ARCHITECTURE:

L2-S3

L2-S1

L2-S2

Registrar Office

Borrower Company

L1

Lender

PROCESS:

Verification Results

Loan processing Result

Continued………

Not Matched

Matched

Value given to the bank

Lender

Value taken from Borrower

Data taken from the document found for 123 in the office

Data taken from the document provided by the Borrower

Collateral Assessment Smart Contract:

Document 🡪 Metadata

Ex. Registration key:P0015

Borrower Company

Registrar Office: DNS/ENS definition… ERC 721 for Prop ID MINT and double spend to be controlled.. by this entity..

Document given for verification and processing

Document given to the Bank (copy of land deed)

Public key (Borrower(B0015)

Public key(Title Owner ( B0115)

Info required for the land loan, it also contains a registration ID

Collateral Definition Smart Contract:

Flag raised (Fraud)Potential

NO ownership…

Ownership is there BUT already collateralized..

Area of Land, Value of Land (Prop Reg ID: P001015) Node in Borrower Subnet

Area of Land, Value of Land (Prop Reg ID: P001015) Node in Bank Subnet ( Re Entered… )

Agreed

Loan Processing

Not Agreed

Proof of Agreement

Resolving Algo: Parties come to a middle value

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**Explanation:**

A Borrower Company wants to take a loan from a Lender a collateral ( prop)

The Borrower gives a copy of the tile deed to the Lender ( if he has it or an indirection ot where ethe original is stored )… converted into Metadata (has all the necessary info, and the registration key (Let's say it is #P0015)). , ( and other details as indicated in the XL schema ( simplified version .. )

The Lender now wants to verify the Data (say for example is the said owner, the owner of the land?), and hence checks against Registrar's office.

The document for this key is found in the registrar, it is processed (Collateral Assessment Smart Contract) and checked whether it matches or not.

If the document ownership doesn't match

IN OWNERSHIP and ALREADY collateralized..

then it could be FRAUD., or INACCURATE APPLICATION

If the document matches

IN OWNERSHIP

Then the Bank Loan processing can continue.. to assessment..

SURVEY NUMBER / AREA / VALUE comparison…

IF ALL 3 in sync ( then no problem ) BASED On collateral Ratio

The Loan amount approval is decided on the Smart contract..,

With terms ( collateral ratio etc ) , and the BORROWER AND BANK

* ONCE AGREED.. ( Crypto Signatures – MULTISIG ) – THEN Loan processing – servicing..

We

IF ALL OUT OF sync ( then )

With terms , and the BORROWER AND BANK

* Will connect thru the DAPP to propose – Agree on COLLATERAL VALUE ( MIBBLE GROUND )

That AMOUNT is OKED and Agreed by Borrower and BANK

UPDATE to the DOCUMENT AS ALREADY COLLATERALIZED ( YES ).

Based on the understanding between the parties (Bank, Company, Registrar office) for the area and set value, a final amount is decided (let's say that the area is 2 acres and for each acre the rate is 1000USD)

Scenario 1: The parties agree to the final values and the loan is processed

Scenario 2: The parties do not agree (due to some discrepancy say the owner has the old value for land, and the bank has the present value).

In this case, initiate a resolving mechanism where the parties agree on a set value. A proof of agreement is generated so that the parties cannot refute it in the future.

Now based on this set value, the loan is processed..

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TO DO ?? Convert this in to

ERC tech spec ( 721 )…

Simplify as needed.. and prove the crux..

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In **Supply chain FINANCE**, the title deed is the commercial invoice, and the definition of metadata and commercial invoice between the parties should match for loan. Now just from the metadata the Bank might not know has the exporter paid the importer or will pay, what is the item, the quantity of the item, etc. Hence other documents such as Bill of Lading (BL) might be needed in the process for details and verification