WesPay

Glossary of FinTech Terms

Bitcoin - A cryptocurrency which is manufactured, stored and exchanged without reference to a central bank. Value is based on supply and demand. Bitcoin transactions are recorded
using blockchain technology and user identity is not revealed. Increasingly a mainstream way to exchange value between parties.

Block - A block is a unit of the code which comprises the blockchain. It is the record of transactions that have occurred since the last block was created and a confirmation to previous transactions. Each block links to the block before it, thus creating a full chain back to the original genesis block.

Blockchain - A digital ledger which records transactions as a chain of data and stores them on a decentralized peer-to-peer network. Each peer then maintains a shared append-only ledger which are kept synchronized through a consensus protocol. Theoretically impossible to change and allows participants to see the same version on the truth at the same time. Best known
for cryptocurrency transactions but a range of Public Blockchain and Private Blockchains exist for different purposes.

Disruptive Technology - A technology which radically alters consumer behaviors and/or business models, such as FinTech, the sharing economy or platformication.

Distributed Ledger - A distributed ledger (also called a shared ledger, or referred to as distributed ledger technology) is a consensus of replicated, shared, and synchronized digital data geographically spread across multiple sites, countries, or institutions.

Genesis Block - The very first block created at the beginning of the blockchain.

ICO / Initial Coin Offering - An event where funds are raised, say to develop a FinTech business, by offering new cryptocurrencies in return for a cash investment.

InsureTech - FinTech firms focusing on the insurance segment, including sales, broking and crowd insuring.

Omnichannel - A retail finance model where service is delivered to customers using different channels such as branch, mobile, web, retail POS and partners connected by API.

Private Blockchain - A blockchain network where permission in required to participate. The invitation must be validated either by the network starter or by the rules/conditions placed by the network starter.

Public Blockchain - A Public Blockchain is completely open and anyone can join and participate in the network, execute the consensus protocol and maintain the shared ledger. To achieve consensus each node in a network must solve a complex cryptographic problem called a proof of work to ensure all are in sync thus computation power is required.

RegTech - FinTech firms focusing on the regulatory and compliance segment, including AML, KYC and fraud.

Screen Scraping - The process of extracting data from text so that it can be displayed on another device, such as account data. Screen scraping increasingly has an evaluation purpose in analytics or credit scoring

Unicorn - A start-up or scale-up with a valuation in excess of USD 1bn, typically based on growth assumptions rather than actual profitability.

WealthTech - FinTech firms focusing on the wealth management segment, including investing, portfolio management and Robo-advisory.