

Mutual Fund and Insurance

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1.1 Introduction

The objective of the current user manual is to clearly describe functions which are part of the Mutual Funds and Insurance Module. Mutual Funds and Insurance module comprises of the following investment products:

- Mutual Funds
- Insurance
- Other Collectibles and Generic Instruments

This module has capabilities to input, track and maintain transactions entered into for the above set of investment products. Holdings overviews of the above products are also available.

Flexcube Private Banking (FCPB) makes it possible to trade and process Mutual Funds and Insurance transactions. FCPB provides all of the tools needed for purchase, sale and other transaction types for Mutual Funds and Insurance. Designed from inception as a global system, FCPB provides full multi-currency capabilities.

1.1.1 Key Benefits

- Full support for multi-currency transactions
- Pre-trade compliance checking
- Electronic order routing and trade execution for Mutual Funds
- Supports online review of transaction history

1.1.2 Understanding Transaction Management

RM has the opportunity of creating multiple portfolios under the category "RM Managed, Discretionary, Self Managed, Heldaway" depending on the setup done in Portfolio Type Master screen.

On the other hand, though the Self Managed portfolio is intended to be managed by the customer independently; as an RM, you can create as well as transact on behalf of the customer in his/her 'Self Managed' portfolio. The Held Away portfolio facilitates in capturing the holdings which are held away from the bank. With the inclusion of held away assets the user can have a single consolidating view of customer's entire holdings.

Whenever a transaction is accounted in a 'Corpus portfolio' i.e. Discretionary portfolio and for an instrument other than 'Corpus', either through upload or data entry screen, system passes the corresponding contra entry against 'Corpus' instrument to adjust the corpus balance. This is explained in detail in Managed Accounts section.

1.2 Scope

The intention of this User Manual is to provide a comprehensive guide to the to the RM of the system about the features available for transacting Alternative Investment Products.

1.3 Audience

The potential readers of this document include but not limited to

1. The Relationship Manager other users of the system.
2. Top and middle management executives.
3. Developers, database designers of the system for their reference.
4. Product and Functional teams.

1.4 Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

1.5 Organization of the Document

The Manual is organized into the following five chapters:

Chapter 1	Introduction – Helps the user to understand purpose and scope of the document.
Chapter 2	Transaction Processing for Mutual Funds – Helps to understand transaction processing for mutual funds.
Chapter 3	Transaction Processing for Insurance - Helps to understand transaction processing for insurance.
Chapter 4	Transaction Management for Managed Accounts – Helps to understand the transaction management for managed accounts.
Chapter 5	Transaction Management for Others – Helps to understand the transaction management for others.
Chapter 6	Transaction Processing for Generic Instrument – Helps to understand the transaction processing for Generic Instrument.
Chapter 7	Transaction Search - Helps to understand the Transaction Search.

1.6 Conventions Used

This sub-section explains the conventions followed in the preparation of the manual.

Text	Description
Example	Illustration of the concept
Bold Letters	Command buttons or important text The command button titles appear as they appear on the screen.

2. Transaction Processing for Mutual Funds

2.1 Mutual Fund Transaction Capture: Subscription

User Access Levels:

RM can capture the Mutual Fund subscription holdings for RM Managed, Self managed, Discretionary or Heldaway portfolios based on the settings done in the Portfolio type screen.

Screen:

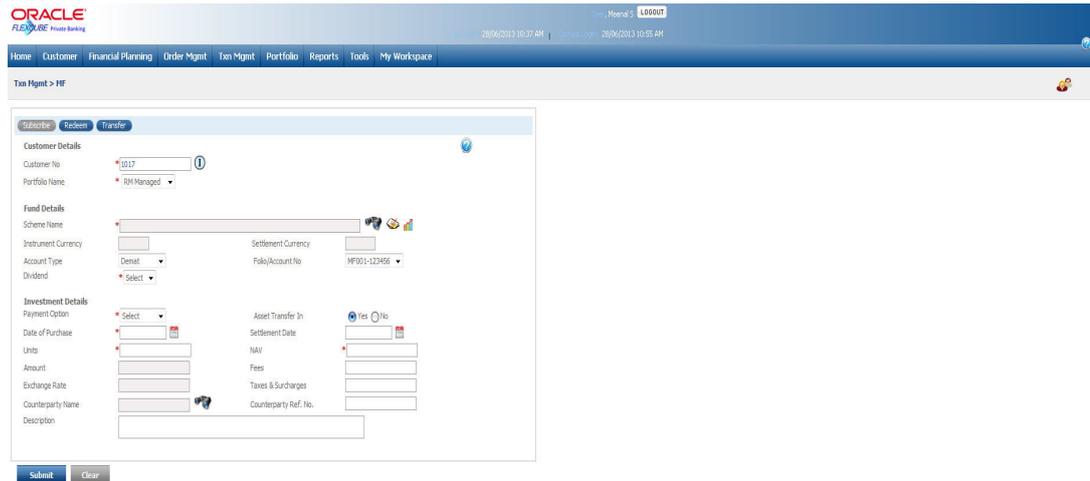


Figure 2.1: Mutual Fund Transaction Capture – Subscription Screen

Screen Navigation:

After logging into the system, select Transaction Management → Mutual Fund

The screen will default the Subscription screen.

Rules for commencement of a Transaction:

- Transactions can be updated only for customers in active status.
- For capturing a transaction the customer should have atleast one of the portfolios RM Managed, Self Managed, Discretionary or Heldaway Portfolio coupled to his ID. RM can capture MutualFund subscription holdings for the selected portfolio.

Procedure for capturing a Holding:

Step 1: f

If the user is navigating to this screen immediately after logging in to the system, the system forces to select a customer in the customer selection screen.

On the other hand, if the user is navigating to the screen from any other screen, the system auto-populates the name, no. and default portfolio name of the customer which is already in context.

Note

To change the customer, the user needs to click on the  icon located at the top right hand side corner of the screen.

Note

The Customer No and Customer Name fields are driven by the Field Access Controller.

Step 2:

RM – Subsequent to selecting the customer, the system displays the 1st Portfolio name in alphabetical order of Portfolio type 'RM Managed'.

Step 3:

The subsequent step is to capture the fund –scheme details. For capturing the transaction, the user has to select the fund-scheme for which he wants to capture the transaction. The user can select the fund-scheme either by directly entering the name of the fund-scheme or

by searching for the fund-scheme by clicking the  button.

Note

The fund-scheme search screen displays only the schemes which are in open status.

Note

The user can capture the subscriptions made through either NFO or continuous offer.

On selecting the fund –scheme name the instrument currency and settlement currency of the scheme will be displayed in the 'Instrument Currency', and 'Settlement Currency' fields respectively.

Step 4:

Select the appropriate Account Type from the drop-down list.

Note

The Account Type field is driven by the Field Access Controller for Mandatory and Modify actions. The Display option will always be in the disabled mode in FAC for this field. .

Step 5:

The folio number needs to be entered. If there is an existing folio for the scheme this will be visible as a drop-down in the folio field.

Note

The system defaults the Folio/Account No based on the Flags selected at Instrument Type level. If the Demat option is selected, then the system displays Omnibus A/c or Client A/c or both in the Folio/Account No. field.

Note

This field is also driven by the Field Access Controller for Mandatory and Modify actions. The Display option will always be in the disabled mode in FAC for this field.

Step 6:

The next field 'Dividend' provides the user with the option to select either of the options Dividend payout or Dividend reinvest. Please note that it is not essential that all the fund-schemes provide both the options on dividend. The options will be made available to the user to select, based on the alternatives offered under a particular fund-scheme.

Please note it is obligatory for the user to capture both the folio number and the dividend option.

Step 7:

Select the appropriate option from Payment Option drop-down list. The options available are Regular and SIP. The screen will always default to the option 'Regular'.

Step 8:

Select the appropriate option for Asset Transfer In.

The user can place Asset Transfer In transactions through this screen. The Asset Transfer In (ATI) type of transaction allows the customer to transfer the securities to current wealth management system and reflect the holding in the active portfolio. By default, No option is selected.

Asset Transfer In transaction is not allowed in Discretionary type portfolios.

Step 9:

The user then proceeds to capture the purchase and settlement date. The calendar for selecting the date has been provided adjacent to respective fields. Click on the icon  , in order to open the calendar.

As these transactions have been carried out outside the FCPB system, the user has been provided with the flexibility to capture backdated transactions. Please note there is no restriction on the time limit for backdating the transactions for the Held Away portfolio.

The system puts an additional check on the user from capturing a future transaction date.

Step 10:

In the next step the user needs to capture the units of holding. Please note that though these transactions are being captured for the holdings in a Held Away portfolio, all the holdings in the same fund-scheme held in the same portfolio of a customer will be consolidated. It is mandatory for the user to capture information in this field.

Step 11:

In the next field the user needs to capture the NAV at which the fund-scheme was purchased.

Once the NAV is entered, the system calculates the amount and displays it in the Amount field.

Step 12:

Enter the appropriate transaction fee in the Fee text box.

Step 13:

The next field Taxes & Surcharges has been provided to capture the tax paid for obtaining the holding.

Step 14:

Select the appropriate Counterparty name using the search icon.

Step 15:

Enter the appropriate ref no in the Counterparty Ref. No. text box.

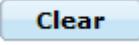
Step 16:

Enter the transaction details if any, in the Description text box.

The user is allowed to enter the details upto 250 characters. If the entered details exceed 250 characters, system displays the message as 'Description cannot exceed 250 characters'.

Step 17:

After entering all the fields in accordance to the outline given in the above steps, the user can proceed to click on the save  button. On saving the holding you will be displayed with a confirmation message on the screen.

If the user changes the decision on updating the holding, entire details captured earlier can be cleared by clicking on the  button.

2.2 Mutual Fund Transaction Management: Redemption

User Access levels:

RM can capture the Mutual Fund redemption transactions for RM managed, Self managed, Discretionary or Heldaway portfolios based on the settings done in the Portfolio type screen.

Screen:

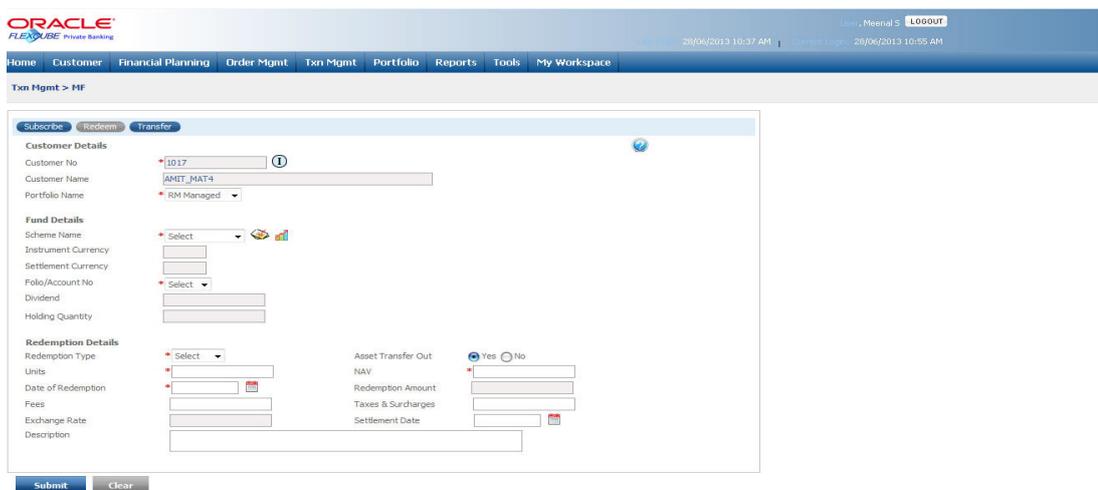


Figure 2.2: Mutual Fund Transaction Capture – Redemption Screen

Screen Navigation:

After logging into the system, select Transaction Management → Mutual Fund

Click on the Redemption tab

Rules for commencement of a Transaction:

- Transactions can be updated only for customers in active status.

Procedure for capturing a Holding:

Step 1:

If the user is navigating to this screen immediately after logging in to the system, the system forces to select a customer in the customer selection screen.

On the other hand, if the user is navigating to the screen from any other screen, the system auto-populates the name, no. and default portfolio name of the customer which is already in context.

Note

To change the customer, the user needs to click on the  icon located at the top right hand side corner of the screen.

Step 2:

RM – Subsequent to selecting the customer, the Portfolio Name drop-down list defaults to the default portfolio of RM Managed portfolio type. It is mandatory for the RM to decide on the appropriate portfolio prior to placing the order.

Step 3:

The subsequent step is to capture the fund –scheme details. For capturing the transaction, the user has to select the fund-scheme for which he wants to capture the transaction. The user can select the fund-scheme either by directly entering the name of the fund-scheme or

by searching for the fund-scheme by clicking the  button.

Note

The fund-scheme search screen displays only the schemes which are in open status.

On selecting the fund –scheme name the instrument and settlement currencies will be displayed in the 'Instrument Currency' and 'Settlement Currency' fields respectively.

Step 4:

In the next step the user needs to capture the folio number in which the units were redeemed. Please note only the folio's in which the customer currently has holdings will be displayed in the drop down list. It is obligatory for the user to select one of the folio numbers displayed in the list.

On selecting the fund –scheme and the folio number, the dividend option of the scheme will be displayed in the field 'Dividend'.

Step 5:

Select the appropriate option from Redemption Type drop-down list.. The options available are Regular and SWP.

Step 6:

Select the appropriate option for Asset Transfer Out transaction.

The user can place Asset Transfer Out transaction through this screen. Asset Transfer Out (ATO) transaction enables the user to transfer the securities from current active portfolio to the desired depository. By default, No option is selected.

Asset Transfer Out transaction is not allowed in Discretionary type portfolios.

Step 7:

The next field captures the total redemption amount received by the customer on redemption. Please note that it is this price which will be considered as the sale price for the purpose of analysis and performance computation and hence it is the onus of the user to enter the accurate value. This field too is mandatory for entry by the user.

Step 8:

In the next step the user needs to capture the units of redemption. Please note that though these transactions are being captured for the holdings in a Held Away portfolio, all the holdings in the same fund-scheme held in the same portfolio of a customer will be consolidated. It is mandatory for the user to capture information in this field.

The units captured by the user will be validated by the system against the balance number of units. The units in mutual fund can encompass up to 4 decimal places.

Step 9:

The user then proceeds to capture the redemption date. The calendar for selecting the date has been provided adjacent to 'Date of Redemption' field. Click on the icon  , in order to open the calendar.

As these transactions have been carried out outside the FCPB system, the user has been provided with the flexibility to capture backdated transactions. There is no restriction on the time limit for backdating the transactions for the Held Away portfolio. However the user is restricted from capturing the date of transaction as prior to the first purchase transaction date of the fund-scheme.

The system puts an additional check on the user from capturing a future transaction date.

Step 10:

In the next field the user needs to capture the NAV at which the fund-scheme was redeemed.

Step 11:

The next two fields have been provided to capture the exit load and tax paid for redeeming the holding.

Exit load also known as **Deferred Sales Charge**, is a fee paid when shares are sold. Also known as a "back-end load," this fee typically goes to the brokers that sell the fund's shares. The amount of this type of load will depend on how long the investor holds his/her shares and typically decreases to zero if the investor holds his/her or her shares long enough.

Please note currently, these fields are currently not being utilized for any of the valuation, analysis or performance computations.

Step 12:

Enter the appropriate transaction fee in the Transaction Fee text box.

Step 13:

Enter the transaction details if any, in the Description text box.

The user is allowed to enter the details upto 250 characters. If the entered details exceed 250 characters, system displays the message as 'Description cannot exceed 250 characters'.

Step 14:

After entering all the fields in accordance to the outline given in the above steps, the user can proceed to click on the save  button. On saving the holding the user will be displayed with a confirmation message on the screen.

To clear the entire details captured earlier, click on the  button.

2.3 Mutual Fund Transaction Capture: Transfer

User Access levels:

RM can capture the Mutual Fund transfer transactions

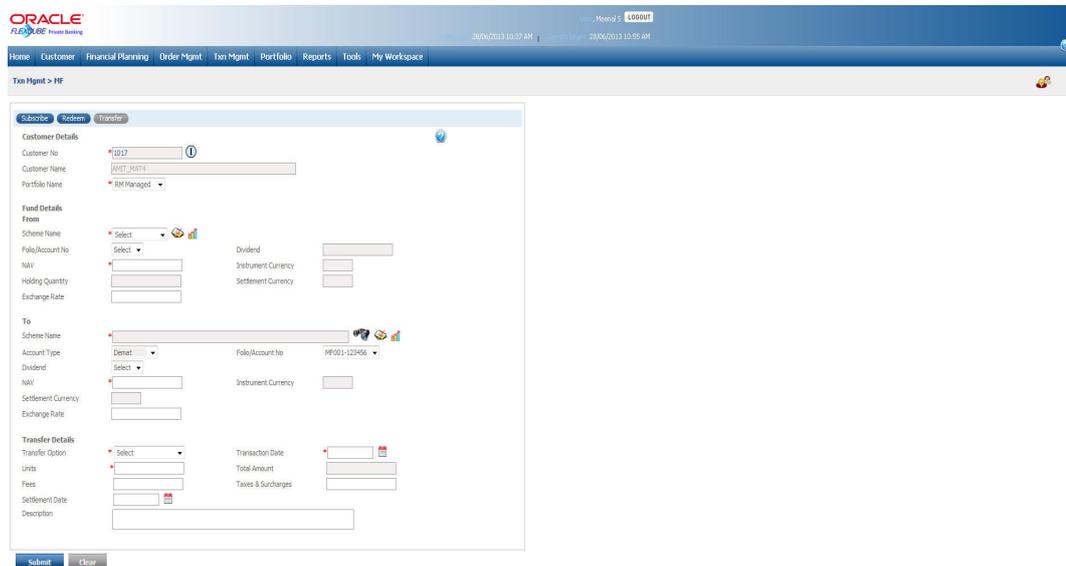


Figure 2.3: Mutual Fund Order Capture – Transfer Screen

Screen Navigation:

After logging into the system, select Transaction Management → Mutual Fund

Click on the Transfer tab

Note

The user can also transfer the fund details from one Scheme Name to another Scheme Name by clicking on the Transfer tab. Enter the appropriate details in the From section as well as in the To section and click on the Submit button.

Once the user clicks on the Submit button, the system displays the message “Transaction placed successfully”.

2.4 Administrator and Operations functions for Mutual Funds

2.4.1 MF Type

Description: The MF type screen enables the user to maintain the types of mutual fund defined by external service provider for Mutual Fund Instrument type.

User Access Levels:

Administrator: only the person designated as an administrator of the system can access and maintain this table

Screen:



Figure 2.4: MF Type Screen

Screen Navigation: After you login as Admin, Select Master -> Instrument Masters-> MF Type from the top menu.

The fields have been briefly described below:

Field	Description	Mandatory (Y/N)
MF Type	Enables the user to select or add new MF types as defined by external data provider for Mutual Funds Instrument type.	N
Description	Enables the user to capture a description for the MF type.	N

2.4.2 MF Commission

Description: Commission is the fees paid by the fund houses to the distributors/agents for mobilizing the business. MF commission can be broadly classified into following categories:

1. Upfront: This type of commission is calculated upfront as a percentage of the amount of purchase.
2. SIP: This is a type of Upfront commission calculated on the SIP amount.
3. Trail: This type of commission is calculated on the amount that remains invested with the fund house over the period.

4. NFO: When a mutual fund offers units of any of its schemes to the public for the first time, it is known as a New Fund Offer. Normally initial offer to subscribe in to new scheme is Open for "X" number of days. Once this scheme gets listed after the closure of Initial offer period, it converts into an Open/ Close ended scheme. The commission computed for the MF orders of type NFO is called NFO commission.
5. Incentive: Incentive commission is paid for certain mutual fund schemes as a percentage of the commission amount.

User Access Levels:

Administrator: Only the person designated as an administrator of the system can add, modify or delete the commission information

Screen:

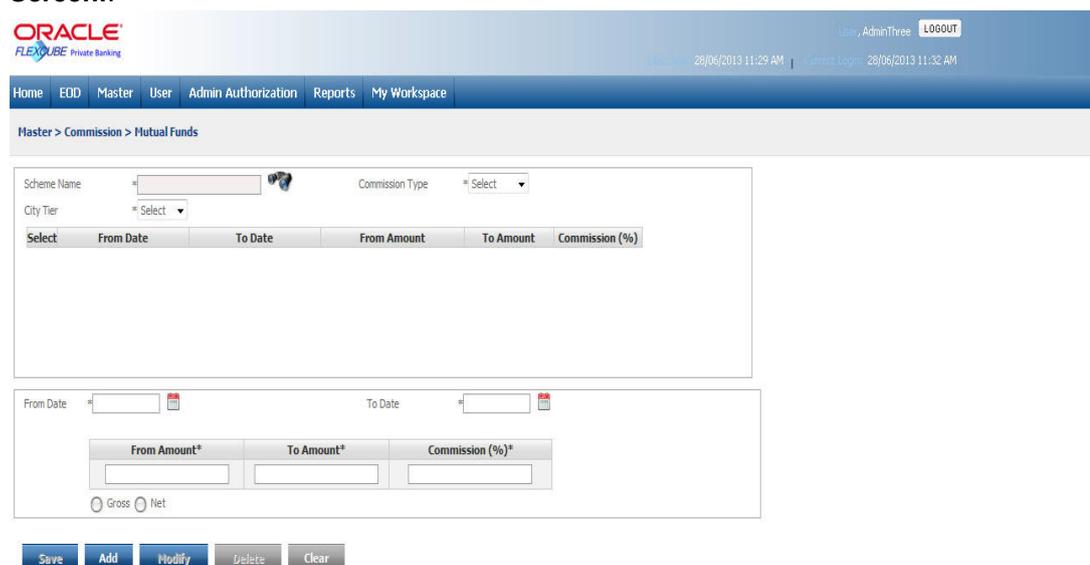


Figure 2.5: Commissions-Mutual Funds Screen

Screen Navigation: After logging into the system as Admin, select Master → Bank Related → Commission → MF

Procedure for adding MF Commission:

Step 1:

Select the appropriate Scheme Name by clicking on the  icon next to Scheme Name text field.

Once the user clicks on the  icon, the Generic Instrument Search pop window appears.

Step 2:

From the Commission Type drop-down list, select the appropriate commission type.

The options available here are Upfront, SIP, Trail, NFO, and Incentive. On selection of a value in this dropdown, the upper display-only grid will be populated with the Commission setup that has been done previously for the Scheme and Commission Type selected.

Screen:

Select	From Date	To Date	From Amount	To Amount	Commission (%)
<input type="radio"/>	01/02/2009	31/03/2009	100	5,000	5.00
<input type="radio"/>	01/02/2009	31/03/2009	5,001	10,000	6.00
<input type="radio"/>	01/04/2009	31/12/2009	100	5,000	6.00
<input type="radio"/>	01/04/2009	31/12/2009	5,001	10,000	7.00

Figure 2.6: Commission Mutual Funds Screen

Step 3:

The user will then either click the radio-button on an existing row in upper grid or select it for modification or add a new commission setup for a different amount and date range. If he selects an existing row for modification, the fields From Date, To Date, From Amount, To Amount, Commission %, Gross/Net radio-button in the lower portion of the screen get populated with respective data from row selected.

Step 4:

For addition of a new Commission setup first click on the calendar control  icon next to the From Date field and select the appropriate date.

Note

The From Date should be greater than current date.

Step 5:

Click on the calendar control  icon next to the To Date field and select the appropriate date.

Note

The To Date should be greater than From Date.

Step 6:

Enter the appropriate amount in the From Amount field.

Step 7:

Enter the appropriate amount in the To Amount field.

Step 8:

Enter the appropriate percentage in the Commissions field.

Step 9:

Select the appropriate option, either Gross or Net.

If the user selects the Gross option, the Upfront is calculated on the Gross amount.

If the user selects the Net option, the Upfront is calculated on Net amount.

Screen:

Select	From Date	To Date	From Amount	To Amount	Commission (%)
<input type="radio"/>	01/02/2009	31/03/2009	100	5,000	5.00
<input type="radio"/>	01/02/2009	31/03/2009	5,001	10,000	6.00
<input type="radio"/>	01/04/2009	31/12/2009	100	5,000	6.00
<input type="radio"/>	01/04/2009	31/12/2009	5,001	10,000	7.00

Figure 2.7: Commission Mutual Funds Screen with Details

Step 10:

Click the Add button.

The record entered gets populated in the upper display-only grid.

2.4.3 MF Fast Copy

Description: If the commission structures of two schemes are similar, then this submenu is used to copy the structure from one scheme to another instead of re-entering the entire set of data once again through UI.

User Access Levels:

Administrator: Only the person designated as an administrator of the system can Copy and Clear the MF Fast Copy records.

Screen:

Figure 2.8: MF Fast Copy Screen

Screen Navigation: After logging into the system as Admin, select Master → Bank Related → Commission → MF Fast Copy

Procedure to copy the MF Fast Copy details:

Step 1:

Select the appropriate Scheme Name by clicking on the  icon next to Scheme Name text field.

Step 2:

From the Commission Type drop-down box, select the appropriate commission type.

The details of the various structures maintained for the selected Scheme Name and commission type appear in the table.

Screen:

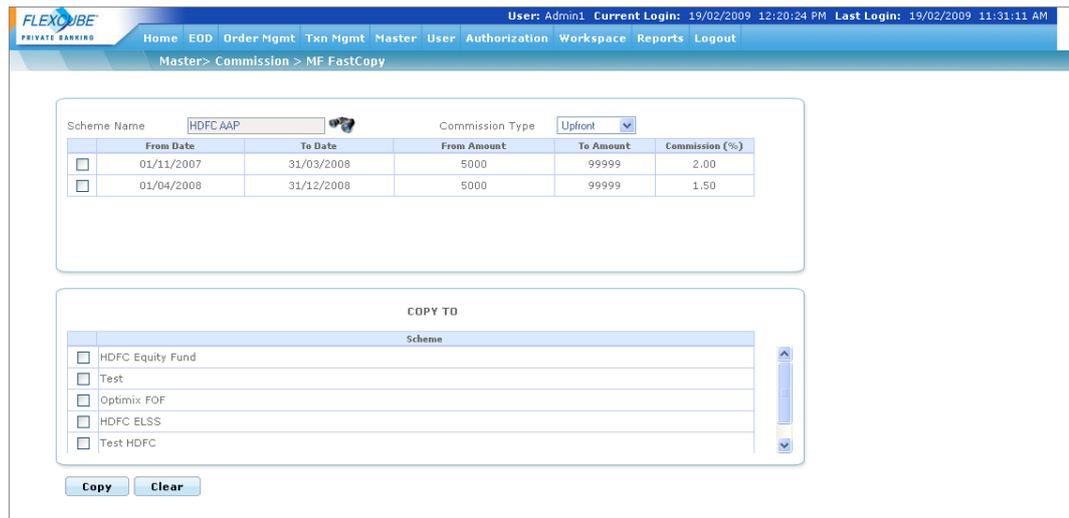


Figure 2.9: MF Fast Copy Screen with Copy To Grid

Step 3:

Select the appropriate record from the upper table to copy.

Step 4:

Select the appropriate record from the Copy To table in which the record is to be copied.

Step 5:

Click the Copy button to complete the copy process.

Once the user clicks on the Copy button, the 'Request Submitted Successfully' message is displayed on the screen.

Note

To clear the contents on the screen click the Clear button.

2.4.4 Commission Recon

Description: The Commission Recon section of the FCPB system allows the user to upload the commission file received from the Asset Management Companies (AMC) through the Commission Upload screen and then reconcile the commission amount calculated by the system with the actual commission paid by the AMC and generates the report.

2.4.4.1 Mutual Fund

The Mutual Fund submenu of the system enables the Operations user to generate the report to highlight the deviation of calculation of Mutual Fund Commission by the system from that received from the AMCs/RTA.

User Access Levels

Operations: The person designated as Operational user or of the system can recon the Mutual Fund commission.

Screen:

Figure 2.10: Mutual Fund Commission Screen

Screen Navigation: After logging into the system as Operations, select Operations → Commission Recon → Mutual Funds

Field	Description	Mandatory (Y/N)
RTA	Enables the user to select the appropriate RTA from the drop-down list	Y
Type	Enables the user to select the appropriate commission type from the drop-down list	Y
Show	Enables the user to generate the report for the selected criteria. The options available here are Issuer, Instrument and Transaction	Y
Deviation	Enables the user to select the appropriate range of commission percentage to be included in the report	Y
Issuer	If the Issuer option is selected for Show field, the user can select the desired Issuer from the Issuer drop-down list and Instrument drop-down list is disabled	Y
Instrument	If the Instrument option is selected for Show field, the user can select the desired Issuer and Instrument from the drop-down list	Y

Procedure to generate Mutual Fund Recon Report:

Step 1:

From the RTA drop-down list, select the appropriate RTA.

Step 2:

From the Type drop-down list, select the appropriate commission type.

The options available here are Trail and Upfront.

Step 3:

Click the  icon next to Start Date and select the appropriate date.

Step 4:

Click the  icon next to End Date and select the appropriate date.

Step 5:

Select the appropriate option for Show category.

The options available are Issuer, Instrument and Transaction.

If the Issuer option is selected, the system does not allow the user to select the Instrument. It will by default select All option. If Instrument option is chosen it will be possible to generate deviations for all instruments of an issuer and if Transaction option is chosen it will be possible to generate transaction level deviations for a specific instrument selected.

Screen:



Figure 2.11: Mutual Fund Commission Screen to Generate Report

Step 6:

Click the Generate Report button.

2.5 Mutual Funds Unit Recon

The process of Mutual Fund unit reconciliation aims at cross checking the unit holdings according to the FCPB with the report available with the Registrar and Transfer Agent (RTA). Operations are able to upload the Unit Recon File sent by the RTA and generate the Unit Recon Report which highlight the deviation between FCPB calculated Units and RTA Units for each Customer-Portfolio-Folio-Scheme for a particular date.

User Access Level

Operations: The person designated as Operational user of the system can access this Mutual Fund Unit Recon screen

Screen:



Figure 2.12: MF Unit Recon

Screen Navigation: After logging into the system as Operations, select OPerations-> Mutual Funds-> Unit Recon

Attribute	Description	Mandatory
RTA	Allows user to select a RTA from the ones configured in the system	Y
Feed Location	Allows the user to input the path / name of the RTA file to be uploaded. It will have browse button which will allow user to search and select file from the system	Y
As of Date	Allows the user to select the date as on which the report needs to be generated	Y
Start Recon BUTTON	Starts the reconciliation process.	
Print Report BUTTON	Prints the report based on the reconciliation done.	

Process for performing the Mutual Funds Unit Recon:

1. The user enters the date for which the user wants to carry out the reconciliation. This is the date as of which the unit balances are available in the RTA file. The selected date can be a month end or any other date in the month for which the unit balances are available in the RTA file.
2. **If the selected date is a month end:** FCPB compares the unit balance for every folio and scheme combination as on that date with the corresponding values in the RTA files for all the schemes available with the selected RTA.
3. If the selected date is not a month end date: FCPB calculates the unit balances for every folio and scheme combination for all the schemes available with the selected RTA as on the selected date. This done by :
 - Finding the unit balances as on immediately preceding end of month for every folio and scheme combination for the all the schemes available with selected RTA.
 - Find the unit balances as on selected date by taking into consideration the effect of all the transactions from the start of the month till the selected date pertaining to the corresponding folio and scheme combination.
 - This unit balance is compared with the corresponding values in the RTA file.
4. **Report Generation:** FCPBS generates a report showing all the folio and scheme records with a mismatch in the unit balance values. The report contains

- Records present in the FCPB, but not in the RTA file uploaded.
- Records present in the RTA file uploaded, but not present in the FCPB.
- Records with mismatch in the unit balance at the folio and scheme level between the FCPB and the RTA file.

2.6 Mutual Fund Transaction Management - Asset Transfer

Note

This functionality is not applicable for instrument types CASA, FNO, FX, Insurance, PMS and TD.

The transfer functionality enables the user to post Asset Transfer In (ATI)/ Asset Transfer Out (ATO) transactions for multiple holdings at from single screen. This functionality will also assist in transferring units/holdings even when the target customer is not part of the system. FCPB passes an ATO entry for the source customer, when target customer is not a part of FCPB system; thus reducing his holdings and the relevant impact. User can opt to transfer partial and /or all holdings for a Instrument and folio combination. However, the system posts single consolidated transaction for the transfer.

The system allows transfers in the below mentioned scenarios:

- Both Source and Target customers are within the system. So, ATI and ATO transactions are created.
- Source customer is within the system and Target customer is outside the system. So, ATO transactions are created.
- Target customer is within the system and Source customer is outside the system. So only ATI transactions are created

Note

If Target customer is in the system and Source customer is outside the system, then you must upload the ATI transactions using the generic file upload.

For unauthorized pending transfer request; no further action is allowed for the CPIS or CPI type. Hence, no transaction or orders gets processed for the source customer.

For the source customer, if there are any open or unexecuted or unapproved transfer request, then folio update or transaction file upload or portfolio transfer will get rejected.

Navigation

RM Login -> Transaction Management -> Asset Transfer

Screen:

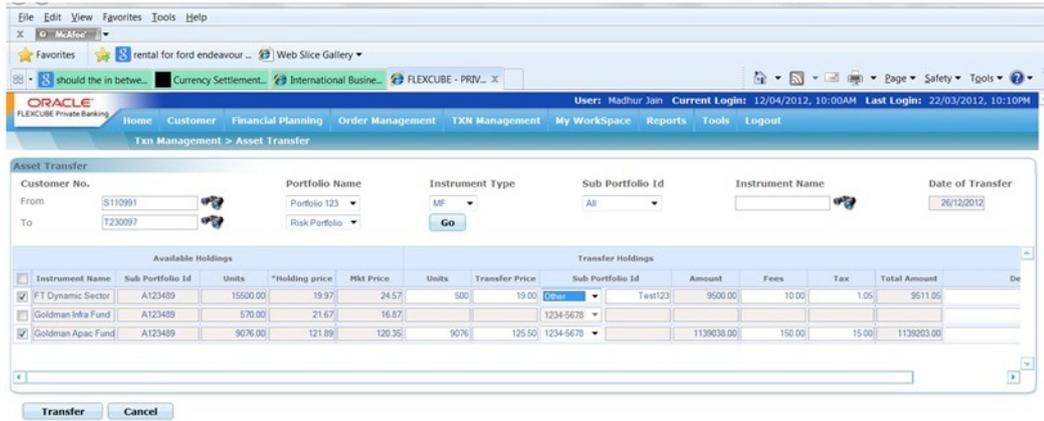


Figure 2.13: Asset Transfer Instrument Type Mutual Funds

Field	Description	Mandatory (Y/N)
From	Enables the user to select the source customer's external customer ID	Y
To	Enables the user to enter select the target customer's external customer ID Note: This field is not mandatory for ATO transactions.	
Portfolio Name	Enables the user to enter select the relevant source and target portfolio names for source and target customer from the adjoining drop down list.	Y
Instrument Type	Enables the user to enter select the instrument type from the adjoining drop down list	Y
Sub portfolio ID	Enables the user to enter select the Sub portfolio Id from the adjoining drop down list, based on the selected portfolio name and instrument type.	Y
Instrument Name	Enables the user to enter the name of instruments available for the customer, portfolio and sub portfolio.	
Date of Transfer	Displays the CBD (current business	Y

When user clicks 'Go' button, the records are fetched in the grid and user can select all or specific holdings for asset transfer.

Field	Description	Mandatory (Y/N)
Available Holdings		
This section represents the existing holdings of the source client.		
Instrument Name	Displays the instrument name.	Y

Field	Description	Mandatory (Y/N)
Sub Portfolio ID	Displays the sub portfolio IDs for the holding.	Y
Units	Displays available units.	Y
Holding Price	Displays holding price.	
Mkt price	Displays the last traded price.	Y
Transfer Holdings		
This section represents the fields applicable for transfer to the target customer.		
Units	Enables the user to enter the units needs to be transferred. Units cannot be greater than the available units.	Y
Transfer Price	Enables the user to enter the price at which the units/holdings should get transferred. This will be the transaction price for the ATI/ ATO transactions.	Y
Sub portfolio Id	Enables the user to select the sub portfolio ID, in which these units should get transferred.	Y
Amount	Display the (sum of units transferred * Transfer price) Amount gets displayed in instrument currency.	Y
Fees	Enables the user to enter fee amount. Fee gets charged in instrument currency.	N
Tax	Enables the user to enter the taxes applicable on fees.	N
Total Amount	Displays the total of amount, fee and taxes.	Y
Int. Paid/ Recd	Select 'Paid' or 'Received' from the adjoining drop down list. Select 'Paid', if interest is paid from source target. Select 'Received', if interest is received for source target.	N
Description	Enables the user to enter the transaction description.	N
Transfer	Enables the user to trigger the transfer process.	Y
Cancel	Enables the user to cancel,all the information in the grid.	N

2.7 Asset Transfer Request View

Navigation:

RM Login -> Transaction Management -> Asset Transfer Request View

Screen:

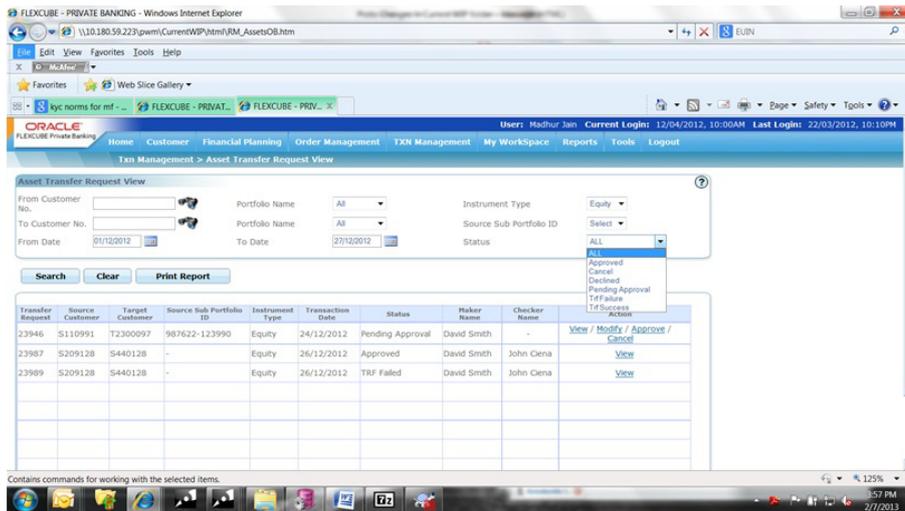


Figure 2.14: Asset Transfer Request View Screen

Screen:

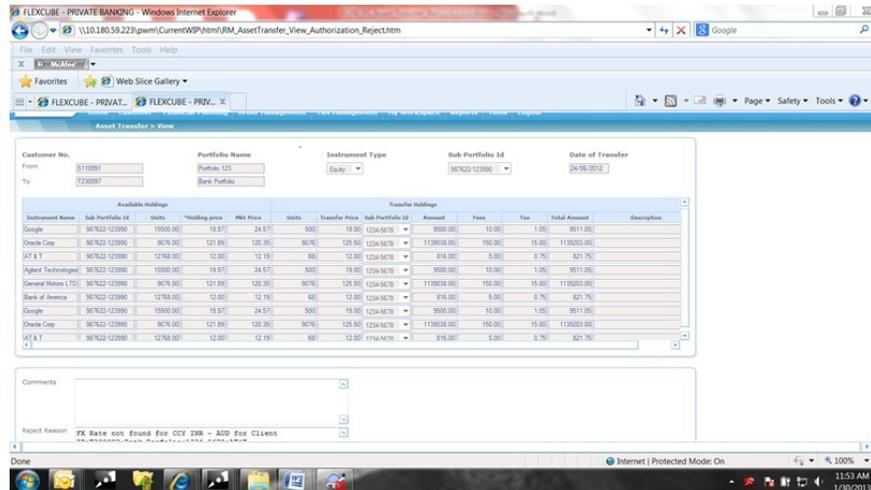


Figure 2.15: Asset Transfer View Screen

Screen:

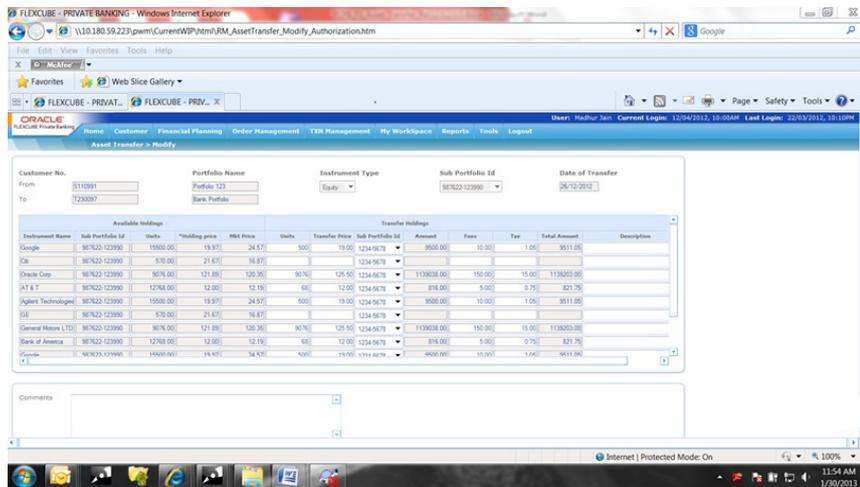


Figure 2.16: Asset Transfer Modify Screen

Screen:

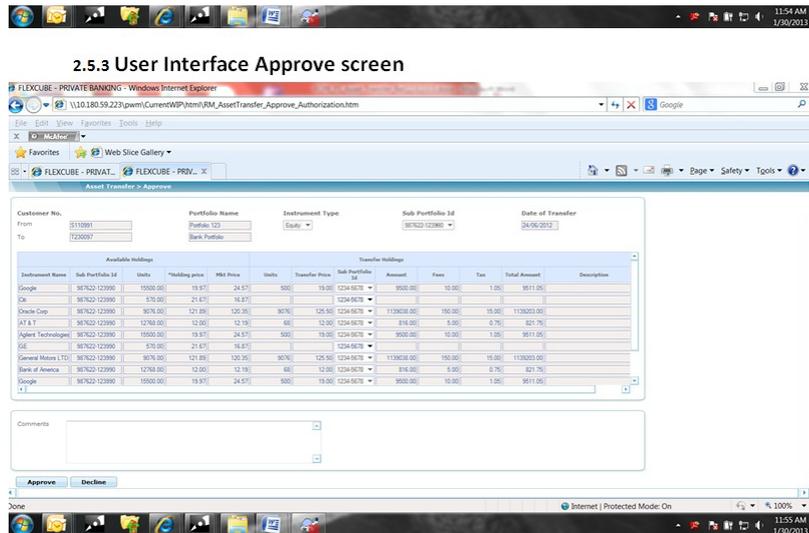


Figure 2.17: Asset Transfer Approve Screen

Screen:

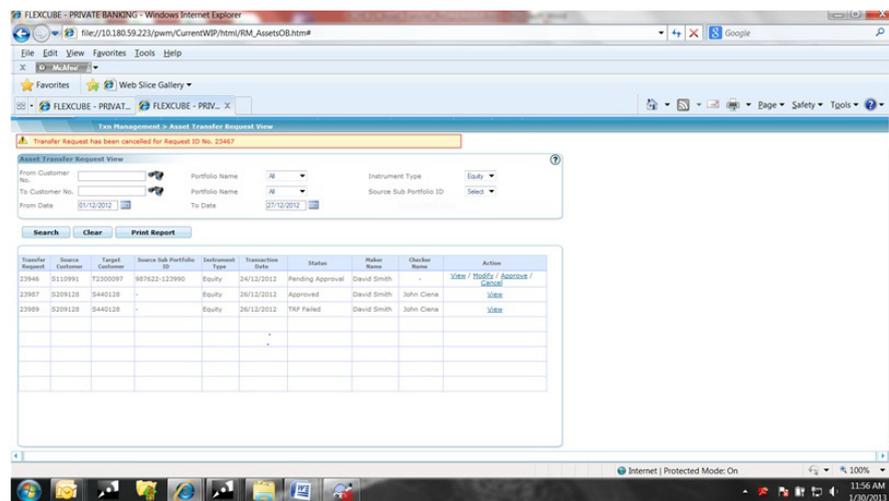


Figure 2.18: Asset Transfer Cancel Screen

Field Description:

Field	Description	Mandatory (Y/N)
From Customer No	Enables the user to enter the source customer's external ID.	Y
To Customer No	Enables the user to enter target customer's external ID.	
Portfolio Name	Enables the user to select the relevant portfolio names for source and target customer.	Y
Instrument Type	Enables the user to select the instrument type from the adjoining drop down list.	Y

Field	Description	Mandatory (Y/N)
Source Sub portfolio ID	Enables the user to select sub portfolio Id of source customer from the adjoining drop down list.	Y
Status	Enables the user to select asset transfer record from the adjoining drop down list. The drop down list displays the following values: <ul style="list-style-type: none"> • All • Approved • Cancelled • Declined • Pending Approval • Trf Failed • Trf Success 	
From Date	Enables the user to specify the start date on which the transfer request is created	
To Date	Enables the user to specify the end date on which the transfer request is created	

When user clicks on 'Search' button, system displays the records based on above selection.

When user clicks on 'Clear' button, system clear or reset the filters as they were at time of page load.

When user clicks on ' Print Report'button, system generated the report with updated status of records which qualify in the filters.

2.7.1 Processing logic for Asset Transfer and Request View

1. If there are any open orders, pending orders, pending transfer request etc. for the selected CPIS or CP and Instrument Type, then the system does not allow transfer and displays the error message as “Cannot allow transfer as there are either open orders or pending transfer request for the <<Client id>>; <<Portfolio Name>>; <<Instrument Name – Sub portfolio id or Instrument Type”
2. Maker of the request can initiate the transfer request only if rights are configured in the product access.
3. The Approve view is driven by the hierarchy access and action on the request is driven by the “Can Transfer” field and the approval field.
4. Click ‘Transfer’ button to approve the selected units to be transferred.
5. If both source and target customers are in the system, then for each instrument and sub portfolio, there should be an ATO transaction for source customer and ATI transaction for target customer.
6. If target customer is not in the system, then ATO transactions are passed for the Source customer
7. There is a value stored in the property file, beyond which the records are not displayed in the Maker screen.

8. While fetching the holdings; only the records, for which unit or nominal amount is greater than zero are fetched in maker screen.
9. The transaction date for ATI/ ATO is current business date.
10. The sale price for ATO and buy price for ATI is same as provided or saved by the user for 'Transfer Price'.
11. In the checker/ approver view the transfer request can be approved, declined or modified based on the product access maintained. The attached excel explains the behavior of View or Modify links based on Product access fields.
12. In the Modified screen, if the records selected at time of request creation, the records are sorted in order of checked or selected and alphabetically. The records which were not selected at the time of request creation but part of the holdings are displayed after the selected records alphabetically.
13. Approval and Decline are for the whole set of holdings. All records within the transfer request that are sent in the set are either completely approved or declined.
14. There will be no partial approvals or declines.
15. In case of technical failure, the transfer request is incomplete for a record and the entire set is marked as failed. There cannot be a partial success or failure for a transfer request.
16. If transfer request is failed, the rejection request is stored and displayed in the Reject Reason box.
17. The transfer request number is stored, once the transactions are successfully posted. This number is stored for all transactions generated in for a specific transfer request. The user can modify the transfer request until the checker approves it. If the transfer request is declined, the maker or anyone else who has a right to modify is able to modify the request.
18. User can modify the transfer request until the checker approves it. If the transfer request is declined, the maker or any other user can modify the request.
19. User can only modify the data in transfer holdings section and can add holdings available for the CPIS or CPI TYPE, however will not be part of original transfer request, at the time of modification.
20. Approve screen displays only those records elected for transfer.
21. If the order is placed, once the approver declines the transfer request, then the user is not allowed to modify the transfer request and system displays the error message as "Cannot allow transfer as there are either open orders or pending transfer request for the <<Client id>>; <<Portfolio Name>>; <<Instrument Name – Sub portfolio ID or Instrument Type>>"
22. Transfer requests cannot be modified, once approved.
23. If the request is approved, but no further action is taken, then the View page displays the records with disabled fields.
24. If request is approved and successfully executed, the success status gets updated.
25. The transfer request has an audit trail.
26. The transfer request has status like Pending Approval, Approved, Declined, Trf Success, Trf failed.
27. Request under 'Pending Approval' status shows View, Approve, Modify and Cancel hyperlinks.
28. Request under 'Approved' status shows only View hyperlinks
29. Request under 'Declined' status shows View, Modify, Cancel hyperlinks.
30. Accrued custody fee is charged and fee transaction is posted for source customer, when an ATO transaction is passed for Bond's holding.

31. When an ATO transaction is passed for Bond's holding, accrued interest is reduced proportionately.
32. Interest transaction is passed for both the source and target customers for interest paid or received, provided by user. Wherein the bid ask indicator will be exactly opposite for each of the interest txns i.e., if the source customer is recipient of the interest then an interest txn will be passed with a bid ask indicator as 'S' and for target customer it will be with bid ask indicator as 'B'
33. For bonds whether the transfer is allowed in Nominal amount or Quantity is driven by the field in 'GIMS Quotation Method'.
34. The transferred quantity gets reduced from the source customers holdings or transactions.
35. Realized gains or loss calculation is driven by the field at Ref tran type table.
36. The units / holdings for which transfer request is submitted but not authorized, such transactions are not used for processing any other transactions.
37. User is not be allowed to provide any transaction for the CPIS or CPI type, when there is a pending transfer request. Once the CPI or CPIS is selected, the system displays the error message as, "Asset Transfer request pending for <<External customer id; Portfolio id; Instrument alt id ; Instrument Name ; Sub portfolio id / Instrument Type>>."

Note

This is applicable for both source customer ID and target customer ID, provided target customer is part of FCPB system.

38. On EOD, the RoR gets computed accurately for the existing holdings based on the ROR fields at transaction type, portfolio type.
39. System checks the current focussed or recommended list that is applicable to the target customer and then update the fields accordingly.
40. The system computes the FX rate as of the transaction date, if FX rate is required.
41. Loan or Collateral validations are not performed at time of transfer or authorization.
42. Report is available for asset transfer request, if required.
43. Amount instruments are not allowed for transfer.
44. User can store the username, date and timestamp for asset transfer request cancellation.
45. Realized Gain/Loss Acquisition mode message gets displayed in Asset Transfer Screen

Note

The source customer and target customer attributes such as customer status, customer acquisition date etc does not get change at the time of transfer.

2.7.2 **Reports**

This report helps to monitor the transfers and its process status. The report displays the records based on date filters; customer id, status etc.

Note

Date filter and status is mandatory to extract the report.

The report is available for 'Success' status; for all other status either the user can choose "All" or "Specific" status.

When the transfer request is successfully posted, the report shows the transaction IDs for the transactions. For interest transaction the interest amount paid or received is shown against source customer; however, the transaction ID of this interest transaction is not displayed.

Navigation

RM login -> Transaction Management> Asset Transfer Request View

Screen:

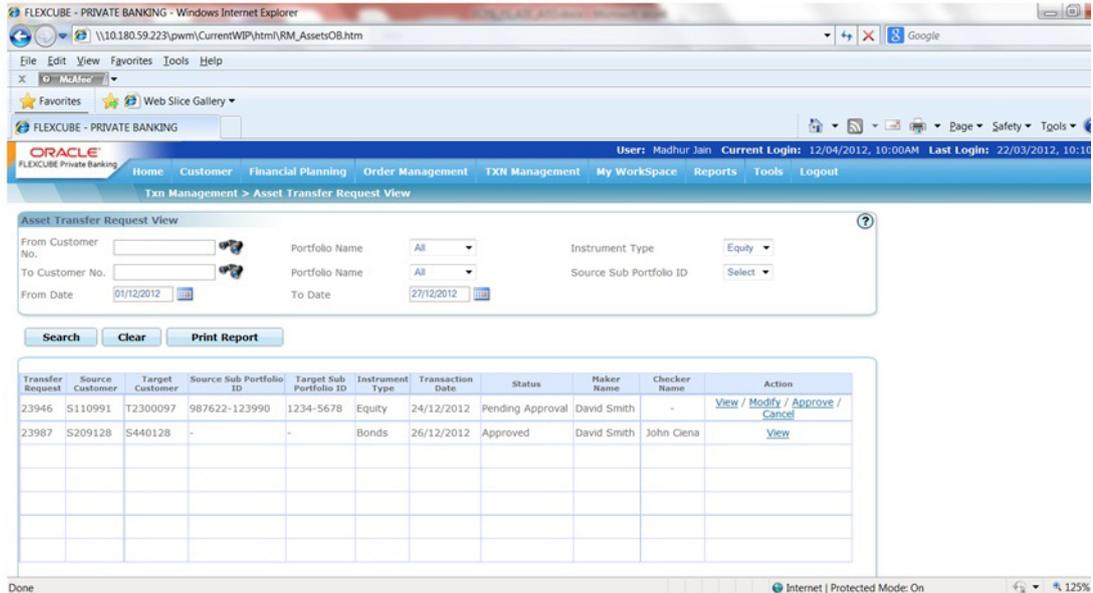


Figure 2.19: Asset Transfer Request View Report

Field Description

Field	Description	Mandatory Y/N
From Customer No	Displays the source customer number	N
To Customer No	Displays the target customer number	N
Portfolio Name	Displays the portfolio name	N
Instrument Type	Displays the type of instrument	N
Source Sub portfolio id	Displays the source sub portfolio	N
Status	Displays the status	Y
From Date	Displays the start date	Y

Field	Description	Mandatory Y/N
To Date	Displays the end date	Y

Report

Asset Transfer Request - Processed

Date of reporting : 27/12/2012
 From Date - 24/12/2012 To Date 27/12/2012
 Time of Reporting : 13.45

Transfer Request #	Source Customer						Target Customer Name														
	Customer Name	Customer Id	Portfolio Name	Folio / Account No.	*Interest	Recd / Paid	Tran Id	Customer Name	Customer Id	Portfolio Name	Folio / Account No.	Tran Id	Instrument Name	Qty	Nominal Amt	Transfer Price	Fee	Tax	Creation Date	Authroisati on Date	Instrument Type
23467	David Huggins	S110991	Portfolio 123	987622-123990			65667	John Huggins	T230097	Bank Portfolio	1234-5678	65670	Google	500.00		19.00	100.00	1.05	24/06/2012	26/12/2012	Equity
23467	David Huggins	S110992	Portfolio 124	987622-123990			65666	John Huggins	T230098	Bank Portfolio	1234-5678	65671	Oracle Corp	3076.00		125.50	150.00	15.00	24/06/2012	26/12/2012	Equity
23467	David Huggins	S110993	Portfolio 125	987622-123990			65669	John Huggins	T230099	Bank Portfolio	1234-5678	65672	AT & T	66.00		12.00	5.00	0.75	24/06/2012	26/12/2012	Equity
23689	David Huggins	S1033	Retirement 101	444778-80615	2875.00	Paid	778907	Tom Scavo	S220991	College Fund	444778-80615	778911	Muni 5% June 2015	1500.00	687507.00	125.00	100.00	1.05	26/12/2012	26/12/2012	Bond
23689	David Huggins	S1033	Retirement 101	444778-80615	500.00	Received	778908	Tom Scavo	T230098	College Fund	444778-80615	778912	BNYAS 10% Series I	250.00	150000.00	275.00	150.00	15.00	26/12/2012	26/12/2012	Bond
23689	David Huggins	S1033	Retirement 101	444778-80615			778909	Tom Scavo	T230099	College Fund	444778-80615	778913	AT & T Series 4 - 11%	75.00	98900.00	0.00	0.00	0.00	26/12/2012	26/12/2012	Bond

Field Description:

Header Section:

Attribute	Description
Date of Reporting	The date on which the report is generated
From Date - To Date	The date range for which the report is generated
Time of Reporting	The time at which the report was done or generated

Body of the Report:

Field	Description
Source Customer	
Transfer Request #	The sequence number of the request
Customer Name	Name of the source customer
Customer Id	Id of the source customer.
Portfolio Name	Portfolio name from where the holdings are getting transferred
Folio / Account No.	The account number or folio number for which an ATO transaction needs to be passed
Tran Id	The transaction ID for the ATO's transactions passed for source customer

Field	Description
Target Customer	
Customer Name	Name of target customer
Customer Id	Id of the target customer
Portfolio Name	Portfolio name where the holdings are getting transferred
Folio / Account No.	The account number or folio number for which the ATI transaction needs to be passed
Tran Id	The transaction ID for the ATI's transactions passed for source customer
Creation Date	The date when the asset transfer request was first initiated
Authorization Date	The date when the asset transfer request was last authorized
Instrument Type	The instrument type for which the transfer is initiated
Qty	The units or qty getting transferred
Transfer Price	The transfer price entered at the time of transfer initiation
Recd/ Paid	Amount received or paid at the time of transfer initiation
Fee	Fee entered at the time of transfer initiation
Tax	Tax entered at the time of transfer initiation
Request Status	Status of the request, whether it has got processed or not

3. Transaction Processing for Insurance

At present FCPB does not support Transaction management through UI for Insurance. However, it supports processing non order based transactions through file uploads.

The user can upload Insurance Policy file without entering the order and application number details into the system. For this, the system configured accordingly - INS_ORDER Flag in Bank Parameters screen is set to 'N'. The insurance migration feed format is used for uploading migrated as well as daily policies.

3.1 Identifying CPIS for Insurance Processing:

- Client ID is picked from the EXTERNAL_ID field in the file.
- Portfolio– Default RM managed portfolio for a given client is considered.
- Instrument ID is picked from the Instrument ID field in the file.
- Subportfolio – Policy No field in the file maps to subportfolio.

Few points to remember:

- Only policies with the status Issued and beyond are processed in this method
- Pre Issued status are not supported and system does not update order book with the policy status
- In the bank parameters screen if the INS_ORDER flag is N, the system will not generate orders at the time of the policy upload and the entire lifecycle for such policies will have to be via the feed itself
- Intermediate status RIN(Reinstated) to be used for differentiating an Issued status of a given policy following a lapsed status
- In non-order based processing, policies uploaded with pre-issued statuses like Underwriting/underwriting complete gets rejected with the reason – “PRE-ISSUED POLICY STATUS NOT SUPPORTED IN NON-ORDER BASED INS PROCESSING”.
- For post-issued statuses like- To be revived, Lapsed, Death, expired, Matured, surrendered etc, while creating policies with issued status, the name of client sent in the file gets updated as the name of the insured in the database of FCPB.

A summary of the inbound files received from the insurance company is given below:

1. **Migration File**

This file contains the policy details of all new policies and those with few change in the past 3 months. In other words, the same records may be repeated in each day's file. However, at any point in time, this file will have only one record per policy ID with the latest status reflected and the corresponding date of last status change. FCPB should be able to identify a changed record based on the combination of Policy ID. Records with the same Policy ID and Status processed earlier, should not be processed once again, except a policy moves from Issued status to TBR, and then back to Issued – in which case a new premium transaction does not get posted the second time. The system recognize this by checking whether this policy is already available in the policy details master in FCPB or is it a totally new policy being issued.

2. **Business to Date File -**

This file contains the policy details and will be in the same format as that of the migration file. But it contains all the records of all the existing policies since inception. This file is received monthly. This is used to blindly update the Status, Mode, Next Premium Date and Date of Last Status Update in the Policy Details Master, with no transaction processing impact. (It is assumed that any premium transaction processing / reversal for cancellation after issuance

is already been part of the migration file and processed accordingly. The BTD file gets uploaded and processed only after completing the migration file processing for the day.

3. Premium File –

This file contains the subsequent premiums paid. It has a 'classification' column to identify the year for which the premium pertains to.

4. Unitization File –

This file contains the surrender value of all policies issued. If, ULIP policy has multiple funds under it, which are shown as multiple records in the incoming file, the total surrender value is shown against only the first for the policy, with this field being blank for other funds under the policy.

5. Cashflow File –

This file contains the details of those transactions that result in an inward cashflow from the Insurance company to the Insured. This may not come on a regular basis, but whenever it comes, **it gets accompanied** by the surrender value file to ensure that the current market value of the insurance is accurately reflected

FCPB also supports order based transactions processing for insurance. However, order based processing is different from non order based processing as customer number, portfolio ID, instrument ID and Sub portfolio ID is identified based on the application number, received from the insurance company.

Policy transaction file is used to match orders and create transactions unlike the non order based transaction processing, where the migration file creates the transactions in the FCPB system. Processing logic remains the same and insurance company sends Business To Date, Premium, Unitization, Cashflow files, even for order-based insurance schemes.

3.2 Insurance Commission

Commission is the fee paid by insurance companies to the distributors/agents for mobilizing the business. Insurance commission can be broadly classified into four categories:

1. First Year/ Initial Commission: First Year/ Initial Commission is payable on the actual amount received towards total first year premium. The user can have different payment frequencies such as. Annual, Semiannual, Quarterly, Monthly. But for the First year commission, the rate is applicable for the entire first year premium amount irrespective of the payment frequency of the premium amount.
2. Top Up commission: When customer pays more premium than what was originally contracted, the amount is called Top-up amount and the commission rate to be paid on this is different from that charged for Initial or renewal period. It is typically specified separately for each policy.
3. Renewal Commission: Renewal commission is payable on the actual amount received towards renewal premium, i.e. premium due from 2nd year onwards. Renewal commission is not payable on Single Premium Plans. It can be different for different premium paying years.
4. Bonus/ Incentive / Marketing Override Commission: Bonus/Incentive commission/Mktg Override is paid for certain policies as a percentage of the commission amount. It is earned by the bank on the initial premium.

Description: This screen helps to add, modify or delete the commission information for Insurance.

User Access Levels

Administrator: Only the person designated as an administrator of the system can add, modify or delete the commission information for Insurance.

Screen:

Figure 3.1: Insurance Commission Screen

Screen Navigation: After logging into the system as Admin, select Master → Bank Related → Commission → Insurance from the main menu.

The fields have been briefly described below:

Attribute	Description	Mandatory (Y/N)
Scheme Name	Displays the scheme name that is selected through the search icon placed next to the field	Y
Insurer	Displays Issuer Name	Y
Valid From	Displays the date from which the applicable rate is Valid	Y
Valid To	Captures the date upto which rate structure is valid	Y
Marketing Override	Captures the Marketing Override Commission percentage; this is an extra percentage for marketing promotion.that is paid on the commission computed based on the structure defined.	
Amount (From and To)	Enables the user to capture the amount range (from and to) for the corresponding structure.	Y
Premium Paying Period (From and To)	Captures the premium paying period in years from and to for which the commission rate would be applicable.	Y

Attribute	Description	Mandatory (Y/N)
Premium Payment Year (From and To)	Defines the year of premium payment, which determines the commission rate	Y for From; N for To.
Onwards	Enables one to specify a last range of years from a certain number onwards	N
Commission rate	Displays applicable commission rate for contracted premiums	Y
Top up Commission rate	Displays applicable commission rate for Top-up premiums paid by the insured from time to time	Y

Procedure to add Insurance Commission:

Step 1:

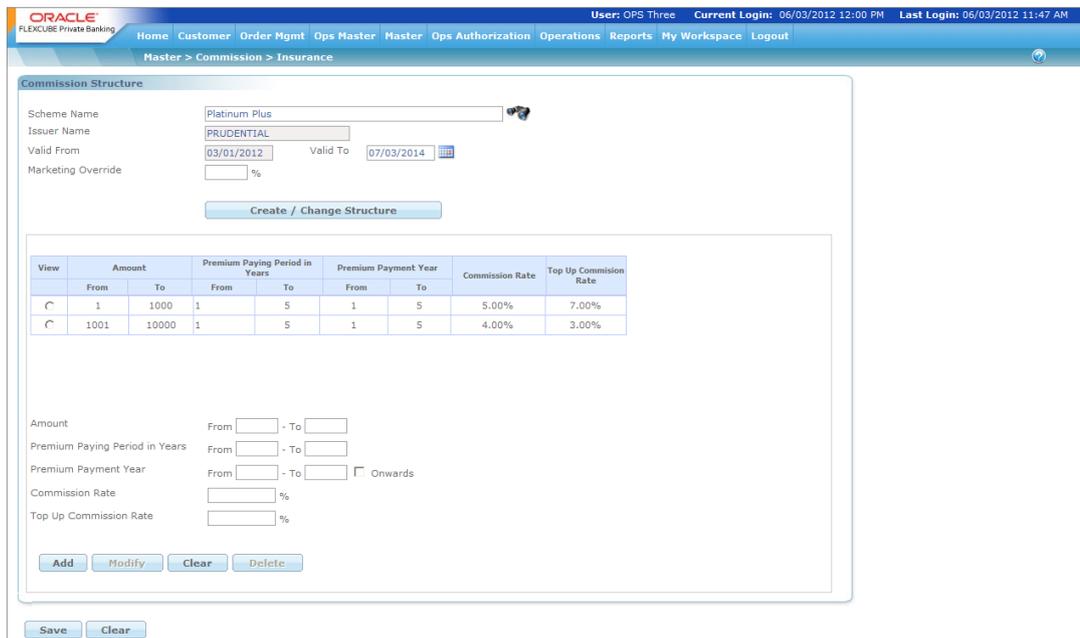
Select the appropriate scheme name by clicking on the  icon next to the Scheme Name field.

Once the user selects the Scheme Name, following fields automatically populate along with payment and commission details.

- Issuer
- Valid From
- Valid To
- Marketing Override

If a structure is already defined for the scheme, the Valid From and To fields and Marketing Override % are pre-populated, else they are blank. The From date is not enterable – the system automatically records it based on the date of maintenance. The To Date can be updated to reflect the validity period of the structure. If an existing structure is to be changed, the system automatically “matures” the old structure till current date so that the new structure will be valid from the next business day.

Screen:



Oracle Flexcube Private Banking
User: OPS Three Current Login: 06/03/2012 12:00 PM Last Login: 06/03/2012 11:47 AM
Home Customer Order Mgmt Ops Master Master Ops Authorization Operations Reports My Workspace Logout
Master > Commission > Insurance

Commission Structure

Scheme Name: Platinum Plus 

Issuer Name: PRUDENTIAL

Valid From: 03/01/2012 Valid To: 07/03/2014

Marketing Override: %

[Create / Change Structure](#)

View	Amount		Premium Paying Period in Years		Premium Payment Year		Commission Rate	Top Up Commission Rate
	From	To	From	To	From	To		
C	1	1000	1	5	1	5	5.00%	7.00%
C	1001	10000	1	5	1	5	4.00%	3.00%

Amount: From - To

Premium Paying Period in Years: From - To

Premium Payment Year: From - To Onwards

Commission Rate: %

Top Up Commission Rate: %

[Add](#) [Modify](#) [Clear](#) [Delete](#)

[Save](#) [Clear](#)

Figure 3.2: Insurance Commission Screen with Details

Step 2:

Click the Create/Structure button to enable the user to add the Payment and Commission details.

Once the user clicks on the Create/Structure button, the Create New Change Structure pop up window appears asking the user whether he wants to change the existing commission structure.

Screen:



Figure 3.3: Create New Change Structure Message Box

When the user clicks on the Yes button, the following fields are enabled.

- Premium Paying Period in Years
- Premium Payment Year
- Commission Rate
- Top Up Commission Rate

Step 3:

Click the Yes button.

Step 4:

Enter the appropriate amount in the Amount field.

Step 5:

Enter the appropriate total premium paying period in the Premium Paying Period in Years field.

Step 6:

Enter the appropriate payment year in the Premium Payment Year field.

Step 7:

Enter the appropriate commission rate in the Commission Rate text box.

Step 8:

Enter the appropriate Top Up commission rate in the Top Up Commission Rate text box.

Step 9:

Press the appropriate button Add or Modify as the case may be and repeat the steps from 4 to 7 till the structure has been specified for all the periods.

Step 10:

Click on Save button to save the complete structure after maintaining the marketing override commission rate, if required.

Once the user clicks on the Save button, the record gets saved in the system post authorisation.

3.3 Commission Recon

Description: The Commission Recon section of the FCPB system allows the user to upload the commission file received from the Asset Management Companies (AMC) through the Commission Upload screen and then reconcile the commission amount calculated by the system with the actual commission paid by the AMC and generates the report.

3.3.1 Insurance Commission

The Insurance Commission category of the system enables the Operations user to generate the report to highlight the deviations if any between the insurance commission computed by the system versus that sent by the Insurance company.

User Access Levels

Operations: The person designated as Operational user of the system can upload or recon the Insurance commission.

Screen:



Figure 3.4: Insurance Commission Screen

Screen Navigation: After logging into the system as Operations, select Operations → Commission Recon → Insurance

The screen will default to the Upload tab.

Field	Description	Mandatory (Y/N)
Issuer	Enables the user to select the appropriate Issuer name from the drop-down list	Y
Month	Enables the user to select the appropriate month from the drop-down list to reconcile the commission amount calculated by the system with the actual commission paid by the AMC	Y

Field	Description	Mandatory (Y/N)
Feed Name	Enables the user to select the appropriate feed name received from Asset Management Companies (AMC) from the drop-down list	Y
Feed Location	Enables the user to select the appropriate feed location	Y

Procedure to Upload Insurance Commission:

Step 1:

From the Issuer drop-down list, select the appropriate Issuer.

Step 2:

From the Month drop-down list, select the appropriate month -year.

Step 3:

From the Feed Name drop-down list, select the appropriate feed name.

Step 4:

Select the appropriate option for the Feed Location.

The options available here are Upload from Server and Upload from Local.

Step 5:

Click the Browse button and select the appropriate file to upload.

Screen:



Figure 3.5: Insurance Commission Screen to Upload

Step 6:

Click the Upload button.

Procedure to generate Insurance Commission Recon Report:

Step 1:

From the Issuer drop-down list, select the appropriate Issuer.

Step 2:

From the Month From drop-down list, select the appropriate month-year.

Step 3:

From the Month To drop-down list, select the appropriate month-year.

The start month-year should be less than end month-year.

Step 4:

Enter the appropriate deviation in the Deviation field.

Step 5:

Enter the appropriate deviation in the Deviation field.

The Deviation field defines the tolerance level. Only if the deviation value falls beyond the tolerance limit, the system displays the report.

If it is not defined, report will display all the deviations in amount

Screen:



Figure 3.6: Insurance Commission Screen to Print Report

Step 6:

Click the Print Report button.

3.4 Insurance Deletion

The Insurance Deletion feature of FCPB system enables the user to delete the Insurance order, transaction and holdings details in case if the wrong data is entered. The system provides an option to enter the Customer No., Application No. and Policy No. and delete all related records for this combination like Order, Insurance holdings, Premium & other cash-flow Transactions, if any.

User Access Levels:

Operations: The person designated as Operational user or of the system can access the Insurance screen.

Screen:



Figure 3.7: Insurance Deletion Screen

Screen Navigation: After logging into the system as Operations, select Operations → Insurance Deletion

Field	Description	Mandatory (Y/N)
Customer No.	Enables the user to enter the appropriate customer no.	Y

Field	Description	Mandatory (Y/N)
Application No.	Enables the user to enter the appropriate application no.	Either Application No. or Policy No. required along with Customer No. to delete the insurance order
Policy No.	Enables the user to enter the appropriate policy no.	Either Policy No. or Application No. required along with Customer No. to delete the insurance order

Once the record is deleted, Operations user has to enter the appropriate order details and re-upload policy and premium/cashflow/valuation files of the corresponding customer for correct reflection.

4. Transaction Management for Managed Account

Description:

The term corpus refers to the quantum of money actually brought in or taken out from the portfolio by the client excluding any realized P/L. It can be in the form of cash or stock. The corpus differs from the total investments made by the client in a way that it excludes the investments made by utilizing the money already there in the portfolio either by switching or by investing the realized P/L. All the corpus transactions are made through the discretionary portfolios.

4.1 Corpus Transaction Processing

User Access levels:

RM: can capture the transactions in discretionary portfolios

Screen:

Figure 4.1: Managed Accounts Screen

Screen Navigation:

After logging in the system as RM select Txn Management → Managed Accounts.

Rules for capturing a transaction:

- Transactions can be captured only for customers in active status.
- For capturing a transaction the customer should have at least one of the Discretionary Portfolio coupled to his/her id.

Field	Description	Mandatory
Customer Details		
Customer No	Enables the user to select the customer no. by clicking on the search icon	Y
Customer Name	Displays the customer no. once the user selects the Customer Name.	Y

Field	Description	Mandatory
Portfolio Name	Enables the user to select the appropriate discretionary portfolio from the drop-down list. The drop-down list displays all the portfolios of discretionary type as the corpus transactions are placed only for the Discretionary Portfolio. If the selected customer does not hold any discretionary portfolio then system displays the appropriate message.	Y
Currency	Displays the portfolio currency	Y
Corpus	Displays the existing corpus amount in the selected portfolio in portfolio currency.	Y
Market Value	Displays the market value of the selected portfolio in portfolio currency	Y
Inflows	Displays the total inflows of the selected portfolio in portfolio currency	Y
Outflows	Displays the total outflows of the selected portfolio in portfolio currency	Y
Realized Profit/Loss	Displays the total realized profit & loss of the selected portfolio in portfolio currency	Y
Transaction Details		
Date	Enables the user to select the appropriate transaction date	Y
Transaction Type	Enables the user to select the appropriate transaction type from the drop-down list	Y
Amount	Enables the user to enter appropriate amount in the text box	Y
Remarks	Enables the user to enter the remarks, if any.	N

Procedure to place the Corpus Transaction:

Step 1:

If the user is navigating to this screen immediately after logging in to the system, the system forces to select a customer in the customer selection screen.

On the other hand, if the user is navigating to the screen from any other screen, the system auto-populates the name, no. and default portfolio name of the customer which is already in context.

Note

To change the customer, the user needs to click on the  icon located at the top right hand side corner of the screen.

Step 2:

Select the appropriate portfolio name from the Portfolio Name drop-down list.

For the very first corpus transaction, the system displays the blank text boxes for Corpus, Market Value, Inflows, Outflows, and Realized Profit/Loss fields.

For the subsequent transactions, the system displays the corresponding existing values in these fields.

Step 3:

Select the appropriate transaction date using the calendar icon.

The system enables the user place the backdated corpus transactions. At the same time system also ensures that the new back-dated transaction prior to the first corpus-in transaction is of the type corpus-in.

For any other back-dated transaction which is accounted after the first corpus-in transaction system first checks whether sufficient corpus is available as on date (in case of Instrument buy transaction or corpus-out transaction) and if not then rejects transaction and displays the message as 'Insufficient corpus to account this transaction.'

Step 4:

Select the appropriate transaction type from the Transaction Type drop-down list.

Step 5:

Enables the user to enter the appropriate amount in the Amount field.

Step 6:

Enables the user to enter the remarks if any in the Remarks text field..

Step 7:

Click the  button.

Note

Whenever any transaction is accounted in a 'Corpus portfolio' and for an instrument other than 'Corpus', either through upload or data entry screen, system passes a corresponding contra entry against 'Corpus' instrument and is displayed in Transaction Search screen.

5. Transaction Management for Others

Description:

In this section, we will comprehend the transaction management for those holdings which cannot be classified into any of the specific instrument types like Equity, MF, Bonds, Commodities, Structured Product, Insurance, PMS, Derivatives categories. These holdings have been clubbed in to the category 'Others'.

We have also seen in the earlier sections that securities in FCPB are also categorized in to a range of asset classes. Currently the following asset classes have been defined in FCPB; namely equity, debt, art, real estate, gems, metals, cash and insurance. The different asset classes to be used by the bank can be identified and maintained by the administrator in the Reference Master Table.

The holdings in equity, bonds, mutual fund, and structured products can be chiefly grouped into the asset classes' equity, debt and cash. Though there are some mutual funds which also invest their corpus into other asset classes like real estate and art. The holdings in insurance will invariably fall into the asset class insurance. The user also has an additional facility to categorize all the holdings, which cannot be sorted into any of the above defined asset classes, into the category 'others'.

It is also imperative for us to recapitulate our understanding on the rudiments of the types of portfolios defined in the FCPB. All the transactions for the instruments defined under the category 'others' can be captured by the user into any of the portfolios, 'RM Managed', 'Self Managed' and 'Held Away'. The consideration for allowing the user to capture his/her holdings in the RM Managed and Self Managed portfolios, though these holdings have not be acquired through the FCPB, is due to the perception that these holdings could have been obtained through any other system within the bank.

As the transactions have been carried out outside the FCPB system, the user has been provided with the flexibility to capture backdated transactions. Currently, there is no restriction on the user in sequencing the backdated transactions. The system will automatically sequence the transactions as per the date of execution as entered by the user.

5.1 Other's Transaction Management - Buy

User Access levels:

RM: can capture the transactions for the RM Managed, Self Managed and Held Away portfolios. The Discretionary portfolio will not be displayed in the screen for a RM login.

Note

There are no restrictions on the either of the users for updating the holdings in either the RM created or Heldaway portfolios.

Screen:

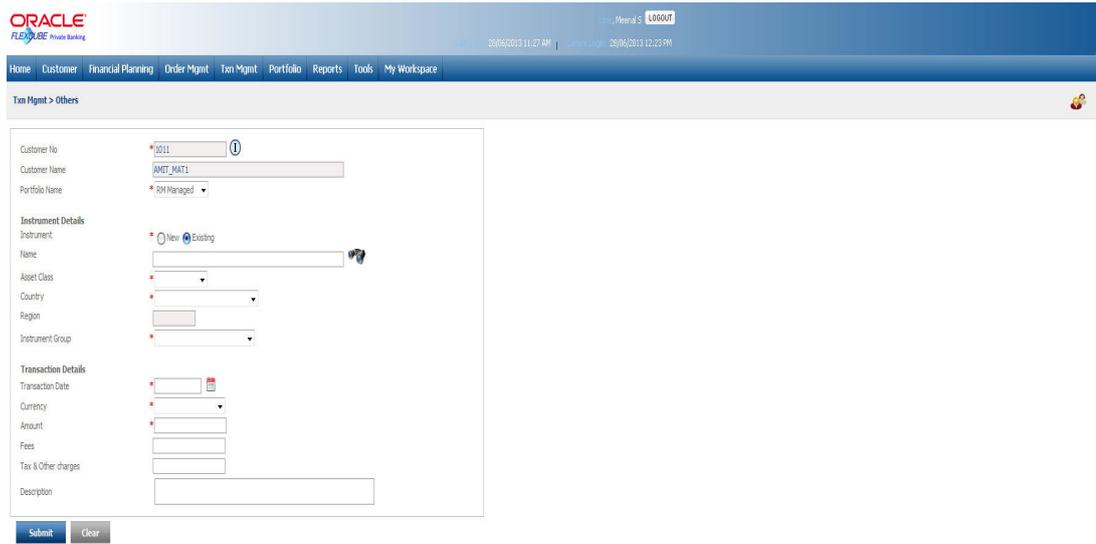


Figure 5.1: Other's Transaction Management Screen

Screen Navigation:

After logging into the system, select Transaction Management → Others

This screen has been elucidated in depth in the next section.

Field	Description	Mandatory
Customer Details		
Customer No.	Enables the user to select the customer by clicking on the search icon available next to the Customer No field	Based on FAC
Customer Name	Displays the Customer Name for the selected Customer No	Based on FAC
Portfolio Name	Displays the list of the portfolio names for the customer	Y
Instrument Details		
Instrument	Enables the user to select the appropriate instrument by clicking the radio button. The options available are New & Existing. If the user selects the New option, the system allows the user to enter the new instrument name in the Name text box. If the user selects the Existing option, the search icon appears next to the Name field and the system allows the user to search for the existing instrument using that icon.	Y

Field	Description	Mandatory
Instrument Name	Enables the user to enter the appropriate instrument name in the Name text box. If the user opts for the existing instrument, system allows the user to search for the existing instrument name using the search icon.	
Asset Class	Enables the user to select the appropriate Asset Class from the drop-down list. If the user opts for the existing instrument, system auto-populates this field.	Y
Country	Enables the user to select the appropriate country name from the drop-down list. If the user opts for the existing instrument, system auto-populates this field.	Y
Region	Displays the region for the selected country. Once the user selects the country, system populates the region for that country. If the user opts for the existing instrument, system auto-populates this field.	Y
Instrument Group	Displays all available Instrument groups in the drop-down list. If the user opts for the existing instrument, system auto-populates this field.	
Transaction Details		
Transaction Date	Enables the user to select the appropriate transaction date using the calendar icon	Y
Currency	Enables the user to select the appropriate currency from the drop-down list	Y
Amount	Enables the user to enter the appropriate amount in the Amount text box	Y
Fees	Enables the user to enter the appropriate amount in the Fees text box.	N
Tax & Other Charges	Enables the user to enter the amount paid as transaction tax in the Tax text box	N
Description	Enables the user to enter the information related to transaction in the Description free text field	N

Rules for capturing a transaction:

- Transactions can be captured only for customers in active status.
- For capturing a transaction the customer should have atleast one of the portfolios RM portfolio or Self Managed portfolio or Held Away portfolio coupled to his/her id.

Procedure for capturing a transaction:

Step 1:

If the user is navigating to this screen immediately after logging in to the system, the system forces to select a customer in the customer selection screen.

On the other hand, if the user is navigating to the screen from any other screen, the system auto-populates the name, no. and default portfolio name of the customer which is already in context.

Note

To change the customer, the user needs to click on the  icon located at the top right hand side corner of the screen.

Step 2:

RM – Subsequent to selecting the customer, the Portfolio Name drop-down list defaults to the default portfolio of RM Managed portfolio type. It is mandatory for the RM to decide on the appropriate portfolio prior to placing the order.

As there is no restriction on either of the users from updating the holdings in either the RM or customer created held away portfolios, all the portfolios created under the category of Held Away will be displayed to both the users.

Step 3:

The subsequent step is to enter the Name of the Holding. It is a text field and the user can enter the Name or the description of the holding as conveniently interpretable by the user.

Note

As this screen has been provided with the flexibility to capture all the additional holdings of the customer apart from the ones which can be easily classified into the system defined instrument types (equity, mutual fund, bond, structured product and insurance), it is impossible for the system to maintain a Master Table for such holdings. Due to this, the system cannot aggregate multiple purchases into the holding. Hence any additional purchases need to be captured as separate security-holding or first time purchase.

Step 4:

The next step is to categorize the holdings into any of the asset classes as provided in the drop down list. In order to capture any holding in this instrument category, it is mandatory for the user to choose one of asset class. To recap, holdings which cannot be sorted into any of the defined asset classes can be categorized into the asset class 'others'.

Step 5:

After selecting the asset class, the subsequent step is to capture the country to which the asset belongs and was purchased. This can be done by selecting the names of the countries provided in the dropdown list in the field 'Country'. On selecting the country, the system will display the corresponding 'Region' associated to the country.

Step 6:

The user then proceeds to capture the purchase details of the holding. The first step in this process is to capture the date of purchase. The calendar for selecting the date has been

provided adjacent to 'Purchase Date' field. Click on the icon  , in order to open the calendar.

As these transactions have been carried out outside the FCPB system, the user has been provided with the flexibility to capture backdated transactions. However this flexibility has a constraint associated to it for the RM and Self Managed portfolios. The transactions in these portfolios can be backdated maximum till the customer creation date. However, there is no restriction on the time limit for backdating the holdings for the Held Away portfolio.

The user is also restricted from capturing a future purchase date.

Step 7:

In the next step the user has to capture the currency of the holding. The currencies are provided as a drop down list. It is obligatory for the user to capture the currency of the holding.

Step 8:

The next significant step is to capture the net purchase price of the holding. Please note that it is this price which will be considered for the purpose of analysis and performance computation and hence it is the onus of the user to enter the accurate value. This field too is mandatory for entry by the user.

Step 9:

Enter the appropriate transaction fee in the Transaction Fee text box.

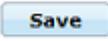
Step 10:

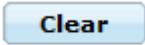
In the next step has been provided to capture the brokerage paid for obtaining the holding. Please note currently, this field is not being utilized for any of the valuation, analysis or performance computations.

Step 11:

The next field 'Description' has been provided to the user to enter any essential information on the holding. This field is a free text field.

Step 12:

After entering all the fields in accordance to the outline given in the above steps, the user can proceed to click on the save  button. On saving the holding you will be displayed with a confirmation message on the screen.

To clear the entire details captured earlier, click on the  button.

5.2 Other's Transaction Management - Modify

User Access levels:

RM: can capture the most recent market price for the holdings RM Managed, Self Managed and Held Away portfolios.

Screen:

ORACLE
FLEXCUBE Private Banking

User: Meenal S LOGOUT
01/07/2013 5:03 PM | Current Login: 01/07/2013 5:21 PM

Home Customer Financial Planning Order Mgmt Txn Mgmt Portfolio Reports Tools My Workspace

Portfolio Management > Term deposit: Interest Payment

Customer Details
Customer No. 1007
Customer Name SEETA_MAT1
Portfolio Name RM Managed

Deposit Details
Instrument Name Term Deposit - INR
Instrument Currency INR
Deposit Type Time Deposit
Fixed / Floating Fixed
Simple / Compound Compound

TD Interest Payment Transaction Details
Transaction Date 27/06/2013
Transaction Amount 18.86301 Payment/Receivable Amount to be paid to cus
Description Interest Paid To Customer - Interest Rate % -4.5

Save Clear Delete

Figure 5.2: Other's Transaction Management Modify Screen

Screen Navigation:

After logging in the system select Txn Mgmt → Transaction Search

From the Transaction Search screen select the appropriate record and click on the Modify hyperlink under Action column.

Rules for capturing a transaction:

Transactions can be captured only for customers in active status.

Procedure for capturing a transaction:

Step 1:

Pre-filled information of the holding is displayed on accessing the screen. The screen will display the name of the customer and the portfolio in which the holding is held. The screen will also display the asset class, the country, region and currency of the holding. These fields are all non editable.

Step 2:

The next significant step is to capture the market value of the holding. It is mandatory for the user to enter a value in this field.

Note

Please note that it is responsibility of the user to keep revising the market price. The system will use the most recent available value from this field from the purpose of valuation, analysis and performance computation. In the absence of the user providing any data, the system will consider the purchase price as the market price for the above mentioned evaluations.

Step 3:

The user then proceeds to capture the valuation date. The calendar for selecting the date has

been provided adjacent to 'As on Date' field. Click on the icon , in order to open the calendar.

The system validates the date entered against the purchase date. The user will be restricted to the extent of capturing a date before the purchase date. The user is also restricted from capturing a future valuation date.

Step 4:

The next field 'Description' is also a display field.

Step 5:

After entering all the fields in accordance to the outline given in the above steps, the user can

proceed to click on the save  button. On saving the holding you will be displayed with a confirmation message on the screen.

To clear the entire details captured earlier, click on the  button.

6. Transaction Management for Generic Instrument

Description:

It is observed that the Others instrument type has few drawbacks. It does not support Partial Sale of units. To overcome this problem, the new instrument type called 'Generic' is introduced.

6.1 Generic Instruments Transaction Processing

User Access levels:

RM: The option of adding the details of Generic instrument transaction is available through RM login. RM can enter back dated Generic instrument transaction for all Portfolio types which he is authorized to (depends on the selection in the portfolio type maintenance screen)

Screen:

Figure 6.1: Generic Instrument – Transaction Management

Screen Navigation:

After logging in the system select Transaction Management → Generic Instrument.

Field	Description	Mandatory
Customer Details		
Customer No	Enables the user to select the customer no. by clicking on the search icon	Y
Customer Name	Displays the customer no. once the user selects the Customer Name.	Y
Portfolio Name	Enables the user to select the appropriate portfolio from the drop-down list	Y
Instrument Details		

Field	Description	Mandatory
Name of Instrument	Enables the user to select the appropriate instrument by clicking on the search icon if it is existing instrument. Else enables to enter the new instrument name in the Name of Instrument text box.	Y
Instrument Currency	Displays the currency for the selected instrument	Y
Settlement Currency	Display the settlement currency for the selected instrument	Y
Asset Class	Displays the Asset Class for the corresponding generic instrument	Y
Transaction Details		
Transaction Type	Enables the user to select the appropriate option from Transaction Type drop-down list	Y
Transaction date	Enables the user to select the appropriate transaction date using the calendar icon	Y
Units	Enables the user to enter the appropriate units in the Units text box	Y
Price	Enables the user to enter the appropriate price in the Price text box	Y
Brokerage	Enables the user to enter the appropriate amount in the Brokerage text box	
Amount	Displays the total amount of transaction	Y
Description	Enables the user to enter the transaction details if any, in the Description text box. It is a free text box and allows the user to enter maximum 250 characters.	N

Enter the appropriate details in the Generic instrument – Transaction Capture screen as shown in the screen above and save the details.

Once the user clicks on the Save button, the transaction get saved and the system displays the message as 'Generic Instrument Transaction Saved Successfully'.

7. Transaction Search

7.1 Transaction Search

The Transaction Search category under the Transaction Management is used by the user to search for the customer transaction by using various parameters. User can also modify or delete the transaction by selecting the transaction and then applying the appropriate action.

User Access levels:

RM: Only the RM with appropriate privileges can modify or delete the transaction

Screen:

Figure 7.1: Transaction Search Screen

Screen Navigation:

After logging in the system select Transaction Management → Transaction Search

Field	Description	Mandatory
Customer No	Enables the user to select the customer by clicking on the search icon available next to the Customer No field	Y
Portfolio Name	Enables the user to select the appropriate portfolio name from the drop-down list.	N
Instrument Type	Enables the user to select the appropriate instrument type from the drop-down list	N
Instrument	Enables the user to select the appropriate Instrument by clicking on the search icon available next to the Instrument field	
Folio / Account No	Enables the user to select the appropriate Tax A/c Identifier. This field is enabled only if the selected Instrument Type is Equity or MF	
Status	Enables the user to select the appropriate status from the drop-down list	

Field	Description	Mandatory
Country of Market	Enables the user to select the appropriate Country of Market using Search icon to search for the desired transactions. If selected, the system displays the transactions for the selected country only.	N
Settlement Status	Enables the user to select the appropriate Settlement Status to search for the desired transactions.	N
Transaction Date From	Enables the user to select the appropriate From transaction date using the calendar icon	
Transaction Date To	Enables the user to select the appropriate To transaction date using the calendar icon	
Transaction Type	Enables the user to select the appropriate transaction type from the drop-down list. The system auto-populates the 'Put' option in the drop-down list, if the selected instrument is 'Puttable' or 'Callable/Putable'.	
Transaction Amount	Displays the transaction amount	
Fee Amount	Displays the fee amount for the corresponding transaction	
Transaction Date	Displays the transaction date of the corresponding transaction	
Status	Displays the status of the corresponding transaction	
Maker Name	Displays the Maker Name	
Action	Displays the group of actions available to be performed on the corresponding transaction	

Procedure to modify the transaction:

Step 1:

RM – needs to foremost select the customer. This can be done, either by entering the

Customer No in the field provided or by clicking on the  button.

Step 2:

RM – Subsequent to selecting the Customer No., the system will display all the 'Held Away' portfolios associated to the customer in the field 'Portfolio Name'. It is mandatory for the RM to decide on the appropriate portfolio prior to modifying the transaction.

Step 3:

From the Instrument Type drop-down list, select the appropriate Instrument type.

Step 4:

Click the  icon next to the Instrument field and select the appropriate Instrument.

Step 5:

Select the appropriate Folio or Account no. from the Folio/Account No text box.

Step 6:

From the Status drop-down list, select the appropriate status.

Step 7:

Click on the  icon next to the Country of Market field and select the appropriate trading country to view the desired transactions.

Step 8:

From the Settlement Status drop-down list, select the appropriate settlement status.

Step 9:

From the Transaction Type drop-down list, select the appropriate transaction type.

Step 10:

Click the  icon next to the Transaction Date From and To fields and select the appropriate dates.

Step 11:

Click the Search button.

On clicking the Search button, the system displays all the transaction details of the selected customer.

Step 12:

To modify the transaction click the corresponding Modify hyperlink under the action column.

Note

Transactions which are matched or settled cannot be modified and hence system displays the View hyperlink for these transactions in disabled status.

Step 13:

Edit the appropriate details and save the transaction.

Note

If the 'Yes' option is selected for Allow in TMS field in Master → Portfolio Related → Portfolio Type screen, then system allows to modify the transaction. If the 'No' option is selected then system does not allow the user to modify the transaction but allows to view it.

Note

FCPB system also enables the user to print the transaction report for the selected criteria by clicking on the Print Report button.

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