

## Success Story

### Client Description

State government seeking to increase liquidity in secondary markets through invoice factoring on blockchain

### Highlights

- Helping suppliers get paid faster with less risk
- Improve cash flow and revenue stability

“Nucleus Finance revolutionizes the way that financial contracts are created and executed. This gives business leaders a new level of confidence that their growth ambitions will not be thwarted by legacy systems that are not future proof.”

– President ACTUS Financial Research Foundation, Allan Mendelowitz, Ph.D

### About

Our client is a state government with a population of 38 million and GDP of US \$163 billion. They aim to increase the liquidity of factored invoices in secondary markets. Previous factoring solutions had failed to attract investors due to a lack of transparent market information.

### Client Challenges

- Organizations providing goods and services want to be paid as quickly as possible, but payers want long payment terms.
- Account receivables are vulnerable to fraudulent transactions.
- There is no machine readable standard for factored invoices.
- Current factoring solutions charge a premium for high risk account receivables.
- Investors want greater visibility and liquidity

### Nucleus Finance Solution

Producer P sells a product or service to Company C for credit and raises the invoice. The payment date is one month. P then records the invoice in a Smart Financial Contract and tokenizes the asset and liability sides of the contract. P sells the whole asset token to a Factoring Organization F with 1% discount and obtains early payment which improves P's cash flow and reduces business overhead costs. F can further trade the asset token in fractions to cycle liquidity. In future implementation auto-distribution of on-chain payments are enable based on asset token holdings of different investors.

### Why Nucleus Finance

- Nucleus Finance brings the ACTUS standard natively to the Casper blockchain and integrates on-chain and off-chain technologies to deliver a lower risk, higher liquidity factoring process.
- This Next Gen factoring process standardizes cash-flow calculations, enabling better analytics for factors and capital markets.
- Nucleus Finance increases the efficiency and provides higher data quality cost of digital securities.
- Factoring becomes more secure with verifiable, real-time audits.

### Let's talk

Book a consultation with our team to discuss your business needs and potential solutions. Send a message to **Justus Schreiner** at [justus@casperlabs.io](mailto:justus@casperlabs.io).