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Financial Services



# Transforming Corporate Lending for the Digital Future

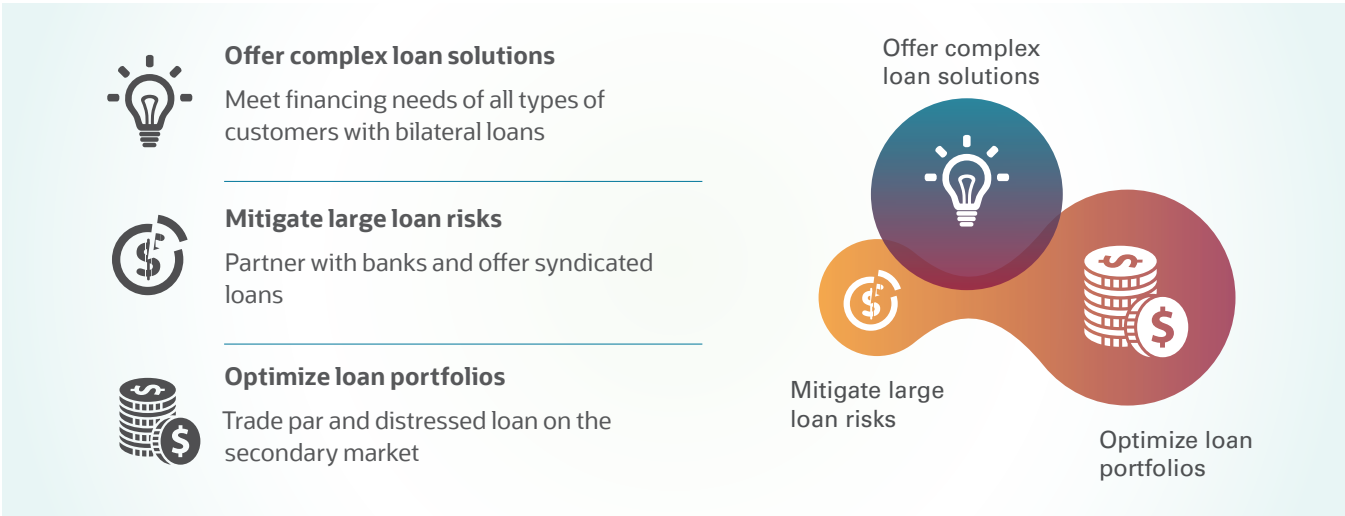
Oracle Banking Corporate Lending





Banks need to transform their corporate lending not only to address customers' unique financing needs but also optimize loan portfolios to maximize corporate loans revenue.

The corporate lending business is thriving impressively across the global. However, disparate silo based systems, manual workflows and repetitive administrative tasks have made the management of corporate lending a costly affair. A digitally enabled corporate lending solution that enables all types of corporate financing is the need of the hour. Oracle Banking Corporate Lending solution is an end-to-end solution with complete functional support for loan origination and servicing and customer re-negotiations during the lifecycle of the loan. It incorporates digital workflows and high levels of straight through processing enabling banks to offer faster origination and servicing. Additionally banks can mitigate large loan risks with syndicated loans and optimize loan portfolios with secondary loan trading.



“Maximize loan portfolios while addressing corporate customers’ unique financing needs.”



## MEET CUSTOMER FINANCING NEEDS

Oracle Banking Corporate Lending provide complete lifecycle support for wide variety of loan types. The solution enables banks to customize loans specific to customers' needs. Banks can also accommodate customer renegotiation with flexible amendments and re-structuring.



### Superior origination

Enable a simplified and digitized loan origination process. Banks can reduce the number of steps and optimize processes to ensure shorter origination time frames. Originate all loan types for customers ranging from small enterprises to large conglomerates with multiple subsidiaries and operations across the globe. Customize loans specific to customers unique business needs.

### Comprehensive servicing

The solution offers comprehensive loan servicing facilities. Banks can now offer wide variety of interest options, payment and settlement preferences, disbursements choices, schedules and loan plans. The solution supports 24/7 operations, rule based accounting and progressive disbursements of loans.

### Amendments and restructuring

Banks can now enable flexible amendments and restructuring facilities for customers to re-negotiate their loan terms throughout the loan lifecycle. Options such as term, schedule, payment plans, principle and interest rates can be easily restructured throughout the customer lifecycle.

“68% corporates customers demand customized service and products.”

Successful corporate banking, Focus on fundamentals, E&Y

“89% corporates customers rate service quality and 82% rate product quality as a top criterion.”

Successful corporate banking, Focus on fundamentals, E&Y

## OFFER SYNDICATED LOANS

Oracle Banking Corporate Lending now enable banks to mitigate large loan risks by offering syndicated loans in collaboration with partner banks. Its easy integration capability enables a connected environment.



### End-to-end support for syndicated loans

Banks can easily take on the role of lead agent and administrator in syndicated lending deals, effectively manage a large group of participant banks, and support participations such as silent participation and sub-participation. The solution enables banks to extend the flexible features offered in loan products to underlying tranches and drawdowns.

### Services for participant banks

The solution allows for comprehensive services to participant banks such as configuring loan, tranches and drawdowns specific to participants. Banks can define income sharing, interest, and fee specific to each participant and process disbursement automatically. Banks can automatically transfer assets from one participant to another after a sell. The solution provides capability for rate revision methods, defining risk participation agreements, limit tracking, stand-by fees for non-utilization.

### Superior support for tranches and drawdown

Oracle Banking Corporate Lending offers a broad set of capabilities for tranches and drawdowns. Banks can now automatically cascade various participant ratios such as income, fee ratios and asset ratios to tranches and drawdowns. Banks can define new participant ratios and disable cascading.

### Connected banking environment

Oracle enables a connected banking environment, a shared platform that brings together the customer, agent bank, participant banks into closely connected financial ecosystem to ensure faster multi-level approval of customer financing needs and other requirements. Agent bank can enable seamless reconciliation process with the support for FpML.

“Syndicated lending offers great opportunities with worldwide syndicated lending during the first nine months of the year 2018 reaching an 11-year high of US\$3.56 trillion.”

Global syndicated loans review, managing underwriters, Thomson Reuters

“Banks should meet large loan requirements and mitigate business risks by collaborating with partner banks and offer syndicated loans.”



“A leading Asian Bank increases its loan portfolios by fifteen fold in 5 years”



“One of the top 5 largest Syndicated Lenders runs on Oracle”

## TRADE LOANS ON THE SECONDARY MARKET

Oracle Banking Corporate Lending now aids banks to optimize loan portfolios by trading loans on the secondary market with capabilities to classify into par and distressed debts and high level of straight through processing to process investor share transfers in real-time.



### Support for origination, par and distressed desk

The solution supports origination, par, distressed and TRS desks. Banks can originate loan securities classify them as par or distressed desk based on whether it is a performing loan that can be traded at par value or a non-performing loan that can be traded at prices below par/face value.

### Straight through processing

The solution supports high level of straight through processing and allows immediate transfer of loans. Banks can move from syndicated to secondary loan trading, enable automatic investor share transfers, and transfer loans from origination to par or distressed desks and vice versa.

### Comprehensive trading support

Oracle Banking Corporate Lending offers comprehensive life cycle support for trading. Banks can capture trade details, set a range of trade level fees, track position and calculate realized and unrealized profit and loss. The solution offers comprehensive support for trade settlements and amendments.

**“Optimizing loan portfolios with secondary loan trading helps banks to mitigate business risks by deleveraging bad loan portfolios.”**

“Leading Bank can manage 2000 lenders in a single syndication contract”





# Transforming Corporate Lending for the Digital Future

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