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Prof. Christopher E. Wilmer
Managing Editor of *Ledger*

Dear Dr. Wilmer:

We wish to submit our paper, “Blockchain, Real-time Accounting and the Future of Credit Risk Modeling” for your consideration as a Research Article to the journal *Ledger*.

The topic of our paper is within the context of cryptocurrencies and blockchains. More exactly, our focus is on credit risk modeling and on how a possible future wide-spread use of blockchains could affect the way we model credit risk. It is well known that accounting information, such as balance sheet data and income statements, is imperfect. Accounting data suffers from problems such as ambiguous and non-uniform accounting practices, managers engaging in creative accounting or by reports lagging real events. Therefore, since most credit risk models rely on accounting data, the increased transparency, accuracy and timeliness of financial statements brought about by firms keeping their books on blockchains could significantly improve credit risk modeling.

As far as we know, this is the first paper addressing the issue of blockchain-enhanced credit risk modeling, in any way. In other words, it is novel and, hopefully, contributes to both the (mature) finance-literature and the (young) blockchain-literature.

We believe that our manuscript will be of interest to the readers of *Ledger* for the short and simple reason that it deals with a timely topic in the intersection of finance, crypto currencies and blockchains. We also think it would be extremely nice to contribute to this new strand of literature (with time stamps, digital signatures and all...).

I would like to suggest the following researchers as potential reviewers of this work:

- (i) Michael Casey (blockchains)
MIT Media Lab etc.
michael@michaeljcasey.com
- (ii) Prof. Campbell R. Harvey (finance, blockchains)
Duke University
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(iii) Dr Zsofia Kräussl (finance, blockchains)
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Included in this submission:

Main Article Manuscript
2364 words (not including references, acknowledgments, or author contributions)
1 figure
6 equations

Thank you for considering our paper.

Yours sincerely,

Hans Byström
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