

The Brand New Securities System with Years of Experience

K-GS

A modern securities system has to offer a wide range of commercial functions on the basis of a cutting-edge technological architecture. These functions have to be highly standardized and yet account for individual business models while reducing operating costs by supporting straight-through processing. And securities software in particular has to account for advancing globalization, the harmonization of European legal foundations and regulatory changes. The rising demands on functionality in the securities business mean that transaction costs, i.e. costs per individual transaction, otherwise increase. Against this background, an integrated complete solution that encompasses all bank securities functions and ensures the fast and total handling of securities business is imperative if a bank is to be successful in the face of ever-increasing pressure on costs and innovativeness.

The standard software KORDOBA Global Securities (K-GS) is our solution. K-GS supports all securities-related processes – real-time, process oriented and 24/7 – from the sales front-end (branch, Internet or telephone banking) through to order management and back office. A process-oriented optimization of securities handling reduces transaction costs by fully exploiting scale effects.

K-GS can be employed platform-independently using Solaris, BS2000 or Aix and connects to any core-banking system. This standard software has all the important interfaces to stock exchange, trading and information systems as well as pervasive SOA services. The browser-based dialog user interface means its operation is user friendly and intuitive. The modular securities system K-GS has evolved out of KORDOBA's more than 20 years of experience in developing securities software in close collaboration with its customers. With its high degree of automation and individualization, K-GS is suited to both private and regional banks with a branch structure, as well as to universal banks and direct banks and brokers. Thanks to its multiclient capability it can also be employed in service centers.

KORDOBA offers the K-GS solution for operation by the bank itself or in our own KORDOBA Outsourcing computing center.

Competence ●

Flexibility ●

Quality ●

Functionalities

Securities Master and Corporate Event Data

The system supports the transfer of the securities master data and corporate event data from the Frankfurt based-securities data provider WM-Datenservice fully automatically. The bank's own data fields can also be integrated alongside the data from WM-Datenservice. An additional data-warehouse, which contains data on mutual fund issuers and mutual funds master data, supports the processing of investment funds. A price database with unlimited historical data holds investment prices, interim profits, currency exchange rates and stock prices. The automated processing of corporate events support often results in a considerable relief of the portfolio management work-load.

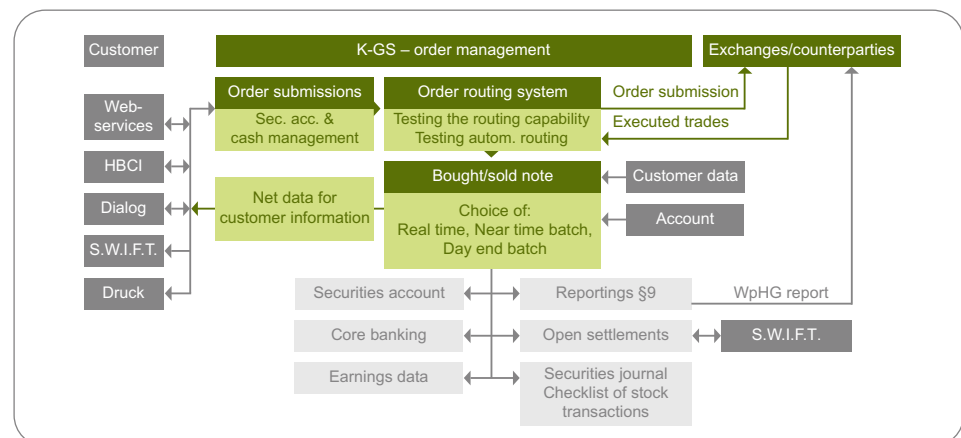
Personal Portfolio

In addition to the dialog functions on portfolio movements and status information on stock-exchange trades, options and futures, K-GS also provides information on all open orders, income, acquisition prices and lending values. The conditions can be tailored to the customer's individual needs. Additional processing and arrangement instructions from the customer are accounted for so that automated processes are largely possible despite a high degree of individuality.

Order Management, Order Routing and Trade Processing

The order management system with complete XONTRO and XETRA functionality supports all the processes required for bulk business and private banking. All processes are fully automatic, from the order input through trade management and on to clearing and settlement, which makes handling high transaction volumes inexpensive. Among the newest features of the software are buying-power calculation and the possibility of capturing and automatic monitoring of short-selling trades. The functional range of the software comprises also currency management. This includes support of currency trading by finding the required amount of each currency, the exchange rate amendment and the calculation of the currency requirement in the depository.

- Competence
- Flexibility
- Quality



Securities ordering process

Mutual Funds

The mutual fund business is growing fast. That is why the management and automatic processing of mutual fund savings plans and one-time-investments has been among the main recent improvements to K-GS. It is now possible to transfer cumulated securities orders for investment funds to the investment company. In addition to this client orders can be amended with a valid price and tax-relevant information. Counterparty trades can automatically be entered and amended by request.

Processing Bought/Sold Notes and Settlement Notes

Bought/sold notes are generated in real-time – with immediate booking of the money/stock for the customer. Settlement notes are processed and allocated to customer transactions automatically, including §9-WpHG (German securities trading law) reports.

Clearing and settlement are carried out with national and international depositories using the S.W.I.F.T. network or customary data transfers. All AGAINST and FREE transactions are supported, as is the processing of registered shares with the CBF (Clearstream Banking Frankfurt). The system supports the Central Counterparty (CCP) delivery processes required by the German stock exchange. K-GS also automatically provides qualified net data so the user can generate delivery reminders.

Securities Account Management

The portfolio balance and transaction database offers functions for double securities account entries and value-date adjusted entries, including the management of pending transactions. Free receipts from a third party are automatically entered into the system after the beneficiary's name match has been completed successfully. Complete or partial external transfers of securities account can be done via the S.W.I.F.T. network.

Proprietary Portfolio Management

Proprietary portfolio management supports the administration and reporting of the bank's own securities and securities transactions for accounting, controlling and the statutory reporting. All transactions are being processed including securities account entries such as splits and bonus shares. The program evaluates share portfolios in accordance with the German Commercial Code (HGB) and IAS. It calculates trading profits and losses, pro-rata exchange rate profits and losses, net interest income and interest claims, purchase, market and carrying values, securities reserves, write downs and the nominal, book and carrying value interest.

Competence ●

Flexibility ●●

Quality ●














System characteristics

K-GS is an integrated and standardized securities solution that contains a wide range of securities functions relevant to banks. The system is highly automated and its real-time processing is aimed at both the mass and private business segments. The 24x7 operation ensures uninterrupted system availability. By providing defined interfaces, perfect integration into the bank's own core-banking systems is guaranteed. Connection to stock exchange trading and information systems can be established with little effort.

For example, the system has interfaces for HBCI servers, S.W.I.F.T., ministry of finance/ tax reclaim, the EUREX system, AWV (foreign trade and payments ordinance) reports and portfolio management. K-GS is a multiclient application that can be used universally. An extensive range of user program interfaces and the flexible online parameterization make it easy to customize without modifying the standard solution. By using the pervasive SOA services the connection to an existing middleware and orchestration of business processes is easily possible. Due to the multilingual and multicurrency capability of K-GS it is ready for international use. The browser-based, process-oriented dialog user interface with extensive online help functions make it extremely user-friendly.

Technology

A feature of the platform-independent securities system K-GS is that it can be used on main-frame and Unix systems. The following standard combinations are offered:

Frontend	Microsoft Windows Internet Explorer Mozilla Firefox Linux	   
Services	Solaris Microsoft Windows Linux AIX	   
Business Logic	BS2000 Solaris AIX	  
Data Management	SESAM Oracle DB2 Universal Database	 

Standard supported platforms

Unix derivatives and other combinations of data management system and business logic platform can be realised according to individual demands.

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- Flexibility
- Quality