

HashCash TLMS (Treasury & Liquidity Management Services)

IMPLEMENTED BY A FOREX BROKING COMPANY IN A SOUTH EAST ASIAN COUNTRY

Key Challenges

- ▶ Complex treasury environment; real-time insight into a company's global cash positions and managing credit facilities across all bank accounts was lacking
- ▶ No intraday movement of money; delayed processes; higher reconciliation costs
- ▶ Inability to obtain consolidated information of group-wide multi-currency positions across a fragmented banking network in a timely manner
- ▶ Urgent need to speed up and streamline company's cash, liquidity, risk and working capital management, in order to gain greatest visibility over their business critical function and reach greater strategic control

HashCash Solution

HashCash has combined blockchain technology with related smart contracts and APIs (or application programming interfaces) to create a solution that aims to dramatically speed up settling intercompany transactions in a secured way while significantly reducing the costs.

Features:

- ▶ **Distributed ledger** – auto-reconciliation
- ▶ **Smart Contracts** - help teams define and set pre-configured rules that securely enable automated, real time transactions. Include key corporate treasury functions such as regulatory and corporate compliance requirements including KYC, account opening or transactions such as intercompany loans, FX and netting, manage liquidity in multiple currencies, transfers among any approved entities etc.
- ▶ **API integrations** – API-based integrations with existing ERP and TMS systems
- ▶ **API integration with banks** - use of APIs for real-time intra-day bank transactions processing as opposed to end of day batch processing. Enabling the transfer of critical information and data between corporate entities and their banks and data providers, as well as between corporate entities.

Benefits

- ▶ **Optimise reconciliation process** – Use of smart contracts streamlined present cumbersome processes and eliminated costly third-party transactions. Greater transparency. All transaction information is auto-reconciled and automatically posted into existing treasury management systems in real-time.
- ▶ **Shorten settlement cycle** – Use of DLT eliminates netting processes and improve FX management to provide treasurers with streamlined efficiency and improved, real-time visibility on cash positions.
- ▶ **Greater Auditability** - Enable full-auditability of transactions, thereby realising greater savings in both time and costs. Immutable auditable record of transactions provide real-time ownership of underlying cash ensuring no double spending of cash. Also intra-company loans are auditable “for arms-length transaction history” by time-stamping FX conversion rates. Auditable, non-tamperable workflows.
- ▶ **Improved risk management** - Limiting risks and costs, while solving documentary compliance issues. Enhanced security, while blockchain also enables secure data storage across nodes to prevent a single point of failure.
- ▶ **Reduced costs**- Lowering the costs of booking transactions between subsidiaries. Large savings from transaction costs and labour costs (esp. back office), 70% reduction in operational costs.
- ▶ **Improved speed**– The HashCash TLMS complement existing system, improving the way they interact by speeding up intercompany transaction settlement.



Thank you

References:

<https://www.finextra.com/blogposting/16694/blockchain-smart-treasury-game-changer-for-treasurers>

<https://www.hashcashconsultants.com/treasury>

