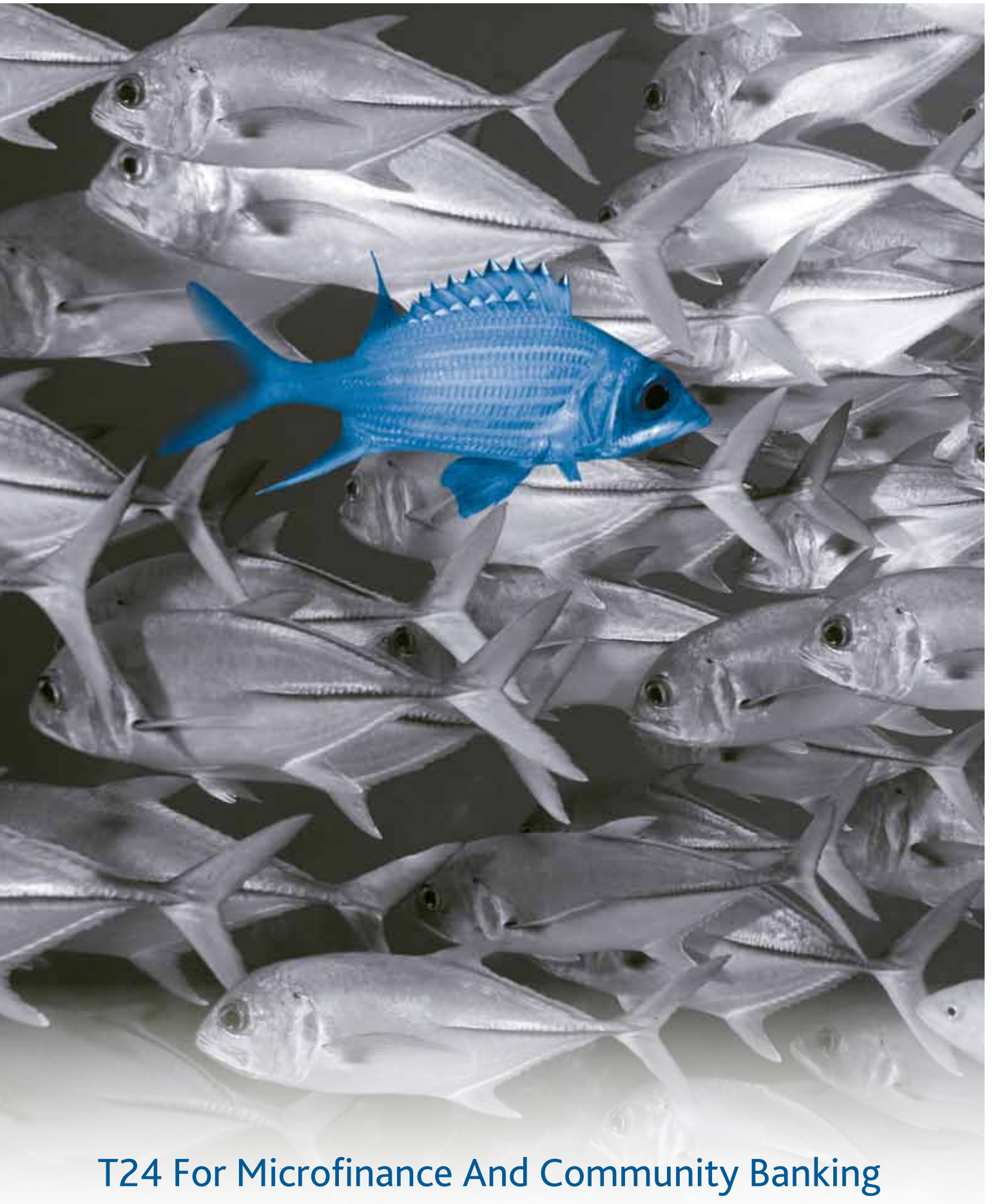




TEMENOS
The Banking Software Company



T24 For Microfinance And Community Banking

T24

An Engine For Sustainable Growth

The microfinance and community banking industry includes many non-bank financial institutions (FIs), credit unions, co-operative banks, building societies, smaller commercial banks and specialised institutions that focus on providing mass-market retail financial services. It also includes many major banks that recognise the strategic value of extending their reach to new customers in the developing world. This market is growing worldwide and has enormous commercial potential. But how do you provide a quality service while controlling costs? Temenos has supported this market for over ten years. We have a deep understanding of the specialised needs of this sector and offer a solution to meet your immediate requirements and strategic objectives.

TEMENOS T24 (T24) provides a pre-configured model bank based on microfinance and community banking best practices, with all the business benefits that the world's most popular banking package offers.

The T24 microfinance and community banking model has been successfully deployed at 117 microfinance and community banking sites across 41 countries. These include large complex commercial banks that also provide microfinance products, small NGOs and financial cooperatives, MFIs with over 1 million customers and network organisations such as Opportunity International, ACCION and MicroCred. All of these institutions chose T24 because of its functional richness and flexible architecture and selected Temenos as a strategic partner because of our track record of success in this vibrant and diverse sector.

In-house or in the cloud. T24 is available as either a packaged or an internet cloud based software-as-a-service (SaaS) business solution. It is the first core banking system to be available in the public cloud, running on the Microsoft Windows Azure platform. By providing T24 on a pay-per-use basis (per account per month), or a SaaS business model, financial barriers are removed and smaller FIs can enjoy the benefits of T24 core banking at a price that is affordable to smaller institutions. This new public cloud solution has the potential to transform the community banking landscape by empowering many thousands of institutions and millions of their customers. Now financial organisations of all sizes and in all locations can deploy a core banking solution with the full functional richness of T24, without investing in multiple software licenses, expensive hardware or infrastructure. Several FIs have already migrated to this new platform and are experiencing a transformational improvement in business agility and efficiency. Costs are aligned with revenues and the burden and risk of a capital investment are transferred to Temenos and its partners.

Proven functional richness. Systems and technology have become major determiners of commercial success. T24 offers rich functionality that is ideally suited to offering products that cater for the high-volume, lower-value transactions that are typical of the community banking industry. These have different processing requirements from mainstream financial products and have to be able to drop transaction costs in line with the value of the account. T24 helps you launch new products quickly and easily, based on a best practice approach learned from over ten years of experience in the sector. Comprehensive portfolio analysis, specialised products and biometrics to facilitate accurate and consistent identification all help enable the attainment of volume and processing scale without increasing costs.

Driving efficiency and tightening control. T24 supports profitable expansion by increasing operational efficiency and offering a customer-centric view of the business. You will also benefit from improved business intelligence, increased control and easier reporting. Audit trails are generated automatically and comprehensive reports are available for management, regulators and shareholders. Transparent reporting also helps attract new investors into the sector.

Our success reflects your success. We adopt a highly collaborative approach to business and are committed to making a sustainable improvement to your business and the community it serves. From the outset, our industry standard practices and proven methodology will help you streamline business processes and become more responsive to new opportunities. Whether you subscribe to a package for an on-premises implementation or an internet cloud-based SaaS solution, T24 offers a quick return on a small investment.

Investing in our relationship. T24 is a complete solution - all clients receive the same standard code and upgrades. So all benefit equally from our continual investment in the product and technology to keep pace with changing customer expectations and evolving market needs. We release one major upgrade each year and invest significantly in research and development, so you are assured of our long-term commitment.

"Recognising that we didn't know banking or technology and we had fairly shallow pockets, we made the decision to pursue the strategy of letting the wisdom of the banking industry guide us in our endeavours to establish regulated institutions."

Daryl Skoog - CTO - Opportunity International



A Partner With Unparalleled Expertise

Temenos leads the world in the provision of versatile banking solutions. More than 700 banks in over 120 countries have chosen us as strategic partners. Why? Banks select T24 because of the many business benefits it produces in a short period of time. In practice, it helps banks deliver growth, manage risk and control costs.

Deliver Growth

T24 combines processing scale with flexibility. It can accommodate rapid expansion in existing business areas and adapt quickly to evolving customer needs for new products and services. This gives our clients first-mover advantage over their competitors. T24 is multi-channel and can be deployed across branch, internet and mobile phone simultaneously. We add new channels as required to keep pace with market changes. Available as a cloud-based service, T24 offers immediate access to unparalleled functionality and creates unlimited opportunities for growth.

Supporting geographic expansion. T24 supports non-stop global banking operations while accommodating local needs and variances in banking practice and culture. There is no realistic limit to processing volumes and the system provides linear, horizontal scalability.

Manage Risk

Manage risk and regulatory reporting in a structured efficient way. T24 is highly automated and provides straight through processing (STP) across multiple departments, offices and countries. You can reduce errors, manage risk and tighten control with powerful client-definable exception handling tools.

See a complete picture of customer activities. T24 provides you with a transparent view of each customer's total dealings with your institution, including non-financial transactions. This ensures decisions are made on a sound basis, considering all customer activities, including credit status.

Deploy a model bank. Whether you choose a solution or service, T24 can be deployed as a pre-configured model bank solution, specifically tailored to the needs of the microfinance and community banking sector and based on industry standard practices. These are derived from our unique position at the heart of world banking. This enables you to enjoy the benefits of a world-class solution quickly and to mitigate operational and commercial risk.

Control Costs

Transforming a legacy environment. T24 can support a broad range of functions in diverse locations. You can cut and control costs by reducing the number of legacy applications that need to be supported. Back-office staff and operations can be consolidated in a low-cost location to produce significant business savings and you can realise economies of scale as the business grows.

Increase operational efficiency and STP. Most routine processes can be automated, reducing the number of errors and the need for manual intervention. This increases efficiency and drives down operating costs.

Our SaaS option removes the need for capital investment and replaces this with smooth, predictable revenue expenditure that is directly related to business growth.

Better informed decisions. Tap into a rich seam of insightful management information to identify how and where costs are incurred throughout the bank. Identify the specific costs incurred in each revenue centre to increase visibility and optimise resource allocation.

"With T24 we've been able to make a lot of innovation in processes and in data capture. Productivity of our back office has increased by around 60 per cent. This has been achieved using the exception-based transaction posting capabilities within T24, with a configuration that now means only a very small percentage of transactions need to be manually posted to the system. The majority of data is automatically posted and therefore back-office staff can devote their time to other activities."

H Mahalingam - Chief Technology Officer - Equitas Microfinance

Rich Functional Coverage

T24 offers comprehensive banking functionality on a robust scalable platform. It allows you to install or access individual application components independently and add others as needed. This facilitates a smooth transition from a legacy systems environment.

Shape your business around our experience. Temenos can supply T24 as a model bank that is adapted to meet the operational and processing requirements of community banking institutions. This facilitates a simple, cost effective standard implementation that delivers immediate benefits such as STP and real time reporting. Alternatively, we can offer a tailored approach to meet specific bank requirements and business processes.

From the outset we will examine existing processes and workflows and, where appropriate, make recommendations to cut costs and improve efficiency through automation. All of our recommendations will demonstrate a measureable improvement in overall efficiency.

So, what's included?



An Integrated Solution

A single source of multiple solutions. Financial institutions that select T24 can tap into a wealth of best practices developed in conjunction with some of the world's leading FIs. T24 is a business ready solution, is fully compliant with many regulatory regimes, and will meet most sector requirements without modification.

T24 is parameter driven and can be customised by the individual FI.

Input is through a single transaction, which automatically generates all the necessary postings. There is no need for users to understand the underlying business rules or code, so business agility and productivity are boosted simultaneously.

Global and local capabilities. Success in the mass market retail sector often requires FIs to establish and maintain operations in different countries and jurisdictions. T24 helps you meet local requirements while maintaining a consolidated view of your business. All records are maintained on a single database while secure user access can be granted across different departments, regulatory jurisdictions and countries. T24 supports multi-language character sets and is pre-translated into French, Spanish and Portuguese. It can be easily translated for local operators and customers.

All messages and transactions are validated in real time, so T24 also provides you with certainty, which mitigates operational and financial risk. As banking requirements develop, additional T24 modules can be enabled, allowing you to expand into new areas, such as trade finance, wholesale banking or foreign exchange.

Accounts

The account module is the front end for creating the client and internal account records. Client accounts such as: current, savings and share (equity) where the record is linked to a customer; internal accounts such as cash accounts, suspense accounts, and tax, expense or income accounts for the FI. Multiple options for defining the underlying interest and charge conditions are available.

Collateral

An item of collateral can vary from jewellery to machinery or equipment. These items will be valued against a market value on a schedule or ad hoc basis.

Limits

The limit module manages credit risk against customers and markets. It monitors the availability and utilisation of credit limits based on user definable customer profiles.

Customer limits are monitored in real time during T24 online transaction processing. Other limits are monitored and reported on during the T24 overnight batch.

Limits may also be reported as off-balance sheet items in CRB reports.

The limit system integrates closely with the collateral application.

Reporting

The reporting (CRB) consolidation module maintains the central reporting base from which financial reports (such as general ledger, balance sheet, statement of conditions, foreign currency control ledger, central bank reports etc.) are produced.

This module consists of two main components, one which controls the updating of the CRB base with the data passed across from the individual applications while the other component covers the production of the reports.

Past Due Processing

The past due processing module manages (monitors and controls) overdue loan payments.

Teller

The teller module comprises of the full functionality that FIs require to run their day to day operations in branches, including cash management, till opening and closing and various types of stock such as travellers cheques, tickets, bank cheques, etc.

Audit Trail

Each and every input, both static and dynamic, into any module of T24, including configuration and parameterisation transactions, carries a full audit trail. This is stored in the application database and shows date/time of input, the inputter, approver and additional information.

Facilities That Are Of Specific Interest To Community Banks Include:

- Prospect and live customer
- Peer and relationship based lending methodologies
- Input fields for gender, age and district of residence, all cross-validated to ensure applicants meet the criteria of the product
- Exception based payments and batch-payment processing
- Contract and account-based lending
- Flat interest methodology
- A rich customer information file for individuals and non-individual entities, such as groups, businesses or trusts
- Full suite of best practice standard portfolio reports
- Investor funds tracking to report on fund management
- Workflow processing and cash-flow reporting
- A product designer for creating new products
- Report and enquiry writing tools
- Comprehensive charges and interest set up
- Management of loans written off and bad debt recovered
- Prospect status to store/track enquiries and applications until they become live customers
- Multi-language, multi-currency system and full multi-tenant capability
- 24x7 processing and electronic delivery channels
- User managed and controlled product creation and deployment
- Industry specific standard reports
- Standard interfaces pre-built

“Opportunity International relies heavily on technology to ensure its sustainable business model and the organisation’s mature attitude to how business and IT work together as a team, offers useful pointers to even the largest financial institutions. Their approach to leveraging technology is a timely reminder of the benefits of de-materialisation, or ‘doing more with less.’”

Murray Gardiner - Director Microfinance And Community Banking - Temenos



Why Choose T24?

T24 offers a proven solution to the challenge of microfinance and community banking. It is a strategic platform for growth that is suitable for organisations already operating in this specialist sector or banks wishing to incorporate microfinance services along with conventional banking.

Many of the world's most successful banks rely on T24 as a core banking system and all microfinance users benefit from our continual investment in the product.

Advanced processing capabilities. T24 is a complete front-to-back processing solution. It offers comprehensive, real-time processing spanning transaction capture, verification, delivery, position management and risk control. With T24, there is no need to invest in additional systems and you only pay for what you need.

Achieve more with less. T24 contains powerful workflow functionality to help you automate, control and manage complex banking processes, such as customer on-boarding and finance application processing. All data resides on a single centralised database and is maintained in real time.

Turn your information into intelligence. You can use our Insight business intelligence solution to view management information in context and in a consistent format. Insight presents crucial reports under meaningful business categories, facilitating easy search and selection. All data can be easily exported into Microsoft Excel for further analysis, manipulation or presentation.

Image Management and Biometrics available. Positive identification of employees and customers is a critical requirement of any financial solution. Images are stored and retrieved on demand and T24 Biometrics provides 'one touch' identification of customers and/or employees for authorising any transaction, including cash withdrawal, funds transfer and foreign exchange. It can be deployed throughout the branch or ATM network to more effectively serve your customers.

A truly global partner. T24 combines the 24x7 support necessary for non-stop global operations, with the ability to deliver a local footprint. Our consultants operate from more than 60 international offices so they have a deep understanding of local needs.

Unparalleled expertise gained at the heart of world banking. Temenos clients are independently proven to be more profitable than their peers. We are proud of this success and committed to a prosperous future based on partnership.


"Biometrics has become vital to our growth strategy of going "deeper and wider" in servicing unbanked customers in developing markets. T24 Biometrics permits us to go beyond basic customer identification and to really enhance and add value to our enterprise technology solution."

Frank Livingston - Director of Development - MIS Systems
- Opportunity International

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