

Loan Syndication User Guide

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Oracle Financial Services Software Limited

Oracle Park

Off Western Express Highway
Goregaon (East)
Mumbai, Maharashtra 400 063
India

Worldwide Inquiries:

Phone: +91 22 6718 3000

Fax: +91 22 6718 3001

www.oracle.com/financialservices/

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1. Preface

1.1 Introduction

This manual is designed to help acquaint you with the Loan Syndication Modules of Oracle FLEXCUBE. It provides an overview of the modules and guides you through the various steps involved in granting syndicated loans to the customers of your bank.

You can obtain information on a particular field by placing the cursor on the relevant field and striking the <F1> key on the keyboard.

1.2 Audience

This manual is intended for the following User/User Roles:

Role	Function
Back office data entry clerk	Input functions for contracts
Back office managers/ officers	Authorization functions
Product Managers	Product definition and authorization
End of Day operators	Processing during End of Day/ Beginning of Day
Financial Controller/ Product Managers	Generation of reports

1.3 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>.

1.4 Organization

This manual is organized into the following chapters:

Chapter 1	<i>About this Manual</i> explains in short, which module of Oracle FLEX-CUBE this manual is meant for, and its expected audience, organization of this manual and the related documents.
Chapter 2	<i>Loan Syndication — Overview</i> it is a snapshot of the features that the module provides.
Chapter 3	<i>Reference Information for Loan Syndication</i> this chapter explains the maintenance of reference information for loan syndication processing.
Chapter 4	<i>Defining Products for Loan Syndication</i> this chapter details the procedure to set up Loan Syndication products as well as Tranche / Draw Down products.
Chapter 5	<i>Loan Syndication Contracts</i> deals with the procedure involved in entering the details of a syndication contract, as well as tranche and draw down contracts.

Chapter 6	<i>Processing Repayments</i> this chapter discusses the setting up of repayment schedules for the loans that are disbursed.
Chapter 7	<i>Processing Charges and Fees</i> this chapter takes you through the procedures involved in applying charges and fees to a draw down loan contract as well as the sharing of fee income among participants of a syndication contract.
Chapter 8	<i>Rolling over a Drawdown Loan</i> explains the process of rolling over draw down loans.
Chapter 9	<i>Making Additional Disbursements and Rate Changes</i> deals with the additional details and changes that you can effect on a loan.
Chapter 10	<i>Appendix A – Events, Advices and Accounting Entries for Loan Syndication Products</i> contains a list of suggested accounting entries, events and advices used by the loan syndication modules.
Chapter 11	<i>Appendix B - SWIFT Messages for Loan Syndication</i> lists the S.W.I.F.T. messages generated by the system during the life cycle of a tranche or draw down contract under a syndication contract.
Chapter 12	<i>Customer Correspondence</i> enumerates the different advices that are sent to customers involved in loan syndication contracts.
Chapter 13	<i>Reports</i> provides a list of reports that can be generated in this module and also explains their contents.
Chapter 14	<i>Function ID Glossary</i> has alphabetical listing of Function/Screen ID's used in the module with page references for quick navigation.

1.5 Related Documents

This user manual must be used in conjunction with the following Oracle FLEXCUBE user manuals:

- Core Services
- Core Entities
- Retail Lending
- Procedures
- Products
- Interest
- Charges
- Settlements

1.6 Glossary of Icons

Icons	Function
	Exit
	Add row
	Delete row
	Option List

2. Loan Syndication – Overview

2.1 Introduction

The Loan Syndication modules of Oracle FLEXCUBE address loan operations of a bank or a financial institution that enters into loan syndication contracts with borrowing customers (borrowers).

The loan syndication modules are the Syndication Facility (LN), Syndication Borrower (LS) and Syndication Participant (LL) modules.

2.2 Loan Syndication

A syndication agreement is reached between a borrower and a bank (or a financial institution), which arranges the syndication. The arranger bank identifies one or more banks or financial institutions that pool funds to meet the borrowing requirements. These banks or institutions are known as participants.

The arranger bank actually disburses the loan, after receiving the contributions of the other participants. The participants in the syndication share the interest and other income accruing from the loan, in the ratio of their participation that was agreed upon at the time of drawing up the loan syndication agreement.

2.2.1 Process of Disbursing Syndicated Loan

The process in which the loan is disbursed (or the customer avails the loan) under a syndication agreement depends upon many factors. The most important factor is the nature of the requirement of the customer. The other factor is the identification of the participants who would share the load of funding the borrowing.

The customer could choose to avail the loan:

- Either entirely, in one instalment, or borrow a fixed instalment amount at a desired frequency, over a specified tenor.
- The syndication agreement may provide for different interest application, calculation and collection methods for each of the instalments.
- Also, it could provide for revolving or non-revolving commitments while availing the instalments.

The identification of the participants who would share the load of meeting the borrowing requirements depends upon all these factors.

Accordingly, it is possible, due to the nature of the borrowing requirement,

- That a different set of participants may be identified to share the funding, for each instalment of loan principal borrowed.
- On the other hand, the same set of participants could also fund each instalment in different ratios, if so dictated by the nature of the borrowing requirement.

2.2.2 Tranches

Each instalment of the syndicated loan that is made available to the borrower is funded by a set of participants. Each such instalment is known as a **tranche**. Therefore, under a tranche, a specified portion (or the entire amount, depending upon the arrangement) of the total loan is made available to the borrower.

The tranche takes the form of a commitment on the part of each of the participants to grant, in principle, the provision of funds for the amount being made available under the tranche. It also involves a commitment on the part of the customer to avail the funds made available under the tranche.

When the terms of a tranche are finalized, the schedules for the actual loans to be made available to the customer under the tranche are also finalized, according to the requirement of the borrower. The participants are directed to fulfil their commitments whenever a schedule is due.

2.2.3 Draw Down Loans

When the commitments are fulfilled, the borrower may avail the funds made available under a tranche as draw down loans. Depending upon the requirement, the borrower may avail of the tranche amount in a specified number of draw down loans. These loans may have a term or tenor that is independent of the tranche tenor.

The tenor of the draw down loans will fall within the period between the start date and the end date of the main syndication contract. Also, the tenor of the draw down loans will begin within the tenor of the tranche.

Therefore, the main borrowing requirement (or total principal) in a syndication contract may be disbursed to the borrower through one or many tranches (instalments), and each tranche may be split down into a specified number of draw down loans. A tranche amount could also be disbursed through a single draw down loan, if so required by the borrower.

This chapter explains each of the features of the Loan Syndication module of Oracle FLEXCUBE, enabling you to understand how you can use the system to process syndicated

2.2.4 Defining Products

In Oracle FLEXCUBE, any service or scheme that you want to make available to your customers can be defined as a product. For instance, your bank may be entering into lending agreements with other lending banks, to disburse loan requests as a syndicate. This facility of disbursing syndicated loans can be defined as a product.

Going further, your bank could be offering borrowing customers loans through any tranche of a syndication contract framework. To recall, a tranche is a channel through which a borrowing customer could receive the required loan as a draw down. This facility that you want to offer to your customers, of availing loans through a 'tranche' arm of the syndicate agreement, could also be defined as a tranche product.

Defining products simplifies the task of disbursing syndicated loans. Typically, you would need to specify the following information about a tranche product each time you process a draw down under the tranche:

- The preferences with regard to interest applicable
- The payment schedules
- The liquidation schedules for ICCF components

You can define a product with all the specifications listed above. Each time you enter a draw down under the product into Oracle FLEXCUBE, they will be automatically applied to it, and you need not specify them afresh.

In Oracle FLEXCUBE, you can define two levels of products for syndication contracts:

- The main syndication product. This level establishes a blueprint for capturing details for all syndication contracts.

- The tranche and draw down level products. This level enables you to capture details for all tranches under a syndication contract, as well as the draw downs under each tranche.

2.2.5 Processing Tranche or Draw Down Contracts

Oracle FLEXCUBE processes syndication contracts by allowing you to capture contracts at both the tranche level as well as the draw down level under a tranche.

Tranche Processing

When you open a tranche under a syndication contract, you input a commitment contract for the borrowing customer. Based on this, the system creates a commitment contract for each of the participants.

The borrower tranche contract involves the borrower tranche product that you have define. The participant commitment contracts involve the participant commitment products you have defined. Though the tranche contracts may involve different products, all the contracts involved in a particular tranche are processed simultaneously.

The tranche contracts may be revolving or non-revolving, according to the requirement of the borrower. In a revolving commitment, the commitment amount is reinstated when it is fulfilled. Therefore, the commitment amount pledged to a borrower is reinstated once the draw down loan availed has been repaid by the borrower. If the commitment is non-revolving, the commitment amount is not reinstated on repayment of the draw down loan availed.

Draw Down Processing

After a tranche comes into effect (i.e., on and after the value date of the borrower tranche contract), the draw down loan contract for the borrower can be entered into the system.

When you input a draw down loan contract for the borrowing customer under a tranche, the system creates a deposit contract for each of the participants

The borrower draw down loan contract involves the borrower draw down loan product that you have defined. The participant deposit contracts involve the participant deposit products you have defined.

2.2.6 Processing Repayments

Repayments as well as interest payments on a borrower draw down loan are distributed to the participants.

A common loan syndication pool is maintained to which contributions towards the borrower loan principal would be credited, and from which the borrower avails draw down loans. Repayments of principal are also credited into this common syndication pool, from where they are distributed to the participant nostro accounts.

A common loan syndication interest pool is maintained to which repayments of interest due on the loans are credited. From this pool, the interest due to each participant is distributed to the participant nostro accounts. You can maintain a GL in Oracle FLEXCUBE that would serve the purpose of a common syndication pool, as well as another to serve the purpose of a loan syndication interest pool. These GLs would be known as Bridge GLs.

2.2.7 Sharing of Fee or Charge Income

The participants share income from the liquidation of charges or fees that are applicable to borrower contracts, according to the ratio of participation agreed upon when the syndication contract is drawn up.

You can liquidate these charges or fees online in Oracle FLEXCUBE and apportion the liquidated fee income to the participants, net of tax.

3. Reference Information for Loan Syndication

3.1 Introduction

Before you can set up products for loan syndication contracts, or process loan syndication contracts, you need to maintain certain basic reference information that you might need in order to set up products and process contracts.

In the context of loan syndication, for instance, you may need to identify administrators among the officers of your bank to whom you could assign the administration of each loan syndication contract. You may also need to define certain events that need to be processed for syndication contracts, messages to be sent to the required parties, and so on.

This chapter explains the maintenance of such reference information for the modules used for loan syndication contracts.

Reference information relating to the following needs to be maintained for loan syndication:

- Administrators
- Parties
- Diary Events
- Messages
- User-defined fields
- Ad-hoc fee components

3.2 Maintaining Administrators

Your bank may wish to assign appropriate administrators to loan syndication contracts. You can maintain such administrators (also called as 'Agents') in the system, in the 'Administrator Details' screen, by assigning a unique ID to the name of each administrator. You can invoke this screen by typing 'CSDADMIN' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a software window titled "Administrator Maintenance". At the top left, there is a "New" button. Below it, there are four input fields with labels: "Administrator*" (with a red asterisk), "Administrator Name", "Phone Number", and "Fax Number". At the bottom of the window, there are three columns of fields: "Input By Date Time", "Authorized By Date Time", and "Modification Number". To the right of these fields are two checkboxes labeled "Authorized" and "Open". An "Exit" button is located in the bottom right corner.

3.3 Maintaining Self Participants

When the lead bank participates in the syndication by contributing funds it is called 'Self Participation'. You can maintain the lead bank as a self participant using the 'Self Participant Maintenance' screen. You can invoke this screen by typing 'LLDSPMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a software window titled "Self Participant Maintenance". At the top left, there is a "New" button. Below it, there are three input fields: "Self Participant *" (with a dropdown arrow), "Description" (with a help icon), and "Branch" (with a dropdown arrow). Below these fields is a "Fields" tab. At the bottom of the window, there are labels for "Input By Date Time", "Authorized By Date Time", and "Modification Number". Under "Modification Number", there are two checkboxes: "Authorized" and "Open". An "Exit" button is located in the bottom right corner.

The following details are captured here:

Self Participant

Select the code of the bank from the option list. The codes of all valid customers maintained are available in this list.

Description

Based on the bank code selected the description is defaulted here.

Branch

Select the branch that has to be designated as the transaction branch for the participant i.e. the system creates the corresponding commitment/loan contract in this branch.

3.4 Maintaining Party Types

You can identify the different types of entities or parties involved in loan syndication contracts, in the system, in the 'Party Type Definition' screen. You can invoke this screen by typing

'CSDPARDF' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a software window titled "Party Type Definition". At the top, there is a menu bar with "New" and "Enter Query" options. The main workspace contains two text input fields: "Party Type *" and "Party Description". Below the workspace is a "Fields" section with three labels: "Input By Date Time", "Authorized By Date Time", and "Modification Number". Under "Modification Number", there are two checkboxes: "Authorized" and "Open". An "Exit" button is located in the bottom right corner of the window.

The different types of entities that you might want to define could include:

- Originator
- Arranger
- Borrower
- Participant

For each party type, you must specify an appropriate and typical description.

3.5 Maintaining Diary Events

You can define the diary events to be associated with each of the loan syndication modules in the 'Diary Event Maintenance' screen. A diary event signifies occurrences (other than accounting entries being passed) in the life cycle of a contract, at which appropriate messages would need to be generated. You can invoke this screen by typing 'CSDDIAEV' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

After you have identified the diary events in the 'Diary Event Maintenance' screen, you must also:

- Define the message types and message formats to be available for the module
- For each module, associate the appropriate message type to be generated at the occurrence of each diary event. You can do this in the 'Diary Event Messages' screen, discussed later in this chapter.

In the 'Diary Event Maintenance' screen, you must first specify the module to which the diary events you are defining, will apply.

The screenshot shows the 'Diary Event Maintenance' application window. At the top, there is a 'New' button and two input fields: 'Module *' and 'Description'. Below this are two tabs: 'Events' and 'Message Fields'. The 'Events' tab is active, showing an 'Event Details' section with a table. The table has columns for 'Event *', 'Description', and 'Occurrence'. Below the table is a 'Message Details' section with a table. The table has columns for 'Message Type *' and 'Description'. At the bottom, there is a 'Fields' section with labels for 'Input By Date Time', 'Authorized By Date Time', and 'Modification Number'. There are also checkboxes for 'Authorized' and 'Open', and an 'Exit' button.

For each diary event, you specify the following details:

- Name and description
- Whether the event occurs once or multiple times in the life cycle of a contract

3.6 Maintaining Message Types for Module

You can maintain the message types that are to be available for generation at the occurrence of a diary event, for each loan syndication module, in the 'Diary Event Maintenance' screen.

When you make the appropriate message types available for each module in this manner, you can associate the available message type with the appropriate diary event applicable to a contract using the module, in the 'Diary Event Messages' screen, discussed later in this chapter.

In the Messages section in the Events tab of the 'Diary Event Maintenance' screen, you can specify the type of message that is to be available, along with a description of the message type.

You can also maintain the desired format for each of the message types that are available for a module, by specifying the appropriate field tags. Click on the 'Message Fields' tab in the 'Diary Event Maintenance' screen. You can specify up to 30 field tags.

3.7 Maintaining User-Defined Field Tags

You can maintain field tags for user-defined information, to be available for each loan syndication module, in the 'Diary Event Maintenance' screen. Up to 10 different such tags can be maintained in the User Defined Fields section in the Message Fields tab in the 'Diary Event Maintenance' screen.

For each field tag, you must specify:

- A serial field number and tag name, which forms the identification for the user-defined field
- The type of data that can be entered in the user-defined field, as well as the date format, if it is a date type field

3.8 Associating Message Types to Events for Module

After you have defined the diary events to be applicable for a module, and also made available the requisite message types (in the Diary Event Maintenance) you can associate the type message to be used to generate messages for each diary event, in the 'Diary Event Message Linkage' screen.

You can invoke this screen by typing 'CSDDRYMS' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

To an event code, you can only associate a message type that has not been already mapped.

The screenshot shows a window titled "Diary Code" with a "New" button. The main area contains three required fields: "Module *", "Event *", and "Message Type *", each with a dropdown arrow icon. Below the fields is a "Fields" section with the following labels: "Input By", "Authorized By", and "Modification Number". Under "Input By" is "Date Time". Under "Authorized By" is "Date Time". Under "Modification Number" are two checkboxes: "Authorized" and "Open". An "Exit" button is located in the bottom right corner.

3.9 Maintaining Ad-hoc Fee Components

For all syndication contracts you can define ad hoc fee. The ad-hoc fee component facility is applicable to Syndication Facility (LN), Syndication Borrower (LS) and Syndication Participant (LL) module.

Invoke the 'Ad hoc Charges' screen from the Application Browser to define ad hoc fee components.

You can invoke this screen by typing 'CFDADFEE' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

You can capture the following details here:

Specifying the class code

While defining the ad-hoc fee class you need to specify the class code to which it belongs and then link the same to the module.

To do this, enter a unique identifier for the class you are defining and give a brief description for the code in the field adjacent to it.

Linking the class code to a module

This is the module for which you are defining the ad hoc fee. The option list will display all the modules available for linkage i.e. Syndication Facility (LN), Syndication Borrower (LS) and Syndication Participant (LL) module.

Choose the appropriate module from the option list. A brief description of the module will be displayed on selecting the module.

Indicating participant propagation

While defining the ad-hoc fee you have the option to pass the ad-hoc fee collected from the borrower to the participant of facility, tranche or draw down contract.

Click on the Participant propagation if you want to transfer the fee to the participant. An unchecked box will indicate that the fee collected from the borrower will not be passed to the participant.

Accounting Roles

In this section we have provided a list of sample accounting roles that can be used for each of the ad hoc components:

Accounting Role	Description	Role Type
ComponentINc	GL Account	Income

ComponentEXP	GL Account	Expense
ComponentMIN	LS module - Skim Margin Income Account	Income

3.10 Indicating Branch Parameters for Loan Syndication

In the 'Loan Syndication Branch Parameters' screen, you can define loan syndication details to be applicable for your branch such as the reporting currency for syndication contracts and the exchange rate that would be used to convert outstanding contract balances to reporting currency equivalent.

You can also indicate the participant to whom the rounding difference between amounts collected and amounts disbursed, must be routed.

You can invoke this screen by typing 'LSDBRMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows the 'Branch Parameters' application window with the following sections and fields:

- Branch Details:**
 - Branch Code *
 - Branch Name
- Netting:**
 - GL Netting Accrual
 - GL Netting Liquidation
 - GL Netting Status Change
 - Netting of Notices across Accounts
 - Auto Allocate Part Payment
- LS Parameters:**
 - Reporting Currency
 - Reporting Rate Type
 - Rounding Participant *
 - Participant Process:
 - Job
 - Online
- Statement:**
 - Debit Settlement Bridge GL *
 - Credit Settlement Bridge GL *
- Intraday Jobs:**
 - Intraday Job Interval
 - No of Parallel Jobs
 - Intraday Accrual
- User Ref Details:**
 - User Reference in Messages
 - Auto Generate User Reference
- Processing:**
 - Process Till Next Working Day - 1
- Others:**
 - IRR Processing
 - Accrual Entries On Holidays
 - Intermediate Schedule Gap Treatment:
 - Create New Schedule
 - Advance Current Schedule
 - Extend Previous Schedule
 - Schedule Structure:
 - Non Frequency Based
 - Frequency Based
 - First Payment Schedule Gap Treatment:
 - Treat As Payment
 - Treat As Moratorium
- Fields:**
 - Maker
 - Checker
 - Mod No
 - Date Time:
 - Date Time:
 - Record Status
 - Authorization Status

Branch Code/Name

You have to indicate the code of the branch for which the parameters have to be maintained. The codes of the various branches of your bank are available in the option list provided.

When you select the code, the branch name is also displayed alongside.

Process Till Next Working Day – 1

This specification will determine the day on which automatic events such as accrual, liquidation etc. falling due on a holiday, should be processed. If you select this option, events scheduled for a holiday will be processed on the last working day before the holiday.

For example, if the current system date is 15 May, and 16 May and 17 May are holidays. On selecting 'Process Till Next Working Day – 1', during execution of the batch program at EOD on 15 May, the events due on 16 May and 17 May will also be processed.

If you do not select this option, processing will be done up to the system date i.e. the current date. The automatic events due on a holiday will be processed as part of the batch program run at BOD on the next working day after the holiday.

Consider the example discussed above, if you do not check this option, the events due on 16th and 17th will be processed as part of BOD operations on 18th May, which is the next working day after the holidays.

Netting

Here, you need to indicate the netting preference for posting entries during accrual, liquidation and status change.

If you opt to net, the system will post a single consolidated entry for a GL and Currency combination. If you do not select this option, entries are posted individually for each account.

The GL netting status change option can also be used to indicate installment level status change.

The Netting of Notices across Accounts can be used to indicate that for or all accounts for which the payments fall due on a particular date, the requests for invoice generation should be consolidated.

The loan accounts for which the reminder or demand note should be sent is tracked based on the status of the account. The SDE 'Next Schedule Date' is set up to arrive at how many no. of days in advance the payment notice should be generated. Based on the status of the loan account the corresponding payment invoice format is set up.

The Auto allocate part payment option can be used if you want to do a partial payment through auto allocation. For accounts which are marked for manual allocation of partial amount the payment can be done in bulk using the 'Consumer Lending – Bulk Payments' screen.

For more details on Bulk payments refer section 'Bulk Payments' in the 'Operations' chapter of Retail lending module.

Settlement

The settlement accounts for processing lending transactions have to be specified here. You have to specify the Bridge GL/Account to be used for the settlement of the debit and credit legs of transactions that would be processed at your branch. You can select the accounts from the option lists provided for the same.

Intraday Jobs

Typically, accruals are processed either at BOD or EOD. However, you have the option to facilitate accruals any time during the day i.e. during the normal transaction input itself. You

have to check the 'Intraday Accrual' option to avail this feature. If you opt for intraday accrual, you also have to specify the following:

- Intraday Job Interval: This is the interval (in hrs) at which the Intraday Job should be executed during the day.
- Num Parallel Jobs: This indicates the actual number of jobs to be processed at the same time when the Intraday Job is executed. For example, if the number of parallel jobs is 5, the system will group the accounts into 5 different jobs to be processed simultaneously by the Intraday Job. The system automatically groups the accounts based on the number of parallel jobs maintained.

Account Auto Generated

You can select this option for automatic generation of account numbers. The system generates the account numbers automatically when you create customer accounts through the 'Account Details' screen. If this option is not checked, you have to capture the account number yourself.

For details on creating an account, refer the 'Account Creation' chapter of this User Manual.

Accounting Mask Required and Account Mask

To maintain uniformity in the account numbers generated/captured across a branch, you can specify a format/mask for account numbers. If you specify that account numbers should conform to a specific format, you have to specify the mask in the 'Account Mask' field.

For example, you may want the account numbers of your branch to be a combination of:

- Branch Code (3 Characters)
- Product (4 Characters)
- Currency (3 Character currency code)
- 5 digit running sequence number

The account mask in this case would be: @ (BRN)@(PROD)@(CCY)@(SEQ:5)

An example of an account number conforming to the above mask would be DOC3ROLUSD60021.

If you opt for auto generation of account numbers but do not specify a mask, the generated number will, by default, conform to the following format:

- 3 character Branch Code
- 4 character Product Code
- Date in Julian format (YYDDD)
- 4 digit running sequence number

An example of an account conforming to the above format is 'DOCVSIM040960021' where:

- 'DOC' is the Branch Code
- 'VSIM' is the Product Code
- '04096' is the date equivalent to 5th April 2004 (04 – Year and 096 is the number of days that have elapsed in the year).
- '0021' is the running sequence number.

Also, if you maintain an account mask but do not opt to auto generate the account numbers, then, during account capture you have to conform to the account mask maintained for the branch. If the account is not as per the mask, the following error message is displayed:

"Account number entered is not conforming to the account mask."

User Ref no in Msgs

Check this box to indicate that the User Reference Number provided in the account screen has to be used in Tag 20 of MT103 and Tag 21 of MT202. If the box is unchecked, the loan account number will be used instead of the User Ref no.

Auto Gen User ref

Check this box to indicate that system should auto generate user ref no during account creation.

IRR Processing

Check this option to trigger the YACR (Yield Accrual) event for the branch batch.

Accrual Entries on Holidays

This option will determine whether the accrual entries due on the holidays should be passed as of the holiday itself or as on the working day before the holiday(s)/after the holiday(s) depending on the 'Process Till Next Working Day -1' option.

For example, assume that the current system date is 15th May '05. Further, 16th and 17th are holidays. If you do not select 'Process Till Next Working Day – 1', the EOD process for 15th May will accrue only for that day. Accruals due on 16th and 17th will be done on the next working day, 18th May '05. The EOD process of 18th May will accrue for all the three days i.e. 16th, 17th and 18th. If you select 'Process Till Next Working Day – 1', then the EOD process of 15th May will take care of accruals due on the 16th and 17th as well. If you do not opt for 'Accrual Entries on Holidays', the booking date of the entries will be the working day (15th or 18th in this example) on which the accrual is processed. The accrual entries are passed with the value date as of the working day.

If the 'Accrual Entries on Holidays' option is selected, the processing will continue to be on the working day before or after the holidays, depending on your preference. However, the value date of the entries will be as of the corresponding holiday date i.e. 16th and 17th May respectively.

Reporting currency

Specify the currency that will be displayed in the syndication contracts. This is the currency in which the principal contract amount outstanding balance of tranches and draw downs is expressed.

Reporting rate type

This is the exchange rate type, which will be used to convert the principal amount, and outstanding balance in case the syndication contract currency is different from the reporting currency that you have specified in the previous field.

Choose the exchange rate type from the option list given.

Rounding participant

The system creates a new participant contract to route the rounding difference amount that was created due to rounding difference between the amount collected and the amount disbursed.

When the amount collected from the borrower is disbursed to the participants, you could encounter rounding differences. You need to choose the rounding participant from the option list to indicate that the participant to whom the rounding difference between amounts collected is to be routed.

Participant process

Select the mode in which the participation propagation process has to be done. You can opt to do it in either of the two modes:

- Job
- Online

When you 'BOOK' a borrower contract (Facility/Tranche/Drawdown), the system will create the related participant contracts. It will pick up the participant product linked to the borrower product (in the 'Facility/Tranche/Drawdown Product Preferences' screen) and the participant details maintained for the borrower contract to create the corresponding participant contract.

This processing of participant contracts depends on the 'Participant Process' mode, whether 'Job' or 'Online', set for your branch. You have to specify this as part of defining parameters for your branch in the 'Branch Parameters – LS Detailed' screen.

Schedule Structure

This option is used to indicate if the schedule definitions should honor the end dates or honor the frequencies when the two contradict. The options are:

- Frequency Based
- Non-Frequency Based (the end dates contradict each other)

For example, you can define payment schedules for a product based on the value date of the loan and/or based on the calendar date. Assume that you have a housing loan product 'HOME' with the following payment schedule details:

- Unit – Monthly
- Frequency – 1
- Schedule Basis – Value Date
- Tenor – 12 months

Case 1: Schedule structure is frequency based

A housing loan is initiated on 4th April 2004. As per the above details, the following schedule dates are defaulted:

- First Due Date: 4th May 2004 (one month after the disbursement date)
- End Date: 4th Mar 2005 (in between schedules being 4th June, 4th July and so on for 11 months)
- The last schedule is always a 'Bullet' schedule.

Note that the schedule dates are driven by the value date of the loan. At the account level, you can, however, change the defaulted schedules. But the end dates should not contradict for the schedules.

For instance, you cannot define schedules with the following details:

First Due Date	No of Schedules	Frequency	End Date
04-MAY-2004	5	Monthly	04-SEPT-2004
01-OCT-2004	5	Monthly	01-FEB-2005
04-APR-2005	1	Bullet	04-APR-2005

Note that for the first and second schedules, the end dates are contradicting (4th Sep and 1st Feb respectively). This is not allowed if the schedule structure is 'Frequency Based'. The following error message is displayed:

"Input for component is not as per schedule frequency."

Case 2: Schedule structure is non-frequency based

If the schedule structure is non-frequency based, you can define schedules with contradicting end dates (refer the schedule structure given in **Case 1** above).

First Payment Schedule Gap Treatment

Here, you have to specify the manner in which you would like to treat the period/gap between the loan disbursement date and the first payment. The options are:

- Treat as Payment
- Treat as Moratorium

For example, assume that you make a disbursement on 1st January and the first payment is due on 1st March. This means that there is a gap of two months between the disbursement and the first payment schedule. You can treat this gap either as a 'Payment' schedule or a 'Moratorium' schedule. If you opt to treat it as a 'Payment' schedule, then, during product creation, you should define the payment schedule with the 'Schedule Flag' being 'Normal'. You should also specify a separate formula for this schedule. This is also done at the product level.

Similarly, if the gap is treated as a 'Moratorium', you should define a schedule with type 'Moratorium' and also define a moratorium formula for the schedule.

Intermediate Schedule Gap Treatment

Here, you have to specify the manner in which the system should handle gaps between two schedules. The available options are:

- Create New Schedule
- Advance current schedule
- Extend previous schedule

For example, assume that the following are the two payment schedules for a loan:

- 1st May to 25th May
- 5th June to 25th June

Therefore, the gap between the two schedules is 10 i.e. from 26th May to 4th June. To handle this gap, you can instruct the system to do any one of the following:

- Create a new schedule in which case a new schedule is defined for the gap period i.e. 10 days.
- Advance the current schedule, wherein the second schedule will start from 26th May instead of 5th June and go upto 25th June.
- Extend the previous schedule in which case the first schedule goes upto the 4th of June instead of 25th May.

After setting up the branch parameters, you have to save the details. Click on save icon to save the details in the system. However, the parameters take effect only after your supervisor authorizes the same.

Refer the Procedures User Manual for details on common operations like authorization, deletion, closure etc.

3.11 Mapping LS and CL Products and Components

If Syndication bank is also one of the participants (called as Self participant), then a contract is created in Consumer lending (CL) module for the participation share of Self Participant. LS – CL mapping is used to define the mapping of Drawdown product components to the CL

product components. This would facilitate automatic creation and subsequent processing of CL contract during corresponding operation on the Drawdown contract.

The Drawdown products that you create are mapped to the Consumer Lending product and its components through the 'LS-CL Product and Component Mapping' screen. You can invoke this screen by typing 'LSDPCMAP' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.L

Component Type	Syndication Component	Description	Loans Component	Description

The following details need to be captured here:

Syndication Branch

Select the transaction branch for initiating the LS contract on the agency side.

Syndication Product

Select the drawdown product to be used for creating the drawdown contract. All valid drawdown products defined in the system are displayed in the option list provided.

Self Participant

Select the self participant from the option list. All self participants maintained in the 'Self Participant Maintenance' screen are displayed in the option list. Self participant branch is displayed by the system. Self Participant can be chosen as 'ALL' in case of a generic maintenance.

Loans Product

Select a CL product from the option list.

Advance Booking Applicant

Select 'YES' to if the corresponding CL contract needs to be processed in advance for future dated draw downs. The default value is 'YES'. If you select 'No', the system creates the CL contract only after the Initiation event is triggered for the corresponding drawdown.

Component Details

The following details are captured here:

Component Type

Select the type of component for the mapping from the drop-down list. The options in the drop-down list are:

- Interest
- Charge
- Margin
- Ad hoc Charges

Syndication Component

Select the syndication component from the option list. The components associated with the selected 'Syndication Product' are displayed in the option list.

Description

The description of the selected syndication component is displayed here.

Loans Component

Select the loans component from the option list. System displays the components associated with the selected 'CL Product' in the option list.

Description

The description of the selected loan component is displayed here.

4. Defining Products for Loan Syndication

4.1 Introduction

In this chapter, we shall discuss the manner in which you can define attributes specific to products that you could define, which are to be used to process loan syndication contracts, whether on the borrower side or the participant side.

A product is a specific service, scheme or utility that you make available to customers of your bank.

For instance, the facility of a syndication contract between your bank and other banks or financial institutions, for the purpose of pooling funds to disburse loans is a specific service you could offer. This service can be thought of as a product.

Similarly, the facility of availing loans through a draw down, from any of the tranches under the syndication contract, is another specific service that you offer to customers. This could also be thought of as a product.

4.1.1 Product Type

The first attribute of a product is the Product Type, which categorizes the product. It also indicates its nature and the kind of contracts that could be entered against the product. For instance, a borrowing line commitment contract would be entered against a borrowing line type of product.

4.1.2 Contracts

A contract is a specific agreement or transaction entered into between two or more entities. A customer who approaches your bank to avail of any of the services offered by your bank enters into a contract with your bank.

In the case of a borrower facility contract, the entities involved in a contract are the borrowing customer and the participants for any tranche of the agreement.

Similarly, any specific loans (draw downs) disbursed by your bank under a tranche in the borrower facility contract are also contracts.

In Oracle FLEXCUBE, a contract is entered into the system against a product. For instance, a draw down loan under a tranche in a borrower facility contract is entered into the system against a borrower leg draw down loan product.

When Oracle FLEXCUBE processes the contract, it will apply all the attributes and specifications made for the product against which the contract was entered. You can enter more than one contract against a product.

4.2 Products for Loan Syndication

Products for borrower side contracts

When you define products for the processing of borrower tranches and draw down loans under a borrower facility contract, you would need to do so at two levels:

- Products that contain attributes and preferences by which all commitments (and the resulting draw down loans) under borrower tranches of borrower facility contracts will be processed

- Product with attributes and preferences for processing the main level syndication agreement (facility) contracts with the borrowers

Products for Participant Contracts

You also need to define products containing attributes and preferences for processing participant facility, tranche or draw down (deposit) contracts that will be created under the related borrower facility, tranche or draw down (loan) contracts.

4.2.1 Products for Borrower Tranche Contracts and Draw Down Loans

At the second level, for the borrower tranche contracts under a main borrower facility contract, you will need to define a commitment type of product for the borrowing customer.

The commitment contract for the borrower at tranche level is processed in the same manner as a normal commitment contract in Oracle FLEXCUBE.

Also, for the actual borrower draw downs in a borrower tranche under a borrower facility contract, you would need to define a loan type of product for a loan advanced to the borrowing customer (draw down)

The loan contract at draw down level for the borrowing customer is processed in the same manner as normal loans in Oracle FLEXCUBE.

The process in which the loan is disbursed (or the borrowing customer avails the loan principal) under a borrower facility contract depends upon many factors. The most important factor is the nature of the requirement of the borrowing customer. The other factor is the identification of the participants who would share the load of funding the borrowing.

Under a syndication contract, the borrower may need to avail the loan principal in many tranches. Under each tranche, the borrower may avail the total tranche amount through a specified number of draw down loans.

The deployment of the total syndication amount in as many tranches is done according to the requirement of the borrower. Similarly, the deployment of the tranche amount, in a specified number of draw down loans is also decided by the requirement of the borrower. Each tranche amount as well as each draw down loan may have different processing attributes with regard to components such as interest, fees, tax applicable and so on, and these attributes would be arranged to suit the borrower's requirement.

Accordingly, you will need to define borrower tranche products with specific attributes to process borrower tranche contracts with specific requirements. Similarly, you will need to define borrower draw down products with specific attributes to process borrower draw down loans with specific requirements. Consider the example given below:

4.2.2 Borrower Facility Product for Main Borrower Facility Contract

At the first level, you must define a borrower facility product for borrower facility contracts. The example given below will illustrate this.

For example, the bank has decided to make available the facility of entering into a loan syndication contract with customers. You can define a product for this facility. Let us assume that the product you define has been given the code SYN1. Now, any syndication facility contracts that are entered into by your bank with any borrowing customer can be processed against this product.

You can define more than one syndication facility product. For instance, you can define a general syndication product, and a special syndication product.

Suppose that you have entered into a syndication contract with one of your customers. After identifying the participants for a tranche under this contract, you want the participants in a tranche to fulfill their commitments five days in advance, before each draw down schedule under the tranche falls due. You could define a general syndication facility product to enter a contract of this nature, specifying the required number of notice days as five.

Your bank has also entered into an agreement with one of your corporate customers, Equinox Consultants. Let us suppose that, for this contract you do not need to notify the participants in advance of a schedule. You could define a special syndication facility product to enter agreements of this nature, with the number of notice days as zero.

4.3 Creating Borrower Tranche / Draw down Product

When you define a borrower facility product, you must specify the corresponding borrower tranche and draw down products to be used for borrower tranche or draw down contracts that will be processed under the parent borrower facility contract that uses the borrower facility product.

Therefore, it becomes necessary for you to create borrower tranche and draw down products before creating borrower facility products.

In this section, the creation of borrower products at tranche level and draw down level is explained.

To create a borrower tranche or draw down product you can specify the basic details such as the Product Code, Group, Description, and so on in the Tranche/Drawdown – Product Definition screen.

You can invoke this screen by typing 'LSDPRMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot displays the 'Product Maintenance' application window. The main area is titled 'New' and contains the following fields:

- Product Code *
- Product Description
- Slogan
- Product Category
- Start Date
- End Date
- Remarks

The 'Product Type' is set to 'Financing' (selected with a radio button), with 'Commitment' also available. Below the form is a navigation bar with the following tabs: User Data Elements, Preferences, Components, Role To Head, Account Status, Notices and Statements, Events, Branch/Currency Restriction, Customer Category Restriction, Product Fields, MIS, Fields, and Preferences. At the bottom, there are fields for Maker, Checker, Mod No, Date Time, Record Status, and Authorization Status, and an 'Exit' button.

For any product you create in Oracle FLEXCUBE, you can define generic attributes, such as branch, currency, and customer restrictions, interest details, etc., by clicking on the appropriate icon in the horizontal array of icons in this screen. For a borrower tranche/drawdown product, in addition to these generic attributes, you can specifically define other attributes. These attributes are discussed in detail in this section.

You can define the attributes specific to a borrower tranche / draw down product in the 'Loan Syndication – Borrower Product Definition' screen, the 'LS Product Preferences' screen.

Product Code and Description

The code you enter for a product identifies it throughout the module. You can follow your own conventions for devising the code. However, it must have a minimum of four characters.

When defining a new product, you should enter a code. This code is unique across the CL modules of Oracle FLEXCUBE. For instance, if you have used VA01 for a product in this module, you cannot use it as a product code in any other module.

You should also enter a brief description of the product. This description will be associated with the product for information retrieval.

Product Type

The product type is the first attribute that you specify for a borrower tranche or draw down product. It indicates the category under which the product can be placed, and the type of contract that will be processed against the product.

Each borrower tranche level or draw down level product that you define could be placed under any of the following categories:

- Drawdown – Select this option to define a borrower draw down in a borrower tranche under a borrower facility contract.
- Tranche – Select this option to define a tranche under a facility contract. Product Category

Products can be categorized into groups, based on the common elements that they share. For example Vehicle Loans, Personal Loans, Home Loans, and so on. You must associate a product with a category to facilitate retrieval of information for a specific category.

The categories defined through the 'Product Category Maintenance' are available in the option-list provided.

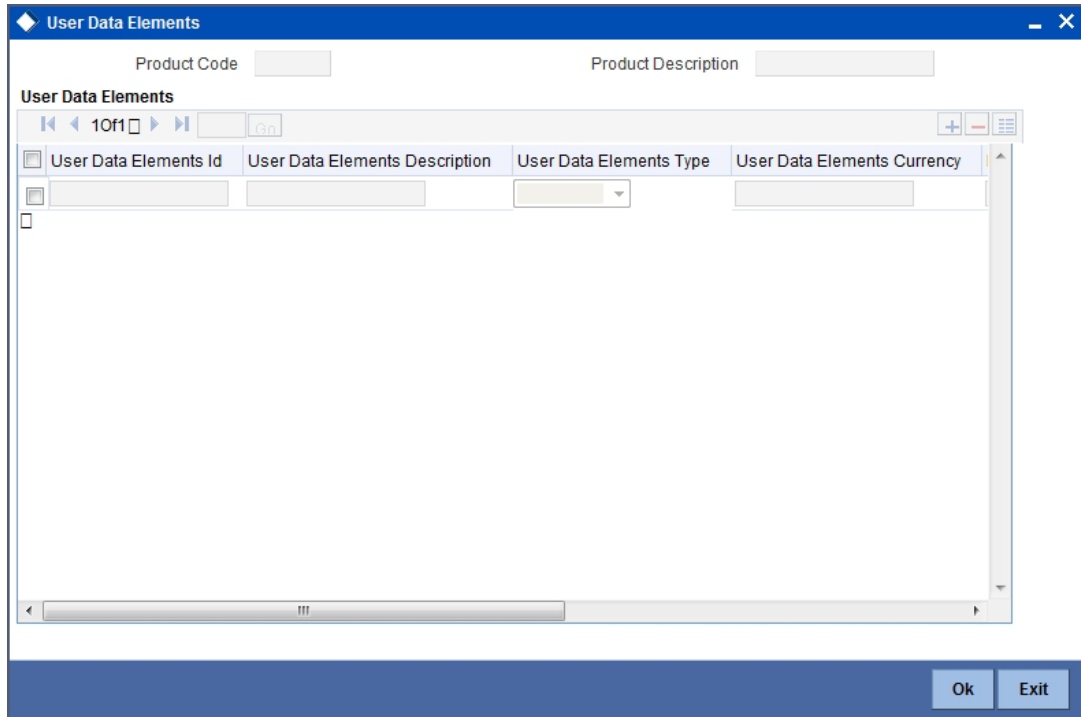
Product End Date

A product can be defined to be active for a specific period. When you create a product, you specify an End Date for it. The product can only be used within the specified period i.e. within the Start Date (the date on which the product is created) and End Date. If you do not specify an end date for a product, it can be used for an indefinite period and the product becomes open-ended in nature.

5.3.1 Maintaining User Data Elements

The main details are defined in the 'User Data Elements' screen which you can invoke the screen by clicking 'User Data Elements' button. The header section of the screen is used to define the basis details of a product.

The main details include the definition of 'User Data Elements'.



To define a User Data Element (UDE), you have to specify the following details:

UDE ID and Description

Data elements like the rate at which interest has to applied, the tier structure based on which interest needs to be computed etc. are called **User Data Elements (UDEs)**. These are, in effect, elements for which you can capture the values. You have to specify a unique ID to identify the UDE in the system. The UDE maintained here will be available for defining product rules.

You can also provide a brief description of the UDE being defined.

UDE Type

UDE Type will describe the nature of the UDE. An UDE can fall into one the following types:

- Amount
- Number
- Rate
- Rate Code

UDE Currency

If the UDE type is 'Amount', you should specify the currency of the UDE. The currencies maintained in the 'Currency Definition' screen are available in the option-list provided. You can select a currency from this list.

The UDE names alone are captured here. To capture the values for the UDEs defined for a product, you have to use the 'UDE Values' screen.

Refer to the section titled 'Providing UDE Values' in the 'Maintenances and Operations' chapter of this User Manual for more details.

4.3.1 Maintaining Preferences

Preferences are options that you can use to define specific attributes for a product, which will be applied automatically to contracts that are entered and processed against the product.

You set up preferences for a borrower tranche/draw down product in the LS Product Preferences screen. Click 'Preferences' button in the 'Loan Syndication Product' screen.

You set up the general preferences for a borrower tranche or draw down product in the LS Product – Preferences screen in the same manner as you would for a normal commitment product or loans, depending upon the product type you have specified in the 'Loan Syndication – Borrower Product Definition' screen.

Refer to the Retail Lending User Manual for a detailed description. In this section we will discuss only those preferences that are specifically used by borrower tranche or drawdown products.

4.3.1.1 Rate Preferences

The exchange rate preferences include the following:

Normal Variance

You also need to specify the minimum/normal variance allowed for the rate. If the exchange rate variance between the exchange rate (specified for the product) and the rate captured for a loan exceeds the value specified here, the system will display an override message before proceeding to apply the exchange rate. The normal variance should be less than the maximum variance.

For back valued transactions, the system applies the rate on the basis of the exchange rate history. The variance will be based on the rate prevailing at that time.

Maximum Variance

When creating a product, you can capture the maximum limit for rate variance. This is expressed in percentage. The variance between the exchange rate (specified for the product) and the rate captured for a loan (at the account level) should not be greater than the value specified here. If the exchange rate exceeds the maximum variance that you have defined for the product, the system will not allow you to save the loan. The transaction is rejected.

This value should be greater the value for 'Normal Variance'.

Rate Type

You have to select the code that should be used for the product from the option list provided. The 'Rate' and 'Rate Type' are used in combination to determine the actual rate applicable for currency conversion.

The default value for Rate Code is 'STANDARD'. This means that, if you choose 'Mid Rate', the mid rate maintained for the STANDARD code is used for the loans created under the product.

Rate

You have to indicate the exchange rate applicable for the product you are maintaining. The available options are:

- Mid Rate
- Buy/Sell Rate

By default, the Buy/Sell Rate is used.

4.3.1.2 Liquidation Preferences

Liquidation preferences include the following:

Liquidation Mode

You can specify the mode of liquidation to be either Auto Liquidation or Manual Liquidation.

Allow Partial Liquidation

In case of insufficient funds in the account, you can instruct the system to perform partial auto liquidation to the extent of funds available in the account. However, if this option is not selected, the schedule amount due will not be liquidated if sufficient funds are not available in the account.

Retry Count for Reversed Auto Liquidation

If you have maintained a limit on the number of retries for auto liquidation, this option will reset the retries count to zero during reversal of auto liquidation. This will be applicable from the date of reversal of payment. Hence, the system will once again attempt auto liquidation till the number of retries allowed. The system will update the status of the reversed payment to 'Unprocessed' after which it again attempts auto liquidation.

Retries Auto Liq Days

Capture the number of working days for which the system should attempt auto liquidation. The number of retries per day will depend on the configuration maintained for the 'Liquidation Batch Process' - during BOD, EOD or both. For instance, if the batch is configured for both EOD and BOD, and the number of retry days is '1', then, auto liquidation is attempted twice on the same day i.e. once during BOD and another retry at EOD.

4.3.1.3 Holiday Treatment Preferences for Schedules

The value date, schedule date, revision date or the maturity date of a contract might fall on a local holiday defined for your branch or on a holiday specified for the currency involved in the contract.

You need to specify the following holiday parameters, which has to be considered for holiday handling:

Ignore Holidays

If you check this option, the schedule dates will be fixed without taking the holidays into account. In such a case, if a schedule date falls on a holiday, the automatic processing of such

a schedule is determined by your holiday handling specifications for automatic processes, as defined in the 'Branch Parameters' screen.

Move Across Month

If you have chosen to move the schedule date of a loan falling due on a holiday, either to the next or previous working day and the movement crosses over into a different month, then this option will determine whether the movement should be allowed or not.

Cascade Schedules

If you check this option, when a particular schedule falls due on a holiday and hence is moved to the next or previous working day (based on the 'Branch Parameters'), the movement cascades to other schedules too. If not selected, only the affected schedule will be moved to the previous or next working day, as the case may be, and other schedules will remain unaffected.

However, when you cascade schedules, the last schedule (at maturity) will be liquidated on the original date itself and will not be changed like the interim schedules. Hence, for this particular schedule, the interest days may vary from that of the previous schedules.

Adhoc Treatment Required

Check this option to allow the movement of due dates of the schedules that fall on the newly declared holidays. This option is enabled only if the options, Ignore Holidays parameter and the Cascade Schedules parameter are not checked at the product level.

Move across Month – Forward /Backward

If you opt to move the schedule date falling due on a holiday across months, you need to specify whether the schedule date should move forward to the next working day in the following month or move backward to the previous working day of the current schedule month itself.

However, if you opt to ignore the holidays and do not select the 'Move Across Months' option, the system ignores the holidays and the due will be scheduled on the holiday itself.

4.3.2 Revaluation Preferences for Tranche Amount utilization

Specifying revaluation preferences for tranche amount utilization

For borrower tranche products, you can indicate whether tranche amount utilization must be revalued, for tranche contracts using the product for which the draw down currency is different from the tranche currency.

Revaluation Frequency

If you have indicated revaluation of tranche amount utilization, you must specify the frequency of revaluation. The options available are Daily, Monthly, Half-yearly, Quarterly and Yearly.

For frequencies other than 'Daily', you must also specify the month and the date for commencing the revaluation.

Revaluation Rate type

You must also specify the type of exchange rate that must be used to convert the draw down amount from draw down currency to tranche currency. The options are Buy, Mid and Sell.

Note

Specifying revaluation details for tranche utilization amount is not applicable for borrower draw down products.

Reval Start Month and Date

Specify the month and the date for commencing the revaluation process, for the frequency selected.

Utilization Reval Reqd

Select whether tranche utilization should be revalued or not, when drawdown currency is different from tranche currency. The options available are:

- Yes
- No

Note

This is applicable only for tranche products.

Revaluation Rate Code

If you have indicated revaluation of tranche amount utilization, you must specify the code for the exchange rate that must be used to convert the draw down amount from draw down currency to tranche currency.

4.3.2.1 Account Preferences

As part of specifying the account preferences, you can indicate the following:

Track Receivable aliq

Whether the loan account holder can avail of the following facilities:

- A checkbook facility – determines if Checks can be written against the Loan account.
- A passbook facility – indicates that Passbook can be issued to the loan account holder.
- An ATM facility – makes the Loan account accessible for ATM operations.

By default, all the above facilities are allowed for a loan account product.

Amend Past Paid Schedule

This option, if checked, allows you to perform value dated amendments to interest rate, installment amount etc with effective date beyond the last paid schedule. In such a case, the increase/decrease in the interest amount, as a result of the amendment, will be adjusted against the next available schedule after the current system date (date on which the amendment was performed) even if unpaid (overdue) schedules are present for the loan.

Liquidate Back Valued Schedules

If you select this option, on initiation of a back value dated loan, all the schedules with a due date less than the system date will be liquidated.

Back Period Entry Allowed

This option facilitates back valued transactions. If you select this option, you will be allowed to process transactions with a value date less than the current system date.

Specifying the notice days basis

You can indicate whether the notice days applicable for borrower draw down contracts using the product must be defaulted from the product preferences, or from the parent tranche or facility contract.

The notice days refers to the number of days before a schedule payment date, a payment notice is to be sent to the borrowing customer, for the borrower draw down contract. This would apply to ad-hoc fee, interest and principal schedules, defined for the contract.

4.3.2.2 Readjustment Entry Preferences

You have to specify the manner in which adjustment entries passed due to back dated adjustments should be handled. The options are:

- Settlement: This means that the adjustment is settled directly.
- Adjust: In this case, the entries are tracked as a receivable (Cr) or a payable (Dr), to be settled later.

4.3.2.3 Specifying Rollover Details

Allow Rollover

Select 'Yes' to indicate that the loan can be rolled over. This preference is defaulted at the account level and can be overridden. Other rollover preferences can be maintained only if this option is checked.

If you select 'No' validation is done during save, to disallow setup of ROLL event.

4.3.2.4 Tenor Preferences

You can set the minimum and maximum tenor limits for a product. You can also specify a standard or a default tenor.

Minimum Tenor

You can fix the minimum tenor of a product. The tenor of the loan account that involves the product should be greater than or equal to the Minimum tenor that you specify.

Maximum Tenor

Likewise, you can also specify the maximum tenor for a product. The tenor of the loan accounts that involve the product should be less than or equal to the Maximum tenor that you specify.

Default Tenor

The 'default tenor' is the tenor that is associated with a loan account involving this product. The value captured here should be greater than the minimum tenor and less than the maximum tenor. You can change the default tenor applied on a loan account during loan processing. However, the new tenor should be within the minimum and maximum tenors maintained for the product.

Unit

The tenor details that you specify for a product can be expressed in one of the following units:

- Days
- Months
- Year

4.3.2.5 Recomputation of Amortization Loan at Amendments

You have to indicate whether the tenor of the loan should be reduced or the installment should be recalculated whenever a maturity date, principal change or a rate change is made against an amortized loan.

Recomputation basis for amendments

The possible amendments and the recomputation basis are given below:

- For amendment of maturity date of an amortized loan: You can opt to change the tenor, keeping the installment constant or change the Installment keeping tenor constant.

- For amendment of principal amount: You can affect it either as a Balloon additional amount in the last schedule or apportion it across the installments.
- For interest rate change: You can change the tenor keeping the installment constant or vary the EMI and keep the tenor same.

VAMI Installment Calculation Type

For amendments, if the recomputation basis is 'Change Installment', then the Installment calculation can be:

- Single Installment
- Multiple Installment based on multiple future rates

4.3.2.6 Account Opening Installment Calculation Type

The Account Opening Installment Calculation Type based on future rates can be:

- Single Installment: A single installment is computed using the future rates.
- Multiple Installments: Multiple EMIs are defined as per the future rates.

Auto Liquidation

Check this box if you want the system to track receivables for auto liquidation. This value gets defaulted at the account level. If this box is unchecked at the account level, and the account is used for settlement, then receivable tracking is not done for the settlement account.

4.3.2.7 Accrual Preferences

If IRR computation is applicable for the product that you are defining, you need to specify the accrual preference for the same. You can do this through the Accrual Preference part of the preferences screen.

Here you can specify the following details:

Accrual Frequency

Specify the frequency at which IRR accrual should be performed. This can be either Daily or Monthly. Choose the appropriate option from the adjoining drop-down list.

Handling of Foreclosure

Specify how foreclosures in respect of the loan contracts under the product, must be handled. You can opt for complete accruals or refund. Choose the appropriate option from the adjoining drop-down list.

Note

In case of pre-closure of the loan (prepayment of the total outstanding amount), the fund interest will also get liquidated and thus the accrual entries will get reversed.

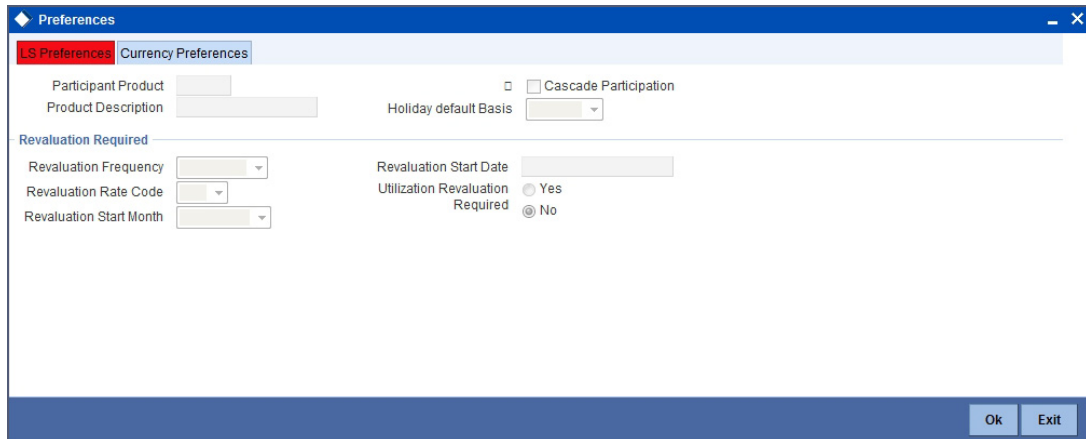
Acquisition Type

Specify the acquisition type for the product. You can specify any of the following options:

- Par
- Par/Discount
- Par/Premium
- Par/Discount/Premium

5.3.4 Maintaining LS Preferences

You can specify the following additional details regarding syndication, for borrower tranche or draw down products, in the LBL_LS Preferences screen. Click 'LBL_LS Preferences' button in the 'Loan Syndication Product' screen.



Product for resultant participant contracts

For a borrower tranche/drawdown product, the corresponding participant product to be used for participant borrowing line contracts that will be created under the borrower tranche/drawdown contracts that use the product.

Cascading Participation

For a borrower tranche product, you can indicate whether any changes to participant details in respect of a borrower tranche contract that uses the product, must be propagated to all related and active draw down contracts.

You cannot change the participants or their ratios in respect of borrower draw down contracts that you define for a borrower tranche contract using a product for which the 'Cascade Participation' preference has been set.

Specifying the holiday default basis

For a borrower product, you can indicate whether the holiday treatment (for schedule dates and maturity date) applicable to tranche or draw down contracts using the product must be defaulted from the parent borrower facility product; or from the borrower tranche or draw down product.

In the Holiday Default Basis field, select "Facility" to indicate that the holiday treatment specified in the borrower facility product is applicable, or select "Product" to indicate that the holiday treatment from the borrower tranche or draw down product is applicable.

Specifying exchange rate fixing details

For borrower tranche products, you can specify the number of days before the draw down date (defined in the draw down schedule), the exchange rate must be fixed, for contracts wherein the draw down currency is different from tranche currency. The Exchange Rate Fixing Date will be generated as a part of the online process based on this parameter.

You must also specify the currency for which the exchange rate fixing days you have specified would be applicable.

You can specify the applicable number of days for each required currency.

Indicating interest rate fixing details

For borrower tranche products, you can specify the number of days before the draw down date (defined in the draw down schedule), the interest rate must be fixed. The Interest Rate Fixing Date will be generated as a part of online process based on this parameter.

You can specify the applicable number of days for each required currency.

4.3.3 Maintaining Components Details

The component details for the Borrower tranche/drawdown product that you are defining are captured in the Components screen. Click 'Components' button in the 'Loan Syndication Product' screen.

The screenshot displays the 'Components' window with several sections:

- Class Code:** Fields for Class Code, Class Description, and a 'Default From Class' button.
- Moratorium:** Fields for Period, Period Unit, Component, Description, Currency, and Calculation Type.
- Component Attributes:** Includes checkboxes for Special Component, Penalties (Penal Basis, Periodicity, Rate To Use, Basis Element), and Balance Type (Debit/Credit).
- Component Defaults:** Fields for Days in Month, Days in Year, Grace Days, and checkboxes for Verify Funds, Interest Method Default, and Internal Rate of Return.
- Accruals/Provisioning:** Includes checkboxes for Main Component, Capitalized, Interest Posting required, and Propagation Required, along with fields for Component Type, Accrual Required, Frequency, Start Month, and Start Date.
- Prepayment Threshold:** Fields for Amount and Currency.
- Schedule:** A table with columns: Sequence Number, Schedule type, Start Reference, Frequency Unit, Frequency, Start Day, Start Date, Start Month, Due Date On, and Scheduler. The table is currently empty.
- Bottom Navigation:** Tabs for Book Formulae, Intermediate Formulae, Moratorium Formulae, and Installment Status. 'OK' and 'Exit' buttons are at the bottom right.

Note that the components defined in the 'Main' tab are displayed in the form of a list in the screen above. From the component list, highlight a component and then go on to define the features for the selected component e.g, highlighting the 'Fund Interest' component will treat the component as 'Funding Interest component'.

Note

The relevant accounting entries will be maintained for ACCR and MLIQ/ALIQ events. With this maintenance, the system will pass accounting entries for accrual.

4.3.3.1 Component Definition Parameters

The basic information for a component is specified here. This includes the following:

Component

The Components which are defined in Main Tab are available in Component list.

The Component which is selected in the list appears in Component field. For e.g. 'PRINCIPAL', 'INTEREST', 'PENALTY' etc. Subsequently, you have to define the parameters for these components in the Components Tab of the screen.

For Commitment products, the MAIN_INT component is used for defining periodic fees on the unutilized commitment amount.

Description

The Description of the component which is defined in Main tab for the component will appear in this field once you select the component in component list.

Currency

Associate the component with a currency. The component is expressed in the currency selected here. You can select the currency of your choice from the option list provided.

Calculation Type

Specify the manner in which the component should be calculated and liquidated. You can choose one of the following options (the applicable 'Component Type' is also provided):

- Formula with schedule (Component Type - Interest)
- Formula without schedule (Charge)
- Penal Interest
- Prepayment Penalty
- Discount
- Schedule without formula (Principal)
- No schedule No formula (Ad Hoc Charges)
- Penalty Charges

Note

'Penalty Charges' are calculated only once for a 'Penal Basis' schedule. 'Penal Basis' is explained later in this user manual.

Main Component

This option is used to designate a component as the 'Main' Interest component. If you enable the 'Main Component' option for a particular component, the system treats this component as the main component. Also, you are allowed to define the amortization schedules only for this component.

'Principal' is an implicit component that is automatically created for the product.

Capitalized

You can indicate whether capitalization is required for all the schedules for various component of the loan. At anytime, the outstanding interest will be capitalized on the schedule date at the rate prevalent on that day. You can opt for capitalization at the component level or opt for capitalization/non-capitalization for a particular schedule at the 'Schedule' level.

You could have more than one type of schedules applicable on a product. In such a case, you can designate one as the capitalized and the other as un-capitalized schedule.

Interest Posting Req

Check this box if interest posting is required for the component.

Component Type

Indicate the nature of the component. This is also known as the 'Reporting Type'. It defines the manner in which the component should be classified for reporting/accounting purposes. A component can be of one of the following types:

- Reimbursement: these are components which have both Dr and Cr mapped to settlement accounts.
- Off-Balance Sheet (OBS): An OBS Component will have balances but these need not be zero when an account is closed.
- Fund Interest: This indicates the funding component.
- Ad hoc Charges
- Charge
- Tax
- Insurance
- Interest
- Provisioning
- Deposit

Note

The fund interest component gets liquidated on schedule even if the customer does not pay the other components.

Propagation Reqd

Check this option to indicate that the interest amount collected from the borrower should be passed on to participants.

When you collect the Interest/Charges/Fees from the borrower, you can choose to pass these to the participants of the facility, tranche or drawdown contract. In the product Components Tab, when you are associating the interest components for the borrower tranche or draw down product, you can choose a class for which the propagation to participants option has been indicated in the class definition, if required. If so, the Propagation Reqd box will be checked. You can change this specification and uncheck the Propagation Reqd box, if you wish to indicate that component propagation to participants is not applicable. Alternatively, if you have chosen a component for which propagation to participants has not been indicated, you can check the Propagation Reqd box to indicate propagation of component to participants, if required.

4.3.3.2 Component Attributes

The component attributes include the following:

Special Component

You can define a component as a 'Special Interest Component'. You can override such components at the account level. You may need to apply a special interest component as a result of customer negotiations. A special interest component is specified as an amount.

Penal Basis

You may want to allot the penalty to the recovery of certain components. Once a component is overdue, an appropriate penalty is applied. Therefore, you need to identify the component, which on becoming overdue will trigger the penalty computation. However, the system will calculate the penalty on the component you select in the 'Basis Element' field.

Note

For commitment products 'PRINCIPAL' is not used for penal basis and for basis amount.

Periodicity

The periodicity of the component can be either:

- Daily
- Periodic

If you choose the periodicity as 'Daily', any changes to UDE and SDE values will result in recalculation of the component. The recalculation happens as and when a change in value occurs. If maintained as 'Periodic', the values and calculations of the elements will be refreshed on the last day of the period.

Formula Type

You can specify the type of formula to be used for calculating the component. This formula is applied for the component across all its' schedules. It can be one of the following:

- User Defined: This can also include a combination of standard formulae for different schedules of the component or can have a completely user defined formula.
- Standard
 - Simple
 - Amortized Rule of 78
 - Discounted
 - Amortized Reducing
 - True Discounted
 - Rate Only

Note

Note the following:

- This is not applicable for the 'PRINCIPAL' component.
 - For a commitment product, the formula type cannot be 'Amortized', 'Discounted' or 'Simple'.
-

Rate to Use

Here, you need to select the UDE which will define the rate to be used for computing the component. The value of the selected UDE is picked up as per the maintenance in the 'UDE Values' screen.

This is applicable only for components defined with 'Standard' Formula Type.

Basis Element

If you select the 'Standard' formula type, you have to specify the component upon which calculation should be performed. The component is denoted by an SDE (e.g. PRICIPAL_EXPECTED) and you can select it from the option-list provided. For an overdue/penalty component, this is the element on which penalty is applied.

This is not applicable if 'Formula Type' is 'User Defined'.

Note

The 'Basis Element' for computing fund interest will always be 'Principal Outstanding' and the 'Formula Type' will be 'Simple', independent of the main interest component. The liquidation mode for funding component will always be 'Auto', independent of the Product / Account Liquidation mode.

Balance Type

Identify the nature of the balance that the component would hold. This can be represented through this field. For instance, for a loan product, the 'Principal' component is expected to have a 'Debit' balance.

4.3.3.3 Interest Computation Methods

For computing interest, you have to specify the following:

Days in Month

Here, you have to specify the number of days to be considered in a month for component computation. The options available are:

- Actual: This implies that the actual number of days is considered for calculation. For instance, 31 days in January, 28 days in February (for a non-leap year), 29 days in February (for a leap year) and so on.
- 30 (EURO): In this case, 30 days is considered for all months including February, irrespective of leap or non-leap year.
- 30 (US): This means that only 30 days is to be considered for interest calculation for all months except February where the actual number of days is considered i.e. 28 or 29 depending on leap or non-leap year.

The value selected here corresponds to the Numerator part of the Interest method.

Days in Year

You can specify the number of days to be considered for a year during computation of a particular component. This could be:

- 360: This means that only 360 days will be considered irrespective of the actual number of calendar days.
- 365: In this case, leap and non leap year will be 365
- Actual: In this case, leap year will be 366 and non leap year will be 365.

This value corresponds to the denominator part of the interest method.

Verify Funds

You can indicate whether the system should verify the availability of sufficient funds in the customer account before doing auto liquidation of the component.

Interest Method

You also have the option to use the interest method defined for the currency of the component. In this case, the interest method defined in the 'Currency Definition' screen (for the component currency) will become applicable to the loan. By default, this option is checked.

IRR Applicable

Check this option to indicate that the chosen component needs to be considered for Internal Rate of Return (IRR) calculation. This option is applicable to interest, charge, ad hoc charge, prepayment penalty, penalty and upfront fee components.

Note

This option should not be checked for Commitment products.

If a charge component is to be considered for IRR, the charge will be accrued using the FACR (Upfront Fee Accrual) batch.

The following components cannot be considered for IRR calculation:

- Off-balance sheet component
- Provision component

If you check this option, then you have to check the 'Accrual Required' option.

For bearing type of component formula, you can check this option only if the 'Accrual Required' option is checked.

For discounted or true discounted types of component formula, this option will be enabled irrespective of the whether the 'Accrual Required' option is checked or not. If this option is checked and 'Accrual Required' is not, the discounted component will be considered as a part of the total discount to be accrued for Net Present Value (NPV) computation. If both 'Accrual Required' and 'IRR Applicable' are checked, then discounted interest will be considered for IRR computation.

4.3.3.4 Moratorium Preferences

The following parameters have to be specified:

Moratorium Period and Period Units

If you wish to provide a moratorium on a loan, you need to mention the moratorium period and moratorium unit for each component. This refers to a repayment holiday at the beginning of the loan. When you input a loan in Oracle FLEXCUBE, the repayment start date of each component will be defaulted based on your specifications here. The moratorium unit should be in terms of:

- Days
- Months
- Years

4.3.3.5 Prepayment Threshold Preferences

This includes the threshold amount and currency, explained below:

Amount

Here, you can maintain the minimum limit for allowing prepayment of schedules. If the residual amount after prepayment against a schedule is less than the threshold amount you specify here, the system will disallow the prepayment.

Currency

If you specify the threshold amount, you also have to indicate the currency in which the amount should be expressed. You can select the currency from the option-list provided.

4.3.3.6 Intermediate Formula

Intermediate Formulae are used as building blocks for more complex formulae. An intermediate formula is used to create a Booked/Moratorium formula as an intermediate step. It will not be associated directly to any schedule.

To define an intermediate formula, click the Intermediate button in the Components screen. The 'Intermediate Formula - Expression Builder' screen is displayed.

Line	Condition	Result	Condition	Formula Type
	Condition			I

You can specify the following details here:

Formula Name

Specify a suitable name to identify the formula that you are defining. After you specify the name you can define the characteristics of the formula in the subsequent fields. You have to use the name captured here to associate a formula with a schedule. The name can comprise of a maximum of 27 alphanumeric characters.

Round Up/Down (Decimal)

If you want to round off the results of an intermediate formula, you can indicate the number of digits upto which the results should be rounded-off to. Compound Days/Months/Years

If you want to compound the result obtained for the intermediate formula, you have to specify the frequency for compounding the calculated interest.

The frequency can be in terms of:

- Days
- Months
- Years

If you do not specify the compound days, months or years, it means that compounding is not applicable.

Rounding Factor (Decimal)

Specify the precision value if the number is to be rounded. It is mandatory for you to specify the precision value if you have maintained the rounding parameter.

Compound Days

If you want to compound the result obtained for the intermediate formula, you have to specify the frequency for compounding the calculated interest. The frequency can be in terms of days.

Compound Months

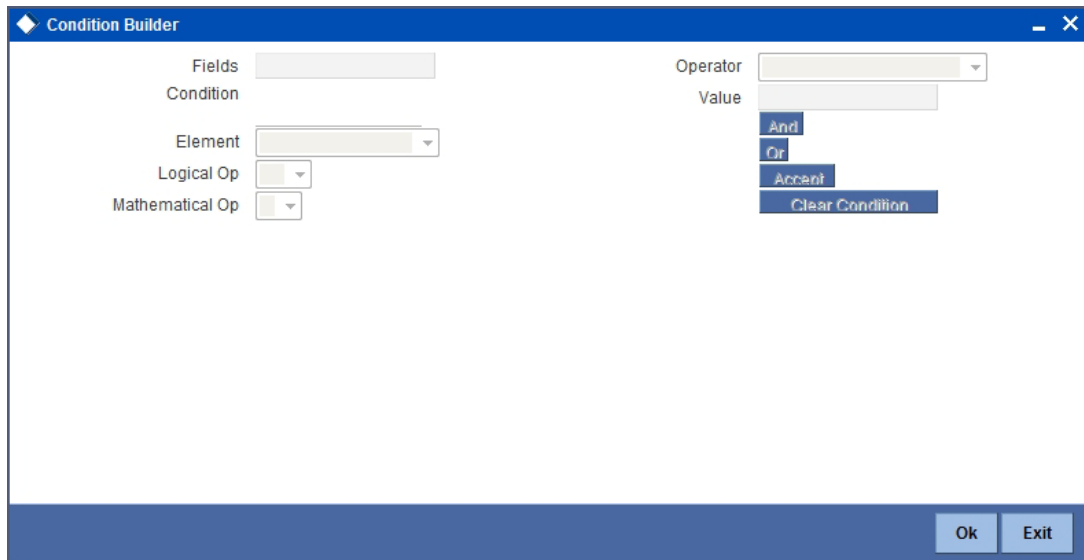
If you want to compound the result obtained for an intermediate formula, you have to specify the frequency for compounding the calculated interest. The frequency can be in terms of months.

Compound Years

If you want to compound the result obtained for an intermediate formula, you have to specify the frequency for compounding the calculated interest. The frequency can be in terms of years.

Condition and Result

A formula or calculation logic is built in the form of expressions where each expression consists of a 'Condition' (optional) and a 'Result'. There is no limit to the number of expressions in a formula. For each condition, assign a unique sequence number/formula number. The conditions are evaluated based on this number. To define a condition, click on the 'Condition' button in the screen above. The following screen is displayed:



In this screen, you can use the elements, operators, and logical operators to build a condition.

Although you can define multiple expressions for a component, if a given condition is satisfied, subsequent conditions are not evaluated. Thus, depending on the condition of the expression that is satisfied, the corresponding formula result is picked up for component value computation. Therefore, you have the flexibility to define computation logic for each component of the product.

The result of the formula may be used as an intermediate step in other formulae.

4.3.3.7 Booked Formula

Booked Formula refers to the formula used to compute a component value for a particular schedule. You can use intermediate formulae to create a 'Booked' formula. To create the

formula, click the 'Book Formulae' button in the 'Component' of the screen. The following screen is displayed:

The SDEs available will be shown in the Condition Builder. The Booked formula so created will be linked to a schedule.

The parameters required to create a 'Booked' formula is similar to the ones explained for an Intermediate formula.

Amortized

Select this option to specify that the schedules of the component should be amortized.

Note

For Commitment products do not select this option

Amortization Basis

If you opt to Amortize the schedules of the component, you have to identify the element based on which the component is amortized. For example, if it is deposit interest, the amortization basis would be 'Principal'. The components are available in the option list provided.

4.3.3.8 Moratorium Formula

Moratorium refers to the repayment holiday given during the period between the value date of the loan and the first repayment date. While no repayment will happen during this period, computation will continue. The Moratorium formula is used for the computation of interest for the moratorium period.

To define the formula, click the 'Moratorium Formulae' button in the Component screen. The 'Moratorium Formula – Expression Builder' screen is displayed:

The procedure is as explained for Intermediate and Booked formulae. The following additional fields are also applicable for a moratorium formula:

Formula Name

Here, you specify a suitable name to identify the formula that you are defining. After you specify the name, you can define the characteristics of the formula in the subsequent fields. You have to use the name captured here to associate a formula with a schedule. The name can comprise of a maximum of 27 alphanumeric characters.

Moratorium Liquidation Formula

The formula used for computation of interest for the moratorium period is called 'Moratorium Formula'. The Interest calculated using the moratorium formula should be liquidated for the lifetime of the loan by apportioning it across all the installments. Therefore, you need to maintain a formula for liquidating the moratorium interest.

Check this option to indicate that the formula being maintained is for Moratorium liquidation.

Liquidate Moratorium to Installment

This option is applicable only if you are defining a 'Moratorium Liquidation Formula'. If you check this option, the moratorium interest amount is added to the first installment amount and collected along with the schedule on the day the schedule falls due.

If you do not check this option, the moratorium amount is allocated from the Installment due. The principal component of the EMI is liquidated towards the moratorium. Therefore, Principal repayment does not begin until complete settlement of the moratorium amount.

Default Moratorium Formula

If you want to create a default moratorium formula, check this option. By default, the system will attach this formula to a moratorium schedule. You can, however, change it to a different moratorium formula.

4.3.3.9 Installment Level Status

For a component, you can maintain Schedule/Installment level status change parameters. You can also specify the account Heads and Roles to be used whenever an installment changes from one status to the other.

To define the installment level status change details, click the 'Installment Status' button in the 'Components' screen - the 'Component Installment Status' screen is displayed:

Entry Pair Number	Accounting Role	Amount Tag	Debit/Credit	Netting Indicator	Transaction C
-------------------	-----------------	------------	--------------	-------------------	---------------

The following details have to be captured here:

Seq No

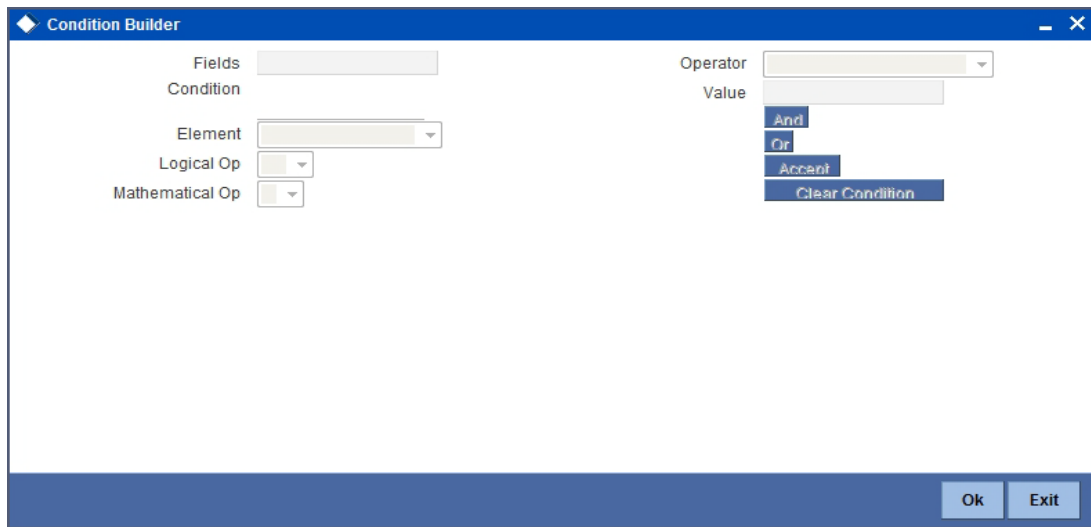
The number you capture here is used to identify the adversity level of an installment. It should not overlap with that of an account status, except for the first factory shipped status 'NORM' (Normal).

Status Code

The status that an installment will go through is specified here. The sequence number determines the order when the installment would attain this status. The status codes defined in the 'Status Codes Maintenance' screen are available in the option-list provided.

Status Rule

The rule defined here will determine the movement of the installment to the selected status (in the 'Status' field). You can build multiple conditions for a rule. To do this, click on the 'Condition' button in the screen above. The 'Condition Builder' is displayed.



You can build the conditions using the elements (SDEs), operators and logical operators available in the screen above.

For details on building a condition using the options available in the screen, refer the section titled 'Defining UDE Rules' in the 'Maintenances and Operations' chapter of this User Manual.

The installment will move to the status selected if the associated status rule is satisfied.

Complete Pending Accruals

Check this box to indicate if the pending interest accruals need to be completed before the Installment status changes. This is applicable only if Accrual Frequency is any one of the following:

- Monthly
- Quarterly
- Half yearly
- Yearly

This check box will not be enabled if Accrual Frequency in the 'Consumer Lending Product' screen is 'Daily'.

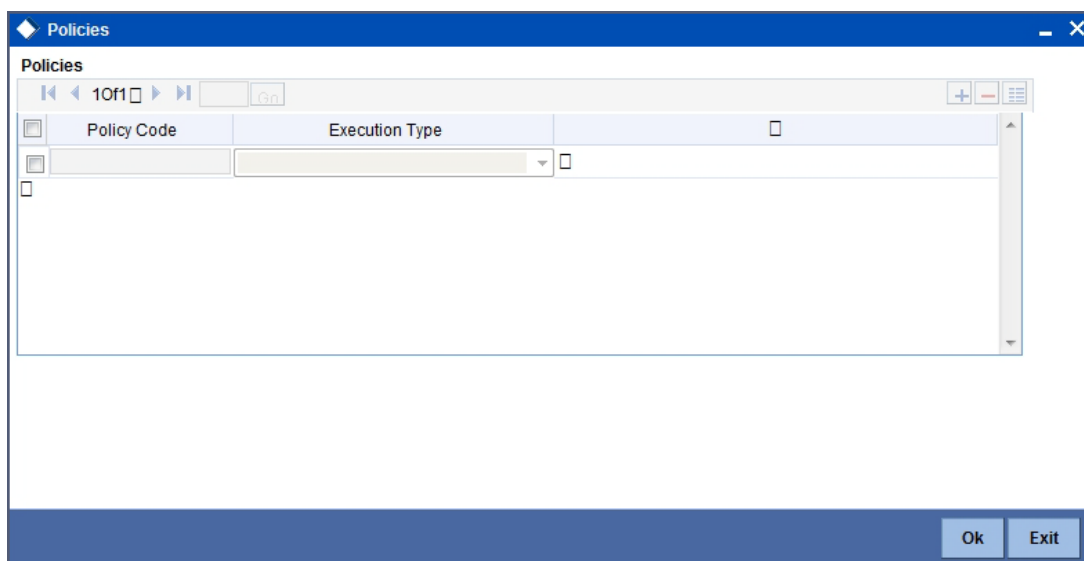
Accounting Entries

For each status of the installment, you can specify the accounting entry preferences. Whenever an installment attains a status, the entries are passed as per the setup maintained for that status. Therefore, the entries will be moved from the active GLs to the status specific GLs. However, when the actual payment occurs, the system will automatically resolve the appropriate GLs.

For more details on setting up accounting entry preferences, refer the section titled 'Maintaining Event details' in this chapter.

4.3.3.10 Specifying Policy Preferences

You can associate policies at an installment level. Policies are user defined validations that are fired when an event is triggered. To link a policy, click the 'Policies' button in the 'Component Installment Status' screen – the following screen is displayed:



Specify the following in this screen:

Policy Code

The Standard Policies (defined through the 'Policy Maintenance' screen) and the Policies associated with the product category are available in the option list provided. Policies are used to handle special validations and operations on a loan.

Execution Type

You can associate a policy at one of the following points in time in a loan -event lifecycle:

- Before Event
- After Event
- Both

The policy is executed appropriately.

For details on maintaining policy details, refer the section titled 'Maintaining User Defined Policies' in the 'Maintenances and Operations' chapter of this User Manual.

4.3.3.11 Schedule Preferences

In the 'Component' section of the screen, you need to maintain the applicable schedule details for each component:

Sequence Number

You can define more than one schedule for a component. The sequence number determines the order in which the individual schedule should be applied on a component. For instance, you can define a schedule structure consisting of a moratorium schedule and a normal schedule. The moratorium schedule, if defined for a component, should necessarily be the first schedule. You cannot have moratorium schedules in between normal schedules.

Type

This is the kind of schedule you want to define. The options are:

- **Payment:** This is used to define a repayment schedule. You can capitalize a payment schedule. If the 'Capitalized' option (under Component Definition) is checked, the 'Capitalized' option at the schedule level will also be checked for payment schedules. You can, however, uncheck/check this option for a schedule.
- **Disbursement:** You can maintain a disbursement schedule for loan disbursement if the 'Disbursement Mode' is automatic (this is maintained on the 'Preferences' tab). For auto disbursement, you have to maintain at least one disbursement schedule.
- **Rate Revision schedules:** This will capture the schedule at which the rates applicable to the component should be revised.

Start Reference

This is used to capture the reference to arrive at the due date of the schedule. The options are:

- **Calendar:** If you select this option, you should also specify the 'Start Date' for the schedule. For example, if an account is created on 15th Sept with a 'Monthly' schedule frequency and the Start Date is 1st, then the schedule due dates would be 1st Oct, 1st Nov and so on.
- **Value Date:** If you select value date, the schedule due dates will be based on the Value Date of the account. For instance, if an account is created on 15th Sept and the schedule frequency is 'Monthly', then the schedule due date would be 15th October, 15th Nov and so on.

For a component, you can define schedules based on both value date and calendar date.

Frequency Unit

Here, you have to capture the unit to define the schedule. The unit can have the following values:

- Daily
- Weekly
- Monthly
- Quarterly
- Half Yearly
- Yearly
- Bullet

If the schedule unit is 'Weekly', you should also capture the 'Start Day'. Similarly, for units 'Quarterly', 'Half Yearly' and 'Yearly', you should also specify the 'Start Month'.

Frequency

This is used in combination with 'Unit' explained above, to define non-standard frequencies. For instance, a 'Monthly' unit and frequency 2 implies that the schedule is bi-monthly (occurring every two months).

Start Day

If the schedule unit is 'Weekly', you should specify the start day to initiate the schedule. The drop-down box lists the days of the week.

Start Month

This is applicable if the schedule unit is one of the following:

- Quarterly
- Half Yearly
- Yearly

The drop-down box lists the months in a year.

Start Date

Here, you can specify a value between 1 and 31. This is applicable if the schedule unit is 'Monthly'.

Due On

You can use this to define a schedule on a particular date of the month. A value between 1 and 31 can be used for this purpose. If you specify a value here, the system will build the schedules based on this date even if you have indicated the 'Start Date' for the schedule.

Formula

You have to select the formula applicable for component value calculation. The Booked and Intermediate formulae defined for the component are available in the option list. With a user-defined formula maintained through the rule builder, you can define a schedule with multiple formulae.

Flag

You can define a non-repayment schedule or a repayment schedule. This field is used to identify the schedule type:

- Normal: This refers to a repayment schedule. Repayment happens as and when the schedule falls due.
- Moratorium: This refers to a non-repayment schedule or a repayment holiday at the beginning of a loan.

Number of schedules

The value captured here determines the number of times a schedule frequency should recur. For example, a 12 monthly schedule would have a 'Monthly' unit and number of schedules as 12.

Capitalized

Check this option to specify capitalization of the component for a particular schedule. If the 'Capitalized' option (under Component Definition) is checked, the 'Capitalized' option at the schedule level will also be checked for payment schedules. You can, however, uncheck this option for a schedule.

4.3.3.12 Processing at Installment Level

At the installment level, if there is a change in the installment status, Oracle FLEXCUBE will first check if accrual is required for the installment components. When the accrual frequency for a component is not 'Daily', Oracle FLEXCUBE will validate if the installment status changes before accrual execution date. If it changes, Oracle FLEXCUBE will trigger catch up accrual for the component till the installment status change date. Subsequent to this, Oracle FLEXCUBE will process the installment status change.

The following example will explain the Complete Pending Accrual functionality. This is applicable for both Installment Level as well as Account Level Status change.

Note

Note the following:

- An installment status change will not change the next execution date of unprocessed ACCR events.
- A status change is applicable for both manual and automatic installment status.
- If you delete an Installment level status change, it will delete the catch up accrual accounting entries also.

- You can reverse an installment level status change by inputting another installment level status change. For example, if installment status changes from NORM to OVD1, reversal of the same can be done by doing installment status change from OVD1 to NORM. In this case no processing will be done.

4.3.4 Maintaining Notices and Statements

Just as you define components that should become a part of the product, so also you can associate Notices and Statements with a product. The actual communication/ correspondence, however, is handled by the Messaging Module of Oracle FLEXCUBE. Click the 'Notices and Statements' button in the 'Loan Syndication Product' screen.

In this screen, you need to maintain the preferences for Billing Notices, Delinquency Notices, Rate Revision Notice, Direct Debit Notice and Statements. Also, you can associate multiple formats for the generation of notices and statements. The selection of a particular format is based on the condition.

Rule No/Condition No

You can assign a unique number for each rule/condition that is being maintained for notice and statement generation.

Condition

Define the conditions/rules for notice and statement generation. The system will evaluate the conditions and based on the one that is satisfied, the corresponding advice format is selected for notice/statement generation.

To maintain a condition; click the 'Condition' button in the screen above. The 'Condition Builder' is displayed.

For details on building a condition using the options available in the screen, refer the section titled 'Defining UDE Rules' in the 'Maintenances and Operations' chapter of this User Manual.

Number Days

The Number of days indicates the period before the due date, when the system starts sending the Billing/Delinquency notices to customers.

This period is defined as a specific number of days and will begin before the date the repayment becomes due.

Format

For the condition defined, select the format in which the advice should be generated. The system will select the specific format of the message type when the condition maintained evaluates favorably. Frequency Days

Specify the frequency (in days) for generation of Delinquency Notices. The first notice is sent on the basis of the 'Num Days' maintained. For instance, if the 'Num Days' is four and the payment due date is 4th April 2004, the first notice will be sent on 31st March '04 (4 days before due date). Subsequent generation of the same notice is based on the frequency days maintained. If the 'Frequency Days' is '2', the second notice will be sent on 2nd April '04 i.e. the notice is sent once in two days only.

The following information is applicable to Statement generation:

Frequency

Indicate the frequency in which the Statements have to be generated. The available options:

- Daily
- Monthly
- Quarterly
- Half Yearly
- Yearly

Frequency Days

The frequency captured here is used to get the next date for statement generation subsequent to the first statement. This will be used in combination with the 'Frequency' explained above.

Start Date

The date entered here is used as a reference to start generation of the statement.

Message Type

Specify the type of Statement that should be generated. Statements are of the following types:

- Interest Statements
- Loan Statements

4.3.4.1 Interest Rate Revision within Rate Revision Period

The Rate Revision Notice section allows you to maintain the number of days for the generation of the advice, prior to the scheduled date of rate revision. During End of Day if the notification date is less than or equal to schedule date, a Rate Revision Advice is generated.

The four different conditions for the rate revision will be handled in Oracle FLEXCUBE as follows:

Condition 1:

Once the interest revision date is reached, the system continues to use the same interest rate code, till the next revision date.

Condition2

If the request for change in interest rate is received a few days before the scheduled revision date, the interest rate code of the loan account is changed by value dated amendment, with

the effective date as the scheduled interest revision date. On the effective date, the system changes the rate code and picks up the new interest rate

Condition 3

If the request is for a future dated prepayment of the loan account there is no change in the interest rate, the principal is changed depending on the prepaid amount and once the payment is available in the settlement account, you can liquidate the loan manually with the requested effective date.

An outstanding component breakup of prepayment penalty charges if applicable is sent to the customer.

Condition 4

If the request for interest rate revision is made much before the scheduled revision date, you can change the interest rate code of the loan account by value dated amendment with effective date as requested.

The rate revision will be applicable on the total principal outstanding amount.

4.3.5 Maintaining Role to Head

You can define the accounting roles for a product by clicking 'Role to Head' button in the 'Loan Syndication Product' screen. A list of accounting roles that are applicable to the product being maintained is provided. This is a pre-defined list and you can add roles to it too.

Map Type	Accounting Role	Role Description	Account Head	Head Description	Rule
Static					Rule

The following details are captured in this screen:

Map Type

The mapping between an accounting role and account head can be of the following types:

- Static: If the map type is static, you can link an accounting role to only one accounting/GL head (one to one mapping).

- **User Defined:** For a user defined map type, you can maintain multiple linkages under different conditions using a case-result rule structure (one to many accounting).

Accounting Role and Description

Accounting role is used to denote the accounting function of a GL or Account. To map an accounting role to an account head, select a valid accounting role from the option list provided. This list will display the roles available for the product being maintained.

Once you choose the accounting role, the description maintained for the role is also displayed in the adjacent field.

If you do not want to select a role from the option list, you can also create an accounting role for a product and specify a brief description for the same.

Note

The GLs (Account Heads) for the Dr/Cr Settlement Bridge Role will default as per your selection in the 'Branch Parameters' screen.

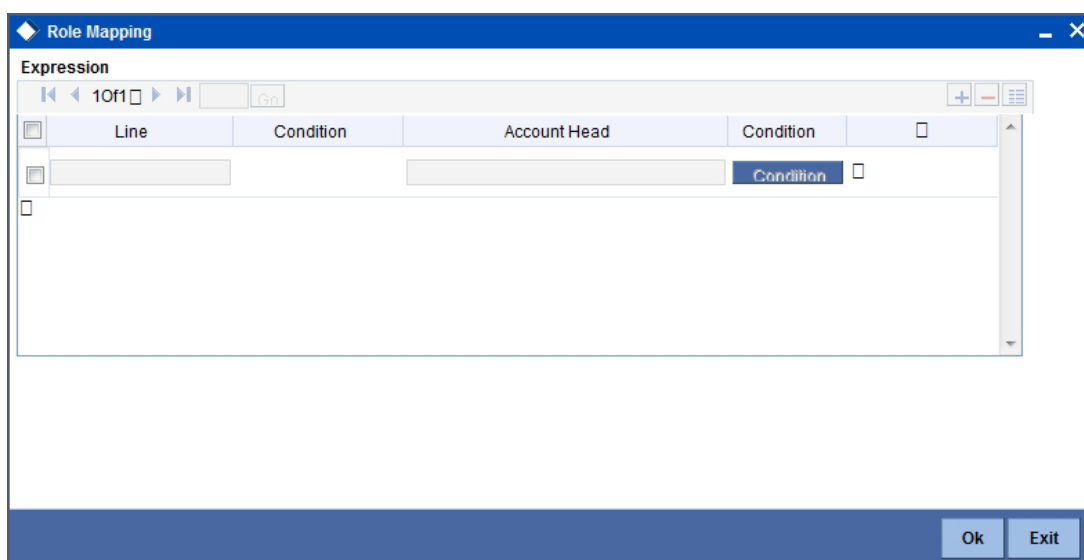
Account Head and Description

The account head identifies the GL or Account to which the accounting entries would be posted. Based on the type of accounting role you select (Asset, Liability etc.), the list of Account Heads (General Ledger heads) that are of the same type as that of the accounting role, becomes available in the option list provided. You can select an accounting head from this list and thus, create a role to head mapping. On selection of the Account Head, the description is also displayed in the adjacent field.

Click the Add icon to create subsequent mappings for the product. If you would like to delete a role to head mapping, click the Delete icon button.

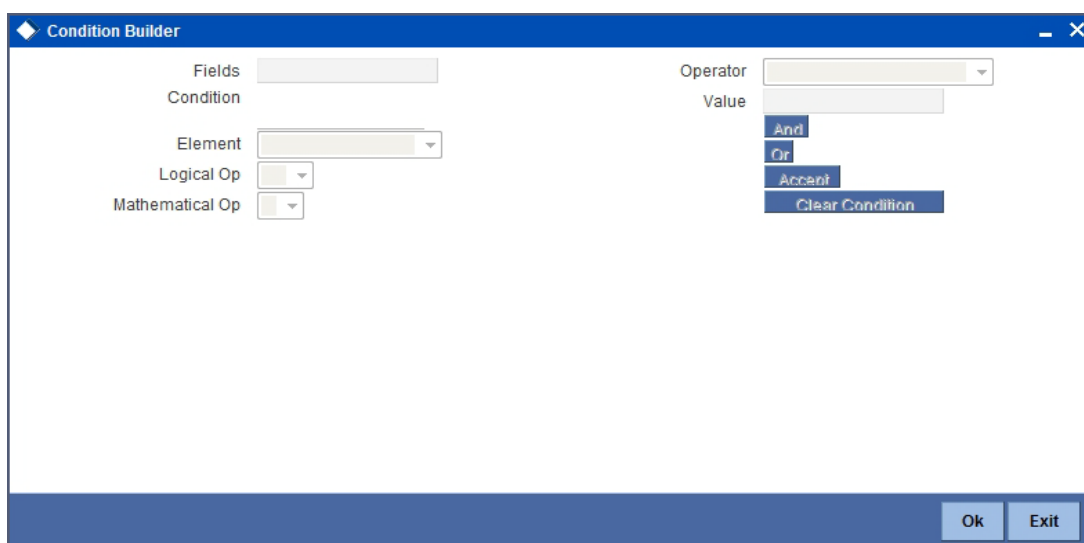
Rule

If the 'Map Type' is 'User Defined', you can create a case-result rule structure based on which the entries are posted to the appropriate account head. To create a rule, click the Rule button in the 'Role to Head' screen.



You can define multiple conditions and for each condition you can specify the resultant 'Account Head'. This way you can maintain one to many mappings between an accounting role and an account head. Depending on the condition that is evaluated favorably, the corresponding account head is used for posting the entries.

To build a condition, click on the 'Condition' button in the screen above. The 'Condition Builder' is displayed.



You can build the conditions using the elements (SDEs), operators and logical operators available in the screen above.

For details on building a condition using the options available in the screen, refer the section titled 'Defining UDE Rules' in the 'Maintenances and Operations' chapter of this User Manual.

Note

The system ensures that all accounting roles that are applicable for the Product and which have been used in the definition of the accounting entries are necessarily linked to an account head. If the mapping is not complete, an error message is displayed when you attempt to save the product.

4.3.5.1 Dynamic creation of accounting roles for a component

For each component you define for a product in the 'Main' tab, six accounting roles are dynamically created by the system. For example, if you have defined a component 'MAIN_INT', the following accounting roles are created:

- MAIN_INTINC -Component Income
- MAIN_INTEXP -Component Expense
- MAIN_INTRIA -Component Received in Advance
- MAIN_INTPAY -Component Payable
- MAIN_INTREC -Component Receivable
- MAIN_INTPIA -Component Paid in Advance

For a detailed list of Events, Advices, Accounting Roles and Amount Tags, refer 'Annexure 1' of this User Manual.

4.3.6 Maintaining Events

A contract goes through different stages in its life cycle. In Oracle FLEXCUBE, the different stages a contract passes through in its life cycle are referred to as 'Events'.

At an event, typically, you would want to post the accounting entries to the appropriate account heads and generate the required advices. When setting up a product, you can define the accounting entries that have to be posted and the advices that have to be generated at the various events in the life cycle of loans involving the product.

Therefore, for the required events you have to specify the Accounting entries, Charges, Policies and Advices. To do this, click the 'Events' button in the 'Loan Syndication Product' screen – the following screen is displayed.

The screenshot shows the 'Events' window with the following details:

- Product Code:** [Empty text box]
- Product Description:** [Empty text box]
- Class Details:**
 - Class Code:** [Empty text box] with a **Default** button to its right.
 - Class Description:** [Empty text box]
- Events Table:**

Event Code	Description	
		<input type="checkbox"/>
		<input type="checkbox"/>
- Navigation:** 10 of 1, with navigation arrows and a 'Go' button.
- Bottom Panel:** Tabs for 'Accounting Entries', 'Policies', 'Advices', 'Charges', and 'Event Fields'. The 'Event Fields' tab is active.
- Buttons:** 'Ok' and 'Exit' buttons in the bottom right corner.

Event Code and Event Description

These are the events for which the accounting entries, advices, policies and charges will be maintained, individually. The event codes applicable for the module are available in the option list provided. Select the relevant events for the product from this list.

The description for the event chosen is also displayed.

Note

For a commitment product the following events are used:

- LINK
- DLNK
- CLOC

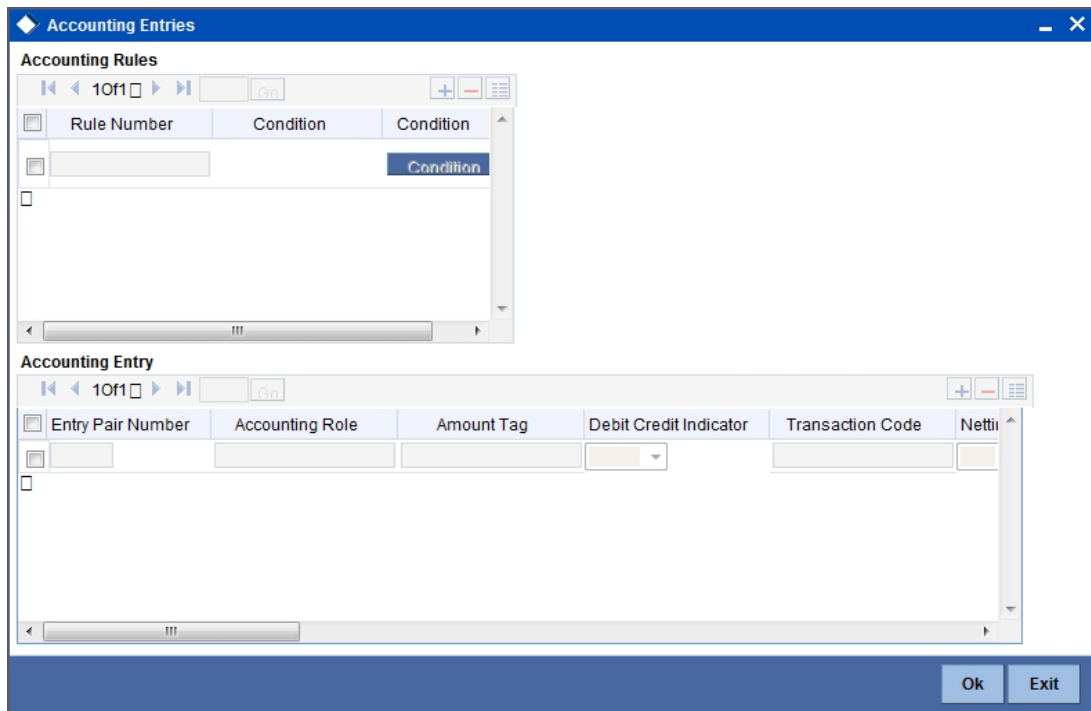
The following events should not be maintained for a commitment product:

- BADJ
- CLOS
- REOP
- RNOG
- ROLL
- SROL

- YACR
- NOVA
- REVV
- REVL

4.3.6.1 **Accounting Entries**

To define accounting entries for an event, click the 'Accounting Entries' button in the Events screen – the 'Product Event Rule Based Entries' screen is displayed.



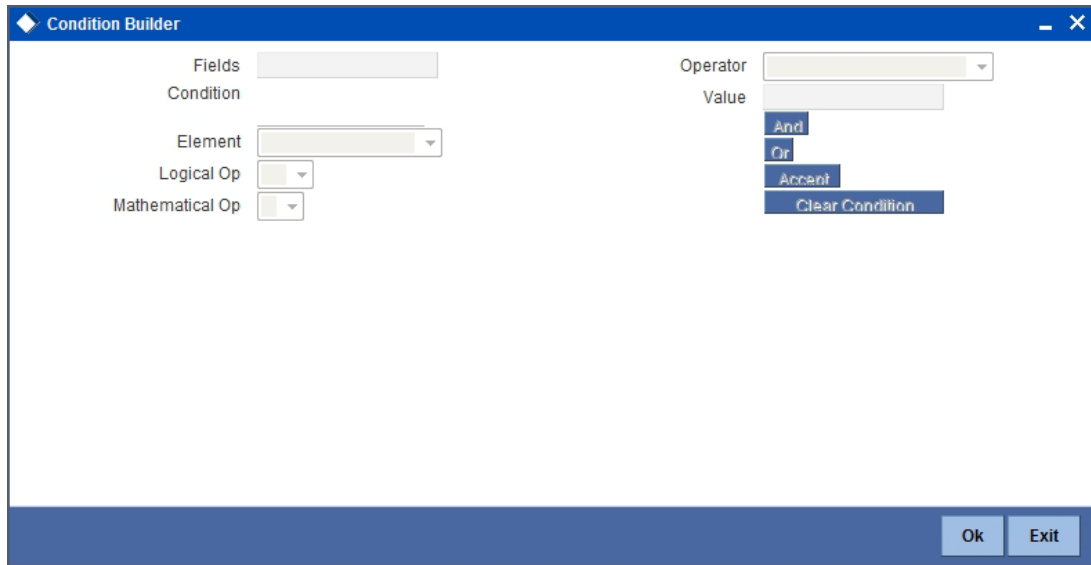
With the Rule definition builder, you can maintain different set of accounting entries for different conditions.

Rule Number

Every rule/condition you define for a product should be assigned a unique number. The rule number can consist of a maximum of 5 digits.

Case

You can use the 'Condition Builder' to define a rule. Click on the 'Condition' button in the above screen to invoke it.



You can define a rule using the SDEs like Tenor, Customer Risk Category and other UDFs.

If you do not specify a rule/condition, the accounting entries become applicable to all conditions.

For details on building a condition using the options available in the screen, refer the section titled 'Defining UDE Rules' in the 'Maintenances and Operations' chapter of this User Manual.

Accounting Role

Specify the accounting role that should be used at the event. The option list displays all the accounting roles specified for the product in the 'Role To Head' tab of the 'Consumer Lending Product' screen. Select the role appropriate for the event.

Amount Tag

Specify the amount tag applicable for the Accounting Role. An amount tag identifies the amount/value that is actually due for a component. Depending on the components defined for the product, the system dynamically creates a set of amount tags. For instance, if the component is 'MAIN_INT', the following amount tags are automatically created:

- MAIN_INT_RES - Component Amount Residual
- MAIN_INT_ADJ - Component Amount Adjustment
- MAIN_INT_LIQD - Component Amount Liquidated
- MAIN_INT_ROLL - Component Amount Rolled over
- MAIN_INT_CAP - Component Amount Capitalized
- MAIN_INT_ACCR - Component Amount Accrued
- MAIN_INT_DLIQ - Component Amount Paid against Due Schedules/future not-due schedules
- MAIN_INT_OLIQ - Component Amount Paid against Overdue Schedules

The '_DLIQ' and '_OLIQ' tags will be generated only for the events LIQD and ROLL.

Select the appropriate amount tag from this list.

D/C

Here, you have to specify the type of accounting entry to be posted – the entry can be a debit entry or a credit entry.

Transaction Code

Every accounting entry in Oracle FLEXCUBE is associated with a Transaction Code that describes the nature of the entry. Specify the transaction code that should be used to post the accounting entry to the account head. You can group all similar transactions under a common transaction code. The transaction codes maintained in the 'Transaction Code Maintenance' screen are available in the option list provided.

Netting Indicator

Specify whether accounting entries should be netted at an event. You can net the accounting entries that are generated at an event by selecting 'Yes' from the drop down list. The system will then net the entries and show the resultant value in account statements. If you do not net, the entries will be shown separately in the statements.

MIS Head

An MIS Head indicates the manner in which the type of entry should be considered for profitability reporting purposes. This classification indicates the method in which the accounting entry will be reported in the profitability report. It could be one of the following:

- Balance
- Contingent Balance
- Income
- Expense

You can also link a product to an MIS Group if you do not want to define individual entities for the product.

Refer the section titled 'Associating an MIS Group with the product' in this chapter for more details.

Revaluation Required

Online Revaluation refers to revaluation done on transaction amounts during transaction posting, and not as part of an end-of-day process. The Revaluation profit /loss are booked to the Online 'Profit GL' or Online 'Loss GL' that you maintain for the GL being revalued.

You can opt for online revaluation by selecting the 'Reval Req'd' option.

Profit GL and Loss GL

If you have opted for online revaluation and the result of revaluation is a profit, the profit amount is credited to the Profit GL you select here. Similarly, if the result of revaluation is a loss, the loss amount is credited to the Loss GL you specify here.

Reval Txn Code

If you opt for online revaluation, you need to associate the transaction code to be used for booking revaluation entries. The system will use this transaction code to track the revaluation entries.

Holiday Treatment

Specify whether holiday treatment is applicable for processing accounting entries falling due on holidays. Select one of the following:

- Yes
- No

GAAP

Indicate the GAAP indicators for which the accounting entry is required for reporting under multi GAAP accounting. The adjoining option list shows all the GAAP indicators maintained in the system. Choose the appropriate one.

The system will then post entries into the specified books (GAAP indicators) during the different events that occur in the lifecycle of the loan. You can retrieve the balance for a certain component in an account in a specific status, for a given GAAP indicator, in a certain branch, reporting to a certain GL. The system will show the real and contingent balances accordingly.

Split Balance

Specify whether you need the balances to be split or not. If you check this option, the system will store the balance break-up for the specified GAAP indicators. You can then retrieve the balances separately for the different GAAP indicators to which accounting entries are posted for the loan.

Balance Check in Batch

Indicate whether the balance check is required for the batch operations/online processing.

The options available are:

- Reject – The transaction is rejected if there is insufficient fund to process the transaction.
- Delinquency Tracking – The transaction is processed. If you have specified delinquency tracking for the accounting entries, the tracking is done according to the parameters you have defined for the Delinquency Product.
- Force Debit – The transaction is processed. However, no delinquency tracking is done even if the account goes into overdraft.
- Partial Liquidation – The transaction is processed. If you have specified partial delinquency, the system liquidates upto the available amount and the delinquency tracking is done on the remaining amount only.

Delinquency Product

In case you have specified delinquency tracking for balance check type, you need to specify the delinquency product under which the entry is tracked. The option list displays all the delinquency product codes maintained in the Oracle FLEXCUBE. Select the appropriate from the option list.

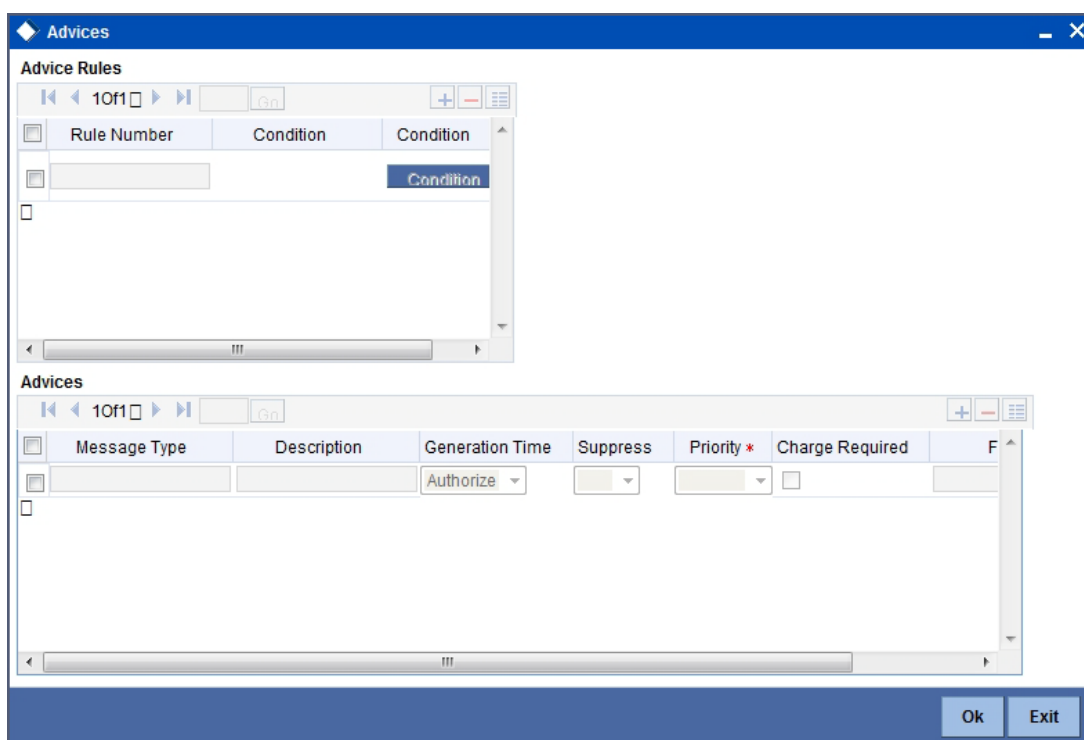
Settlement

This field is used to settle the amount . If it set as yes, while doing settlement system uses the Account during amount settlement. If it is no it will use default account, which is mapped in role to head.

4.3.6.2 Advices for Event

You can select the advices that should be triggered for various events. The selected advices are generated, once the product is authorized. These advices can be simple Debit /Credit advices when any payment or disbursement is made, Deal Slip advices, Rate Revision advices, Loan advices etc.

To specify the advices for an event, click the 'Advices' button in the Events screen of the 'Loan Syndication Product' screen – the following screen is displayed.



The following advice details have to be maintained in the screen:

Event Code

Code of the specified event is defaulted from the Event level.

Description

Description of the specified event is defaulted from the Event level.

Advices Details

The following advice details can be maintained here:

Advice Name

Specify a valid advice you want to trigger, from the adjoining option list. This option list displays advices applicable for the module.

Description

Description of the specified advice is defaulted here.

Generation Time

Authorization is defaulted as the generation time for all advices which need to be generated for a specified Event.

Suppress

Select 'Y' or 'N' from the adjoining drop-down list to either suppress or allow the generation of some advices.

Priority

Select the importance of the advice generation from the adjoining drop-down list. This list displays the following values:

- High
- Medium
- Low

Charges

Check this box if you want to collect charges for advice generation.

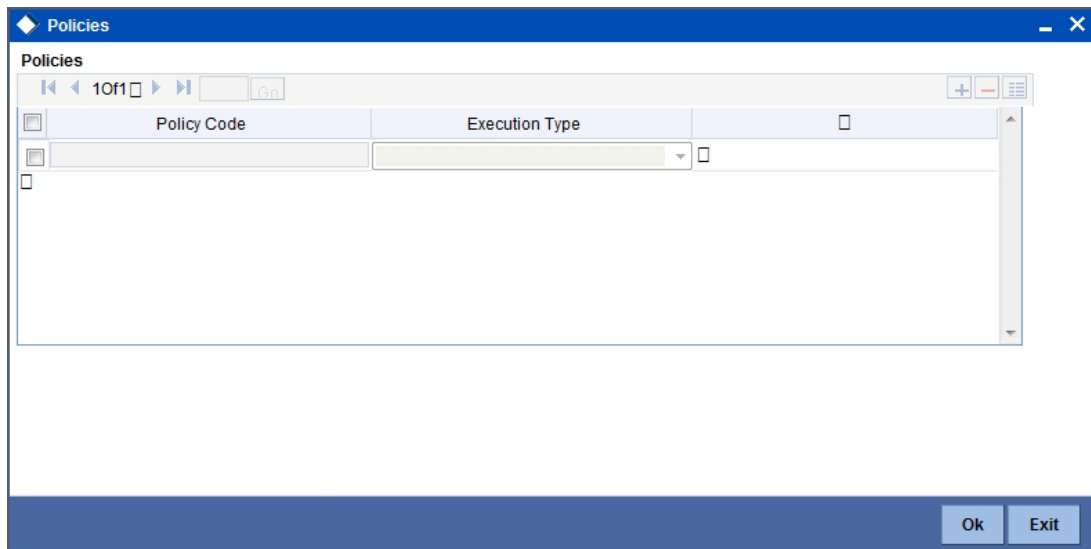
For a detailed list of Events, Advices, Accounting Roles and Amount Tags, refer 'Annexure A' of this User Manual.

4.3.6.3 User Defined Policies

Policies are user defined validations that will be fired when any event is triggered. These can even be policies which govern the firing of an event under certain conditions.

For example, if an operation called payment is being done and the customer is paying an amount greater than his current overdue and one additional installment, you can associate a policy to disallow the payment. Therefore, you have to associate policies to an event.

Click on the 'Policies' button in the 'Events' screen to define the policies that should be executed for an event.



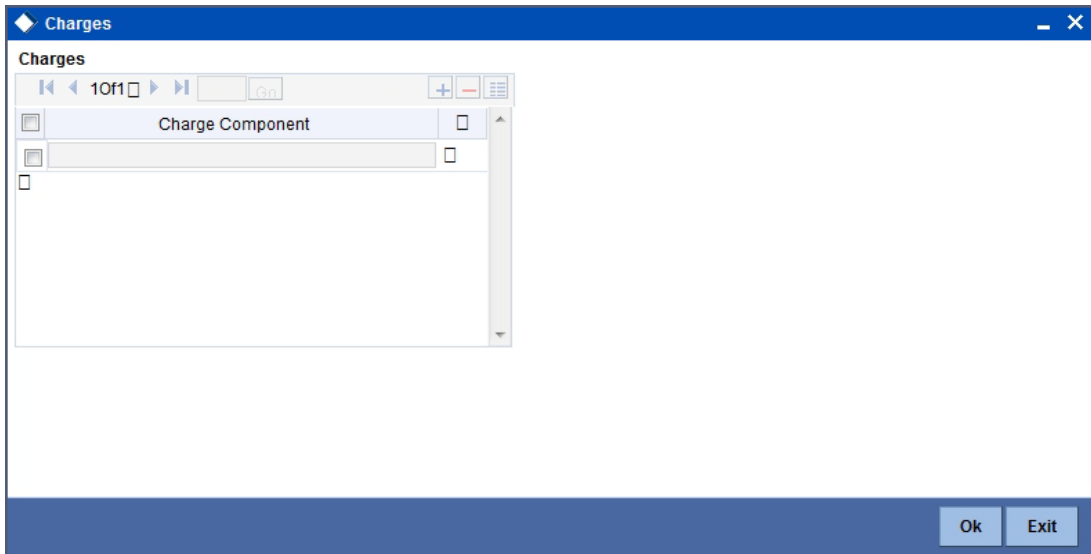
You can select the appropriate policy from the option list provided. The policies defined in the 'User Policy' screen are available in this list. You should also specify the instance when the policy should be triggered for the event. The options are:

- Before Event
- After Event
- Both

4.3.6.4 Charge

You can associate charges to an event. Linking a charge to an event implies calculating the value of the charge.

Click the 'Charges' button in the 'Event' screen, to associate charges.



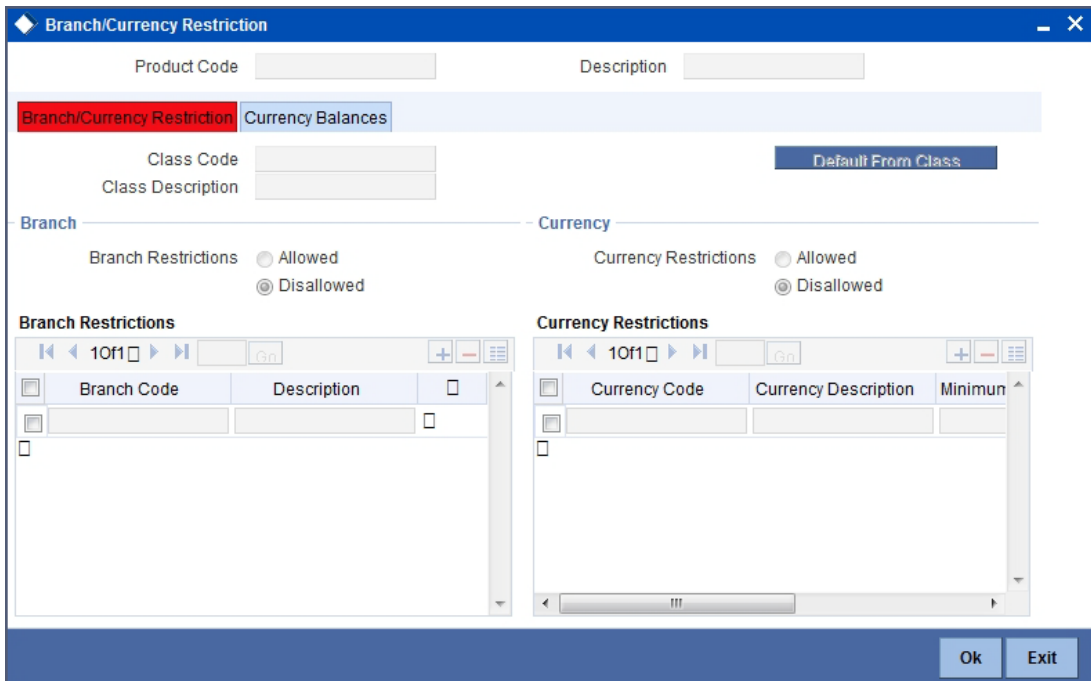
The charge type of components defined for the product (in the 'Components' screen) are displayed in the option list. Select the component you wish to associate with the event.

4.3.7 Branch Currency Restriction

The loan products created in the Head Office Bank (HOB) are available across all the branches subject to the branch restrictions maintained for the product. Likewise, you also restrict the products to select currencies.

To achieve this, you can maintain a list of allowed/disallowed branches and currencies.

Click on the 'Branch/Currency Restriction' button in the 'Loans Syndication Product' screen.



Moving a branch or currency to the Allowed/Disallowed column

Under Branch and Currency Restrictions respectively, two columns are displayed.

- Allowed List
- Disallowed List

The allowed or disallowed column that is displayed would depend on the list type that you choose to maintain. For instance, if you choose to maintain an allowed list of branches, the column would display the branches that you can opt to allow.

In the Branch Restriction and Currency Restriction Section, click on adjoining option list to invoke a list of bank codes and currencies codes respectively that you have maintained in your bank. Select an appropriate code.

Using the add icon or delete icon, you can add/delete a branch or currency from the corresponding allowed/disallowed column that you have maintained.

Note

When you create a product, it is, by default, available to all the branches of your bank, in all currencies, and for all customers unless restrictions are explicitly specified for the product.

4.3.7.1 **Currency Balances Tab**

You can maintain the following currency balance details:

Currency Code

You can specify the transaction limit for a currency while defining currency restrictions for a product. Choose the currency code from the option list.

Residue Amount

Here, you have to capture the minimum amount by which, if a component of a schedule becomes overdue, the system will consider it as paid.

Neg Residue Amount

If the difference between the amount paid (COMPONENT_EXPECTED) and the amount due is less than the residue amount specified here, then the difference is treated as an income otherwise the transaction is rejected.

In the case of an income, the installment schedule is marked as completely settled/paid and the income is posted to the residual suspense GL. This triggers the event called 'RESID' (Residual) and the following entries are passed:

Accounting Role	Amount Tag	Dr/Cr
Loan Account	RESIDUAL_AMOUNT	Cr
Residual Suspense	RESIDUAL_AMOUNT	Dr

ATM Cash Limit

Here, you can enter the maximum non- Cash transaction amount for the currency that you have defined. The ATM transaction amount cannot exceed the value given here.

Rounding Factor (EMI)

Specify the rounding factor if the EMI is to be rounded.

It is mandatory for you to specify the rounding factor if you have maintained the rounding parameter.

Round Up Down (EMI)

Indicate whether the EMI should be rounded up or down.

- Choose 'UP' in case you want to round the number to the next decimal value.
- Choose 'DOWN' if you want to truncate the number to the previous decimal value

The principal component of the EMI is adjusted based on the rounded EMI amount.

Numerator Method

Specify the day count method for the numerator for each currency applicable to the product. The following options are available in the drop-down list:

- Actual
- 30 Euro
- 30 US

Choose the appropriate one. This value will be used for calculation of the Net Present Value (NPV).

Denominator Method

Specify the day count method for the denominator for each currency applicable to the product. The following options are available in the drop-down list:

- 360
- 365

Choose the appropriate one. This value will be used for calculation of the Net Present Value (NPV).

4.3.8 Maintaining Customer Category Restriction Details

Just as you can maintain a list of allowed/disallowed branches and currencies for a product, you can maintain a list of allowed/disallowed customer categories.

You can maintain several restrictions for each customer category. Click on the 'Customer Category Restriction' button in the 'Loan Syndication Product' screen.

The screenshot shows a software window titled "Customer Category Restriction". The window has a blue header bar with the title and standard window controls (minimize, maximize, close). Below the header, there are several input fields: "Product Code" and "Product Description" at the top; "Class Code" and "Class Description" in a section labeled "Class Details"; and "Customer Category Restriction" with two radio buttons, "Allowed" and "Disallowed". To the right of the "Class Details" section is a button labeled "Default From Class". Below these fields are two data grids. The left grid is titled "Category Restrictions" and has columns "Customer Category" and "Description". The right grid is titled "Customer Restrictions" and has columns "Customer No" and "Description". Both grids are currently empty. At the bottom right of the window are "Ok" and "Exit" buttons.

Customer Category Restriction

You can restrict customers from availing a product by maintaining an 'allowed' list or a 'disallowed' list of customer categories.

Only customer categories that are a part of an allowed list maintained for a product *can* avail the product. Likewise, customer categories that are part of a disallowed list *cannot* avail the product or service.

The allowed or disallowed column that you view depends on the list type that you choose to maintain. For instance, if you choose to maintain an allowed list, the column would display those customer categories that you choose to allow.

You can move a category to the allowed/disallowed column, using the add icon or delete icon.

4.3.8.1 Allowing Access to Special Customers

Depending on the customer restriction you specify – allowed or disallowed, you can further maintain a list of customers who are allowed (for a 'Disallowed' list) or specific customers who are not allowed to use the product (in the case of an 'Allowed' list).

For example, you may disallow the customer category 'CORPORATES' from availing a certain loan product. However, you may want to allow 'Cavillieri and Barrett' (belonging to the category 'CORPORATES') to avail the product.

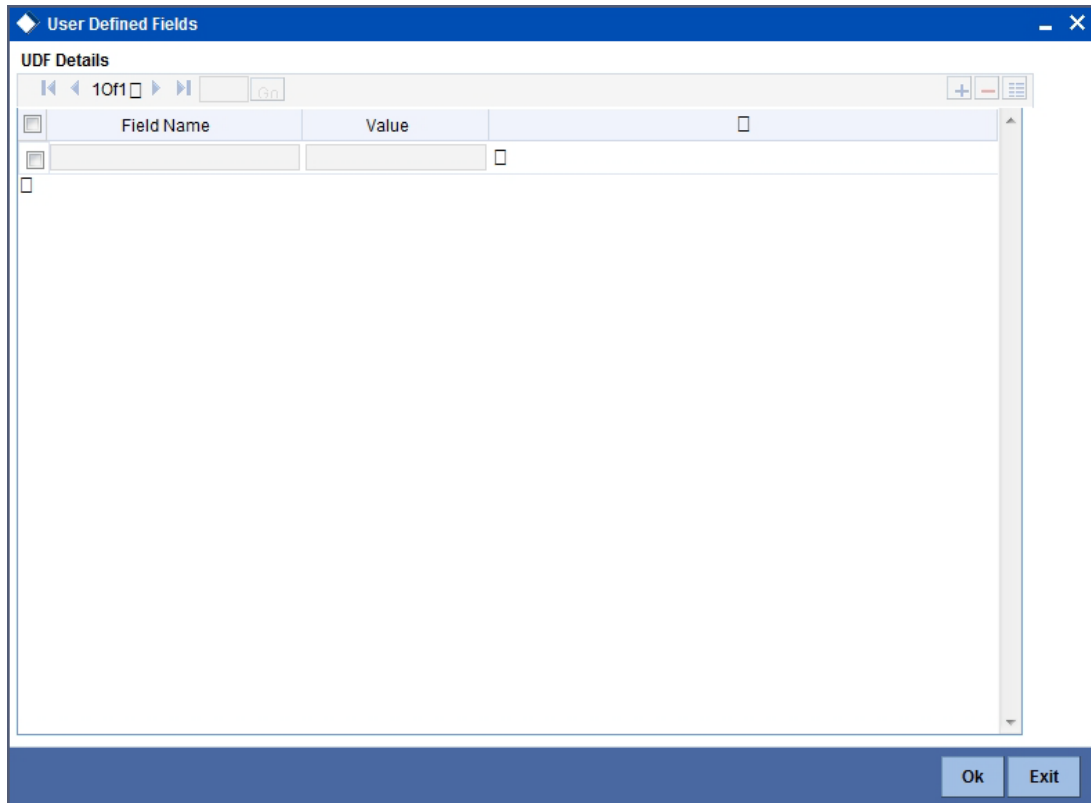
Select the name of the customer from the option list provided. The 'Customer Name' is displayed after you select the customer id.

If the selected customer belongs to a category which is 'Disallowed' for the product but you want to allow the customer, check the 'Allowed' option. Similarly, if the customer belongs to a category that is 'Allowed' but you want to disallow the customer, do not check the 'Allowed' option.

4.3.9 Maintaining UDF

UDFs are additional fields that are available for use depending on the bank's requirement. You can define UDFs in the 'User Defined Fields' screen by clicking on the 'Fields' button in the 'Loan Syndication Product' screen.

In the 'UDF' screen, you can associate these custom fields with the product.



The UDFs are segregated based on the 'Field Type', into the following:

- Character Fields
- Number Fields
- Date Fields

Field Name and Description

When you select an UDF from the option list, the description is also displayed in the adjacent field.

4.3.10 Associating Ad-hoc fee Components

Your bank may need to levy fees on borrower tranche or draw down contracts on an ad-hoc basis. When you define a borrower tranche or draw down product, you can indicate the applicability of such ad-hoc fees. All borrower contracts using the product will inherit the ad-hoc fee components that you have specified for the product.

You can indicate the applicability of ad-hoc fees by associating the appropriate ad-hoc fee class that you have defined for borrower facility contracts. You can invoke this screen by typing 'CFDADFEE' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a window titled "Ad hoc Charges" with a "New" icon in the top left. The main area contains the following fields:

- Class Code ***: A text input field.
- Description**: A text input field.
- Module ***: A dropdown menu with a small icon to its right.
- Module Description**: A text input field.
- Participation Propagation**: A checkbox.

At the bottom, there is a "Fields" section with the following labels:

- Input By**: Date Time
- Authorized By**: Date Time
- Modification Number**:
 - Authorized
 - Open
- Exit**: A button.

You can capture the following details here:

Class Code

Specify a class code for which you want to maintain ad hoc charges.

Description

Give a small description for the class code entered.

Module

Specify the module for which you want to maintain ad hoc charges.

Module Description

Give a small description for the module entered.

Participation Propagation

The ad-hoc fee component that you have associated will apply to all borrower contracts using the product, and the accounting entries relating to the fee will be propagated to all participant contracts arising from the borrower contract, if so specified in the Adhoc Fee Class Definition. If so, when you associate the class with the product in the Adhoc Fee Association screen, the Propagation Reqd check box will be selected.

4.3.11 Specifying MIS Details

To specify MIS details for the product you need to invoke the 'MIS Details' screen. To invoke this screen, click 'MIS' button on the 'Loan Syndication Product Definition' screen.

MIS Class	MIS Code

4.3.12 Associating Parties

You can also specify the different types of entities or parties that would be applicable for the borrower tranche or draw down product in the 'Party Association' screen. Click the 'Party' button in the 'Loan Syndication Product' screen to invoke the Party Association screen.

Party Type	Description	Multi Party Allow?	Mandatory?
		No	No

For each party type that you associate in this screen, you can specify:

- Whether more than one party belonging to the associated type may be specified for contracts using the product
- Whether specification of a party belonging to the associated type is mandatory for contracts using the product

4.3.13 Associating Diary Events

In the Diary Event Association screen, you can also specify the different diary events that would need to be processed for borrower tranche or draw down contracts using the borrower tranche or draw down product. Click the 'Diary' button in the 'Loan Syndication Product' screen to invoke the Diary Event Association screen.

Event Code	Event Description

In this screen, select the code of the diary event that you wish to associate with the product, in the Event Code field.

4.4 Creating Participant Products

You must define the products to be used for participant facility, tranche and draw down contracts that will be created for participants under a borrower facility/tranche/drawdown contract.

Note

Borrower products must be created before you can define Participant products.

You can create participant products in the 'Participant Product Definition' screen. In this screen, you can specify the basic details such as the Product Code, Group, Description, and so on. You can then use the other product definition screens to set up preferences for the product.

You can invoke this screen by typing 'LLDPRMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.L

4.4.1 Defining Generic Attributes of Participant Product

After specifying all the basic details of a participant product, you can indicate certain specific attributes for the product. Each of these attributes can be defined in the corresponding screen that you can invoke from the Participant Product Definition main screen, by clicking the appropriate icons. Attributes with common characteristics are grouped together in common screens, simplifying the process of defining them.

You can define generic attributes, such as branch, currency, and customer restrictions by clicking on the appropriate icon in the horizontal array of icons in this screen. For a participant product, in addition to these generic attributes, you can specifically define other attributes. These attributes are discussed in detail in this section.

For further information on the generic attributes that you can define for a product, please refer the following Oracle FLEXCUBE User Manuals under Modularity:

- Products Definition
- User Defined Fields
- Settlements

Product Type

The product type is the first attribute that you specify for a participant product. It indicates the category under which the product can be placed, and the type of contract that will be processed against the product.

Each participant-level product that you define could be used to process any of the following types of contracts that are created under a corresponding borrower contract, as applicable at each level:

- Facility products, for processing participant facility contracts that are created under corresponding borrower facility contracts

- Tranche products, for processing participant tranche contracts that are created under corresponding borrower tranche contracts
- Draw down products, for processing participant draw down contracts that are created under corresponding borrower draw down contracts

You can select the required product type in the Product Type field, in the 'Participant Product Definition' screen.

Linking the Borrower Product for the Product Type

Select the borrower product to be linked to the participant product. The borrower product that you choose should be of the same type (Drawdown or Tranche or Facility) as that of the participant product that you are defining.

4.5 Setting Preferences for Participant Products

Preferences are those options you can use to specify attributes for a product. These attributes will be picked up and applied automatically to any contracts involving the product.

For instance, for participant contracts using a participant facility product, you can define whether collection from the participants towards a draw down must be initiated automatically; or whether the amount repaid by the borrower must be disbursed automatically to participants.

Click the Preferences Tab to specify certain preferences unique to the product. The Product Preferences screen is invoked, where you can specify your preferences.L

Auto Collection

You can indicate whether collection from the participants towards a borrower draw down must be initiated automatically. Your specification is inherited by all participant contracts using the participant product.

Auto Disbursement

You can indicate whether the amount repaid by the borrower must be disbursed automatically to the respective participants. Your specification is inherited by all participant contracts using this product.

4.5.1 Associating Diary Events for Participant Products

In the Diary Event Association screen, you can also specify the different diary events that would need to be processed for participant contracts using the participant product. Click the 'Diary Event' button in the Participant Product Definition screen to invoke the Diary Events screen.

Event Code	Event Description

In this screen, select the code of the diary event that you wish to associate with the product, in the Event Code field.

4.5.2 Associating Ad-hoc Charges

Your bank may need to collect fees on an ad-hoc basis, on syndication contracts, from the borrower, on behalf of the participants in the syndication. The collected ad-hoc fee would be disbursed back to the participants that contributed to the syndication. When you define a participant product, you can indicate the applicability of such ad-hoc fees. All participant contracts using the product will inherit the ad-hoc fee components that you have specified for the product.

You can indicate the applicability of ad-hoc fees by associating the appropriate ad-hoc fee class that you have defined for participant contracts. Click the 'Ad hoc' button in the Participant Product Definition screen.

4.6 Creating Borrower Facility products

After you have created products to process borrower side contracts in respect of a syndication agreement, such as borrower tranches and draw downs, you must define products that would be used to process the main syndication agreement (facility) contract with the borrower. Such products are called Borrower Facility products.

To create a borrower facility product, you can specify the basic details such as the Product Code, Group, Description, and so on in the 'Facility Product Definition' screen. You can then use the other product definition screens to set up preferences for the product.

You can invoke this screen by typing 'LNDPRMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

You can specify the basic details for the product, such as the Product Code, Description, Group and life-span, in the same manner as you specified for the tranche / draw down product.

4.6.1 **Defining Generic Attributes of Loan Syndication product**

After specifying all the basic details of a product, you can indicate certain specific attributes for the product. Each of these attributes can be defined in the corresponding screen that you can invoke from the Loan Syndication Product main screen, by clicking the appropriate icons. Attributes with common characteristics are grouped together in common screens, simplifying the process of defining them.

You can define generic attributes, such as branch, currency, and customer restrictions by clicking on the appropriate icon in the horizontal array of icons in this screen. For a borrower facility product, in addition to these generic attributes, you can specifically define other attributes. These attributes are discussed in detail in the following sections.

For further information on the generic attributes that you can define for a product, please refer the following Oracle FLEXCUBE User Manuals under Modularity:

- Products Definition
- User Defined Fields
- Settlements

4.6.2 **Specifying Preferences for Syndication Products**

Preferences are those options you can use to specify attributes for a product. These attributes will be picked up and applied automatically to any contracts involving the product.

For instance, for contracts under a borrower facility syndication product, you can define when intimation must be sent to participants to fulfill their commitments towards a scheduled draw down.

Click the 'Preferences' button to specify certain preferences unique to the product. The Product Preferences screen is invoked, where you can specify your preferences.

Borrower Tranche Linkages

You need to specify the borrower tranche products available for the selected facility tranche product. If the borrower tranche product is mapped against a participant tranche product then the corresponding participant tranche product and its description is displayed. Tranche contracts can be created only with the products linked with the Facility product.

Borrower Drawdown Linkages

You need to specify the borrower drawdown products available under each tranche product. If the borrower drawdown product is mapped against a participant product then the corresponding participant product and its description is displayed.

Rekey Fields

You can specify those values in a borrower facility contract that must be keyed in when a user is authorizing it.

You can use the rekey feature to ensure that the right contract is being authorized. It requires the authorizer to key in the values of certain fields during authorization. You can select the fields for which the values must be entered, in the Auth Rekey Fields option in the Loan Syndication Product Preferences screen.

The user that authorizes a contract cannot be the same user that entered the contract.

All operations on a syndication contract, as well as the tranche contracts and the draw down loan contracts under a tranche of the agreement contract, must be authorized before the End of Day procedures are begun at the branch.

Specifying how schedules falling on holidays must be handled

Schedule dates for a contract could fall on holidays defined for your branch or on holidays defined for the currency of the contract. In the Product Preferences, you can specify whether the system should check for schedule dates falling on holidays, and how such schedule dates must be handled. These specifications would default to any borrower facility contract using the product, and also to underlying borrower tranche or draw down contracts that are opened under the facility contract.

You can specify that:

- Holidays must be ignored
- Checks must be made for schedule dates falling on holidays

If you specify that checks must be made, you can also specify the corresponding treatment for schedule dates falling on holidays.

Holiday Treatment Type

The Holiday Treatment Type is the parameter that defines how the system checks for schedule dates falling on holidays. You can specify one of the following options:

Local

Select this option to indicate that you want the system to check whether a schedule date falls on a local holiday defined for the branch. You will not be able to specify a check for currency holidays, if you choose this option.

The system checks the holiday table for your branch. If it encounters a contract entered in your branch, with a schedule date falling on a branch holiday, the holiday is handled according to the holiday-handling preferences you specify.

Currency

Select this option to indicate that the system must check whether the schedule date falls on a holiday defined for the currency of the contract. You must specify the code of the holiday currency, if you select this option. Further, you have the following options to specify the specific currency for which the check must be done:

- **Facility currency:** If you choose this option, the system checks whether the schedule date falls on a holiday defined for the currency of the facility (borrower) contract, if this currency is different from the holiday currency you have indicated.
- **Local currency:** If you choose this option, the system checks whether the schedule date falls on a holiday defined for the local currency, if this currency is different from the holiday currency, facility currency and contract currency you have indicated.

The system checks the holiday table for the currencies you have specified. If it encounters a contract using any of the specified currencies, with a schedule date falling on a holiday for any of the currencies, the holiday is handled according to the holiday-handling preferences you specify.

Holiday-handling preferences for schedule dates

If you have specified that the system check for schedule dates falling on holidays, you must also specify the treatment for schedule dates encountered by the system that do fall on holidays. The following preferences can be set:

Moving the schedule date backward or forward

You can indicate whether the schedule date falling on a holiday must be moved forward to the next working day, or backward to the previous one.

Moving across months

If you have indicated either forward or backward movement, and the moved schedule date crosses over into a different month, you can indicate whether such movement is allowable; it will be allowable only if you indicate so in the Move Across Months field.

Cascading schedules

If one schedule has been moved backward or forward in view of a holiday, cascading schedules would mean that the other schedules are accordingly shifted. If you do not want to cascade schedules, then only the schedule falling on a holiday is shifted, as specified, and the others remain as they were.

Specifying how maturity dates falling on holidays must be handled

The maturity date for a contract could fall on holidays defined for your branch. In the Product Preferences, you can specify whether the system should check for maturity dates falling on holidays, and how such dates must be handled. These specifications would default to any borrower facility contract using the product, and also to underlying borrower tranche or draw down contracts that are opened under the facility contract.

You can specify that:

- Holidays must be ignored
- The maturity date falling on a holiday must be moved according to the holiday-handling preferences that you specify

Holiday-handling preferences for maturity date

You can indicate that the maturity date falling on a branch holiday should be moved either backward or forward, as required, and also if it can be moved across months.

Moving the maturity date backward or forward

You can indicate whether the maturity date falling on a holiday must be moved forward to the next working day, or backward to the previous one.

Moving across months

If you have indicated either forward or backward movement of the maturity date such that the moved maturity date crosses over into a different month, you need to indicate whether such a movement can be allowed. Check this option to indicate that it is allowed.

Maturity Holiday Currency

You need to specify the holiday currency the system must check against when applying the maturity date of the facility product. Select a holiday currency code from the option list provided.

You also need to indicate the currency categories the system must check against, for applying the maturity date:

- **Facility currency:** If you choose this option, the system checks whether the maturity date should be based on the holiday defined for the facility currency, in case the holiday currency maintained is different from the facility currency.
- **Local currency:** If you choose this option, the system checks whether the maturity date should be based on a holiday defined for the local currency, if the local currency is different from the holiday currency, facility currency and contract currency you have indicated.

The system checks the holiday table for the currencies you have specified. If it encounters a contract using any of the specified currencies, with a maturity date falling on a holiday for any of the currencies, the holiday is handled according to the holiday-handling preferences you specify.

4.6.3 Specifying Ad-hoc fee Components for Borrower Facility Products

Your bank may need to levy fees on facility contracts on an ad-hoc basis. When you define a borrower facility product, you can indicate the applicability of such ad-hoc fees. All borrower facility contracts using the product will inherit the ad-hoc fee components that you have specified for the product.

You can indicate the applicability of ad-hoc fees by associating the appropriate ad-hoc fee class that you have defined for borrower facility contracts. Click the 'Adhoc Charges' button in the Facility Product Definition screen. The Adhoc Charges screen is opened.

Propagation to Participant Contracts

The ad-hoc fee component that you have associated will apply to all borrower contracts using the products, and the accounting entries relating to the fee will be propagated to all participant contracts arising from the borrower contract, if so specified in the Adhoc Fee Class Definition. If so, when you associate the class with the product in the Adhoc Fee Association screen, the Propagation Req'd check box will be selected.

4.6.4 Associating Appropriate Party Types for Borrower Facility Products

You can also specify the different types of entities or parties that would be applicable for the borrower facility product in the Party Association screen.

Click the 'Party Details' button in the Facility Product Definition screen to invoke the Party Association screen.

The screenshot shows the 'Party Association' window. At the top, there are two text boxes labeled 'Product' and 'Product Description'. Below them is a section titled 'Party Details' containing a table. The table has the following columns: 'Party Type', 'Description', 'Multi Party Allow?', 'Mandatory?', and an empty checkbox column. The first row of data shows 'No' for both 'Multi Party Allow?' and 'Mandatory?'. Above the table are navigation arrows and a 'Go' button. At the bottom right of the window are 'Ok' and 'Exit' buttons.

For each party type that you associate in this screen, you can specify:

- Whether more than one party belonging to the associated type may be specified for contracts using the product
- Whether specification of at least one party belonging to the product is mandatory for contracts using the product

4.6.5 Associating Diary Events for Borrower Facility Products

In the Diary Event Association screen, you can also specify the different diary events that would need to be processed for borrower facility contracts using the borrower facility product. Click the 'Diary Events' button in the Facility Product Definition screen to invoke the Diary Events screen.

The screenshot shows the 'Diary Events' window. At the top, there are two text boxes labeled 'Product Code' and 'Product Description'. Below them is a section titled 'Product Diary Event' containing a table. The table has the following columns: 'Event Code', 'Event Description', and an empty checkbox column. Above the table are navigation arrows and a 'Go' button. At the bottom right of the window are 'Ok' and 'Exit' buttons.

In this screen, select the code of the diary event that you wish to associate with the product, in the Event Code field.

4.7 Saving Loan Syndication Product

After you have specified all the mandatory information required for the product in the product definition screens, you could save the product. You will not be allowed to save the product until you have specified all the mandatory information.

When you save the product, the following information is updated and displayed in the status bar of the Product Definition main screen:

- Your User ID in the Input By field
- The date and time at which you entered the product, in the Date Time field

5. Loan Syndication Contracts

5.1 Introduction

A contract is a specific agreement or transaction entered into between two or more entities. A customer who approaches your bank to avail of any of the services offered by your bank enters into a contract with your bank.

In the case of a syndication facility contract, the entities involved in a contract are the borrowing customer and the participants for any tranche of the agreement.

Similarly, any specific loans (draw downs) disbursed by your bank under a tranche in the facility contract are also contracts.

5.2 Borrower Facility Contract

A facility contract is reached between a borrowing customer and a bank (or financial institution), which arranges or provides facility for the syndication. The lead bank identifies one or more participants who pool funds to meet the borrowing requirements. The lead bank disburses the loan, after receiving the contributions of the other participants. The participants share the interest and other income accruing from the loan, in the ratio that was agreed upon at the time of entering the agreement.

The syndication agreement with the borrowing customer is known as a borrower facility contract.

In a borrower facility contract, the borrowing customers receive loans from any of the arms or tranches. Each of the arms would have a set of participants, who would pool in their contributions toward the borrowing requirement in a mutually agreed ratio. The borrowing customer could receive loans towards the borrowing requirement as 'draw downs' from a tranche. Therefore, a single tranche would have a specified number of draw downs.

Each of the players in a tranche (i.e., the borrowing customer and the participants) enters into a tranche contract. The individual loans (draw downs) under each tranche are loan contracts.

Therefore, a borrower facility contract under a syndication agreement involves the following contracts:

1. The main borrower facility contract between the borrowing customers and the facilitating bank. The contract officialises the agreement and makes the terms binding by law on all borrowers and participants entering into it. (For the main borrower facility contract, contracts are drawn up for each of the participants to mirror the borrower facility contract)
2. The tranche contracts at the level of a tranche opened under the main borrower facility contract, for each of the borrower and the participants.
3. The actual loans disbursed to the borrowing customer as draw downs under a tranche of the main borrower facility contract

The example given below illustrates the concept of syndication and the contracts involved.

This example will be referred throughout this chapter as a reference contract to illustrate the concept of the contracts.

The main syndication facility contract

One of your customers, Mr. Robert Carr, has approached you for a loan of 100000 USD on 1st January 2000. You enter into a syndicated contract with him on the same date, with a view

to meeting his funding requirement by identifying other banks or institutions that can share the load of funding. The agreement is booked on 1st January 2000, and the end date, by which all components of the borrowed amount will be repaid, to be 1st January 2001.

The main borrower facility contract is the one under which all subsequent tranche / draw down contracts will be processed. When you enter this contract (with Mr. Robert Carr) into the system, it saves the contract and generates a unique identifier for it, known as the Facility Contract Reference Number. (i.e., the Contract Reference Number of the main borrower facility contract). Let us suppose the Facility Contract Reference Number assigned to this contract is 000SNEW000010001. Whenever you enter a tranche or draw down contract against this main borrower facility contract, you will have to specify this number as reference information.

Getting back to Mr. Robert Carr's borrowing requirement, let us suppose that he wants to avail of the total loan principal in the following manner:

Total syndicated loan principal: 100000 USD, in two tranches, with a total tenor of six months.

Tranche contracts

Mr. Robert Carr's total syndicated loan principal is therefore required to be disbursed in two different sets of tranches, as seen above.

The tranche involves a 'tranche' from Mr. Robert Carr as the borrowing customer, as well as a tranche from your bank, as the lead bank in the contract, to disburse the loan after pooling together resources from any willing participants. Each of the participants enters into a tranche contract, committing to provide the funds as agreed.

For the first tranche, wherein a principal of 50000 USD is to be disbursed, your bank has now identified Brinsley Bank and Dayton Commercial Bank as potential sources from whom funding may be obtained, to meet Mr. Carr's borrowing requirement. The funding load is proposed to be shared in the following pattern, which is known as the ratio of participation:

Your bank (Participant): 10000 USD

Brinsley Bank (Participant): 20000 USD

Dayton Commercial Bank (Participant): 20000 USD

When you open the tranche in the system, you input a borrower tranche for Mr. Robert Carr. When the BOOK event is triggered for the borrower tranche contract, the system creates tranche contracts for your bank and for Brinsley Bank and Dayton Commercial Bank, based on the borrower tranche contract.

Let us suppose that the first tranche is booked on 15th January. Let us suppose that the following Contract Reference Numbers are generated by the system for the contracts:

- Borrower (Mr Carr) Tranche: 000SNBC000150001. You enter this contract into the system after specifying the Facility Contract Reference Number of the main facility contract against which the first tranche is being opened, which is 000SNEW000010001.
- Participant (Your Bank) Tranche: 000SNPC000150001. This contract is created by the system when you the BOOK event is triggered for the borrower tranche contract 000SNBC000150001.
- Participant (Brinsley Bank) Tranche: 000SNPC000150001. This contract is created by the system when the BOOK event is triggered for the borrower tranche contract 000SNBC000150001.
- Participant (Dayton Commercial Bank) Tranche: 000SNPC000150002. This contract is created by the system when the BOOK event is triggered for the borrower tranche contract 000SNBC000150001.

For the second tranche, wherein a principal of 50000 USD is to be disbursed, your bank has identified South American Overseas Bank and Banco Milan as funding partners. The ratio of participation is finalized as follows:

Your bank 10000 USD

South American Overseas Bank 25000 USD

Banco Milan 15000 USD

When you open the tranche in the system, you input a borrower tranche for Mr. Robert Carr. When the BOOK event is triggered for the borrower tranche contract, the system then creates tranche contracts for your bank and for South American Overseas Bank and Banco Milan based on the borrower tranche contract.

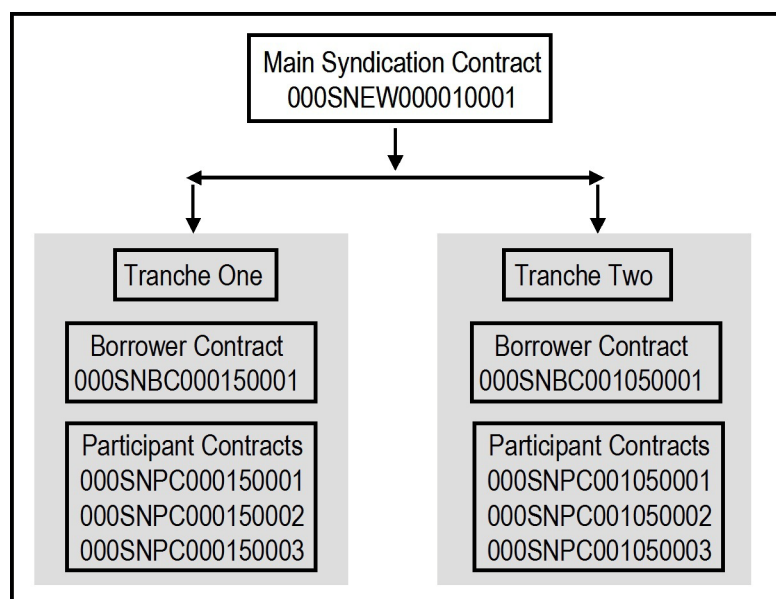
Let us suppose that the second tranche is booked on 15th April. Let us suppose that the following Contract Reference Numbers are generated by the system for the contracts:

- Borrower (Mr Carr) Tranche : 000SNBC001050001. You enter this contract into the system after specifying the Facility Contract Reference Number of the main facility contract against which the first tranche is being opened, which is 000SNEW000010001.
- Participant (Your Bank) Tranche : 000SNPC001050001. This contract is created by the system when the BOOK event is triggered for the borrower tranche contract 000SNBC001050001.
- Participant (South American Overseas Bank) Tranche: 000SNPC001050002. This contract is created by the system when the BOOK event is triggered for the borrower tranche contract 000SNBC001050001.
- Participant (Banco Milan) Tranche: 000SNPC001050003. This contract is created by the system when the BOOK event is triggered for the borrower tranche contract 000SNBC001050001.

Since the principal amount in each tranche is scheduled to be made available during a fixed period - between 1st January and 31st March for the first tranche, and between 1st April and 30th June for the second, the participants are reminded to fulfil their tranches just before each schedule is due.

This would mean that the approved contributions from each participant would be credited into a common syndication pool before each schedule is due. The schedule dates, according to the agreement, are 30th January, 29th February and 31st March for the first tranche, and 30th April, 31st May and 30th June for the second.

Therefore, the relationship of the tranche contracts under a main facility contract can be seen below, using our example:



Draw Down Contracts

On any date including and following the 31st of January, Mr. Robert Carr can avail of his first draw down loan of 20000 USD, under the first tranche. Similarly, on any date including and following the 30th of April, Mr. Robert Carr can avail of his first draw down loan of 20000 USD, under the second tranche.

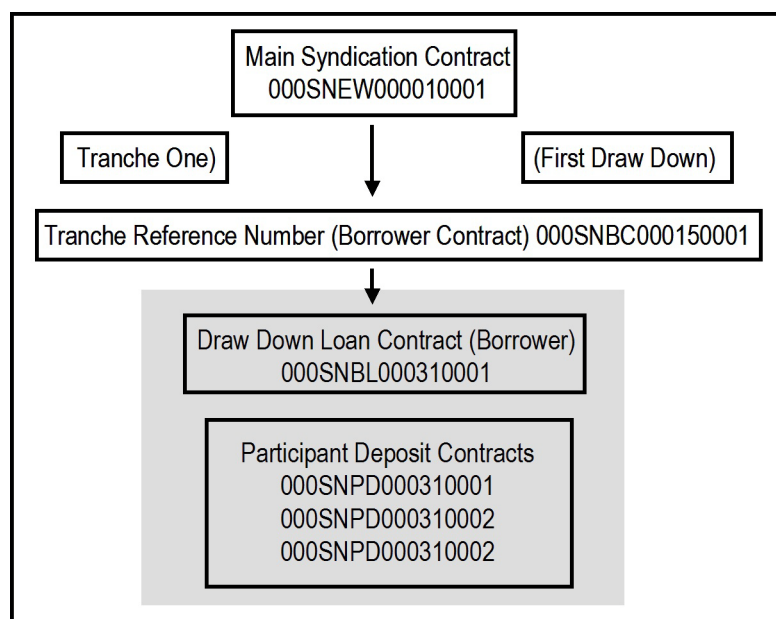
You can enter each of Mr. Carr's draw down loans into the system. The system defaults the details like as the start date of the draw down, the maturity date, currency, interest rate and amount. You can modify these details. The system saves the loan contract with a unique reference number. When the BOOK event for each of the loans is triggered, the system initiates deposit contracts for the participants of the tranche, based on the draw down loan reference number.

Let us suppose that the following Contract Reference Numbers are generated for the loans and the contracts for the participants:

Tranche One, Draw Down Loan

- Borrower (Mr Carr) Draw Down Loan: 000SNBL000310001. You enter this contract into the system after specifying the Facility Contract Reference Number of the main borrower facility contract against which the tranche was being opened, which is 000SNEW000010001, as well as the Contract Reference Number of the borrower tranche contract against which the draw down loan is being entered, which is 000SNBC000150001.
- Participant (Your Bank) Deposit: 000SNPD000310001. This contract is created by the system when the BOOK event is triggered for the draw down loan contract 000SNBL000310001.
- Participant (Brinsley Bank) Deposit: 000SNPD000310002. This contract is created by the system when the BOOK event is triggered for the draw down loan contract 000SNBL000310001.
- Participant (Dayton Commercial Bank) Deposit: 000SNPD000310003. This contract is created by the system when the BOOK event is triggered for the draw down loan contract 000SNBL000310001.

Therefore, the relationship of the draw down contracts under the first tranche can be seen below, using our example:



The relationship of the draw down contracts in each draw down would be similar to the structure depicted above, with the appropriate tranche reference numbers and the draw down contract numbers.

Tranche One, Second Draw Down Loan (28th February)

- Borrower (Mr Carr) Draw Down Loan: 000SNBL000590001. You enter this contract into the system after specifying the Facility Contract Reference Number of the main facility contract against which the tranche was being opened, which is 000SNEW000010001, as well as the Contract Reference Number of the borrower tranche contract against which the draw down loan is being entered, which is 000SNBC000150001.
- Participant (Your Bank) Deposit: 000SNPD000590001. This contract is created by the system when the BOOK event is triggered for the draw down loan contract 000SNBL000590001.
- Participant (Brinsley Bank) Deposit : 000SNPD000590002. This contract is created by the system when the BOOK event is triggered for the draw down loan contract 000SNBL000590001.
- Participant (Dayton Commercial Bank) Deposit: 000SNPD000590003. This contract is created by the system when the BOOK event is triggered for the draw down loan contract 000SNBL000590001.

Tranche One, Last Draw Down Loan (31st March)

- Borrower (Mr Carr) Draw Down Loan: 000SNBL000900001 (As explained earlier)
- Participant (Your Bank) Deposit 000SNPD000900001. (As explained earlier).
- Participant (Brinsley Bank) Deposit 000SNPD000900002. (As explained earlier)
- Participant (Dayton Commercial Bank) Deposit: 000SNPD000900003. (As explained earlier)

Tranche Two, First Draw Down Loan (30th April)

- Borrower (Mr Carr) Draw Down Loan: 000SNBL001200001 (As explained earlier for tranche two)
- Participant (Your Bank) Deposit: 000SNPD001200001. (As explained earlier).
- Participant (South American Overseas Bank) Deposit: 000SNPD001200002. (As explained earlier)
- Participant (Banco Milan) Deposit: 000SNPD001200003. (As explained earlier)

Tranche Two, Second Draw Down Loan (31st May)

- Borrower (Mr Carr) Draw Down Loan : 000SNBL001510001 (As explained earlier for tranche two)
- Participant (Your Bank) Deposit : 000SNPD001510001. (As explained earlier).
- Participant (South American Overseas Bank) Deposit : 000SNPD001510002. (As explained earlier)
- Participant (Banco Milan) Deposit: 000SNPD001510003. (As explained earlier)

Tranche Two, Last Draw Down Loan (30th June)

- Borrower (Mr Carr) Draw Down Loan: 000SNBL001810001 (As explained earlier for tranche two)
- Participant (Your Bank) Deposit: 000SNPD001810001. (As explained earlier).
- Participant (South American Overseas Bank) Deposit : 000SNPD001810002. (As explained earlier)
- Participant (Banco Milan) Deposit: 000SNPD001810003. (As explained earlier)

5.3 Products for Loan Syndication Contracts

A product is a specific service, scheme or facility that you make available to customers.

For instance, the facility of a syndication agreement between your bank and other banks or financial institutions, for the purpose of pooling funds to disburse loans is a specific service you could offer. This service can be thought of as a product.

Similarly, the facility of availing loans through a draw down, from any of the tranches under the borrower facility contract, is another specific service that you offer to customers. This could also be thought of as a product.

In Oracle FLEXCUBE, a contract is entered into the system against a product, and is specific to a customer. For instance, a draw down loan for a borrowing customer under a tranche of a borrower facility contract is entered into the system against a borrower leg draw down loan product.

Defining a product simplifies the process of entering a contract, since you can define certain attributes for a product that will be applied to all contracts entered against the product automatically, saving your effort to specify them afresh each time you input a contract. When Oracle FLEXCUBE processes the contract, it will apply all the attributes and specifications made for the product against which the contract was entered.

You can enter more than one contract against a product.

Before you enter any contracts for a facility contract, whether the main contracts or the tranches or loan contracts, you should have already defined the following products:

1. A borrower facility product for borrower facility contracts. Also, participant facility products for the resultant participant facility contracts.
2. Tranche-level tranche type of products for borrowing customers, and participants
3. Loan products for the borrowing customers for draw downs under a tranche, as well as deposit products for the participants.

The definition of these products is explained in detail in the chapter *Defining Products for Loan Syndication* in this user manual.

5.4 Capturing Details for Borrower Facility Contract

You can capture details for a borrower facility contract in the Loan Syndication Contract Input screen. You can access this screen from the Application Browser. You can also invoke this screen by typing 'LNDCONON' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Throughout our discussion of how borrower facility contracts are entered, in this chapter, we will be referring to the example given at the beginning of the chapter.

5.4.1 Features of Loan Syndication - Contract Input Screen

In the Loan Syndication Contract Input screen, you capture the following details to input the borrower facility contract:

- The main borrower facility product against which the contract is being entered
- The counterparty (customer) with whom the borrower facility contract has been finalized.
- The currency associated with the customer

- The date of value of the contract
- The date on which the contract matures
- The amount being transacted in the contract
- Earliest possible value date for Tranches under the Facility
- Latest possible maturity date for Tranches under the Facility
- The minimum amount that would be allowed for Tranches created under the Facility
- The maximum amount that would be allowed for Tranches created under the Facility
- The purpose for the borrower facility contract
- Any narrative regarding the contract (remarks)

5.4.2 **Contract Tab**

You can specify the details regarding the facility contract in the 'Contract' Tab.

The Contract Reference Number

The Contract Reference Number uniquely identifies the borrower facility contract in the system. It is generated by the system automatically for every borrower facility contract.

The system combines the following elements to form the Contract Reference Number:

- The branch code (3-digit code)
- The product code (4-digit code)
- The value date of the borrower facility contract (in 5-digit Julian format)
- A running serial number for the booking date (4-digits)

For instance, if you are entering the facility contract with Mr. Robert Carr, as in our previous example, the Contract Reference Number generated by the system was 000SNEW000010001.

The first three digits are the code of the branch of your bank where the contract was entered into the system.

SNEW is the code of the borrower facility product that you have set up against which you are entering your facility contract with Mr. Robert Carr.

00001 refers to January 1, 2000 (in Julian format) when the contract was booked. (see example given below to understand how the Julian date is interpreted)

0001 is a running serial number, incremented by 1 for each contract entered on the booking date for the product code and the booking date combination.

The Julian date is expressed in the following format - YYDDD

Here, YY represents the last two numerals of the year, and DDD, the number of elapsed days in the year.

For instance, 00059, in Julian format, would mean the 28th of February 2000. Here, 00 stands for the year 2000, and 059 would stand for number of elapsed days in the year 2000. The number of elapsed days in January would be 31, followed by 59-31 days in February, which computes to 28.

The User Reference Number

The reference number is the identification that you specify for the borrower facility contract. You can specify any identification number. In addition to the Contract Reference Number

generated by the system for the contract, this number will also be used to retrieve information about the contract.

By default, the Contract Reference Number generated by the system is considered to be the User Reference Number for the contract.

You can use the User Reference Number to uniquely identify as well as classify the borrower facility contract for the internal purposes of the bank. For instance, you may want to identify all facility contracts entered into with all customers (borrowers) of a certain net worth; or all customers in a particular nationality, or a particular industry, and so on. In such a case, you can supply a unique prefix to the user reference number to identify and classify the contract.

Specifying the Product Code

The syndication contract facility is a service you offer to customers, which you have defined as a product. When you are inputting a borrower facility contract in this screen, you must specify the facility product that it involves.

For instance, taking the example of your bank's facility contract with Mr. Robert Carr, let us suppose that you have set up the facility product SNEW to process all facility contracts with customers. You can select SNEW from the option list.

Contract Details

In the Contract Details section, you must specify the following:

Specifying the Customer

You must specify the customer with whom the facility contract has been finalized. This, typically, is the borrowing customer.

The customers allowed to be counterparty to a facility contract are defined for the facility product. Select the code of a customer with whom the contract has been entered into, from a list of these.

Note

A primary entity must be defined for every customer who is allowed to be a borrower of the facility contract, in the Borrower Details screen.

When you are entering a borrower facility contract that we saw in the first example, with Mr. Robert Carr, you can select the code assigned to Mr. Carr, in the system, from the option list.

You must also designate a Primary Entity to whom advices and notices related to the contract would be sent.

Specifying the tenor of the contract

To indicate the tenor of the contract, you must specify the Facility Start Date and the Facility End Date of the contract.

Facility Start Date

This is the date on which the contract is effective in the system. On any date following this, the tranche-level tranche contracts and the individual draw down loans can be inputted into the system.

You can enter any date as the value date. It could be any of the following dates:

- A past date
- The application date

- A future date

The facility start date must be later than the Start Date defined for the product involving the borrower facility contract, and earlier than the End Date of the same product.

All tranche contracts and draw down loan contracts must be value dated later than the Facility Start Date specified for the borrower facility contract.

For instance, when you enter the borrower facility contract with Mr. Robert Carr, you must enter 1st January 2000 as the Value Date.

The application date on the day you enter the contract could be earlier, later or the same as this value date. For instance, Mr. Robert Carr could approach you on 15th January 2000 and enter into a contract with your bank, wishing that the contract to come into effect on 1st January. The value date in this case is 1st January 2000, and the contract would be backdated.

For backdated contracts, you can enter backdated tranches and draw downs.

Alternatively, Mr. Robert Carr could approach you on 15th December 1999, and enter into a contract with your bank, wishing that the contract must come into effect on 1st January 2000. This is the value date, and the contract would be future dated.

For future dated contracts, you cannot enter tranches before the contract actually comes into effect (i.e., before the value date).

Facility End Date

This is the date on or before which all tranches and draw downs under the borrower facility contract mature.

You can enter any future date as the facility end date. It must be later than the Start Date defined for the product involving the borrower facility contract, and earlier than the End Date of the same product.

The Facility End Date must be later than the Facility Start Date defined for the borrower facility contract.

For instance, when you enter the borrower facility contract with Mr. Robert Carr, the customer indicates that the tenor of the contract must be a year, i.e., the maturity date of the facility contract must be 1st January 2001. This means that all tranches and draw downs entered must mature on or before that date.

Specifying the Currency

Specify the currency of the borrower facility contract. This is the currency in which the contract amount is expressed.

Specifying the contract amount

You must specify the total principal that is to be lent to the borrowing customer through the facility contract. The value you enter here is taken to be in the currency specified for the facility contract. You can specify T or M to signify thousand or million, respectively. For instance, 10T would mean ten thousand and 5M, five million.

The total principal that you specify here must be greater than or equal to the sum of all the amounts proposed to be disbursed through draw downs in all tranches of the contract.

For instance, when you enter your bank's facility contract with Mr. Robert Carr, specify 100000 USD as the total principal in the Contract Amount field.

When you specify the contract amount, the system computes and displays the facility amount in reporting currency using the exchange rate maintained between the two currencies for the branch.

Specifying the Primary and Secondary Administrator

You can indicate the officer assigned to be the primary and the secondary administrator for the borrower facility contract.

Specifying the Agreement Title

A borrowing customer may avail a syndicated loan arrangement for a specific purpose, such as beginning a new venture, or a personal business project. You can capture this information as part of the facility contract.

Adding remarks

You can specify information about the facility contract that will be used for reference, within your bank. It will not be printed on any correspondence with customers, but will be displayed when the details of the contract are displayed or printed.

Tranche Details

The following tranche details are maintained here:

Start Date

Select the date from which the tranche becomes effective.

End Date

Select the date till which the tranche is available.

Minimum Amount

Specify the maximum amount that can be availed from that tranche.

Maximum Amount

Specify the minimum amount that can be availed from that tranche.

Reporting Details

The following reporting detail is maintained here:

Amount

Specify the amount here.

5.4.3 Holiday Preferences Tab

You can maintain holiday preferences for schedule dates and maturity dates in the 'Holiday Preferences' Tab.

The screenshot displays the 'Loan Syndication Contract Input' application window. The 'Holiday Preferences' tab is active, showing two columns of settings: 'Holiday Treatment For Schedules' and 'Holiday Treatment For Maturity Date'. Each column contains several options with checkboxes and radio buttons, such as 'Ignore Holidays', 'Use Facility Currency', and 'Move Backward'. There are also input fields for 'Product', 'Contract Reference', 'User Reference', and 'Holiday Currency'. At the bottom, there are fields for 'Input By', 'Authorized By', and 'Contract Status', along with an 'Exit' button.

Holiday Treatment For Schedules

Schedule dates for a contract could fall on holidays defined for your branch or on holidays defined for the currency of the contract. In the Product Preferences the borrower facility contract, the specification as to whether the system should check for schedule dates falling on holidays, and how such schedule dates must be handled, would have been defined. These specifications would default to any borrower facility contract using the product, and also to underlying borrower tranche or draw down contracts that are opened under the facility contract.

You can make changes to the specifications defaulted from the borrower facility product and specify that:

- Holidays must be ignored, OR,
- Checks must be made for schedule dates falling on holidays

If you specify that checks must be made, you can also specify the corresponding treatment for schedule dates falling on holidays.

The system checks the holiday table for the currencies you have specified. If it encounters a contract using any of the specified currencies, with a schedule date falling on a holiday for any of the currencies, the holiday is handled according to the holiday-handling preferences you specify.

Holiday Currency Currency

Select the type of currency you want to use. The options are:

- Facility Currency
- Local Currency
- Holiday Currency

If you have specified that the system check for schedule dates falling on holidays, you must also specify the treatment for schedule dates encountered by the system that do fall on holidays. The following preferences can be set:

Moving the schedule date backward or forward

You can indicate whether the schedule date falling on a holiday must be moved forward to the next working day, or backward to the previous one.

Moving across months

If you have indicated either forward or backward movement, and the moved schedule date crosses over into a different month, you can indicate whether such movement is allowable; it will be allowable only if you indicate so in the Move Across Months field.

Cascading schedules

If one schedule has been moved backward or forward in view of a holiday, cascading schedules would mean that the other schedules are accordingly shifted. If you do not want to cascade schedules, then only the schedule falling on a holiday is shifted, as specified, and the others remain as they were.

Holiday Treatment For Maturity Date

The maturity date for a contract could fall on holidays defined for your branch. In the Product Preferences, the specification as to whether the system should check for maturity dates falling on holidays, and how such dates must be handled, would have been defined. These specifications would default to any borrower facility contract using the product, and also to underlying borrower tranche or draw down contracts that are opened under the facility contract.

You can make changes to the specifications defaulted from the borrower facility product and specify that:

- Holidays must be ignored
- The maturity date falling on a holiday must be moved according to the holiday-handling preferences that you specify

You can indicate that the maturity date falling on a branch holiday be moved either backward or forward, as required, and if it is allowed to move across months. These preferences are explained under the previous (schedule dates) section.

5.4.4 Specifying Currency Details

You can specify the different currencies that are allowable for the borrower facility contract, for tranches and draw downs created under it.

When you enter a tranche or a draw down under the facility contract, the allowable currencies are those defined in this list.

To specify the allowable currencies, click the 'Currency' button in the Loans Syndication Contract Input screen. The 'Currency Details' screen is opened, where you can specify the required currency list.

The screenshot shows a 'Currency Details' dialog box. At the top, there are six input fields arranged in two columns: 'Contract Reference *', 'Product', and 'Product Description' on the left; 'User Reference', 'Customer', and 'Customer Name' on the right. Below this is a section titled 'Currency Details' containing a table with two columns: 'Currency *' and 'Product Description'. The table has a scroll bar on the right. At the bottom of the dialog are 'Ok' and 'Exit' buttons.

The following information gets defaulted here:

- Contract Reference Number
- User Reference Number
- Product Code and Description
- Customer and Customer Name

The following details need to be captured here:

Currency

Select the currency that can be allowed for the borrower facility contract, for tranches and draw downs created under it. The adjoining option list will have all the currencies maintained in the system.

Description

The description for the selected currency is defaulted here.

5.4.5 Specifying Borrower Details

You must specify the borrowers for the facility contract, who will actually be availing the draw down loans under the facility contract. Click the 'Borrowers' button in the Loans Syndication

Contract Input screen to invoke the Borrower Details screen, where you can specify the borrowers.

Customer Number	C	Customer Name	Settlement Sequence Number	Blocked
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>

Entity Name *	C	Primary
<input type="text"/>	<input type="text"/>	<input type="checkbox"/>

You can specify more than one borrower. The following details are defaulted:

Contract Reference

The contract reference number is defaulted here.

User Reference

The user reference number of the contract is defaulted here.

Borrower Details

You can specify the following details related to the borrower:

Customer Number

Select the customer number from the option list. The adjoining option list contains all the customer codes/numbers maintained in the system.

Customer Name

Depending on the customer number chosen the name of the customer is displayed here.

Settlement Sequence Number

For each borrower, you must specify a settlement sequence number that will enable the system to obtain the settlement details for the selected borrower, for the contract.

Blocked

This indicates whether a borrower is available during Tranche/Drawdown.

5.4.5.1 Product and Currency Tab

Note

Borrower Product Restriction is not applicable to Facility contracts. This applies only to Tranche contracts. At the facility contract level, this tab appears disabled.

5.4.5.2 Entity Tab

You can specify the following entity related details of the borrower:

Entity

You can also specify the entities for the borrowers that you specify, with a single primary entity, to be the recipient of notices and messages for the borrower.

Primary

A primary entity must be designated for every customer who is allowed to be a borrower of the facility contract.

5.4.6 Specifying Participant Details

You must also identify the participants who contribute to the syndication agreement for the borrower facility contract. To do this, use the Participant Ratio Details screen, which you can invoke by clicking the 'Participants' button in the Loans Syndication Contract Input screen.

The screenshot shows the 'Participant Ratio Details' window. At the top, there are two input fields: 'Contract Reference *' and 'User Reference'. Below these are three data tables, each with a '+' button and a list icon. The 'Participant Details' table has columns: Party Code, Party Name, Asset Amount, Asset Ratio, Self Participant, and Settlement Sequence Number. The 'Component Details' table has columns: Component Type *, Component *, and Component Ratio. The 'Entity Details' table has columns: Entity Code *, Remarks, and Primary Entity. At the bottom right, there are 'Ok' and 'Exit' buttons.

When you open this screen, the reference number of the borrower facility contract for which you are specifying the participant details is displayed in the Contract Reference Number field.

You must specify the following details for each participant:

- The ID and Name of the participant
- Settlement sequence number of the participant, which the system will use to obtain the settlement details for the participant
- Whether the lead bank is also a participant in the syndication (self participant)
- Interest, charge and ad-hoc fee components levied on the contract, the receivables from which are due to the participant (you can only specify those components marked for propagation to participants in the product preferences of the borrower facility product used by the contract)
- Proportion of income from the interest, charge and ad-hoc fee components, which is due to the participant. This can be specified either as a ratio or an amount.
- Location IDs for the participant where notices and advices related to the contract will be sent. A primary location must be designated.

Note

The Asset Amount/Ratio is not allowed to be input at Facility Contract level. This however is allowed at Tranche/Drawdown level.

5.4.7 Specifying Party Type Details

You can also specify the different types of entities or parties that would be applicable for the borrower facility contract, as well as the applicable parties belonging to the selected type, in the Party Details screen. The party types associated with the borrower facility product used by the contract are defaulted; you can change them and specify the required types.

You can specify multiple parties for a selected type, if allowed as specified in the Party Association specification for the borrower facility product used by the contract. If multiple parties are not allowed, you can specify only one party for the selected type.

If any mandatory party types have been specified in the Party Association for the borrower facility product used by the contract, then you must specify at least one party for the party type.

Click the 'Party Type' button in the Loan Syndication Contract Input screen to invoke the 'Party Details' screen.

The screenshot shows a software window titled "Party Details". At the top, there are four input fields: "Contract Reference *" (with a red asterisk), "User Reference", "Customer", and "Customer Name". Below these fields is a section titled "Party Details" which contains a table. The table has three columns: "Party Type", "Party Id", and "Party Name". Each column has a corresponding input field. The "Party Type" column also has a small icon to its right. Above the table, there are three small icons: a plus sign, a minus sign, and a list icon. At the bottom of the window, there are two buttons: "Ok" and "Exit".

The following details are defaulted:

Contract Reference

The contract reference number is defaulted here.

User Reference

The user reference number of the contract is defaulted here.

Customer

The customer number gets defaulted here.

Customer Name

The customer name gets defaulted here.

Specifying Party Details

You need to maintain the following details here:

Party Type

Select the party type to be associated with the borrower facility contract. The party type associated to the product is defaulted here. However you can modify it.

Party Identification

Select a party belonging to the selected party type, to be associated with the borrower facility contract.

Party Name

The name of the selected party is displayed here.

5.4.8 Specifying Settlement Instructions

You must specify the settlement instructions to be used for the borrower of the contract. You can use the Settlement Message Details screen to do this. Based on the sequence number for each borrower, the system obtains the settlement details.

Click the 'Settlements' button in the 'Loans Syndication Contract Input' screen. The 'Settlement Details' screen is opened, where you can specify the settlement details.

Component	Currency	Branch	Account	Account Currency	Dr/Cr	Original Exchange Rate	Exchange Rate	Rate

For details about the Settlement Message Details screen, refer section 'Processing Settlements' in the 'Settlements' User Manual under Modularity.

5.4.9 Specifying MIS Details

Click 'MIS' button in the 'Loans Syndication Contract Input' screen to invoke the 'MIS' screen. This is a view only screen, which provides a MIS details for a contract.

The screenshot shows the 'MIS' window with the following fields and sections:

- Contract Reference ***: Text input field.
- MIS Group**: Text input field with a selection icon.
- Link To Group**: Checkmark.
- Input**:
 - Related Reference**: Radio button.
 - Related Account**: Radio button.
 - Related Reference**: Text input field with a selection icon.
 - Related Account**: Text input field with a selection icon.
 - MIS Head**: Text input field with a selection icon.
- Floating Rate**:
 - Rate Code**: Text input field with a selection icon.
 - Spread**: Text input field.
 - Spread**: Text input field.
- Cost Code**: Text input field with a selection icon.
- Rate At**:
 - Rate Type**: Dropdown menu.
 - Pool Code**: Radio button.
 - Contract Level**: Radio button.
 - Interest Method**: Dropdown menu.
 - Pool Code**: Text input field with a selection icon.
 - Reference Rate**: Text input field.
 - Reference Rate**: Text input field.
- Transaction MIS Code**, **Composite MIS Code**, **Funds MIS Code**: Tabbed sections.
- MIS Group**: A table with multiple rows, each containing a text input field and a selection icon.
- Rate**, **Amendment Rate**, **Change Log**, **Balance Transfer Log**: A row of buttons.
- Ok**, **Exit**: Buttons at the bottom right.

For more details on this screen refer section 'Defining MIS details for an account or contract' in the chapter 'Defining MIS Details for a Customer, Account Class, Account, Product, and Contract' in the 'Management Information System' User Manual.

5.4.10 Specifying Adhoc Charges

Click 'Adhoc Charges' button in the 'Loans Syndication Contract Input' screen to invoke the 'Adhoc Charges Schedule' screen. This is a view only screen, which provides the Adhoc charge schedule details for a contract.

Component Name	Schedule Due Date	Amount Due	Amount Settled	Currency	Schedule Stat
----------------	-------------------	------------	----------------	----------	---------------

The following details are defaulted:

Contract Reference

The contract reference number is defaulted here.

User Reference

The user reference number of the contract is defaulted here.

Schedules

The following schedule related details are defaulted:

- Component
- Due Date
- Amount Due
- Amount Settled
- Currency
- Status

5.4.11 Viewing Diary Events

The diary events defined for the contract can be viewed in the 'Contracts Diary Events Summary' screen, which can be invoked by clicking the 'Diary' button in the Loan Syndication Contract Input screen.

Summary

Authorization Status Record Status

Frequency No of Events

Contract Reference Event Sequence Number

Event Code Start Date

End Date Maker Id

Search Advanced Search Reset

Records per page 15 1 Of 1 Go

Authorization Status	Record Status	Frequency	No of Events	Contract Reference	Event Sequence Number	Event Code	Start Date	End Date
----------------------	---------------	-----------	--------------	--------------------	-----------------------	------------	------------	----------

Authorization Status A - Authorized U - Unauthorized

Record Status C - Closed O - Open

Exit

5.4.12 Viewing Events

To view the events applicable for the contract, click the 'Events' button in the 'Loans Syndication Contract Input' screen. The 'Event Details' screen is opened, where the events defined for the contract are displayed and defaulted from the facility product used by the contract.

Event Details

Reference Number *

Events

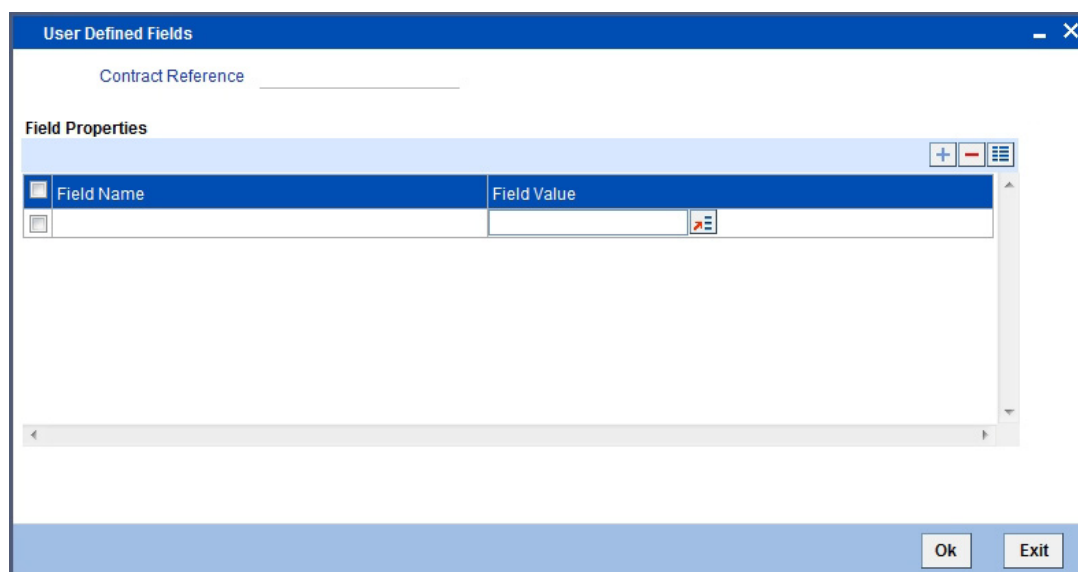
Event Number *	Event Date	Event Code	Description	Authorization Status	Maker
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Message Accounting Entries

Exit

5.4.13 Capturing User Defined Fields

To view the user defined fields applicable for the contract, click the 'Fields' button in the Loans Syndication Contract Input screen. The 'Fields' screen is opened, where the UDFs defined for the contract are displayed and defaulted from the facility product used by the contract.



5.5 Processing Loan Syndication Contracts

After you enter a borrower facility contract into Oracle FLEXCUBE, you need to:

1. Open a tranche by creating a tranche contract for the borrower.
2. Create a draw down loan contract for the borrower when a draw down is requested, and as soon as intimation is received from the participants, indicating that their tranche has been fulfilled and the funds have been credited to the nostro account of the lead bank (your bank).

A draw down loan can be entered for the borrowing customer on each of the schedule dates that are specified according to the borrower's requirement. The lead bank typically checks to ensure that all the necessary formalities have been completed, and any necessary documents required to be furnished by the borrower have been received, before entering a draw down loan.

The participants make their contributions available in their vostro accounts, from where the funds are drawn into the common syndication pool, and then to the account of the borrower, when a draw down loan is entered.

The system therefore processes the borrower facility contract in two stages:

1. Processing the tranche contracts
2. Processing the draw down loan contracts

The system also processes two different types of contracts when it processes a borrower facility contract:

1. Those related to the borrower. These include the main syndication agreement facility contract, the borrower tranche that you enter when you open a tranche, and any borrower draw down loan that you enter under a tranche. These contracts constitute the borrower leg of the borrower facility contract.
2. Messages to the borrower are generated and transmitted through the borrower leg.

3. Those related to the participants. These include the participant facility contracts, tranche tranches or draw down deposit contracts that are initiated by the system when the BOOK event for the corresponding borrower contract is triggered. These contracts constitute the participant leg of the facility contract.

5.5.1 Tranche-level contracts

After a borrower facility contract has been initiated, a number of arms or tranches can be opened under it, as specified under the contract. The processing of each tranche involves the creation of a simple tranche contract for the borrowing customer against the Reference Number of the borrower facility contract. This contract constitutes the borrower leg of the processing of the tranche.

When you create the borrower tranche (tranche) contract, you must also specify the following details:

- The participants involved in the tranche, such as the participants
- The ratio of participation
- The borrower details

The system generates a Reference Number for the borrower tranche contract.

After you have entered a borrower tranche contract, when the BOOK event of the contract is triggered, the system automatically initiates tranche contract for the participants. These contracts constitute the participant leg of the processing of the tranche.

The system also generates SWIFT messages to each participant according to the draw down schedule, intimating them to fulfil their tranche and disburse the funds to the nostro account of the lead bank.

5.5.2 Draw Down Contracts

After the tranche contracts have been entered, the lead bank typically disburses the loans to the borrowing customer, against the Reference Number of the borrower tranche contract as well as the Reference Number of the main facility contract. The borrower loan contract constitutes the borrower leg of the processing for draw downs.

To disburse the draw down loan, you must enter the borrower loan contract and specify the following details for the participants:

- The participants involved in the draw down. You can change the participants if required, only if the Cascade Participation preference is set to 'No' for the borrower tranche contract under which the draw down has been entered.
- The ratio of participation. Again, the ratio specified for the participants defined in the borrower tranche contract will be defaulted to the draw down, and you can change it if required, only if the Cascade Participation preference has been set to 'No' for the borrower tranche under which the draw down has been entered.
- The borrower details

The system generates a Reference Number for the borrower loan contract.

After you have entered a borrower draw down contract, when the BOOK event of the contract is triggered, the system automatically initiates deposit contracts for the participants. These contracts constitute the participant leg of the processing of the draw down. They are linked to the respective tranche contracts created at the tranche level.

5.5.3 Participant Contracts

To recall, you open a tranche by entering a tranche contract for the borrower. When the BOOK event for the borrower tranche contract is triggered, the system creates tranche contracts for the participants, using the product specified for participant tranche contracts, in the product preferences for the borrower tranche product which the borrower tranche contract uses, and the participant details maintained for the borrower tranche contract.

Similarly, after you enter a draw down loan contract for the borrower under a tranche reference number, the system creates a deposit contracts for participants, using the product specified for participant draw down contracts, in the product preferences for the borrower draw down product which the borrower draw down contract uses, and the participant details maintained for the borrower tranche contract.

Participant contracts initiated by the system can be viewed and amended using the Participant Contract screen, which is discussed later in this chapter.

5.5.4 Entering Borrower Tranche or Draw Down Contracts

To enter borrower tranche or draw down contracts, you can use the Contract Online screen.

As mentioned earlier, when the BOOK event is triggered for the borrower tranche or draw down contract, the corresponding participant tranche or draw down contract is initiated by the system. Participant contracts initiated by the system can be viewed and amended using the Participant Contract screen, which is discussed later in this chapter.

A borrower drawdown contract under a tranche of a borrower facility contract is entered in the same manner as a normal tranche contract in the system.

For a detailed description of how tranches are entered, refer the chapter Account Creation in the Retail Lending user manual.

A borrower draw down loan contract under a tranche of borrower facility contract is entered in the same manner as a normal loan contract in the system. Only those aspects of tranche or loan processing that are specific to contracts for loan syndication are discussed here.

5.6 Capturing Details for Borrower Tranche Contracts

You capture the details for the borrower tranche contract in the 'Tranche Details' screen. You can invoke this screen by typing 'LSDTRONL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Specifying Borrower Facility Contract Reference Number

Under each borrower facility contract, tranches are opened and draw down loans are disbursed against a tranche. When you are opening a borrower tranche by entering a borrower tranche contract in the 'Tranche Details' screen, you must specify the Contract Reference Number of the main borrower facility contract against which the tranche is being opened. You must also specify from the list of tranche products available under the main borrower facility contract, the tranche product which is going to be availed.

Details for Main Borrower Tranche Contract

In the 'Tranche Details' screen, you enter the borrower tranche contract, against the Contract Reference Number of the main borrower facility contract.

You need to select the borrower tranche product that you have defined in the preferences for the borrower facility product used by the borrower facility contract under which the tranche is being opened.

Specify the following details for the main borrower tranche contract:

- Counterparty or customer
- Currency of the tranche
- Amount. This is typically the amount being availed by the customer through the tranche.
- Settlement details
- Maturity Date (Fixed) of the tranche, depending upon the schedules
- Tenor of the tranche
- Type of the tranche, whether revolving or non-revolving
- Participant details
- Borrower details
- Facility reference number – The tranche contract is created for this facility number.

The amount for which you need to create the tranche contract in facility currency is displayed in the Amount Facility Currency field.

Any details of repayment schedules you have maintained for the tranche product will apply to the tranche contract. You can change these details if necessary, in the Contract Online Schedules screen.

Borrower Tranche Product

You need to select the code of the borrower tranche product, from the list of tranche products defined in the facility contract, being used for creation of the tranche.

Specifying Customer

When you enter a borrower tranche contract under a borrower facility contract, the system defaults the borrower customer of the facility contract, to the tranche. If you wish to change the borrower customer, you can select the required customer. The customer you select must be in the list of the borrowers identified for the parent borrower facility contract.

The customer you select will default to any borrower draw down loans you enter against the tranche.

Specifying Last Drawdown Date

You must specify the date beyond which further draw downs under the tranche contract are not allowable. The system does not calculate any tranche fee beyond this date.

For tranche contracts, the last drawdown date is defaulted to the maturity date of the tranche contract.

Specifying Agreement Title

Specify the agreement title here. If this field is not maintained, a configurable override will be displayed.

5.6.1 Participant Details for Borrower Tranche Contract

You must also identify the participants who contribute to the amount being committed for disbursement under the borrower tranche contract, and specify the contribution details. To do this; use the Participant Ratio Details screen.

You can invoke this screen by clicking the 'Participant' button in the 'Tranche Details' screen.

When you open this screen, the reference number of the borrower tranche contract for which you are specifying the participant details is displayed in the Tranche Reference Number field.

You can specify the following details for each participant:

- The ID of the participant
- Contribution of the participant to the tranche contract, known as the asset ratio or asset amount. You can specify the participant contributions either as an amount or a percentage. If specified as amounts, the sum of all contributions must not be greater than the tranche borrower tranche contract amount. If a percentage is specified, the sum of percentages for all participants must sum upto one hundred percent.
- Settlement sequence number of the participant, which the system will use to obtain the settlement details for the participant
- Whether the lead bank is also a participant in the syndication (self participant)
- Interest, charge and ad-hoc fee components levied on the contract, the receivables from which are due to the participant (you can only specify those components marked for propagation to participants in the product preferences of the borrower tranche product used by the contract)
- Proportion of income from the interest, charge and ad-hoc fee components, which is due to the participant. This can be specified either as a percentage.

5.6.2 Borrower Details for Tranche Contract

You must specify the borrowers for the borrower tranche contract, who will actually be availing the draw down loans under the tranche. The borrowers defined for the borrower facility contract under which the tranche is being entered, will be defaulted to the tranche, and you can change them if required. You will be allowed to add borrowers, provided the borrower is allowed for the facility. During amendment operations, you can add or delete a borrower.

While deleting a borrower, the system will validate that there are no outstanding draw downs for the borrower. For each of the borrowers, you can maintain a Settlement Sequence Number. This will be defaulted to the drawdown. The borrower settlement details of the drawdown will be picked up based on this Sequence Number.

Click the 'Borrower' button in the 'Tranche Details' screen to invoke the 'Borrower Details' screen, where you can specify the borrowers.

The screenshot shows the 'Borrower Details' window. At the top, there are fields for 'Contract Reference *' and 'User Reference'. Below these are two main sections: 'Borrower Details' and 'Entity Details'. The 'Borrower Details' section contains a table with the following columns: 'Customer Number', 'C', 'Customer Name', 'Settlement Sequence Number', and 'Blocked'. The 'Entity Details' section contains a table with the following columns: 'Entity Name', 'C', and 'Primary'. Both tables have a single row with empty input fields. At the bottom right of the window are 'Ok' and 'Exit' buttons.

You can specify more than one borrower.

Entities for borrowers

You can also specify the entities for the borrowers that you specify, with a single primary entity, to be the recipient of notices and messages for the borrower.

Note

A primary entity must be designated for every customer who is allowed to be a borrower of the tranche contract.

Drawdown Product

You need to specify the drawdown products available to the borrower under the tranche contract.

Limit Amount

You need to specify the maximum amount that can be lent to a borrower for the selected drawdown product.

5.6.3 Specifying Borrower Drawdown Products

You can specify a list of allowed Borrower Drawdown Products under the Tranche contract through the 'Instrument Product' screen. You can invoke this screen by clicking the 'DD Product' button in the 'Tranche Details' screen. The screen appears as shown below:

The screenshot shows the 'Instrument Product' window with the following fields and tables:

Product _____
Product Type _____
Contract Reference * _____

User Reference _____
Customer _____
Customer Name _____
Facility _____

Products

Product	Description

Components

Component Type	Component	Description
Interest		

Ok Exit

You can maintain the following details here:

Drawdown Product

You need to specify the drawdown products available under the tranche contract from the option list provided

Component

You need to specify the interest component for the selected drawdown product.

5.6.4 Specifying Currency Details

You can specify the different currencies that are allowed for drawdown products under the tranche contract. The list of currencies, Exchange Rate and Interest Rate Fixing days for each currency get defaulted from the tranche product, but can be changed here. The notification days currencies get defaulted from the facility product but can also be changed. The Exchange Rate Fixing Holiday Currencies and Interest Rate Fixing Holiday currencies get defaulted from the tranche product. The Notification Holiday currencies get defaulted from the facility product.

You cannot add any new currency if it is not already present at the tranche/facility product level.

To specify the Currency Details, click the 'Currency' button in 'Tranche Details' screen. The screen appears as shown below:

The screenshot shows the 'Currency' window with the following fields and tables:

- Product Code
- Product Description
- Product Type Description
- User Reference
- Contract Reference *
- Customer
- Customer Name
- Facility

Currency Details Table:

Currency 1	Currency Description	Exchange Rate Days	Interest Rate Days	Notice Days

Exchange Rate Fixing Table:

Currency	Description

Interest Rate Fixing Table:

Currency	Description

Notification Table:

Currency	Description

You can maintain the following details here:

Currency

You need to specify the list of allowed currencies for drawdown products under the tranche contract.

Exchange Rate Fixing Days

You need to specify the number of working days before the drawdown date when the exchange rate should be fixed for the selected currency.

Interest Rate Fixing Days

You need to specify the number of working days before the drawdown date when the interest rate for the drawdown product should be fixed.

Notification Days

You need to specify the number of working days before the drawdown date when the notification for the drawdown should be sent to the customer.

Exchange Rate Fixing Holiday Currencies

You need to specify the list of currencies for which holiday validations must be done to arrive at the Exchange Rate Fixing Date.

Interest Rate Fixing Holiday Currencies

You need to specify the list of currencies for which holiday validations must be done to arrive at the Interest Rate Fixing Date.

Notification Holiday Currencies

You need to specify the list of currencies for which holiday validations must be done to arrive at the drawdown notice date.

5.6.5 Defining schedules for Non-revolving Tranches

In the case of non-revolving tranches under a borrower facility contract, the cumulative outstanding draw down amounts would need to be reduced when prepayments are made. You can define schedules for this purpose, in the Components Tab of the 'Tranche Details' screen.

The screenshot shows the 'Account Details' window in Oracle. The 'Components' tab is active, displaying various configuration options for a component. Below the configuration fields, there is a 'Schedule' table with the following data:

Schedule Type	Schedule Flag	Formula	First Due Date	Schedules	Frequency	Unit	Due Date On	End Date	Amount
Payment	Normal					Daily			

Below the schedule table, there is a 'Details' table with the following columns:

Schedule Number	Due Date	Amount Settled	Amount Due	EMI Amount	Amortize Principal	Accrued Amount	Capitalized	Waive

The following details are defaulted from the facility product used by the selected non-revolving tranche:

- Holiday handling details
- Prepayment method

You can change any of these details when you specify the repayment schedule.

Specifying the prepayment method

The prepayment method identifies the allocation of the prepaid amount, to the schedules defined for reduction of cumulative outstanding amounts in respect of non-revolving tranches. The specification made for the facility product is defaulted here, and you can change it if required.

You can specify that the prepaid amount must be allocated to immediate schedules, the last schedule, or forward schedules.

Specifying how schedules falling on holidays must be handled

The preferences made for the facility product used by the facility contract under which the non-revolving tranche was opened, are defaulted here. You can change them if required.

Refer the chapter Defining Products for Loan Syndication in this user manual for details about specifying the holiday preferences.

Specifying Schedule Details

You must specify the following details for reduction schedules for non-revolving tranches:

First Due Date

You must specify the date on which the first schedule would be processed for the non-revolving tranche.

Schedule No.

You can specify the number of schedules that are being defined for the non-revolving tranche.

Frequency

You can specify the frequency of non-revolving tranches for the selected contract. The options are Daily, Monthly, Quarterly, Half-yearly and Yearly.

Unit

Specify the units in which the specified frequency will be reckoned, that is, the factor by which the frequency must be multiplied to arrive at the final schedule frequency.

Amount

You can specify the amount that must be reduced from the cumulative outstanding draw down amount, when the non-revolving tranche schedule is liquidated.

Viewing Schedule Details

The system populates the following schedule details for the tranche based on the number of schedules you have indicated:

- Schedule No
- Due Date
- Amount Settled
- Amount Due
- EMI Amount
- Amort Prin
- Accrued Amount
- Capit
- Waive

5.7 Capturing Details for Draw Down Loan Contracts

You capture the details for the actual loan disbursed to the borrowing customer as a draw down in the 'Drawdown Details' screen. You can invoke this screen by typing 'LSDDDONL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot displays the 'Drawdown Details' application window. The window title is 'Drawdown Details'. At the top, there is a search bar with 'New' and 'Enter Query' buttons. Below the search bar are several input fields for 'Branch *', 'Account Number *', 'Product Category', 'Application Number', 'Contract Status', 'Alternate Account Number', 'Facility Reference', 'Product', and 'User Reference'. A tabbed interface is visible with 'Main' selected, and other tabs include 'Rollover', 'Amendments', 'Account Details', 'Default', 'Check List', 'Fields', 'Components', 'Charges', 'Linkages', 'Advice', 'Tranche', and 'Swift Message Details'. The 'Main' tab shows 'Account Details' with fields for 'Customer Id', 'Currency 1', 'Amount', 'Net Principal', 'Customer Name', 'Value Date', and 'Maturity Date'. It also includes 'Payment Mode' (Default), 'Calculate Gross Principal' checkbox, 'Commitment Type' (Revolving/Non Revolving), 'Create Active Account' and 'Create Inactive Account' buttons, and 'Amount in Facility Currency', 'Amount in Tranche Currency', 'Tranche Amount', and 'Tranche Available Amount' fields. A 'Maturity Type' section has radio buttons for 'Fixed' and 'Call'. A 'Promotions' table is also present. At the bottom, there is a status bar with 'Input By', 'Authorized By', 'Contract Status', and 'Authorized' checkboxes, along with an 'Exit' button.

You can maintain the following details here:

Tranche Ref No

When you are entering a draw down loan contract in the 'Drawdown Details' screen, you must specify

- Tranche Contract Reference Number of the tranche borrower tranche contract against which the draw down loan is being entered.

The sequence number of the draw down loan is generated by the system. For instance, let us assume that you have scheduled 10 draw down loans under a tranche. Five disbursements have already been made. You are processing the sixth disbursement. The system displays 6 as the draw down number.

You can now proceed to enter the details of the borrower draw down contract.

Details for Main Borrower Draw Down Loan Contract

In the 'Drawdown Details' screen, you need to enter the draw down loan contract details for the borrower, against the following references:

- Contract Reference Number of the borrower tranche contract
- Contract Reference Number of the borrower facility contract

The borrower draw down products that you have defined in the borrower facility product used by the borrower facility contract under which, the draw down is being entered against a tranche, has to be picked from 'Product Code' pick list.

A loan contract inherits all the specifications made for the loan product it involves. Therefore, you need not specify all the details again. You do need only to specify the following details (these are not inherited from the product):

- Counterparty or customer details
- Loan Amount. This is typically the amount being availed by the customer through the draw down loan.
- Currency of the loan
- Repayment account for the loan

Any details of schedules you have maintained for the loan product will apply to the loan contract.

Note

Call and notice maturity types, and amortized schedules are not supported for borrower draw down loans.

Product Code

You need to select the code of the borrower drawdown product from the list of drawdown products defined in the facility contract being used for creation of the drawdown.

Account Details

The following details are captured here:

Customer id

When you enter a borrower drawdown contract under a borrower tranche contract, the system defaults the borrower customer of the tranche contract, to the drawdown. If you wish to change the borrower customer, you can select the required customer. The customer you select must be in the list of the borrowers identified for the parent borrower facility contract.

Settlement details for the customer

Select the borrower customer to easily obtain the settlement details defined for the selected customer.

5.7.1 Viewing Participant Details for Borrower Draw Down Contract

You can view the participant details in the 'Participant Ratio Details' screen, which you can invoke by clicking the 'Participant' button in the 'Drawdown Details' screen.

Party Code	Party Name	Asset Amount	Asset Ratio	Self Participant	Settlement S
C					

Component Type	Component	Component Ratio
Interest		

Entity Code	Remarks	Primary
C		

When you open this screen, the reference number of the borrower drawdown contract is displayed in the Contract Reference Number field.

The following details would have been defined for each participant:

- The ID of the participant
- Contribution of the participant to the draw down contract, either in terms of a ratio or an amount (this is known as the asset ratio or asset amount)
- Settlement sequence number of the participant, which the system will use to obtain the settlement details for the participant
- Whether the lead bank is also a participant in the syndication (self participant)
- Interest, charge and ad-hoc fee components levied on the contract, the receivables from which are due to the participant
- Proportion of income from the interest, charge and ad-hoc fee components, which is due to the participant, specified either as a ratio or an amount.
- Locations for the participant where notices and advices related to the contract will be sent. A primary location would have been designated.

5.7.2 Common Details for Borrower Tranche and Borrower Draw Down Contracts

Contract Reference Number

The Contract Reference Number is a unique identification generated automatically by the system for each borrower tranche contract or borrower draw down loan contract.

The system combines the following elements to form the Contract Reference Number:

- The branch code (3-digit code)
- The product code (4-digit code)
- The value date of the borrower facility contract (in 5-digit Julian format)
- A running serial number for the booking date (4-digits)

The Julian date is expressed in the following format - YYDDD

Here, YY represents the last two numerals of the year, and DDD, the number of elapsed days in the year.

For instance, if you are entering the tranche contract with Mr. Robert Carr, as in our first example, the Contract Reference Number generated by the system for the borrower tranche (first tranche) was 000SNBC000150001.

- The first three digits are the code of the branch of your bank where the contract was entered into the system.
- SNBC is the code of the borrower tranche product that you have set up against which you are entering your tranche borrower contract for Mr. Robert Carr.
- 00015 refers to January 15, 2000 (in Julian format) when the contract was booked.
- 0001 is a running serial number, incremented by 1 for each contract entered on the booking date for the product code and the booking date combination.

Similarly, the reference number generated by the system for the first draw down loan under the first tranche was 000SNBL000310001, which can be interpreted in the same manner explained above.

User Reference Number

The reference number is the identification that you specify for the borrower tranche contract or borrower draw down loan contract. You can specify any identification number. In addition to the Contract Reference Number generated by the system for the contract, this number will also be used to retrieve information about the contract.

By default, the Contract Reference Number generated by the system is considered to be the User Reference Number for the contract.

Specifying Currency

Specify the currency of the borrower tranche contract or a borrower draw down loan contract. This is the currency in which the contract amount is expressed.

You can only select a currency that is in the list of currencies defined for the parent borrower facility contract.

Specifying Contract Amount

You must specify the total amount being disbursed under the tranche (for borrower tranche contracts) or the draw down loan (for borrower draw down loan contracts). The amount you enter must be

- Lesser than or equal to the total borrower facility contract amount, if no tranches have as yet been opened or borrower draw down loans disbursed as on today's date.
- Lesser than or equal to the unused portion of the total borrower facility contract amount as on today's date.

The value you enter here is taken to be in the currency specified for the tranche or loan contract. You can specify T or M to signify thousand or million, respectively. For instance, 10T would mean ten thousand and 5M, five million.

For instance, when you open the tranche under the main borrower facility contract 000SNEW000010001 with Mr. Robert Carr, you can specify 50000 USD as the total principal in the Contract Amount field, since that is the amount proposed to be disbursed through draw down loans under the first tranche.

Similarly, when you enter the first draw down loan under the first tranche, you can specify 20000 USD as the loan amount, since this is the amount Mr. Carr will be availing through the first draw down.

Contract amount in reporting currency

When you specify the contract amount, the system computes and displays the equivalent amount in reporting currency using the exchange rate maintained between the two currencies for the branch.

The outstanding amount in reporting currency is also computed and displayed.

Specifying Tenor

The tenor of a borrower tranche contract or a borrower draw down loan contract cannot be greater than that of the main borrower facility contract. However, each tranche or draw down loan may have a different tenor and independent life cycle.

Booking Date

This is the date on which the tranche or loan is entered into the system. It is taken to be today's date by default. This date is only for information purposes and the actual accounting entries will be passed only as of the Value Date of the contract.

Value Date

This is the date on which the tranche or loan contract comes into effect. The tenor of the contract begins on this date, and accounting entries with respect to the contract are passed as of this date.

You can specify any date as the Value Date. However, it must be:

- Later than the Value Date of the main borrower facility contract
- Later than the Start Date of the tranche or loan product involving the contract
- Earlier than the Maturity Date of the tranche (Maturity date of the draw down can be later than that of the tranche) or draw down product involving the contract
- Earlier than the Maturity Date of the main borrower facility contract

An override would be displayed, if the specified Value Date falls on a holiday of the local currency.

For instance, when you open a tranche under the main borrower facility contract 000SNEW000010001 with Mr. Robert Carr, you can enter 15th January 2000 as the Value Date for the borrower tranche contract. If you do so, on any date including and following 15th January, a draw down loan can be entered for Mr. Robert Carr, if requested by him.

The application date on the day you enter the contract (which is the booking date) could be earlier, later or the same as this value date.

For backdated contracts, you can enter backdated tranche borrower contracts.

For future dated contracts, you cannot enter tranches before the contract actually comes into effect (i.e., before the value date).

Similarly, when you enter the first draw down loan under the first tranche, you would enter 31st January 2000 as the Value Date for the borrower loan contract, according to the draw down schedule requested by Mr. Carr.

Again, the application date on the day you enter the contract (which is the booking date) could be earlier, later or the same as this value date.

Specifying Maturity Type

You can specify the maturity of a tranche or draw down loan contract as fixed, which means that the date of maturity is fixed. You can specify the date in the Contract Online main screen.

Call and notice types of maturity are not applicable for tranche borrower contracts or draw down loans.

Maturity Date

If the maturity date is known at the time of disbursing the loan or creating the tranche, (fixed maturity) you can specify it in the Contract Online main screen. If the product has a standard tenor, the maturity date will be defaulted by the system based on the tenor and the From Date of the contract. You can change this defaulted date if necessary, by specifying an override.

Specifying Commitment Type

For tranche contracts, you must specify whether the tranche is of revolving or non-revolving type.

In the case of a revolving commitment, the amount available is restored when a loan linked to the commitment is paid out. In the case of a non-revolving commitment, the amount available is not restored.

A tranche contract can be of either type.

Specifying Margin

You can specify the margin applicable for interest components associated with the borrower tranche or draw down contract.

Specifying Margin Application

You need to specify the method of applying interest margin for the selected interest component, for contracts using the product. The available options are

- Periodic application
- Automatic application
- None

The net interest rate

For fixed rate components, the net interest rate is computed as the sum of the fixed interest rate and the specified margin. For floating rate components, it is computed as the sum of the base rate, spread and the specified margin.

Specifying Administrator

You can indicate the officer assigned to be the administrator for the borrower tranche or draw down contract.

Specifying Agreement Title

Specify the agreement title here. This defaults from the tranche contract but can be modified here if required.

5.7.3 Viewing Diary Events

The diary events defined for the borrower tranche or draw down contract can be viewed in the Diary Contracts Summary screen, which can be invoked by clicking the 'Diary' button in the Contract Online screen.

5.7.4 Specifying Parties

You can also specify the different types of entities or parties that would be applicable for the borrower tranche or draw down contract, as well as the applicable parties belonging to the selected type, in the 'Party Details' screen. The party types associated with the parent borrower facility contract are defaulted; you can change them and specify the required types.

You can specify multiple parties for a selected type, if allowed as specified in the Party Association specification for the borrower facility product used by the parent facility contract. If multiple parties are not allowed, you can specify only one party for the selected type.

If any mandatory party types have been specified in the Party Association for the borrower facility product used by the parent facility contract, then you must specify at least one party for the party type.

Click the 'Party Type' button in the 'Drawdown Details' screen to invoke the 'Party Details' screen. The screen appears as shown below:

Party Type *	Party Id *	Party Name

5.8 Creating Participant Contracts

To recall, when the BOOK event for borrower facility, tranche or draw down contract is triggered, the system creates the related participant facility, tranche or draw down contracts.

5.8.1 Details for Participant Contracts

Contract reference numbers

When the participant contracts are initiated, the system generates reference numbers for them in the same manner as for normal borrower contracts.

For the purpose of tracking a borrower tranche, the reference numbers of the resultant participant tranche contracts are linked to the reference number of the parent borrower tranche contract.

For the purpose of tracking a borrower draw down loan, the reference numbers of the resultant participant draw down deposit contracts are linked to the reference number of the parent borrower draw down contract, as well as to its parent borrower tranche contract.

Product and contract details

During participant product definition, a borrower product is linked with each participant product. This is the product that would be used for the creation of the participant facility contract, along with the participant details specified in the borrower facility contract. Similarly, Tranche/drawdown products are used for creation of participant tranche/drawdown contracts along with the participant details specified in the borrower tranche/drawdown contract.


5.8.2 Viewing and Amending Participant Contracts

You can view the participant contracts created with respect of a borrower contract, in the Participant Contract screen. You can also amend the details, if required, in this screen.

The following details are displayed for the participant contract:

- Code of the product being used
- System generated reference number for the participant contract is displayed here.
- User reference number, which is defaulted to the contract reference number. You can change it if necessary, and specify the appropriate user reference number.
- System generated reference number for the borrower facility contract, under which the participant contract was created
- System generated reference number for the borrower tranche contract, under which the participant contract was created
- If it is a participant draw down contract, the serial number of the draw down under the tranche
- Customer of the contract
- Contract currency
- Contract amount in contract currency and reporting currency
- Contract booking date, value date and maturity date
- For participant tranche or draw down contracts, whether collection from the participant must be initiated automatically (auto collection). You can change this specification through amendment.
- Whether the amount repaid by the borrower must be disbursed automatically (auto disbursement). You can change this specification through amendment.
- Remarks

You can also view the following details:

- Events and accounting entries for the contract. Click the 'Events' button.
- Settlement details for the participant, defaulted from the settlement sequence number for the participant in the borrower tranche contract. Click on the  button to view the settlement details. You can also make changes to them through an amendment.
- User defined fields for the contract, defaulted from the participant details in the parent borrower tranche or draw down contract. Click the 'UDF' button to view these. You can also make changes to them through an amendment.
- MIS details for the contract, defaulted from the participant details in the parent borrower tranche or draw down contract. Click the 'MIS' button to view these. You can also make changes to them through an amendment.
- The diary events defined for the participant contract, defaulted from the parent borrower tranche or draw down contract. Click the 'Diary' button to view these. You can also make changes to them through an amendment.

5.8.3 Viewing Syndication Details

To view the details of the syndication, click 'LS' button. The Syndication Details screen is opened, with the details displayed.

The screenshot shows a window titled "Syndication Details" with a blue header and standard window controls. The window is divided into three main sections:

- Borrower Details:** Contains two input fields: "Asset Amount" and "Asset Ratio".
- Borrower Details (Secondary):** A section with a "User Reference" label and five input fields: "Facility", "Borrower", "Tranche", "Drawdown Number", and "Contract Reference".
- Participant Details:** A section with a "User Reference" label and five input fields: "Facility", "Borrower", "Tranche", "Drawdown Number", and "Contract Reference".

At the bottom right of the window, there are two buttons: "Ok" and "Exit".

5.8.3.1 Propagation of Events Processed on Parent Borrower Contracts

After the participant contracts have been created in the system, any subsequent events that are processed on the parent borrower contracts are propagated to the participant contracts, provided the preference for propagation has been made in the syndication module event information.

Each propagated event is identified in the database with a borrower reference number and an event sequence number. For automatic liquidation events, a payment message would be generated if specified in the diary event.

If any accounting entries have been passed due to the processing of the events, the details of the entries, such as the amount tag, amount and currency, are also maintained in the database, for propagation to the participant contracts.

To view details of events processed on borrower contracts, which have been propagated to the related participant contracts, use the 'Participant Contract Liquidation' screen.

You can also invoke this screen by typing 'LLSCOAMT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The following details are displayed for the event processed for the borrower contract, which is propagated to the related participant contract:

- Reference number for the borrower contract event
- Sequence number for the borrower contract event
- Code of the event that was processed for the borrower contract
- Date on which the event was processed for the borrower contract
- Value date of the event that was processed for the borrower contract
- The participant, in the participant contract, to which the event that was processed in the corresponding borrower contract, was propagated
- Reference number of the event propagated to the participant contract
- Date on which the event, which was processed for the borrower contract, was propagated to the participant contract
- Value date on which the event, which was processed for the borrower contract, was propagated to the participant contract
- Reference number of the borrower facility contract in respect of which the propagated event was processed
- Reference number of the borrower tranche contract in respect of which the propagated event was processed
- Serial number of the borrower draw down contract in respect of which the propagated event was processed
- Reference number of the borrower draw down contract in respect of which the propagated event was processed
- The receivable component, for which accounting entries were booked as a result of processing the propagated borrower contract event
- Currency in which accounting entries were booked for the component, as a result of processing the propagated borrower contract event

- Due amount on the component, for which accounting entries were booked as a result of processing the propagated borrower contract event
- Rounding difference between the amount collected from the borrower (due to the event that was processed) and the amount disbursed to the participant
- Difference between the asset ratio and the income ratio defined for the participant, in the borrower contract in which the propagated event was processed

5.9 Specifying Interest Margins for Customers

For each customer involved in contracts for loan syndication, either as a borrower or as a participant, you can indicate the margins for interest components applicable for such contracts.

You can specify the applicable interest margins, in the 'Margin Maintenance' screen.

You can also invoke this screen by typing 'LNDRCMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows the 'Margin Maintenance' application window. The window title is 'Margin Maintenance'. It contains a 'New' section with 'Contract Details' (Contract Reference, Component, Customer Number) and 'User Reference' (User Reference, Currency). Below is the 'Effective Date' section with a table for 'Effective Date' and 'Margin Rate'. At the bottom, there is a 'Fields' section with 'Input By', 'Authorized By', 'Modification Number', 'Authorized', and 'Open' checkboxes, and an 'Exit' button.

You must specify the combination for which the margin must be applicable, in the Customer, Contract Ref No, Component fields. In the Margin Rate field, specify the interest margin to be applicable for the combination. You must also specify an effective date on and beyond which the specified interest margin, is valid for the selected combination.

5.10 Amending Participant Details For Borrower Tranche or Draw Down Contracts

If you wish to make changes to participant details for a borrower tranche or draw down contract, use the Participant Transfer Contract screen. You can invoke this screen by typing 'LSDPATFR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

5.10.1 Participant Transfer

If you wish to make changes in the asset ratio of participants for a borrower tranche or drawdown, use the 'Participant Transfer Details' screen. You can invoke this screen by typing 'LSDPATFR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

You can use the 'Participant Transfer Details' screen for the following purposes:

- To transfer assets from an existing participant to another
- To add new participants and transfer assets from an existing participant to new participant.

You can maintain the following details here:

Contract Reference

This indicates the facility, tranche or the drawdown reference for which the participant amendment is being done. You will be allowed to choose a tranche or a drawdown only if participant amendment is allowed for the contract. Drawdowns that are linked to tranches with cascade participant amendment option cannot be chosen as participant amendment is propagated from the tranches for all such drawdowns.

Transferor is the Participant of the Reference number chosen , from whom the Amount is Transferred. Transferee is the participant to whom the Amount is transferred.

Sequence number is automatically incremented by the system. Either the transfer ratio or the transfer amount is required to be input by you. The system will validate that the sum of asset ratios for all the participants is 100%.

Settlement Sequence No

This can be defined / amended only for new participant. This will be defaulted from the facility and you will be allowed to change the same. This will be used while defaulting settlement instructions for the participant contract.

Self-Participation

This indicates whether the participant is the bank itself. This can be defined only for the new participant.

Component Type

This indicates the subsystem component type for which the ratios will be amended. This can be interest, charge or ad-hoc charge.

Component

These indicate the interest / charge / ad-hoc charge components for which the ratios will be amended.

Income Ratio

For each of the components, this indicates the new income redistribution ratio. It is possible for the user to maintain a different ratio than the asset ratio of the participant. Also, the sum of ratios for a component across all the participants need not be 100%. When the income and asset ratio for a participant are different, the difference between the ratios will be identified as skim margin amount and it would be posted to skim margin accounts based on the maintenance done for the participant product.

Entity Id

This can be maintained only for new participant. This indicates the customer entity id that would be used in advice generation and processing. This will be defaulted from the facility.

Primary Entity

This also can be maintained only for new participant. This indicates the primary entity of the participant.

The ratios will be updated only when the transfer is authorized. The following details are updated:

- Asset ratio for the participants
- Outstanding amount for the participants
- New asset amount for the transferor

The system will fire the event PRAM for the contract whose participant ratio is being amended. If the participant to which the ratio is being transferred already exists for the contract, then only PRAM event is propagated to the participant contract. If the participant does not exist, then the system will create a new participant contract based on the transfer ratios. In the case of facility participant contract the system will trigger BOOK event automatically and for tranche / drawdown participant contracts the system will trigger BOOK and INIT events automatically. For tranche / drawdown participant contracts, the INIT event will not pass any accounting entries for PRINCIPAL amount. This is because the asset transfer and fee transfer between the parties is expected to be processed outside the loans syndication module.

If participant amendment is being done for a tranche which has cascade participation then the system will apply the amended ratio to all the active drawdowns under the tranche. The system will fire PRAM event for all the active drawdowns under the tranche.

Note

The INIT event for the new participant contract will not pass any accounting entries.

5.10.2 Transferring Assets between Existing Participants

To transfer assets from one participant to another, you have to select the reference number of the contract for which you want to initiate the asset transfer amongst the participants

After you select the relevant contract (Tranche or Drawdown), click on the 'P' button to populate all relevant facility, Tranche and Drawdown Details as applicable. To select the participants for the transfer, click the add icon and in Transfer From LOV populates all participants involved in Tranche/Drawdown Contract (Existing Participants).

To select the participants for the transferee, click the add icon and in Transfer From LOV populates all participants available at Facility Contract (Both Active Participants and inactive participants).

Transfer Ratio and Transfer Amount

Specify the ratio in which the asset should be transferred. You can either specify the 'Transfer Ratio' or the 'Transfer Amount'. If you specify the transfer ratio, the system will compute and display the transfer amount.

Click on the 'Enrich' button to populate Existing Ratio, Components and entity Details of the participants as shown below.

The screenshot displays the 'Participant Transfer' application window. At the top, there are input fields for 'Contract Reference *', 'User Reference', 'Branch', 'Serial Number', 'Value Date', 'Tranche', and 'Drawdown'. Below these are checkboxes for 'Cascade Participation' and 'Detailed Instruction', along with an 'Enrich' button. The window is divided into several sections:

- Transferor:** A table with columns 'Sequence Number', 'Transfer From', and 'Participant'.
- Transferee:** A table with columns 'Transfer To', 'Participant Name', 'Transfer Ratio', and 'Transfer Amount'.
- Existing Ratio:** A table with columns 'Participant' and 'Participant Name'.
- Components:** A table with columns 'Component', 'Component Type', 'Ratio', and 'Total'.
- Entity Details:** A table with columns 'Entity Id' and 'Remarks'.

At the bottom, there are tabs for 'Pending Transfers' and 'Processed Transfers', and a status bar with fields for 'Input By', 'Date Time', 'Authorized By', 'Date Time', 'Contract Status', and 'Authorized', along with an 'Exit' button.

The 'Participant Transfer Detailed' screen will now, display the following details:

- Participants involved in the transfer
- Asset Sharing Ratio and Current Asset Amount for each participant
- Fee, Charge and Interest (along with the respective components) for each participant, if applicable
- The SSI Mnemonics for each participant (Entity Details)

You have the option to capture a consolidated type of transfer instruction or a detailed instruction for each participant. By default, the system takes you to the 'Consolidated' tab of the 'Participant Transfer Details' screen.

Click save icon to save the transfer details.

The existing participant asset ratios do not get updated upon save. The ratios will be updated only on authorization of the instruction.

Note

After you authorize the amendment/transfer, the system will amend the corresponding facility, tranche or drawdown and it will also apply the ratio changes to the relevant participant. The 'PRAM' event will be triggered for the contract for which you have amended the participant details. For modifications to existing participants, the relevant participant contract is also amended. For new participants, the relevant participant contract will be created.

After capturing the necessary details, save and authorize the record. You can then select the tranche processed under the facility (to which new participants have been added) and transfer the assets appropriately between the existing and new participants.

5.10.3 Viewing Details of Processed Transfers

You can view all 'Detailed' authorized transfer instructions in the 'Processed Transfer Details' screen. To invoke this screen, click the 'Processed Transfers' button on 'Participant Transfer' screen.

Transfer History

Contract Reference * User Reference

Transfer History

Value Date	Sequence Number	Transferor	Transferor Name	Transferee	Transferee Name

Consol Transfer History

Value Date	Sequence Number	Participant	Participant Name	Transfer Amount	Participant Old Am

Exit

In this screen, you can view the following details of a transfer transaction:

- The value date of the transfer
- The customer code associated with the transferor
- The name of the transferor
- The customer code associated with the transferee
- The name of the transferee
- The amount transferred
- The transfer ratio

You can also view the net amount transferred from/to each participant.

5.10.3.1 Viewing Details of Pending Transfers

You also have the facility to view details of all unauthorized transfer instructions in the 'Pending Transfers – Detailed' screen. To invoke this screen, you have to click the 'Pending Transfers' button in the 'Participant Transfer Details' screen.

The screenshot shows a software window titled "Pending Transfer History". At the top, there are two input fields: "Contract Reference *" and "User Reference". Below these are two data tables. The first table, "Pending Transfer History", has columns: Value Date, Sequence Number, Transferor, Transferor Name, Transferee, and Transferee Name. The second table, "Pending Consol Transfer History", has columns: Value Date, Sequence Number, Participant, Participant Name, Transfer Amount, and Participant Old Am. Both tables have a search icon in the first cell of the first row. The window also includes an "Exit" button at the bottom right.

5.11 Specifying Diary Events for Borrower Syndication Contract

For a borrower facility, tranche or draw down contract, you can specify diary events to be processed. A diary event signifies occurrences (other than accounting entries being passed) in the life cycle of a contract, at which appropriate messages would need to be generated.

The details for processing diary events are defined in the Diary Event Maintenance, where the appropriate message types, formats, tags and user-defined fields are maintained. When you maintain products for borrower contracts, you also associate the diary events to be applicable to contracts using the products.

To specify the details of processing diary events for a borrower contract, you can use the Contract Diary Event screen.

You can invoke this screen by typing 'CSDDIAEV' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button

The screenshot shows the 'Contract Diary Event' application window. The window title is 'Contract Diary Event' and it has a 'New' button. The form contains several input fields: 'Contract Reference *', 'Event Code', 'User Sequence Number', 'User Reference', 'Event Description', and 'Event Sequence *'. Below these are tabs for 'Main', 'Field Tags', 'User Defined Fields', and 'Receiver'. The 'Main' tab is active and shows fields for 'Facility Reference', 'Tranche Reference', 'Drawdown Number', 'Drawdown Reference', 'Start Date', 'End Date', 'Frequency', 'Frequency Unit', and 'No of Events'. There are five 'Narrative' text areas labeled 'Narrative 1' through 'Narrative 5'. At the bottom, there is a status bar with 'Input By', 'Authorized By', 'Modification Number', 'Authorized', 'Open', and an 'Exit' button.

In this screen, you must select the reference number of the borrower contract for which you want to define events. The details of the selected contract appear on the screen. You must also indicate the code of the event which you wish to be processed for the contract, in the Event Code field. The option list in this field consists of diary events defined for the product that the selected contract uses.

You define the following details for each diary event that you associate for a contract in this screen:

Frequency of processing

You must define the frequency at which the specified diary event must be processed for the selected contract - Daily, Monthly, Quarterly, Half-yearly, Yearly and Bullet.

If the selected event can only occur once, as specified in the Event Maintenance, the frequency is defaulted to 'Bullet' and cannot be changed.

Frequency Unit

You can specify the units in which the specified frequency will be reckoned, that is, the factor by which the frequency must be multiplied to arrive at the final diary event frequency.

If the event can only occur once, as specified in the Event Maintenance, the frequency is defaulted to 'Bullet' and cannot be changed, and the frequency unit can only be specified as '1'.

Start and end dates

The start date is the date on which the specified diary event would be processed for the first time in the life cycle of the selected contract. For events with multiple occurrences (as specified in the Event Maintenance), based on the frequency, the event would be repeated as many times as possible, till the end date that you define in this screen.

The end date is the date beyond which the selected diary event will not be processed again for the selected contract. For events with multiple occurrence as specified in the Event Maintenance, you can specify an appropriate end date which is later than the start date.

If the event can only occur once, as specified in the Event Maintenance, the end date is the same as the start date and cannot be changed.

Number of events

You can specify the number of times the specified diary event must be repeated, for the selected contract. For events with multiple occurrences (as specified in the Event Maintenance), based on the frequency, the event would be repeated as many times as specified in this field, before the end date that you define in this screen.

If the event can only occur once, as specified in the Event Maintenance, the number of events is defaulted as one, and cannot be changed.

Narratives for the event

You can also specify appropriate narratives, if required, for the selected diary event that you have specified for the selected contract.

User-defined fields for the event

The field tags maintained in the Diary Event Maintenance for the diary event you have specified are displayed in the Details tab and you can specify appropriate values for these tags, up to a maximum of 35 alphanumeric characters.

5.11.1 Amending Diary Events for Syndication Contract

After you have identified the diary events to be processed for a syndication contract, you can amend them suitably, if required, in the 'Contract Diary Event Status' screen. You can invoke this screen by typing 'CSDDRYST' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows the 'Contract Diary Event Status' application window. The window title is 'Contract Diary Event Status'. It features a 'New' button and several input fields: 'Contract Reference *', 'Effective Date', 'Event Code', 'Status', 'Sequence Number', 'Sub Sequence Number', 'User Reference', and a 'Generate Messages' checkbox. Below these fields are three tabs: 'Field Tags', 'User Defined Fields', and 'Receiver'. The 'Field Tags' tab is active, showing a table with two columns and one row. At the bottom, there are fields for 'Input By Date Time', 'Authorized By Date Time', and 'Modification Number', along with radio buttons for 'Authorized' and 'Open', and an 'Exit' button.

In the 'Contract Diary Event Status' screen, the details for the diary event, which were specified in the Contract Diary Event maintenance, are displayed. The system also displays the status of the event, whether it has been processed for the contract as until the application date.

You can make changes to:

- Any of the narratives (in the UDFs tab)
- Any of the user defined field tags (in the Field Tags tab)

Effective date for amendment

You must specify the effective date on which the changes will come into effect for the contract.

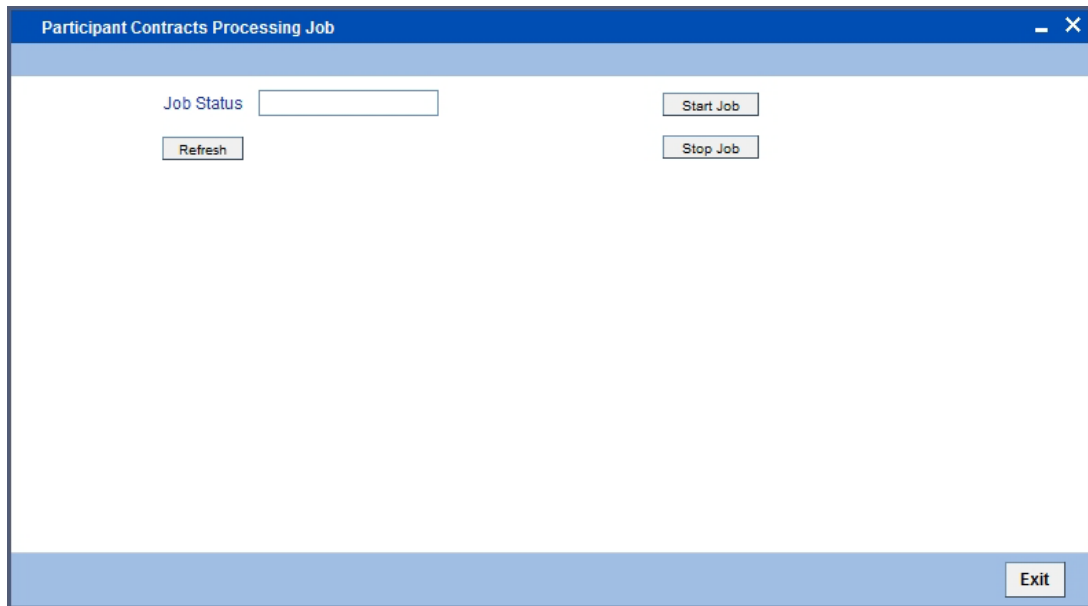
Generation of Messages

When you amend the diary event details, you can indicate whether appropriate messages are to be generated for the processing of the event with the new details. If you indicate generation of messages, you must specify the customer that would be the recipient of the messages, as well as the entities for the recipient customer (with one primary entity). You can specify the recipient customer details in the Receiver tab in the Contract Diary Status screen.

5.12 Processing Participant Contracts

You can set your preference as to how the system should process participant contracts in the 'Loan Syndication - Branch Parameter' screen. You can either set the contract processing to be done in 'Job' mode or else in 'Online' mode. You can start or stop the processing job through the 'Participant Contracts Processing Job' screen.

You can invoke this screen by typing 'LSDUPLJB' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



If the 'Participant Process' is selected as 'Job' in the 'LS – Branch Parameter' screen then you can choose to start or stop the job by clicking 'Start Job' and 'Stop Job' buttons respectively. If you have chosen 'Online' mode for 'Participant Process' the Start and Stop buttons will be disabled and the 'Job Status' is displayed as 'Online'.

On Click of Start Button system will pick up the participant contracts created in the system for further processing and process them. On successful process of Participant Contracts, the Process Status of Borrower contracts (facility, tranche or drawdowns) will be marked at 'Processed' and then borrower contracts are allowed to be authorized.

The status of the Participant contracts processed is displayed in the 'Participant Exception Log' screen. You can invoke this screen by typing 'LSDPXLOG' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The details of the processed participant contracts are displayed in the following manner:

- Borrower Reference Number wise
- Participant Reference Number wise

If the 'Participant Process' mode is set to 'Online' for your branch, the system will automatically process the related participant contracts, as mentioned above. In the 'Online' mode, you can save and authorize the borrower side contracts (facility, tranche or drawdowns) ONLY if the corresponding participant side contracts are processed successfully. You can view the status of the participant contracts in the audit trail section at the bottom of the respective borrower contract. For successfully saved borrower contracts, the 'Processing Status' will be displayed as 'Processed'

If the 'Participant Process' mode is set to 'Job' for your branch, you have to initiate Participant Processing Job which will pick up the participant contracts created in the system for further processing. For successfully saved borrower contracts, the 'Processing Status' will be displayed as 'Work In Progress'

Note

On Successful process of Job, you have to manually stop the Job by clicking on Stop Job button. If Job Status is 'Running' branch will work as an Online Branch.

5.13 Free Format Messages for Loan Syndication Contracts

You can enable the system to generate free format messages with respect to loan syndication contracts, by using either of the following options:

- Specifying free format text
- Choosing from pre-defined tags defined for the loan syndication module

In the Free Format Messages screen, select the loan syndication module in the Module ID field, and the reference number of the loan syndication contract in respect of which you wish to generate free format messages, in the Contract Ref No. field.

You can also invoke this screen by typing 'MSDFFTMN' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button

The screenshot shows the 'Free Format Message Maintenance' application window. The window has a title bar with a save icon and a 'Save' button. The main area contains several input fields and controls:

- Document Number: Text input field.
- Module: Dropdown menu with 'LS' selected.
- Customer: Text input field with a search icon.
- Media: Text input field with a search icon.
- Location Movement: Text input field with a search icon.
- Node: Text input field with a search icon.
- Date: Text input field with '12-JAN-2011' and a calendar icon.
- External Reference No: Text input field.
- Name: Text input field.
- Address: Text input field.
- Form: Dropdown menu with 'ADV' selected.
- Copies: Text input field with '1'.
- Hold: Checkbox.
- Test Word Required: Checkbox.
- Contract Reference: Text input field with a search icon.
- TAGS: Text input field with a search icon.
- Import File: Text input field with a search icon.
- Import: Button.
- Server: Radio button.

At the bottom, there are tabs for 'Message', 'SWIFT Message Details', and 'Free Format Text'. The 'Message' tab is active, showing a 'Message' input field. Below the tabs is a 'Fields' section with columns for Maker/Checker, Date Time, Mod No, Record Status, and Authorization Status, along with a Cancel button.

If you choose to specify free format text for the messages, and choose from a list of pre-defined loan syndication module tags, click the option list button next to TAGS to view a list of such tags and select the required ones. When you select one of the tags, it is added at the current position of the cursor in the message body.

When a free format message specification is authorized, the pre-defined event for free format messages (ZFFT) is triggered, for the contract.

The pre-defined tags available for the loan syndication modules are:

- '_SYNREFNO_': This tag denotes the facility reference number.
- '_TRREFNO_': This tag denotes the tranche reference number, and is available only for draw down contracts.
- '_CREFNO_': This tag denotes the contract reference number.
- '_CAMT_': This tag denotes the contract amount.
- '_CCCY_': This tag denotes the contract currency.

- ‘_CDATE_’: This tag represents the contract value date.
- ‘_DRDWNNNO_’: This tag represents the sequence number of the draw down. This tag is available only for draw down contracts.
- ‘_BRREFNO_’: This tag denotes the borrower contract reference number.

5.14 Viewing Syndication Contracts

At any point during the tenor (or life cycle) of a syndication contract, you can view its status. You can view the tranche contracts as well as the draw down contracts, for the borrower and the participants. Summary screens are available listing the currently active contracts entered at each level. These screens can be invoked from the respective contract input screens or from the application browser.

5.14.1 Viewing Contracts Entered under Main Borrower Facility Contract

The ‘Borrower Facility Contracts Summary’ screen lists the active facility contracts. You can also invoke this screen by typing ‘LSSBWRFC’ in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a web application window titled "Summary". At the top, there are two columns of dropdown menus: "Authorization Status" and "Contract Status". Below these are input fields for "Product", "Counterparty", "Facility Reference", and "Currency", each with a small icon to its right. A search bar is located below the input fields, containing "Search", "Advanced Search", and "Reset" buttons. Below the search bar, there is a "Records per page" selector set to "15" and a "1 Of 1" indicator. A table header is visible with columns: "Authorization Status", "Contract Status", "Product", "Facility Reference", "Counterparty", "Currency", and "Amount". Below the table header, there are tabs for "Participant", "Tranche", and "Detail". At the bottom, there are two legend boxes: "Authorization Status" with "A - Authorized" and "U - Unauthorized", and "Contract Status" with "A - Active", "H - Hold", "V - Reversed", "L - Liquidated", and "Y - Yet to be Initiated". An "Exit" button is in the bottom right corner.

5.14.2 Viewing Contracts Entered Under Borrower Tranche Contract

You can invoke this screen from the application browser, in which case a list of active borrower tranche contracts under each borrower facility contract is displayed.

Invoke the 'Borrower Tranche Contracts Summary' screen by typing 'LSSBWRTR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a web application window titled 'Summary'. It features a search interface with the following elements:

- Search Filters:**
 - Authorization Status (dropdown)
 - Contract Reference (text input with search icon)
 - Currency (text input with search icon)
 - Participant Tranche (text input with search icon)
 - Contract Status (dropdown)
 - Product (text input with search icon)
 - Facility Reference (text input with search icon)
 - Customer (text input with search icon)
- Search Controls:** Search, Advanced Search, and Reset buttons.
- Pagination:** Records per page: 15 (dropdown), 1 Of 1 (display), and a Go button.
- Table Headers:** Authorization Status, Contract Status, Contract Reference, Product, Currency, Facility Reference, Participant Tranche, Customer, Amount.
- Navigation Buttons:** Drawdown, Participant Tranche, Details.
- Legend:**
 - Authorization Status: A - Authorized, U - Unauthorized
 - Contract Status: A - Active, H - Hold, V - Reversed, L - Liquidated, Y - Yet to be Initiated
- Exit:** An Exit button is located in the bottom right corner.

- To view a summary of borrower draw downs entered under a borrower tranche contract, select the contract in the grid and then click the 'Drawdown' button.
- To view a summary of participant contracts created under a borrower tranche contract, select the contract in the grid and then click the 'Participant Summary' button.
- To view a borrower tranche contract from the grid, simply double click it or select it and click the 'Details' button.

5.14.3 View Summary of Borrower Draw Down Contracts

You can invoke this screen from the application browser, in which case a list of active borrower draw down contracts under each borrower tranche contract is displayed. Invoke the

'Borrower Drawdown Contracts Summary' screen by typing 'LSSBWRDR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

5.14.4 Viewing Participant Contracts Entered under Main Borrower Facility Contract

To view a summary of participant facility contracts created under a borrower facility contract, click the 'Participant Drawdown Summary' button in the 'Borrower Drawdown Contracts Summary' screen. The 'Participant Facility Contracts Summary' screen is opened, listing all active participant facility contracts created under the selected borrower facility contract.

You can also invoke this screen from the application browser, in which case it will display a list of all active participant facility contracts under each borrower facility contract.

The screenshot shows a web application window titled "Summary". It features several search filters on the left and right sides, including "Authorization Status", "Contract Reference", "Counterparty", "Currency", "Borrower Facility Reference Number", "Contract Status", "Product", "Amount", and "Borrower Reference". Below the filters are "Search", "Advanced Search", and "Reset" buttons. A pagination bar indicates "Records per page 15" and "1 Of 1". A table header is visible with columns: "Authorization Status", "Contract Status", "Contract Reference", "Product", "Counterparty", "Amount", "Currency", "Borrower Reference", and "Borrower Facility R". At the bottom, there are tabs for "Detailed" and "Tranche", and a legend for "Authorization Status" (A - Authorized, U - Unauthorized) and "Contract Status" (A - Active, H - Hold, V - Reversed, L - Liquidated, Y - Yet to be Initiated). An "Exit" button is located in the bottom right corner.

- To view a summary of participant tranches created under a participant facility contract, select the contract in the grid and then click the 'Tranche Summary' button.
- To view a participant facility contract from the grid, simply double click it or select it and click the Detailed' button.

5.14.5 Viewing Summary of Participant Tranche Contracts

To view a summary of participant tranche contracts, created under a borrower facility contract select the contract in the grid in the Participant Facility Contract Summary screen, and then click the 'Tranche Summary' button. The 'Participant Tranche Contracts Summary' screen is opened, displaying a list of active participant tranche contracts entered under the selected borrower facility contract. Invoke the 'Participant Tranche Contracts Summary' screen.

You can also invoke this screen by typing 'LLSPRTTR' in the field at the top right corner of the Application tool bar and clicking the adjoining arrow button, in which case a list of active participant tranche contracts under each borrower tranche contract is displayed.

The screenshot shows a software window titled "Summary". At the top, there are two columns of search filters. The left column includes "Authorization Status" (a dropdown menu), "Contract Reference", "Counterparty", "Currency", and "Participant Tranche Reference". The right column includes "Contract Status" (a dropdown menu), "Product", "Amount", "Participant Facility Reference", and "Borrower Tranche Reference Number". Below these filters are three buttons: "Search", "Advanced Search", and "Reset".

Under the filters, there is a pagination control showing "Records per page 15" and "1 Of 1". Below this is a table header with columns: "Authorization Status", "Contract Status", "Contract Reference", "Product", "Counterparty", "Amount", "Currency", "Participant Facility Reference", and "Participant Tranche Reference". The table body is currently empty.

At the bottom of the window, there are two tabs: "Detailed" and "Drawdown". Below the tabs, there are two legend boxes. The first legend box is for "Authorization Status" with options "A - Authorized" and "U - Unauthorized". The second legend box is for "Contract Status" with options "A - Active", "H - Hold", "V - Reversed", "L - Liquidated", and "Y - Yet to be Initiated". An "Exit" button is located in the bottom right corner.

- To view a summary of participant draw downs created for a borrower tranche contract, select the contract in the grid and then click the 'Drawdown' button.
- To view a participant tranche contract from the grid, simply double click it or select it and click the 'Detailed' button.

5.14.6 Viewing Summary of Participant Draw Down Contracts

To view a summary of participant draw down contracts, entered under a borrower tranche contract, select the contract in the grid in the Participant Tranche Contract Summary screen, and then click the 'Drawdown' button. The 'Participant Drawdown Contract Summary' screen is opened, displaying a list of participant draw down contracts created under the selected borrower tranche contract.

You can invoke the 'Participant Drawdown Contract Summary' screen by typing 'LLSPRTTR' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

A list of active participant draw down contracts under each borrower tranche contract is displayed.

Summary

Authorization Status Contract Status

Contract Reference Product

Counterparty Amount

Currency Participant Facility Reference

Participant Tranche Reference Borrower Tranche Reference Number

Search Advanced Search Reset

Records per page 15 1 Of 1 Go

Authorization Status | Contract Status | Contract Reference | Product | Counterparty | Amount | Currency | Participant Facility Reference | Participant Tranche Reference

Detailed Drawdown

Authorization Status A - Authorized U - Unauthorized

Contract Status A - Active H - Hold V - Reversed L - Liquidated Y - Yet to be Initiated

Exit

To view a participant draw down contract from the grid, simply double click it or select it and click the 'Detailed' button.

6. Processing Repayments

6.1 Repayments

When you disburse loans to a borrowing customer through a draw down loan contract against a tranche under a borrower facility contract, you also define the terms according to which the loan components will be repaid. You can define your own repayment schedules. For instance, you could choose to have the principal repaid at maturity, with the interest component being repaid monthly. You could also define the repayment terms to suit your customer.

In Oracle FLEXCUBE, you can define the repayment schedules when you define a product. They will be applied to any contracts involving the product. If you need to change the schedule for a specific contract, you could do so.

Repayments, in the context of a syndication contract, involve liquidation of the following components:

For tranche contracts

- Interest /Charge applicable
- Ad-hoc fees

For draw down contracts

- Loan Principal
- Interest /Charge applicable
- Ad-hoc fees

6.2 Defining Schedules for Product

You can define the following attributes for repayment schedules, when you define them for a draw down loan product:

- The mode of liquidation (automatic or manual)
- Liquidation of schedules due before the date on which a loan is initiated
- The type of schedule – capitalized or normal

You define these attributes in the Product Preferences screen that you invoke by clicking the Preferences' Tab in the 'Loans Syndication Borrower Product Definition' main screen.

If the mode of liquidation specified for a schedule is automatic, it will be liquidated by the Automatic Contract Update function. If the mode is specified as manual, you must manually liquidate them through the Contract Schedule Payments function.

After specifying the attributes for repayment schedules, you can specify the repayment details for each component of a draw down loan, such as the reference date, the frequency and the month and date, in the 'Components' Tab of the 'Loans Syndication Borrower Product Definition' screen.

These are the attributes for repayment schedules that would apply to all draw down loan contracts involving the draw down loan product for which they have been specified.

The manner in which you specify the attributes for the repayment schedules for a draw down borrower or participant product is much the same as for a normal loan product.

6.3 Defining Schedules for Contract

The repayment schedules that you define for a draw down loan product will apply to all draw down contracts involving the product. When you are entering a draw down loan in the Contract Online screen, the schedules defined for the product involving the contract will be displayed in the Schedules tab of the screen.

You can change some of the attributes of the schedule for an individual draw down loan contract that it inherits from the draw down loan product that it involves. If you do so, any schedules that are due on the system application date and on any past date will be erased, and you can specify new schedules.

You can invoke the 'Drawdown Details' screen by typing 'LSDDDONL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Click 'Components' tab to define schedule details.

The schedule payment type that is defined for a draw down loan product (capitalized or normal) is inherited by all draw down loan contracts involving it. This attribute cannot be changed when you enter a draw down loan contract.

The manner in which you specify the attributes for repayment schedules for a draw down loan contract is the same as for a normal loan contract.

For a detailed description, refer to the chapter Operations in the Retail Lending user manual.

Only those aspects of specifying attributes for repayment schedules that are specific to borrower tranche or draw down contracts are explained in this chapter.

6.3.1 Specifying how schedules falling on holidays must be handled

Schedule dates for a contract could fall on holidays defined for your branch or on holidays defined for the currency of the contract.

In the Product Preferences for the borrower facility product, you can specify whether the system should check for schedule dates falling on holidays, and how such schedule dates must be handled. These specifications would default to any borrower facility contract using the product, and also to underlying borrower tranche or draw down contracts that are opened under the facility contract.

You can specify either of the following:

- Holidays must be ignored
- Checks must be made for schedule dates falling on holidays

If you specify that checks must be made, you can also specify the corresponding treatment for schedule dates falling on holidays.

6.3.1.1 Holiday Treatment Type

The Holiday Treatment Type is the parameter that defines how the system checks for schedule dates falling on holidays. You can specify one of the following options:

Local

Select this option to indicate that you want the system to check whether a schedule date falls on a local holiday defined for the branch. You will not be able to specify a check for currency holidays, if you choose this option.

The system checks the holiday table for your branch. If it encounters a contract entered in your branch, with a schedule date falling on a branch holiday, the holiday is handled according to the holiday-handling preferences you specify.

Currency

Select this option to indicate that the system must check whether the schedule date falls on a holiday defined for the currency of the contract. You must specify the code of the holiday currency, if you select this option. Further, you have the following options to specify the specific currency for which the check must be done:

- **Facility currency:** If you choose this option, the system checks whether the schedule date falls on a holiday defined for the currency of the facility (borrower) contract, if this currency is different from the holiday currency you have indicated.
- **Contract currency:** If you choose this option, the system checks whether the schedule date falls on a holiday defined for the currency of the draw down contract, if this currency is different from both the holiday currency and the facility currency (if any) you have indicated.
- **Local currency:** If you choose this option, the system checks whether the schedule date falls on a holiday defined for the local currency, if this currency is different from the holiday currency, facility currency and contract currency you have indicated.

The system checks the holiday table for the currencies you have specified. If it encounters a contract using any of the specified currencies, with a schedule date falling on a holiday for any

of the currencies, the holiday is handled according to the holiday-handling preferences you specify.

6.3.1.2 Holiday-handling preferences for schedule dates

If you have specified that the system check for schedule dates falling on holidays, you must also specify the treatment for schedule dates encountered by the system that do fall on holidays. The following preferences can be set:

Moving the schedule date backward or forward

You can indicate whether the schedule date falling on a holiday must be moved forward to the next working day, or backward to the previous one.

Moving across months

If you have indicated either forward or backward movement, and the moved schedule date crosses over into a different month, you can indicate whether such movement is allowable; it will be allowable only if you indicate so in the Move Across Months field.

Cascading schedules

If one schedule has been moved backward or forward in view of a holiday, cascading schedules would mean that the other schedules are accordingly shifted. If you do not want to cascade schedules, then only the schedule falling on a holiday is shifted, as specified, and the others remain as they were.

6.3.2 Specifying how maturity dates falling on holidays must be handled

The maturity date for a contract could fall on holidays defined for your branch. In the Product Preferences for the borrower facility product, you can specify whether the system should check for maturity dates falling on holidays, and how such dates must be handled. These specifications would default to any borrower facility contract using the borrower facility product, and also to underlying borrower tranche or draw down contracts that are opened under the facility contract.

You can specify that:

- Holidays must be ignored
- The maturity date falling on a holiday must be moved according to the holiday-handling preferences that you specify

6.3.2.1 Holiday-handling preferences for maturity date

You can indicate that the maturity date falling on a branch holiday be moved either backward or forward, as required, and if it is allowed to move across months.

Moving the Maturity Date backward or forward

You can indicate whether the maturity date falling on a holiday must be moved forward to the next working day, or backward to the previous one.

Moving across Months

If you have indicated either forward or backward movement of the maturity date such that the moved maturity date crosses over into a different month, you need to indicate whether such a movement is allowed. Check this option to indicate that it is allowed.

Holiday Currency

You need to specify the holiday currency the system must check against when applying the maturity date of the contract. Select a holiday currency code from the option list provided.

You also need to indicate the categories the system must check against, for applying the maturity date:

- **Facility Currency:** If you choose this option, the system checks whether the maturity date should be based on the holiday defined for the facility currency, in case the holiday currency maintained is different from the facility currency.
- **Contract Currency:** If you choose this option, the system checks whether the maturity date should be based on the holiday defined for the contract currency, in case the contract currency is different from both the holiday currency and the facility currency you have indicated.
- **Local Currency:** If you choose this option, the system checks whether the maturity date should be based on a holiday defined for the local currency, if the local currency is different from the holiday currency, facility currency and contract currency you have indicated.

The system checks the holiday table for the currencies you have specified. If it encounters a contract using any of the specified currencies, with a Maturity Date falling on a holiday for any of the currencies, the holiday is handled according to the holiday-handling preferences you specify here.

6.3.3 Specifying how Rate Revision Schedules

The Rate Revision Schedule for a contract could fall on holidays defined for your branch. You can specify whether the system should check for Rate Revision Schedules falling on holidays, and how such dates must be handled.

These specifications will default from the tranche to the underlying drawdown contract. However, you can modify them at the drawdown contract level if required. You can specify that:

- Holidays must be ignored
- The Rate Revision Schedule falling on a holiday must be moved according to the holiday-handling preferences that you specify

6.3.3.1 Holiday handling preferences of Rate Revision Schedules

You can indicate whether the Rate Revision Schedules falling on a branch holiday should be moved either backward or forward depending on the requirement or if it can be moved across months.

Moving the Rate Revision Schedule backward or forward

You can indicate whether the Rate Revision Schedule falling on a holiday must be moved forward to the next working day or backward to the previous one.

Moving across months

If you have indicated either forward or backward movement of the Rate Revision Schedule such that the moved maturity date crosses over into a different month, you need to indicate whether such a movement is allowed. Check this option to indicate that it is allowed.

Holiday Currency

You need to specify the holiday currency the system must check against when applying the Rate Revision Schedule for the contract. Select a holiday currency code from the option list provided.

You also need to indicate the currency categories the system must check against, for applying the Rate Revision Schedule:

- **Facility currency:** If you choose this option, the system checks whether the Rate Revision Schedule should be based on the holiday defined for the facility currency, in case the holiday currency maintained is different from the facility currency.
- **Contract currency:** If you choose this option, the system checks whether the Rate Revision Schedule should be based on the holiday defined for the contract currency, in case the contract currency is different from both the holiday currency and the facility currency you have indicated.
- **Local currency:** If you choose this option, the system checks whether the Rate Revision Schedule should be based on a holiday defined for the local currency, if the local currency is different from the holiday currency, facility currency and contract currency you have indicated.

The system checks the holiday table for the currencies you have specified. If it encounters a contract using any of the specified currencies, with a Rate Revision Schedule falling on a holiday for any of the currencies, the holiday is handled according to the holiday-handling preferences you specify here.

Cascading schedules

If one schedule has been moved backward or forward in view of a holiday, cascading schedules would mean that the other schedules are accordingly shifted. If you do not want to cascade schedules, then only the schedules falling on a holiday are shifted, as specified, while the others remain as they are.

6.3.3.2 Validations for Rate Revision Schedules

When you specify rate revision schedules for the drawdown contract, the system will validate whether the Rate Revision Period matches with at least one of the allowed Rate Revision Periods specified at the tranche level (Schedules tab). If the validation fails, the system will give an override.

The system will also validate that the duration between Rate Revision Dates for any component does not exceed the maximum value specified at the tranche level. The system will give an error if this validation fails.

When you specify payment schedules for the drawdown contract, the system will validate to ensure that the interest period for any component does not exceed the maximum value specified at the tranche level (Schedules tab). The system will give an error if this validation fails.

Holiday validation and schedule movement for Maturity Date and Revision Schedules will be done based on the value of the respective holiday treatment fields.

6.3.4 Specifying revision schedules for fixed rate interest components

You can specify rate revision schedules for repayment of fixed rate interest components. Select 'F' in the Rev field, to indicate that the revision schedule is for repayment of fixed rate interest components.

6.3.5 Specifying revision schedules for interest margin components

You can specify rate revision schedules for interest margin components. Select 'M' in the Rev field, to indicate that the revision schedule is for interest margin components.

6.3.6 Processing Repayments Manually

The components of a draw down loan contract can be liquidated either manually or automatically, according to the definition you make for the product involving the contract, or

at time of entering the contract. If you have defined automatic liquidation, the Automatic Contract Update function will perform the same on the schedule payment day.

If you have defined auto liquidation for the contract, you can manually liquidate the components before the liquidation schedule falls due. Also, if, for reasons of non-repayment, if the liquidation does not take place, you can manually liquidate the components when the repayment is made.

If you have defined manual liquidation for the contract, then you must manually liquidate the components a day before the schedule date. You perform manual liquidation through the Loan Syndication Schedule Payment screen.

You can invoke this screen by typing 'LSDPMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The manner in which you perform manual liquidation for a draw down contract in the Schedule Payments screen is the same as for a normal loan contract.

The following details are displayed/captured here:

- Account Number
- Branch
- Value Date
- The outstanding balance on the borrower tranche or draw down contract, in reporting currency, as on the current date

For a detailed description of the rest of the fields, refer to the chapter Operations in the Retail Lending user manual.

6.3.7 Processing Prepayments

Prepayments are repayments of principal before it falls due to be repaid. Typically, a penalty is imposed on prepayments, since they are a violation of the contract.

When you define products for borrower leg contracts, you can choose to specify levying a penalty on prepayments, in the Product Preferences screen. You can also specify that the interest on any future schedules must be recomputed when a prepayment is made.

You specify the prepayment penalty as a percentage, in the Payment Schedules screen, when you enter the prepayment.

Interest is calculated on the prepaid portion of the principal, from the value date of the last liquidated schedule till the value date of the prepayment. The penal percentage is also applied on the prepaid principal, after adjusting the interest due.

The system uses the amount tag INTEREST_ADJ to post interest accounting entries due to prepayment.

6.3.8 Specifying rate revision for fixed rate interest components

You can enter the revised rate for a fixed rate interest component applicable to a syndication contract, before the rate revision schedule falls due. The revised rate is uploaded into the revision schedule for the contract as a rate revision amendment.

You can enter the revised rate in the 'Fixed Interest Rate Revision' screen. You can invoke this screen by typing 'LSDFXRVN' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

User Defined Element Id	Old UDE Value	New UDE Value

You can revise the rate of the interest component by adding the new UDE value against the old one. The modified schedules are displayed in the contract after the EOD batch.

7. Processing Charges and Fees

7.1 Introduction

A tranche or draw down loan contract of a syndication contract could have various components other than the principal, such as an ad-hoc charge or fee.

In order to apply and process ad-hoc fees levied on a syndication contract, you must:

- Maintain appropriate ad-hoc fee classes and link these classes to the respective syndication modules.
- Link the ad-hoc fee components to the respective syndication products (both borrower and participant products) so that they would be applicable to contracts using the products.
- Enter schedules for ad-hoc fee components associated with borrower participant contracts.
- Liquidate ad-hoc fee components.

For details about maintaining ad-hoc fee classes, refer the chapter Reference Information for Loan Syndication in this user manual. For details about linking ad-hoc fee components to syndication products, refer the chapter Defining Products for Loan Syndication in this user manual.

7.2 Entering Schedules for ad-hoc Charge Components

You can specify schedules for ad-hoc fee components in the 'Ad hoc Charge Schedules Input' screen. You can invoke this screen by typing 'LSDADSCH' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Component	Schedule Start Date	Number of Schedules	Frequency	Unit	Amount

In this screen, you must first specify the reference number of the syndication contract for which you want to specify the ad-hoc fee schedules. When you do so, the details of the contract, such as the product used by the contract, customer, value date and maturity date, and contract currency, are displayed.

The ad-hoc fee components that have been associated with the product used by the contract are also displayed. For each component, you can define a schedule with the following details:

The start date

This is the date on which the schedule for the ad-hoc fee component for the borrower or participant contract is to begin. The first schedule would fall due on this date.

Number of schedules

You must specify the number of schedules that are to be applicable for the ad-hoc fee component of the borrower or participant contract.

If you define a single schedule (i.e., the number of schedules is one) the system initiates one schedule on the start date mentioned, not taking into account the frequency and the frequency unit. If you define more than one schedule, the system initiates the first schedule on the start date mentioned, and subsequent schedules based on the frequency and the frequency unit specified.

Schedule Frequency

You must specify the frequency at which the schedules must be initiated, with the first schedule on the start date mentioned.

If you define a single schedule (i.e., the number of schedules is one) the system initiates one schedule on the start date mentioned, not taking into account the frequency and the frequency unit. If you define more than one schedule, the system initiates the first schedule on the start date mentioned, and subsequent schedules based on the frequency and the frequency unit specified.

The options available are Daily, Monthly, Quarterly, Half-yearly and Yearly.

Unit

You can specify the units in which the specified frequency will be reckoned, that is, the factor by which the frequency must be multiplied to arrive at the final ad-hoc component frequency.

Currency

You must specify the currency in which the ad-hoc fee amount is reckoned, for the schedule defined for the ad-hoc fee component.

Schedule Amount

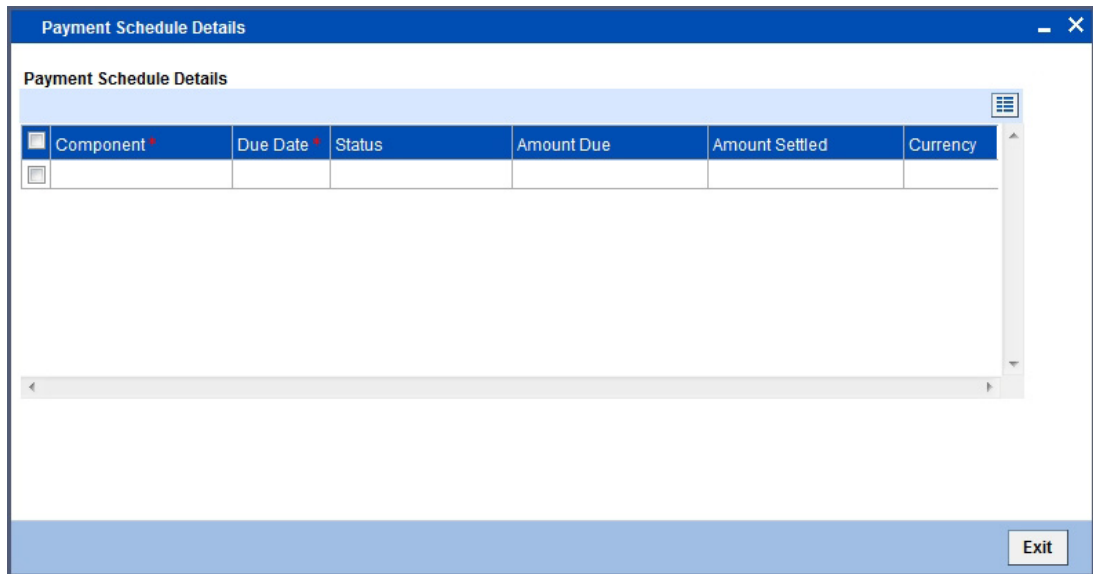
You must also specify the amount that is to be liquidated towards the ad-hoc fee component, on the schedule date.

7.2.1 Viewing ad-hoc fee schedule processing details

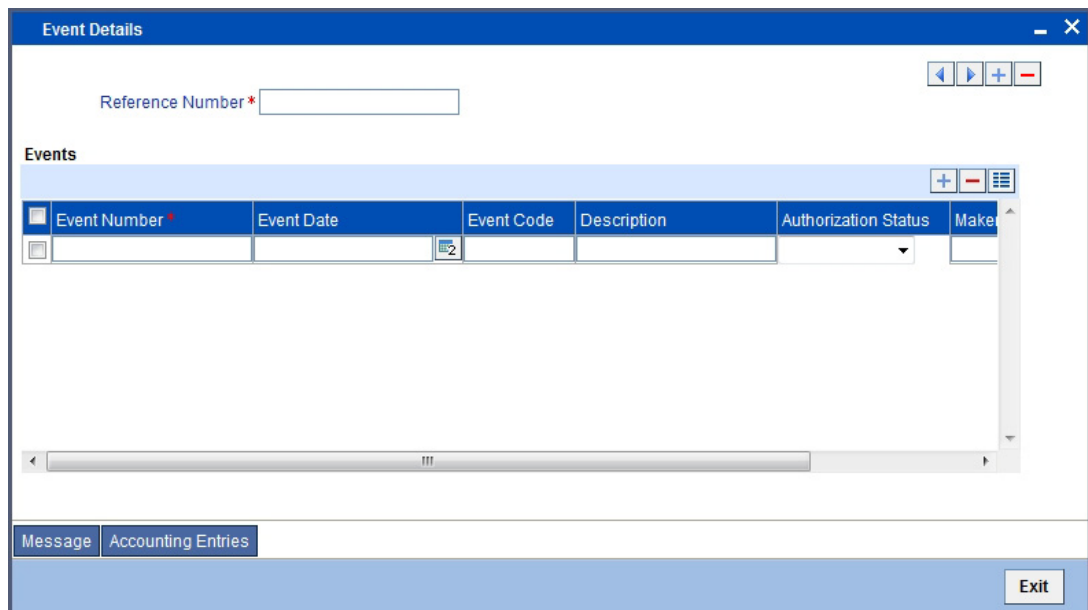
You can view the following details with respect to the ad-hoc fee schedule defined for a contract, from the Adhoc Fee Schedule Input screen:

- The schedule payment status for each component
- The events processed in respect of the ad-hoc fee schedule, and the relevant accounting entries passed as well as overrides encountered for each event
- The settlement details for each ad-hoc fee component for which the schedule has been defined.

Click the 'Payment Schedules' button in the 'Adhoc Charge Schedule Input' screen to view the payment status for the schedules. The Payment Schedule Status screen is opened, with the payment details displayed.



Click 'Events' button in the 'Adhoc Charge Schedule Input' screen to view the events processed in respect of the ad-hoc fee schedules. The 'Event Details' screen is opened, displaying the list of events, with the relevant accounting entries (if any) that have been passed, as well as the overrides encountered.



8. Rolling-over a Drawdown Loan

8.1 Introduction

A rollover is the renewal of a loan. Instead of liquidating a loan on maturity, you can roll it over into a new loan. The outstanding principal and other components of the old loan are rolled-over with or without the interest outstanding on it. In the context of loan syndication, you may require to rollover a borrower draw down loan under a borrower tranche of a borrower facility contract.

You can rollover a loan that you are processing, provided a rollover is allowed for the product, the loan involves.

When a loan is rolled over, it can be processed in the following manner, depending upon your specification:

- A new loan with a different contract reference number is initiated
- The original loan could be split into multiple loans as a result of the rollover
- The original loan could be consolidated along with other loans as a result of the rollover

For a borrower draw down loan, typically, a new loan would be required to be initiated on rollover, and further, a split or consolidation may be required.

8.2 Features of the Product Rollover Details screen

When defining a borrower draw down product, you have to specify whether loans involving the product can be rolled-over. If rollover has been allowed for a product, all the loans involving the product can, by default, be rolled-over.

However, a loan involving such a product will be rolled-over only if it is not liquidated, on its Maturity Date. You can choose not to rollover a loan involving a product with the rollover facility. This can be indicated when processing the loan.

The rollover details for the borrower draw down product that you are defining can be specified in the 'Preferences' button of the 'Loan Syndication Product' screen.

You can invoke the screen 'Loan Syndication Product' screen by typing 'LSDPRMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button. Click 'Preferences' button.

You define the rollover preferences for a borrower loan product in the same manner as you would for a normal loan product.

For details, refer the section 'Rollover Preferences' in the chapter 'Defining Product Categories and Products' in the Retail Lending user manual.

Only those preferences that you would define specifically for loan syndication borrower draw down loan products are explained in this chapter.

8.3 Specifying Contract Rollover Details

Instead of liquidating a borrower draw down loan on maturity date, you can renew it into a new borrower draw down loan contract, or split it into multiple borrower draw down contracts, or consolidate it into a single new borrower draw down contract along with other borrower draw downs. As part of rolling over a contract, the original contract should be liquidated and a new contract should be initiated. In Oracle FLEXCUBE, these two processes are done in a single step.

A borrower draw down loan contract inherits the rollover preferences defined for the borrower draw down loan product it uses. These preferences are displayed in the 'Default' Tab of the 'Drawdown value Dated Amendment' screen.

You can invoke this screen by typing 'LSDDDAMD' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button

8.3.1 Rollover Preferences for Borrower Drawdown Loan Contract

By default, for a borrower draw down loan, the rollover mechanism is defaulted as “New Contract”, and cannot be changed. This indicates that rolling over the contract will create a new borrower draw down loan contract.

The rollover method indicates:

- whether a single new contract must be created when the original contract is rolled over
- whether the original contract must be split into multiple contracts when rolled over
- whether the original contract must be consolidated into one single contract along with other contracts, when rolled over

The rollover method specified for the product used by the contract is defaulted, and you can change it when you enter the contract, if required.

8.3.2 Specifying Details for Normal Rollover

If you have chosen the rollover method as 'Normal', then you must enter the corresponding details for the rollover, in the 'Default' Tab in the 'Drawdown Details' screen.

In the case of normal rollover, the system creates a new draw down contract (with a new contract reference number) for the original one being rolled over.

All the preferences in the 'Default' Tab that are applicable for rollover of normal loans, are also applicable for draw down loans, and you can specify the preferences in the same manner as you would for a normal loan contract.

You will need to specify a special rollover amount for the rollover contract whether it is a normal, split or consolidated rollover. The rolled over contract will have the same product as that of its parent contract. The rolled over contract will also have a Value Date equal to the Maturity Date of the parent contract. Back dated rollovers are also not permitted for any type of rollover. You can rollover a loan from the 'Contract Online' screen. In the 'Contract Online' screen, click on the 'Roll-over' icon to rollover a contract. Subsequently, you can change the rollover instructions. When you click the 'Roll-over' icon, the 'Default' Tab is shown in the edit mode. You can specify the rollover instructions (including interest rate of the main component and the refinance rate) for the rolled over contract.

For details, refer the section 'Rollover Preferences' in the chapter 'Defining Product Categories and Products' in the Retail Lending user manual.

Only those preferences specific to loan syndication draw down loans are explained here.

Specifying the maturity days

For fixed maturity types, you must specify the number of days to be added to the new value date of the rolled-over contract, to arrive at its maturity date.

Specifying the maturity basis

You must indicate the tenor basis upon which the maturity days specified for the rolled-over contract will be reckoned, in the Roll By field. The options are Days, Months, Quarters, Semi-annuals and Years.

If you specify the 'days' maturity basis, and do not specify the maturity days, the system 'rounds' the tenor of the original contract to the nearest maturity days basis. The rounded tenor is considered as the new tenor of the rolled-over contract.

Specifying the Refinancing Rate

You need to specify the refinancing rate for the rolled over contract.

Specifying the Margin for the Interest Basis

You need to specify the margin for the corresponding component of the rolled over contract.

Specifying the Drawdown Schedule Number

You need to specify the drawdown schedule number of renewal type under the tranche which must be applied on the rollover contract in the case of a normal contract being rolled over.

8.3.3 Specifying Details for Rollover Consolidation

If you have chosen the rollover method as "Consolidation", then you must enter the corresponding details for the consolidation, in the 'Consolidation Rollover' screen, which you can invoke from the application browser.

The screenshot displays the 'Consolidated Rollover' application window. The interface includes several input fields and two data tables. The input fields are organized into three columns: the first column contains 'Branch', 'Value Date', 'MIS Basis', 'UDF Basis', and 'Settlement Basis'; the second column contains 'Consol Transaction Reference', 'Consol Roll Acc', 'UDE Basis', and 'Schedule Basis'; the third column contains 'Customer*', 'Currency*', 'Product Code*', 'Rollover Amount', and 'Maturity Date'. Below these fields are two tables: 'UDE Effective Date' with one row containing 'Effective Date', and 'UDE Values' with columns for 'User Defined Element Id', 'UDE Value', 'Rate Code', and 'Rate Usage'. At the bottom, there is a 'Consolidated Details' table with columns for 'Account Number', 'Rollover Amount Type', and 'Driver Contract'. The bottom status bar includes fields for 'Input By', 'Authorized By', 'Contract Status', and an 'Authorized' checkbox, along with an 'Exit' button.

In this screen, you must specify the reference number of the tranche under which you wish to consolidate draw down contracts, as part of the rollover operation.

For a borrower tranche, you can only consolidate draw down contracts:

- of the same customer
- maturing on the same date
- of the same currency
- if the 'Cascade Participation' preference has been set for the tranche

When you select the tranche reference number, the draw down product code for the tranche is displayed. You can select the draw down loans under the tranche to be consolidated.

You must specify the following details for the consolidated rolled-over contract:

8.3.3.1 Maturity details

You can indicate whether the consolidated contract has a fixed maturity date, or matures at call or notice. For contracts maturing at notice, you can indicate the applicable notice days. For fixed maturity type contracts, you can specify the maturity date. For fixed maturity type contracts, you can specify the number of days to be added to the value date to arrive at the maturity date.

8.3.3.2 Schedule Basis

You can indicate whether the repayment schedules for the consolidated contract must be defaulted from the tranche product or from the driver contract.

8.3.3.3 Specifying draw down schedule to which consolidated contract must be linked

You must specify the number of the draw down schedule of renewal type under the tranche, to which the consolidated contract must be linked.

8.3.3.4 Specifying automatic rollover

You can indicate whether the rollover consolidation must be initiated automatically for the selected contracts. The mode of rollover also depends on whether the mode of liquidation of the loan is automatic or manual.

Impact of liquidation mode on rollover

The mode of liquidation of a loan (automatic or manual) has the following impact when the rollover is carried out:

Auto liquidation and auto rollover

The old loan will be liquidated and a new one initiated on the Maturity Date of the loan. It is processed during the BOD run of the Automatic Contract Update function. If the Maturity Date falls on a holiday then the liquidation and the rollover will be processed, as per your holiday handling specifications in the Branch Parameters screen.

- If you specified that processing has to be done today (the last working day before the holiday), then for automatic events, the schedule falling on the holiday, will be liquidated today during End of Day processing.
- If you specified that processing has to be done only up to the System Date (today), then only the events scheduled for today (the last working day before the holiday) will be processed. The events falling on the holiday will be processed on the first working day after the holiday, during Beginning of Day processing.

Auto liquidation (of principal) and manual rollover

The old loan will be liquidated automatically on the Maturity Date. If the loan has to be rolled-over, the instructions should be specified before the Maturity Date. At times the contract will not be liquidated because of the lack of funds in the repayment account. In such cases you

can give rollover instructions even after the maturity date, saying that the contract has to be rolled-over, as of the maturity date.

Manual liquidation (of principal)

Rollover has to be manual. The loan will not be liquidated by the Auto Liquidation function. You can either liquidate it or specify that it has to be rolled-over. This can be specified at any time before or after the Maturity Date of the loan, if the contract has not yet been liquidated. If you have defined that the loan should be liquidated manually, you cannot roll it over automatically. When a loan is rolled-over or renewed for interest, charge or fee components, it can assume the following attributes:

- Those of the product involving the loan being rolled-over
- Those of the old loan itself

8.3.3.5 Updating credit limit utilization

You can indicate whether the credit limit utilization is to be updated, when the consolidation operation is performed. That is, the interest that has been accrued on a loan is also considered, as a part of the utilized amount for the purpose of risk tracking.

Note

This option applies only if you want to rollover a loan with interest.

8.3.3.6 Settlement Basis

You can indicate whether settlement details for the consolidated contract must be defaulted from the tranche product, or the driver contract, or must be user- defined. If user-defined, you can specify the details in the Settlement Message Details screen. Click 'S' button in the 'Consolidation Rollover' screen and invoke the 'Settlement Message Details' screen.

8.3.3.7 MIS Basis

You can indicate whether MIS details for the consolidated contract must be defaulted from the tranche product, or the driver contract, or must be user- defined. If user-defined, you can specify the details in the MIS screen. Click on the 'M' button in the Consolidation Rollover screen to invoke the MIS screen.

8.3.3.8 UDF Basis

You can indicate whether user-defined fields for the consolidated contract must be defaulted from the tranche product, or the driver contract, or must be user- defined. If user-defined, you can specify the details in the User Defined Fields screen. Click on the 'F' button in the Consolidation Rollover screen to invoke the User Defined Fields screen.

8.3.3.9 Refinance Rate

You must indicate the refinance rate for the consolidated contract.

8.3.3.10 Holiday Treatment

You can indicate whether the system must check for maturity dates of the consolidated contract falling on holidays.

If the holiday check is indicated, you can also specify whether maturity dates falling on holidays must be moved forward to the next working day, or backward to the previous working day. You can also indicate whether the moved maturity date is allowed to cross over months.

8.3.3.11 Interest components for the consolidated contract

You can define the interest components to be applicable for the consolidated contract. The interest rate can be defaulted from either the tranche product, or the driver contract, or a special rate can be entered. If a special rate is to be entered, you can specify the required rate in the Rate field.

8.3.3.12 Consolidation preferences for driver contracts

As part of the preferences for the consolidation contract, you can identify contracts from which information such as settlement details, schedules, MIS details and so on, can be defaulted. These contracts are called driver contracts. You can select the contracts to be used as driver contracts, in the Participant Ref No field.

You must specify the following details for the driver contracts:

- How the rolled over amount is reckoned. This could be just the outstanding principal, or outstanding principal together with interest.
- Whether charges are applicable for the consolidated contract
- Whether old schedules for the contracts getting consolidated, must be liquidated

8.3.4 Advices for a Rolled-over Loan

In the Product Events Definition screen, you can define the events for which advices are to be generated, for loans involving a product. An advice will be generated when a loan is rolled-over, if specified to do so, for the product the loan involves. Generation of advices upon rollover, if specified, will be as follows:

- When the loan is rolled-over with interest (that is, the entire outstanding amount in the original loan is rolled-over without any component of the original loan being liquidated), the liquidation advice for the original loan will not be generated. Instead, a rollover advice, with the details of the liquidation of the original loan and its subsequent rollover into a new loan, will be generated.
- When the loan is rolled with an amount, that is not the entire outstanding amount in the original loan, the liquidation advice(s) for the original loan will be generated along with the rollover advice.

8.3.5 Authorizing a Manual Rollover

The operations on a loan like input, modification, manual liquidation and manual rollover have to be authorized by a user other than the one who performed the operation. All the loans should be authorized before you can begin the End of Day operations. When a loan has been rolled-over manually, you have to do two authorizations:

- One, for the liquidation of the original loan
- Two, for the initiation of the new loan

When you call such a loan for authorization, the details of the liquidation of the original loan will be displayed. At the time of authorizing rolled over contracts, you need to enter the values for the re-key fields (specified at the product level).

9. Making Additional Disbursements and Rate Changes

9.1 Introduction

The Value Dated Changes function of Oracle FLEXCUBE enables you to make changes to borrower tranche or draw down loan contracts under a syndication contract, which will impact the financial details and accounting entries. Through this function, you can make changes to an authorized borrower tranche or draw down loan before its maturity date.

The changes that are made through this function, will take effect on a date known as the Value Date, which is why it is known as the Value Dated Changes function.

The Value Date could be:

- A past date
- The application date
- A Future Date

You make value dated changes to a borrower tranche or draw down loan contract in the same manner as you would for a normal commitment or loan contract.

Only those aspects that apply specifically to borrower tranche or draw down loan contracts are explained in this chapter.

Any changes that you make to a borrower tranche will be automatically applied to the participant leg commitment contracts. Similarly, any changes made to a borrower draw down loan contract are automatically applied to the participant leg draw down contracts.

9.2 Making Value Dated Amendments for a Tranche

Using the Value Dated Changes function, you can make changes to different components of a borrower tranche contract:

- The maturity date
- Tranche Fee rate
- Charge amount or waiver

Any changes to any of these components will be automatically applied to the participant leg tranche contract under the tranche.

You can also enter values for any component that was not used at the time of entering the borrower tranche contract or draw down loan contract.

You can enter value-dated changes to a borrower tranche in the 'Tranche Value Dated Amendments' screen. You can invoke this screen by typing 'LSDTRAMD' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The following details are displayed:

- Name of the product used in the tranche
- Counterparty Id and Name
- Contract Reference Number
- Start date of the tranche
- Currency of the tranche
- Reference Number of the facility under which the tranche is processed
- Number of drawdowns processed under the tranche

The 'Amendment' tab will display the following:

- Current Principal
- Current Maturity Date

To make an amendment, select the reference number of the tranche you wish to amend and then click the 'Unlock' icon in the toolbar to unlock the same.

Specify the following after unlocking the tranche:

Amendment Date

By default, the current system date will be displayed as the date of amendment. You can change the date provided the date is:

- Not later than the maturity date of the tranche
- Not earlier than the value date of the tranche
- Not earlier than the last liquidation date of the unutilized fee
- Not earlier than the latest amendment date

After you specify the date, you cannot change it.

9.2.1 **Modifying Tranche Principal**

You can use the 'Tranche Value Dated Amendments' screen to:

Increase the tranche principal

When increasing the tranche principal, the system will check for the following:

- The increase does not allow the sum of all tranches (including the increased amount) under the linked facility to exceed the Total Facility amount.
- The increase is not more than the maximum amount allowed for a tranche. This amount is specified at the facility level.

Decrease the tranche principal

When decreasing the tranche principal, the system will check for the following:

- The decrease does not result in the principal being less than the sum of all outstanding drawdowns linked to the tranche.
- The decrease is not less than the minimum amount allowed for a tranche. This amount is specified at the facility level.

To change the principal, specify the following:

Change in Principal

Specify the amount by which you want to increase or decrease the tranche principal. If the tranche currency is different from the local currency of the branch, the system will display its equivalent in the local currency.

A change in tranche principal will result in recalculation of the Utilization and Non-Utilization Fee. It will also alter the Non-Utilized amount under the tranche. An increase in the principal will allow you to process new drawdowns under the tranche to the extent of the increased amount.

9.2.2 **Modifying Maturity Date**

Through the 'Tranche Value Dated Amendments' screen, you can:

Extend the maturity date

When extending the maturity date of the tranche, the system will ensure that the new date:

- does not exceed the product end date
- does not exceed the maturity date of the linked facility
- does not exceed the tranche end date defined at the facility level

Reduce the maturity date

When reducing/advancing the maturity date of the tranche, the system will ensure that the maturity date:

- Does not go beyond the product end date
- Is not earlier than the start date of the linked facility
- Is not earlier than the start date defined for the tranche at the facility level

- Is not earlier than the value date of the tranche
- Is not earlier than the maturity date of existing drawdowns under the tranche
- Is not earlier than the amendment date

To modify the maturity date, new date in the 'Modifications' section of the screen:

Maturity Date

Specify the new maturity date for the tranche as per you requirement, whether you want to extend or reduce the maturity date. Capture the date in 'DD-MMM-YYYY' format.

9.2.3 Saving Amendment

The amendment becomes effective only after you save the details. To save, click save icon in the toolbar of the screen or select **Save** from the **Actions** Menu. On successful save, the system displays a message to confirm the same.

The 'Current Values' section of the 'Amendments' tab displays the new values for the tranche.

The details are updated:

- Principal: (Old Principal) +/- (Change in Principal)
- Maturity Date: New Date

9.2.4 Viewing Schedule Details

After the amendment you can view the existing schedules as well as the one for the principal (for the increased/decreased amount) in the 'Amendment' tab of the screen:

9.2.4.1 Impact of Amendment

The system redefines the fee schedules and reduction schedules on increase/decrease of principal/maturity date, as mentioned below:

- If amount is decreased, reduction schedules are redefined on 'FIFO' basis
- If amount is decreased, amount gets added as a bullet reduction schedule
- If basis amount for the fee changes, fee repayment schedules are redefined as per the new amount.
- If maturity date is increased and if fee bullet schedule falls on the earlier maturity date, the bullet fee schedule and bullet reduction schedule will move to the new maturity date.
- If maturity date is decreased, one bullet schedule for fee and reduction will be inserted with the sum of reduction/fee amount which falls after the new maturity date.

9.2.5 Viewing MIS Details

To view the MIS details for the amended tranche, click the 'MIS' button.

The screenshot displays the MIS (Management Information System) interface. It features a top section with input fields for 'Contract Reference *', 'MIS Group', and a checked 'Link To Group' option. Below this, there are two main sections: 'Input' and 'Rate At'. The 'Input' section includes radio buttons for 'Related Reference' and 'Related Account', along with corresponding text boxes and selection icons. The 'Rate At' section includes radio buttons for 'Pool Code' and 'Contract Level', and a 'Rate Type' dropdown. To the right of these sections are fields for 'Floating Rate', 'Rate Code', 'Spread', and 'Cost Code'. Below these fields are several 'Reference Rate' entries. At the bottom of the window, there are tabs for 'Transaction MIS Code', 'Composite MIS Code', and 'Funds MIS Code'. The 'MIS Group' section shows a list of entries with corresponding input fields. At the very bottom, there are buttons for 'Rate', 'Amendment Rate', 'Change Log', 'Balance Transfer Log', 'Ok', and 'Exit'.

For more details on this screen, refer the MIS (Management Information System) User Manual

9.2.6 Maturity Date Change

If you change the maturity date of the borrower tranche contract, or the borrower draw down loan contract, the changed maturity date is applied to all the participant leg contracts under the tranche. The changed maturity date must fall within the tenor of the main syndication contract.

9.3 Making Value Date Amendments for a Drawdown

In Oracle FLEXCUBE, you can change values of the following components using the value dated amendment function for a drawdown:

- Modify the interest rate (for fixed rate type)
- Modify the spread (for floating rate type)
- Change the maturity date

You can enter value-dated changes to a borrower drawdown in the 'Drawdown Value Dated Amendments' screen. You can invoke this screen by typing 'LSDDDAMD' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The following details are displayed:

- Name of the product
- Counterparty Id and Name
- Contract Reference Number
- Start date of the drawdown
- Currency of the drawdown
- Reference Number of the facility under which the tranche is processed
- Number of drawdowns processed under the tranche

The 'Amendment' tab will display the following:

- Current Principal

- Current Maturity Date

To make an amendment, select the reference number of the drawdown you wish to amend and then click the 'Unlock' button to unlock the same. Alternatively, you can also select 'Unlock' from the Actions Menu.

9.3.1 **Modifying Maturity Date**

Specify the new maturity date for the drawdown as per your requirement. You can extend the maturity date to a later date or decrease the maturity date to an earlier date. The date should be specified in the 'DD-MMM-YYYY' format.

Note

In the case of cross currency draw downs a change in the maturity date will repopulate the schedules as per the modified maturity date.

For more information on modifying the maturity date for drawdown contracts, refer 'Modifying Maturity Date' under the section 'Making Value Dated Amendments for a Tranche' in this chapter.

10. Annexure A

10.1 Events, Advices and Accounting Entries

When you create products for borrower facility, tranche or draw down contracts, you must maintain the following accounting roles and amount tags:

Borrower Facility Product

Dr / Cr	Event	Accounting Role	Amount Tag
Dr	ADCH	CUSTOMER	adhoc_fee_component_ADCH
Cr	ADCH	adhoc_fee_componentINC	adhoc_fee_component_ADCH

10.1.1 Events for borrower facility products

- ADBK: Triggered when ad-hoc fee schedules are maintained for a contract that uses the product
- ADNT: Triggered when an ad-hoc fee notice is sent to the customer
- ADCH: Triggered when ad-hoc fees are liquidated for a facility contract that uses the product
- RADC: Triggered when the liquidation of an ad-hoc fee in respect of a facility contract that uses the product, is reversed

10.1.2 Advices for borrower facility product

The advices for borrower facility products are as follows:

Borrower Tranche or Draw Down Product

Event	Dr/Cr	Accounting Role	Amount Tag
DSBR	Dr	SYN_POOL	PRINCIPAL
DSBR	Cr	CR_SETTL_BRIDGE	PRINCIPAL
MLIQ	Dr	DR_SETTL_BRIDGE	PRINCIPAL_LIQD
MLIQ	Cr	SYN_POOL	PRINCIPAL_LIQD
MLIQ	Dr	DR_SETTL_BRIDGE	<interest_component>_LIQD
MLIQ	Cr	SYN_POOL	<interest_component>_LIQD
ADCH	Dr	DR_SETTL_BRIDGE	<adhoc_fee_component>_ADCH
ADCH	Cr	SYN_POOL	<adhoc_fee_component>_ADCH
ROLL	Dr	DR_SETTL_BRIDGE	PRINCIPAL_LIQD
ROLL	Cr	SYN_POOL	PRINCIPAL_LIQD
ROLL	Dr	DR_SETTL_BRIDGE	<interest_component>_LIQD
ROLL	Cr	SYN_POOL	<interest_component>_LIQD
ROLL	Dr	SROL_SUSPENSE	PRINCIPAL_ROLL
ROLL	Cr	SYN_POOL	PRINCIPAL_ROLL
ROLL	Cr	SYN_POOL	<interest_component>_ROLL
ROLL	Dr	SROL_SUSPENSE	<interest_component>_ROLL
ROBK	Dr	SYN_POOL	PRINCIPAL
ROBK	Cr	SROL_SUSPENSE	PRINCIPAL

For automatic liquidation products the following entries should be maintained:

Event	Dr/Cr	Accounting Role	Amount Tag
ALIQ	Dr	DR_SETTL_BRIDGE	PRINCIPAL_LIQD
ALIQ	Cr	SYN_POOL	PRINCIPAL_LIQD
ALIQ	Dr	DR_SETTL_BRIDGE	<interest_component>_LIQD
ALIQ	Cr	SYN_POOL	<interest_component>_LIQD

These following accounting entries are specific to tranche product:

BOOK

Accounting Role	Amount Tag	Dr./Cr. Indicator
ASSETGL	PRINCIPAL_FWD	Debit
ASSETOFF	PRINCIPAL_FWD	Credit

LINK

Accounting Role	Amount Tag	Dr./Cr. Indicator
ASSETGL	COMMUTIL_INCR	Credit
ASSETOFF	COMMUTIL_INCR	Debit

DLNK

Accounting Role	Amount Tag	Dr./Cr. Indicator
ASSETGL	COMMUTIL_DECR	Debit
ASSETOFF	COMMUTIL_DECR	Credit

10.1.2.1 Events for borrower tranche or draw down products

- ADBK: This event will be triggered when ad-hoc charge schedules are maintained for a contract.
- ADCH: This event will be triggered when ad-hoc charge is liquidated for a contract.
- RADC: This event will be triggered when ad-hoc charge liquidation is reversed for a contract
- ROBK - This event will be triggered when a rollover is booked.
- ROSL – This event will fire in the parent loan when a split rollover takes place. This will not have any underlying accounting entry.
- ROCL – This event will fire in all the underlying loans of the consolidated rollover when consolidation takes place. This will not have any underlying accounting entry

Reversal of Consolidated/Split Rollover will result in:

- REVV event in the parent contract(s)
- REVC contract in child contract(s)

The following events are available for generation of advices:

- DNOT: You can associate the Drawdown Notice Advice (MT643) for this event.
- EXFX: You can associate the Exchange Rate Fixing Advice (MT644) for this event.
- IRFX: You can associate the Interest Rate Fixing Advice (MT644) for this event.
- ADNT: You can associate the Fee Liquidation Notice (MT645) for this event. You are allowed to define Fee Notice Advice for this event.
- MLIQ/ALIQ: You can associate the Principal or Interest Payment (MT646) for this event.

10.1.3 Participant facility, tranche or draw down product

Dr / Cr	Event	Accounting Role	Amount Tag
Dr	INIT	CUSTOMER	PRINCIPAL
Cr	INIT	SYN_POOL	PRINCIPAL
Dr	LIQD	SYN_POOL	PRINCIPAL_LIQD
Cr	LIQD	CUSTOMER	PRINCIPAL_LIQD
Dr	LIQD	SYN_POOL	iccf_component_LIQD
Cr	LIQD	CUSTOMER	iccf_component_LIQD
Dr	ROLL	SYN_POOL	PRINCIPAL_LIQD
Cr	ROLL	CUSTOMER	PRINCIPAL_LIQD
Dr	ROLL	SYN_POOL	iccf_component_LIQD
Cr	ROLL	CUSTOMER	iccf_component_LIQD
Dr	ADCH	SYN_POOL	adhoc_fee_component_ADCH
Cr	ADCH	CUSTOMER	adhoc_fee_component_ADCH
Dr	RNDP	SYN_POOL	PRINCIPAL
Cr	RNDP	SYN_RNDINC	PRINCIPAL
Dr	RNDP	SYN_POOL	PRINCIPAL_LIQD
Cr	RNDP	SYN_RNDINC	PRINCIPAL_LIQD
Dr	RNDP	SYN_POOL	PRINCIPAL_ADDL
Cr	RNDP	SYN_RNDINC	PRINCIPAL_ADDL
Dr	RNDP	SYN_POOL	lccf_component_LIQD
Cr	RNDP	SYN_RNDINC	lccf_component_LIQD
Dr	RNDP	SYN_POOL	Adhoc_fee_component_ADCH
Cr	RNDP	SYN_RNDINC	Adhoc_fee_component_ADCH
Dr	RNDL	SYN_RNDEXP	PRINCIPAL
Cr	RNDL	SYN_POOL	PRINCIPAL
Dr	RNDL	SYN_RNDEXP	PRINCIPAL_LIQD
Cr	RNDL	SYN_POOL	PRINCIPAL_LIQD
Dr	RNDL	SYN_RNDEXP	PRINCIPAL_ADDL
Cr	RNDL	SYN_POOL	PRINCIPAL_ADDL
Dr	RNDL	SYN_RNDEXP	iccf_component_LIQD

Cr	RNDL	SYN_POOL	iccf_component_LIQD
Dr	RNDL	SYN_RNDEXP	adhoc_fee_component_ADCH
Cr	RNDL	SYN_RNDPOOL	adhoc_fee_component_ADCH
Dr	MRGP	SYN_POOL	iccf_component_LIQD
Cr	MRGP	iccf_componentMIN	iccf_component_LIQD
Dr	MRGP	SYN_POOL	adhoc_fee_component_ADCH
Cr	MRGP	adhoc_fee_componentMIN	adhoc_fee_component_ADCH
Dr	ROLL	DR_SETTL_BRIDGE	PRINCIPAL_LIQD
Cr	ROLL	SYN_POOL	PRINCIPAL_LIQD
Dr	ROLL	DR_SETTL_BRIDGE	<interest_component>_LIQD
Cr	ROLL	<Interest_component>REC	<interest_component>_LIQD
Dr	ROLL	SROL_SUSPENSE	PRINCIPAL_ROLL
Cr	ROLL	SYN_POOL	PRINCIPAL_ROLL
Dr	ROLL	SROL_SUSPENSE	interest_component_ROLL
Cr	ROLL	<Interest_component>REC	interest_component_ROLL
Dr	ROBK	SYN_POOL	PRINCIPAL
Cr	ROBK	SROL_SUSPENSE	PRINCIPAL
Dr	DSBR	SYN_POOL	PRINCIPAL
Cr	DSBR	CR_SETTL_BRIDGE	PRINCIPAL

10.1.3.1 **Events for participant facility, tranche or draw down contracts**

The following events are available for definition of accounting entries and advices, all being propagated when the same event is triggered in respect of the related borrower side contract, unless mentioned otherwise.

- BOOK
- CAMD
- EXFX
- ADBK
- ADNT
- ADCH
- INIT
- IRFX
- LIQD
- NOTC

- PRAM
- REVP
- REVC
- SGEN
- MRGP: Triggered whenever an interest, fee or ad-hoc fee amount is disbursed to the participant and there is a skim margin profit associated with the disbursement. You must associate the skim margin amount tags as part of this event.
- RNDP: Triggered on the rounding participant contract, whenever the amount collected from the borrower for a component is more than the amount disbursed to the participants because of rounding differences.
- RNDL: Triggered on the rounding participant contract, whenever the amount collected from the borrower for a component is less than the amount disbursed to the participants because of rounding differences.

10.1.3.2 Advices for participant facility, tranche or draw down products

The following advices are available:

- Contract Booking or Renewal (MT643): You can set up this advice to be generated as part of the DNOT event.
- Interest Rate Fixing or Exchange Rate Fixing (MT644): You can set up these advices to be generated as part of the EXFX and IRFX events respectively.
- Fee Liquidation (MT645): You can set up this advice to be generated as part of the ADNT event.
- Principal or Interest Payment (MT646): You can set up this advice to be generated as part of the LIQD events.

10.1.4 List of events available for loan syndication modules

The following table lists the details of all events in loan syndication modules, with the appropriate propagation type for each:

Event Code	Event Description	Propagation Type
ACCR	Interest Accrual	Not required
ADBK	Adhoc Fee Booking	Not Required
ADNT	Adhoc Fee Notice Generation	Required
ADCH	Ad-hoc Charge Liquidation	Required
BOOK	Contract Booking	Required
CAMD	Contract Amendment	Required
DLNK	Release of Linkage to Loan	Not required
DNOT	Drawdown Notice Generation	Required
EXFX	Exchange Rate Fixing	Required
INIT	Contract Initiation	Required
IRFX	Interest Rate Fixing	Required
LINK	Linkage to Loan	Not required

LIQD	Liquidation	Required
NOTC	Billing Notice Generation	Required
PRAM	Participant Amendment	Required
RADC	Adhoc Fee Reversal	Required
REAS	Reassign User	Not required
RESD	Reversal of Residual Accrual	Not required
REVC	Contract Reversal	Required
REVN	Rate Revision	Required
REVP	Reversal of Payment	Required
ROBK	Rollover Booking	Required
ROLL	Rollover of Contract	Required
SGEN	Settlement Message Generation	Required
VAMB	Value Dated Amendment Booking	Required
VAMI	Value Dated Amendment Initiation	Required
INOT	Interest Rate Notice Generation	Required
ENOT	Exchange Rate Notice	Required
ROCL	Consol Rollover of Contract	Required
ROSL	Split Rollover of Contract	Required

11. SWIFT Messages for Loan Syndication

11.1 SWIFT Messages

The SWIFT messages generated by the system during the life cycle of a tranche or draw down contract under a syndication contract are detailed in this annexure:

SWIFT Message Type	Related to	Purpose	When Generated	Events in Oracle FLEXCUBE	Mail Equivalent
MT 643	Participant side Draw-down Input	Provides notice of the borrower(s)' request for draw down(s)/ renewal(s) on a given date	N days prior to the value date of the draw down, where N is the notice days specified on defining the Syndication Product	DNOT	SWIFT MT643
MT644	Participant side Draw Down input	Specifies the interest rate and, if applicable, the exchange rate, for the next interest period	On initiation of a draw down under tranche or on value dated amendments	IRFX/ EXFX	SWIFT MT644
MT645	Fee Liquidation	Specifies flat and variable fees, related to one facility, due to the Receiver	On Manually liquidating the Fees	MLIQ/LIQD	SWIFT MT645
MT646	Tranche Fee Notice Advice	Advises of Payments and/or pre-payments of principal and/or interest on the same value date, not related to any subsequent drawings or renewal	On Repayment or prepayment of the draw down	ADNT	SWIFT MT646

MT649	Free Format	Provides for communications related to syndicated facilities for which no specific messages has been defined	At the discretion of the sender	NA	NA
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11.1.1 SWIFT Tags and Oracle FLEXCUBE Fields Linkage - MT 643

11.1.1.1 Notice of Draw Down Renewal

SWIFT Tag	Field Name	Mandatory (M) / Optional (O)	Field / FFT Code	Field / FFT Code name in Oracle FLEXCUBE
20	Transaction reference Number	M	Field	Contract Reference Number
21	Related Reference	O	Field	Related Reference Number if specified in the contract.
23	Further Identification	M	Field	Syndication Contract reference to which the present tranche is attached
88D	Borrower	M	Field	CIF id of the borrower specified in the tranche contract
32A	Original Facility Amount	M	Field	The value date and Amount specified in the Syndication contract to which the present tranche is attached
26N	Drawing Identification	M	Field	The Draw Down Currency and number specified in the LS Draw Down schedules Screen (under Borrower leg contract)
31F	Draw Down Period	M	Field	The draw down date and tenor* specified in the LS Draw Down schedules Screen (under Borrower leg contract)*The end date of the draw down is arrived at using the draw down date and tenor
32B	Amount of Draw Down	M	Field	The Amount specified in the LS Draw Down schedules Screen (under Borrower leg contract)
33B	Receiver's Participation	M	Field	The Amount arrived using the draw down amount and the participation ratio specified in the Participant (Receiver) leg of the tranche contract
72	Sender to Receiver Information at Settlement Instructions	O	Field	The Sender to Receiver Information maintained in the Settlement Instructions

11.1.1.2 MT 643 – A Sample

Sample MT643 Message
{1:F01AMBKWASHIXX1111111111}
{2:I643JARDINEFXXXXN}
{4:
:20:000LRCP010010009
:21:
:23:000LGEN010010003
:88D:BAKER01
:32A:19990101USD1000000000,
:26N:USD/1
:31F:2001010120020101//
:32B:USD100000,
:33B:USD80000,
:72:/PHON/
-}

11.1.2 SWIFT Tags and Oracle FLEXCUBE Fields Linkage - MT 644

11.1.2.1 Advice of Rate and Amount Fixing

SWIFT Tag	Field Name	Mandatory (M) / Optional (O)	Field / FFT Code	Field / FFT Code name in Oracle FLEXCUBE
20	Transaction reference Number	M	Field	Contract Reference Number
21	Related Reference	O	Field	Related Reference Number if specified in the contract.
88D	Borrower	M	Field	CIF id of the borrower specified in the Draw Down contract
32A	Original Facility Amount	M	Field	The value date and Amount specified in the Syndication contract to which the present draw down is attached

26N	Drawing Identification	M	Field	The Draw Down Currency and number of Draw Downs (under the tranche) specified in the Draw Down Contract
31F	Interest Period	M	Field	The Value date and Maturity date of the draw down is specified in the Draw Down Contract
37G	Basis Rate	M	Field	The Interest rate specified in the Participant Leg Contract
72	Sender to Receiver Information at Settlement Instructions	O	Field	The Sender to Receiver Information maintained in the Settlement Instructions

11.1.2.2 MT 643 – A Sample

Sample MT644 Message
{1:F01AMBKWASHIXXX111111111}
{2:I644BANKAMERXICAN}
{4:
:20:000DFPN013650007
:21:
:88D:GENMO01
:32A:20011226USD2000000000,
:26N:USD/2
:31F:2001123120020331//
:37G:18,
:72:/PHON/
-}

11.1.3 SWIFT Tags and Oracle FLEXCUBE Fields Linkage - MT 645

11.1.3.1 Notice of Fee Due

SWIFT Tag	Field Name	Mandatory (M) / Optional (O)	Field / FFT Code	Field / FFT Code name in Oracle FLEXCUBE
20	Transaction reference Number	M	Field	Contract Reference Number
21	Related Reference	O	Field	Related Reference Number if specified in the contract .
88D	Borrower	M	Field	CIF id of the borrower specified in the Tranche contract
32A	Original Facility Amount	M	Field	The value date and Amount specified in the Syndication contract to which the present Tranche is attached

23	Type of Fee	M	Field	The Fee component as described by the user in the charge definition screen of the Participant Product
31F	Fee Period	M	Field	The Value date of Fee Liquidation
34B	Fee Amount	M	Field	Fee Credited to the Customer
33A	Total Fees	M	Field	Fee Credited to the Customer
72	Sender to Receiver Information at Settlement Instructions	O	Field	The Sender to Receiver Information maintained in the Settlement Instructions

11.1.3.2 MT 645 – A Sample

Sample MT645 Message
{1:F01AMBKWASHIXXX1111111111}
{2:I645JARDINEFXXXXN}
{4:
:20:000LNCP010010018
:21:
:88D:IBNIN01
:32A:19900101USD1000000000,
:23:Syndication non rev fees
:31F:2001123120011231
:34B:USD600,
:33A:600,
:72:/PHON/
-}

11.1.4 SWIFT Tags and Oracle FLEXCUBE Fields Linkage - MT 646

11.1.4.1 Payment of Principal and/or Interest

SWIFT Tag	Field Name	Mandatory (M) / Optional (O)	Field / FFT Code	Field / FFT Code name in Oracle FLEXCUBE
20	Transaction reference Number	M	Field	Contract Reference Number
21	Related Reference	O	Field	Related Reference Number if specified in the contract.
23	Type of transaction	M	Field	The type of transaction.
88D	Borrower	M	Field	CIF id of the borrower specified in the Drawdown contract

32A	Original Facility Amount	M	Field	The value date and Amount specified in the Syndication contract to which the present Tranche is attached
26P	Drawing Identification	M	Field	Contract Reference Number of the Borrower Leg
32A	Total Principal Amount Repaid/Paid	M	Field	The Value date and Total amount Paid in the Borrower Leg Contract
32N	Principal Amount Due to the Receiver	O	Field	The Value Date of the payment and The share of Principal Paid due to the receiver
33N	Gross Interest Amount Due to the Receiver	O	Field	The Value Date of the payment and The share of Interest Paid due to the receiver
34A	Total Amount Transferred	O	Field	The sum of receiver's share of Principal and Interest Paid
72	Sender to Receiver Information at Settlement Instructions	O	Field	The Sender to Receiver Information maintained in the Settlement Instructions

11.1.4.2 MT 646 – A Sample

Sample MT646 Message
{1:F01AMBKWASHIXX1111111111}
{2:I646BANKAMERXICAN}
{4:
:20:000DFNP010010001
:21:
:23:000LGEN010010001
:88D:GEIND01
:32A:19990101USD1000000000,
:26P:000LFNB010010001
:32A:20010630USD60000000,
:32N:20010630USD18000000,
:33N:20010630USD106520,55
:34A:1906520,55
:72:/PHON/
-}

11.1.5 SWIFT Tags and Oracle FLEXCUBE Fields Linkage - MT 649

11.1.5.1 General Syndicated Facility Message

SWIFT Tag	Field Name	Mandatory (M) / Optional (O)	Field / FFT Code	Field / FFT Code name in Oracle Flexcube
20	Transaction reference Number	M	Field	System Generated
21	Related Reference	O	Field	User Input.
88D	Borrower	M	Field	User Input
79	Narrative	M	FFT	User Input

11.1.5.2 MT 649 – A Sample

Sample MT649 Message
{1:F01AMBKWASHIXX1111111111}

{2:1199BANKAMERXICAN}
{4:
:20:000ZFFT013650002
:21:NONE
:88D:GE ELECTRIC CORPORATION INC
:79:ATTN : MR SMITH JOHNSON
PLEASE ACKNOWLEDGE THE RECEIPT OF
THE COPY OF GE'S BOARD RESOLUTION
FORWARDED TO YOU ON 29.12.2001
-}

12. Customer Correspondence

12.1 Introduction

This chapter explains the various types of advices and notices generated at each stage for the type of contract that the Loans Syndication (LS) module handles.

The following fields are common to all the Advices/Notices sent to the customer:

- The Standard FAX Header
- The System Date
- The name of the Contact person and his address (may include Fax/Phone No)
- The name of the customer (addressee)
- The Ref No of the facility contract, the facility amount and currency and the date on which the contract is booked in the system
- The name of the borrowing customer
- The details of sender of the advice/notice (Administrator's name and address)

The following details will form the part of all the drawdown notices generated at your bank:

- Interest rate fixing date
- Exchange rate fixing date

Note

Please note that the default borrower of a facility may be different from the default borrower of its tranche. Likewise, the default borrower of a tranche may be different from the default borrower of its drawdown. Hence, the borrower field in all the advices will be populated based on the type of the contract, whether facility, tranche or a drawdown, for which the advice is being sent.

12.2 Drawdown Notices

This section discusses the notices generated for Drawdowns.

12.2.1 New Drawdown Notice to the Borrower

You can generate this notice to inform the borrowing customer about the new drawdown that is due to him.

The drawdown notice to the borrower contains the following information:

- The reference number of the tranche to which the new drawdown loan is linked
- The date on which the drawdown is booked in the system
- The period for interest calculation
- The Maturity Date of the drawdown
- The tranche currency (Base Ccy) and amount
- The drawdown currency (Optional Ccy) and amount
- The following Settlement Instructions details
 - 'Acc with bank' name and address
 - The beneficiary account number at 'Account with bank'

- The purpose of the syndication - The message type for the Borrower Drawdown Notice will be DRAWDOWN_NOTC and that for the Participant Drawdown Notice will be PART_DDOWN_NOTC.

12.2.2 New Drawdown Notice to the participant bank

You can generate this notice to inform the participant bank about the new drawdown that is due to the customer.

All the fields available in the 'New Drawdown Notice to the Borrower' will be available in this notice. In addition, the following fields will be included:

- The name of the borrowing customer
- The amount contributed by the participant bank and the base currency in which it is expressed
- The participant's amount in the optional currency
- The following Settlement Instructions
 - The name of the beneficiary's bank name, account no and address

If you have chosen the SWIFT media for sending the advice, then instead of the above mail format, the corresponding SWIFT message, MT643 will be generated.

12.3 Exchange Rate Fixing Advices

This section discusses the advices generated for exchange rates.

12.3.1 Exchange Rate Fixing Advice to Borrower for new Drawdown

If the drawdown currency is different from the currency of the tranche under which it is initiated or the account to which it is linked, you would use the exchange rates maintained at your bank for the currency conversions.

You can send an 'Exchange Rate Fixing Advice' to the borrowing customer when a new drawdown is initiated for the customer.

The following details will be included in this advice:

- The reference number of the tranche to which the new drawdown loan is linked
- The date on which the drawdown is booked in the system
- The period for interest calculation
- The Maturity Date of the drawdown
- The exchange rate used for the currency conversion
- The currency (Base Ccy) of the tranche contract to which the new drawdown is linked
- The Base currency equivalent of the amount in the drawdown currency.
- The drawdown currency (Optional Ccy)
- The drawdown amount, expressed in the optional currency
- The following Settlement Instructions:
 - 'Acc with bank' name and address
 - The beneficiary account number at 'Account with bank'
- The purpose of the syndication

Note

The Message Type for the Borrower Exchange Rate Fixing Advice will be BORR_EXFX-
_ADV and that for the Participant Exchange Rate Fixing Advice will be PART_EXFX_ADV.

12.3.2 Exchange Rate Fixing Advice to Participant for new drawdown

When you initiate a new drawdown for the borrowing customer, you can send an Exchange Rate Fixing Advice to the participant bank also. To recall, exchange rate is fixed only if the drawdown currency is different from the currency of the tranche under which is initiated or the account to which it is linked. The exchange will be used for currency conversions.

All the fields (excluding Standing Instructions fields) available in the 'Exchange Rate Fixing Advice' sent to the borrowing customer will be available in this advice also. In addition, the following informations will also be included:

- The name of the borrowing customer
- The participant's contribution in the currency of the tranche (Base Currency) under which the drawdown contract is linked.
- The participant's contribution in the drawdown currency (Optional Ccy).
- Settlement Instructions like:
 - The name of the Beneficiary's bank, the beneficiary account number and address.

Note

If you have chosen the SWIFT media for sending the advice, then instead of the above mail format, the corresponding SWIFT message, MT644 will be generated.

12.4 Interest Rate Fixing Advices

This section discusses the advices generated for interest rates.

12.4.1 Interest Rate Fixing Advice to borrower for new drawdown

If the product specified for the tranche or draw down loan has a 'Fixed' rate of interest, the same will be applicable on the drawdown loan. However, you can change this rate at the contract level. If a 'Floating' rate has been defined for the product, the rate attached to the specified Rate Code, in the Floating Rates table, will be applicable. You can change the rate code by using the Value Dated Changes function.

After the appropriate interest rate has been fixed for the new drawdown loan initiated at your bank, you can send an 'Interest Rate Fixing' advice to the borrowing customer.

The Interest rate fixing advice will include the following details:

- The reference number of the tranche to which the new drawdown loan is linked
- The date on which the drawdown is booked in the system
- The period for interest calculation
- The maturity date of the drawdown
- The amount of the drawdown loan
- If you have applied a floating interest rate on the drawdown, the Spread (LIBOR basis) that is applied over the floating interest rate
- The margin applied on the interest rate

- The interest/lending rate applied on the drawdown
- The purpose of the syndication

Note

The Message Type for the Borrower Interest Rate Fixing Advice will be BORR_IRFX_ADV and that for the Participant Interest Rate Fixing Advice will be PART_IRFX_ADV.

12.4.2 Interest Rate Fixing Advice to Participant for new Drawdown

Just as you send an 'Interest Rate Fixing' Advice to the borrowing customer, you may send an Interest Rate Fixing Advice to the participant bank as well, at the time of initiating a new drawdown for the borrowing customer.

All the fields available in the advice sent to the borrower will be available in the advice to the participant bank also. In addition, the following additional fields will be included:

- The name of the borrowing customer
- The Participant's contribution in the currency of the tranche (Base Currency) under which the drawdown contract is linked.
- The Participant's contribution in the drawdown currency (Optional Currency).

Note

If you have chosen the SWIFT media for sending the advice, then instead of the above mail format, the corresponding SWIFT message, MT644 will be generated.

12.5 Ad-hoc Fee Due Notice

This section discusses the notices generated for Ad-hoc fees.

12.5.1 Ad-hoc Fee Due Notice to Borrower

You can generate this notice to inform the borrowing customer when an ad hoc fee is due.

The ad hoc fee due notice to the borrower contains the following information:

- The reference number of the Tranche contract
- The reference number of the Drawdown Contract (only if applicable)
- The ad hoc Fee Amount
- The Currency of Fee
- The Value Date of contract
- The Settlement Instructions details:
 - 'Acc with bank' name and address
- The Account number at 'Account with bank'
- The purpose of the syndication

Note

The Message Type for Borrower Ad-Hoc Fee Due Notice will be ADHOC_FEE_NOTC and that for Participant Ad-Hoc Fee Due Notice will be PART_ADHOC_NOTC

12.5.2 Ad-hoc Fee Due Notice to Participant

You can generate this notice to inform the participant about the ad hoc fee that is due to him.

The ad hoc fee due notice to the participant contains the following information:

- The reference number of the Tranche contract
- The reference number of the Drawdown Contract (only if applicable)
- The name of the Borrower customer
- The Fee Amount Due to or Due from Participant
- The Currency of Fee
- The Value Date of the contract
- The Settlement Instructions in case the ad hoc fee is due from Participant:
 - The 'Acc with bank' name and address
- The Account number at 'Account with bank'
- The purpose of the syndication

In case you have chosen the media as SWIFT, an MT645 will be generated instead of the above mail format.

12.6 Advice of Payment of Principal and/or of Interest

This notice is generated to inform the participant about the payments and/or prepayments of principal and/or payment of interest on the same value date and which belong to the same drawdown contract.

The agent of a facility sends this notice to the participants and the notice specifies the amounts with respect to principal and/or interest.

The advice notice to the participant contains the following information:

- The Tranche reference number
- The Drawdown Reference Number
- The CIF id of the Borrower
- The Optional Currency and Drawdown amount
- The Base Currency and Base Amount
- The details of the Interest Calculation:
 - The Interest rate
 - The Computation Base Amount
 - The Interest Period
 - The Interest Amount
- The details of the Principal Payment/Sum of Interest Due:
 - The Total Principal Amount Repaid/Prepaid
 - The Principal Amount Due to Receiver
 - The Gross Interest Amount Due to Receiver
 - The Charges/Fees/Taxes deducted (if any)
 - The Net Interest Amount Due to Receiver
 - The Total Amount Transferred
- The purpose of the syndication

Note

The message type for payment advice will be PART_PAYMENT_ADV.

In case you have chosen the media as SWIFT, an MT646 will be generated instead of the above mail format.

12.7 Billing Notice

This section discusses the notices generated for bills.

12.7.1 Billing Notice to Borrower

This notice is sent to the borrower to indicate the amount due from him and the date on which it is due. This is like a normal notice indicating that a schedule is falling due so that the customer (borrower) can arrange for funds to be made available in his account.

The Billing Notice to Borrower contains the following additional information apart from generic information already mentioned:

- Facility Reference Number
- Tranche Reference Number
- Contract Currency
- Component
- Due Date
- Amount Due
- The message type for billing notice to borrower is LS_BILLNOTC

12.7.2 Billing Notice to Participant

This notice is sent to the participant to indicate that a specified amount (as was due and received from the borrower) has been deposited into the participant's account. The message type for billing notice to participant is LS_PARTBILLNOTC.

The Billing Notice to Participant contains the following additional information apart from generic information already mentioned:

- Rate
- Basis Amount
- Participant Amount
- No of Days
- Beneficiary Institution

12.8 Rate Revision Notice

This section discusses the notices generated for rate revisions.

12.8.1 Rate Revision Notice to Borrower

This notice is sent to the borrower to indicate the interest rate fixing date.

The Rate Revision Notice to Borrower will include the following details.

- The reference number of the tranche to which the drawdown loan is linked

- The date on which the drawdown is booked in the system
- The period for interest calculation
- The maturity date of the drawdown
- The amount of the drawdown loan
- The interest fixing date

Note

The message type for rate revision notice to borrower will be LS_REVN_NOTC and that for the participant will be LS_PART_RVNNTC.

12.8.2 Rate Revision Notice to Participant

This notice is sent to the participant to indicate the interest rate fixing date. The rate revision notice to the participant will include the similar details as the borrower rate revision notice. The message type for rate revision notice to participant will be LS_PART_RVNNTC.

13.1 Introduction

You can generate the following reports for the Loans Syndication (LS) module of Oracle FLEXCUBE:

- Participant Drawdown Contribution Report
- Participant Tranche Contribution Report
- Commitment Fee Due Report
- Commitment Fee Paid Report
- Tranche Drawdown Detail Report
- Drawdown Interest Due Report
- Participant Drawdown Repayment Detail Report
- Facility Borrower Contact Detail
- Tranche Borrower Contact Detail
- Drawdown Borrower Contact Detail
- Active Facility Drawdown Detail
- Facilities Detail Report
- Participant Facility Detail Report
- User Operations Detail
- Administrator Facility Detail
- Borrower Facility Detail
- Ad-hoc Fee Detail Report
- Participant Ad-hoc Fee Report
- Facility Tranche Volume Detail Report
- Facility Utilization Detail Report
- Syndication Volume Detail Report
- Participant Transfer Detail Report
- Fiscal Diary Report
- Fiscal Documentation Diary Detail Report
- New Base Records Report
- FX Unconfirmed Analysis – 1 Day Report
- Outstanding FX Contracts Report
- Outstanding FX Contracts with NPV Profit/Loss Report
- MM Unconfirmed Contracts Report
- FX Unconfirmed Contracts Report
- Comfort- Potential Errors Report
- FX Summary Report
- MM Summary Report
- FX Contracts- Cancelled Report after Cable Sent Report
- MM Contracts- Cancelled Report after Cable Sent Report
- NPV Handoff- Exceptions Report
- Reversed MM Contracts Report

Each of the above reports is discussed in detail, in the following sections of this document.

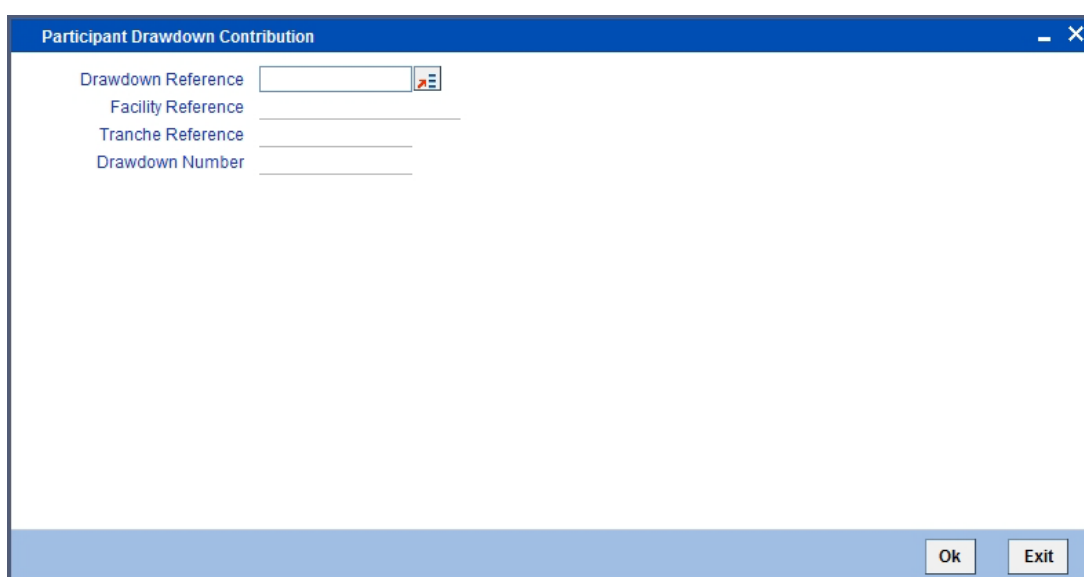
13.2 Participant Drawdown Contribution Report

The banks or financial institutions that pool funds to meet the borrowing requirements of customers along with the syndication agency are known as participants. This report gives the details of all the participants involved in disbursing the loan and the amount contributed by each participant towards the drawdowns.

13.2.1 Selection Options

You can indicate preferences for the generation of the report. The contents of the report will be determined by the preferences that you indicate.

You can invoke this screen by typing 'LSRPPADC' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The screenshot shows a window titled "Participant Drawdown Contribution". It contains four input fields: "Drawdown Reference" (with a dropdown arrow), "Facility Reference", "Tranche Reference", and "Drawdown Number". At the bottom right, there are "Ok" and "Exit" buttons.

The preferences that you can specify are as follows:

- Based on a specific Drawdown Reference number. On selection of the drawdown, the corresponding Facility Reference number and the Tranche Reference number under which the selected drawdown is initiated will also be displayed.
- If you select the 'All' option, the details of all the drawdowns initiated under all the Facility and Tranche contracts of your bank will be displayed in the report.
- If you choose a specific drawdown, its sequence number will also be displayed.

13.2.2 Contents of the Report

The contents of the 'Participant Drawdown Contribution' report are discussed under the following heads:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the Report

The following details of the participants will be displayed in this report:

Facility Ref No	The Contract Reference Number of the borrower facility contract (main syndication contract) finalized between the borrowing customer and one or more participants.
Tranche Ref No (Filter field)	Under the main syndication contract, this is the Reference Number of the tranche under which the drawdown loan contracts are initiated.
Drawdown Reference No	This is the contract reference number of the drawdown that is defined under a tranche of the main syndication contract.
User Ref No	The User Reference Number.
Counterparty	The counterparty name
Drawdown Currency	The currency in which the draw down loan amount is expressed.
Drawdown Amount	The amount that is drawn under each draw down loan linked to the tranche.
Customer (participant) Name	Name of the participants in the tranche contract to which each of the drawdown loan contract is linked.
Drawdown Base Currency	The currency in which the draw down amount allotted to each participant is expressed.
Drawdown Base Amount	The drawdown amount for each participant, expressed in the currency of the tranche under which it is defined.
Drawdown Date	The date on which each draw down loan (defined under the tranche) is requested by the borrower, based on the syndication contract.
Tenor	The tenor of a scheduled draw down loan under a tranche.
Maturity Date	The date on or before which all tranches and drawdowns under the syndication contract is scheduled to mature.
Exchange Rate	The exchange rate that is used if the draw down currency is different from the currency of the tranche contract or the account to which it is linked.
Component	The type of component
Rate	The interest rate that is applied on the participant leg tranche or draw down contracts under the syndication contract.
Interest Type	The method according to which the number of days is computed for calculation of interest for each participant in the syndication contract.

Participant Number	The number allotted to each participant of the drawdown contract.
Name	The name of the participant
Contact Name	You can maintain several entities for each participant/borrower. An entity is an additional dimension in the customer address (eg. Admin, Finance, HR etc. may different dimensions of a corporate customer). This is the name of the entity for each participant. All correspondence for the customer will be sent to this entity.
Allocation Amount	The drawdown amount contributed by each participant in a syndication contract.
DD Currency	This is the currency in which the amount of the borrower tranche contract is expressed.
Base Currency Amount	This is the currency amount in which the borrower tranche contract amount is expressed.
Base Currency	This is the currency in which the borrower tranche contract amount is expressed.

The report also gives the sum total of the allocation/participant amount and the totals of the allocated amount in the tranche currency.

13.3 Participant Tranche Contribution Report

This reports describes the details of all the participants involved in the syndication contract, their original commitment amount and the actual amount available.

13.3.1 Selection Options

You can generate this report to obtain the participant details for:

- A specific tranche (in this case the reference number of the facility contract under which the selected tranche is booked will also be displayed), or
- All tranche contracts disbursed at your bank till date.

You can invoke this screen by typing 'LSRPPTCO' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

13.3.2 Contents of the Report

The contents of the participant tranche contribution report are discussed under the following heads:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the Report

The following details of the participants will be displayed in this report:

Facility Ref No	The Contract Reference Number of the borrower facility contract (main syndication contract) finalized between the borrowing customer and one or more participants.
Value Date	The date on which the main syndication contract is initiated in the system.
Amount	The amount agreed upon between the borrowing customer and the participants of the main syndication contract.
User Ref No	The User Reference Number.
Maturity Date	The date on or before which all tranches and drawdowns under the borrower facility contract is scheduled to mature.
Counterparty	The name of the counterparty
Tranche Ref No (Filter Field)	Under the main syndication contract, this is the Reference Number of the tranche under which the draw down loan contract is initiated.
Participant ID	The ID allotted to each participant of the main syndication contract.

Participant Name	Name of the participants involved in the main syndication agreement with the borrowing customer.
Contact Name	This is the name of the entity for each participant. All correspondence for the customer will be sent to this entity.
Address	The address of the participant for correspondence. The address can include Telephone number/Telex Code/GCN Code/Fax No/e-mail address of the participant.
Commitment Currency	The currency in which the commitment contracts between each player in a tranche (i.e., the borrowing customer and the participants) is entered into.
Original Amount	The contribution of each participant as agreed upon at the level of a tranche opened under the main syndication contract.
Available Amount	The actual amount contributed by a participant as drawdowns under a tranche of the main syndication contract.

The report will also display the totals of the original commitment amount and the sum of the available commitment amount as of date.

13.4 Commitment Fee Due Report

The Commitment Fee Due Report describes the fee amount due from the borrowing customer over a given period and its logical distribution amongst the participants who had contributed in meeting the loan requirements of the customer.

If you generate the report manually (from the Reports Browser), you can specify preferences for the generation of the report. The content of the report is determined by the following preferences.

- The commitment fee due from customers over a specific period i.e. the 'From' and 'To' dates.
- The Tranche Reference number for which commitment fee details have to be obtained. If you select the 'ALL' option, the fee details for all the Tranche contracts will be included in the report.

13.4.1 Contents of the Report

The contents of the commitment fee due report are discussed under the following heads:

Header of the Report

The following fields will be displayed in the header of the report:

Facility Ref No/ Borrower Name	The Contract Reference Number of the borrower facility contract and the name of the borrowing customer with whom you have finalized the syndication contract.
Tranche Ref No (Filter Field)	Under the main syndication contract, this is the Reference Number of the tranche under which drawdown loan contracts are initiated.

Component Name	This is the fee component applicable for the borrower leg contract. This is the component that is tracked across the borrower and the participant legs of the tranche or draw-downs under the tranche.
Tranche Currency	The currency of the commitment contract at the level of a tranche that is opened under the main syndication contract.
Commitment Fees calculated for the period: Amount, Period (Days), Interest Rate	<p>Amount: This is the fee amount, calculated for a given period and distributed to each of the participants involved in the contract.</p> <p>Period: This is the period (in days) for which the fee is calculated.</p> <p>Interest Rate: This is the interest rate that is applied on the participant leg tranche or draw down contracts under the syndication contract.</p>

Body of the Report

The following details of the participants will be displayed in the report:

Customer (Participant) No (Sort Field)	The number allotted to each participant of the drawdown contract.
Customer (Participant) Name	Name of the participants in the tranche contract to which each of the drawdown loan contract is linked.
Contact Name	This is the name of the entity for each participant. All correspondence for the customer will be sent to this entity.
Fee Currency	The currency in which the fee amount is computed.
Fee Amount	This is the amount to be distributed to each of the participants, out of the liquidated fee amount of the borrower leg contract.
Skim Margin Amount	Typically, all the participants would share the interest earned on the drawdown loans in the ratio of their participation. However, the syndication agency can decide to give a lesser percentage to each participant. This difference between the asset (share as per the participation ratio) and income (actual share received) ratio is known as the skim margin amount. The skim margin amount is the syndication agency's profit on the commitment.

The report will also display the totals of the fee amount that is distributed among all the participants.

13.5 Commitment Fee Paid Report

This report describes the details of fee amount that is actually collected from the borrowing customer over a given period and its actual distribution amongst the participants who had contributed in meeting the loan requirements of the customer.

You can generate this report based on the following preferences:

- The commitment fee paid by customers over a specific period i.e. the 'From' and 'To' dates.
- The Tranche Reference number for which commitment fee paid details have to be obtained. If you select the 'ALL' option, the fee details for all the Tranche contracts will be included in the report.

13.5.1 Contents of the Report

The contents of the commitment fee paid report are discussed under the following heads:

Header of the Report

The following fields will be displayed in the header of the report:

Facility Ref No/ Borrower Name	The Contract Reference Number of the borrower facility contract and the name of the borrowing customer with whom you have finalized the syndication contract.
Tranche Ref No (Filter Field)	Under the main syndication contract, this is the Reference Number of the tranche under which drawdown loan contracts are initiated.
Component Name	This is the fee component applicable for the borrower leg contract. This is the component that is tracked across the borrower and the participant legs of the tranche or drawdowns under the tranche.
Tranche Currency	The currency of the commitment contract at the level of a tranche that is opened under the main syndication contract.
Commitment Fees Received	Fees that is received from the borrowing customer towards the commitment contract.

Body of the Report

The following details of the participants will be displayed in the report:

Customer (Participant) No (Sort Field)	The number allotted to each participant of the drawdown contract.
Customer (Participant) Name	Name of the participants in the tranche contract to which each of the drawdown loan contract is linked.
Contact Name	This is the name of the entity for each participant. All correspondence for the customer will be sent to this entity.
Fee Currency	The currency in which the fee amount is paid.
Fee Amount Paid	This is the amount that is paid to each participant, out of the liquidated fee amount of the borrower leg contract.
Skim Margin Amount	The difference between the asset (share as per the participation ratio) and income (actual share received) ratio is known as the skim margin amount. The skim margin amount is the syndication agency's profit on the commitment.

The report will also display the totals of the fee amount that is paid to each participant taking part in the drawdown contracts.

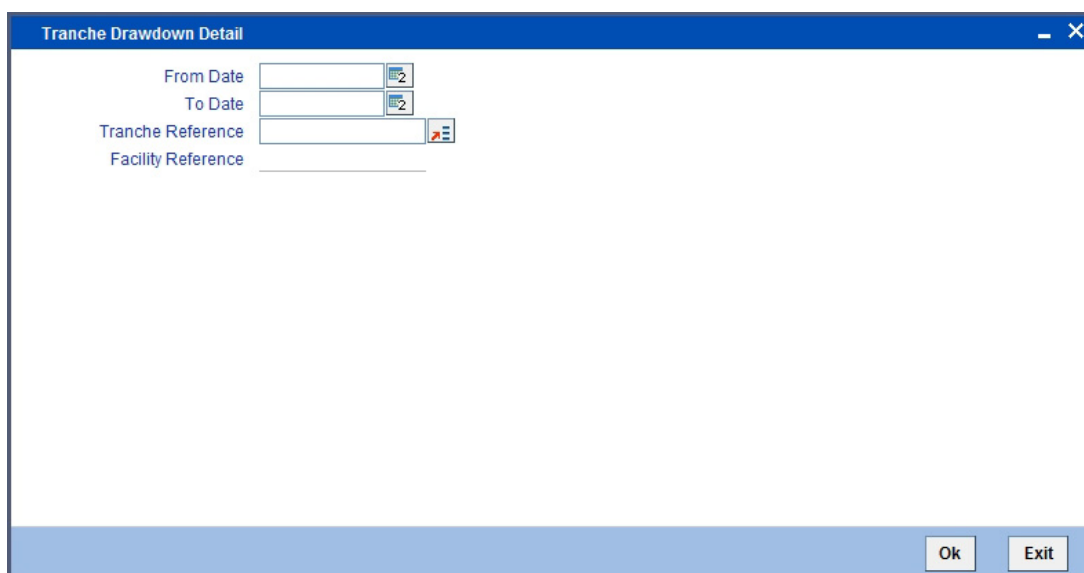
13.6 Tranche Drawdown Detail Report

A facility is a specific service, scheme or product that you make available to customers. Also, you can disburse loans through a draw down, from any of the tranches under a facility contract. The Tranche Drawdown Detail Report describes the drawdown details for a Facility and a Tranche over a given period.

13.6.1 Selection Options

- You can choose to generate the report to list the drawdowns under a tranche and a facility as of a specific date or over a specified period in time (by indicating the 'From' and 'To' date of the period).
- The Tranche Reference number for which the drawdown details have to be obtained. If you select the 'ALL' option, the details of all the drawdowns booked under all the tranche contracts initiated at your bank will be included in the report.

You can invoke this screen by typing 'LSRPTDDT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The screenshot shows a window titled "Tranche Drawdown Detail" with a blue header bar. Inside the window, there are four input fields: "From Date" and "To Date" (both with calendar icons), "Tranche Reference" (with a dropdown arrow icon), and "Facility Reference" (with a search icon). At the bottom right of the window, there are "Ok" and "Exit" buttons.

13.6.2 Contents of the Report

The contents of the tranche drawdown details report are discussed under the following heads:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the Report

The following details of the participants will be displayed in the report:

Facility Ref No	The Contract Reference Number of the borrower facility contract and the name of the borrowing customer with whom you have finalized the syndication contract.
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Tranche Ref No. (Filter field)	Under the main syndication contract, this is the Reference Number of the tranche under which drawdown loan contracts are initiated.
User Ref No	The User Reference Number.
Customer Ref No	The Customer Reference Number of the borrower
Total Amount settled	The total loan amount settled.
Customer Name	The name of the customer
Commitment Fees for the period	This is the fee amount that is collected from the borrowing customer and calculated for a given period.
Drawdown Reference Number	This is the contract reference number of the drawdown that is defined under a tranche of the main syndication contract.
Drawdown Schedule No (Sort field)	This is the schedule number of the drawdown defined under a tranche of the main facility contract.
Drawdown Amount	This is the drawdown amount.
Drawdown Date	The date on which each draw down loan under the tranche will be requested by the borrower, based on the syndication contract.
Maturity date	The date on or before which all drawdowns under a tranche are scheduled to mature/expire.
Borrower	Name of the borrowing customer for each drawdown contract defined under a tranche.

The report also gives the totals of all the drawdown loan amounts under the tranche.

13.7 Drawdown Interest Due Report

The participants in a syndication contract share the interest in the ratio of their participation that was agreed upon at the time of entering the tranche. You can get the details of the projected/future interest allocation per participant in the Drawdown Interest Due Report.

13.7.1 Selection Options

You can generate this report to obtain the interest due on:

- A specific drawdown
- All drawdowns disbursed at your bank till date

You can invoke this screen by typing 'LSRPDDID' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

13.7.2 Contents of the Report

The contents of the Drawdown Interest Due report are discussed under the following heads

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the Report

The following details of the participants will be displayed in this report:

Facility Ref No	The Contract Reference Number of the borrower facility contract (main syndication contract) finalized between the borrowing customer and one or more participants.
Tranche Ref No	The Reference Number of the borrower tranche under which the drawdown loan contracts is initiated.
Drawdown No (Filter field)	The request ID number for the drawdown loan contract.
User Ref No	The User Reference Number
Borrower ID	The ID of the borrower
Base Currency	This is the currency in which the borrower tranche contract amount is defined.
Borrower Name	The name of the borrower

Component Name	The name of the interest component that is applied to the borrower leg as well as the participant leg contracts.
Base Currency Name	This is the name of the currency in which the Interest Amount is specified. This could be the local currency or the contract currency.
Drawdown date	The date on which each draw down loan (defined under the borrower tranche) is requested by the borrower, based on the syndication contract.
Base Currency Amt.	The drawdown amount for each participant, expressed in the currency of the tranche under which it is defined.
Maturity Date	The date on or before which all tranches and drawdowns under the borrower facility contract is scheduled to mature.
Exchange rate	The exchange rate that is used if the draw down currency is different from the currency of the tranche contract or the account to which it is linked.
Request ID	The ID of the requester.
Component	The name of the component that is applied to the borrower leg as well as the participant leg contracts.
Drawdown Amt	The amount that is drawn under each draw down loan linked to the tranche.
Interest Rate	The interest rate that is applied on the participant leg tranche or draw down contracts under the facility borrower contract.
Interest Basis	The method according to which the number of days is computed for interest calculation. This is applied specifically for the interest derived by each participant as per the bower facility contract.
Period (days)	This is the period (in days) for which interest on the drawdown loan is calculated.
Interest Calculated From To	The date range for which interest is calculated on the drawdown loan contract.
Party ID/ Participant Name	Name and ID of the participants in the tranche contract to which each of the drawdown loan contract is linked.
Contact Name	This is the name of the entity for each participant in the drawdown. All correspondence for the customer will be sent to this entity.
Currency	The currency in which the draw down loan amount is expressed.

Allocation Amt	The drawdown amount (expressed in the drawdown currency) contributed by each participant in a syndication contract i.e. the amount being disbursed in each draw down.
Interest Amount	The interest amount received by each participant in the ratio of his or her participation.
Skim margin amount	The difference between the asset (share as per the participation ratio) and income (actual share received) ratio is known as the skim margin amount. The skim margin amount is the syndication agency's profit on the commitment.
Total	The total of the allocation amount and the sum of the interest amount received by each participant.

13.8 Participant Drawdown Repayment Detail Report

When one or more participants join together to meet the funding requirements of a borrowing customer, the interest earned on the loans are distributed between the participants in the ratio of their participation. You can generate the Participant Drawdown Repayment Detail report to view the allocation of interest and principal repayments, made by the borrower, between the various participants.

You can generate this report to obtain the participant repayment details for:

- A specific drawdown
- All drawdowns disbursed at your bank till date

13.8.1 Contents of the Report

The contents of the participant drawdown repayment detail report are discussed under the following heads:

Header of the Report

The following fields will be displayed in the header of the report:

Facility Ref No	The Contract Reference Number of the borrower facility contract (main syndication contract) finalized between the borrowing customer and one or more participants.
Customer (Borrower) No. /Name	The number and name of the borrowing customer taking part in the drawdown loan contract under a borrower tranche.
Tranche Ref No	The Reference Number of the borrower tranche under which the drawdown loan contracts is initiated.
Component Name	The name of the interest component that is applied to the borrower leg as well as the participant leg contracts.
Base Currency	This is the currency in which the borrower tranche contract amount is defined.
Currency Name	This is the name of the currency in which the Interest Amount is specified. This could be the local currency or the contract currency.

Drawdown date	The date on which the draw down loan (defined under the borrower tranche) is requested by the borrower, based on the main borrower facility contract.
Maturity Date	The date on or before which all tranches and drawdowns under the borrower facility contract is scheduled to mature.
Period (days)	This is the period (in days) for which interest on the drawdown loan is calculated.
Base Currency Amt.	The drawdown amount for each participant, expressed in the currency of the borrower tranche under which it is defined.
Exchange rate	The exchange rate that is used if the draw down currency is different from the currency of the borrower tranche contract or the account to which it is linked.
Drawdown No (Filter Field)	The request id number for the drawdown loan contract.
Drawdown Amt/Optional Currency	The amount that is drawn under each draw down loan linked to the tranche and the currency in which the draw down loan amount is expressed.
Interest Rate	The interest rate that is applied on the participant leg tranche or draw down contracts under the facility borrower contract.
Interest Basis	The method according to which the number of days is computed for interest calculation. This is applied specifically for the interest derived by each participant as per the bower facility contract.
Interest Calculated From To	The date range for which interest is calculated on the drawdown loan contract.

Body of the report

The following details of the participants will be displayed in this report:

Customer (Participant) No. (Sort Field)	The number allotted to each participant of the drawdown contract.
Customer (Participant) Name	Name of the participants in the tranche contract to which each of the drawdown loan contract is linked.
Contact Name	This is the name of the entity for each participant of the drawdown. All correspondence for the customer will be sent to this entity.
Optional Currency	The currency in which the draw down loan amount is expressed for each participant.

Optional Currency Allocation Amt.	The drawdown amount, expressed in the drawdown currency, that is contributed by each participant in the facility borrower contract i.e. the amount being disbursed in each draw down.
Interest Amount	The interest amount (sum of all the interest components) received by each participant in the ratio of his or her participation.
Skim margin amount	The difference between the asset (share as per the participation ratio) and income (actual share received) ratio is known as the skim margin amount. The skim margin amount is the syndication agency's profit on the commitment.

The report also displays the totals of the allocation amount and the sum of the interest amount received by each participant.

13.9 Facility Borrower Contact Detail Report

For each participant and borrower, you can maintain several different entities. When you initiate a borrower facility contract, you have to specify the name of the entity for each borrower. All customer correspondence will be sent to this entity. The Facility Borrower Contact Details report describes the entity for the borrower, for a particular facility.

13.9.1 Selection Options

You can generate this report to obtain the borrower contact details for facility contracts:

- A specific tranche (in this case the reference number of the facility contract under which the selected tranche is booked will also be displayed)

You can invoke this screen by typing 'LSRBRDET' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a software window titled "Facility Borrower Contact Detail". Inside the window, there is a text input field labeled "Facility Reference" followed by a small icon with a red arrow pointing right. At the bottom right of the window, there are two buttons: "Ok" and "Exit".

13.9.2 Contents of the Report

The contents of the Facility Borrower Contact Detail report are discussed under the following heads:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the report

The details of the borrower that would be displayed in the report are as follows:

Facility Ref No (filter field)	The Contract Reference Number of the borrower facility contract (main syndication contract) finalized between the borrowing customer and one or more participants.
User Ref No	The User Reference Number of the borrower facility.
Customer No	The number and name of the borrowing customer taking part in the borrower facility contract.
Customer Name	The name of the borrowing customer taking part in the borrower facility contract.
Contact ID	The ID of the borrower.
Name/ Address (Sort Field)	This is the name and address of the entity for each borrower as defined in the main facility contract. All correspondence for the customer will be sent to this entity.
Description	The description of the entity for each borrower as defined in the main facility contract.
Telno./Telno.Ext./ Faxno./FaxnoExt.	The address of the entity selected for the borrower. The address can include the Telephone No/ Extn, Fax No/ Extn.
Telex Code/ Answerback/GCN	The Telex code, GCN etc of the borrower
Country/FaxInd./ Email address	The Country ID, e-mail address etc

13.10 Tranche Borrower Contact Detail Report

Just as you have contact details for a borrower facility contract, you can maintain entities for borrower of a particular tranche as well. The Tranche Borrower Contact Details report describes the entity for the borrower.

You can generate this report to obtain the borrower contact details for:

- A specific tranche if the product type is selected as 'Tranche' (in this case the reference number of the facility contract under which the selected tranche is booked will also be displayed),
- All tranche contracts disbursed at your bank till date.

13.10.1 Contents of the Report

The contents of the tranche borrower contact detail report are discussed under the following heads:

Header of the Report

The following fields will be displayed in the header of the report:

Facility Ref No (Filter field)	The Contract Reference Number of the borrower facility contract (main syndication contract) under which the tranche contract is initiated.
Tranche ref no (Filter Field)	The Reference Number of the borrower tranche that is initiated under the main borrower facility contract.
Customer (Borrower) No/ Name	The number and name of the borrowing customer taking part in the borrower facility contract.

Body of the report

The details of the borrower that would be displayed in the report are as follows:

Contact name. (Sort Field)	This is the name of the entity for each borrower as defined in the borrower tranche contract. All correspondence for the customer will be sent to this entity.
Contact Address	The address details of the entity selected for the borrower. The address can include the Telephone No/Extn, Fax No/Extn, the Telex Code, GCN, Country Id, e-mail address etc.

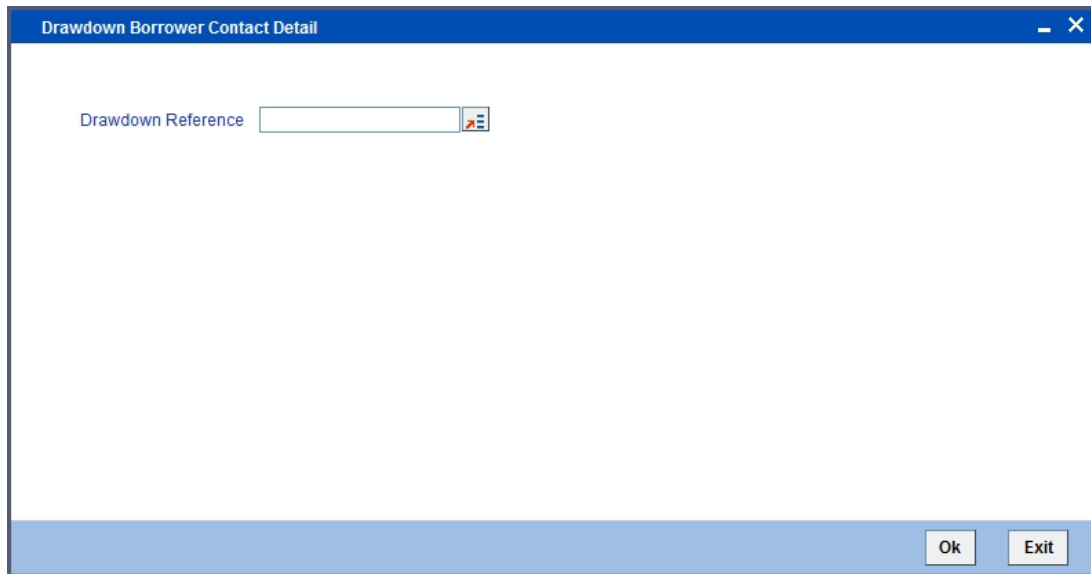
13.11 Drawdown Borrower Contact Detail Report

Just as you maintain entity details for customers taking part in facility and tranche contracts, you can maintain entities for the borrower of a drawdown loan contract as well. This report describes the entity selected for a borrower of a drawdown.

13.11.1 Selection Options

You can generate this report to obtain the borrower contact details for a specific drawdown if the product type is selected as 'Drawdown' (in this case the reference number of the facility contract and the tranche contract under which the selected drawdown is booked will also be displayed).

You can invoke this screen by typing 'LSRDDDBRC' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



13.11.2 Contents of the Report

The contents of the Drawdown Borrower Contact Detail report are discussed under the following heads:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the report

The details of the borrower that would be displayed in the report are as follows:

Facility Ref No (Filter field)	The Contract Reference Number of the main borrower facility contract under which the tranche linked to the drawdown contract, is initiated.
Tranche Ref No (Filter Field)	The Reference Number of the borrower tranche under which the borrower drawdown contract is initiated.
Drawdown Ref No. (Filter Field)	The Reference Number of the drawdown loan contract initiated under the tranche contract.
User Ref No	The User Reference Number.
Facility Name	The name of the facility
Customer Name	The name of the borrowing customer taking part in the borrower drawdown contract.
Counterparty	The name of the counterparty.
Contact ID	The contact ID of the borrower.

Name. (Sort Field)	This is the name of the entity for each borrower as defined in the borrower tranche contract. All correspondence for the customer will be sent to this entity.
Telno./Telno.Ext./ Faxno./FaxnoExt.	The address of the entity selected for the entity. The address can include the Telephone No/ Extn, Fax No/ Extn.
Telex Code/ Answerback/GCN	The Telex code, GCN etc. of the entity
Country/FaxInd./ Email address	The Country ID, e-mail address etc of the entity.

13.12 Active Facility Drawdown Detail Report

A facility product is used to process participant/borrower facility contracts. This is parent contract under which you can process borrower tranche or draw down contracts. This report describes the drawdown details for a particular facility that is still active in the system. It is sorted based on the value date and request date.

13.12.1 Selection Options

You can generate this report to obtain the details of drawdowns under a facility contract that is still active. The report can be generated for a specific facility contract, or all facility contracts initiated at your bank as on the date of report generation.

You can invoke this screen by typing 'LSRPFDDT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

13.12.2 Contents of the Report

The contents of the Facility Drawdown Detail report are discussed under the following heads:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the report

The details of the borrower that would be displayed in the report are as follows:

Facility Ref No (Filter field)	The Contract Reference Number of the main borrower facility contract under which the drawdown contract is initiated.
Customer No	The number of the borrowing customer taking part in the borrower drawdown contract.
Base Currency	This is the currency in which the borrower facility contract amount is defined.
User Ref No	The User Reference Number.
Customer (Borrower) Name	The number and name of the borrowing customer taking part in the borrower drawdown contract.
Date	The date on which the draw down loan is requested by the borrower.

The report also displays the totals of all the drawdown amounts.

13.13 Facilities Detail Report

You can generate a report to obtain the details of facility contracts that are initiated at your bank. The Facilities Detail Report gives you this information. This report describes the details of facilities whose maturity date falls within a given period.

You can generate this report to obtain the details of:

- A specific facility contract
- All facility contracts initiated at your bank as on the date of report generation.

13.13.1 Contents of the Report

The contents of the facilities detail report are discussed under the following heads:

Header of the Report

The following fields will be displayed in the header of the report:

From Date/ To Date (Filter field)	To recall, you can generate this report for a given maturity date range. This is the 'From' and 'To' dates (as specified by you) for which the facilities report is to be generated.
--	--

Body of the report

The details of the facilities that would be displayed in the report are as follows:

Facility Ref No (Sort field)	The Contract Reference Number of the borrower facility contracts initiated at your bank whose maturity date falls within the specified date range.
Facility Name	The name of the facility product used to process the facility contract.

Facility Amount	The amount of the facility contract, as agreed upon by the players i.e. the borrowing customer and the participants.
Currency	The currency in which the facility contract amount is expressed.
Facility Start Date	This is the date that indicates the beginning of the period for which the facility product is available for use.
Facility End Date	This is the date that indicates the end of the period for which the facility product is available for use.

The report also displays the totals of the facility amount grouped by their currencies.

13.14 Participant Facility Detail Report

To view the details of the lead agent and the participants involved in each facility generate the participant facility detail report. This report displays the record of all the participants contributing for the facility.

If you generate the report manually (from the reports Browser) you can specify preferences for the generation of the report. You can choose to generate the report to list the activities and events that were performed on syndication contracts as of a specific date or over a specified period in time.

This report describes the activities under the following search criteria:

- The type of customer whether he is a borrower or a participant.
- The product type of the loan. Select the type – facility, tranche or Drawdown.
- The participant facility detail over a specific period i.e. the 'From' and 'To' dates.

13.14.1 Contents of the Report

The contents of the 'Participant Facility Detail Report' have been discussed below:

Body of the Report

Report Date	Date on which the report is being generated.
Customer (Participant) No/ Name	Name and number of the participants in the tranche contract to which each of the drawdown loan contract is linked.
Customer (Participant) Country	The country name of the participant
GFCID	The customized UDF maintained under customer maintenance.
Customer (Borrower) No/ Name	The number and name of the borrowing customer with whom you have finalized the syndication contract.
Base Currency	The currency of the contract. This is the currency in which the amount of the borrower tranche contract is expressed.
Outstanding Balance	This is the balance amount that is outstanding.
Facility Ref No	The Contract Reference Number of the main syndication contract between the borrowing customer and one or more participants.
Contact	Name of the contact person for each participant in the drawdown.

13.15 User Operations Detail Report

All operations of a user (maker or checker) on a syndication contract, as well as the tranche contracts and the draw down loan contracts under a tranche of the agreement contract, at the branch can be viewed through the User Operations Details report. This report gives the details of all the operations performed by user.

This report describes the activities under the following search criteria:

- The identity of the user who has performed the activity or event on the bill i.e. maker or the checker.
- The unique ID assigned to the name the user.
- The list of user operation details over a period in time, specify the 'From' and 'To' date of the period.

This period should be specified by providing the From and To dates of the period.

13.15.1 Contents of the Report

The contents of the 'User Operations Detail Report' have been discussed below:

Body of the Report

Number Of activities	The number of events input or authorized by the user depending upon whether it is a maker or checker report.
% Of activities	The percentage of the total events for the number of activities.
No of O/S Advances (Drawdowns not matured)	The number of active drawdowns input by the user.
% Of O/S Advances	The percentage of the total active drawdowns.

13.16 Administrator Facility Detail Report

Your bank may wish to assign appropriate administrators to loan syndication contracts. This reports describes the details of all such administrators of the loan.

You can choose to generate the report to list the administrator facility details as of a specific date or over a specified period in time (by indicating the 'From' and 'To' date of the period).

13.16.1 Contents of the Report

The contents of the report have been discussed below:

Body of the Report

Facility Ref No. (sort field)	The Contract Reference Number of the main syndication contract (between the borrowing customer and one or more participants).
Customer (Borrower) No/Name	The number and name of the borrowing customer with whom you have finalized the syndication contract.
Facility Start Date	The date on which the main syndication contract is initiated in the system.
Facility Ref No Amount	The value date and Amount specified in the Syndication contract to which the present tranche is attached.
No. Of O/S	The number of outstanding drawdowns under the facility.
Active	The status of the facility contract (active/ matured)
Loan Administrator	The unique ID assigned to the name the administrator of the tranche or drawdown contract.

13.17 Borrower Facility Detail Report

In the case of a syndication contract, the entities involved in a contract are the borrowing customer, the lead agent and the participants for any tranche of the agreement. You can view the details of the borrowing customer with whom you have finalized the syndication contract through this report.

This reports describes the borrower details under the following search criteria:

- The type of customer whether he is a borrower or a participant.
- The facility Reference number for which borrower facility details have to be obtained. If you select the 'ALL' option, the fee details for all the facility contracts will be included in the report.

13.17.1 Contents of the Report

The contents of the borrower report have been discussed below:

Body of the Report

Facility Ref No.	The reference number of the contract for which you are generating the report.
Customer (Borrower) No	The code of the customer with whom this syndication contract has been finalized. This, typically, is the borrowing customer.
Customer (Borrower) Name	The name of the borrower with whom the contract has been finalized.
Customer (Borrower) Country	The country to which the customer (borrower) belongs.
Maturity Date	This is the date on or before which all tranches and drawdowns under the syndication contract should be maturity dated.
GFCID	The customized UDF maintained under customer maintenance.

13.18 Ad-hoc Fee Detail Report

For all syndication contracts you can define ad hoc special amount fee. The adhoc fee component facility is applicable to Syndication Facility (LN), Syndication Borrower (LS) and Syndication Participant (LL) module.

This report describes the ad hoc details under the following search criteria:

- The type of customer whether he is a borrower or a participant.
- The product type of the loan. Select the type – facility, tranche or Drawdown.
- The list of ad hoc fee that applied over a period in time, specify the 'From' and 'To' date of the period.

13.18.1 Contents of the Report

The contents of the adhoc fee details report has been discussed below:

Body of the Report

Borrower/Participant (Filter field)	The number allotted to each participant of the main syndication contract.
Date range (Filter field)	The list of ad hoc fee that applied over a period in time, specify the 'From' and 'To' date of the period.
Draw down No (Sort field)	This is the contract reference number of the drawdown that is defined under a tranche of the main syndication contract.
Tranche ref no	Under the main syndication contract, this is the Reference Number of the tranche under which the drawdown loan contracts are initiated.
Facility Ref No	The Contract Reference Number of the main syndication contract between the borrowing customer and one or more participants.
Customer (Borrower) No	The number of the borrowing customer with whom you have finalized the syndication contract.
Customer (Borrower) Name	The name of the borrowing customer with whom you have finalized the syndication contract.
Value Date	The initiation date for ad hoc fee schedule.
Amount	The amount agreed upon between the borrowing customer and the participants of the main syndication contract.

13.19 Participant Ad-hoc Fee Report

The participants in a syndication contract share the ad hoc fee in the ratio of their participation that was agreed upon at the time of entering the tranche. You can get the details of the projected/future ad hoc fee allocation per participant in the Participant Ad hoc Fee Report.

This report describes the ad hoc details for a participant under the following search criteria:

- The name of the participant in the tranche contract to which each of the drawdown loan contract is linked.
- The list of ad hoc fee that applied over a period in time, specify the 'From' and 'To' date of the period.
- The request id number for the drawdown loan contract.

13.19.1 Contents of the Report

The contents of the adhoc fee report for a participant have been discussed below:

Body of the Report

Borrower/Participant (Filter field)	The number allotted to each participant of the main syndication contract.
Participant (Filter field)	The name of the participant in the tranche contract to which each of the drawdown loan contract is linked.
Date range (Filter field)	The list of ad hoc fee that applied over a period in time, specify the 'From' and 'To' date of the period.
Draw down No (Sort field)	The request id number for the drawdown loan contract.
Tranche ref no	Under the main syndication contract, this is the Reference Number of the tranche under which the drawdown loan contracts are initiated.
Facility Ref No	The Contract Reference Number of the main syndication contract and the name of the borrowing customer with whom you have finalized the syndication contract.
Customer (Borrower) No	The number of the borrowing customer taking part in the drawdown loan contract under a tranche.
Customer (Borrower) Name	The name of the borrowing customer taking part in the drawdown loan contract under a tranche.
Value Date	The value date of the last ad hoc fee schedule.
Amount	The amount agreed upon between the borrowing customer and the participants of the main syndication contract.

13.20 Facility Tranche Volume Detail Report

A facility is a specific service, scheme or product that you make available to customers. Also, you can disburse loans through a draw down, from any of the tranches under a syndication contract. The Facility Tranche Volume Detail Report describes the details for a Facility and a Tranche over a given period.

This report describes the activities under the following search criteria:

- The number allotted to each participant of the main syndication contract.
- The Facility Reference number for which facility details have to be obtained. If you select the 'ALL' option, the details for all the contracts will be included in the report.

13.20.1 Contents of the Report

The contents of the 'Facility Tranche Volume Detail Report' have been discussed below:

Body of the Report

Customer (Borrower) No/Name	The number allotted to each participant of the main syndication contract.
Facility Ref No.	The Contract Reference Number of the main syndication contract (between the borrowing customer and one or more participants).
Facility Start Date	The date on which the main syndication contract is initiated in the system.
Facility End Date	The date on which the main syndication contract is scheduled to mature.
Facility amount	The amount agreed upon between the borrowing customer and the participants of the main syndication contract.
Facility Currency	The currency of the main syndication contract, in which the contract amount is expressed.
No. Of Tranches	The number of tranches under the facility.

The report will also display the totals of the number of outstanding facilities and on the number of outstanding tranches.

13.21 Facility Utilization Detail Report

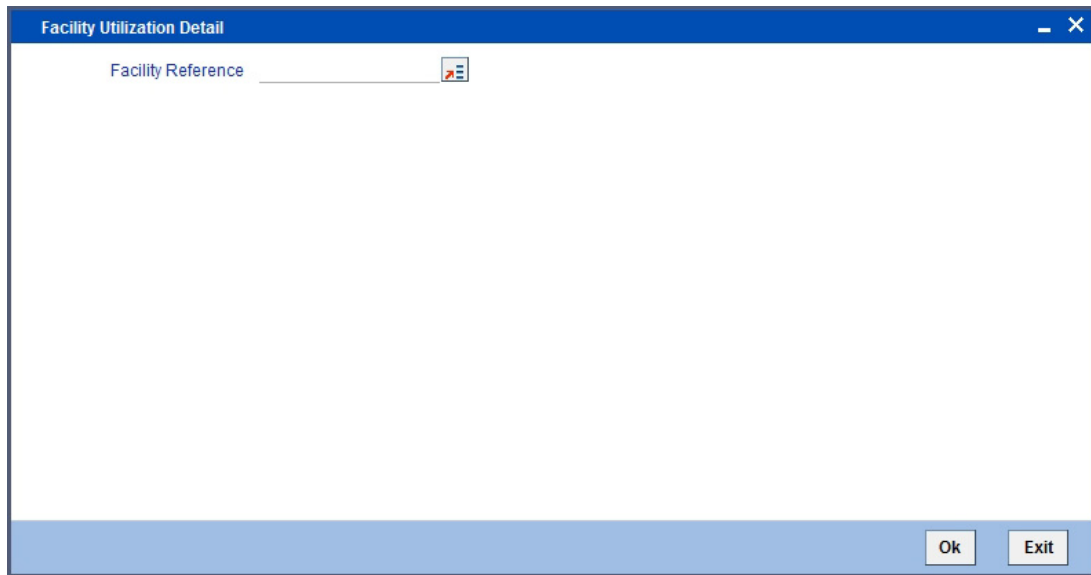
A facility is a specific service, scheme or product that you make available to customers. Also, you can disburse loans through a draw down, from any of the tranches under a syndication contract. The Tranche Drawdown Detail Report describes the drawdown details for a Facility and a Tranche over a given period.

This report gives the volume of the utilization of this facility by the customers.

13.21.1 Selection Options

You can configure this report to display details for facility utilization detail report from the Reports Browser.

You can invoke this screen by typing 'LSRPFUTI' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



The report can be generated for a specific facility contract, or all facility contracts initiated at your bank as on the date of report generation.

13.21.2 Contents of the Report

The contents of the 'Facility Utilization Detail' Report have been discussed below:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the report

The details of the borrower that would be displayed in the report are as follows:

Facility Ref No/User Reference Number (Sort field)	By default, the Contract Reference Number generated by the system is considered to be the User Reference Number for the contract.
Borrower Name	The name of the borrower
Signing Date	The facility contract book date.
Maturity Date	The date on or before which the facility contract gets matured.
Domicile	The country to which the facility customer belongs.
Facility Amt.	The amount agreed upon between the borrowing customer and the participants of the main syndication contract.

Drawn Total (base)	The total amount that is drawn under the main syndication contract.
Undrawn Total (base)	The total amount that is under the main syndication contract that is not utilized.

13.22 Syndication Volume Detail Report

The Loan Syndication module of Oracle FLEXCUBE addresses loan operations of a bank or a financial institution that enters into loan syndication contracts with borrowing customers (borrowers), and plays the role of a lead agent in the contract. This report details the total volume of loan operations undertaken by the bank.

This report describes the activities under the following search criteria:

- The unique ID assigned to the name the administrator.
- The loans disbursed over a specific period i.e. the 'From' and 'To' dates.

13.22.1 Contents of the Report

The contents of the 'Syndication Volume Detail Report' have been discussed below:

Body of the Report

From and To Date (Filter)	The loans disbursed in a period of time - 'From' and 'To' date of the period.
Administrator (Filter)	The unique ID assigned to the name the administrator.
Number Of facilities (initial)	The number of facilities active as of the start date given in the report date range.
New Facilities	The number of new facilities input each day.
Close outs (matured Facilities)	The number of facilities maturing each day.
Current Facilities (No as of month end)	The number of active facilities at the end of each month.
Billings Re Principal/ Interest	The number of billing notices sent to the borrower for re principal or interest.
Drawdowns (New Requests for cash)	The number of new drawdown schedules booked for the contract each day.
Rollovers (Extension of Above)	The number of contract rollovers occurred for the day.
Repayments (To Include Pre-Payments/ Partial Payments)	The number of payments made for each Drawdown for the day.
Rate Fixings (count 1 per loan)	The number of exchange rate fixing applied for the loan.
Participant Amendments/ Transfers	The number of participant amendments everyday.
No. of Participants	The number of newly added participants during participant amendment every day.

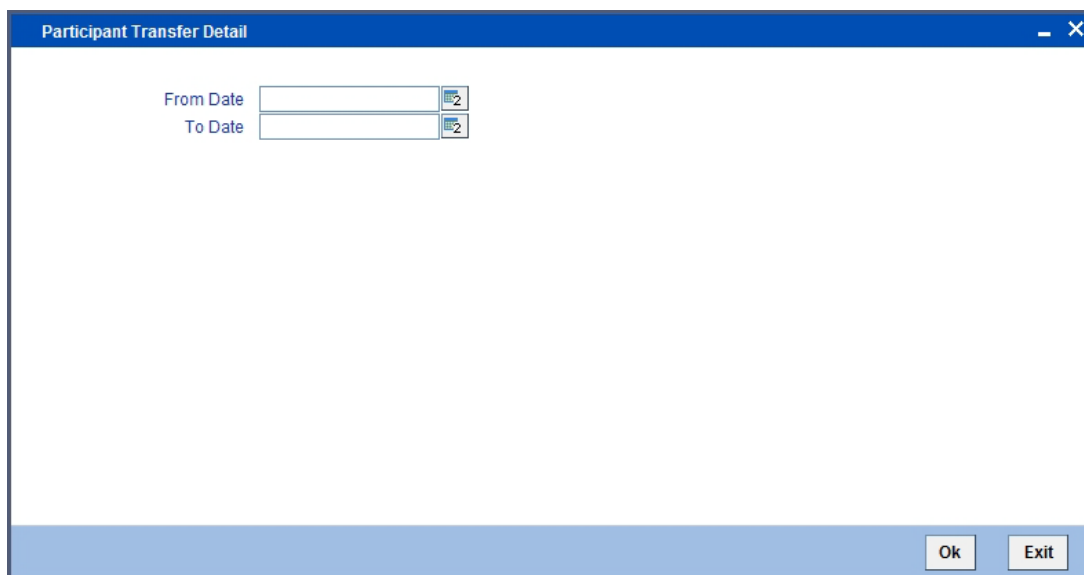
13.23 Participant Transfer Detail Report

The user can amend participants of a tranche or a drawdown. After capturing the transfer details, the system will amend the corresponding facility/tranche and drawdown contract and apply the transfer ratios to the relevant participants. This report displays all such transfer details.

13.23.1 Selection Options

You can configure this report to display details for participant transfer detail report from the Reports Browser.

You can invoke this screen by typing 'LSRPPRAM' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



You can choose to generate the report to list the details of the transfer under a tranche and a facility as of a specific date or over a specified period in time (by indicating the 'From' and 'To' date of the period).

13.23.2 Contents of the Report

The contents of the 'Participant Transfer Detail Report' have been discussed below:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the Report

The following details of the participants will be displayed in this report:

Facility Ref No	The Contract Reference Number of the main syndication contract between the borrowing customer and one or more participants.
Facility Name	The name of the main syndication contract between the borrowing customer and one or more participants.
User Ref No	The User Reference Number.
Drawdown Ref No	This is the contract reference number of the drawdown that is defined under a tranche of the main syndication contract.

Tranche Ref No	Under the main syndication contract, this is the Reference Number of the tranche under which the drawdown loan contracts are initiated.
Date of Transfer	Date on which the transfer was initiated.
Transfer Amount	The amount that is transferred under each draw down loan linked to the tranche.
Currency	The currency in which the draw down loan amount is expressed.
Maker	The Login ID of the user who has performed the activity or event on the bill.
Checker	The Login ID of the user who has authorized the activity or event on the bill.
Drawdown Number	This is the schedule number of the drawdown defined under a tranche of the main syndication contract.
Old Participant customer no, Name and Contact name	The name of the previous participant customer in the drawdown loan contract under a tranche and the name of the contact person for that participant.
New Participant customer no, Name and Contact name	The name of the new participant customer taking part in the draw-down loan contract under a tranche and the name of the contact person for each participant in the drawdown.

13.24 Fiscal Diary Report

A diary event signifies occurrences (other than accounting entries being passed) in the life cycle of a contract, at which appropriate messages would need to be generated. This report displays the details of the fiscal diary events associated with each of the loan syndication modules.

This reports describes the activities under the following search criteria:

- The type of the customer for the facility i.e. borrower or participant.
- The Contract Reference number for which fiscal diary details have to be obtained. If you select the 'ALL' option, the fiscal details for all the contracts will be included in the report.
- The fiscal diary details over a specific period i.e. the 'From' and 'To' dates.

13.24.1 Contents of the Report

The contents of the fiscal diary report are discussed under the following heads:

Header of the Report

The following fields will be displayed in the header of the report:

Facility Ref No	The Contract Reference Number of the borrower facility contract (main syndication contract) finalized between the borrowing customer and one or more participants.
Diary Report From Date/To date	The fiscal diary details over a specific period i.e. the 'From' and 'To' dates.

Body of the Report

The content of the 'Fiscal Diary Report' has been discussed below:

Event date (Sort Field)	The system date on which the diary event is defined.
Loan Administrator	The unique ID assigned to the name the administrator.
Facility ref no	The Contract Reference Number of the main syndication contract (between the borrowing customer and one or more participants).
Customer name of default borrower	The Contract Reference Number of the main syndication contract and the name of the borrowing customer with whom you have finalized the syndication contract.
Tranche ref no	Under the main syndication contract, this is the Reference Number of the tranche under which drawdown loan contracts are initiated.
Draw Down ref. No.	This is the contract reference number of the drawdown that is defined under a tranche of the main syndication contract.
Event Seq. No.	The sequence number of the drawdown loan under a tranche.
Event Description	The description of the draw down loan under a tranche.
Diary Details	The diary event that is allowed for the facilities.

13.25 Fiscal Documentation Diary Detail Report

All the details for the fiscal diary detail will be recorded in the user-defined fields for the diary events. You can generate the documentation details report to view the documentation diary details applicable for facilities.

You can get the Fiscal Documentation Diary Detail Report based on the following criteria:

- The customer for the contract whether the customer is a borrower or a participant.
- The product type of the loan. Select the type – facility, tranche or Drawdown.
- The document received over a specific period i.e. the 'From' and 'To' dates.

13.25.1 Contents of the Report

The contents of the fiscal documentation diary detail report are discussed under the following heads:

Header of the Report

The following fields will be displayed in the header of the report:

Status: Actioned/ Unactioned/ Both	The status of the facility contract whether it is active, matured or both.
Facility Ref No	The reference number of the contract for which you are generating the report.
Diary Report From Date/ To date	The diary report generated over a specific period i.e. the 'From' and 'To' dates.

Body of the Report

The contents of the 'Fiscal Documentation Diary Detail Report' have been discussed below:

Action date (Event date)	For a payment type of product, you should define the action to be taken when an instruction is not executed because of lack of funds. The date specified for this instruction is shown here.
Loan Administrator	The unique ID assigned to the name the administrator.
Facility Ref No	The Contract Reference Number of the main syndication contract (between the borrowing customer and one or more participants).
Tranche Ref No	Under the main syndication contract, this is the Reference Number of the tranche under which the drawdown loan contracts are initiated.
Start date	The date on which the main syndication contract is initiated in the system.
Follow Up	This is the reason for which the notice was sent. It can be acknowledgment, confirmation or outstanding charges.
Date Received	Indicates the date on which the documents were received.
Date Sent	Indicates the date on which the documents were sent to the customer.
Event Seq. No.	This is the sequence number of the event used to uniquely identify the diary event.
Event Description	The description of the event you specified in the earlier field is displayed here.
Diary Details- Tags and values	The diary event that is allowed for the facilities.

13.26 New Base Records Report

This report displays all the new customer records opened on the current business date. It is printed everyday during the batch process.

You can generate the report based on the following criteria:

- The Branch for which the report is printed. Select a branch from the option list provided.
- The Date for which you wish to generate the report. Enter the date.

13.26.1 Contents of the Report

The contents of the 'New Base Records Report' are discussed below:

Branch Code	This is the local branch where the Customer Record has been opened.
Customer Number	This is the customer number of the Customer Record.
Customer Name	This is the customer name as per the customer record.
Domicile	This is the domicile as recorded in the customer record.

13.27 FX Unconfirmed Analysis –1 Day Report

This report displays a listing of all customers against whom FX contracts were booked on the current business date. It also displays the number of deals booked against these customers, the number of unconfirmed deals and the percentage of unconfirmed deals. This report is printed everyday during the batch process.

You can configure this report to display details of FX Unconfirmed Analysis- 1 Day Report. You can generate the report based on the following criteria:

- The Branch for which the report is printed. Select a branch from the option list provided.
- The Date for which the report is printed. Enter a date.

13.27.1 Contents of the Report

The contents of the 'FX Unconfirmed Analysis –1 day Report' are discussed below:

Counterparty	This is the counterparty of the Contract Record.
Counterparty Name	This is the name of the Customer Record for the Contract Record's Counterparty
Contracts booked today	This is the number of contracts booked for the counterparty for the date for which the report is being generated.
Contracts unconfirmed	This is the number of unconfirmed contracts booked for the counterparty on the report date.

Percentage unconfirmed	This is the percentage of unconfirmed contracts booked for the counterparty on the report date.
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13.28 Outstanding FX Contracts Report

This report displays a listing of all FX contracts that are not yet liquidated and are grouped by counterparty. It is printed every month during the batch process.

13.28.1 Selected Options

You can configure this report to display details of Outstanding FX Contracts Report. You can generate the report based on the following criteria:

- The Branch for which the report is printed. Select a branch from the option list provided.
- The Date for which the report is printed. Enter a date.

13.28.2 Contents of the Report

The contents of the 'Outstanding FX Contracts Report' are discussed below:

Counterparty	This is the counterparty of the Contract Record.
Counterparty Name	This is the Customer Record name for the Contract Record's Counterparty.
Contract Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Trade Date	This is the FX Contract Record's Trade Date
Value Date	This is either the Contract Record's Bought Value Date or Sold Value Date, which ever is later.
Buy Currency	This is the FX Contract Record's Bought Currency
Buy Amount	This is the FX Contract Record's Bought Amount
Sold Currency	This is the FX Contract Record's Sold Currency
Buy Amount	This is the FX Contract Record's Bought Amount
Deal Rate	This is the FX Contract Record's Exchange Rate

13.29 Outstanding FX Contracts with NPV Profit/Loss Report

This report displays a listing of all FX contracts that are not yet matured, grouped by counterparty. It also displays additional details such as value date, forward rate and net NPV (profit or loss). This report is printed once a month as part of the batch process.

13.29.1 Selected Options

You can configure this report to display details of FX Contract with NPV Profit/ Loss Report. You can generate the report based on the following criteria:

- The Branch for which the report is printed. Select a branch from the option list provided.
- The Date for which the report is printed. Enter a date.

13.29.2 Contents of the Report

The contents of the 'FX Contracts with NPV Profit/Loss Report' are discussed below:

Counterparty	This is the Contract Record's Counterparty.
Counterparty Name	This is the Customer Record name for the Contract Record's Counterparty.
Contract Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Trade Date	This is the Trade date of the FX Contract Record
Value Date	This is either the FX Contract Record's Bought Value Date or Sold Value Date, whichever is later.
Buy Currency	This is the FX Contract Record's Bought Currency
Buy Amount	This is the FX Contract Record's Bought Amount
Sold Currency	This is the FX Contract Record's Sold Currency
Buy Amount	This is the FX Contract Record's Bought Amount
Deal Rate	This is the FX Contract Record's Exchange Rate
NPV profit/loss in LCY	This is the FX Contract Revaluation Record's Net Present Value in Local currency.
NPV profit/loss in USD	This is the FX Contract Revaluation Record's NPV in USD.

13.30 MM Unconfirmed Contracts Report

This report gives details of all unconfirmed MM contracts. It is printed daily as part of the batch process.

13.30.1 Selected Options

You can configure this report to display details of MM Unconfirmed Contracts Report. You can generate the report based on the following criteria:

- The Branch for which the report is printed. Select a branch from the option list provided.
- The message group. Select from the option list provided.
- The Counterparty Type, either Bank Transfer or Customer Transfer.
- The Unconfirmed Days, which is the number of days up to which the contracts are not confirmed. Enter a value
- The date for which the report is printed. Enter a date.

13.30.2 Contents of the Report

The contents of the 'MM Unconfirmed Contracts Report' are discussed below:

Message Group	This is the Message Group for the Contract Record's Counterparty.
Counterparty	This is the Contract Record's Counterparty.
Counterparty Name	This is the Customer Record name for the Contract Record's Counterparty.
Oracle FLEXCUBE Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Contract Type	This is the MM Contract Record's Product Type.
Trade Date	This is the MM Contract Record's Trade Date.
Value Date	This is the MM Contract Record's Value Date.
Maturity Date	This is the MM Contract Record's Maturity Date.
Amount	This is the MM Contract Record's Amount.
Deal Currency	This is the MM Contract Record's Deal Currency.
Interest Rate	This is the MM Contract Interest Record's Interest Rate
Our Receive	This is the Contract Settlement Record's Our Receive account
Their Receive	This is the Contract Settlement Record's Their Receive account.

Apart from this, the report contains summary information specifying the number of unconfirmed transactions for the following buckets:

1. Less than or equal to 7 days
2. Greater than 7 days and less than or equal to 14 days
3. Greater than 14 days and less than or equal to 28 days
4. Greater than 28 days and less than or equal to 42 days
5. Greater than 42 days and less than or equal to 91 days

6. Greater than 91 days and less than or equal to 180 days
7. Greater than 180 days

13.31 FX Unconfirmed Contracts Report

This report gives details of all unconfirmed FX contracts. It is printed daily as part of the batch process.

13.31.1 Selected Options

You can configure this report to display details of FX Unconfirmed Contracts Report. You can generate the report based on the following criteria:

- The Branch for which the report is printed. Select a branch from the option list provided.
- The Message Group. Select a group from the option list provided.
- The Counterparty Type, either Bank Transfer or Customer Transfer.
- The Unconfirmed Days that is, the number of days up to which the contracts are not confirmed. Enter a value
- The Date for which the report is printed. Enter a date

13.31.2 Contents of the Report

The contents of the 'FX Unconfirmed Contracts Report' are discussed below:

Message Group	This is the Message Group for the Contract Record's Counterparty.
Counterparty	This is the Contract Record's Counterparty.
Counterparty Name	This is the Customer Record's name for the Contract Record's Counterparty.
ORACLE FLEXCUBE Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Trade Date	This is the FX Contract Record's Trade Date
Value Date	This is the FX Contract Record's Bought Value Date or Sold Value Date, whichever is later.
Buy Currency	This is the FX Contract Record's Bought Currency.
Buy Amount	This is the FX Contract Record's Bought Amount.
Sold Currency	This is the FX Contract Record's Sold Currency.
Buy Amount	This is the FX Contract Record's Bought Amount.
Deal Rate	This is the FX Contract Record's Exchange Rate.

Our Receive account	This is the Contract Settlement Record's Our Receive Account.
Their Receive	This is the Contract Settlement Record's Their Receive Account.

Apart from this, there will be summary information specifying the number of unconfirmed transactions for the following buckets:

1. Less than or equal to 7 days
2. Greater than 7 days and less than or equal to 14 days
3. Greater than 14 days and less than or equal to 28 days
4. Greater than 28 days and less than or equal to 42 days
5. Greater than 42 days and less than or equal to 91 days
6. Greater than 91 days and less than or equal to 180 days
7. Greater than 180 days

13.32 Comfort – Potential Errors Report

This report gives listing of all the FX contracts, grouped by Broker, that are not yet confirmed. It is printed daily as part of the batch process.

You can configure this report to display details of Comfort – Potential Errors Report. You can generate the report based on the following criteria:

- This is the Branch for which the report is printed. Select a branch from the option list provided
- This is the Date for which the report is printed. Enter a date.

13.32.1 Contents of the Report

The contents of the 'Comfort – Potential Errors Report' are discussed below:

Broker Code	This is the FX Contract Record's External Broker Code.
Broker Name	This is the External Broker Record Name for the Contract Record's External Broker Code.
Counterparty	This is the Contract Record's Counterparty.
Counterparty Name	This is the Customer Record name for the Contract Record's Counterparty.
ORACLE FLEXCUBE Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Trade Date	This is the FX Contract Record's Trade Date

Value Date	This is either the FX Contract Record's Bought Value Date or Sold Value Date whichever is later.
Buy Currency	This is the FX Contract Record's Bought Currency
Buy Amount	This is the FX Contract Record's Bought Amount
Sold Currency	This is the FX Contract Record's Sold Currency
Buy Amount	This is the FX Contract Record's Bought Amount
Deal Rate	This is the FX Contract Record's Exchange Rate

13.33 FX Summary Report

This report gives a listing of the summary of all FX contracts booked on the current business day, grouped by Counterparty. This report is printed daily as part of the batch process.

You can configure this report to display details of FX Summary Report. You can generate this report based on the following criteria:

- This is the Branch for which the report is printed. Select from the option list provided.
- This is the Message Group for which the report is printed. Select a message group from the option list provided
- This is the Date for which the report is printed. Enter a date

13.33.1 Contents of the Report

The contents of the 'FX Summary Report' are discussed below:

Message Group	This is the Message Group for the Contract Record's Counterparty
Counterparty	This is the Contract Record's Counterparty.
Counterparty Name	This is the Customer Record's name for the Contract Record's Counterparty.
ORACLE FLEXCUBE Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Trade Date	This is the FX Contract Record's Trade Date
Value Date	This is either the FX Contract Record's Bought Value Date or Sold Value Date, whichever is later..
Buy Currency	This is the FX Contract Record's Bought Currency

Buy Amount	This is the FX Contract Record's Bought Amount
Sold Currency	This is the FX Contract Record's Sold Currency
Sold Amount	This is the FX Contract Record's Sold Amount
Deal Rate	This is the FX Contract Record's Exchange Rate

13.34 MM Summary Report

This report gives a listing of summary of all MM contracts booked on the current business day, grouped by Counterparty. It is printed daily as part of the batch process.

You can configure this report to display details of MM Summary Report. You can generate the report based on the following criteria:

- This is the Branch for which the report is printed. Select from the option list provided
- This is the Message Group for which the report is printed. Select from the option list provided
- This is the Date for which the report is printed. Enter a date

13.34.1 Contents of the Report

The contents of the 'MM Summary Report' are discussed below:

Message Group	This is the Message Group for the Customer Record's Counterparty
Counterparty	This is the Contract Record's Counterparty.
Counterparty Name	This is the Customer Record name for the Contract Record's Counterparty.
ORACLE FLEXCUBE Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Contract Type	This is the MM Contract Record's Product Type.
Trade Date	This is the MM Contract Record's Trade Date.
Value Date	This is the MM Contract Record's Value Date.
Maturity Date	This is the MM Contract Record's Maturity Date.
Amount	This is the MM Contract Record's Amount.
Deal Currency	This is the MM Contract Record's Deal Currency.

Interest Rate	This is the MM Contract Interest Record's Interest Rate
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13.35 FX Contracts – Cancelled Report after Cable Sent Report

This report gives a listing of all FX contracts that have been reversed on the current business day in FLEXCUBE, after a SWIFT message was sent against the corresponding contract. A SWIFT message includes MT103, MT202, MT100, MT210, and MT104. The report is printed daily as part of the batch process.

You can configure this report to display details of FX Contracts – Cancelled Report after Cable Sent Report. You can generate the report based on the following criteria:

- This is the Branch for which the report is printed. Select from the option list provided.
- This is the Date for which the report is printed. Enter a date.

13.35.1 Contents of the Report

The contents of the 'FX Contracts – Cancelled Report after Cable sent Report' are discussed below:

Counterparty	This is the Contract Record's Counterparty
Counterparty Name	This is the Customer Record's name for the Contract Record's Counterparty.
ORACLE FLEXCUBE Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Trade Date	This is the FX Contract Record's Trade Date
Value Date	This is either the FX Contract Record's Bought Value Date or Sold Value Date, whichever is later.
Buy Currency	This is the FX Contract Record's Bought Currency
Buy Amount	This is the FX Contract Record's Bought Amount
Sold Currency	This is the FX Contract Record's Sold Currency
Sold Amount	This is the FX Contract Record's Sold Amount
Deal Rate	This is the FX Contract Record's Exchange Rate

13.36 **MM Contracts – Cancelled Report after Cable Sent Report**

This report gives a listing of all MM contracts that have been reversed on the current business day in Oracle FLEXCUBE, after a SWIFT message was sent against the corresponding contract. A SWIFT message includes MT103, MT202, MT100, MT210, and MT104. The report is printed daily as part of the batch process.

You can configure this report to display details of MM Contracts – Cancelled Report after Cable Sent Report from the Reports Browser.

You can configure this report to display details of MM Contracts – Cancelled Report after Cable Sent Report. You can generate the report based on the following criteria:

- This is the Branch for which the report is printed. Select a branch from the option list provided.
- This is the Date for which the report is printed. Enter a date.

13.36.1 **Contents of the Report**

The contents of the 'MM Contracts – Cancelled Report after Cable sent Report' are discussed below:

Counterparty	Contract Record's Counterparty.
Counterparty Name	This is the Customer Record name for the Contract Record's Counterparty.
ORACLE FLEXCUBE Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Contract Type	This is the MM Contract Record's Product Type.
Trade Date	This is the MM Contract Record's Trade Date.
Value Date	This is the MM Contract Record's Value Date.
Maturity Date	This is the MM Contract Record's Maturity Date.
Amount	This is the MM Contract Record's Amount.
Deal Currency	This is the MM Contract Record's Deal Currency.
Interest Rate	This is the MM Contract Interest Record's Interest Rate

13.37 **NPV Handoff – Exceptions Report**

This report gives 2 kinds of exceptions, which would have occurred during the NPV handoff.

- The first section lists all the FX contracts on FLEXCUBE yet to mature but not present on the NPV handoff.

- The second section lists all contracts that are present in the NPV handoff but are not present in FLEXCUBE.

The report is printed daily as part of the batch process.

13.37.1 Selected Options

You can configure this report to display details of NPV Handoff– Exceptions Report. You can generate the report based on the following criteria:

- This is the Branch for which the report is printed. Select from the option list provided
- This is the Date for which the report is printed. Enter a date.

13.37.2 Contents of the Report

The contents of the 'NPV Handoff – Exceptions Report' are discussed below:

Reference Number	This is the Contract Record's Custom Reference Number.
Customer Number	This is the Contract Record's Counterparty
Customer Name	This is the Customer Record Name for Contract Record's Counterparty
Book Date	This is the Contract Revaluation Record's Revaluation Date
Maturity Date	This is either the FX Contract Record's Bought Value Date or Sold Value Date, whichever is later.
Bought Currency	This is the FX Contract Record's Bought Currency.
Bought Amount	This is the FX Contract Record's Bought Amount.
Sold Currency	This is the FX Contract Record's Sold Currency.
Sold Amount	This is the FX Contract Record's Sold Amount.

13.38 Reversed MM Contracts Report

This report gives a listing of all MM contracts that were reversed in the system and had one or more interest liquidation events. These would include back-valued contracts with liquidated back valued interest schedules which were reversed subsequently. The report would show all basic details of the contract, plus the amounts of the Interim Interest entries and the account numbers to which FLEXCUBE had posted the entries. The report would be printed daily as part of the batch process.

You can configure this report to display details of the Reversed MM Contracts Report. You can generate the report based on the following criteria:

- The Branch for which the report is printed. Select a branch from the option list provided

- The Date for which the report is printed. Enter a date.

13.38.1 Contents of the Report

The contents of the 'Reversed MM Contracts Report' are discussed below:

Counterparty	This is the Contract Record's Counterparty.
Counterparty Name	This is the Customer Record name for the Contract Record's Counterparty.
ORACLE FLEXCUBE Reference Number	This is the Contract Record's Reference Number.
Custom Reference Number	This is the Contract Record's Custom Reference Number.
Contract Type	This is the MM Contract Record's Product Type.
Trade Date	This is the MM Contract Record's Trade Date.
Value Date	This is the MM Contract Record's Value Date.
Maturity Date	This is the MM Contract Record's Maturity Date.
Amount	This is the MM Contract Record's Amount.
Deal Currency	This is the MM Contract Record's Deal Currency.
Interest Rate	This is the MM Contract Interest Record's Interest Rate
Interest Amount Liquidated	This is the MM Contract Amount Due Record's Amount Settled for the Interest Component
Settlement Account	This is the MM Contract Amount Due Record's Account Settled for the Interest Component

13.39 Facility Detail Report

This report gives details of all facility contracts. It is printed daily as part of the batch process.

13.39.1 Selected Options

You can configure this report to display details of facility contract. You can generate the report based on the following criteria:

- The Date for which the report is printed. Enter a date.

You can invoke this screen by typing 'LSRFCDET' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

13.39.2 Contents of the Report

The contents of the Facility Contact Detail report are discussed under the following heads:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the report

The details of the borrower that would be displayed in the report are as follows:

From Date	The From Date under which the facility contract is initiated.
To Date	The To Date to which the facility contract is initiated.
Currency	The currency of the facility contract.
Facility Reference Number	The Contract Reference Number of the main borrower facility contract under which the tranche linked to the facility contract, is initiated.
User Reference Number	The User Reference Number.
Customer Reference Number	The Customer Reference Number.
Facility Amount	The amount of the facility contract, as agreed upon by the players i.e. the borrowing customer and the participants.
Facility Start Date	This is the date that indicates the beginning of the period for which the facility contract is available for use.

Facility End Date	This is the date that indicates the end of the period for which the facility contract is available for use.
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13.40 Tranche Borrower Report

This report gives details of all tranche borrower contracts. It is printed daily as part of the batch process.

13.40.1 Selected Options

You can generate this report to obtain the participant details for:

- A specific tranche (in this case the reference number of the facility contract under which the selected tranche is booked will also be displayed), or
- All tranche contracts disbursed at your bank till date.

You can invoke this screen by typing 'LSRTBDET' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

13.40.2 Contents of the Report

The contents of the 'Facility Borrower Contact Detail' report are discussed under the following heads:

Header of the Report

The Header carries the title of the Report, information on the branch code, the branch date, the user ID, the module name, the date and time at which the report was generated and the page number of the report.

Body of the report

The details of the borrower that would be displayed in the report are as follows:

Facility Ref No (Sort field)	The Contract Reference Number of the borrower facility contracts initiated at your bank whose maturity date falls within the specified date range.
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Tranche Ref No	The Reference Number of the borrower tranche under which the drawdown loan contracts is initiated.
User Ref No	The User Reference Number.
Facility Name	The name of the facility contract used to process the facility contract.
Tranche Name	The name of the tranche contract used to process the facility contract.
Customer Name	Name of the borrower in the tranche contract to which each of the drawdown loan contract is linked.
Counterparty	The name of the counterparty.
Contact ID	The contact ID of the borrower.
Address	The address of the entity selected for the entity.

14. Function ID Glossary

C

CFDADFEE 7,	3-7
CSDADMIN	3-1
CSDDIAEV	3-3
CSDDRYMS	3-6
CSDDRYST	5-51
CSDPARDF	3-3

L

LLDPRMNT	4-48
LLDSPMNT	3-2
LLSCOAMT	5-42
LLSPRTTR	5-60
LNDCONON	5-7
LNDPRMNT	4-51
LNDRCMNT	5-43
LSDADSCH	7-1
LSDBRMNT	3-8
LSDDDAMD	8-2
LSDDDONL	5-33
LSDFXRVN	6-8
LSDPATFR	5-43
LSDPCMAP	3-14
LSDPMNT	6-7

LSDPRMNT	4-3
LSDPXLOG	5-54
LSDTRAMD	9-2
LSDTRONL	5-25
LSDUPLJB	5-53
LSRBRDET	13-15
LSRDDBRC	13-18
LSRFCDET	13-47
LSRPDDID	13-11
LSRPFDDT	13-19
LSRPFUTI	13-28
LSRPPADC	13-2
LSRPPRAM	13-31
LSRPPTCO	13-5
LSRPTDDT	13-9
LSRTBDET	13-48
LSSBWRDR	5-58
LSSBWRFC	5-56
LSSBWRTR	5-57

M

MSDFFT	5-55
MSDFFTMN	5-55