

ANZ, Commonwealth Bank, IBM, Scentre Group and Westpac Commence Live Pilot for Lygon, A Blockchain-based Platform to Transform the Bank Guarantee Process

Sydney, Australia - 03 Jul 2019: ANZ, Commonwealth Bank, IBM (NYSE: [IBM](#)), Scentre Group and Westpac have jointly launched a live pilot for Lygon, a new digital platform using blockchain technology to transform the way businesses obtain and manage bank guarantees that are often required as part of a retail property lease.

The launch marks a significant milestone in the global development of blockchain solutions. Lygon represents an industry solution that the participants could not have individually implemented. The founding members have brought together their deep understanding of industry processes to navigate from proof of concept to a live platform that will directly benefit customers and address their feedback on the way in which bank guarantees have been issued to date.

Historically, bank guarantees have been issued manually and on paper. Digitising this process reduces the risk of fraud for all parties involved, decreases the potential for errors and significantly increases the speed of execution.

Initial findings suggest that the Lygon platform has the potential to reduce the time it takes to issue a bank guarantee from up to a month to on or around the same day. Lygon has the potential to benefit many sectors and to reduce the risk of fraud across billions of dollars guaranteed by the banks.

This new, digital process increases transparency and security through the use of blockchain technology while maintaining the privacy required in such a business process.

The pilot will run for eight weeks with live data and transactions for a test group of retail property leasing customers from 3 July. In subsequent phases, Lygon plans to expand the range of digitised bank guarantees that it supports across other industries as well as offering its services to other customers in the retail property sector.

Thousands of retailers around Australia - from single store operators to national and international brands - need bank guarantees from their banks to secure a lease over a retail tenancy.

The pilot will involve lease holders with retail outlets in some of Scentre Group's Westfield living centres across Australia. After the pilot, Lygon intends to offer access to the platform to all issuers, applicants, and beneficiaries and support broader use cases over time.

The Lygon platform will be operated by Lygon 1B Pty Ltd, a company jointly owned by the five founding members.

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