

Oracle Banking Corporate Lending

The constraints of geographies, currencies, time-zones, cash and credit have lesser relevance in the world of digital corporates. With the shift towards digital it is critical that banks transform to cater to the emerging needs of their corporate customers - faster access to funds, transparency, and consistent, seamless borrower experience. The COVID-19 pandemic is likely to create a shift in the lending business and accelerate the digital transformation from servicing to engagement. This will require banks to adapt to changes and streamline loan origination, processing and closing. In this post-pandemic world, banks need more flexibility in restructuring of loans and repayment schedules. Oracle Banking Corporate Lending enables banks to service a big corporate customer, for a huge value transaction in the form of loan.

RICH FUNCTIONALITY ACROSS THE LOAN LIFECYCLE

Oracle's Credit and Lending suite supports the entire credit lifecycle from customer onboarding to credit management and loan processing. Banks can now structure profitable financing deals, lower credit risk and embed optimized credit support at every stage of the customer's business. The solution empowers banks to provide a complete lifecycle support for wide variety of loan types. Banks can improve the pace of underwriting as well as structure loan solutions to suit the needs of all types of corporate customers from small enterprises to large conglomerates with multiple subsidiaries and operations across the globe. With the Oracle Banking Corporate Lending, banks can offer flexible loan solution to suit the needs of the customers. The solution offers various features such as revolving and non-revolving commitments, multi-currency and multi-loan products support, flexible interest rates and fees, automatic or manual payment and settlement options through multiple accounts, flexible rollover options and multiple disbursement choices. Additionally, it enables banks to track and manage non-performing loans.

COVERAGE FOR WIDE VARIETY OF LOAN TYPES

Oracle Banking Corporate Lending suite enables large value corporate loans and syndicated loans. It enables banks to play multitude of roles in syndication. Trading platform enables trading of syndicated loans and keeps track of position and balances of different portfolios of bank.

Bilateral Loans: It empowers financial institutions of varied sizes to offer and manage complex commercial loan products catering to large corporate and SMEs. Product manufacturing enables the bank to create innovative



Key Features

- Complete loan servicing for variety of lending types – large value corporate loans, syndicated loans, secondary loan trading
- Comprehensive coverage across the lending lifecycle – flexible product configurations, interest and compounding schedule definition, amendments and restricting, payments and settlements, penalty handling
- Business process automation and high level of straight-through processing
- Prebuilt integration adapters for Oracle Application Suite
- 24/7 operations

Key Benefits

- Cater to large corporate and SMEs
- Play multitude of roles in syndication
- Tack of position & balances of different portfolios
- Eliminate routine administrative tasks and improve staff-productivity
- Offer complete transparency and real-time status updates for customers and participating banks
- Rule based accounting

products, cuts down time to market and respond to competition efficiently and effectively. The rule driven delinquency handling provides better control over stressed loan assets enabling timely action.

Syndicated Loans: It empowers large multinational banks and Financial Institutions to structure complex syndicated loans under three tier architecture. Robust multi-currency, multi borrower, multi region participation support makes it easier for arrangers to structure ultra-flexible deals seamlessly. High volume processing is supported to cater to deals with thousands of participants. The service-oriented architecture of the solution enables banks to integrate with customers, partner banks and agencies and offer syndicated loans to customers and mitigate the risk of financing large loans all by themselves. 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, non-cascade participation, risk participation, participant limits and sub-participation. The solution supports collection of adhoc fees from borrower and collection of adhoc expenses from participants.

Secondary Loans Trading: It enables the tracking of the trading of syndicated loans in the secondary market. It allows the booking and settlement of trades under Lead and Participated facilities. It supports Par and distressed loan trading, alternate risk-free rates. It also supports the Assignment and Participation (Silent) type of trades and includes features such as position tracking, trade settlements, trade and market accounting and setting up fees such as brokerage, break funding and amendment. The solution comes with a single step process for trading wherein Origination Desk can do trading (Buy/Sell) directly with an external counterparty

EMPOWER YOUR STAFF TO IMPROVE SERVICE

Oracle provides a spectrum of services that can help banks maximize the productivity of their bank staff. Centralization and seamless flow of data across multiple systems enables underwriters to effectively calculate the bank's exposure and undertake pipeline analysis, ratio and financial analysis, qualitative analysis and structure the right offer.

Oracle Banking Corporate Lending centralizes customer centric capabilities and ensures seamless flow of data across different stakeholders including, customers, relationship managers, underwriters, and risk, legal, mid-office, back-office and partner banks. Leveraging the solution's automated workflow and straight-through processing capabilities banks can eliminate routine administrative tasks such as filling multiple forms, frequently monitoring customer compliance and repeatedly requesting customer documents. Bank staff can focus on important tasks and enhance their productivity.

SEAMLESS TRANSITION FROM LIBOR TO RISK-FREE RATES

Oracle solutions come packaged with a robust set of built-in rate pick up methods and approaches to compounding to ensure your bank is future-ready for multiple risk-free rates, including SOFR. With a flexible interest calculation engine, corresponding to the method opted, look back days/payment delay days/lockout days can be captured. The rate

computation method supports simple and compounding for base rate, spread/margin and spread adjustment, separately.

EASY INTEGRATION WITH OTHER SYSTEMS

Oracle Banking Corporate Lending's service-oriented architecture enables easy integration with both internal and external systems to ensure seamless flow of data across systems. This enables banks to provide a complete end-to-end corporate lending solution.

Oracle provides pre-built integration with Oracle Banking Digital Experience to enhance the borrower experience. The solution enables easy integration with vendors and credit bureaus to perform important sub-processes such as customer identification, KYC, credit ratings, and collateral valuation, removing friction from the process and supporting strong regulatory compliance.

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