

Oracle Financial Services Lending and Leasing for Asset Finance Providers



Oracle Financial Services Lending and Leasing is a modern, strategic, and integrated Asset Finance platform for lenders who offer lending and leasing equipment finance services.

As a purpose-built lending and leasing solution covering origination and servicing through collections, it fully supports all loan and leasing product lines. With advanced workflow capabilities and easy integration by design, it can work seamlessly with a financial institution's other core platforms and supporting applications. It enables a move towards more service-based financing models with a dynamic automation engine, IOT services integration, and pay-for-use pricing models. With flexibility by design, organizations can launch new products and amend existing products rapidly, as well as make timely changes to workflows and business rules. This all works together to build and maintain the best customer experience.

Grow Sales and Business

Many equipment financiers are burdened by a rigid and incomplete legacy IT infrastructure. Constraints in adapting quickly to an ever-changing marketplace limit opportunities to explore new areas of competitive advantage and boost revenue growth—and modern lenders must be able to create and support new financial products and provide attractive and flexible finance options.

Oracle Financial Services Lending and Leasing has a state of the art, n-tier, service-oriented architecture with a browser-based user interface, a middle tier of business components, and a back-end relational database. The solution uses RESTful web services that lead to faster processing and better operational efficiency. In addition to the robust technology platform, Oracle has extensive experience in the financial services industry that allows it to deliver predefined industry-leading processes and practices.

The application is modular and quick and easy to deploy. To meet a diverse and ever-growing range of business requirements, each module offers high levels of functional richness and an open architecture. There are configurable native workflow and automation tools within the application that offer flexibility and coverage for advanced automation requirements. And with over

Products and Pricing for Increased Penetration

- Operating, finance, and sales-type leases
- Fixed and variable-rate loans
- Revolving credit facilities
- Usage, rental, and subscription-based pricing
- Subsidized pricing programs
- Wholesale floorplan products for dealers and distribution networks

600 REST API services and other integration tools by design, each module slots easily into the complex eco-system of the modern financial institution.

Leverage Product, Pricing and Promotion Flexibility

Asset finance lenders often look to boost revenue growth and enhance marketability by providing bundled solutions of equipment, services, and consumables. Oracle Financial Services Lending and Leasing can offer a master account structure that enables asset finance lenders to link and monitor all these elements under a single bill and payment. Bundling equipment and service charges simplifies solutions for customers and improves internal controls for the lender.

Asset finance lenders increasingly need to offer new and innovative products, as well as adapt existing financial products to meet changing demands. Oracle Financial Services Lending and Leasing delivers core flexibility over interest rates (multiple fixed/variable options) and facilitates both traditional rentals and usage-based pricing and subscriptions. It also provides flexibility to launch new products rapidly, as well as the ability to change workflows and business rules quickly—allowing organizations to enhance and maintain the customer experience and remain a leader in the marketplace.

In addition, price incentives and promotions are vital tools in equipment sales to drive sales for lenders and manufacturers. Oracle Financial Services Lending and Leasing provides the ability to configure, manage, and control subsidies, or include fixed or usage-based fees in contracts. Lenders also have the ability to offer quick-fire promotions for new business in response to short-term market dynamics as well as to facilitate longer term marketing strategies.

Expand into Markets and Geographies

To operate globally, asset finance lenders need to manage contracts and transactions according to the standards required by each jurisdiction. Oracle Financial Services Lending and Leasing, as a multi-company, multi-language, and multi-currency solution, addresses this requirement head on. It maintains contracts in different currencies in a single portfolio by defining transactional currencies and exchange rates. Its sub ledger also integrates with the global enterprise general ledger system to support diverse and complex accounting regulations with robust and flexible accounting options.

Control and Monitor Financed Assets

Once equipment is delivered to a customer, lenders need to track the equipment through its life. Integration routes between Oracle ERP (or third party ERP platforms) and Oracle Financial Services Lending and Leasing enable all business units of the lender or manufacturer to view asset information, how long they have been in service, and the physical locations. Once a leased asset is terminated, remarketing teams can continue to track assets and sell, re-lease, or scrap the assets once they are returned.

Data for Informed Decisions

- Customer, vendor, and dealer granularity
- Detailed asset records and asset management with tracking functionality
- Tools to manage Investment pools and portfolios
- Full accounting sub-ledger for asset finance operations
- Data-driven customer interactions

Expand into New Markets

- Use multiple currencies and exchange rates in a single portfolio
- Comply with complex accounting regulations with flexible accounting definitions
- Calculate, collect, and remit transaction taxes

Bundle Products and Services

- Simplify solutions by bundling products, services, and consumables
- Manage separate elements often charged by different business units
- Bill and collect at customer, master contract, or individual contract level

Manage Investor Portfolios

Strong relationships with investors are critical to ensuring funding for continued growth. By managing securitization pools, Oracle Financial Services Lending and Leasing gives asset finance lenders powerful tools to manage investor portfolios, including the ability to create multiple pools of receivables for sale using a wide variety of attributes.

Drive Operational Efficiency to Improve Margins

In the dynamic equipment financing market, the ability to provide quick, easy, and hassle-free financing arrangements often makes the difference in a sale. Oracle Financial Services Lending and Leasing Origination allows asset finance lenders to accept, process, and decision credit requests in a paperless, single data entry process. Credit guidelines can be configured to ensure compliance and automate routine credit decisions or make recommendations on more complex requests requiring manual sanction. It provides a flexible workflow management system that users configure to guide and control their underwriting process steps. By managing the origination process, asset finance lenders can adapt workflows, add pricing strategies, define user responsibilities to control access, and add administrative overrides.

Oracle Financial Services Lending and Leasing also offers opportunities to leverage Oracle's transformative technologies, such as artificial intelligence (AI), machine learning (ML), and Internet of Things (IoT) to enhance operating efficiencies and create unprecedented experiences with customers and partners. For example, users can leverage AI and ML to make quicker, more precise credit decisions, as well as manage residuals and collection strategies.

Specialized Collection Tools

With growing pressure on margins on traditional asset lending products, the importance of streamlined, effective collections is paramount. Oracle Financial Services Lending and Leasing has a comprehensive collections module that leverages a unified information architecture along with a robust collection dashboard to provide lenders with world-class capabilities to identify and pursue potential collection problems. Collectors have access to all the information needed to work with customers to ensure payments are collected on-time and functionality to take timely, curative action when needed.

Experience a Complete Solution

The integration pathways between Oracle ERP Cloud (or third-party ERP platforms) and Oracle Financial Services Lending and Leasing offer the complete, best-in-market, digital-class solution. Configure lease, loan, and revolving credit products all in the same system to grow revenue and control operating costs. Built on a unified information architecture, providing a single definition of customers, vendors, suppliers, employees, and financial products—the solution allows lenders to manage customer and investor relationships and control credit, operational, and statutory risk. The cloud-

- Save customers time and cost by consolidating charges on one invoice
- Account automatically for bundled products and services transactions to the appropriate accounts
- Simplify accounting and general ledger classifications automatically for each contract

Forge Strong Relationships

- Provide a better customer experience through shared service centers and self-service access
- Manage end-of-term options with upgrades, swaps, exchanges, and extensive asset information
- Manage agreements with investors to fund growth
- Settlement Platform and automation ensures suppliers and partners get paid quickly
- Open, digital-class architecture enables lenders to partner with suppliers to offer unique, powerful solution programs to their customers

based architecture provides practically unlimited opportunities to expand and integrate with other applications to create new and innovative solutions that help asset finance lenders stay ahead of their competition.

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