

SMALL AND MEDIUM ENTERPRISE LENDING

Integrated, End-to-End SME Lending



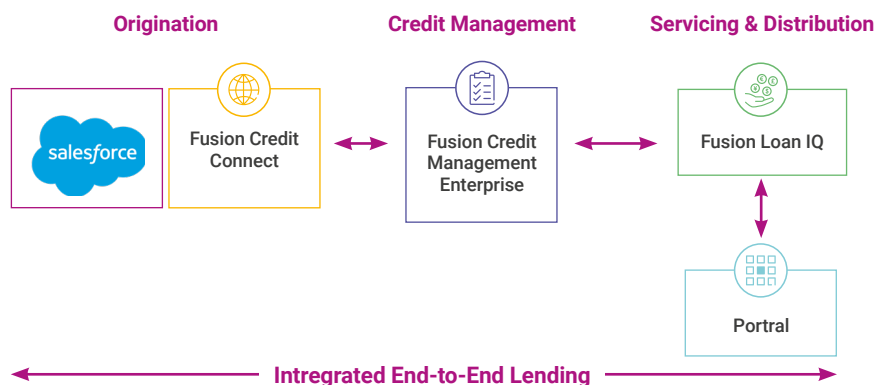
For SME lending, Finastra offers a complete end-to-end ecosystem from origination to servicing and distribution.”

Finastra’s lending solution for small and medium enterprises, Fusion Loan IQ, dramatically reduces the administrative burden in this high-volume category. From onboarding to servicing and distribution, the use of APIs, comprehensive rules and high configurability means SME lending is easier, and management by exception replaces time-consuming administration.

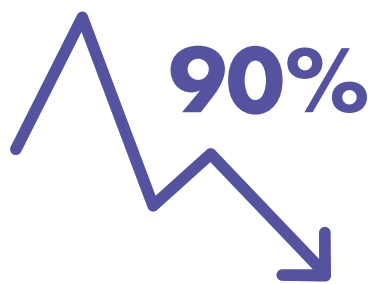
The market for small and medium enterprise (SME) lending involves high-volume, low-touch transactions across many different loan types. So for lenders, efficiency is essential to success. However, banks in this space often have multiple, fragmented lending systems. This creates complexity and increases total cost of ownership, because support costs are high – and it also makes it difficult to provide depth and breadth of servicing capabilities across the loan portfolio.

Fusion Loan IQ offers a single, consolidated view of lending that gives management a clear view across business units while reducing the regulatory reporting burden. At the same time, it offers the high levels of automation needed to deal efficiently with volumes involved in the SME sector. With API integration, your own solutions can be integrated and automated, creating a scalable solution to the challenge of SME lending.

Finastra’s SME lending proposition blends our solutions for origination, credit management, servicing and distribution



With Fusion Loan IQ SME Lending is Easier - Automated End-to-End and Managed by Exception



90% decrease in
back-office labor costs
with Fusion Loan IQ

Finastra SME Lending Capabilities

Automated Onboarding and Servicing

With API integration, loan booking and servicing becomes automated. Once product and process rules have been defined by your institution, deals and repayment schedules are created automatically, along with notifications, payments and invoices. Management by exception replaces time-consuming administration.

Finastra's lending solution allows for scalable operations and higher productivity while enabling institutions to build their lending books.

SME Servicing Features

The rich range of servicing features provides the functional breadth and depth needed to service the entire portfolio. And with payments and transactions fully automated, management is by exception, rather than involving time-consuming and repetitive admin tasks.

Payment Processing

APIs enable incoming payments use to trigger ledger transactions and can allow end-to-end automation of the payments process. Payment rules can be set according to business logic requirements. An override option is always available if needed.

Advanced Collateral Management

Finastra offers comprehensive capture and maintenance of assets and collateral for efficient risk management and decision-making. The solution offers a blend of standardized and configurable components, and allows for automated re-valuation through integration with a pricing source. The ease of adding and amending custom fields enables rapid response to new regulations.

Billing

Billing can be set up to match a bank's requirements: you control the level of detail and how payments are reflected on bills. Bills can be produced in standard or branded formats, and XML export enables integration into your own systems.

Escrow Accounting

The system includes everything needed to create different escrow items and contains a powerful analysis component for both reporting and determining whether deposits are sufficient to pay escrow items. Bulk disbursement processing is available for high-volume portfolios.

Credit Monitoring

Banks can define business rules to control non-accrual products: for customers that fall behind on payments, rules can be set based on clear parameters and with levels of automation set by the bank. The system includes powerful capabilities for monitoring credit status.

Small Business Administration

Finastra's solution supports 7A and 504 programs and API integration allows for the servicing of loans originated in other systems. The system generates fee scales and allows for centralized reporting, including generation of form 1502 reports.

Adjustable Rate Mortgages

With comprehensive capabilities to capture all loan information needed, banks can apply rules and automation to smooth and automate the servicing of adjustable rate mortgages.

Finastra's solution supports CFPB compliance and prepares banks to respond quickly to new regulations.

Finastra SME Lending Solution at a Glance

Capabilities

- APIs
- Automated Processing
- Payment Interfaces
- Robust Loan Accounting
- Automatic Non-Accrual
- Billing
- SBA Lending
- Adjustable Rate Mortgages
- Escrow Accounting
- Collateral Management
- Document Tracking
- Consolidated Servicing Platform

Functionality

- Open Platform
- Automated API or User input
- Automated Servicing Transactions
- Automated Payment Transactions
- Payment APIs
- Payment Interfaces
- Business Rule Definitions
- Business Rule Triggers
- Straight Through Processing
- Manage by Exception
- Common Standardized Workflows
- Configure Additional Fields
- Single Customer View
- Past Due Monitoring
- Default Management

Data

- Single Data Model
- Data Conversion Tool
- Datanet Centralized Reporting
- Software Development Kit
- Open Architecture
 - APIs
 - FusionFabric.cloud
- Integration
 - Origination
 - Credit Management
- Regulatory Data
- Portal
 - API Integration
 - Borrower Portal

Measurable Value

Finastra's lending solution Fusion Loan IQ is proven to reduce costs while increasing lending volumes, delivering up to:



Up to 90%

decrease in
back-office
labor costs



Up to 40%

decrease in
IT costs



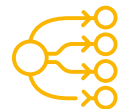
Up to 50%

increase in size
of lending book



Up to 8%

reduction in
capital allocation



Up to 50%

decrease in
integration and
reporting costs

About Finastra

Finastra unlocks the potential of people and businesses in finance, creating a platform for open innovation. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today—spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location—from global financial institutions, to community banks and credit unions. Through our open, secure and reliable solutions, customers are empowered to accelerate growth, optimize cost, mitigate risk and continually evolve to meet the changing needs of their customers. 90 of the world's top 100 banks use Finastra technology. Please visit finastra.com

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