

ORACLE FLEXCUBE MESSAGING HUB: SINGLE EURO PAYMENTS AREA



RAPIDLY DEPLOY SEPA-COMPLIANT SOLUTIONS ON THE UNIFIED, AWARD-WINNING ORACLE FLEXCUBE PLATFORM.

KEY FEATURES

- STEP2 connection using SWIFTNet protocol
- ISO 20022-compliant message generation and validation
- Support for all STEP2 SCT and SDD file formats
- Bulking and splitting of STEP2 messages
- Configurable validation rules
- Exit points for account validation
- Single message and bulk file message interface support
- Flexible back-office integration
- Detailed transaction-level reporting
- Warehousing

KEY BENEFITS

- Supports all current SEPA services and provides a platform to quickly adopt future SEPA requirements
- Reduces costs associated with erroneous messages through comprehensive error discovery
- Provides significant technology savings through integration with current applications and buffering of back-office applications from SEPA modifications
- Enables banks to deploy both SCT and SDD along with other SWIFTNet Solutions over a single platform

The Single Euro Payments Area (SEPA) has created a single domestic payments market in Europe where individuals and businesses can make cross-border payments as securely, inexpensively, and efficiently as payments within their national borders. The European Payments Council and other organizations have now defined new instruments, created new infrastructure, and adopted new standards. Oracle FLEXCUBE Messaging Hub delivers comprehensive solutions designed to address these changes, helping European banks cost-effectively achieve SEPA compliance.

Oracle FLEXCUBE Messaging Hub Simplifies SEPA Migration

The challenge to achieving SEPA compliance lies in understanding the complexities associated with changing products and standards, and translating those changes into your current applications infrastructure without incurring excessive costs. i-flex from Oracle has already solved this problem for you. Its knowledge of financial services software and industry infrastructure, combined with its intimate understanding of the SEPA requirements, has been built into Oracle FLEXCUBE Messaging Hub. The result is a low-cost, end-to-end solution that enables you to achieve SEPA compliance while protecting your existing technology investments.

Comprehensive Standard and Infrastructure Support

Oracle FLEXCUBE Messaging Hub supports both credit and debit services of the Euro Banking Association (EBA) STEP2 infrastructure. Connectivity with the central scheme is established using the SWIFTNet FileAct protocol, and all messages are validated, translated, mapped, and transformed in accordance with the ISO 20022 standard. The solution offers multiple options with back-office applications that enable you to keep rather than replace your existing systems. The application is also architected for growth, allowing you to implement new standards on a single platform. The following SEPA services are currently supported:

- SEPA Credit Transfer (SCT)
- SEPA Direct Debit (SDD)

Euro Banking Association STEP2 Compliance

EBA STEP2 is the first pan-European automated clearing house (PE-ACH) designed to clear high-volume, low-value transactions and bulk payments. In January 2008, it became mandatory for banks and financial institutions to offer SEPA payment instruments, including SCTs, for all Euro credit transfers.

Oracle FLEXCUBE Messaging Hub has specialized modules for SCT and SDD, which help banks participate in STEP2 services without needing to make significant modifications to their payments system. Existing applications are shielded from the complexities of the STEP2 central system interface and the transport network by file and single message interfaces. Payments systems can use either interface to exchange the data with STEP2 through the secure FileAct protocol.

SEPA Credit Transfer Module

Oracle FLEXCUBE Messaging Hub can accept MT103+ messages that are transformed into the ISO 20022 format and can receive XML messages directly. It validates, bulks the files, and then sends them compliant with European Payment Council rulebooks and Clearing and Settlement Mechanism (CSM)-specific guidelines to STEP2 as instance configuration files (ICFs). For inbound files, the SCT module validates, splits the file, and routes individual messages (either in financial messaging (FIN) or XML format) to the back-end business applications.

The solution can also be deployed as a central hub, allowing direct participants to exchange files for multiple indirect participants.

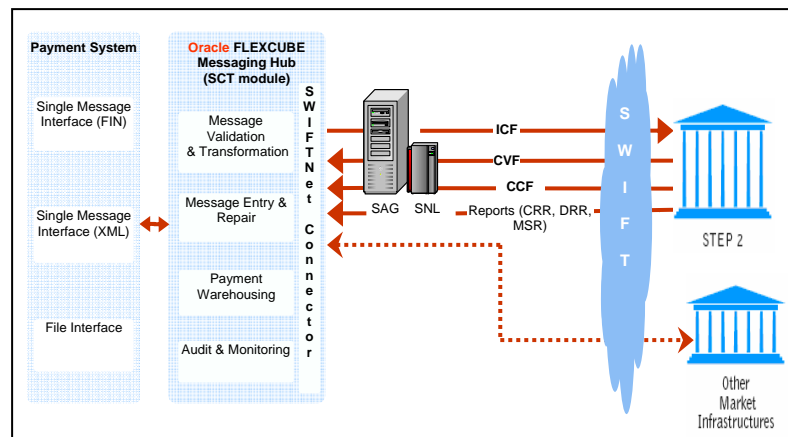


Figure 1. Oracle FLEXCUBE Messaging Hub (SCT module) architecture

Key SEPA Credit Transfer Functionality

Oracle FLEXCUBE Messaging Hub has extensive capabilities to enable SCT compliance.

- Support for all STEP2 file formats for SCT
- Message transformation, bulking, and splitting
- FIN and ISO 20022 message support
- Reconciliation of inbound and outbound messages
- Message warehousing
- “R” message handling
- Extendable to other SEPA-compliant clearing and settlement mechanisms

- Detailed transaction-level reporting
- View and download of reconciliation reports

SEPA Direct Debit Module

Oracle FLEXCUBE Messaging Hub accepts debit instructions from payment applications; validates data for mandates, value dates, and syntax; bulks according to European Payment Council rulebooks and CSM guidelines, and sends outbound files to STEP2 over the FileAct protocol. The solution can process outbound messages for both creditor and debtor banks. It processes all inbound files from the central system, splits them into individual transactions, applies transaction-level validations, warehouses them, and then sends them to back-end applications. It can also be deployed as a central hub, allowing direct participants to exchange files for multiple indirect participants.

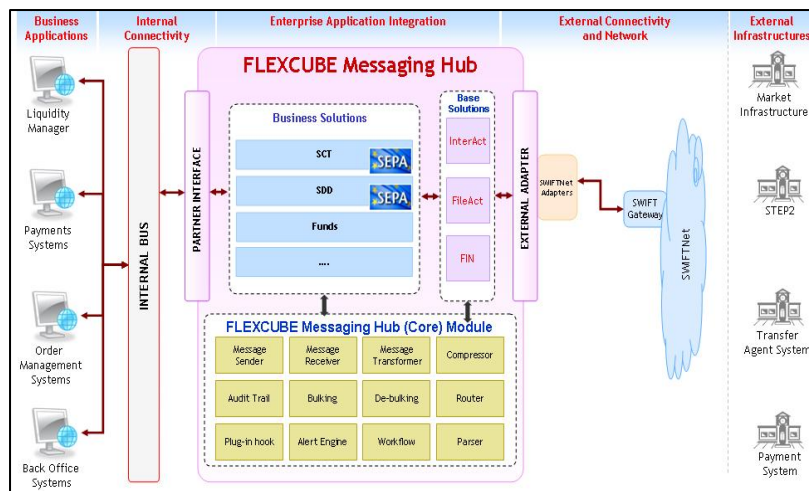


Figure 2. Oracle FLEXCUBE Messaging Hub (SDD module) architecture

Key SEPA Direct Debit functionality:

- Message validation
- Duplicate checking
- Support for all STEP2 file formats for SDD
- Message bulking and splitting
- Reconciliation of inbound and outbound messages
- Message warehousing
- “R” message handling
- Support for multiple direct and indirect participants through a single instance
- Manual authorization
- Support for business-to-business (B2B) transactions
- Transaction-level reporting
- View and download of reconciliation reports

RELATED PRODUCTS AND SERVICES

Oracle FLEXCUBE is a comprehensive software suite that addresses all your banking needs through a single platform. Designed and built specifically for the banking industry, Oracle FLEXCUBE is unsurpassed in flexibility, scalability, and functionality. To date, 330 financial institutions in more than 115 countries have chosen to standardize their operations on Oracle FLEXCUBE.

ADDITIONAL ORACLE FLEXCUBE MESSAGING HUB MODULES:

- FileAct
- InterAct
- FIN
- Funds

ADDITIONAL ORACLE FLEXCUBE SOLUTIONS:

- Oracle FLEXCUBE Universal Banking Solution
- Oracle FLEXCUBE Core Banking Solution
- Oracle FLEXCUBE Lending and Leasing
- Oracle FLEXCUBE Private Banking
- Oracle FLEXCUBE Islamic Banking
- Oracle FLEXCUBE Investor Servicing

- Account blocking
- Real-time account position for each settlement cycle
- Mandate management
 - Electronic and manual mandate creation and amendments
 - Mandate rules
 - Mandate expiry
 - Data extraction from collections

Contact Us

For more information about Oracle FLEXCUBE Messaging Hub, please visit www.oracle/financialservices or email us at marketing@iflexsolutions.com.

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