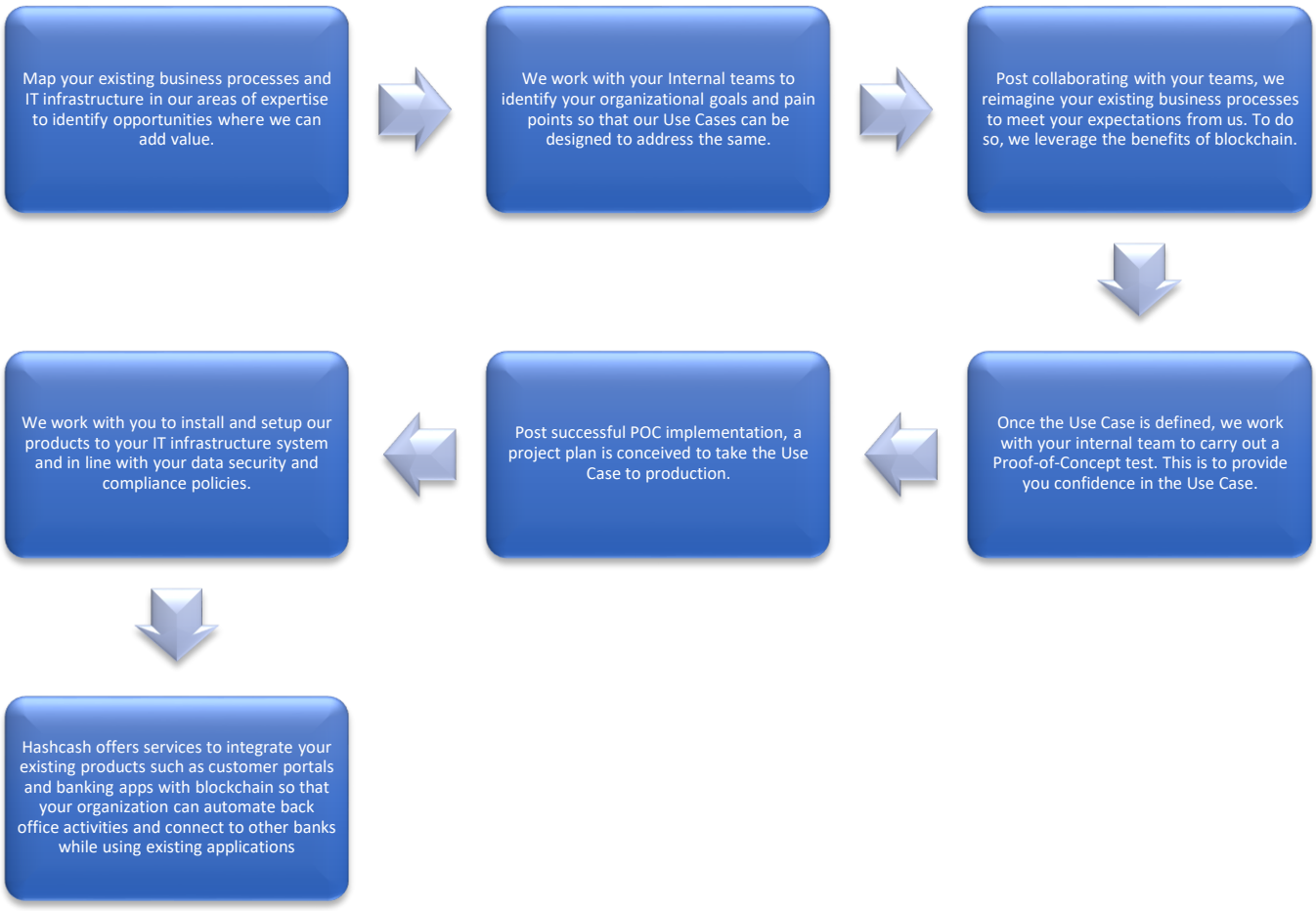
*Banks – Can act as a custodian member for trade transactions*

*Clearing House – Individual Trading Members, Banks & Independent Financial Institutions can act as a clearing member for facilitating the trade settlement process seamlessly with clearing account id's*

*Regulators – Will be monitoring the entire trade cycle process flow with distinctive account id to master privileges.*

Hashcash Consultants

# Define your next approach!



About HashCash Consultants:

At HashCash Consultants, we use the best of Blockchain technology to empower enterprises and institutions to move assets and settle payments in real time. FinTech Companies, Domestic Payment Networks, Currency Exchanges, Banks and corporates use HC NET for Retail Remittances, Corporate Payments, Trade Finance, and Payment Processing. An array of technologically sound products that we offer includes HC Remit, HC Corporate Payments, HC Commerce and HC Market Maker.



## Ishan Roy

Product Head
Financial Services & Products
HashCash Consultants LLC
roy@hashcashconsultants.com

## Marcus Lym

Principal
Financial Services & Products
HashCash Consultants LLC
Marcus.lym@hashcashconsultants.com

## Collin Facete

Senior Consultant
Financial Services & Products
HashCash Consultants LLC
Collin.facete@hashcashconsultants.com

## Arijit Biswas

Senior Business Analyst
BFSI Services
HashCash Consultants LLC
arijit.biswas@hashcashconsultants.com

Hashcash Consultants

# *Thank You!*