

Product Release Notes
Oracle Banking Enterprise Limits and Collateral Management
Release 14.4.0.1.0
Part No. E96638_01
August 2020





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August 2020
Version 14.4.0.1.0

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1. Release Notes

1.1 Background

Oracle Banking Enterprise Limits and Collateral Management is an enterprise application that enables banks to manage their exposure by centralizing limits definition process along with collateral management and effectively managing the underlying rules and the validations needed. It is a real-time, solution for exposure tracking, credit facility creation, renewal and utilization along with collateral pooling and collateral re-valuation and is enabled for multi-currency, multi-entity, multi-instance operations. Being built on SOA, Oracle Banking Enterprise Limits and Collateral Management offers strong integration capability to coexist with the existing application landscape.

Oracle Banking Enterprise Limits and Collateral Management 14.4.0.1.0 is enhanced on the Base Version of 14.4.0.0.0 Oracle Banking Enterprise Limits and Collateral Management.

1.2 Purpose

The purpose of this Release Note is to highlight the enhancements brought in Oracle Banking Enterprise Limits and Collateral Management 14.4.0.1.0 release.

1.3 Abbreviations

Abbreviation	Description
CO	Core Services
OBECM	Oracle Banking Enterprise Collateral Management
OBELCM	Oracle Banking Enterprise Limits and Collateral Management
OBELM	Oracle Banking Enterprise Limits Management
FCUBS	Oracle FLEXCUBE Universal Banking
LOV	List of Values
SOA	Oracle Service-Oriented Architecture
XML	Extensible Markup Language

1.4 Release Highlights

The scope of the current Oracle Banking Enterprise Limits and Collateral Management 14.4.0.1.0 release covers the following enhancements:

- [Support to Add New Collateral Types](#)
- [Display of Outstanding and Unutilized Commitment](#)
- [Management Information System Functionality](#)
- [Exchange Rate for Utilization and Block Transactions](#)
- [Provision to capture Agreed Collateral Value](#)

- [Notification Enhancements](#)
- [Bulk Processing Support](#)
- [Chatbot Integration](#)

1.5 Enhancements in Existing Modules / Functionalities

1.5.1 Support to Add New Collateral Types

- The following new collateral types are supported during the collateral creation:
 - Post Dated Cheque
 - Promissory Note
 - Bill of Exchange
- Specific details related to the collateral type can be captured and stored during collateral creation of each type.
- **Post Dated Cheques** - Collaterals of type Post Dated Cheques can be created by capturing details like PDC Type, drawer, drawee, payee, drawee branch, account number, cheque number, held details, cheque currency, cheque amount and post-dated cheque status.
- **Promissory Notes** - Collateral creation of type Promissory Note supports capturing of details like promissory note type, reference number, maker, payee, holder, place of contract, execution date, limitation period, limitation expiry date, review date, promissory note amount, and promissory note status.
- **Bill of Exchange** - Collateral under Bill of Exchange collateral type can be created with details like bill type, drawer, drawee, payee, bill amount, bill date, presentment date for demand bills, usance period for usance bills, bill payable to and bill status.
- The system allows to create multiple child records while creating the collateral.
- Different expiry date / end date can be captured for different child records in the collateral. The collateral value will get reduced when the particular child record reaches expiry date / end date along with the status update.
- For newly introduced collateral types, the system supports different currencies such as Collateral currency and Child currency.

1.5.2 Display of Outstanding and Unutilized Commitment

- Committed flag is introduced to signify if a facility is committed or non-committed. The system will calculate the “Outstanding and Unutilized Commitment (OSUC)” at individual facility level for both revolving and non-revolving lines based on the facility being committed or non-committed.

- New fields are also introduced to get a correct and granular details of facility amounts such as Total repaid amount and Outstanding utilized amount (duly considering utilized amount and repaid amount), especially for non-revolving lines.

1.5.3 Management Information System Functionality

- OBELCM now supports Management Information System or MIS functionality. MIS of types Transaction and Composite are supported for both limits and collaterals.
- MIS details can be maintained in 'Fee Class Maintenance' screen (GEDCLSMT) and called at facility and collateral screens.
- Composite MIS maintained for a customer in FCUBS can also be fetched and linked to the facility and collateral records through 'FCUBSCustomerService' service call.
- The system will hand over the MIS details to the external system along with transaction entries during end of day process.

1.5.4 Exchange Rate for Utilization and Block Transactions

- As a part of cross currency utilization transaction on an entity, the system will support accepting exchange rate for the contract from other product processors based on which utilization is updated at entity level instead of exchange rate configured in OBELCM.
- The system will support accepting utilization amount in limit currency and consider the same while utilizing the entity. Deriving exchange rate internally based on utilization amount in utilization currency and limit utilized amount is also supported.
- The above features are extended for blocking transactions received from other product processors on the entity.
- Triggering adhoc online revaluation through the utilization / block transaction – ALTER_UTILS/ ALTER_BLOCKS is also supported. As part of these transactions, outstanding utilization / matured amounts on entities as well as outstanding block amounts are revalued.
- FX rate revaluation at facility level will now apply the provided rate (fixed or derived) to both the blocked and matured / unblock amount in addition to utilization and repayment amount for all contracts / accounts of the facility.
- Fixed / derived rate considered as part of FX rate revaluation setting at the facility level is restricted only to the particular facility and lines / liabilities above in the hierarchy will consider pre-configured exchange rates in the system while applying utilization on account of this cross currency transaction on the sub-line. However, for utilization on

main lines configured with FX revaluation setting, appropriate fixed/derived rate will be considered.

1.5.5 Provision to Capture Agreed Collateral Value

- New field “Agreed Collateral Value” is introduced in all the collateral screens to specify the collateral value that the customer has agreed to provide to the bank.

1.5.6 Notification Enhancements

- Existing JSON notification framework is extended to Liability and Exposure levels. A set of out of box fields are provided in notification screen of these entities. Whenever there is a modification to these field values, notification will be generated in JSON format.
- A generic notification framework is newly built to configure pre-defined conditions / rules for triggering notification. Notification will be triggered for each record that matches the given condition(s).
- The notification configuration can be set at any entity, and applied to all records of the entity which meets the configured condition.
- The notification conditions can act as lead indicators notifying the concerned system with early warnings.
- Notifications can be scheduled to get triggered at a specific time or multiple times during a day.

Sample conditions that can be configured in the system for triggering notification are provided below for reference:

Collateral:

Notification can be set to be triggered when the limit contribution goes below 'x'% due to utilization, block, etc, and when end date of the collateral approaches in 'N' number of days.

Facility:

Notification can be set to be triggered when the line expires in next 'N' number of days, and utilized amount exceeds 'X'% of effective line amount.

Collateral Pool:

Notification can be set to be triggered when the pool utilized amount exceeds 'X'% of pool amount and pool block amount exceeds 'X'% of pool amount.

Liability:

Notification can be set to be triggered when the utilization amount exceeds 'x'% of the overall limit, and when the internal credit rating of the liability changes.

1.5.7 Bulk Processing Support

- Multiple facilities, Collaterals, Pools, Liabilities and Exposure Codes can be created together at the same time.
- Bulk processing of any maintenance or transaction such as utilization or block is also supported.

1.5.8 Chatbot Integration

- OBELCM is now integrated with Oracle Digital Assistant (ODA) to provide Chatbot support to the banks. The banks can take advantage of the embedded digital assistant capabilities to drive intelligent automations.
- Detailed information about the entities of customer, such as liability, facility, collateral pool, and collateral, can be directly inquired from this intelligent Chatbot by providing the customer number and selecting the required option.

2. Annexure: Module Code and Description

Abbreviation / Acronym	Meaning
CO (Core)	Oracle FLEXCUBE Core
SMS	Security Management System
EL	Enterprise Limit
GE	Global Exposure
GC	Global Collateral

Note: For latest user manuals with OBELCM 14.4.0.1.0 updates, visit the following page:
https://docs.oracle.com/cd/E96638_01/fcelcmptsets.htm