

Incident Report: IR-2026-DE-004

Subject: Currency Exchange (FX) Reconciliation Delay – German Market

Date of Report: January 31, 2026

Status: Resolved

1. Executive Summary

Between January 28 and January 30, **Kredila** experienced a systemic delay in loan disbursements affecting our customer base in **Germany**. The incident was triggered by a valuation mismatch between Kredila's internal treasury ledger and our regional partner bank's real-time FX rates. This discrepancy caused automated safety protocols to halt outgoing EUR transfers, requiring manual intervention to verify funds and exchange rates.

2. Incident Timeline (CET)

- **Jan 28, 09:15 AM:** Discrepancy detected during the morning liquidity sweep. System logs show a \$0.4\%\$ variance between Kredila's mid-market rate and the partner bank's offered rate.
- **Jan 28, 11:00 AM:** Automated "Circuit Breaker" pauses all pending German loan disbursements to prevent capital loss.
- **Jan 28, 02:30 PM:** Engineering and Treasury teams confirm a synchronization lag in the FX API feed.
- **Jan 29, 10:00 AM:** Manual reconciliation process begins for the backlog of 412 affected applications.
- **Jan 30, 04:45 PM:** All delayed funds successfully cleared and deposited into customer accounts.

3. Impact Assessment

The incident primarily affected the **Germany** region, specifically customers seeking EUR-denominated loans funded via our primary liquidity pool.

- **Average Delay:** 36–48 hours beyond the standard T+0 disbursement promise.
- **Customer Volume:** Approximately 410+ borrowers experienced late funding.
- **Financial Impact:** Negligible direct capital loss, but a measurable increase in "Urgent" support tickets (up 115% for the region).

4. Root Cause Analysis

The investigation identified a **data desynchronization** between Kredila's internal Foreign Exchange Management System (FXMS) and the partner bank's API.

The Kredila system was operating on a "Snapshot" rate taken at 00:00 UTC, while the partner bank experienced high volatility in the EUR/USD pair during early European trading hours. Because the variance exceeded our internal threshold of \$0.2\%\$, the system flagged the transactions as "High Risk" and suspended the disbursement queue to prevent unfavorable execution.

5. Resolution & Recovery

To restore operations, the following steps were taken:

1. **Manual Reconciliation:** The Treasury team manually bypassed the automated API trigger by verifying the rate parity for each batch.
2. **Batch Processing:** Funds were released in three tranches to ensure the partner bank could absorb the liquidity request without further rate slippage.
3. **Customer Communication:** An automated notification was sent to affected users in Germany apologizing for the delay and confirming their new "Funds Arrival" estimate.

6. Preventive Action Plan

To mitigate the risk of a recurrence, Kredila will implement a more aggressive synchronization schedule.

Action Item	Description	Responsibility	Timeline
Automated FX Sync	Shift from 24-hour snapshots to automated 6-hour interval syncs.	Engineering	Immediate
Dynamic Thresholds	Update "Circuit Breaker" logic to allow for \$0.5\%\$ variance during high volatility.	Risk Mgmt	Feb 15, 2026
Redundant API	Integrate a secondary FX price feed (e.g., Bloomberg/Reuters) for validation.	Product	Q2 2026

Note: This report is for internal Kredila stakeholders and regulatory compliance records. All customer-facing data has been anonymized.