

FOUND IN THE CBN SANDBOX

COHORT 2 ADMISSION BRIEFING & FATECH ENGINE OVERVIEW

Applicant Entity: FOUND Africa Technology Empowerment Foundation	Application Ref: SB2026001449
Product Name: FATECH Settlement Engine (wallet.fatech.app)	Target Cohort: CBN Regulatory Sandbox Cohort 2

Executive Pitch: FOUND Africa Technology is building a high-performance cross-border digital settlement engine connecting global dollar stablecoins (USDC) to Nigerian Naira (NGN) bank accounts in real time. By combining infrastructure backing from **Circle** and **Google** with immediate user scaling from national programs like the **NJFP (20,000 captive users)**, FOUND provides the ideal operational framework to validate real-time VASP settlement, positioning Nigeria as the premier headquarters for global digital and tech talents.

1. CORE PRODUCT & OPERATIONS ARCHITECTURE

The FATECH Settlement Engine provides cross-border remittance, programmable B2B treasury distribution, and automated clearing. Built on a 4-tier privacy and execution framework, it ensures user identity remains strictly off-chain while financial value moves transparently.

- **Instant International Payments:** Foreign partners, international donors, and commercial entities send USD via Circle USDC over fast Layer-2 blockchain rails (Base L2). The engine automatically routes, converts, and deposits value directly into local Nigerian bank accounts in Naira (NGN) without traditional multi-day FX delays or exorbitant banking fees.
- **Workforce & Merchant Micropayments:** Enables high-frequency, low-cost disbursements for field staff (Digital Officers) and merchant settlement nodes across Nigeria.
- **Embedded Non-Custodial Wallets:** Integration of Circle Programmable Embedded Wallets gives users secure Web3 wallet access via standard Web2 logins (e.g., Google authentication), completely removing complex cryptographic private key management.
- **Automated Treasury Splitting:** Smart contracts on Base automatically execute transparent programmatic revenue distribution splits across operational expenses, reserve buffers, and community endowments.

2. TECHNICAL ARCHITECTURE & PRIVACY LAYERS

Layer Architecture	Technology Standard	Operational Function
1. Public Layer (Settlement)	Base L2 Network, Circle USDC	Low-cost, instant global dollar settlement and liquidity routing.
2. Private Layer (Identity)	AWS PostgreSQL, AES-256	Secure off-chain storage of PII (BVN, NIN, real names) compliant with NDPA 2023.
3. Hybrid Layer (Privacy Shield)	Anonymous Machine Handles	Connects identity to on-chain wallets without exposing personal identity on-chain.
4. Consortium Layer (Labor)	Hyperledger Besu Enterprise	Pan-African verified work history, job credentials, and talent badges.

3. STRATEGIC PARTNERS & INSTANT USER ONBOARDING CAPACITY

FOUND has aligned key international and local institutions to guarantee both technical robustness and immediate mass deployment upon sandbox entry:

- **Circle Internet Financial:** Technical alignment for USDC clearing rails, programmable embedded wallet architecture, and liquidity routing via the Circle Alliance Program partnership.

- **Google for Nonprofits:** Infrastructure empowerment through enterprise cloud hosting, data infrastructure, and unlimited Google Workspace integration.
- **NJFP (Nigeria Jubilee Fellows Programme) & Enterprise Strategic Partners:** Strategic alignment to onboard an initial captive workforce of **20,000+ digital fellows and users instantly**, providing real-world operational testing volume for micropayouts and educational reward allocations.
- **Paystack & Settlement Banks:** Local NGN fiat on/off-ramps, automated NIBSS direct bank verification, and instant local commercial bank deposits.

4. PAN-AFRICAN EXPANSION & NATIONAL TALENT STRATEGY

FOUND's deployment blueprint uses Nigeria as the central liquidity and operational headquarters, establishing an export model for digital financial infrastructure across Africa:

- **Nigeria as Global Talent HQ:** By providing automated cross-border USDC-to-NGN payment pipelines, foreign enterprises can seamlessly hire, reward, and pay Nigerian tech talents. This eliminates international payment friction and retains value directly within the Nigerian banking system.
- **5-Market Regional Roadmap:** Scaling model extending from Nigeria into key trade and tech corridors across Ghana, Kenya, South Africa, and Egypt.

5. COMPLIANCE, AML/CFT & REGULATORY SAFETY STANDARDS

FOUND operates a supervised risk management architecture designed to give the CBN, SEC, and NFIU complete visibility:

- **Identity & KYC:** Strict mandatory Tier-1 CDD requiring linked BVN + NIN verification with real-time biometric liveness checks (Smile ID integration).
- **On/Off-Chain AML Screening:** Integration of Chainalysis / Elliptic for real-time wallet address risk scoring prior to settlement execution.
- **Travel Rule & Sanction Controls:** Automated Notabene / Sygna API integration enforcing FATF Travel Rule transmission on cross-border flows. Real-time screening against UN, OFAC, and NFIU lists.
- **Reserve Solvency:** 100%+ liquid reserve backing maintained in segregated commercial bank accounts and short-term liquid assets, ensuring bankruptcy-remote asset segregation.

FORMAL ADMINISTRATIVE FOOTNOTE: APPLICATION SB2026001449 RESOLUTION

Context & Status: During final compilation for Application Ref **SB2026001449** submitted on August 21, 2026, authentic corporate records (CAC Incorporated Trustee status and bank statements) were successfully uploaded. However, simulated test environment documents and internal architectural templates were erroneously attached in lieu of finalized external executed agreements.

Proposed Administrative Remedy: A formal clarification request has been dispatched to the CBN Sandbox Secretariat (sandbox@cbn.gov.ng). As guided by platform technical support, we request that the review committee flag the specific placeholder entries during processing or reopen the application portal link to allow the immediate replacement of finalized third-party attestations prior to the **August 31 application deadline**, without jeopardizing the valid status of our submitted application.