

BMO Financial Group Leads Way in Deploying Basel II Compliance Solution, While Improving Risk Management Capabilities

The Challenge

Founded in 1817 as Bank of Montreal, the BMO Financial Group is a highly diversified financial services provider, offering North American clients a broad range of personal, commercial, corporate and institutional services. With the credit risk requirements of Basel II coming into force at the end of 2006, the company's risk management group began to examine BMO's strategy for successfully implementing a credit risk strategy to meet the short-term compliance needs of the bank without compromising its long-term risk and technology needs.

As Basel II moved onto BMO's radar screen, it became clear that having access to detailed information and insights would give the bank a clear advantage in meeting the new risk-rating requirements. The bank knew it had the data, but needed a solution to:

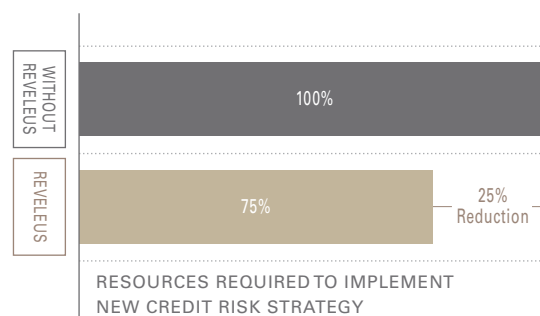
- Easily handle ongoing Basel II updates
- Better manage the bank's risk profile

The Solution

BMO Financial Group decided to go with Oracle's Reveleus after a six-month selection process that assessed a number of vendors. BMO selected Reveleus because the application

- Provided a near "out-of-the-box" solution
- Allowed the bank to manage the project itself
- Had the ability to deliver regulatory requirements across different jurisdictions
- Gave the bank clear control and audit capabilities

BMO was able to roll out Reveleus across its Basel II and Risk Management team while meeting all of its initial objectives. Additionally, implementing Reveleus resulted in a 25% reduction in resource requirements to meet the new Basel II requirements. Today, BMO Financial Group plans to use the flexible solution not only to address Basel II credit risk requirements, but to improve operational risk by providing a central desktop calculator that accurately calculates the regulatory capital. The new capability allows the bank to better understand risk profiles and quickly adapt to match new business strategies.



HEADQUARTERS:	Toronto, Canada
FOUNDED:	1817
INDUSTRY:	Financial Services
REVENUE:	US\$7848 million
EMPLOYEES:	35,827

HIGHLIGHTS:

Goal

Enable BMO Financial Group to rapidly comply with Basel II requirements and serve as a platform to better manage its risk profile.

Solutions

- Oracle Reveleus

Results

- Out of the box (10% customization)
- 25% fewer resources required due to Reveleus solution

“We could not have picked a better partner than Oracle's Reveleus. Not only was Reveleus the right solution for us, but the team was superb.”

BILL KASALI
MANAGING DIRECTOR, RISK ANALYTICS,
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