Populous Whitepaper

Abstract

Small and medium sized enterprises (SMEs) are always in need of short-term financing especially when there is a sudden and immediate need for increased working capital to fund wages or the purchase of raw materials. They will very often take out short-term loans from their bank which is not the ideal solution and the short-term finance industry is dominated by banks and other lending institutions such as the traditional invoice finance companies. However, newer and more innovative P2P (peer-to-peer) invoice finance platforms have recently entered the industry.

These P2P invoice financing platforms operates in the same manner as the traditional invoice financing companies by providing short term liquidity on invoices for short durations of up to 90 days. Rather than waiting for their customers to settle invoices that have due dates of 45 to 90 days, the invoices can be sold to invoice financing companies to access "immediate" funds. P2P platforms are unique in that they connect invoice sellers directly with invoice buyers making the rise of P2P as an alternative lending platform more attractive to businesses globally.

The global invoice financing market was valued $3 Trillion in 2013 and due to a slow-down in the world economy the invoice financing market experienced a slight contraction to approximately $2.6 Trillion in 2016. The business environment has become more challenging and making it a more favorable environment

Archived copy · cryp2nova.com

for new fintech
start-up like Populous.

However, to operate in this industry without a deep understanding of credit and
underwriting principle can result in serious financial loss for the company as well as
investors. Our in-depth knowledge and expertise in the short-term finance industry
allows us to build a P2P invoice financing platform using credit scoring and bankruptcy
formula such as the Altman Z-score. We will also identify potential borrowers using
K-means cluster analysis.

When these formulas are combined with the XBRL data set we can perform “enhanced”
credit risk analysis on targeted potential borrowers, linked companies and their
customers. Using Blockchain technology we can leverage smart contract to create a cost
effective and efficient solution by providing a streamlined funding solution to
businesses. Blockchain technology also affords some security against fraud and can
prevent duplication in the selling of invoices

Populous Website
Populous Whitepaper

Social

CRYP2NOVA

Archived copy · cryp2nova.com