A new generation enterprise finance and risk system on Oracle Coherence

le•ger•i•ty (lə-jĕr′ĭ-tē)

n. physical or mental quickness; nimbleness; agility.

2nd July 2015

Introducing Legerity

Legerity *FastPost* is a new generation Finance & Risk solution

- Accounting Rules Engine
- Finance & Risk Sub Ledger
- Finance & Risk Data Warehouse
- Analytics & Reporting Services

Fast and Scalable

- Extreme performance
- Meets demanding service levels
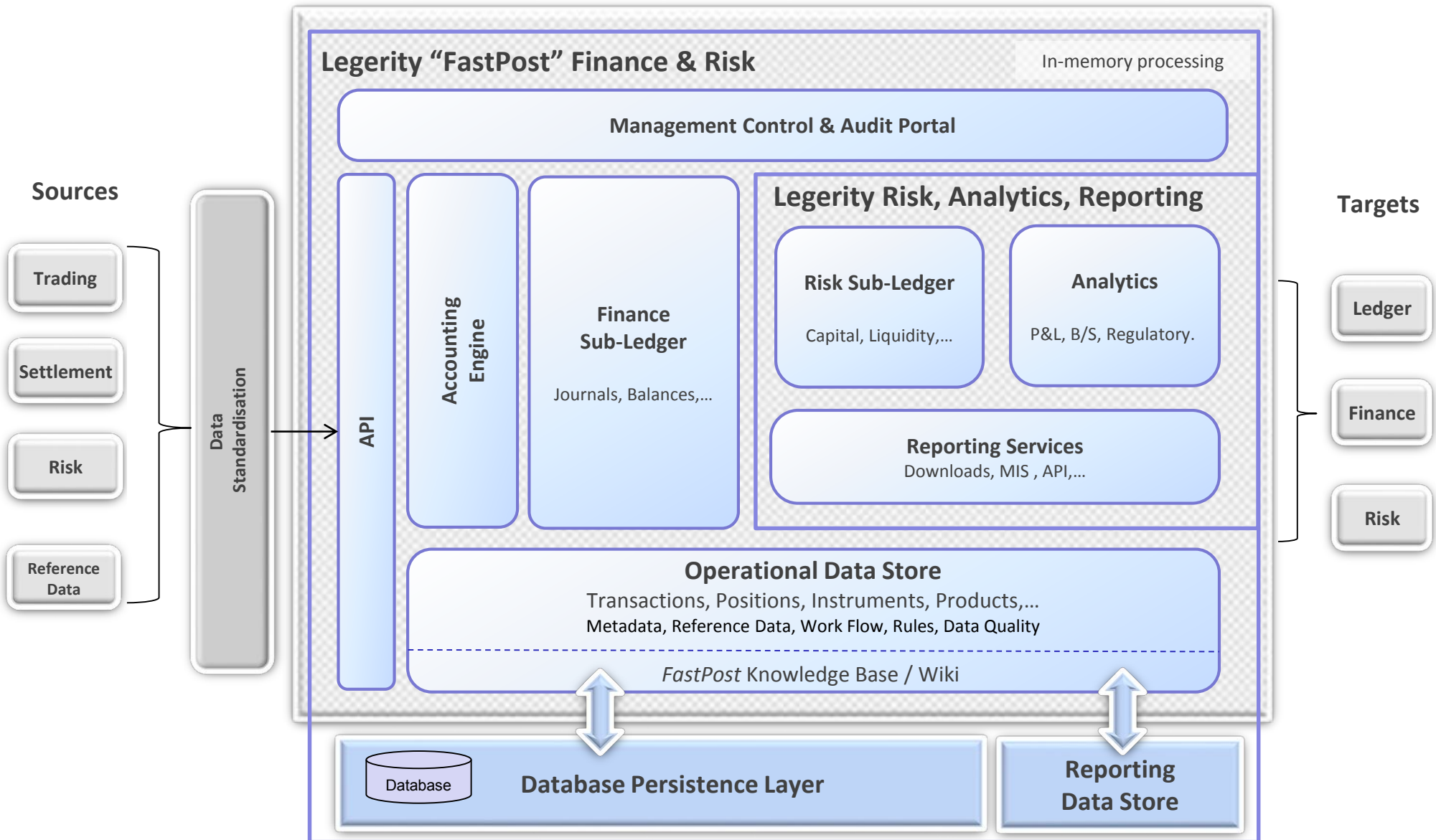- On premise, cloud and hybrid deployment

Legerity has Expertise

- Management has 25+ year track record in finance system design and delivery
  - Founders at Dodge Group, OST Business Rules, OST Microgen
  - 50+ projects including HSBC, BNPP, RBS, Deutsche Bank, ING, UBS, ABN
  - Significant domain expertise

Strong backing

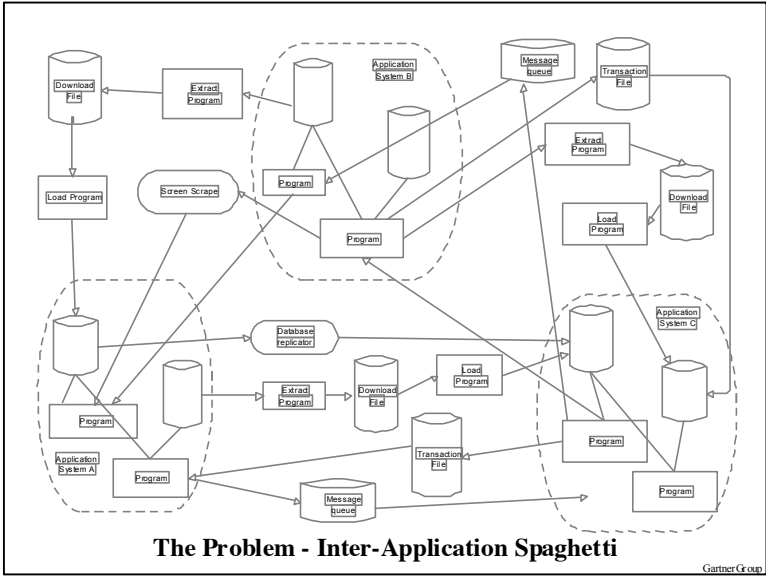- Oracle Gold Partner
- LBS Sussex Place Ventures

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Functional Highlights – Legerity Finance & Risk

LegerityFastPost

Sources

- Trading
- Settlement
- Risk
- Reference Data

Data Standardisation

Legerity "FastPost" Finance & Risk

In-memory processing

Management Control & Audit Portal

API

Accounting Engine

Finance Sub-Ledger

Journals, Balances,...

Legerity Risk, Analytics, Reporting

Risk Sub-Ledger

Capital, Liquidity,...

Analytics

P&L, B/S, Regulatory.

Reporting Services
Downloads, MIS , API,...

Operational Data Store

Transactions, Positions, Instruments, Products,...

Metadata, Reference Data, Work Flow, Rules, Data Quality

FastPost Knowledge Base / Wiki

Database

Database Persistence Layer

Reporting Data Store

Targets

- Ledger
- Finance
- Risk

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Business Benefits

- **Regulation**
  - PRA / FCA, Dodd-Frank, Volcker, Vickers, IFRS 9 & 15
- **Risk**
  - Basel II / Basel III / BCBS 239
  - Risk aligned finance & granular reporting on demand
- **Stakeholders & Shareholders**
  - Accuracy, Integrity and Transparency
- **Control**
  - Reconciliation, one version of the truth
  - Manual based processes lead to errors
- **Inefficiencies & Cost**
  - 80/20 rule – preparation rather then analysis
  - Manual processes and workarounds
- **Increased volumes**
  - Digital and Internet Transactions
- **Legacy System Replacement**
  - 30 year old systems

The Problem - Inter-Application Spaghetti

Gartner Group

The need for a trusted, reconciled and consistent source of financial and risk reporting data

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Technical Architecture

- Leading edge technology
  - Leading edge technologies that are employed by major financial firms and corporations
  - Reliable platform with minimum support issues
- Performance
  - Low latency for real-time processing and high throughput for bulk operations
  - Use of in-memory processing for real-time capabilities
- Scalability
  - Technical components need to be scalable
  - Linear scalability
- Segregation of Function
  - Business logic abstracted from the database
  - Well defined interfaces between components
- Flexibility
  - Functionality can be easily defined and changed by analysts
- Resilience and Reliability
  - Failover and inbuilt redundancy should be provided by components
- Cloud Capable
  - Fully managed service

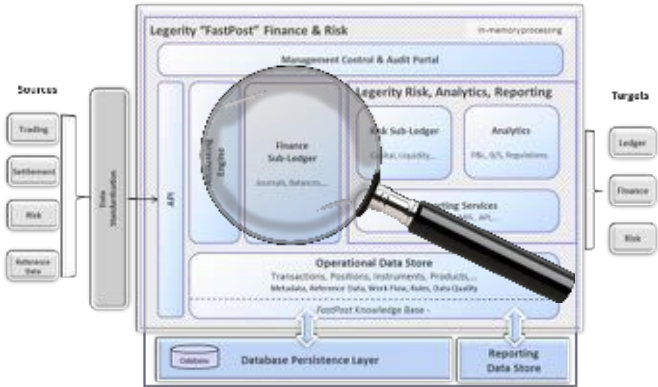**ORACLE®**
Coherence

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Solution Overview

Key Functionality – Accounting Rules & Finance Sub-ledger
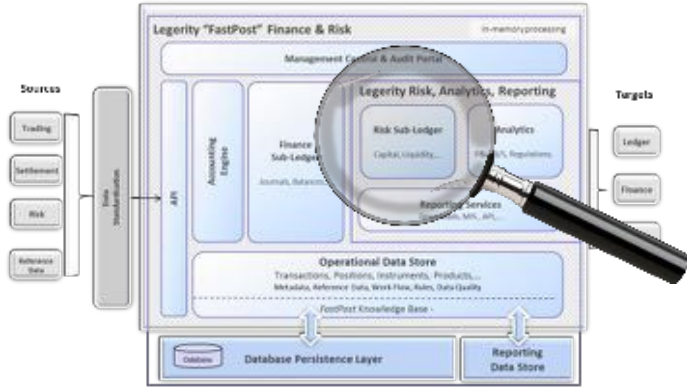

Accounting rules are easy and fast to specify

- Simple, user defined by accountants using templates; Fast start standard accounting templates included

- Multi-GAAP, multi-Ledger, multi-Currency, multi-Chart of Account

- Creates debit and credit journal lines (real time and scheduled operation) with full audit trail

Detailed Finance Sub-ledger

- Balances: Flexible segment definition and pre-defined for Ledger, entity, balance type and account levels; Summary, detailed and user-defined balance levels

- Balances for Today, PTD, YTD, LTD; Multi-currency (transaction, base or other currency); Average Daily Balances; Intra-day balance closings across multiple time-zones

- Budget, Actual, Forecast and other balances

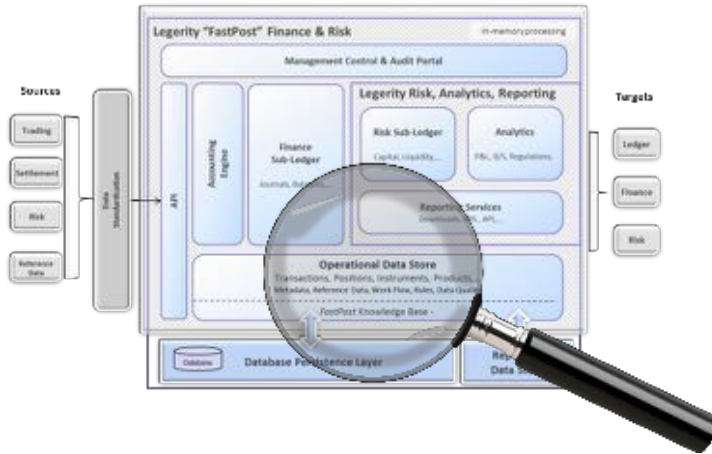- Permanent and reversing adjustments

- Balance memos

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Key Functionality – Risk Sub-ledger

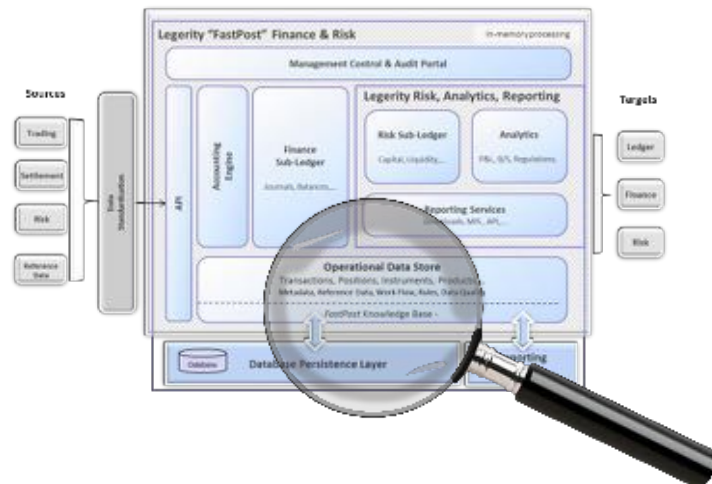### Comprehensive Risk Sub-ledger

- Store risk results from Market, Credit and Liquidity analytics engines:

  - supplement finance data

  - transaction level results

  - Reconciliation to finance sub-ledger

- Typical coverage includes:

  - Risk Weighted Assets, Probability of Default, Loss Given Default, Exposure at Default, Collateral Amount, Value at Risk, Liquidity Coverage Ratio, Net Stable Funding Ratio, Credit Valuation Adjustment

- Liquidity: Basel LCR & NSFR calculations

- Memos

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Key Functionality – Operational Data Store & Knowledge Base
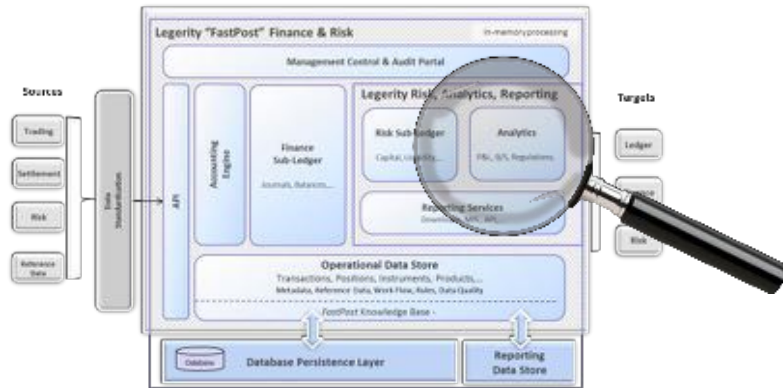

Operational Data Store

- Comprehensive data model integrates Finance and Risk

- Events, Products, Parties, Organisation, Time and Space, Meta-data

- Extensive reference data and flexible hierarchies (counterparty, accounts, organisations, time, products, product parts, units of measurement, regions, venues, locations, projects, prices/costs, discounts, rates, curves, ratings, collateral)

- Interactions (Transactions, deposit/withdrawals, orders, calls, tasks, royalties, bookings, shipments)

- Full Control

- Extensibility - all major tables extensible

- Data retention control - retention and archiving fully built in

- Meta-data – fully supported lineage, Workflow and state management

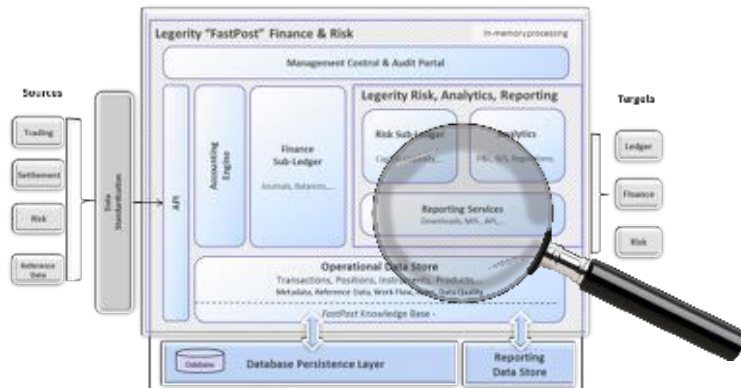## Knowledge Base – Legerity Wiki

- Business Glossary

- Functional capability, Module descriptions, Process schematic

- Products coverage, Data Model

- Detailed Functional Descriptions

- Pattern usage and extensibility

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Key Functionality – Analytics & Reporting

Analytics

- Framework for the support and management of analytic modules

- P&L Attribution

- Basel III Liquidity

- Balance Sheet Substantiation

- IFRS 9 & 15

Comprehensive Reporting

- Hi-speed on-demand reporting from in-memory or the reporting store

- Support of BI data schemas (Hyperion)

- Datamart production and management

- All reporting accessible through the user Portal

- Feeds existing MIS solutions through API

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Summary - Technology for Business Results

Fast & Efficient

- Enables organisations to meet high Service Level Agreements
- Combines the speed of in-memory processing with reliability of database
- Linear scalability

Reliable

- Non-stop architecture
- Mirrored data stores

Deployment choices for current and future requirements

- On the Cloud Fully Managed Service
- On-premise
- Hybrid-Cloud & Cloud/On-premise options

Extensible architecture

- Client-specific functionality extensions
- Open APIs
- Java extensions

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