

INFORMATION EXTENDED

Transform Your Banking Business

Oracle FLEXCUBE Universal Banking



ORACLE IS THE INFORMATION COMPANY

Transform Your Business with the Most Comprehensive Banking Solution

Today, banks are compelled to rethink their business models so they can adapt to the rapidly changing market dynamics. With Oracle FLEXCUBE Universal Banking, you can maintain your competitive edge while offering customers a richer banking experience.

Banks across the globe face common challenges—escalating global competition, increasing customer attrition, constant regulatory pressures, and spiraling costs. Banks are quickly being forced to rethink strategies and develop business models that will help them operate competitively while offering customers a richer banking experience with every transaction.

How is your bank perfecting its strategy and enhancing its offering to become more powerful, better integrated, and universally appealing? To help you achieve your business objectives, Oracle brings you Oracle FLEXCUBE Universal Banking. Oracle FLEXCUBE Universal Banking is a single, comprehensive solution that covers all your retail, corporate, and investment banking needs across multiple delivery channels and regions. It easily integrates with business intelligence and external systems, keeping track of regulatory compliance at all times. Oracle FLEXCUBE Universal Banking provides robust functionality and superior, next-generation technology—helping you attain greater agility and gain an unassailable lead over your competition.



Adopt a Modular, Process-Centric Approach

Oracle FLEXCUBE Universal Banking Business Benefits

- Quicker launch of new products
- Lowered future cost of rollout and upgrades
- Rapid rollout for additional users or branches
- Support for growth in users and transactions
- Reduced total cost of ownership and risks
- Cost-effective, easy, and seamless deployment
- Reduced training time and ease of system use
- Enhanced customer service capability and personalized service
- Flexibility to choose business modules
- Highest levels of availability for large transaction volumes
- Compliance with regulatory requirements

Service-oriented architecture (SOA) has been earmarked as the next-generation architecture for banking. With an SOA-based solution like Oracle FLEXCUBE Universal Banking, your bank can address new business requirements, streamline processes, integrate easily with disparate systems, and incorporate new services or upgrade existing ones in a modular manner. Oracle FLEXCUBE Universal Banking offers many modules from which you can select those most suited to your business paradigm.

Your business processes need to be flexible, well-integrated, and aligned with your business objectives. Oracle FLEXCUBE Universal Banking, working in concert with Oracle Industry Reference Model for Banking, can kick-start your business process management initiative. Oracle Industry Reference Model for Banking is a comprehensive repository of well-proven industry-specific processes that can meld diverse applications without manual intervention. Organized by process areas and defined in a manner understandable by the business, Oracle Industry Reference Model for Banking can help you achieve process transformation and a phased migration to an SOA environment.

Achieve Continuous Business Transformation

Oracle FLEXCUBE Universal Banking offers a range of independent business modules in an integrated framework, giving you the flexibility to choose between different modules and plot the rollout sequence during implementation.

Launch New Products Faster

Oracle FLEXCUBE Universal Banking is a highly parameterized solution with a comprehensive business rules engine that helps you launch new products to stay ahead of the competition.

Futureproof Your Information Technology Investments

Oracle FLEXCUBE Universal Banking's browser-based delivery of the presentation layer at branches permits the rapid rollout of products and services for additional users or branches. Its open architecture is built to adopt and exploit open industry standard technologies, allowing you to support various channels and integrate with third-party solutions.

“We are able to renovate the system at one-tenth of the cost and one-third of the development time of those at other banks. As a result of introducing this system, monthly calculation of earnings by products/customers is possible.”

Masamoto Yashiro, Chairman and President, Shinsei Bank, Japan



Oracle FLEXCUBE Universal Banking supports consistent growth in the number of users and transactions, helping you protect your IT investments and ensure lower costs of rollout and future upgrades. With Oracle FLEXCUBE Universal Banking, you can reduce the total cost of ownership and provide a stable, futureproof foundation for critical business applications.

Offer a Single Customer View

Disparate customer information spread across multiple locales can prevent your bank from gaining a true perspective on customer behavior, their specific needs, and associated risks. It also makes it hard for you to cross-sell products to customers. With the single customer view Oracle FLEXCUBE Universal Banking offers, your bank can access all information related to each customer at all times from a single touchpoint.

Enhance Customer Relationships

As financial institutions constantly expand their service footprint across the globe, they need a solution that can be smoothly deployed across multiple locations, support multiple languages, and manage multicurrency transactions. Oracle FLEXCUBE Universal Banking facilitates transaction processing and reporting in different currencies, which greatly enhances customer service through personalized service and ease of system use at all levels.

Ensure Compliance

Oracle FLEXCUBE Universal Banking allows you to validate your compliance with regulatory requirements such as Basel II, Anti-Money Laundering (AML), and Single Euro Payments Area, thereby streamlining regulatory data reporting between your financial institution and central banks. The solution makes it easier for your bank to meet its compliance and AML requirements by helping align system operations with business processes for stronger business controls—an area of operations that no bank can ignore in today’s world. Oracle FLEXCUBE Universal Banking provides basic built-in AML and blacklisting capabilities through Oracle’s specialized AML solution, Oracle Mantas. Oracle FLEXCUBE Universal Banking can also be integrated with worldwide blacklists such as the U.S. Office of Foreign Assets Control and Global Interdict.

Oracle Industry Reference Model for Banking Helps Transform Your Business

Oracle Industry Reference Model for Banking provides a disciplined, step-by-step approach that lowers your risk and helps you

- Identify individual process, subprocess, and business areas to move from application-centric to process-centric
- Monitor and measure process performance and review process deficiencies, market requirements, and improvements in the existing processes
- View transactions from origination to termination
- Launch new customer products quickly and respond effectively to fast-changing market conditions
- Define and standardize internal and customer-facing processes and ensure compliance of these processes by users
- Become agile, efficient, and transparent



Customer Success: Citibank

Citibank, one of the largest banks in the world, was managing its banking operations through a multicountry system. This system—with 59 versions in 94 countries—made it difficult for the bank to carry out systemwide modifications. i-flex FLEXCUBE (now Oracle FLEXCUBE Universal Banking) was initially deployed to replace the legacy back-office application. Subsequently, many branches running the legacy system migrated to Oracle FLEXCUBE Universal Banking. The bank decided to deploy Oracle FLEXCUBE Universal Banking as the centralized processing platform for each region.

With Oracle FLEXCUBE Universal Banking, Citibank now has a powerful multicurrency and multilanguage solution that can communicate with a multitude of other systems. The first pilot was rolled out in only five months, and as many as 33 countries went live on Oracle FLEXCUBE Universal Banking over a period of 36 months.

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In addition, Oracle FLEXCUBE Universal Banking provides powerful interface capabilities that can be used to build customized interfaces for specific central bank reporting needs. Through its Oracle Reveleus Basel II solutions, Oracle delivers unprecedented customer value by allowing financial institutions to accelerate their Basel II compliance initiatives. Using the Oracle Reveleus Basel II solutions, you can rapidly deploy calculations for capital adequacy, reducing the cost and complexity associated with Basel II compliance.

Optimize Your Business Processes

Drawing extensively from Oracle's experience in helping banks cut costs, mitigate risk, respond rapidly to market needs, and enhance customer service levels, Oracle has developed a process repository for banks. The processes for Oracle Industry Reference Model for Banking are organized by various lines of business, such as trade finance, retail lending, treasury, cash management, and investment banking, as well as functional areas such as customer service, risk and control, and execution and marketing. Oracle Industry Reference Model for Banking includes proven and tested models validated through the global implementation of the Oracle FLEXCUBE Universal Banking product suite in banks. With Oracle Industry Reference Model for Banking, you can transform your processes to leverage best practices and better service customers.

In developing the model, Oracle has leveraged the industry's latest technologies, such as Business Process Execution Language, SOA, and Oracle Fusion Middleware, through strategic partnerships with proven industry leaders like IBM. Oracle Industry Reference Model for Banking allows you to jump-start the company's business process management initiative using a battery of well-proven processes that combine diverse applications and necessary manual interventions. Additionally, it monitors risk indicators and serves as a vital link in the implementation of a risk control self-assessment framework.



Fact: Oracle FLEXCUBE Universal Banking offers an array of functional modules for you to choose from in each of these areas: corporate banking, retail, transfer agency and fund accounting, treasury and investments, and support services.

Meet All Your Banking Needs

Corporate Banking

For your corporate banking needs, Oracle FLEXCUBE Universal Banking offers the following functionality:

- **Current and savings accounts and overdrafts:** Handles accounts creation, processing, and flexible overdraft limits.
- **Cash pooling and cash concentration:** Meets your end-to-end cash management needs and improves funds collection, payment dispatch, and funds use.
- **Corporate deposits:** Processes various deposits, including plain, fixed, demand, and certificate of deposit or cluster deposits.
- **Loan syndication:** Replaces large syndicated loans and addresses the processing requirements of agent and participant functions in a syndicated loan contract.
- **Commercial lending:** Manages the entire loan contract lifecycle and supports many types of corporate lending, including term loans, working capital facilities, import and export pre-shipment and post-shipment financing, overdraft facilities, and financial guarantees.
- **Trade finance:** Automates and audits the entire lifecycle of trade finance and payments processes in real time in accordance with Universal Computer Protocol and Society for Worldwide Interbank Financial Telecommunication (SWIFT) standards.

Retail Banking

For your retail banking needs, Oracle FLEXCUBE Universal Banking provides the following functionality:

- **Accounts creation and processing.** Creates and processes current and savings accounts.
- **Term deposits:** Manages the full range of retail term deposits.
- **Teller services:** Handles transactions for account-holding and walk-in customers, covering batch data entry-related transactions, supporting local and host inquiries and report generation, and enabling offline banking when the network is unavailable.
- **Consumer lending:** Supports all life-of-loan stages.

Customer Success: Citibank (continued)

With this migration, Citibank will save an estimated US\$110 million annually in reduced maintenance costs and rapid development times. Citibank has reduced operational costs and standardized its technology platforms, operations, and financial reporting across all its regions.

Today, Citibank serves global customers performing standard operational and transaction processing with an open and flexible system. With Oracle, the bank also offers new products, meets its diverse requirements across geographies, and keeps pace with customer needs and a rapidly changing market. Capacity issues that prevented Citibank from looking at acquisitions are now history.

Oracle FLEXCUBE Universal Banking has empowered Citibank to take a giant leap ahead of its competition and reach out to customers as never before. Citibank is now ready for the future.

Fact: Oracle FLEXCUBE Universal Banking services more than 350 financial institutions across the globe, including three of the top five banks in the world.



Customer Success: Natixis

Ranked among the largest banks in Europe, Natixis was experiencing problems with its information systems and processes. It wanted to deploy a solution with technical and functional homogeneity across all European branches without compromising local requirements, and to reorganize and streamline international operations and build strong information systems and processes.

The bank initially planned to deploy Oracle FLEXCUBE Universal Banking for its branches in Spain and Germany but subsequently extended the deployment to Panama and Dubai.

Natixis is now exploring the option of establishing Oracle FLEXCUBE Universal Banking hubs in Asia and Latin America to roll out the solution on those continents.

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Transfer Agency and Fund Accounting

For your transfer agency and fund accounting needs, Oracle FLEXCUBE Universal Banking offers a comprehensive investor servicing solution that automates the entire transaction processing, registry, and transfer agency functions within a mutual fund company.

For all payments, including foreign payments, local payments and collections, and direct debits, Oracle FLEXCUBE Universal Banking features a cross-border funds transfer capability that manages payments related to retail, corporate, interbranch transfers, and trade finance or bank-to-bank transfers. It automatically processes the necessary activities during a contract's lifecycle and supports postdated funds transfers. In addition, Oracle FLEXCUBE Universal Banking offers a local payments and collections capability, enabling your bank to process local currency funds transfer transactions initiated by the customer through an electronic banking system.

Treasury and Investments

With Acumen, a product partner, Oracle FLEXCUBE Universal Banking offers a complete, integrated treasury and investment solution that covers the following areas:

- **Money market:** Supports borrowings and placements, including overnight deposits and placements, fixed maturity deposits, and call or notice deposits.
- **Over-the-counter (OTC) derivatives:** Supports forward rate agreements and OTC options.
- **Exchange-traded derivatives:** Offers a module for futures and options, including currency futures, interest rate futures, commodity futures, equity and index futures, interest rate options, currency options, commodity options, and equity and index options.
- **Securities:** Supports trading and settlement on your bank's books or on behalf of customers in equities, fixed income securities, floating rate notes, and a range of zero coupon instruments, including commercial papers and treasury bills.



Core Services for Transactions Processing

- **Flexible general ledger:** Offers a user-defined, multicurrency system supporting unlimited logical levels for account consolidation.
- **Comprehensive customer information system:** Gives immediate, real-time, and complete views of customers at all times.
- **Multidimensional MIS:** Generates analytical reports for managing statistical information and reports based on customer and transaction classification, budgeting, and variance tracking for business units.
- **Limit and collateral management:** Offers a high degree of control and flexibility in addressing your bank's need for effective tracking and management of counterparty risk.
- **Robust security and access control system:** Allows only authorized users to access the system with a unique user identification and password.
- **Reporting universe:** Generates standard and ad hoc reports as part of the MIS and supports data transfer to Business Objects (a query, reporting, and data analysis tool).

Support Services

- **Expense processing:** Manages vendors by automating processes, including managing contract inputs and vendor credit limits, tracking expenses, and capturing vendor details.
- **Electronic messaging:** Provides message transfer via SWIFT and telex.
- **Fixed assets management:** Reduces the cost of maintaining its fixed assets, in addition to supporting the processing of all events in the life of fixed assets
- **Nostro reconciliation system:** Reconciles balances and transactions in Nostro accounts.
- **Cost allocations:** Allocates expenses and income across products, branches, and MIS entities.

Customer Success: Natixis (continued)

Natixis has benefited greatly from the Oracle FLEXCUBE Universal Banking deployment. All branches are now International Accounting Standard 39 compliant, and the bank can generate and manage data for Basel II compliance and risk tracking. Software usage is parameterized and can be rapidly modified to meet dynamic requirements when they arise.

Highly scalable, Oracle FLEXCUBE Universal Banking can handle increasing business with ease. With Oracle FLEXCUBE Universal Banking, Natixis has automated its manual regulatory reporting, streamlining the process with standard reporting rules for all branches.

Because of the extensive use of a management information system (MIS), Natixis now has greater control over its operations. The bank can look forward to accelerated growth with its enhanced ability to roll out new businesses in branches.



Oracle FLEXCUBE Universal Banking: A Perfect 10

- Open architecture
- Offline capability
- 24/7 processing
- Flexible channels
- Channel independence
- Split-day processing
- Batch processing
- Industry standard message formats support
- Easy interface with external systems
- Single-sign-on support

Support Multiple Delivery Channels

With Oracle FLEXCUBE Universal Banking, you can offer products and services to your bank's individual and corporate customers through various delivery channels, including Branch/Teller and Oracle FLEXCUBE Direct Banking as well as interfaces to external systems for typical channels such as by ATM, point of sale, interactive voice response or call center, mobile banking, and personal digital assistant. You can also use Oracle FLEXCUBE Universal Banking institutional delivery components for data interchange with standard systems and networks of institutions participating in the flow of financial transactions. Automated clearinghouses, SWIFT, central bank reporting, and rate feeds are the interfaces available in Oracle FLEXCUBE Universal Banking.

Enable Optimum Scalability and Performance

Managing high-transaction volumes, large numbers of users, fast response times, and increasing throughput are key objectives of any banking system. Oracle FLEXCUBE Universal Banking runs on a three-tier customer server architecture that enables scalability and optimum performance, providing flexibility for 24/7 interbranch transactions. Independently scalable and designed to use the underlying multithreading design and multiprocessor hardware capability, each tier performs a well-defined function, enabling a clear separation of processing. Oracle FLEXCUBE Universal Banking can be implemented on UNIX and Intel platforms, or a combination of both.

Built on an open platform, Oracle FLEXCUBE Universal Banking can easily integrate with upstream and downstream systems through standard XML-based interfaces through queues or APIs, leveraging the communication and integration of diverse applications— independent of their operating systems, technologies, and programming models. Oracle FLEXCUBE Universal Banking also offers a wide array of deployment options, ranging from centralized to independent, for individual branches.

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