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## SUMMARY KEYWORDS

canada, bank account, blockchain, wallet, money, infrastructure, bank, big, currency, nigeria, financial institutions, africa, users, rwanda, kyc, market, transaction, jurisdiction, facilitate, payment

## SPEAKERS

Pat Bolland, Osamede Arhunmwunde

### Pat Bolland 00:09

Our next guest has a history in blockchain publishing African development, and now also meet a Ruby, co founder and CEO of gig X technologies is taking on the financial sector. He'll join us to explain his latest way to move money around the world don't go away. ... Osamede, great to have you on the show.

### Osamede Arhunmwunde 00:36

Absolute pleasure to be here.

### Pat Bolland 00:37

I look through your CV also mean to be honest, you've worked with the Canadian Armed Forces, the US Air Force, the Manitoba Marketing Network, the University of Manitoba, numerous chambers of commerce across Canada, TEDx even, and the Nigerian National Petroleum Commission. And most recently, and this is where I found it was TechStars. Toronto, what are you up to now?

### Osamede Arhunmwunde 01:02

Yes, I mean, the vision, the dream has always been how do we bridge the Western world with Africa. So a lot of progress, a lot of development going on out there. But it's also a lot of things that can be learned from the western side of things. And it's always been an idea and a vision to bridge that gap to make it closer. So that was the idea behind the Africa development side of things. And now with our new project gig X acknowledges is how do we help the African immigrants, the African business who wants to do business globally, right, but they lack that infrastructure for payments for cross border payments. And again, this really started for me, I would say 17 years ago, when I first got to Canada. So here's the thing, when you first get to a new contracts and immigrants, you don't have buying power. Right? So for me, 17 years ago, I arrived, the shores of Canada, no bank account. Now in order to open a bank account, the bank says you first have to get a bill payment or some sort of thing that shows who you are where you are, you are brand new, so then you first have to get your rental agreements in place gets the utility bill, you need all of those documents in order to actually get a bank account, that process can take anywhere from three weeks to a month. So this is a long way you have no buying power. Now you finally get the bank account, you probably want to do some work, you get a

transfer in the bank tells you you know what, your bank account is pretty new. So whatever money comes in, we will have to hold a portion of it's all of a sudden, you're handicapped for another three to four weeks. So we're going from you having no buying power. As much as sometimes eight weeks, at in my opinion, in 2023, there has to be a better way. And there is a better way. So for us ultimately, is giving that buying power giving that financial autonomy, that true freedom of money for African and African businesses, cross border or cross country. So think about it as a global wallet.

**Pat Bolland 03:07**

Wow, a borderless wallet. That is very cool. Okay, so first question is, if I'm a novice, and I'm sitting in Africa, or Canada, for that matter, how easy is it to work.

**Osamede Arhunmwunde 03:19**

So very easy. It's just think about it as any other app, you download the app on your phone, you put in your name, email, you do basic KYC. Because like any other financial products, we need to know who you are. And that's pretty much it, you, you know, go through KYC process could be your passport, or driver's license, the who I identify we're working with. But this whole process is takes less than five minutes, or you can be verified on our platform. Now once you're there on the platform, and again, I want you to think about it. It's just we want it to be as simple as having an actual wallet that you have in your pocket. But this time is a digital wallet that gives you global presence, right? So all of a sudden now with this infrastructure, this wallet, you can now say You know what, I do some business and see Canada and I want to be able to have Canadian dollars, you can literally find what your local crisis. So let's assume you're in a country like Nigeria, in a city like Lagos, you can find your wallet with the local Naira and or you could convert that Naira to a Canadian dollar position. So all of a sudden, even though you're in Nigeria, you have access now to Canadian dollars.

**Pat Bolland 04:23**

Okay, so are there costs associated?

**Osamede Arhunmwunde 04:28**

That now the costs are very minimal? Yes, there are costs, but it costs the very minimum the average remittance costs today goes as high as 7%. We charge an average of 1%. So in terms of relativity, it's way cheaper than a typical transaction. If you were going to do a wire from Nigeria today to Canada, it will take you three days, it will cost as much as \$35, if not more to do that transaction. Well with a platform like ours. You could do that transaction in 30 Minutes or Less and it will cost you less than 10% of the original cost that with traditional banking system, so not only is it faster, right, it's also cheaper.

**Pat Bolland 05:09**

But are there limits on the amount of money that you can send? Or can you send millions of dollars.

**Osamede Arhunmwunde 05:18**

So there are limits. And again, all the limits is pretty much set by a lot of the financial institutions that were partnered with. But one of the basic things that determine that limit is the KYC. So the more information we know about you and your business, the more we can facilitate the transactions. Remember, as a financial product or technology platform, our job is not necessarily to, we want you to

have freedom with your money, but at the same time, we want to make sure we know who you are, and what the purpose of that money is. Once we have all this information, typically, those limits are expandable.

**Pat Bolland** 05:52

Okay, but any clients that come in to the website, you don't know them, I mean, sure, you can get their passport and you can get their information, but they don't know you. Do you have any financial backing and you have banks that are supporting this effort?

**Osamede Arhunmwunde** 06:08

Yes, yes. So what happens is that for every country, so now we are actually have done a Pan African expansion. I am currently in Lusaka, Zambia. Before this, I was in Rwanda, Kigali. Before this I was in Lagos, Nigeria, before that I was in Toronto, Canada. So we are actually in the middle of an expansion right now. But the point is, for every new market, we get into, we partnered directly with the financial institutions. So what happens is that your your your your phones are technically not when we think about it, we just provide the technology, the actual phone is being held by an actual bank account on the back end, like an actual back. So in certain countries, who are more tech inclined, we find it a lot more easier because you understand the concepts, because it's still relatively new. But for certain countries, it could be a thing of either a monopoly on the banking infrastructure way to just they're just more ready to open it up. Or maybe it's a thing of knowledge, they're not too good to conversate with the whole process. So it's all goes from contrary to conscious or unconscious has been easier for us. So countries have been a lot more challenging. But also they are third party infrastructure players today, like, like a currency cloud, which is like a visa product, where they can help to facilitate, facilitate a lot of this, like they're already built a lot of the banking infrastructure and partnerships and indicate help fintechs like ourselves, to onboard and to sort of leverage what they've already built. So to answer your questions, it depends on your jurisdiction. Some jurisdictions have made it tougher for fintechs to operate, some jurisdictions actually walk in it.

**Pat Bolland** 07:47

Okay, so that always begs the question, you know, how this works? How are the Canadian financial institutions? I mean, they've got a monopoly in Canada, five, six banks. How have they accepted you?

**Osamede Arhunmwunde** 08:00

I think it's still a work in progress.

**Pat Bolland** 08:04

Very diplomatic Osamede ...

**Osamede Arhunmwunde** 08:07

Because we still need that we're, we're they are our big brothers and sisters, if you may, but we do need them. But there is a long way. I would even say a long way. I think right now, I'm missing a lot of write ups about open banking, I think the Canadian system are looking to open up a lot more, I spoke to one of the bank executives for one of the big banks in Canada last week. And he was actually hired in from San Francisco to help the bank to understand more of this FinTech aspect, and try to help steer

the bank and help them in sort of that, that process. But in Canada, it's there's not a lot of big banks that are open to the idea in terms of working with fintechs and building banking infrastructure as a service, but not a lot of them. There's a there's a handful, maybe DCB bank, people's trust, equitable back at being Alberta that's really about it. The big banks. Let's just say it's not one of their priorities today.

**Pat Bolland** 09:07

Well, it's going to be one of their priorities, because they're going to be forced into open banking. And one of the things that come up that comes up through open banking has been in the past Bitcoin, and on your website I see mentioned of Bitcoin and blockchain, that's going to be of concern to some users, isn't it?

**Osamede Arhunmwunde** 09:27

Yes. So what happens is that in certain markets, we don't actually even offer it. So markets like Canada, we don't even offer our we are registered with the FINTRAC but we don't even offer cryptocurrencies at all so it's not even available to those users. Certainly other jurisdictions where the government's a lot more open minded. So say for example, like a Rwanda for then we we will talk about a little bit more, but the idea is that we believe strongly that the concept of currency in this next Five years, for example, over the next decade is going to transcend just government issued currency that there is a place for digital blockchain based currency. It's one of the things I think that is in a beautiful salon, we start our systems for a world that has both blockchain based currencies and government issued currencies. Cool. Working together, I think, the more prepared we are going to be for the future. So we do in certain jurisdictions, I support users who also want to have digital wallets or cryptocurrency based wallets.

**Pat Bolland** 10:38

Right. And you'll provide the blockchain backing to those efforts, right?

**Osamede Arhunmwunde** 10:45

Yes, yes. So today, we work with a company called Fire blocks. They're one of the definitely one of the best in the world. So they work with us in terms of, of these, these assets. Today, so yes, we do work with the best of the best to provide these wallets and whatever our goal. Yeah, go ahead. Yeah, so I'm just gonna say our goal as an infrastructure is to provide you or wallet solution where you, as a user have that freedom with money, you have that international borderless freedom, which is that's pretty much honorable. And if we think in certain jurisdiction, they are ready for the cryptocurrency narrative as a type of I don't want to say money, per se, but financial products, then in those markets want people to serve those users as well.

**Pat Bolland** 11:34

Okay, so who are your competitors, I have a daughter of it's going to school in England right now. And I tried to move money, move money to England, you know, and do the currency exchange and all that kind of jazz. And while there were a lot in the UK to do that, two or three websites, here in Canada, that was not easy to do. So who are your competitors? Do you think here? And I guess the other question is, what currencies are you currently dealing in?

**Osamede Arhunmwunde 11:59**

Okay, so our computers, they all depends on jurisdiction. So the big ones would be revolute. Transfer, why MoneyGram rapidly, those, those are the big, big ones, as those are competitors. But where we differ from them is a lot of them don't quite have the infrastructure working exactly. Well in Africa. So like I said, I've been traveling across the continent right now for our own efforts. And for example, in a market like Zambia, the big players, they're not here. I mean, they are here, but they are working with third parties. And one of the challenges for example, in this market is if you try to send money using like a WorldRemit. Today, right, you can't pay into a bank account. They are connected to the mobile money operators. So like the so in Canada version of Rogers, so they have like MTN here Airtel, so they are connected to the mobile money. But with the mobile money, the limits are very low. So it's under, it's about \$1,000 or less. So if you wanted to do a \$5,000 transaction, we would have to do five times transaction, and that means fees every single time. And then when the money gets to your mobile money, if you wanted to move it to your bank account, that's another fee. So at any day, you could see that you could lose as much as 10% in fees. So that's where we're coming to say, No, we are getting an actual infrastructure directly with these banks. So that that way we're giving our users more options you want to pay to, for example, your daughter, if your daughter, for example, let's say she was in Kenya, you want to pay directly to our bank account, it will go directly to her bank account, you can send the whole transaction in one trash, so it's less fees, right. So that's one of the beauty would also that we are on ground looking to build more in depth infrastructure. So tender competition is there. But with these are some of the places we differ that mark, to show up. Like in Nigeria, for example, I think in Canada, the only real competition, I would say would be a company called laminate finance. They're out of Weiss YC, Combinator, sort of another oscillator program. And they are probably the number one player, I would say, for that peer to peer wallet style payment cross border between like Canada and Nigeria. Because again, we used to have rapidly in that market, but they couldn't quite know Africa is still it's a growing market, it's a lot of challenges. And it takes it takes a certain level of local knowledge to be able to truly navigate the markets. So I think a lot of the bigger companies have found it hard to sustain that growth and to deal with the regulators locally. So they've just decided to work with third parties. So that's sort of like in terms of the landscape or competition and how we come in to be able to bridge this gap.

**Pat Bolland 14:42**

Okay, so I want you to pull out your crystal ball. Where do you see yourself in five years time is one of the biggest financial institutions in Africa, for instance.

**Osamede Arhunmwunde 14:52**

So in five years time, we see ourselves as the go to platform for the African immigrants are the African entrepreneur who carries out global payments to global transactions given me the traveler, the father, who has a kid in Canada going to university and wants people to pay that tuition fee, right? The inconvenience of having to first get \$1 to wire we're seeing no, we could bridge that the father should be able to just onboard just like a non bank transfer, don't backtrack on his app and pay directly to university right on the app don't have to worry about currency conversion or simple in five minutes or less. Right. So goes from, like I said, the father who wants to send money to his kid, or the business professional in Canada, who wants to send money back home, because remember, this money they're

sending back home is more than just money. For a lot of family, it is hope for the future. We want to help facilitate that. Or the E commerce business person who imports goods from a supplier in China, but they need that to be able to build and expand their business locally, say in Kenya or Rwanda. We want to be able to facilitate that since possibly take that. So we see ourselves as the go to payment solution for the individual or business that carries up cross border transactions.

**Pat Bolland** 16:08

Osamede I wish you continued success.

**Osamede Arhunmwunde** 16:12

Thank you so much. Thank you very much.

**Pat Bolland** 16:14

Osamede Arhunmwunde is the co founder and CEO of GigX Technologies.