Loan Securitization

Securitization is the process of transformation of non-tradable assets into tradable securities. It is a structured finance process that distributes risk by aggregating debt instruments in a pool and issues new securities backed by the pool. You can find more details here: <https://docs.oracle.com/cd/E64763_01/html/SZ/SZ02_Overview.htm>. The project details are below.

1. Initialize a financial institution (FI) with X ether. This institution will be giving loans to borrowers.
2. Any account user/borrower can receive loan from this institution.
3. The FI should keep track of all the loans that has been issued along with details as rate of interest etc.
4. Borrower should make payments towards the loan every month.
5. Borrower should be able to look up at any point how much the balance of the loan is, how much the next payment amount is etc.
6. If borrower misses a payment, they should be charged a penalty of X ether
7. The FI should be able to sell/transfer the loan asset to SPV and get Ether in return
8. The SPV should be to sell that as security to Investors and get Ether in return
9. When a borrower makes a payment, the payment should be transferred down to either FI/SPV or Investor.

Abhinav: Yes, but instead of Ether, the same contracts should be able to support any ERC20 Token.