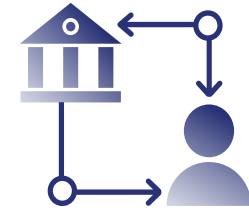




# Temenos Asset Finance

Offering new ways of affordable financing for businesses to innovate and grow.



Temenos Asset Finance is a functionally rich, flexible, and agile asset leasing software solution powered by our industry-leading product architecture. We enable banks to define and launch products such as Hire Purchase, Finance Lease, Contract Hire/Operating Lease, Fleet Finance, and Chattel Mortgages for various asset classes.

The solution can provide end-to-end servicing features, for leasing, contract, asset management, workflows, regulation, and compliance, which are deployable in the Cloud, as well as on-premise installations. It is extensible to third-party integrations effortlessly through APIs enabling a true omnichannel asset finance experience.

## The Opportunity in Asset Finance

Asset finance can provide opportunities for many businesses and consumers, even those with sufficient capital. Investing surplus cash into capital expenditure can leave a business vulnerable to cashflow shortages for its operations or limit it from exploring growth opportunities. Even consumers are increasingly looking to protect their cashflow positions when investing in significant purchases such as vehicles.

This demand for more flexible and less capital-intensive ways to finance high-value purchases has contributed to the growth of the global leasing market by roughly 129% over the past decade\*, with an annual growth rate of 6.6%. For businesses, this growth is expected to accelerate as they look to acquire technologically advanced equipment to stay competitive. To take advantage of this lucrative market, financial institutions will need software that can cater to complex requirements for a range of assets, adapt to a changing regulatory landscape, and offer innovative solutions for changing business and consumer demands.

\*Deloitte; UK Asset Finance Software Industry Report



“The global Asset Finance market size is predicted to grow at CAGR 9.7% by 2027 to circa \$2.42 trillion.”\*

\*Leasing Global Market Report 2023; GlobeNewswire.com

\$2.42  
trillion



## The Challenges

Business models for core asset purchases are evolving quickly as part of an ecosystem of services. Demand for usage-based leasing is increasing in this space, as businesses shift away from capital investment to improve their financial ratios and banks rethink their business models.

Moreover, embedded finance is changing the way businesses can access asset finance, and point of sale is done through brokers, dealers, direct, or increasingly new BaaS providers, and banks need to be able to provide capability across the value chain.

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## Features that Temenos Asset Finance provides for leasing requirements are:

### Product Management

- Create and manage leasing products and bundles of third-party products with asset finance agreements, such as insurance, repair and maintenance, residual protection, extended warranty, etc.
- Set up product definitions and criteria

### Contract Management

- Collection of deposits, down payments, and advance rental
- Calculates rental calculation payments and manages invoice/billing and settlement
- Ability to set up and collect charges and commission
- Calculates and collect the taxes due
- Manages midlife amendments and creates adjustments to the contracts
- Setup and recovery of maturity options and residuals
- Manage payment holidays and deferrals including collection of skipped payments
- Manage past due, chaser, and forced termination and supports control of restructuring arrangements
- Manage early termination and payoff, including simulation and customization of early payoff scenarios and collection or rebate of taxes due
- Create and manage master fleet agreements that enable leasing of multiple assets

### Asset Management:

- Supports the full lifecycle of leased assets, including a range of depreciation options and financial ledger and accounting

### Pricing / Rate Cards:

- Manage interest rates as a fixed or variable rate based on index plus margin and allows for periodic revision of rates based on usage standards
- Manage fees, margin/rate tiers based on agreement's term, finance amount, LTVR (Loan-to-value Ratio), asset class/type, financial ratios
- Support penalty rates as contract rates plus penalty spread
- Fully compatible with various pricing mechanisms, such as relationship, regional and package pricing available in Temenos Core Banking

### Partner Management:

- Manage partners such as dealers and their agreements using the Agent Product Line and links to asset finance agreements
- Set up partner specific product availability, pricing model, rental sharing terms, buyback guarantees, and fee-sharing terms—document fee, upfront fee, etc

### Regulation and Compliance:

- Supports IFRS16 standards
- Recovery of Tax/VAT—full or partial, configurable by asset class/type

## How Temenos Asset Finance can help?

Temenos Asset Finance is powered by our industry-leading back-office product architecture which enables:

Single platform for banks to fulfil the needs of asset lending and leasing

Seamless Integration of third-party products with the platform makes bundling products and add-on services simple and more attractive

Simple to more complex products (e.g., asset usage-based plans) are easily configurable through our “Product Builder” capability

A unified invoicing and payment experience removes the hassle of dealing with multiple vendors for the end consumer



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## Temenos SaaS

Temenos Business Onboarding and Origination is available on Temenos SaaS. Our clients leverage our SaaS offering to access resilient, secure, and continually updated banking capabilities as-a-service, allowing them to focus on their customers and deliver at speed. Temenos SaaS offers the largest set of end-to-end banking services that are proven by banks around the globe, and currently banks across retail, business, corporate and wealth in over 30 regulated jurisdictions.

For more information about Temenos Asset Finance for business banking visit our website or contact us.

[Business Banking](#)

[Contact Us](#)

Temenos (SIX: TEMN) is the world's leading platform for composable banking, serving clients in 150 countries by helping them build new banking services and state-of-the-art customer experiences. Top performing banks using Temenos software achieve cost-income ratios almost half the industry average, and returns on equity 2X the industry average. Their IT spend on growth and innovation is also 2X the industry average.

For more information, please visit [www.temenos.com](http://www.temenos.com).

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