

FINTECH DISRUPT CHALLENGE 2017



TERM SHEET

1. Objectives	<p>Karandaaz Pakistan, in partnership with IBA AMAN Centre for Entrepreneurial Development announces the FinTech Disrupt Challenge 2017. The purpose of this challenge is to invite the most innovative ideas from all over Pakistan working in the financial technology space. In FDC 2017, grants will be given to the start-ups having high growth potential and innovative financial technology solutions. Ideas that focus on greater access to financial services to women are encouraged.</p> <p>The objectives of FDC 2017 are as follows:</p> <ul style="list-style-type: none"> • Support innovation in the FinTech space to enable greater financial inclusion. • To identify and support best and innovative practices in terms of digital payment solutions and other thematic areas as listed below. • Provide success stories and examples of new payment mechanisms.
2. Geography	<p>Any registered company, start-up or a start-up team based in Pakistan.</p>
3. Thematic Areas	<p>The focus of the Challenge is to support organizations working in the FinTech space in developing innovative financial solutions using technology to promote greater financial inclusion in Pakistan. Broad focus areas include for two types of grants:</p> <p><u>Thematic areas for returnable grant of up to \$100,000:</u></p> <p>1) Access to Financial services</p> <ul style="list-style-type: none"> • Credit Scoring Models • Digital lending services • etc. • Formalize savings through need based products • Insurance <p>2) Payments</p> <ul style="list-style-type: none"> • Retail payments solutions through QR code • Ideas around digitization of online payments and merchant payments • Supply / Value Chain Digitization • etc. <p>3) E-Commerce</p> <ul style="list-style-type: none"> • Smoothing of on-boarding process for a retail merchant • Alternate payment modes other than COD • Enabling Escrow Accounts • etc. <p>4) Interoperability</p> <ul style="list-style-type: none"> • Innovative ideas to address the lack of interoperability among m-wallets • etc. <p><u>Thematic area for returnable grant of up to \$20,000:</u></p> <p>5) Early stage ideas related to:</p> <ul style="list-style-type: none"> • M-Wallet Use cases • Customer Engagement / Experience • Digital Savings • Education of Financial Services through technology • Micro Credit • etc.
4. Type of Support	<p>Up to 2 winners will be announced for funding support of up to \$100,000 and upto 5 winners will be announced for funding support of up to \$20,000</p>

5.	Application Guidelines	<ul style="list-style-type: none"> • Application can be accessed at fdc.karandaaz.com.pk • Applicants are requested to fill in complete information related to their businesses. • Please clearly define which thematic area are you submitting your application • Incomplete / late applications will not be considered. • Any queries related to applications can be emailed at fintech@karandaaz.com.pk. • Application cannot be edited/ change once submitted. Please do not send in remaining parts of your application through email. It will not be considered.
6.	Timeline	<p>The challenge will entail the following process:</p> <p>a) Call for Application, April 21st, 2017. b) Application deadline is May 9th, 2017.</p> <p>c) Notify Start-ups, May 15th, 2017.</p> <p>d) Shortlisted applicants will pitch their ideas on the Day of the Challenge on May 20th, 2017.</p> <p>The application process will be run by Karandaaz Pakistan.</p>
7.	Challenge Day Details	<p>The Agenda of the challenge will be as follows:</p> <p>a) Opening Remarks</p> <p>b) Key note speaker session 1</p> <p>c) Round 1: 3-5 min pitch round for small winners (up to 15 applicants)</p> <p>d) Lunch Break</p> <p>e) Key note speaker session 2</p> <p>f) Round 2: 20 min presentation (up to 6-8 applicants)</p> <p>g) 20 min Tea break</p> <p>h) Closing remarks</p> <p>i) Announcement of Winners</p>
8.	Venue	Ghani & Tayab Auditorium, Institute of Business Administration, Karachi
9.	Eligibility For Start-ups applying for thematic areas 1 - 4	<ul style="list-style-type: none"> • Fintech Disrupt Challenge 2017 is a nationwide competition and is only limited to applicants from Pakistan. • Only start-ups are eligible to apply to this competition and should not be operating for more than 3 years if they are applying for grant of up to \$100,000. • Start-up founder/s with no team will not be eligible and the start-up should not have more than 10 employees. • The value of tangible assets of the start-up should be less than PKR 10 million. • The start-up should be registered and based in Pakistan. Relevant documents will be required if the start-up is selected as winner. • Entities which have availed any kind of funding from Karandaaz will not be eligible
	Eligibility For Start-ups applying for thematic area 5	<ul style="list-style-type: none"> • Fintech Disrupt Challenge 2017 is a nationwide competition and is only limited to applicants from Pakistan. • Start-up founder/s with no team will not be eligible and the start-up should not have more than 10 employees. • Only start-ups are eligible to apply to this competition and should not be operating for more than 1 year if they are applying for grant up to \$20,000. • Start-up in an ideation phase can also apply provided they have a strong business case and financial model • Entities which have availed any kind of funding from Karandaaz will not be eligible
10.	Evaluation Criteria	<p>Evaluation Criteria will be based on the following but not limited to:</p> <ul style="list-style-type: none"> • Scalability & innovativeness of the product or solution that increases financial inclusion • Team • Market Opportunity • Business Model • Social Impact
11.	Commitments from Start-ups	<p>If selected, applicants must commit to:</p> <ol style="list-style-type: none"> 1. Sharing of data with Karandaaz Pakistan. All data will be treated as per the global access and IP policy of Karandaaz Pakistan. The policy will be provided upon email request. 2. Participating in monitoring and evaluation activities. In particular: <ul style="list-style-type: none"> • Measure direct users and direct beneficiaries. <ul style="list-style-type: none"> • Direct users: Individuals interacting actively and directly with the FinTech solution during the grant period. • Direct beneficiaries: Individuals who develop some socio-economic value via the direct user who are using the FinTech solution during the grant period. • Measure indirect beneficiaries following the end of the grant period. <ul style="list-style-type: none"> • Indirect beneficiaries: New beneficiaries of the FinTech solution after the grant period has ended. 3. Participating in lesson learning and experience sharing activities for internal and public audiences. 4. Participating in Karandaaz Pakistan annual review process. 5. Providing a demonstration of the product or service.

12.	Project Coordinator	DFS Department of Karandaaz Pakistan will be coordinating with the winners. Director DFS will play the managerial role, and make decisions on behalf of Karandaaz Pakistan. He may be relying on third party services for monitoring the performance of start-ups with respect to their agreed milestones.
13.	Payment Schedule	The payment of the fund will be based on agreed milestones and will be scheduled as follow: <ul style="list-style-type: none"> • 10% initial mobilization money • 70% on the interim milestones • 20% final payment subject to completion of final milestones
14.	Grant Details	Karandaaz Pakistan will be giving out two types of Grant depending on the thematic areas of the applicants. <ul style="list-style-type: none"> • Up to 2 winners for \$100,000 each • Up to 5 winners for \$20,000 each This is a returnable grant which means that whoever wins this grant and is able to raise equity of up to 10 times the grant amount in two years then the start-up will return the grant to Karandaaz.
15.	Expected Duration	The project duration is expected to be up to 6 months. This can be extended subject to mutual agreement between the start-up and Karandaaz Pakistan.
16.	Contact Details	Email: fintech@karandaaz.com.pk
17.	Disclaimer	<ul style="list-style-type: none"> • All Grants will be given at the sole discretion of Karandaaz Pakistan • Due Diligence of the winners will be carried out and if any violation of the terms & condition is noted during the due diligence, the grant will not be given. • Submission of application does not guarantee winning. • Any expense incurred by the applicants for the submission of the application which might include, traveling, boarding, accommodation etc will be borne by the applicants. • Only shortlisted applicants will be invited for the pitch their presentation. • Shortlisting will be at the sole discretion of Karandaaz.