

Temenos Asset Finance

Rapidly create and personalize asset finance offerings at scale



Temenos Asset Finance is an asset leasing solution that allows financial institutions (FIs) to give their customers the flexibility to acquire assets, replace equipment, or expand their operations without squeezing cash flow or needing to raise additional working capital.

As part of Temenos core banking, the solution can be deployed in the cloud, as SaaS, or on premise.



The Opportunity in Asset Finance

Asset finance helps banks acquire and build deeper customer relationships by providing long-term financing for their essential assets. It also offers a more capital-efficient lending model, which can address liquidity challenges and improve customer satisfaction.

To take advantage of this lucrative market, FIs will need software that can cater to complex requirements for a range of assets, adapt to a complex regulatory landscape, and offer innovative solutions for changing business and consumer demands.



FIs with SME, corporate and retail businesses who are looking to refresh the back office.



Existing Temenos Core customers looking to extend scope to asset finance.



Tier 2-5 banks globally with a focus on SMEs and commercial businesses.

Key Benefits

Temenos Asset Finance is powered by our industry leading core banking system, which enables you to:

- Rapidly launch new product lines (and products), providing a faster time-to-market that can translate into a first-mover advantage when new business opportunities arise. This is driven by the initial menu of products we provide as well as the ability to effortlessly roll out new products.
- Develop high-quality, tailored products that align with the needs of specific market segments. This is possible thanks to the solution's robust underlying functionality and seamless integration with other solutions and services.
- Create enduring customer relationships as a result of the long-term financial commitments associated with asset finance, as well as the ability to cross-sell. This not only increases relationship longevity, but also reduces attrition.

Key Features

Product Management:

- Create and manage leasing products and bundles of third-party products with asset finance agreements such as Insurance, Repair & Maintenance, Residual Protection, Extend Warranty, etc.
- Set up product definitions and criteria.

Contract Management:

- Manage collection of deposits, down payments and advance rental.
 - Supports collection of down payment as a flat amount or percentage of asset price or as a value of sales VAT.
- Calculates rental calculations, payments and manages invoice/billing & settlement.
- Ability to set up and collect charges and commission.
- Calculates and collects tax due.
- Manages mid-life amendments and creates adjustments to the contracts.
- Set up and recovery of maturity options and residuals.
- Manages payment holidays and deferrals, including collection of skipped payments.
- Manages past due, chaser and forced termination, and supports control of restructuring arrangements.
- Manages 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 life cycle of leased assets including range of depreciation options and the financial ledger and accounting.

Pricing/Rate Cards:

- Manages 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 the agreement's term, finance amount, LTVR (loan-to-value ratio), asset class/type, and financial ratios.
- Support penalty rates as contract rate plus penalty spread.
- Fully compatible with various pricing mechanisms such as relationship, regional and package pricing available in Temenos Core.

Partner Management:

- Manage partners such as dealers and their agreements using 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 IFRS 16 standards.
- Recovery of tax/VAT – full or partial configurable by asset class/type.

The 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 70% over the past decade*.

*World Leasing Yearbook, 2023

Temenos Asset Finance 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 across retail, business, corporate and wealth in over 30 regulated jurisdictions.

Find out more

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