

CAPILEVER

SMARTLY **ACTIVATE** YOUR ASSETS

**Company
Brochure**

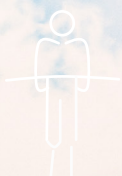
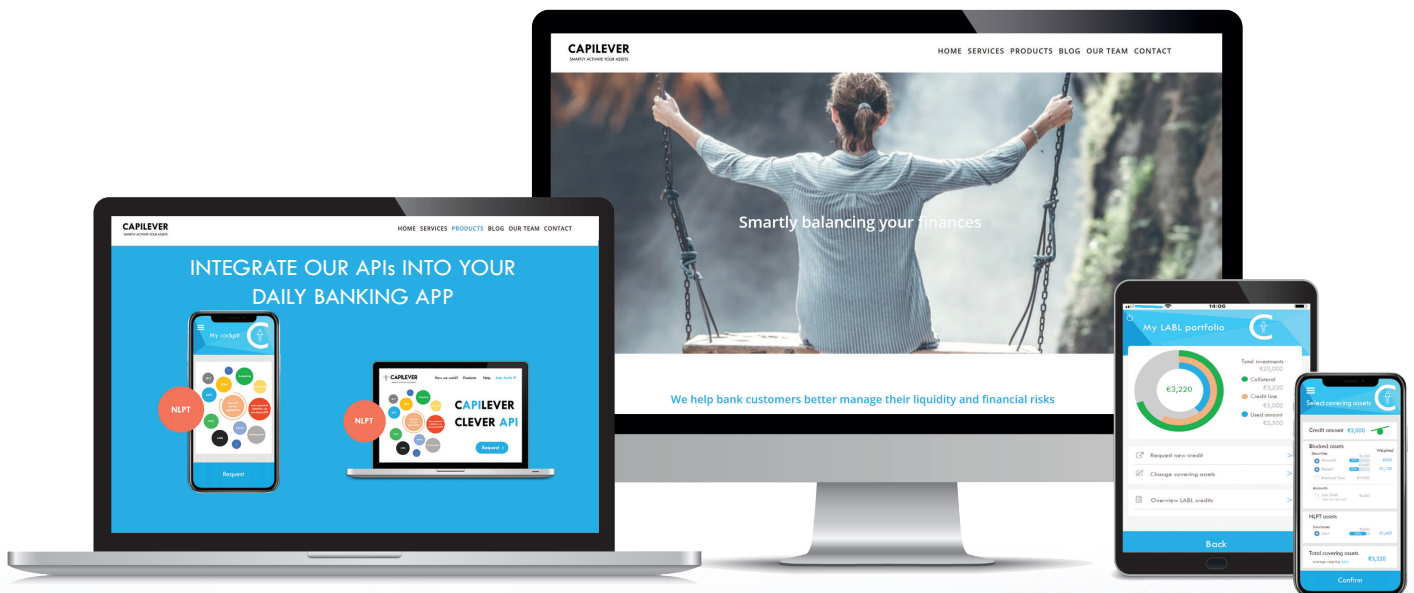


About us

Capilever is a **Belgian Fintech company** founded in 2018, which aims to help financial institutions in the **Credits and Investments domain**. Apart from providing services, Capilever has developed **6 innovative software solutions** for financial institutions to assist their customers in better **managing** their **financial risks**.

Capilever believes that the core strength of a financial institution is its positioning as **gatekeeper of trust** and its expertise in financial risk management. By partnering with a digital native company like Capilever, the bank or insurer can combine these strengths, with the agility and innovative culture (both from a product as from a technological point of view) of a start-up like Capilever.

All products offered by Capilever are **highly automated customer engagement tools**, with a strong focus on investments and credits and offered to the bank or insurer as white-labelled, pre-packaged solutions. Via containerization of the solution and well-documented APIs, the solution can be easily deployed and integrated in the bank's application architecture.



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Liquid Asset Based Lending (LABL)

In the retail and SME space, many customers have a few thousand euros invested in a securities portfolio. Usually these investments are foreseen for the medium- to long-term. At the same time many of these customers experience from time to time **short-term liquidity shortages**. In this situation, these customers will rarely apply for a consumer credit (as it takes too long and results in very high interest rates), but instead postpone their purchases or sell their investments. Both cases are disadvantageous for the bank.

To avoid such liquidity shortages, most banks recommend keeping up to 5 times your monthly salary in a highly liquid saving account, but this has a large opportunity cost for the customer. Wouldn't it be great instead that you can invest all your money in medium- to long-term investments, but be able to generate liquidity via a lower-interest rate credit, which is backed by these investments as collateral? In private banking this product exists, i.e. the **Lombard Credit loan**, but unfortunately this product is managed very manual and is only open to the top segment of the bank.

Capilever's LABL tool offers a way to **democratize this product via extensive automation**. The tool does not only provide a fully automated end-to-end origination process (which allows to receive money in a matter of minutes), but also covers the servicing process afterwards (which covers a continuous monitoring, alerting and automatic actions in case the collateral value is no longer sufficient for the outstanding credit value). Furthermore, the tool provides a much higher flexibility, allowing to switch collateral assets during the lifecycle of the credits.

Financial Life Event Xeduler (FLEX)

While the LABL product provides a solution for short-term liquidity needs, a typical household has also strong **fluctuations in their liquidity, due to medium- to long-term changes in their income and expenses**, e.g. due to salary increases or part-time work on the income side and due to mortgage payments or children on the expense side. The FLEX product of Capilever aims to provide an answer to manage these medium to long-term imbalances in the customer's budget.

FLEX is therefore a **long-term contract**, which **combines an investment and credit product**, in 1 flexible and easy to use end product for the customer. The product is opened with a fixed duration and base amount (adapted for inflation during the FLEX contract). Every month the customer can decide between receiving (half/full) the base amount, doing nothing or paying (half/full) the base amount. This limits the choice for the customer between 5 possible actions every month, making budget management much easier for the customer. A clear dashboard shows the number of remaining slots of each action type (a FLEX contract of X months has X/5 slots for each action type), making it very easy for a customer to attribute actions for the future.

Non-liquid position tool (NLPT)

For banks to provide proper financial services to their customers, they need a **holistic view** of the wealth of their customers. Unfortunately, a bank only has a view on the money deposited at that bank. Thanks to PSD2 and the rise of account aggregators, banks now have also a view on the cash positions at other banks, but they are still missing all investments and credits held at other financial institutions and all non-financial assets and liabilities (such as real estate, collections, cars...).

The NLPT tool provides a **user-friendly platform for a bank employer or the customer to input these assets and liabilities** and their value. Via alerting and algorithms, the tool tries to keep the data and the valorizations up to date, which is a typical problem for such manually maintained data.

Customers will be hesitant to do this effort (and share their personal data), when they don't see the immediate added value for them. The NLPT tool tries therefore to be a **central cockpit**, which can be easily **integrated with value-added services of the bank**, like investment profiling, customer reporting or robo-advisors. Capilever provides furthermore out-of-the-box integrations with the LABL product (allowing customers to use NLPT positions also as collateral for LABL credits) and CPRA product (allowing the customer to improve his solvability scoring). The more tools make use of the NLPT data, the more the customer will see the added value of inputting the data and keeping it up to date.

Retail Securities Trading Tool (RSTT)

Due to the low-interest rates, customers are more and more forced to invest their money in securities. While there are many players offering brokerage platforms for the specialized investor or robo-advisors for customers wanting assistance, there is a gap in the market for an **execution-only brokerage tool, focused on the novice investor**, who is not acquainted with all specialized trading terminology and who wishes to minimize his market risk in a simple and transparent way.

RSTT is such a brokerage tool, allowing the customer to easily find a security of a specific risk profile, sector and/or region. When customer has selected a security, the tool shows the impact on the **portfolio diversification** of adding the security to the customer's portfolio (and suggests other securities with same risk profile, sector and currency, but with a better resulting portfolio diversification). When the customer decides to buy a security, the tool will automatically request the customer to **capitalize profits** (of more than X%), **limit losses** (of more than Y%) and **reduce the timing-risk** by automatically spreading out the acquisition over time. All these risk mitigation techniques are presented to the customer in **a graphical way and in layman's terms**.

Interest Rate Comparison Tool (IRCT)

While trying to select the right mortgage loan for your house or a term deposit to invest your money in, people often compare different rates between different banks, but **comparing different products** of the same bank, with different durations or **different interest schemes** (e.g. fixed versus variable 3/6/9 or variable 1/1/1) is much less common. A lack of tooling is the main reason for this.

Capilever's IRCT tool aims to provide an answer to this, by allowing to compare credit/investment products with different durations and interest schemes from the bank **in an easy way**. The user just selects a pre-defined (or input a custom) curve of his idea for the future market interest rate and inflation rate and the tool automatically calculates the total (discounted or not) reimbursement amount. This allows a very easy comparison of different products, depending on **different scenarios of how interest and inflation** will evolve in the future.

Counterparty Risk Assessment (CPRA)

As a retail or SME customer, you continuously transact with other retail or SME customers. Every transaction of this kind poses an **important counter-party risk** (counterparty might not be able to fulfill his financial obligations towards you or even worse might be fraudulent). Large companies perform complex and costly due diligence processes to quantify and mitigate these risks, but as a retail or SME you don't have the means to do this. Apart from a quick lookup in Google or on social media or in best case a check of references, you don't have much tools available.

Banks with their role of **gatekeeper of trust** have a lot of information about the financial situation and trustworthiness of their customers and can offer a simple, easy to use **due diligence service to their customers**. The CPRA tool of Capilever allows to request access to the risk profile of a customer. When this customer gives content, the user sees a simple score (cfr. energy label) on 3 factors, i.e. **solvability, liquidity and trustworthiness**. This gives a simple tool to customers to do a due diligence, without the need for the counterparty to expose confidential financial data.

About us

Capilever is a software company that helps financial institutions prepare for the next wave of **Open Banking** with focus on **Credits** and **Investments**.

Our team of technology and banking finance experts has joined forces to deliver world-class **investment-and-lending white-labelled software solutions** for the financial services industry.

All products in Capilever's product offering are software solution sold to banks to assist their customers in **better managing their financial risks** (from liquidity risk management, market and interest rate risk, up to counterparty risk).

All products come with several **well-defined APIs**, which can be easily integrated within the bank, with strong focus on orchestration and **automation** of underlying **credit and securities processes**.

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CLEVER API