

Oracle FLEXCUBE Core Banking

Accounting Entries User Manual
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Accounting Entries User Manual
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1. Preface

1.1. Intended Audience

This document is intended for the following audience:

- Customers
- Partners

1.2. 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>.

1.3. Access to OFSS Support

<https://support.us.oracle.com>

1.4. Structure

This manual is organized into the following categories:

Preface gives information on the intended audience. It also describes the overall structure of the User Manual

Chapters are dedicated to module wise accounting entries, covered in the User Manual

1.5. Related Information Sources

For more information on Oracle FLEXCUBE Core Banking Release 5.2.0.0.0, refer to the following documents:

- Oracle FLEXCUBE Core Banking Licensing Guide

CASA

Global Assumption

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this section of the manual are listed below along with the maintenance which is used for maintaining the same:

| Sr No | GL Head | Location of Setup |
|-------|--|---|
| 1 | CASA Asset / Liability GL | CHM01/ GL/ Liabilities balance |
| 2 | SC Income GL | BAM14/ SC GL Code |
| 3 | TD Liability GL | TDM01/ GL codes/ Regular Deposits |
| 4 | Interest Expense | TDM01/ GL codes/ Interest Expense |
| 5 | Inter branch GL | BAM08/ GL Details/ IB GL |
| 6 | Cash GL | BAM08/ GL Details/ Bank Cash GL |
| 7 | Future dated bridge GL | BAM08/ GL Details/ Future Dated Bridge GL |
| 8 | SC Income GL | BAM14/ SC GL code |
| 9 | Dormant Deposit Credit GL | BAM19/ Dormancy Processing Parameters |
| 10 | Unclaimed Deposit Credit GL (Non Business Income GL) | BAM19/ Unclaimed Processing Parameters |
| 11 | Unclaimed Deposit Debit GL (Non Business Expense GL) | BAM19/ Unclaimed Processing Parameters |

| Sr No | GL Head | Location of Setup |
|--------------|---------------------|--------------------------------------|
| 12 | Interest Payable GL | CHM01/ GL Codes/ Interest Payable GL |

* The entries can be passed to the Asset / Liability GL or Suspended Asset GL based on the status of the account at the time of posting. For all entries, it is assumed that the account is in normal status unless it is required to be suspended.

Cash Withdrawal – Fast Path: 1001

Cash withdrawal in LCY.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|-------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | CNY100 | Online | A/c debit |
| 20/02/09 | 20/02/09 | Transaction Branch | Cash GL | Cr | CNY100 | CNY100 | Online | Cash Payout |

Cash withdrawal in FCY.

Cash Withdrawal of USD 15 (Equivalent to CNY100) on CASA Account in CNY.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|---------|---------|------------------|----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 15 | CNY 100 | Online | FX buy rate to apply |
| 20/02/09 | 20/02/09 | Transaction Branch | Cash GL CNY | Cr | CNY 100 | CNY 100 | Online | Cash payout |

Cash Withdrawal in LCY from CASA with SC levied.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Withdrawal amount |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 20 | CNY 20 | Online | Applicable SC to be charged over the withdrawal amount |
| 20/02/09 | 20/02/09 | Transaction Branch | Cash GL CNY | Cr | CNY 100 | CNY 100 | Online | Cash payout |
| 20/02/09 | 20/02/09 | Transaction Branch | SC Income GL | Cr | CNY 20 | CNY 20 | Online | Collected SC to income |

Cash withdrawal from CASA Account maintained with Branch A and cash payout in branch B, with applicable Service charge.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|--------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Branch A | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Withdrawal amount posted |
| 20/02/09 | 20/02/09 | Branch A | CASA Asset/ Liability GL | Dr | CNY 20 | CNY 20 | Online | Applicable SC to be charged over the withdrawal amount |

Cash Withdrawal – Fast Path: 1001

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|----------------|---------|---------|---------|------------------|-------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Branch A | Interbranch GL | Cr | CNY 100 | CNY 100 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | Branch A | Interbranch GL | Cr | CNY 20 | CNY 20 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | Branch B | Interbranch GL | Dr | CNY 100 | CNY 100 | EOD | Responding entry |
| 20/02/09 | 20/02/09 | Branch B | Interbranch GL | Dr | CNY 20 | CNY 20 | EOD | Responding entry |
| 20/02/09 | 20/02/09 | Branch B | Cash GL CNY | Cr | CNY 100 | CNY 100 | Online | Cash payout |
| 20/02/09 | 20/02/09 | Branch B | SC Income GL | Cr | CNY 20 | CNY 20 | EOD | Collected SC booked as income |

Funds Transfer Request – Fast Path: 1006

Transfer funds from account A to account B within same branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|--------|---------|------------------|-------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | CNY100 | Online | Funds Transfer to Account B |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset / Liability GL | Cr | CNY100 | CNY100 | Online | Funds Transfer from Account A |

Funds transfer in FCY.

Funds transfer of (FCY) USD 15 (Equivalent to CNY100) from Account A to Account B in CNY(LCY) within same branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|--------|---------|------------------|----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 15 | CNY100 | Online | FX buy rate to apply |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset / Liability GL | Cr | CNY100 | CNY100 | Online | Funds transfer |

Funds Transfer Request – Fast Path: 1006

Funds Transfer from Account A to account B within same branch with SC levied.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Funds Transfer to Account B |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 20 | CNY 20 | Online | Applicable SC to be charged over the transfer amount |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Cr | CNY 100 | CNY 100 | Online | Cash payout |
| 20/02/09 | 20/02/09 | Transaction Branch | SC Income GL | Cr | CNY 20 | CNY 20 | EOD | Collected SC booked as income |

Cash withdrawal from CASA Account maintained with Branch A and cash payout in branch B, with applicable Service charge.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------------|--------------------------|---------|---------|---------|------------------|--------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch A | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Withdrawal amount posted |

Funds Transfer Request – Fast Path: 1006

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|-----------------------------|-----------------------------------|-------------------|------------|-------------|----------------------|---|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transactio n Branch A | CASA Asset/ Liability GL | Dr | CNY 20 | CNY 20 | Online | Applicable SC to be charged over the withdrawal amount |
| 20/02/09 | 20/02/09 | Transactio n Branch A | Interbranc h GL | Cr | CNY 100 | CNY 100 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | Transactio n Branch | SC Income GL | Cr | CNY 20 | CNY 20 | EOD | Collected SC booked as income in LCY |
| 20/02/09 | 20/02/09 | Branch | Interbranc h GL | Dr | CNY 100 | CNY 100 | EOD | Respondin g entry |
| 20/02/09 | 20/02/09 | Branch B | CASA Asset/ Liability GL | Cr | CNY 100 | CNY 100 | Online | Cash payout |

Miscellaneous Customer Debit – Fast Path: 1008

Transfer funds from CASA account to GL Account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------------------|---------|------------|------------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Fund transfer to GL |
| 20/02/09 | 20/02/09 | Transaction Branch | Selected Asset / Liability GL | Cr | CNY 100 | CNY 100 | Online | Fund transfer from CASA |

Funds transfer in FCY.

Funds transfer of (FCY) USD 15 (Equivalent to CNY 100) from CASA account to GL account B in CNY (LCY).

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------|---------|------------|------------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 15 | CNY 100 | Online | FX buy rate to apply, transfer to CASA Account B |
| 20/02/09 | 20/02/09 | Transaction Branch | Selected GL | Cr | CNY 100 | CNY 100 | Online | From CASA Account A |

Please note to see the position and position equivalent entries for all FCY transactions in a separate section in this manual.

Miscellaneous Customer Debit – Fast Path: 1008

Funds Transfer from CASA account to GL account with SC levied in a three branch set up i.e. Transaction originating, Branch A, Provider Branch B and Beneficiary Accounts Branch C are maintained in three separate branches. Transfer Amount is CNY 100.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|----------------------------------|-------------------|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transaction Originating Branch A | Interbranch GL | Dr | CNY 100 | CNY 100 | Online | Funds Transfer to Account B |
| 20/02/09 | 20/02/09 | Transaction Originating Branch A | Interbranch GL | Dr | CNY 20 | CNY 20 | Online | Applicable SC to be charged over the transfer amount |
| 20/02/09 | 20/02/09 | Provider Account Branch B | Interbranch GL | Cr | CNY 100 | CNY 100 | Online | Transfer to GL |
| 20/02/09 | 20/02/09 | Provider Account Branch B | Interbranch GL | Cr | CNY 20 | CNY 20 | Online | Transfer to GL |
| 20/02/09 | 20/02/09 | Provider Account Branch B | CASA Liability GL | Dr | CNY 20 | CNY 20 | EOD | SC Collected from CASA |
| 20/02/09 | 20/02/09 | Provider Account Branch B | CASA Liability GL | Dr | CNY 100 | CNY 100 | EOD | Funds transfer to Selected GL with Branch B |
| 20/02/09 | 20/02/09 | Provider Account Branch B | Interbranch GL | Dr | CNY 100 | CNY 100 | Online | Transfer to GL |
| 20/02/09 | 20/02/09 | Provider Account Branch B | Interbranch GL | Dr | CNY 20 | CNY 20 | Online | Transfer to GL |

Miscellaneous Customer Debit – Fast Path: 1008

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|----------------------------------|----------------|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Beneficiary Account Branch C | Interbranch GL | Cr | CNY 100 | CNY 100 | EOD | Funds transfer to Selected GL |
| 20/02/09 | 20/02/09 | Beneficiary Account Branch C | Interbranch GL | Dr | CNY 100 | CNY 100 | EOD | Funds transfer to Selected GL with Branch B |
| 20/02/09 | 20/02/09 | Beneficiary Account Branch C | Selected GL | Cr | CNY 100 | CNY 100 | EOD | Funds transfer to Selected GL |
| 20/02/09 | 20/02/09 | Transaction Originating Branch A | Interbranch GL | Cr | CNY 100 | CNY 100 | Online | Funds Transfer to Account B |
| 20/02/09 | 20/02/09 | Transaction Originating Branch A | Interbranch GL | Cr | CNY 20 | CNY 20 | Online | Applicable SC to be charged over the transfer amount |

Cash withdrawal from CASA account maintained with Branch A and cash payout in Branch B, with applicable Service charge.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------|-----------------------------|-------------------|---------|-------------|----------------------|--------------------------|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Account Branch A | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Withdrawal amount posted |

Miscellaneous Customer Debit – Fast Path: 1008

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|----------------------|-----------------------------|-------------------|---------|-------------|----------------------|-------------------------------|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Account Branch A | CASA Asset/ Liability GL | Dr | CNY 20 | CNY 20 | Online | Applicable SC to be charged |
| 20/02/09 | 20/02/09 | Account Branch A | Interbranch GL | Cr | CNY 100 | CNY 100 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | Account Branch A | Interbranch GL | Cr | CNY 20 | CNY 20 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | Transaction Branch B | Interbranch GL | Dr | CNY 100 | CNY 100 | EOD | Responding entry |
| 20/02/09 | 20/02/09 | Transaction Branch B | Interbranch GL | Dr | CNY 20 | CNY 20 | EOD | Responding entry |
| 20/02/09 | 20/02/09 | Transaction Branch B | Selected GL | Cr | CNY 100 | CNY 100 | Online | Transfer to GL |
| 20/02/09 | 20/02/09 | Transaction Branch B | SC Income GL | Cr | CNY 20 | CNY 20 | EOD | Collected SC as income in LCY |

Cheque Withdrawal – Fast Path: 1013

Cash withdrawal.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------|---------|------------|------------|------------------|--------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Withdrawal posted in A/c |
| 20/02/09 | 20/02/09 | Transaction Branch | Cash GL | Cr | CNY 100 | CNY 100 | Online | Cash Payout |

Cash withdrawal in FCY.

Cash Withdrawal of USD 15 (Equivalent to CNY 100) from CASA Account in CNY.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------|---------|------------|------------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 15 | CNY 100 | Online | FX buy rate to apply, Withdrawal posted in A/c |
| 20/02/09 | 20/02/09 | Transaction Branch | Cash GL CNY | Cr | CNY 100 | CNY 100 | Online | Cash Payout |

Cheque Withdrawal – Fast Path: 1013

Cash Withdrawal from CASA with SC levied.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Withdrawal amount |
| 20/02/09 | 20/02/09 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 20 | CNY 20 | Online | Applicable SC to be charged over the withdrawal amount |
| 20/02/09 | 20/02/09 | Transaction Branch | Cash GL CNY | Cr | CNY 100 | CNY 100 | Online | Cash payout |
| 20/02/09 | 20/02/09 | Transaction Branch | SC Income GL | Cr | CNY 20 | CNY 20 | EOD | Collected SC as income |

Cash withdrawal from CASA Account maintained with Branch A and cash payout in Branch B, with applicable Service charge.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|------------------|--------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Account Branch A | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Withdrawal amount posted |
| 20/02/09 | 20/02/09 | Account Branch A | CASA Asset/ Liability GL | Dr | CNY 20 | CNY 20 | Online | Applicable SC to be charged over the withdrawal amount |

Cheque Withdrawal – Fast Path: 1013

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|----------------------|----------------|-------------------|---------|-------------|----------------------|------------------------|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Account Branch A | Interbranch GL | Cr | CNY 100 | CNY 100 | EOD | Originating |
| 20/02/09 | 20/02/09 | Account Branch A | Interbranch GL | Cr | CNY 20 | CNY 20 | EOD | Originating |
| 20/02/09 | 20/02/09 | Transaction Branch B | Interbranch GL | Dr | CNY 100 | CNY 100 | EOD | Responding |
| 20/02/09 | 20/02/09 | Transaction Branch B | Interbranch GL | Dr | CNY 20 | CNY 20 | EOD | Responding |
| 20/02/09 | 20/02/09 | Transaction Branch B | Cash GL CNY | Cr | CNY 100 | CNY 100 | Online | Cash payout |
| 20/02/09 | 20/02/09 | Transaction Branch B | SC Income GL | Cr | CNY 20 | CNY 20 | EOD | Collected SC as income |

Bill Payment by Cash Mode – Fast Path: 1025

Bill Payment of CNY 100 in cash. Utility Company account is a CASA Account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | CNY 100 | CNY 100 | Online | Bill payment in cash |
| 01/01/05 | 01/01/05 | Transaction Branch | Asset / Liability GL of Utility CASA | Cr | CNY 100 | CNY 100 | EOD | Utility Company CASA account credited. |

Bill payment in cash in USD at Branch A, for a utility company account maintained in LCY (CNY) with a different branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 15 | CNY 100 | Online | Buy FX rate to apply, cash deposit |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | CNY 100 | CNY 100 | EOD | Originating |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | CNY 100 | CNY 100 | EOD | Responding |
| 01/01/05 | 01/01/05 | Account Branch | Asset / Liability GL of Utility CASA | Cr | CNY 100 | CNY 100 | EOD | Bill payment to utility company's account / branch |

Bill Payment by CASA transfer Mode – Fast Path: 1025

Bill Payment of CNY 100 by transfer from a CASA account. Utility Company account is a CASA Account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------------------|---------|---------|---------|------------------|---------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Asset / Liability GL of provider CASA | Dr | CNY 100 | CNY 100 | EOD | Bill payment by transfer from CASA |
| 01/01/05 | 01/01/05 | Transaction Branch | Asset / Liability GL of Utility CASA | Cr | CNY 100 | CNY 100 | EOD | Utility Company CASA account credited |

Bill payment in cash in USD at Branch A, for a utility company account maintained in LCY (CNY) with a different branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|---------|---------|------------------|----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 15 | CNY 100 | Online | Buy FX rate to apply |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | CNY 100 | CNY 100 | EOD | Originating |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | CNY 100 | CNY 100 | EOD | Responding |

Bill Payment by CASA transfer Mode – Fast Path: 1025

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|--|---------|------------|------------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | Asset / Liability GL of Utility CASA | Cr | CNY 100 | CNY 100 | EOD | Credit to utility Company account |

CASA to CASA Funds transfer Request – Fast Path: 1091

Transfer of CNY 100 from Account A to Account B maintained in different branches. These transactions are future dated and are executed on value date basis.

| Date | | Branch | GL Head | D r / C r | Amount | | Generate d During | Remarks |
|----------|------------|---------------------|----------------------------|-----------|---------|----------|-------------------|---------------------------------------|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 01/01/05 | 31/12/2004 | Transactio n Branch | CASA Asset/ Liabilit y GL | Dr | CNY 100 | CNY 100 | Online | Transfer to Account B with Branch 2 |
| 01/01/05 | 01/01/05 | Transactio n Branch | Inter branch GL | Cr | CNY 100 | CNY 100 | EOD | Originating |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Dr | CNY 100 | CNY 100 | EOD | Respondin g |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liabilit y GL | Cr | CNY 100 | CNY 100 | Online | Transfer from Account A with Branch 1 |

Transfer of USD 15 from Account A (in USD) to Account B in GBP 12 with Service charge of CNY 8. This option can also be used for making future dated funds transfer by changing the value date. While the credit intended happens on the future value date, SC collection for this transaction happens on the day of initiating the future dated transaction. Hence, SC income does not pass through Future Dated Bridge GL.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 02/01/05 | From Account Branch | CASA Asset/ Liability GL | Dr | USD 15 | CNY 120 | EOD | Buy rate for USD/ CNY, transfer to Account B |

CASA to CASA Funds transfer Request – Fast Path: 1091

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|---------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | CASA Asset/ Liability GL | Dr | USD 1 | CNY 8 | EOD | SC deducted |
| 01/01/05 | 02/01/05 | From Account Branch | Future dated Bridge GL | Cr | USD 15 | CNY 120 | EOD | Funds parked in Bridge GL |
| 02/01/05 | 02/01/05 | From Account Branch | Future dated Bridge GL | Dr | USD 15 | CNY 120 | BOD | Transfer to beneficiary account on value date. |
| 02/01/05 | 02/01/05 | To Account Branch | CASA Asset / Liability GL | Cr | GBP 12 | CNY 120 | BOD | Sale rate for GBP/CNY |
| 01/01/05 | 01/01/05 | To Account Branch | SC Income GL | Cr | CNY 8 | CNY 8 | EOD | SC collected to income GL in LCY on the day of initiating the transaction. |

Transfer of USD 15 from Account A Transaction Branch (in USD) to Account B in GBP, both accounts maintained in different branches. Service charge of CNY 8 is levied for the transaction.(Assumed USD15 = GBP12 = CNY 120).

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 15 | CNY 120 | Online | Buy rate for USD/ CNY |

CASA to CASA Funds transfer Request – Fast Path: 1091

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 02/01/05 | Transaction Branch | Future Dated Bridge GL | Cr | USD 15 | CNY 120 | EOD | Transaction amount parked till value date |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 1 | CNY 8 | Online | SC deducted |
| 01/01/05 | 01/01/05 | Transaction Branch | SC Income GL | Cr | CNY 8 | CNY 8 | Online | SC collected to income GL in LCY |
| 02/01/05 | 02/01/05 | Transaction Branch | Future Dated Bridge GL | Dr | USD 15 | CNY 120 | EOD | Parked amount transferred to Account |
| 02/01/05 | 02/01/05 | Transaction Branch | Inter branch GL | Cr | CNY 120 | CNY 120 | EOD | Originating |
| 02/01/05 | 02/01/05 | Account Branch | Inter branch GL | Dr | CNY 120 | CNY 120 | EOD | Responding |
| 02/01/05 | 02/01/05 | Account Branch | CASA Asset / Liability GL | Cr | GBP 12 | CNY 120 | Online | Sale rate for GBP/CNY |

CASA to GL Funds transfer Request – Fast Path: 1092

Future dated funds transfer of CNY 100 from Account A to Account B maintained in different branches.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY 100 | CNY 100 | Online | Transfer to GL |
| 01/01/05 | 05/01/05 | From Account Branch | Future Dated Bridge GL | Cr | CNY 100 | CNY 100 | EOD | Transaction amount parked till value date |
| 05/01/05 | 05/01/05 | From Account Branch | Future Dated Bridge GL | Dr | CNY 100 | CNY 100 | EOD | Transaction amount parked till value date |
| 05/01/05 | 05/01/05 | Transaction Branch | Inter branch GL | Cr | CNY 100 | CNY 100 | EOD | Originating |
| 01/01/05 | 01/01/05 | To Account Branch | Inter branch GL | Dr | CNY 100 | CNY 100 | EOD | Responding |
| 05/01/05 | 05/01/05 | To Account Branch | Selected GL | Cr | CNY 100 | CNY 100 | Online | Transfer from CASA |

Transfer of USD 15 from Account A (in USD) to Account B in GBP 12 with Service charge of CNY 8. The instruction to undertake the transaction is getting initiated from Branch C.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------------------|-----------------|---------|--------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction initiating Branch C | Inter branch GL | Dr | USD 15 | CNY 120 | EOD | Buy rate for USD/ CNY |

CASA to GL Funds transfer Request – Fast Path: 1092

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------------|---------------------------|---------|--------|---------|------------------|-------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch A | Inter branch GL | Cr | USD 15 | CNY 120 | EOD | |
| 01/01/05 | 01/01/05 | Transaction Branch A | CASA Asset/ Liability GL | Dr | USD 1 | CNY 8 | Online | SC deducted |
| 01/01/05 | 01/01/05 | To Account Branch | CASA Asset / Liability GL | Cr | GBP 12 | CNY 120 | Online | Sale rate for GBP/CNY |
| 01/01/05 | 01/01/05 | To Account Branch | SC Income GL | Cr | CNY 8 | CNY 8 | EOD | Collected SC to Income in LCY |

Transfer of USD 15 from Account A (in USD) to GL Account in GBP, both accounts maintained in different branches. Service charge of CNY 8 is levied for the transaction.(Assumed USD15 = GBP12 = CNY 120).

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 05/01/05 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 15 | CNY 120 | Online | Buy rate for USD/ CNY |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 1 | CNY 8 | Online | SC deducted |
| 01/01/05 | 05/01/05 | From Account Branch | Future Dated Bridge GL | Cr | CNY 100 | CNY 100 | EOD | Transaction amount parked till value date |

CASA to GL Funds transfer Request – Fast Path: 1092

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | From Account Branch | Future Dated Bridge GL | Dr | CNY 100 | CNY 100 | EOD | Transaction amount parked till value date |
| 05/01/05 | 05/01/05 | Transaction Branch | Inter branch GL | Cr | CNY 120 | CNY 120 | EOD | Originating |
| 01/01/05 | 01/01/05 | Transaction Branch | SC Income GL | Cr | CNY 8 | CNY 8 | EOD | Collected SC to income in LCY |
| 05/01/05 | 05/01/05 | To Account Branch | Inter branch GL | Dr | CNY 120 | CNY 120 | EOD | Responding |
| 05/01/05 | 05/01/05 | To Account Branch | Selected GL | Cr | GBP 12 | CNY 120 | Online | Sale rate for GBP/CNY |

GL to CASA Funds transfer Request – Fast Path: 1093

Transfer of CNY 100 from selected GL to CASA account maintained in different branches.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 05/01/05 | Transaction Branch | Selected GL | Dr | CNY 100 | CNY 100 | EOD | Transfer to CASA account maintained with other branch |
| 05/01/05 | 05/01/05 | Transaction Branch | Inter branch GL | Cr | CNY 100 | CNY 100 | EOD | Originating |
| 05/01/05 | 05/01/05 | To Account Branch | Inter branch GL | Dr | CNY 100 | CNY 100 | EOD | Responding |
| 05/01/05 | 05/01/05 | To Account Branch | CASA Asset / Liability GL | Cr | CNY 100 | CNY 100 | EOD | Transfer from account maintained with other branch |

Transfer of USD 15 from Account A (in USD) to Account B in GBP, equivalent to GBP 12 with Service charge of CNY 8.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 05/01/05 | Transaction Branch | Asset/ Liability GL | Dr | USD 15 | CNY 120 | Online | Buy rate for USD/ CNY |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 1 | CNY 8 | Online | SC deducted |

GL to CASA Funds transfer Request – Fast Path: 1093

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-------------------|---------------------------|---------|--------|---------|------------------|------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | To Account Branch | CASA Asset / Liability GL | Cr | GBP 12 | CNY 120 | Online | Sale rate for GBP/CNY |
| 01/01/05 | 01/01/05 | To Account Branch | SC Income GL | Cr | CNY 8 | CNY 8 | EOD | Collected SC to Income |

Transfer of USD 15 from Account A (in USD) to Account B in GBP equivalent to GBP 12, both accounts maintained in different branches. Service charge of CNY 8 is levied for the transaction.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|---------|---------|------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 05/01/05 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 15 | CNY 120 | EOD | Buy rate for USD/ CNY |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset/ Liability GL | Dr | USD 1 | CNY 8 | EOD | SC deducted |
| 05/01/05 | 05/01/05 | Transaction Branch | Inter branch GL | Cr | CNY 120 | CNY 120 | EOD | Originating |
| 01/01/05 | 01/01/05 | To Account Branch | SC Income GL | Cr | CNY 8 | CNY 8 | EOD | Collected SC to Income in LCY. |
| 05/01/05 | 05/01/05 | To Account Branch | Inter branch GL | Dr | CNY 120 | CNY 120 | EOD | Responding |

GL to CASA Funds transfer Request – Fast Path: 1093

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-------------------|---------------------------|---------|--------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | To Account Branch | CASA Asset / Liability GL | Cr | GBP 12 | CNY 120 | Online | Sale rate for GBP/CNY |

CASA Close out withdrawal by Cash – Fast Path: 1320

Cash payout of CNY 120 from a CASA account, maintained with a different branch on close out.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--------------------------|---------|---------|---------|------------------|------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | CASA Asset/ Liability GL | Dr | CNY 120 | CNY 120 | Online | Account debited for final transfer |
| 01/01/05 | 01/01/05 | From Account Branch | Inter branch GL | Cr | CNY 120 | CNY 120 | EOD | Originating |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter branch GL | Dr | CNY 120 | CNY 120 | EOD | Responding |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Cr | CNY 120 | CNY 120 | Online | Cash payout |

Cash payout of USD 15 from Account A (in GBP) close out balance of GBP 13 with Service charge of CNY 10.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--------------------------|---------|---------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | CASA Asset/ Liability GL | Dr | GBP 12 | CNY 120 | Online | Buy rate for GBP/ CNY |
| 01/01/05 | 01/01/05 | From Account Branch | CASA Asset/ Liability GL | Dr | GBP 1 | CNY 10 | Online | SC deducted |
| 01/01/05 | 01/01/05 | From Account Branch | Inter branch GL | Cr | CNY 120 | CNY 120 | EOD | Originating |

CASA Close out withdrawal by Cash – Fast Path: 1320

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|-----------------|---------|---------|---------|------------------|------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | Inter branch GL | Cr | CNY 10 | CNY 10 | EOD | Originating |
| 01/01/05 | 01/01/05 | To Account Branch | Inter branch GL | Dr | CNY 120 | CNY 120 | EOD | Responding |
| 01/01/05 | 01/01/05 | To Account Branch | Inter branch GL | Dr | CNY 10 | CNY 10 | EOD | Responding |
| 01/01/05 | 01/01/05 | To Account Branch | Cash GL | Cr | USD 15 | CNY 120 | EOD | Sale rate for USD/CNY |
| 01/01/05 | 01/01/05 | To Account Branch | Income GL | Cr | CNY 10 | CNY 10 | EOD | Collected SC to Income |

CASA Close out withdrawal by Transfer to GL – Fast Path: 1321

Transfer of Close out proceeds in CNY 120 from a CASA account, maintained with a different branch to a GL account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|---------------------|---------|---------|---------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | Asset/ Liability GL | Dr | CNY 120 | CNY 120 | Online | Final Closeout proceeds |
| 01/01/05 | 01/01/05 | From Account Branch | Inter branch GL | Cr | CNY 120 | CNY 120 | EOD | Originating |
| 01/01/05 | 01/01/05 | To Account Branch | Inter branch GL | Dr | CNY 120 | CNY 120 | EOD | Responding |
| 01/01/05 | 01/01/05 | To Account Branch | Misc Credit GL | Cr | CNY 120 | CNY 120 | Online | Transfer to GL |

Transfer of close out proceeds of USD 15 from Account A (in GBP equivalent to GBP 12)) with Service charge of CNY 10. Closeout proceeds to be transferred to a Misc. GL maintained with a different branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | CASA Asset/ Liability GL | Dr | GBP 12 | CNY 120 | Online | Buy rate for GBP/ CNY, final closeout proceeds |
| 01/01/05 | 01/01/05 | From Account Branch | CASA Asset/ Liability GL | Dr | GBP 1 | CNY 10 | Online | SC deducted |

CASA Close out withdrawal by Transfer to GL – Fast Path: 1321

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|-----------------|---------|---------|---------|------------------|---------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | Inter branch GL | Cr | CNY 120 | CNY 120 | EOD | Originating |
| 01/01/05 | 01/01/05 | From Account Branch | Inter branch GL | Cr | CNY 10 | CNY 10 | EOD | Originating |
| 01/01/05 | 01/01/05 | To Account Branch | Inter branch GL | Dr | CNY 120 | CNY 120 | EOD | Responding |
| 01/01/05 | 01/01/05 | To Account Branch | Inter branch GL | Dr | CNY 10 | CNY 10 | EOD | Responding |
| 01/01/05 | 01/01/05 | To Account Branch | Misc Credit GL | Cr | USD 15 | CNY 120 | Online | Sale rate for USD/CNY, transfer to GL |
| 01/01/05 | 01/01/05 | To Account Branch | Income GL | Cr | CNY 10 | CNY 10 | EOD | SC transfer to GL |

Cash Deposit – Fast Path: 1401

Cash deposit of CNY 100 made in the CASA Account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|---------------------------|---------|---------|---------|------------------|----------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | Cash GL | Dr | CNY 100 | CNY 100 | EOD | Cash deposit |
| 01/01/05 | 01/01/05 | To Account Branch | CASA Asset / Liability GL | Cr | CNY 100 | CNY 100 | EOD | Account Credit |

USD 120 deposited on CASA Account with Acy in GBP, maintained with a different branch.
Service charge of CNY10 is levied at the transaction branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|---------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 120 | CNY 960 | Online | USD buy rate to apply |
| 01/01/05 | 01/01/05 | Transaction Branch | SC Income GL | Cr | CNY 10 | CNY 10 | Online | SC collected |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter branch GL | Cr | CNY 960 | CNY 960 | EOD | Originating |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter branch GL | Dr | CNY 10 | CNY 10 | EOD | Responding |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Cr | CNY 10 | CNY 10 | EOD | Originating |

Cash Deposit – Fast Path: 1401

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|---------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Dr | CNY 960 | CNY 960 | EOD | Responding |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Dr | GBP 1 | CNY 10 | EOD | GBP sale rate to apply, SC collected |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Cr | GBP 96 | CNY 960 | EOD | GBP Buy rate to apply, Account credited |

Cash Deposit – Fast Path: 1501

Cash deposit of CNY 100 in the CASA Account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|---------------------------|---------|---------|---------|------------------|----------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | From Account Branch | Cash GL | Dr | CNY 100 | CNY 100 | EOD | Cash deposit |
| 01/01/05 | 01/01/05 | To Account Branch | CASA Asset / Liability GL | Cr | CNY 100 | CNY 100 | EOD | Account credit |

USD 120 deposited on CASA Account with Acy in GBP, maintained with a different branch. Service charge of CNY10 is levied at the transaction branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|---------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 120 | CNY 960 | Online | USD buy rate to apply |
| 01/01/05 | 01/01/05 | Transaction Branch | SC Income GL | Cr | CNY 10 | CNY 10 | Online | SC collected |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter branch GL | Cr | CNY 960 | CNY 960 | EOD | Originating |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter branch GL | Dr | CNY 10 | CNY 10 | EOD | Responding |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Cr | CNY 10 | CNY 10 | EOD | Originating |

Cash Deposit – Fast Path: 1501

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|---------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Dr | CNY 960 | CNY 960 | EOD | Responding |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Dr | GBP 1 | CNY 10 | EOD | GBP sale rate to apply, SC deducted |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Cr | GBP 96 | CNY 960 | EOD | GBP Buy rate to apply, account credited |

Misc. Customer Credit – Fast Path: 1408

Credit transfer of CNY 100 received in a CASA account from a GL Account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|---------|---------|------------------|------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Selected GL | Dr | CNY 100 | CNY 100 | Online | Transfer to CASA |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset / Liability GL | Cr | CNY 100 | CNY 100 | Online | From GL account |

CNY 960 deposited in a CASA Account with Acy in GBP, maintained with a different branch. Service charge of CNY10 is levied at the transaction branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|---------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Selected GL | Dr | CNY 960 | CNY 960 | Online | USD buy rate to apply |
| 01/01/05 | 01/01/05 | Transaction Branch | SC Income GL | Cr | CNY 10 | CNY 10 | Online | SC collected |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter branch GL | Cr | CNY 960 | CNY 960 | EOD | Originating |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter branch GL | Dr | CNY 10 | CNY 10 | EOD | Originating |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Cr | CNY 10 | CNY 10 | EOD | Responding |

Misc. Customer Credit – Fast Path: 1408

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|---------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Dr | CNY 960 | CNY 960 | EOD | Responding |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Dr | GBP 1 | CNY 10 | EOD | GBP sale rate to apply, SC deducted |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Cr | GBP 96 | CNY 960 | EOD | GBP buy rate to apply, transfer from CASA |

Future Dated Cash Deposit – Fast Path: 1411

Future dated cash deposit of USD 110 on CASA Account in GBP on 01/01/05 with value date as 05/01/05.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | USD cash GL | Dr | USD 110 | 880 | Online | USD buy rate to apply |
| 01/01/05 | 01/01/05 | Transaction Branch | Future Dated Bridge GL | Cr | USD 110 | 880 | EOD | Parked in Bridge GL |
| 05/01/05 | 05/01/05 | Transaction Branch | Future Dated Bridge GL | Dr | USD 110 | 880 | EOD | Transfer on value date |
| 05/01/05 | 05/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 110 | 880 | EOD | Originating |
| 05/01/05 | 05/01/05 | Account Branch | Inter Branch GL | Dr | USD 110 | 880 | EOD | Responding |
| 05/1/05 | 05/01/05 | Account Branch | CASA Asset / Liability GL | Cr | GBP 88 | 880 | EOD | GBP sale rate to apply, transfer executed |

Future Dated Cash Deposit – Fast Path: 1411

Future dated transaction within the same branch with Service Charge.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Transaction Branch | USD cash GL | Dr | USD 110 | 880 | Online | USD buy rate to apply, amount to beneficiary branch |
| 01/01/05 | 01/01/05 | Transaction Branch | SC Income GL | Cr | USD 10 | 80 | EOD | Collected SC to Income |
| 01/01/05 | 01/01/05 | Transaction Branch | Future Dated Bridge GL | Cr | USD 100 | 800 | EOD | Parked in bridge GL |
| 05/01/05 | 05/01/05 | Transaction Branch | Future Dated Bridge GL | Dr | USD 100 | 800 | EOD | Transfer on Value date |
| 05/1/05 | 05/01/05 | Account Branch | CASA Asset / Liability GL | Cr | GBP 80 | 800 | EOD | GBP sale rate to apply |

CASA Billing Transactions – Fast Path: CH050

Utility Company Account is a CASA Account.

Bill Payment of USD 100 from CASA Account in GBP. Utility Company account is a CASA Account maintained with a different branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------------------|---------------------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Provider Account Branch | Asset / Liability GL of provider CASA | Dr | GBP 80 | 800 | Online | GBP buy rate, bill amount from CASA |
| 01/01/05 | 01/01/05 | Provider Account Branch | Inter Branch GL | Cr | GBP 80 | 800 | EOD | Originating |
| 01/01/05 | 01/01/05 | Beneficiary Account Branch | Inter Branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 01/01/05 | 01/01/05 | Beneficiary Account Branch | Asset / Liability GL of Utility CASA | Cr | USD 100 | 800 | EOD | USD sale rate, Utility company account credited |

Common Billing

Bill insurance Premium of CNY 800 to CASA Account in GBP.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|---------------------------|---------|--------|---------|------------------|--------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Dr | GBP 80 | 800 | Online | Premium amount from CASA |

CASA Billing Transactions – Fast Path: CH050

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|----------------------|---------|--------|---------|------------------|-------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | Insurance Premium GL | Cr | GBP 80 | 800 | Online | Collected premium |

Bill Service Charge of CNY 800 to CASA Account in GBP.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|---------------------------|---------|--------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Dr | GBP 80 | 800 | Online | Service charge deducted |
| 01/01/05 | 01/01/05 | Account Branch | SC Income GL | Cr | GBP 80 | 800 | EOD | Collected SC to Income GL |

Bill Outgoings of CNY 800 to CASA Account in GBP.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|---------------------------|---------|--------|---------|------------------|------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Dr | GBP 80 | 800 | Online | Bill amount from CASA |
| 01/01/05 | 01/01/05 | Account Branch | Outgoings GL | Cr | GBP 80 | 800 | Online | Parked in GL for external transfer |

CASA Billing Transactions – Fast Path: CH050

Bill Legal Fees of CNY 800 to CASA Account in GBP.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|---------------------------|---------|--------|---------|------------------|------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | Account Branch | CASA Asset / Liability GL | Dr | GBP 80 | 800 | Online | Legal fee deducted from CASA |
| 01/01/05 | 01/01/05 | Account Branch | Outgoings GL | Cr | GBP 80 | 800 | EOD | Parked in GL for external transfer |

Future Dated Funds Transfer – Fast Path: CHM50

On 01/01/05, future Dated Funds transfer of USD 100 from CASA Account to another CASA account in USD with value date 05/01/05. No entries are passed on the transaction date.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------------|--------------------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | From CASA Account Branch | Asset / Liability GL of From Account | Dr | USD 100 | 800 | BOD | Transfer from CASA on the proposed date of transaction |
| 05/01/05 | 05/01/05 | From CASA Account Branch | Inter Branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | To CASA Account Branch | Inter Branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | To CASA Account Branch | Asset / Liability GL of To Account | Cr | USD 100 | 800 | BOD | Received Transfer from CASA on the proposed date of transaction |

Future Dated Funds Transfer – Fast Path: CHM50

On 01/01/05, future Dated Funds transfer of USD 100 from CASA Account to GL account in USD with value date 05/01/05. No entries are passed on the transaction date.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------------|--------------------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | From CASA Account Branch | Asset / Liability GL of From Account | Dr | USD 100 | 800 | BOD | Transfer from CASA on the proposed date of transaction |
| 05/01/05 | 05/01/05 | From CASA Account Branch | Inter Branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | To CASA Account Branch | Inter Branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | Transaction Branch | Selected GL | Cr | USD 100 | 800 | BOD | Received Transfer from CASA on the proposed date of transaction |

Future Dated Funds transfer of USD 100 from GL Account to CASA account in USD.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Selected GL | Dr | USD 100 | 800 | BOD | Transfer from CASA on the proposed date of transaction |

Future Dated Funds Transfer – Fast Path: CHM50

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------------|------------------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | From CASA Account Branch | Inter Branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | To CASA Account Branch | Inter Branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | Transaction Branch | Asset / Liability GL of To Account | Cr | USD 100 | 800 | BOD | Received Transfer from CASA on the proposed date of transaction |

Future Dated Funds transfer of USD 100 from GL Account to another GL account in USD.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------------|-----------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Selected GL | Dr | USD 100 | 800 | BOD | Transfer from CASA on the proposed date of transaction |
| 05/01/05 | 05/01/05 | From CASA Account Branch | Inter Branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | To CASA Account Branch | Inter Branch GL | Dr | USD 100 | 800 | EOD | Responding |

Future Dated Funds Transfer – Fast Path: CHM50

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Selected GL | Cr | USD 100 | 800 | BOD | Received Transfer from CASA on the proposed date of transaction |

CASA Tax Refund – Fast Path: TDS13

Tax refund through Cash mode in the same branch set up.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Tax withheld GL | Dr | USD 100 | 800 | Online | GL where TDS amount is parked before remitting to Tax Authority |
| 05/01/05 | 05/01/05 | Transaction Branch | Cash GL | Cr | USD 100 | 800 | Online | Payout in cash |

Tax refund into a CASA Account maintained with a different Branch.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Tax withheld GL | Dr | USD 100 | 800 | Online | GL where TDS amount is parked before remitting to Tax Authority |
| 05/01/05 | 05/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | Account Branch | Inter branch GL | Dr | USD 100 | 800 | EOD | Responding |

CASA Tax Refund – Fast Path: TDS13

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|---------|---------|------------------|-------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | CASA Liability GL | Cr | USD 100 | 800 | Online | Refunded TDS transfer to CASA |

Credit Type Adjustment on Credit Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------|---------|---------|---------|------------------|---------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Expense GL | Dr | CNY 100 | 100 | EOD | Interest Adjustment |
| 20/02/09 | 20/02/09 | Transaction Branch | Asset / Liability GL | Cr | CNY 100 | 100 | EOD | Interest Adjustment |

Debit Type Adjustment on Credit Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------|---------|---------|---------|------------------|---------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Asset / Liability GL | Dr | CNY 100 | 100 | EOD | Interest Adjustment |
| 20/02/09 | 20/02/09 | Transaction Branch | Expense GL | Cr | CNY 100 | 100 | EOD | Interest Adjustment |

CASA Dormancy and Unclaimed Attributes Processing

Regular attribute to Dormant attribute.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|---------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | CASA Liability GL | Dr | USD 100 | 800 | EOD | CASA Liability GL funds moved to Dormant Deposit Credit GL due to account dormancy |
| 05/01/05 | 05/01/05 | CASA Account Branch | Dormant Deposit Credit GL | Cr | USD 100 | 800 | EOD | CASA Liability GL funds moved to Dormant Deposit Credit GL due to account dormancy |

Dormant attribute to Regular attribute.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|---------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | Dormant Deposit Credit GL | Dr | USD 100 | 800 | EOD | Dormant Deposit Credit GL funds moved to CASA Liability GL as dormant account becomes regular |

CASA Dormancy and Unclaimed Attributes Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|-------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | CASA Liability GL | Cr | USD 100 | 800 | EOD | Dormant Deposit Credit GL funds moved to CASA Liability GL as dormant account becomes regular |

Dormant attribute to Unclaimed attribute.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | Dormant Deposit Credit GL | Dr | USD 100 | 800 | EOD | Dormant Deposit Credit GL funds moved to Unclaimed Deposit Credit GL as dormant account moves to Unclaimed |
| 05/01/05 | 05/01/05 | CASA Account Branch | Unclaimed Deposit Credit GL (Non Business Income GL) | Cr | USD 100 | 800 | EOD | Dormant Deposit Credit GL funds moved to Unclaimed Deposit Credit GL as dormant account moves to Unclaimed |

CASA Dormancy and Unclaimed Attributes Processing

Unclaimed attribute to Regular attribute.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | Unclaimed Deposit Debit GL (Non Business Expense) GL | Dr | USD 100 | 800 | EOD | Unclaimed Deposit Debit GL funds moved to CASA Liability GL as Unclaimed account becomes regular |
| 05/01/05 | 05/01/05 | CASA Account Branch | CASA Liability GL | Cr | USD 100 | 800 | EOD | Unclaimed Deposit Debit GL funds moved to CASA Liability GL as Unclaimed account becomes regular |

CASA Dormancy and Unclaimed Attributes Processing

Scenario - Force Debit on CASA account with Dormant attribute.

This is possible when there is a court order to debit the Dormant CASA account in which case the amount is credited to PBOC CASA or GL account. Such force debits transactions performed on dormant accounts will not be considered as customer initiated transactions and after performing this transaction the attribute of the account should be retained as Dormant.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|---------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | Dormant Deposit Credit GL | Dr | USD 100 | 800 | EOD | Force debit transaction performed on dormant account |
| 05/01/05 | 05/01/05 | CASA Account Branch | CASA Liability GL | Cr | USD 100 | 800 | EOD | Force debit transaction performed on dormant account and funds credited to the CASA Liability GL |
| 05/01/05 | 05/01/05 | CASA Account Branch | CASA Liability GL | Dr | USD 100 | 800 | EOD | Amount of Force debit transaction towards credit of PBOC account |
| 05/01/05 | 05/01/05 | CASA Account Branch | PBOC GL/Corporate CASA GL | Cr | USD 100 | 800 | EOD | Amount of Force debit transaction credited to PBOC account (CASA/GL) |

CASA Dormancy and Unclaimed Attributes Processing

Scenario - Force Debit on CASA account with Unclaimed attribute.

This is possible when there is a court order to debit the CASA account with Unclaimed attribute in which case the amount is credited to PBOC CASA or GL account. Such force debits transactions performed on Unclaimed accounts will not be considered as customer initiated transactions and after performing this transaction the attribute of the account should be retained as Unclaimed.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | Unclaimed Deposit Debit GL (Non Business Expense) GL | Dr | USD 100 | 800 | EOD | Force debit transaction performed on Unclaimed account |
| 05/01/05 | 05/01/05 | CASA Account Branch | CASA Liability GL | Cr | USD 100 | 800 | EOD | Force debit transaction performed on Unclaimed account and funds credited to the CASA Liability GL |
| 05/01/05 | 05/01/05 | CASA Account Branch | CASA Liability GL | Dr | USD 100 | 800 | EOD | Amount of Force debit transaction towards credit of PBOC account |
| 05/01/05 | 05/01/05 | CASA Account Branch | PBOC GL/Corporate CASA GL | Cr | USD 100 | 800 | EOD | Amount of Force debit transaction credited to PBOC account (CASA/GL) |

Product Transfer Maintenance – Fast Path: BA996

Transfer of Product balances

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--|---------|-----------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | Liability Product GL (Originating Product) | Dr | USD 10000 | 80000 | EOD | Originating product balance transferred to target product |
| 05/01/05 | 05/01/05 | CASA Account Branch | Liability Product GL (Target Product) | Cr | USD 10000 | 80000 | EOD | Proceeds of originating product credited to target product |

Reversal of accrued interest on Product Transfer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|---------------------|---------|-----------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA Account Branch | Interest Payable GL | Dr | USD 10000 | 80000 | EOD | Reversal of accrued interest under old CASA product |
| 05/01/05 | 05/01/05 | CASA Account Branch | Interest Expense GL | Cr | USD 10000 | 80000 | EOD | Reversal of Interest expense on account of accrued interest reversal under old CASA product |

Note: Accrued interest reversal for the account under the old product will be a site specific feature and will be done only if the product transfer validations are successful.

FCY Change Handling

GL entry for a FCY Cash Withdrawal Transaction will be passed for complete amount i.e. USD 512 (as in above example) as per the existing functionality. Refer table below for detailed GL entry.

GL Entries (Set 1)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Remarks |
|------------|------------|----------------|----------------------------|---------|---------|----------|-------------------|
| Posting | Value | | | | TCY | LCY | |
| 31-01-2012 | 31-01-2012 | Account Branch | CASA Asset/ Liabilities GL | Dr | USD 512 | RMB 3584 | CASA A/C Debit |
| 31-01-2012 | 31-01-2012 | Txn Branch | Branch Vault Cash GL | Cr | USD 512 | RMB 3584 | Cash Payout – FCY |

Additional accounting entry for change handling will also be passed (for amount USD 2 = RMB 14) similar to existing FX Buy transaction. Refer the table below for detailed GL entry.

GL Entries (Set 2)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Remarks |
|------------|------------|------------|----------------------|---------|--------|--------|---|
| Posting | Value | | | | TCY | LCY | |
| 31-01-2012 | 31-01-2012 | Txn branch | Branch Vault Cash GL | Dr | USD 2 | RMB 14 | FCY change adjustment |
| 31-01-2012 | 31-01-2012 | Txn branch | Branch Vault Cash GL | Cr | RMB 14 | RMB 14 | Cash Payout – LCY (FX midrate will apply) |

Position entries will be generated as below –

| Date | | Branch | GL Head | Dr / Cr | Amount | | Remarks |
|------------|------------|------------|------------------------|---------|--------|--------|-------------------------------------|
| Posting | Value | | | | TCY | LCY | |
| 31-01-2012 | 31-01-2012 | Txn branch | Position GL | Dr | USD 2 | RMB 14 | Position entries for USD |
| 31-01-2012 | 31-01-2012 | Txn branch | Position Equivalent GL | Cr | RMB 14 | RMB 14 | Position equivalent entries for RMB |

RD

Global Assumptions

1 USD = 8 CNY

1 USD = 0.8 GBP

1 CNY = 0.10 GBP

1 GBP = 10 CNY

Local Currency = CNY

SC is setup only in LCY (CNY)

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this manual are listed below along with the maintenance which is used for maintaining the same:

| Sr No | GL Head | Location of Setup |
|-------|---------------------------|---|
| 1 | CASA Asset / Liability GL | CHM01/ GL/ Liabilities balance |
| 2 | SC Income GL | BAM14/ SC GL Code |
| 3 | Interest Expense | CHM01/ GL/ Interest Expense |
| 4 | Inter branch GL | BAM08/GL Details / IB Credit or Debit Account |
| 5 | Cash GL | BAM08/GL Details / IB Credit or Debit Account |

RD Installment Payment by Cash - Fast Path: 1421

RD installment of USD 100 deposited in cash.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|-------------|----------|------------------------|--------------------------------|-------------------|------------|-----------------|----------------------|---|
| Postin g | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | Cash GL | D r | USD 100 | 800 | Online | Cash deposited |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Account/Liabili ty GL | C r | USD 100 | 800 | Online | RD installme nt paid to the account |

Flexible RD Deposit BY CASA - Fast Path: 1431

RD installment of USD 100 deposited by transfer to a CASA Account.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|-------------|----------|------------------------|--------------------------------|-------------------|----------------|-----------------|----------------------|--|
| Postin g | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | CASA | D r | US D 100 | 800 | Online | Installme nt amount transferre d from CASA |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Account/Liabili ty GL | C r | US D 100 | 800 | Online | RD installme nt paid to the account |

Installment Payment By GL

RD Installment of USD 100 paid from a GL Account.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|-------------|----------|------------------------|--------------------------------|-------------------|----------------|-----------------|----------------------|---------------------------------|
| Postin g | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | GL | D r | US D 100 | 800 | BOD | Installme nt paid from GL |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Account/Liabili ty GL | C r | US D 100 | 800 | BOD | RD account credited |

Interest Accrual

Interest Accrual of USD 100 on an RD Account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Interest Expense GL | Dr | USD 100 | 800 | BOD | Transaction done at every interval of accrual frequency |
| 05/01/05 | 05/01/05 | Transaction Branch | Interest Payable GL | Cr | USD 100 | 800 | BOD | Accrued expense parked |

Reversal of Accrued Interest :

At the time of withdrawal, if the interest accrued is not the same as the actual interest to be given to the customer, system will pass the reversal entry of the entire interest accrued as below.

After passing reversal entries, system will pass fresh accrual entries as mentioned above for the actual interest to be paid out to the customer.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|---------|---------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Interest Payable GL | Dr | USD 100 | 800 | BOD | Reversal of accrued transaction |
| 05/01/05 | 05/01/05 | Transaction Branch | Interest Expense GL | Cr | USD 100 | 800 | BOD | Reversal before capitalization |

Interest Capitalization on Maturity

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Interest Expense GL | Dr | USD 100 | 800 | Online | Actual charged interest from Int. Expense account |
| 05/01/05 | 05/01/05 | Transaction Branch | Interest Payable GL | Cr | USD 100 | 800 | Online | From int. Expense GL |
| 05/01/05 | 05/01/05 | Transaction Branch | Interest Payable GL | Dr | USD 100 | 800 | EOD | Debited from payable for transfer to maturity GL |

Reversal of Accrued Interest :

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | RD Maturity GI | Cr | USD 100 | 800 | EOD | Actual charged interest is credited to maturity GL |

Post Maturity Interest Accrual

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | PMI Expense GI | Dr | USD 100 | 800 | BOD | Interest credit for post maturity period |
| 05/01/05 | 05/01/05 | Transaction Branch | Interest Payable GL | Cr | USD 100 | 800 | BOD | Accrued interest received from expense GL |

Premature Redemption

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|------------------------|-------------------|------------|-------------|----------------------|---|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Liability GL | Dr | USD 100 | 800 | BOD | Premature redemptio n proceeds |
| 05/01/05 | 05/01/05 | Transactio n Branch | Cash GI/CASA/G L | Cr | USD 100 | 800 | BOD | Payout through cash or transfer to GL |

Flexible RD Redemption - Fast Path: 1432

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|-------------------|-------------------|------------|-----------------|----------------------|---|
| Posting | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Maturity GL | D r | USD 100 | 800 | BOD | redemptio n proceeds |
| 05/01/05 | 05/01/05 | Transactio n Branch | Cash/CASA/G L | C r | USD 100 | 800 | BOD | Payout through cash or transfer to GL |

Post maturity Redemption

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remark s |
|----------|----------|------------------------|---------------------------|-------------------|------------|-----------------|----------------------|--|
| Posting | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | PMI Expense GL | D r | USD 100 | 800 | Online | Addition al interest post maturity |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Interest payable GL | C r | USD 100 | 800 | Online | Addition al interest post maturity |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Interest Payable GL | D r | USD 100 | 800 | Online | Addition al interest post maturity |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Maturity GL | C r | USD 100 | 800 | Online | Addition al interest |
| 05/01/05 | 05/01/05 | Transactio n Branch | RD Maturity GL | D r | USD 100 | 800 | EOD | Addition al interest to matured RD proceeds . |
| 05/01/05 | 05/01/05 | Transactio n Branch | Cash/CASA/G L | C r | USD 100 | 800 | EOD | Payout through cash or transfer to GL |

TD

Global Assumptions

1 USD = 8 CNY

1 USD = 0.8 GBP

1 CNY = 0.10 GBP

1 GBP = 10 CNY

Local Currency = CNY

SC is setup only in LCY (CNY)

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this manual are listed below along with the maintenance which is used for maintaining the same:

The accounting entries which are explained in the below topic involves following GLs:

| Sr. No | GL Head | Location of Setup |
|--------|---------------------|-------------------|
| 1 | Regular Deposits GL | TDM01/ GL codes |
| 2 | Payment GL | TDM01/ GL codes |
| 3 | Interest Expense | TDM01/ GL codes |
| 4 | Interest Accrued | TDM01/ GL codes |
| 5 | Tax1 With held | TDM01/ GL codes |
| 6 | Tax2 With held | TDM01/ GL codes |
| 7 | Interest Compounded | TDM01/ GL codes |
| 8 | Interest Payable | TDM01/ GL codes |

Post maturity Redemption

| Sr. No | GL Head | Location of Setup |
|---------------|---------------------------|--------------------------|
| 9 | Redemption Payable GL | TDM01/ GL codes |
| 10 | Matured deposits GL | TDM01/ GL codes |
| 11 | Unclaimed deposit | TDM01/ GL codes |
| 12 | Savings A/c. Liability GL | CHM01/ General Ledger |

Quick TD Pay-in by transfer from CASA - Fast Path: 1007

Quick Pay-in of USD 100 by transfer from CASA to a TD account in USD.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|---------|---------|------------------|--------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | CASA Asset / Liability GL | Dr | USD 100 | 800 | Online | Payin from CASA |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked in Payment GL |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Dr | USD 100 | 800 | EOD | At EOD for transferred to Deposit GL |
| 05/01/05 | 05/01/05 | Transaction Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

Quick Pay-in by transfer from CASA for USD 100 in a TD account. CASA and TD accounts are maintained in different branches.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-----------------|---------------------------|---------|---------|---------|------------------|-----------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA A/c Branch | CASA Asset / Liability GL | Dr | USD 100 | 800 | Online | Payin from CASA |
| 05/01/05 | 05/01/05 | CASA A/c Branch | Inter branch GL | Cr | USD 100 | 800 | EOD | Originating |

Quick TD Pay-in by transfer from CASA - Fast Path: 1007

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------|------------------------|---------|---------|---------|------------------|---------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | TD A/c Branch | Inter branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked in payment GL till EOD |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Dr | USD 100 | 800 | EOD | At EOD transferred to Deposit GL |
| 05/01/05 | 05/01/05 | TD A/c Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

Quick TD Pay-in by transfer from GL - Fast Path: 1021

Pay-in by transfer from GL Account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Selected GL | Dr | USD 100 | 800 | Online | Payin from GL |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked till EOD |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Dr | USD 100 | 800 | EOD | Transferred to Deposit GL |
| 05/01/05 | 05/01/05 | Transaction Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

Quick Pay-in by transfer from GL Account for USD 100 in a TD account. GL and TD accounts are maintained in different branches.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------------------|-----------------|---------|---------|---------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Originating Branch | Selected GL | Dr | USD 100 | 800 | Online | Payin from GL |
| 05/01/05 | 05/01/05 | Txn. Originating branch | Inter branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | TD A/c Branch | Inter branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked till EOD |

Quick TD Pay-in by transfer from GL - Fast Path: 1021

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------|------------------------|---------|---------|---------|------------------|------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Dr | USD 100 | 800 | EOD | Transfer to Deposit GL |
| 05/01/05 | 05/01/05 | TD A/c Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

Quick Redemption By Cash - Fast Path: 1310

Redemption of TD in GBP with payout in cash.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|--------------------|-----------------------|-------------------|---------|-------------|----------------------|---------------------------|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 01/01/05 | 01/01/05 | TD A/c Branch | Redemption payable GL | Dr | GBP 80 | 800 | EOD | TD Redeemed |
| 01/01/05 | 01/01/05 | TD A/c Branch | Payment GL | Cr | GBP 80 | 800 | EOD | Parked to intervening GL |
| 01/01/05 | 01/01/05 | TD A/c Branch | Payment GL | Dr | GBP 80 | 800 | EOD | Transfer to payees branch |
| 01/01/05 | 01/01/05 | TD A/c Branch | Inter branch GL | Cr | GBP 80 | 800 | EOD | Originating |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter branch GL | Dr | GBP 80 | 800 | EOD | Responding |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Cr | GBP 80 | 800 | Online | Payout by Cash |

Redemption by CASA Transfer - Fast Path: 1312

Redemption of TD in GBP with payout by transfer to a CASA account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | TD A/c Branch | Redemption payable GL | Dr | GBP 80 | 800 | BOD | TD Redeemed |
| 01/01/05 | 01/01/05 | TD A/c Branch | Payment GL | Cr | GBP 80 | 800 | BOD | Parked to intervening GL |
| 01/01/05 | 01/01/05 | TD A/c Branch | Payment GL | Dr | GBP 80 | 800 | BOD | Transfer to payees branch |
| 01/01/05 | 01/01/05 | TD A/c Branch | Inter branch GL | Cr | CNY 800 | 800 | BOD | Originating |
| 01/01/05 | 01/01/05 | Saving A/c. Branch | Inter branch GL | Dr | CNY 800 | 800 | BOD | Responding |
| 01/01/05 | 01/01/05 | Saving A/c. Branch | Asset/liability GL | Cr | USD 100 | 800 | BOD | Payout to a CASA account |

Online Renewal - Fast Path: 1316

TD Redemption by payin to a new TD.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------|-----------------------|---------|---------|---------|------------------|--------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | TD A/c Branch | Redemption payable GL | Dr | GBP 80 | 800 | BOD | TD Redeemed |
| 01/01/05 | 01/01/05 | TD A/c Branch | Payment GL | Cr | GBP 80 | 800 | BOD | Parked to intervening GL |
| 01/01/05 | 01/01/05 | TD A/c Branch | Payment GL | Dr | GBP 80 | 800 | BOD | Transfer to payee |
| 01/01/05 | 01/01/05 | TD A/c Branch | Regular Deposits GL | Cr | USD 100 | 800 | BOD | Payout to Deposit GL |

Quick Redemption By GL - Fast Path: 1318

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------|-----------------------|---------|---------|---------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/05 | 01/01/05 | TD A/c Branch | Redemption payable GL | Dr | GBP 80 | 800 | BOD | TD Redeemed |
| 01/01/05 | 01/01/05 | TD A/c Branch | Payment GL | Cr | GBP 80 | 800 | BOD | Parked to intervening GL |
| 01/01/05 | 01/01/05 | TD A/c Branch | Payment GL | Dr | GBP 80 | 800 | BOD | Transfer to payees branch |
| 01/01/05 | 01/01/05 | TD A/c Branch | Relevant GL Account | Cr | USD 100 | 800 | BOD | Payout to a selected GL account |

Interest Payout by Cash - Fast Path: 1337**Step 1:** At BOD

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------|--|---------|--------|---------|------------------|--------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/02/05 | 01/02/05 | TD A/c Branch | Interest Compounded/ Interest Accrued | Dr | GBP 80 | 800 | BOD | Interest at Payout |
| 01/02/05 | 01/02/05 | TD A/c Branch | Interest Payable | Cr | GBP 80 | 800 | BOD | Interest at Payout |
| 01/02/05 | 01/02/05 | TD A/c Branch | Interest Payable | Dr | GBP 80 | 800 | BOD | Tax1 Amount |
| 01/02/05 | 01/02/05 | TD A/c Branch | Tax1 With held | Cr | GBP 80 | 800 | BOD | Tax1 Amount |
| 01/02/05 | 01/02/05 | TD A/c Branch | Interest Payable | Dr | GBP 80 | 800 | BOD | Tax2 Amount |
| 01/02/05 | 01/02/05 | TD A/c Branch | Tax2 With held | Cr | GBP 80 | 800 | BOD | Tax2 Amount |

Step 2: When the Cash is actually paid.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------|------------------|---------|--------|---------|-------------------------|------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 02/02/05 | 02/02/05 | TD A/c Branch | Interest Payable | Dr | GBP 80 | 800 | Interest Payout from TD | EOD |
| 02/02/05 | 02/02/05 | TD A/c Branch | Payment GL | Cr | GBP 80 | 800 | Interest Payout from TD | EOD |
| 02/02/05 | 02/02/05 | TD A/c Branch | Payment GL | Dr | GBP 80 | 800 | Interest Payout from TD | EOD |

Interest Payout by Cash - Fast Path: 1337

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 02/02/05 | 02/02/05 | TD A/c Branch | Inter branch GL | Cr | GBP 80 | 800 | Interest Payout from TD. | EOD |
| 02/02/05 | 02/02/05 | Transaction Branch | Inter branch GL | Dr | GBP 80 | 800 | Interest Payout from TD | EOD |
| 02/02/05 | 02/02/05 | Transaction Branch | Cash GL | Cr | GBP 80 | 800 | Interest Payout from TD | Online |

TD Mixed Payin - Fast Path: 1356

Pay-in by cash deposit of USD 100 in a TD account in USD.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Cash GL | Dr | USD 100 | 800 | Online | Payin by cash |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked till EOD |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Cr | USD 100 | 800 | EOD | Transferred to Deposit GL |
| 05/01/05 | 05/01/05 | Transaction Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

Pay-in to a TD account from a CASA account in USD.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | CASA Asset / Liability GL | Dr | USD 100 | 800 | Online | Payin by CASA |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked till EOD |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Cr | USD 100 | 800 | EOD | Transferred to Deposit GL |
| 05/01/05 | 05/01/05 | Transaction Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

Pay-in by transfer from CASA for USD 100 in a TD account. CASA and TD accounts are maintained in different branches.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-----------------|---------------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA A/c Branch | CASA Asset / Liability GL | Dr | USD 100 | 800 | Online | Payin from CASA |
| 05/01/05 | 05/01/05 | CASA A/c Branch | Inter branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | TD A/c Branch | Inter branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked till EOD |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Cr | USD 100 | 800 | EOD | Transferred to Deposit GL |
| 05/01/05 | 05/01/05 | TD A/c Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

TD Redemption - Fast Path: 1358

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Asset / Liability GL | Dr | USD 100 | 800 | Online | TD Redeemed |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Cr | USD 100 | 800 | Online | Parked to intervening GL |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Dr | USD 100 | 800 | EOD | Transfer to payees branch |
| 05/01/05 | 05/01/05 | Transaction Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Payout to a CASA account |

Quick redemption by transfer from GL Account for USD 100 in a TD account in GBP. GL and TD accounts are maintained in different branches.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------------------|----------------------|---------|---------|---------|------------------|--------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Originating Branch | Asset / Liability GL | Dr | USD 100 | 800 | Online | TD Redeemed |
| 05/01/05 | 05/01/05 | Txn. Originating branch | Inter branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | TD A/c Branch | Inter branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Cr | USD 100 | 800 | Online | Parked to intervening GL |

TD Redemption - Fast Path: 1358

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------|------------------------|---------|---------|---------|------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Cr | USD 100 | 800 | EOD | Transfer from intervening GL |
| 05/01/05 | 05/01/05 | TD A/c Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Payout to a Deposit GL account |

Quick Payin By Cash - Fast Path: 1402

Pay-in by cash in a deposit account maintained in USD in a single branch set up.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------|---------|---------|---------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Cash GL | Dr | USD 100 | 800 | Online | Payin by Cash deposit |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked till EOD |
| 05/01/05 | 05/01/05 | Transaction Branch | Payment GL | Dr | USD 100 | 800 | EOD | Transfer to Deposit GL |
| 05/01/05 | 05/01/05 | Transaction Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

Pay-in by cash in a multiple branch set up.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-----------------|-----------------|---------|---------|---------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | CASA A/c Branch | Cash GL | Dr | USD 100 | 800 | Online | Payin by Cash deposit |
| 05/01/05 | 05/01/05 | CASA A/c Branch | Inter branch GL | Cr | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | TD A/c Branch | Inter branch GL | Dr | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Cr | USD 100 | 800 | Online | Deposit parked till EOD |

Quick Payin By Cash - Fast Path: 1402

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------|------------------------|---------|---------|---------|------------------|------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | Cr | USD 100 | 800 | EOD | Transfer to Deposit GL |
| 05/01/05 | 05/01/05 | TD A/c Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | EOD | Deposit GL updated |

Quick Redemption By Reinvest To Existing Account - Fast Path: 1333

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|------------------------------|-------------------|------------|-------------|----------------------|---------------------------------|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | Redemptio n Payable GL | Dr | USD 100 | 800 | BOD | TD Redeeme d |
| 05/01/05 | 05/01/05 | Transactio n Branch | Payment GL | Cr | USD 100 | 800 | BOD | Parked to intervenin g GL |
| 05/01/05 | 05/01/05 | Transactio n Branch | Payment GL | Dr | USD 100 | 800 | BOD | Transfer to payees branch |
| 05/01/05 | 05/01/05 | Transactio n Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | BOD | Payout to a CASA account |

Redemption by transfer to a new TD account where redeemable TD and Deposit accounts.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|--|------------------------------|-------------------|------------|-----------------|----------------------|--|
| Posting | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Originating Branch | Redemptio n Payable GL | Dr | USD 100 | 800 | BOD | TD Redeemed |
| 05/01/05 | 05/01/05 | Transactio n Originating Branch | Payment GL | Cr | USD 100 | 800 | BOD | Redemption proceeds parked till appropriatio n |

Quick Redemption By Reinvest To Existing Account - Fast Path: 1333

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|--|---------------------------|-------------------|------------|-----------------|----------------------|--|
| Posting | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Originating Branch | Payment GL | D r | USD 100 | 800 | BOD | Redemption amount transferred to a different branch |
| 05/01/05 | 05/01/05 | Txn. Originating branch | Inter branch GL | C r | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | TD A/c Branch | Inter branch GL | D r | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | C r | USD 100 | 800 | Online | Parked to intervening GL |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | D r | USD 100 | 800 | EOD | Transfer as a new deposit |
| 05/01/05 | 05/01/05 | TD A/c Branch | (Deposit) Liability GL | C r | USD 100 | 800 | EOD | New deposit created |

Quick Redemption By Reinvest To New Account - Fast Path: 1336

TD redemption by reinvesting the redeemed amount in a new TD account.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|------------------------------|-------------------|------------|-------------|----------------------|---|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | Redemptio n Payable GL | Dr | USD 100 | 800 | BOD | TD Redeeme d |
| 05/01/05 | 05/01/05 | Transactio n Branch | Payment GL | Cr | USD 100 | 800 | BOD | Parked to intervenin g GL |
| 05/01/05 | 05/01/05 | Transactio n Branch | Payment GL | Dr | USD 100 | 800 | BOD | Transfer to payees branch |
| 05/01/05 | 05/01/05 | Transactio n Branch | (Deposit) Liability GL | Cr | USD 100 | 800 | BOD | Payin to a new deposit account |

Redemption by transfer to a new TD account.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|--|------------------------------|-------------------|------------|-----------------|----------------------|--|
| Posting | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Originating Branch | Redemptio n Payable GL | D r | USD 100 | 800 | BOD | TD Redeemed |
| 05/01/05 | 05/01/05 | Transactio n Originating Branch | Payment GL | C r | USD 100 | 800 | BOD | Redemption proceeds parked till appropriatio n |

Quick Redemption By Reinvest To New Account - Fast Path: 1336

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|--|---------------------------|-------------------|------------|-----------------|----------------------|--|
| Posting | Value | | | | TC Y | LCY - CNY | | |
| 05/01/05 | 05/01/05 | Transactio n Originating Branch | Payment GL | D r | USD 100 | 800 | BOD | Redemption amount transferred to a different branch |
| 05/01/05 | 05/01/05 | Txn. Originating branch | Inter branch GL | C r | USD 100 | 800 | EOD | Originating |
| 05/01/05 | 05/01/05 | TD A/c Branch | Inter branch GL | D r | USD 100 | 800 | EOD | Responding |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | C r | USD 100 | 800 | Online | Parked to intervening GL |
| 05/01/05 | 05/01/05 | TD A/c Branch | Payment GL | D r | USD 100 | 800 | EOD | Transfer as a new deposit |
| 05/01/05 | 05/01/05 | TD A/c Branch | (Deposit) Liability GL | C r | USD 100 | 800 | EOD | New deposit created |

Time Deposit Interest Compounding

At the event of compounding, system increases the interest base and the accrued income since the last capitalization event is transferred to compounding GL.

If the tax is at compounding, system passes the compounding entries for the total amount and tax entry is passed separately by debiting the Interest Compounded GL and crediting the Tax Withheld GL.

Example

The Interest to be compounded is 48 CNY, for the period 20/02/2009 to 20/03/2009. Two taxes are applicable- Tax1 = 6 CNY & Tax2 = 0.6 CNY.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|-------------|----------|------------------------|----------------------------|-------------------|----------------|-----------------|----------------------|-----------------------------|
| Postin g | Value | | | | TC Y | LCY - CNY | | |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Accrued | D r | CN Y 48 | CNY 48 | BOD | Interest Compoundin g |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Compounde d | C r | CN Y 48 | CNY 48 | BOD | Interest Compoundin g |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Compounde d | D r | CN Y 6 | CNY 6 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax1 With held | C r | CN Y 6 | CNY 6 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Compounde d | D r | CN Y 0.6 | CNY 0.6 | BOD | Tax2 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax2 With held | C r | CN Y 0.6 | CNY 0.6 | BOD | Tax2 Amount |

Time Deposit Interest Accrual

Interest Accrual frequency and the accrual anniversary month is defined at the Product level. In the event of accrual, Interest amount is recognized as expense and the equivalent liability is created in the form of credit to Interest Accrual GL.

If the tax is at accrual, system passes the accrual entries for the total amount and tax entry is passed separately by debiting the Interest Accrual Entry and crediting the Tax Withheld GL.

Example

The Interest to be accrual is 48 CNY, for the period 20/02/2009 to 20/03/2009. Two taxes are applicable- Tax1 = 6 CNY & Tax2 = 0.6 CNY

| Date | | Branch | GL Head | D r / C r | Amount | | Generate d During | Remarks |
|----------|----------|---------------------|-------------------|-----------|---------|----------|-------------------|-----------------------|
| Posting | Value | | | | TC Y | LCY -CNY | | |
| 20/03/09 | 20/03/09 | Transactio n Branch | Interest Expens e | Dr | CNY 48 | CNY 48 | EOD | Interest Compoundin g |
| 20/03/09 | 20/03/09 | Transactio n Branch | Interest Accrued | Cr | CNY 48 | CNY 48 | EOD | Interest Compoundin g |
| 20/03/09 | 20/03/09 | Transactio n Branch | Interest Accrued | Dr | CNY 6 | CNY 6 | EOD | Tax1 Amount |
| 20/03/09 | 20/03/09 | Transactio n Branch | Tax1 With held | Cr | CNY 6 | CNY 6 | EOD | Tax1 Amount |
| 20/03/09 | 20/03/09 | Transactio n Branch | Interest Accrued | Dr | CNY 0.6 | CNY 0.6 | EOD | Tax2 Amount |
| 20/03/09 | 20/03/09 | Transactio n Branch | Tax2 With held | Cr | CNY 0.6 | CNY 0.6 | EOD | Tax2 Amount |

Reversal of Accrued Interest

Reversal of accrued interest can be done before compounding / capitalization. In this illustration we have assumed accrual reversal of CNY 35.50

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|-----------|-----------|------------------|------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Accrued | Dr | CNY 35.50 | CNY 35.50 | EOD | Accrued interest |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Expense | Cr | CNY 35.50 | CNY 35.50 | EOD | Reversed |

Interest Pay Out to Saving Account

At BOD

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remark s |
|----------|----------|------------------------|---|-------------------|------------|-------------|----------------------|--------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Compounded / Interest Accrued | Dr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Cr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax1 With held | Cr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax2 With held | Cr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |

Transfer to Savings Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-----------------------|---------------------|---------------|-------------|-------------|---------------------|--|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 21/02/09 | 21/02/09 | Transaction Branch | Interest Payable | Dr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |
| 21/02/09 | 21/02/09 | Transaction Branch | Payment GL | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |

Interest Pay Out to Saving Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|----------|----------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 21/02/09 | 21/02/09 | Transaction Branch | Payment GL | Dr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |
| 21/02/09 | 21/02/09 | Transaction Branch | Savings A/c. Liability GL | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |

Interest Pay Out to GL Account

At BOD

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remark s |
|----------|----------|------------------------|---|-------------------|------------|-------------|----------------------|--------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Compounded / Interest Accrued | Dr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Cr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax1 With held | Cr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax2 With held | Cr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |

Transfer to GL Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-----------------------|---------------------|---------------|-------------|-------------|---------------------|--|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 21/02/09 | 21/02/09 | Transaction Branch | Interest Payable | Dr | CNY 94.5 | CNY 94.5 | . BOD | Interest Payout from TD account |

Interest Pay Out to GL Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------|---------|----------|----------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 21/02/09 | 21/02/09 | Transaction Branch | Payment GL | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |
| 21/02/09 | 21/02/09 | Transaction Branch | Payment GL | Dr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |
| 21/02/09 | 21/02/09 | Transaction Branch | GL Account | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |

Interest Pay Out to External Account

At BOD

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remark s |
|----------|----------|------------------------|---|-------------------|------------|-------------|----------------------|--------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Compounded / Interest Accrued | Dr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Cr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax1 With held | Cr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax2 With held | Cr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |

Transfer to External Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-----------------------|---------------------|---------------|-------------|-------------|---------------------|--|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 21/02/09 | 21/02/09 | Transaction Branch | Interest Payable | Dr | CNY 94.5 | CNY 94.5 | BOD. | Interest Payout from TD account |
| 21/02/09 | 21/02/09 | Transaction Branch | External A/c. GL | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |

Interest Pay Out by Reinvest to Existing Account

At BOD

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remark s |
|----------|----------|------------------------|---|-------------------|------------|-------------|----------------------|--------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Compounded / Interest Accrued | Dr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Cr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax1 With held | Cr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax2 With held | Cr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |

Reinvest to Existing Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-----------------------|---------------------|---------------|-------------|-------------|---------------------|--|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Payable | Dr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |

Interest Pay Out by Reinvest to Existing Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|----------|----------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |

Interest Pay Out by Reinvest to New Account

At BOD

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remark s |
|----------|----------|------------------------|---|-------------------|------------|-------------|----------------------|--------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Compounded / Interest Accrued | Dr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Cr | CNY 100 | CNY 100 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax1 With held | Cr | CNY 5 | CNY 5 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Interest Payable | Dr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |
| 20/02/09 | 20/02/09 | Transactio n Branch | Tax2 With held | Cr | CNY 0.5 | CNY 0.5 | BOD | Tax2 Amount |

Reinvest to New Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-----------------------|---------------------|---------------|-------------|-------------|---------------------|--|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Payable | Dr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |

Interest Pay Out by Reinvest to New Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|----------|----------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Cr | CNY 94.5 | CNY 94.5 | BOD | Interest Payout from TD account |

Note: If no Instructions are maintained for the Interest Payout, then the amount is transferred to the Payable GL. The amount is transferred from the Payable GL to the relevant GL at the time of actual interest payout based on the payout mode selected.

Maturity TD Redemption by transfer to Savings Account

Generic

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |

By Transfer to Savings account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |
| 20/02/09 | 20/02/09 | Transaction Branch | Savings A/c. Liability GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |

Maturity TD Redemption by transfer to External Account

Generic

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |

By transfer to External account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|---------|------------------|----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Network Payable GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |

Maturity TD Redemption by transfer to General Ledger (GL)

Maturity TD Redemption by transfer to General Ledger (GL)

Generic

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|---------|------------------|----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |

By transfer to General Ledger account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|---------|------------------|----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Relevant GL Account | Cr | CNY 100 | CNY 100 | .BOD | TD Redemption By transfer. |

Maturity TD Redemption by transfer to same Time Deposit (TD)

Maturity TD Redemption by transfer to same Time Deposit (TD)

Generic

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|---------|------------------|----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |

By Transfer to same TD Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|---------|------------------|----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Cr | CNY 100 | CNY 100 | BOD | TD Redemption By transfer. |

Note: New Deposit is created in the same TD account.

Maturity TD Redemption by transfer to new Time Deposit (TD)

Maturity TD Redemption by transfer to new Time Deposit (TD)

Generic Pay-in

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|----------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Dr | CNY 100 | CNY 100 | BOD | Principal Auto Redemption |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Cr | CNY 100 | CNY 100 | BOD | Principal Auto Redemption |

By transfer to New TD Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|---------|----------|------------------|--------------------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Dr | CNY 100 | CNY 100 | BOD | Principal Auto Redemption – Reinvest |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 100 | CNY 100 | BOD | Principal Auto Redemption – Reinvest |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 100 | CNY 100 | BOD | Principal Auto Redemption – Reinvest |

Maturity TD Redemption by transfer to new Time Deposit (TD)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|---------|----------|------------------|--------------------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Cr | CNY 100 | CNY 100 | BOD | Principal Auto Redemption – Reinvest |

Clubbing Interest to Principal at Maturity

Example

The TD account is an CNY account. The Principal amount is 100 CNY. The Interest to be added to Principal at Maturity is 25 CNY.

Two taxes applicable on Interest Payout are - Tax1 = 4 CNY & Tax2 = 1 CNY.

Posting date = Value date = 20/02/09

At Interest Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--|---------|--------|----------|------------------|--------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Compounded / Interest Accrued | Dr | CNY 25 | CNY 25 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Payable | Cr | CNY 25 | CNY 25 | BOD | Interest at Payout |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Payable | Dr | CNY 4 | CNY 4 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transaction Branch | Tax1 With held | Cr | CNY 4 | CNY 4 | BOD | Tax1 Amount |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Payable | Dr | CNY 1 | CNY 1 | BOD | Tax2 Amount |
| 20/02/09 | 20/02/09 | Transaction Branch | Tax2 With held | Cr | CNY 1 | CNY 1 | BOD | Tax2 Amount |

On Maturity

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|--------|----------|------------------|------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Payable | Dr | CNY 20 | CNY 20 | BOD | Int. at Maturity |

Clubbing Interest to Principal at Maturity

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---|---------|---------|----------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption Payable GL | Cr | CNY 20 | CNY 20 | BOD | Int. at Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Dr | CNY 100 | CNY 100 | BOD | Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Cr | CNY 100 | CNY 100 | BOD | Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Dr | CNY 120 | CNY 120 | BOD | Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 120 | CNY 120 | BOD | Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 120 | CNY 120 | BOD | Redemption amount |
| 20/02/09 | 20/02/09 | Transaction Branch | Relevant GL (Depending on the Principal Payment mode) | Cr | CNY 120 | CNY 120 | BOD | Redemption amount |

Transfer to Unclaimed Deposit

The General Ledger (GL) entries will be passed for the deposit only if at the product level "Redemption Renewal flag" is unchecked.

A deposit can be marked unclaimed in case no maturity instruction is maintained

No Maturity instructions are maintained

The amount transferred to matured deposit for the matured deposit of the account is 100 CNY as no maturity instructions are maintained for the deposit and the transfer to unclaimed deposit happens on 20/02/09.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|---------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Matured Deposits GL | Dr | CNY 100 | CNY 100 | EOD | Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Unclaimed deposit | Cr | CNY 100 | CNY 100 | EOD | Principal At Maturity |

Pre-mature Redemption

- In case of premature redemption of a term deposit, the amount in the Interest Accrued GL and Interest Compounded GL proportionate to the redemption amount is first reversed.
- The interest and tax calculations are done at the penalty rate for the redemption amount.
- If the interest paid out on the deposit towards the redemption amount is less than the penalty interest calculated then the differential amount is recovered from the principal amount being redeemed. Similarly, if the penalty interest is higher than the interest paid out, then the differential amount is added to the net redemption amount.
- If the tax deducted till date for the interest earned on the principal amount being redeemed is less than the tax calculated on the penalty interest then the differential tax is recovered from the redemption amount. However, if the tax deducted till date for the interest earned on the principal amount being redeemed is more than the tax calculated on the penalty interest then the differential tax is not recovered from the redemption amount.
- The Principal amount redeemed is routed through the Redemption payable GL to the Payment GL only in case the premature redemption instruction is maintained in the system. In case of Online premature redemption the principle amount is directly credit to the Payment GL.

Example

A premature redemption is done for a term deposit. The term deposit was opened on 20/02/07 for a period of 24 months. The Principal amount is 6600 CNY. The Interest Accrual frequency is Monthly, the Interest Compounding frequency is Quarterly and the Interest Payout frequency is Half-yearly for the deposit opened. The basis for Accrual, Compounding and Interest Payout is Calendar.

The Interest Accrued for the deposit is 24 CNY.

The Interest Compounded for the deposit is 48 CNY.

The Interest Paid out is 48 CNY (before tax)

Two taxes applied at the time of Interest Payout are - Tax1 = 6 CNY & Tax2 = 0.6 CNY both in Account currency.

Case 1: The Penalty interest calculated and the tax applicable is more than the interest paid out and tax deducted till date.

Premature redemption for the deposit is done on 20/02/08.

The Penalty interest calculated is 60 CNY.

Two taxes applicable are - Tax1 = 8.4 CNY & Tax2 = 0.84 CNY

Posting date = Value date = 20/02/08.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|--|-------|--------|---------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| Reverse the Interest Compounded but not paid: | | | | | | | | |

Pre-mature Redemption

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|---|----------|--------------------|---------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/08 | 20/02/08 | Transaction Branch | Interest Compounded | Dr | CNY 48 | CNY 48 | EOD | Net Interest Compounded but not paid |
| 20/02/08 | 20/02/08 | Transaction Branch | Interest Expense | Cr | CNY 48 | CNY 48 | EOD | Net Interest Compounded but not paid |
| Reverse the Interest Accrued but not compounded: | | | | | | | | |
| 20/02/08 | 20/02/08 | Transaction Branch | Interest Accrued | Dr | CNY 24 | CNY 24 | EOD | Net Interest Accrued but not compounded |
| 20/02/08 | 20/02/08 | Transaction Branch | Interest Expense | Cr | CNY 24 | CNY 24 | EOD | Net Interest Accrued but not compounded |
| Net Penalty Interest: | | | | | | | | |
| 20/02/08 | 20/02/08 | Transaction Branch | Interest Expense | Dr | CNY 60 | CNY 60 | EOD | Interest Amount at penalty rate |
| 20/02/08 | 20/02/08 | Transaction Branch | Interest Expense | Cr | CNY 48 | CNY 48 | EOD | Int Paid recovered - Premature Redemption |
| 20/02/08 | 20/02/08 | Transaction Branch | Tax1 With held | Cr | CNY 2.4 | CNY 2.4 | EOD | Tax1 Amount |

Pre-mature Redemption

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|---|----------|--------------------|-----------------------|---------|-------------|-------------|------------------|--------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/08 | 20/02/08 | Transaction Branch | Tax2 With held | Cr | CNY 0.24 | CNY 0.24 | EOD | Tax2 Amount |
| 20/02/08 | 20/02/08 | Transaction Branch | Payment GL | Cr | CNY 9.36 | CNY 9.36 | EOD | Net Penal Int - Premature Redemption |
| Principal Amount: | | | | | | | | |
| 20/02/08 | 20/02/08 | Transaction Branch | Regular Deposits GL | Dr | CNY 6600 | CNY 6600 | EOD | Principal Amt - Premature Redemption |
| 20/02/08 | 20/02/08 | Transaction Branch | Redemption payable GL | Cr | CNY 6600 | CNY 6600 | EOD | Principal Amt - Premature Redemption |
| 20/02/08 | 20/02/08 | Transaction Branch | Redemption payable GL | Dr | CNY 6600 | CNY 6600 | EOD | Principal Amt - Premature Redemption |
| 20/02/08 | 20/02/08 | Transaction Branch | Payment GL | Cr | CNY 6600 | CNY 6600 | EOD | Principal Amt - Premature Redemption |
| Premature Redemption of Net Redemption amount: | | | | | | | | |
| 20/02/08 | 20/02/08 | Transaction Branch | Payment GL | Dr | CNY 6609.36 | CNY 6609.36 | EOD | Net Amt - Premature Redemption |

Pre-mature Redemption

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---|---------|-------------|-------------|--------------------------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/08 | 20/02/08 | Transaction Branch | Relevant GL (Depending on the Payment mode) | Cr | CNY 6609.36 | CNY 6609.36 | Online (for redemption by Cash)/ EOD | Net Amt - Premature Redemption |

Case 2: The Penalty interest calculated and the tax applicable is less than the interest paid out and tax deducted till date.

Premature redemption for the deposit is done on 20/12/08.

The Penalty interest calculated is 24 CNY.

Two taxes applicable are - Tax1 = 3 CNY & Tax2 = 0.3 CNY

Posting date = Value date = 20/12/08

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|---|----------|--------------------|---------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| Reverse the Interest Compounded but not paid: | | | | | | | | |
| 20/12/08 | 20/12/08 | Transaction Branch | Interest Compounded | Dr | CNY 48 | CNY 48 | EOD | Net Interest Compounded but not paid |
| 20/12/08 | 20/12/08 | Transaction Branch | Interest Expense | Cr | CNY 48 | CNY 48 | EOD | Net Interest Compounded but not paid |
| Reverse the Interest Accrued but not compounded: | | | | | | | | |
| 20/12/08 | 20/12/08 | Transaction Branch | Interest Accrued | Dr | CNY 24 | CNY 24 | EOD | Net Interest Accrued but not compounded |

Pre-mature Redemption

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|---|----------|--------------------|-----------------------|---------|----------|----------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/12/08 | 20/12/08 | Transaction Branch | Interest Expense | Cr | CNY 24 | CNY 24 | EOD | Net Interest Accrued but not compounded |
| Net Penalty Interest: | | | | | | | | |
| 20/12/08 | 20/12/08 | Transaction Branch | Interest Expense | Dr | CNY 24 | CNY 24 | EOD | Interest Amount at penalty rate |
| 20/12/08 | 20/12/08 | Transaction Branch | Interest Expense | Cr | CNY 48 | CNY 48 | EOD | Int Paid recovered - Premature Redemption |
| 20/12/08 | 20/12/08 | Transaction Branch | Tax1 With held | Cr | CNY 2.4 | CNY 2.4 | EOD | Tax1 Amount |
| 20/12/08 | 20/12/08 | Transaction Branch | Tax2 With held | Cr | CNY 0.24 | CNY 0.24 | EOD | Tax2 Amount |
| Principal Amount & Net Penalty Interest: | | | | | | | | |
| 20/12/08 | 20/12/08 | Transaction Branch | Regular Deposits GL | Dr | CNY 6600 | CNY 6600 | EOD | Principal Amt - Premature Redemption |
| 20/12/08 | 20/12/08 | Transaction Branch | Redemption payable GL | Cr | CNY 6600 | CNY 6600 | EOD | Principal Amt - Premature Redemption |
| 20/12/08 | 20/12/08 | Transaction Branch | Redemption payable GL | Dr | CNY 6600 | CNY 6600 | EOD | Principal Amt - Premature Redemption |

Pre-mature Redemption

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|---|----------|--------------------|---|---------|-------------|-------------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/12/08 | 20/12/08 | Transaction Branch | Interest Expense | Dr | CNY 24 | CNY 24 | EOD | Interest Amount at penalty rate |
| 20/12/08 | 20/12/08 | Transaction Branch | Interest Expense | Cr | CNY 26.64 | CNY 26.64 | EOD | EOD |
| 20/12/08 | 20/12/08 | Transaction Branch | Payment GL | Cr | CNY 6573.76 | CNY 6573.76 | EOD | Int Paid recovered - Premature Redemption |
| Premature Redemption of Net Redemption amount: | | | | | | | | |
| 20/12/08 | 20/12/08 | Transaction Branch | Payment GL | Dr | CNY 6573.6 | CNY 6573.6 | EOD | Online (for redemption by Cash)/ EOD |
| 20/12/08 | 20/12/08 | Transaction Branch | Relevant GL (Depending on the Payment mode) | Cr | CNY 6573.6 | CNY 6573.6 | EOD | Online (for redemption by Cash)/ EOD |

TD Online Renewal Inquiry

At the time of TD Online renewal, along with the principal amount, any post maturity interest earned on the account, or any interest due but still not paid to customer is also renewed.

The Principal amount of the matured deposit is 66 CNY. The Interest Payable is 41.4 CNY. The post maturity interest on the deposit is 6.6 CNY

The Online renewal is done on 20/02/09 with the value date same as the online renewal date

Posting date = Value date = 20/02/09

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|--------------------------------|----------|--------------------|-----------------------|---------|---------|----------|------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| Principal Amount: | | | | | | | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Matured deposits GL | Dr | CNY 66 | CNY 66 | EOD | Pending Principal - Post Mature Renewal |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Cr | CNY 66 | CNY 66 | EOD | Pending Principal - Post Mature Renewal |
| 20/02/09 | 20/02/09 | Transaction Branch | Redemption payable GL | Dr | CNY 66 | CNY 66 | EOD | Pending Principal - Post Mature Renewal |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 66 | CNY 66 | EOD | Pending Principal - Post Mature Renewal |
| Post Maturity Interest: | | | | | | | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Expense | Dr | CNY 6.6 | CNY 6.6 | EOD | Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest payable | Cr | CNY 6.6 | CNY 6.6 | EOD | Principal At Maturity |

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------------------|----------|--------------------|---------------------|---------|----------|----------|------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest payable | Dr | CNY 6.6 | CNY 6.6 | EOD | Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 6.6 | CNY 6.6 | EOD | Principal Auto Redemption – Reinvest |
| Interest Due: | | | | | | | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest payable | Dr | CNY 41.4 | CNY 41.4 | EOD | Pending Interest - Post Mature Renewal |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Cr | CNY 41.4 | CNY 41.4 | EOD | Pending Interest - Post Mature Renewal |
| Reinvest: | | | | | | | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Payment GL | Dr | CNY 114 | CNY 114 | EOD | Payin - TD. Post Maturity Renew |
| 20/02/09 | 20/02/09 | Transaction Branch | Regular Deposits GL | Cr | CNY 114 | CNY 114 | EOD | Payin - TD. Post Maturity Renew |

Debit Interest Adjustment

The Interest accrued amount is 48 CNY and the debit interest adjustment has to be done for 6 CNY on 20/02/09.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|--------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Accrued | Dr | CNY 6 | CNY 6 | EOD | EOD Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Expense | Cr | CNY 6 | CNY 6 | EOD | EOD Principal At Maturity |

Credit Interest Adjustment

The Interest accrued amount is 48 CNY and the credit interest adjustment has to be done for 6 CNY on 20/02/09.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|--------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Expense | Dr | CNY 6 | CNY 6 | EOD | Principal At Maturity |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Accrued | Cr | CNY 6 | CNY 6 | EOD | Principal At Maturity |

Consolidated Entry for Tax Recovery

Tax recovery when deduction to be made on accrued interest basis. Assuming that total interest accrued is CNY 6000 and Tax 1 at the rate of 10% and additional tax as surcharge is applicable as 10% of tax.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------------|---------|----------|----------|------------------|-----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Expense GL | Dr | CNY 6000 | CNY 6000 | EOD | Interest on accrual |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Accrued GL | Cr | CNY 6000 | CNY 6000 | EOD | Interest on accrual |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Accrued GL | Dr | CNY 660 | CNY 660 | EOD | Base Tax and Additional tax |
| 20/02/09 | 20/02/09 | Transaction Branch | Tax 1 withheld GL | Cr | CNY 600 | CNY 600 | EOD | Base Tax |
| 20/02/09 | 20/02/09 | Transaction Branch | Additional Tax 1 withheld GL | Cr | CNY 60 | CNY 60 | EOD | Additional tax |

Where tax eligibility is calculated on the basis of compounded interest. Tax rate same as above.

| Date | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks | | |
|----------|----------|--------------------|---------------------|--------|------------------|----------|-----|------------------|
| Posting | Value | | | | | | TCY | LCY-CNY |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Expense GL | Dr | CNY 6000 | CNY 6000 | EOD | Interest accrual |

Consolidated Entry for Tax Recovery

| Date | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks | | |
|----------|----------|--------------------|------------------------------|--------|------------------|----------|------|-----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Accrued GL | Cr | CNY 6000 | CNY 6000 | EO D | Interest accrual |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Accrued GL | Dr | CNY 6000 | CNY 6000 | EO D | Interest Compounding |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Compounded GL | Cr | CNY 6000 | CNY 6000 | EO D | Interest Compounding |
| 20/02/09 | 20/02/09 | Transaction Branch | Interest Compounded GL | Dr | CNY 660 | CNY 660 | EO D | Base Tax and Additional tax |
| 20/02/09 | 20/02/09 | Transaction Branch | Tax 1 withheld GL | Cr | CNY 600 | CNY 600 | EO D | Base Tax |
| 20/02/09 | 20/02/09 | Transaction Branch | Additional Tax 1 withheld GL | Cr | CNY 60 | CNY 60 | EO D | Additional tax |

Loans

Global Assumptions

1 USD = 0.8 EURO

1 USD = 0.6 GBP

1 EURO = 0.75 GBP

1 GBP = 1.33 EURO

Local Currency = EURO

SC is setup only in LCY (EURO)

Note

All dates are in the DD/MM/YYYY format

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

Setups of GLs

The various GLs used in manual are listed below along with the maintenance which is used for maintaining the same:

| Sr No | GL Head | Location of Setup |
|-------|---------------------------------|----------------------------------|
| 1 | Cash GL | Branch Database |
| 2 | Interbranch GL | Bank Master |
| 3 | Endpoint GL | Endpoint Master |
| 4 | CFC GL | Settlement Bank Parameters |
| 5 | CASA Asset / Liability | CASA Product Master |
| 6 | Issuer GL | Issuer Master |
| 7 | Loan Asset GL | Loan Product Master * |
| 8 | Selected GL | GL Code as entered on the screen |
| 9 | Premium Receivable GL | Insurance Master |
| 10 | Suspended Premium Receivable GL | Insurance Master |
| 11 | Loan Suspended Asset GL | Loan Product Master |

| Sr No | GL Head | Location of Setup |
|--------------|---------------------------------------|---------------------------------|
| 12 | Misc. Income | Loan Product Master |
| 13 | Legal Fee Payable GL | Loan Product Master |
| 14 | Suspended Legal Fees GL | Loan Product Master |
| 15 | Outgoing Payable GL | Loan Product Master |
| 16 | Suspended Outgoing Receivable GL | Loan Product Master |
| 17 | SC/Fees Receivable GL | Loan Product Master |
| 18 | Outgoing Receivable GL | Loan Product Master |
| 19 | Legal Fees Receivable | Loan Product Master |
| 20 | Suspended SC/Fees | Loan Product Master |
| 21 | Bad Debt Reserve GL | Loan Product Master |
| 22 | Unapplied Advance (RPA) GL | Loan Product Master |
| 23 | Small Balance Forfeited GL | Loan Product Master |
| 24 | Small Balance Waiver GL | Loan Product Master |
| 25 | Write-off Expense GL | Loan Product Master |
| 26 | Interest Income GL | Loan Product Interest Attribute |
| 27 | Penalty Interest Income GL | Loan Product Interest Attribute |
| 28 | Interest Accrued GL | Loan Product Interest Attribute |
| 29 | Interest Receivable GL | Loan Product Interest Attribute |
| 30 | Penalty Interest Receivable GL | Loan Product Interest Attribute |
| 31 | Interest Compounded | Loan Product Interest Attribute |
| 32 | Suspended Interest Income | Loan Product Interest Attribute |
| 33 | Suspended Penalty Interest GL | Loan Product Interest Attribute |
| 34 | Suspended Interest Accrued | Loan Product Interest Attribute |
| 35 | Suspended Interest Receivable | Loan Product Interest Attribute |
| 36 | Suspended Penalty Interest Receivable | Loan Product Interest Attribute |

| Sr No | GL Head | Location of Setup |
|-------|-------------------------------|---|
| 37 | Suspended Interest Compounded | Loan Product Interest Attribute |
| 38 | Suspended Interest Recovered | Loan Product Interest Attribute |
| 39 | Unearned Interest | Loan Product Interest Attribute |
| 40 | SC/Fee Income GL | SC Code Maintenance |
| 41 | Premium Remittance GL | Insurance Master |
| 42 | Contingent Liability | Collateral Codes Maintenance |
| 43 | Contingent Asset | Collateral Codes Maintenance |
| 44 | Network GL | Network Master Maintenance |
| 45 | Premium Asset GL | Loan Product Master |
| 46 | Interest Waived | Loan Product Interest Attribute |
| 47 | Claim Settlement GL | Insurance Master Maintenance |
| 48 | RPA GL | Loan Product Master |
| 49 | Subsidy Parking GL | Loan Product Master |
| 50 | Account Payable GL | Third Party Company Details |
| 51 | Account Receivable GL | Third Party Company Details |
| 52 | Unclaimed Payable GL | Third Party Company Details |
| 53 | Unclaimed Receivable GL | Third Party Company Details |
| 54 | Inventory Asset GL | Loan Product Master |
| 55 | Inventory Liability GL | Loan Product Master |
| 56 | Total Margin receivable GL | Loan Product Master |
| 57 | Deferred Margin Income GL | Loan Product Master |
| 58 | Margin / Profit GL | Loan Product Interest Attribute |
| 59 | Amortisation GL | Rewards and Service Charges definition. |

Note: The entries can be passed to the Loan Asset GL or Suspended Asset GL based on the status of the account at the time of posting. For all entries, it is assumed that the account is in normal status unless it is required to be suspended.

Loan Account Opening

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Asset | Dr | USD 120 | 96 | Sanctioned Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Liability | Cr | USD 120 | 96 | Sanctioned Amount | EOD |

APS and Account Opening

No Accounting entries are generated

Application Header

No Accounting entries are generated

Recommend

No Accounting entries are generated

Maintain Result

No Accounting entries are generated

Authorize Result

No Accounting entries are generated

Customer Acceptance

No Accounting entries are generated

Offer Letter Printing

No Accounting entries are generated

Offer Reject

No Accounting entries are generated

Offer Extension

No Accounting entries are generated

View

No Accounting entries are generated

View Result

No Accounting entries are generated

Trial Calculation

No Accounting entries are generated

Installment Calculation

No Accounting entries are generated

Insurance Enquiry

No Accounting entries are generated

Loan Direct Account Opening

No Accounting entries are generated

Loan Account Disbursement Fast Path: LN521

Disbursement of loans is possible only after the following conditions are fulfilled:

- The loan has been sanctioned and the loan account has been opened. Loan account can be opened either by using the APS module/ORS module or the Loan Direct Account Opening (Fast Path: LN057)
- All mandatory documents pertaining to the loan account have been received using the Account Document Maintenance option. (FP-LN323).
- In case the loan is a secured loan the appropriate collaterals should have been attached to the loan account.

Disbursements can be classified into the following stages:

- First Disbursement
- Subsequent disbursements (disbursements can be done even during the regular stage of the loan unlike the earlier versions)
- Final Disbursement

Disbursement involves two legs of accounting entries, viz., one at the Head Office and the other at the Branch where the disbursement is normally done. Host end disbursement is done by generating the loan schedule using option (LN521-Setup Account Schedule). After the schedule creation is authorized the host end entry for the disbursement is completed. The system prompts the user, whether to proceed for the branch disbursement. If the user selects the OK button the system proceeds for the branch disbursement (FP-1413). If not, the user at the branch can do the branch disbursement later, using the same option, Disbursement-1413.

No GL entries are passed only when the host leg of the disbursement is done for a loan account and they will be passed only when the branch disbursement of the loan account is initiated.

At the Head Office (that is at the Host end), the preliminary entry for disbursement is done.

Loan Account Disbursement Fast Path: LN521

Disbursement by Cash - USD 120 disbursed to USD loan Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|---------------------|----------|--------------------|----------------------|---------|---------|----------|----------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 120 | 96 | Disbursement By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 120 | 96 | Disbursement By Cash | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Dr | USD 120 | 96 | Disbursement By Cash | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Cr | USD 120 | 96 | Disbursement By Cash | Online |
| Compensation | | | | | | | | |
| 01/01/05 | 01/01/05 | Account Branch | Compensation Expense | Dr | USD 120 | 96 | Compensation Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | CASA Account | Cr | USD 120 | 96 | Compensation Amount | EOD |
| Disbursement | | | | | | | | |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Liability | Dr | USD 120 | 96 | Compensation Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Asset | Cr | USD 120 | 96 | Compensation Amount | EOD |

Loan Account Disbursement Fast Path: LN521

Disbursement by Bankers Cheque - USD 120 disbursed by bankers cheque

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------|---------|---------|----------|------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 120 | 96 | Disbursement By Cheque | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 120 | 96 | Disbursement By Cheque | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Dr | USD 120 | 96 | Disbursement By Cheque | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Issuer GL A/C | Cr | USD 120 | 96 | Disbursement By Cheque | EOD |

USD 120 loan disbursed by transfer to GBP CASA Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|-----------------|---------|---------|----------|------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 120 | 96 | Disbursement By Cheque | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 120 | 96 | Disbursement By Cheque | EOD |
| 01/01/05 | 01/01/05 | CASA Account Branch | Inter Branch GL | Dr | USD 120 | 96 | Disbursement By Cheque | EOD |

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|---------------------------|---------|---------|----------|------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | CASA Account Branch | CASA Asset / Liability GL | Cr | USD 120 | 96 | Disbursement By Cheque | EOD |

Top-up Disbursement

Example:

Outstanding loan amount = 10000 EURO

Arrears capitalized during restructure =300 EURO

Top-Up Disbursed = 5000 EURO

1. Arrears capitalized during restructure

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|----------|----------|--------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | EURO 300 | 300 | Interest Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable | Cr | EURO 300 | 300 | Interest Arrear Capitalization | EOD |

2. Top-Up Disbursed

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------|---------|-----------|----------|-------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | EURO 5000 | 5000 | Disbursement To CASA | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Disbursement GL | Cr | EURO 5000 | 5000 | DISBURSEMENT TO CASA (Loan Account) | EOD |

From Mainline Revolving Loan to EOP Line

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------------------|---------|----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | EOP (Sub-Revolving) Loan GL | Dr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Settlement GL | Cr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Settlement GL | Dr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Main - Revolving Loan GL | Cr | USD 1000 | 800 | Disbursement by GL | Online |

From Mainline Revolving Loan to Amortizable Term Loan

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|---------------------------|---------|----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Amortizable Loan Asset GL | Dr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Settlement GL | Cr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Settlement GL | Dr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Main - Revolving Loan GL | Cr | USD 1000 | 800 | Disbursement by GL | Online |

From EOP Line to Mainline Revolving Loan

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|--------------------------|---------|----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Main - Revolving Loan GL | Dr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Settlement GL | Cr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Settlement GL | Dr | USD 1000 | 800 | Disbursement by GL | Online |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------------------|---------|----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Transaction Branch | EOP (Sub-Revolving) Loan GL | Cr | USD 1000 | 800 | Disbursement by GL | Online |

From EOP Line to Amortizable Term Loan

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|---------------------------|---------|----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Amortizable Loan Asset GL | Dr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Settlement GL | Cr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Settlement GL | Dr | USD 1000 | 800 | Disbursement by GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | EOP(Sub-Revolving)Loan GL | Cr | USD 1000 | 800 | Disbursement by GL | Online |

From Amortizable Term Loan to Mainline Revolving Loan (Only Full convertibility Option)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Settlement GL | Dr | USD 260 | 208 | LN EFS from GL | Online |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Cr | USD 260 | 208 | LN EFS from GL | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Dr | USD 220 | 176 | LN EFS from GL | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Loan Asset GL | Cr | USD 200 | 160 | LN EFS by GL - Principal | EOD |
| | | Transaction Branch | Interest Receivable GL | Cr | USD 20 | 16 | LN EFS by GL - Normal Interest Accrual Basis | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Accrued GL | Dr | USD 10 | 8 | Accrual - catch-up Interest | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Income GL | Cr | USD 10 | 8 | Accrual - catch-up Interest | EOD |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|---------------------------------|---------|--------|----------|----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Receivable GL | Dr | USD 20 | 16 | Catch-up normal Interest Charged | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Accrued GL | Cr | USD 20 | 16 | Catch-up normal Interest Charged | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Receivable GL | Cr | USD 20 | 16 | Catch-up normal Interest Charged | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | LN - EFS - Penalty Interest | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Penalty Interest Receivable GL. | Cr | USD 10 | 8 | LN - EFS - Penalty Interest | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | LN-EFS - Penalty - Thru GL | EOD |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Transaction Branch | Penalty Interest Income GL | Cr | USD 10 | 8 | LN-EFS - Penalty - Thru GL | EOD |
| 01/01/08 | 01/01/08 | Account Branch | Main - Revolving Loan GL | Dr | USD 260 | 208 | Disbursement to GL | Online |
| 01/01/08 | 01/01/08 | Account Branch | Settlement GL | Cr | USD 260 | 208 | Disbursement to GL | Online |

From Amortizable Term Loan to EOP Line (Only Full convertibility Option)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Settlement GL | Dr | USD 260 | 208 | LN EFS from GL | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Cr | USD 260 | 208 | LN EFS from GL | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Dr | USD 220 | 176 | LN EFS from GL | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Loan Asset GL | Cr | USD 200 | 160 | LN EFS by GL - Principal | EOD |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Receivable GL | Cr | USD 20 | 16 | LN EFS by GL - Normal Interest Accrual Basis | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Accrued GL | Dr | USD 10 | 8 | Accrual - catch-up Interest | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Income GL | Cr | USD 10 | 8 | Accrual - catch-up Interest | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Receivable GL | Dr | USD 20 | 16 | Catch-up normal Interest Charged | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Accrued GL | Cr | USD 20 | 16 | Catch-up normal Interest Charged | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | Catch-up normal Interest Charged | EOD |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|--------------------------------|---------|---------|----------|----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Transaction Branch | Interest Receivable GL | Cr | USD 20 | 16 | Catch-up normal Interest Charged | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | LN - EFS - Penalty Interest | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Penalty Interest Receivable GL | Cr | USD 10 | 8 | LN - EFS - Penalty Interest | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | LN - EFS - Penalty - Thru GL | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Penalty Interest Income GL | Cr | USD 10 | 8 | LN - EFS - Penalty - Thru GL | EOD |
| 01/01/08 | 01/01/08 | Account Branch | EOP (Sub - Revolving Loan) GL | Dr | USD 260 | 208 | Disbursement to GL | Online |
| 01/01/08 | 01/01/08 | Account Branch | Settlement GL | Cr | USD 260 | 208 | Disbursement to GL | Online |

Contingent Entry Event if Collateral is attached

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|------------------------|----------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Collateral Home Branch | Contingent Asset | Dr | USD 120 | 96 | Collateral Value | EOD |
| 01/01/05 | 01/01/05 | Collateral Home Branch | Contingent Liability | Cr | USD 120 | 96 | Collateral Value | EOD |

Insurance Premium Collection

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-----------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Premium Asset GL | Dr | USD 120 | 96 | Premium Amount | EOD |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Premium Remittance GL | Cr | USD 120 | 96 | Premium Amount | EOD |

Insurance Premium Payment to Insurer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-----------------------|---------|---------|----------|------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Premium Remittance GL | Dr | USD 500 | 400 | Sum of Premium Amounts | EOD |
| 01/01/05 | 01/01/05 | Clearing Branch | Endpoint GL | Cr | USD 500 | 400 | Sum of Premium Amounts | EOD |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-----------------------|---------|---------|----------|------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Premium Remittance GL | Dr | USD 500 | 400 | Sum of Premium Amounts | EOD |
| 01/01/05 | 01/01/05 | Loan A/c Branch | SC GL | Cr | USD 500 | 400 | Sum of Premium Amounts | EOD |

Interest Waived After Claim Acceptance

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|---------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Interest Waived | Dr | USD 40 | 32 | Penalty charged from claim effective date | EOD |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Interest receivable | Cr | USD 40 | 32 | Penalty charged from claim effective date | EOD |

Claim Received from Insurer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Clearing Branch | Endpoint GL | Dr | USD 200 | 160 | Claim Amount | EOD |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|---------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Claim Settlement GL | Cr | USD 200 | 160 | Claim Amount | EOD |

Claim Adjustment with Loan Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|---------------------|---------|---------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Claim Settlement GL | Dr | USD 200 | 160 | Claim Amount | EOD |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Loan Account | Cr | USD 200 | 160 | Total due amount from Insurer till date | EOD |

Excess Amount Received as Claim

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------------------|--------------------|---------|--------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan A/c Branch | RPA GL | Dr | USD 80 | 64 | Excess Amount | EOD |
| 01/01/05 | 01/01/05 | Account branch /Clearing branch | Customer's Account | Cr | USD 80 | 64 | Excess Amount | EOD |

Schedule Set Up

No Accounting entries are generated

Loans Disbursement Inquiry

No Accounting entries are generated

Loan Disbursement Reversal

The loan, which is disbursed, can be reversed using the Loan Disbursement Reversal option. A loan disbursement transaction may have to be reversed due to administrative reasons or any error in the disbursement set-up for the loan account.

Initially the reversal of the branch disbursement needs to be done through EJ (FP 6006) and subsequently, the reversal at the host should be done using the option of Loans Disbursement Reversal.

Reversal of Disbursement at Branch

If the teller has already disbursed the loan amount at the branch, the same teller should reverse the loan disbursement transaction on the same day using the 6006 Electronic Journal option. At the Branch, the actual disbursement is made by cash, bankers cheque, or transfer to CASA.

At the Head office (Host), the loan disbursement transaction reversal is done by using the option LN045

Reversal of Disbursement by Cash - USD 120 disbursed by cash

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 120 | 96 | Reversal entry | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 120 | 96 | Reversal entry | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 120 | 96 | Reversal entry | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Cr | USD 120 | 96 | Reversal entry | EOD |

Reversal of Disbursement by Bankers Cheque - USD 120 disbursed by Bankers Cheque

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Issuer GL A/C | Dr | USD 120 | 96 | Reversal entry | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 120 | 96 | Reversal entry | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 120 | 96 | Reversal entry | EOD |

Loan Account Disbursement Fast Path: LN521

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Cr | USD 120 | 96 | Reversal entry | EOD |

Reversal of Disbursement by transfer to CASA - USD 120 disbursed by transfer to CASA account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|---------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset / Liability GL | Dr | USD 120 | 96 | Reversal entry | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 120 | 96 | Reversal entry | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 120 | 96 | Reversal entry | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Cr | USD 120 | 96 | Reversal entry | EOD |

Backdated installment reversal to CASA or GL

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|----------|----------|--------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 14/08/08 | 01/08/08 | Account branch | Asset | Dr | Euro 500 | Euro 500 | Principal Arrear Appropriation | EOD |
| 14/08/08 | 01/08/08 | Account branch | Interest receivable | Dr | Euro 50 | Euro 50 | Interest Arrear Appropriation | EOD |
| 14/08/08 | 01/08/08 | Account branch | Other receivable | Dr | Euro 50 | Euro 50 | Fee Arrear Appropriation | EOD |

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|----------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 14/08/08 | 01/08/08 | Account branch | CASA / GL account (asset or liability GL) | Cr | Euro 600 | Euro 600 | BKDT Installment Refund to CASA: (loan a/c no.) | EOD |

Loan Account CBR Details

No accounting entries are generated

Loan Account Application Details Maintenance

No accounting entries are generated

Additional Document Maintenance

No accounting entries are generated

Account Documents Maintenance

No accounting entries are generated

Loan Approved Amount Maintenance

No Accounting entries are generated

Loan Repayments

Loan Installment Payment Inquiry - Fast Path: 1065

Installment payment of loan can be done when the installment has become due. The loan installment can be paid by cash, local cheque, transfer from CASA or GL transfer by using this option.

Loan Installment - Payment by Cash.

Assume that the loan account has the following arrears and the loan account is a USD loan a/c

Principal Arrears USD 120

Service Charges Euro 8 (USD 10)

Legal Fees Receivable USD 20

Interest receivable USD 30

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 180 | 144 | LN. Installment Payment By Cash | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 180 | 144 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 180 | 144 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Cr | USD 180 | 144 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 120 | 96 | LN. Installment Payment By Cash | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|------------------|----------|----------------|----------------------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Cr | USD 120 | 96 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Cr | USD 20 | 16 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 30 | 24 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | USD 30 | 24 | LN. Installment Payment By Cash | EOD |
| Revolving | | | | | | | | |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|--------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Asset | Dr | USD 30 | 24 | Principal Paid | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Liability | Cr | USD 30 | 24 | Principal Paid | EOD |

Loan Installment - Payment by Local Cheque

Cheque of value Euro 110 deposited on Loan Account in GBP on 01/01/2005. Float Days = 5. The clearing of the cheque is done on the value date of the cheque.

Assume that the loan account has the following arrears and the loan account is a GBP loan a/c

Principal Arrears GBP 60 (80 EURO)

Service Charges Euro 6 (4.5 GBP)

Outgoing Receivable GBP 6 (8 EURO)

Interest receivable GBP 12 (16 EURO)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-----------------|---------|----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Clearing Branch | Endpoint GL | Dr | Euro 110 | 110 | Cheque Deposit | Outward Clearing |
| 01/01/05 | 01/01/05 | Clearing Branch | Inter branch GL | Cr | Euro 110 | 110 | Cheque Deposit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Dr | Euro 110 | 110 | Cheque Deposit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | CFC GL | Cr | Euro 110 | 110 | Cheque Deposit | Outward Clearing |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|----------|----------|--------------------------------|---------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/05 | 05/01/05 | Account Branch | CFC GL | Dr | Euro 110 | 110 | Cheque Deposit | Value Date Clearing |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Cr | GBP 82.5 | 110 | LN Installment By Local Cheque | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 60 | 80 | LN Installment By Local Cheque | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Loan Asset GL | Cr | GBP 60 | 80 | LN Installment By Local Cheque | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 4.5 | 6 | LN Installment By Local Cheque | EOD |
| 05/01/05 | 05/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 6 | 6 | LN Installment By Local Cheque | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|--------|----------|--------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 6 | 8 | LN Installment By Local Cheque | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Outgoing Receivable GL | Cr | GBP 6 | 8 | LN Installment By Local Cheque | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 12 | 16 | LN Installment By Local Cheque | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Interest Receivable GL | Cr | GBP 12 | 16 | LN Installment By Local Cheque | EOD |

Online Cheque Return

Cheque of value Euro 110 deposited on Loan Account in GBP on 01/01/2005. Float Days = 5. Cheque was returned on 03/01/2005, before the value date of the cheque.

If the return is being passed through the inward clearing route, the Inward clearing will pass the GL entries. For online cheque return, the End of Day will pass the entries.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-------------|---------|----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Clearing Branch | Endpoint GL | Dr | Euro 110 | 110 | Cheque Deposit | Outward Clearing |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-----------------|---------|----------|----------|---------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Clearing Branch | Inter branch GL | Cr | Euro 110 | 110 | Cheque Deposit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Dr | Euro 110 | 110 | Cheque Deposit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | CFC GL | Cr | Euro 110 | 110 | Cheque Deposit | Outward Clearing |
| 03/01/05 | 03/01/05 | Account Branch | CFC GL | Dr | Euro 110 | 110 | Cheque Return | Inward Clearing / EOD |
| 03/01/05 | 03/01/05 | Account Branch | Inter branch GL | Cr | Euro 110 | 110 | Cheque Return | EOD |
| 03/01/05 | 03/01/05 | Clearing Branch | Inter branch GL | Dr | Euro 110 | 110 | Cheque Return | EOD |
| 03/01/05 | 03/01/05 | Clearing Branch | Endpoint GL | Cr | Euro 110 | 110 | Cheque Return | Inward Clearing / EOD |

If the above cheque was returned **after** the value date of the cheque i.e. on 08/01/05, the same has to be operationally handled by using the **Miscellaneous Loan Debit Transactions option (9540)**. The loan account can be debited for the specified amount and during EOD the most recent appropriations against arrears for the account will be reversed. However, if there are other repayments like cash deposit towards payment of arrears after the cheque was deposited the Miscellaneous Loan Debit Transaction will first reinstate the arrears appropriated by the cash deposit. The user can select the contra GL which has to be credited. Hence the loan account to be debited and the clearing center has to be credited in the said case.

Loan Installment Payment Inquiry - Fast Path: 1065

Following entries will be passed during EOD after the MLD is done:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|------------------------|---------|----------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 08/01/05 | 08/01/05 | Transaction Branch | Select ed GL | Cr | GBP 82.5 | 110 | Miscellaneous Loan Debit | EOD |
| 08/01/05 | 08/01/05 | Transaction Branch | Inter branch GL | Dr | GBP 82.5 | 110 | Miscellaneous Loan Debit | EOD |
| 08/01/05 | 08/01/05 | Account Branch | Inter branch GL | Cr | GBP 82.5 | 110 | Miscellaneous Loan Debit | EOD |
| 08/01/05 | 08/01/05 | Account Branch | Loan Asset GL | Dr | GBP 60 | 80 | Miscellaneous Loan Debit-Principal Amount | EOD |
| 08/01/05 | 08/01/05 | Account Branch | SC/Fee Income GL | Dr | Euro 6 | 6 | Miscellaneous Loan Debit-SC Payment | EOD |
| 08/01/05 | 08/01/05 | Account Branch | Outgoing Receivable GL | Dr | GBP 6 | 8 | Miscellaneous Loan Debit-Outgoing Receivable | EOD |
| 08/01/05 | 08/01/05 | Account Branch | Interest Receivable GL | Dr | GBP 12 | 16 | Miscellaneous Loan Debit-Normal Interest | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

Loan Installment Payment by Transfer from CASA Account

Loan Installment Payment from GBP CASA Account to a USD Loan Account

Principal Arrears USD 120 (72 GBP) (96 EURO)

Service Charges Euro 8 (USD 10) (6 GBP)

Legal Fees Receivable USD 20 (12 GBP) (16 EURO)

Interest receivable USD 30 (18 GBP) (24 EURO)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|---------|----------|-----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | CASA Account Branch | CASA Asset / Liability GL | Dr | GBP 108 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | CASA Account Branch | Inter Branch GL | Cr | GBP 108 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Inter Branch GL | Dr | USD 180 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Cr | USD 180 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 120 | 96 | Loan Installment Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Loan Asset GL | Cr | USD 120 | 96 | Loan Installment Principal Amount | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | Loan Installment Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | Loan Installment Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | Loan Installment Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Legal Fees Receivable GL | Cr | USD 20 | 16 | Loan Installment Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 30 | 24 | Loan Installment Normal Interest (Accrual basis) | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan Account Branch | Interest Receivable GL | Cr | USD 30 | 24 | Loan Installment Normal Interest (Accrual basis) | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

Loan Installment Payment by GL Transfer

Loan Installment Payment from GBP GL Account to a USD Loan Account

Principal Arrears USD 120 (72 GBP) (96 EURO)

Service Charges Euro 8 (USD 10) (6 GBP)

Legal Fees Receivable USD 20 (12 GBP) (16 EURO)

Interest receivable USD 30 (18 GBP) (24 EURO)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|---------|----------|-----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | CASA Account Branch | CASA Asset / Liability GL | Dr | GBP 108 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | CASA Account Branch | Inter Branch GL | Cr | GBP 108 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Inter Branch GL | Dr | USD 180 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Cr | USD 180 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 120 | 96 | Loan Installment Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Loan Asset GL | Cr | USD 120 | 96 | Loan Installment Principal Amount | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | Loan Installment Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | Loan Installment Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | Loan Installment Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Legal Fees Receivable GL | Cr | USD 20 | 16 | Loan Installment Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 30 | 24 | Loan Installment Normal Interest (Accrual basis) | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|-------------------------------------|----------|---------------------|------------------------|---------|---------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan Account Branch | Interest Receivable GL | Cr | USD 30 | 24 | Loan Installment Normal Interest (Accrual basis) | EOD |
| Incoming Installment Payment | | | | | | | | |
| 01/01/05 | 01/01/05 | Network Branch | Network GL | Dr | GBP 108 | 144 | Loan Installment Payment | Online |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Loan Account | Cr | GBP 108 | 144 | Loan Installment Payment | EOD |

Loan Installment Payment by GL Transfer

Loan Installment Payment from GBP GL Account to a USD Loan Account

Principal Arrears USD 120 (72 GBP) (96 EURO)

Service Charges Euro 8 (USD 10) (6 GBP)

Legal Fees Receivable USD 20 (12 GBP) (16 EURO)

Interest receivable USD 30 (18 GBP) (24 EURO)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------|---------|---------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Selected GL | Dr | GBP 108 | 144 | Loan Installment Payment | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | GBP 108 | 144 | Loan Installment Payment | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|---------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan Account Branch | Inter Branch GL | Dr | USD 180 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Cr | USD 180 | 144 | Loan Installment Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 120 | 96 | Loan Installment Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Loan Asset GL | Cr | USD 120 | 96 | Loan Installment Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | Loan Installment Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | Loan Installment Service Charges Payment | EOD |

Loan Installment Payment Inquiry - Fast Path: 1065

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|-------------------------------------|----------|---------------------|----------------------------|---------|---------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | Loan Installment Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Legal Fees Receivable GL | Cr | USD 20 | 16 | Loan Installment Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Unapplied Advance (RPA) GL | Dr | USD 30 | 24 | Loan Installment Normal Interest (Accrual basis) | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Interest Receivable GL | Cr | USD 30 | 24 | Loan Installment Normal Interest (Accrual basis) | EOD |
| Incoming Installment Payment | | | | | | | | |
| 01/01/05 | 01/01/05 | Network Branch | Network GL | Dr | GBP 108 | 144 | Loan Installment Payment | Online |
| 01/01/05 | 01/01/05 | Loan A/c Branch | Loan Account | Cr | GBP 108 | 144 | Loan Installment Payment | EOD |

Partial Pay-off - Fast Path: 1066

Partial Payoff is repayment of loan amount over and above the normal installment due amount. The accounting entries for Partial Pay-off are the same as explained under the Loan Installment Payment. Following are the differences in a Partial pay-off transaction:

In a Partial Pay-off transaction the amount being paid will be greater than the normal installment amount. If there are arrears on the loan account, then the payment amount will be first appropriated against the arrears and the excess balance will be credited to Loan Principal Account. The effect of interest payment would happen based on the effect of payment defined at the loan product master.

The bank can charge interest till date in which case the system will calculate interest from the last accrual date till the date of the partial pay-off payment.

The bank can charge penalty for the Partial Pay-off transaction. The same is calculated online as a certain percentage of the pay-off amount, or certain percentage (p.a.) of the amount and the remaining term or the bank may even waive the penalty amount. The penalty rule and rate for the Partial Pay-off are defined in Schedule Type definition (LNM98). The accounting basis for the same are defined in Product Interest Attributes Maintenance (LNM42).

Partial payoff transaction ultimately results in rescheduling of the loan. The user can select from either of the Rescheduling modes viz., Recalculate Term or Recalculate Installment.

No entries are generated during rescheduling of the loan account. However, if the user opts for the option of capitalize all Arrears then the behavior would be similar as that of Restructuring of Loan account which is explained in the later part of the document.

Partial Pay-off - Payment by Cash

Assume that the customer pays USD 300 as partial pay-off amount. The loan account in USD has the following arrears amounting to USD 197

Principal Arrears USD 120

Service Charges Euro 8 (USD 10)

Legal Fees Receivable USD 20

Interest receivable USD 30

Catch up Interest (interest accrued/charged till the date of payment) USD 10

Penalty (Billed/Charged) – USD 5

Partial Pay-off Penalty (Cash Basis) – USD 2

The balance excess amount i.e. USD 103 will be credited to the Asset Principal GL. Thus, the total contribution towards the principal payment will be (Principal arrears + excess amount paid) $USD120+USD103 = USD223$

Partial Pay-off - Fast Path: 1066

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 300 | 240 | Partial Payoff - Payoff Amount | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 300 | 240 | Partial Payoff - Payoff Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 300 | 240 | Partial Payoff - Payoff Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Cr | USD 300 | 240 | Partial Payoff - Payoff Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 223 | 178 | Partial Payoff Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Cr | USD 223 | 178 | Partial Payoff Principal Amount | EOD |

Partial Pay-off - Fast Path: 1066

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | Partial Payoff Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | Partial Payoff Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | Partial Payoff Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Cr | USD 20 | 16 | Partial Payoff Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 30 | 24 | Partial Payoff Normal Interest(Accrual basis) | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | USD 30 | 24 | Partial Payoff Normal Interest(Accrual basis) | EOD |

Partial Pay-off - Fast Path: 1066

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Accrued GL | Dr | USD 10 | 8 | Catch up Accrued Normal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Cr | USD 10 | 8 | Catch up Accrued Normal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Accrued GL | Cr | USD 10 | 8 | Catch up Normal Interest Charged | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | USD 10 | 8 | Catch up Normal Interest Charged | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | Partial Payoff Catch up Accrued Normal Interest | EOD |

Partial Pay-off - Fast Path: 1066

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | USD 10 | 8 | Partial Payoff Catch up Accrual Normal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 5 | 4 | Partial Payoff Penal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Receivable GL | Cr | USD 5 | 4 | Partial Payoff Penal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 2 | 2 | Partial Payoff Penalty (Cash Basis) | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Income GL | Cr | USD 2 | 2 | Partial Payoff Penalty (Cash Basis) | EOD |

Note: The accounting entries for Partial Pay-off by other mode of payments will be same as the Normal Installment payment except for the funding GL, catch up accrual and penal interest.

Assumption for the above accounting entry: the payoff benefit is considered as immediate at the loan product level.

Loans Advance Payment - Fast Path: 1068

This option is used for advance repayment of loan installment. The amount paid as advance installment is posted in the Reserve Pending Appropriation account (RPA). At end of day (EOD), depending upon the treatment specified for advance payment, the advanced installment amount paid reduces the principal base for interest calculation. Unlike Partial Pay-off where the excess amount is utilized to reduce the Asset Principal balance, in an Advance Payment the excess amount (after all the arrears due are paid) continue to reside in the Unapplied Advance (RPA) GL. All future dated loan installments, which become due, are set off against the RPA account. The advance payment of loan installments can be paid by cash, local cheque, transfer from CASA or GL transfer by using this option.

Advance Payment-Payment by Cash.

Assume that the customer pays USD 300 as Advance Payment. The loan account in USD has the following arrears amounting to USD 185.

Principal Arrears USD 120

Service Charges Euro 8 (USD 10)

Insurance Premium USD 20

Interest receivable USD 30

Penal Interest – USD 5

After adjusting the above arrears the balance excess amount i.e. USD 115 will remain as balance in the Unapplied Advance (RPA) GL. As and when the arrears become due the system will utilize the amount from the RPA GL.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 300 | 240 | Advance Payment | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 300 | 240 | Advance Payment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 300 | 240 | Advance Payment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Cr | USD 300 | 240 | Advance Payment | EOD |

Loans Advance Payment - Fast Path: 1068

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|---------|----------|-----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 120 | 96 | Advance Payment-Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Cr | USD 120 | 96 | Advance Payment-Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | Advance Payment-Service Charges | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | Advance Payment-Service Charges | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | Advance Payment-Insurance Premium | EOD |

Loans Advance Payment - Fast Path: 1068

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Insurance Premium GL | Cr | USD 20 | 16 | Advance Payment-Insurance Premium | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 30 | 24 | Advance Payment-Normal Interest(Accrual basis) | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | USD 30 | 24 | Advance Payment-Normal Interest(Accrual basis) | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 5 | 4 | Advance Payment-Penal Interest (Accrual basis) | EOD |

Loans Advance Payment - Fast Path: 1068

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Receivable GL | Cr | USD 5 | 4 | Advance Payment-Penal Interest (Accrual basis) | EOD |

Note: The accounting entries for Advance Payment by other mode of payments will be same as the Partial Pay-off except for the funding GL.

Post Dated Cheques Maintenance - Fast Path: LN046

No accounting entries are passed. Though, on the respective cheque dates the posted dated cheques towards the loan installment payments are presented for clearing. For accounting entries refer to the Loan Installment Payment by Local Cheque above.

Loan Refund Inquiry - Fast Path: 1412

Excess credit balance in the loan account can be refunded to the customer by Cash or Transfer to CASA account

Excess credit of USD 500 to be refunded by Cash

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|---------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 500 | 400 | Loan Excess Amount Refund | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 500 | 400 | Loan Excess Amount Refund | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Dr | USD 500 | 400 | Loan Excess Amount Refund | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Cr | USD 500 | 400 | Loan Excess Amount Refund | EOD |

Excess credit of USD 110 to be refunded to CASA Account in GBP

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|---------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 110 | 88 | Loan Excess Amount Refund | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 110 | 88 | Loan Excess Amount Refund | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Dr | USD 110 | 88 | Loan Excess Amount Refund | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | CASA Asset / Liability GL | Cr | GBP 66 | 88 | Loan Excess Amount Refund | EOD |

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

The balance loan outstanding amount can be prepaid by the customer in full by Cash, Transfer from CASA or GL Transfer by using this option.

EFS - Payment by Cash

Assume the loan account in USD has the following dues amounting to USD 380

Principal Arrears USD 200

Service Charges Euro 12 (USD 15)

Legal Fees Receivable USD 20

Insurance Premium USD 15

Interest receivable USD 93

Catch up Interest (interest accrued/charged till the date of payment) USD 20

Penalty (Billed/Charged) – USD 12

EFS Penalty (Cash Basis) – USD 5

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 380 | 304 | LN. EFS. By Cash | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 380 | 304 | LN. EFS. By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 380 | 304 | LN. EFS. By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Cr | USD 380 | 304 | LN. EFS. By Cash | EOD |

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|---------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 200 | 160 | LN. EFS. By Cash-Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Cr | USD 200 | 160 | LN. EFS. By Cash-Principal Amount | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 15 | 12 | LN. EFS. By Cash-Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 12 | 12 | LN. EFS. By Cash-Service Charges Payment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | LN. EFS. By Cash-Legal Fees | EOD |

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Cr | USD 20 | 16 | LN. EFS. By Cash-Legal Fees | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 15 | 12 | LN. EFS. By Cash-Insurance Premium | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Insurance Premium GL | Cr | USD 15 | 12 | LN. EFS. By Cash-Insurance Premium | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 93 | 74 | LN. EFS. By Cash-Normal Interest(Accrual basis) | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | USD 93 | 74 | LN. EFS. By Cash-Normal Interest(Accrual basis) | EOD |

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Accrued GL | Dr | USD 20 | 16 | Catch up Accrued Normal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Cr | USD 20 | 16 | Catch up Accrued Normal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | USD 20 | 16 | Catch up Normal Interest Charged | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 20 | 16 | LN. EFS. By Cash-Catch up Accrued Normal Interest | EOD |

Loan Full Payoff Inquiry - Fast Path: 1067 (EFS)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | USD 20 | 16 | LN. EFS. By Cash-Catch up Accrual Normal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 12 | 10 | LN. EFS. By Cash-Penal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Receivable GL | Cr | USD 12 | 10 | LN. EFS. By Cash-Penal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 5 | 4 | LN. EFS. By Cash-Penalty (Cash Basis) | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Income GL | Cr | USD 5 | 4 | LN. EFS. By Cash-Penalty (Cash Basis) | EOD |

Note: The accounting entries for Loan Full Pay-off (EFS) by other mode of payments will be same as the above except for the funding GL.

Loan Recission Inquiry - Fast Path: 1069

Recission implies reversal of all entries passed during disbursement, if customer wishes to return the loan within a pre-specified time. The available mode for performing Loan recission is cash, transfer from CASA or GL Transfer. Recission will be allowed only if no interest and/or charge has been applied on the account.

Loan Recission by Cash

Assume a recission done by cash in USD for a Loan of GBP 480

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|------------------|----------|----------------------|-----------------|---------|---------|----------|-----------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 800 | 640 | LN. Recission By Cash | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | GBP 480 | 640 | LN. Recission By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | GBP 480 | 640 | LN. Recission By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Asset GL | Cr | GBP 480 | 640 | LN. Recission By Cash | EOD |
| Recission | | | | | | | | |
| 01/01/05 | 01/01/05 | Contingent Asset | Account Branch | Dr | GBP 480 | 640 | Disbursed Amount | EOD |
| 01/01/05 | 01/01/05 | Contingent Liability | Account Branch | Cr | GBP 480 | 640 | Disbursed Amount | EOD |

Loan Recission by Transfer from CASA

Assume a recission done by transfer from GBP CASA Account for a Loan of USD 740

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|---------------------------|---------|---------|----------|----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | CASA Account Branch | CASA Asset / Liability GL | Dr | GBP 444 | 592 | LN. Recission By Xfer. From CASA | Online |
| 01/01/05 | 01/01/05 | CASA Account Branch | Inter Branch GL | Cr | USD 740 | 592 | LN. Recission By Xfer. From CASA | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Inter Branch GL | Dr | USD 740 | 592 | LN. Recission By Xfer. From CASA | EOD |
| 01/01/05 | 01/01/05 | Loan Account Branch | Asset GL | Cr | USD 740 | 592 | LN. Recission By Xfer. From CASA | EOD |

Loan Recission by Transfer from GL

Assume a recission done by transfer USD 950 from GL Account to Loan Account in USD

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|--------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Select ed GL | Dr | USD 950 | 760 | LN. Recission By GL | Online |

Loan Recission Inquiry - Fast Path: 1069

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 950 | 760 | LN. Recission By GL | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 950 | 760 | LN. Recission By GL | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Asset GL | Cr | USD 950 | 760 | LN. Recission By GL | EOD |

Loan Account Payoff Notice Maintenance

No Accounting entries are generated

Other Transactions

Reminder Plan Maintenance

No Accounting entries are generated

Product Interest Attributes Maintenance

No Accounting entries are generated

Schedule Type

No Accounting entries are generated

Installment Rules

No Accounting entries are generated

Interest Rules

No Accounting entries are generated

Loan Balance Inquiry

No Accounting entries are generated

Account Status Audit Trail Inquiry

No Accounting entries are generated

Account Schedule Inquiry

No Accounting entries are generated

Account Transactions Inquiry

No Accounting entries are generated

Account Rates

No Accounting entries are generated

Rate Change

No Accounting entries are generated

Miscellaneous Loan Dr

Miscellaneous Loan Debit Transactions options - Fast Path: 9540

Once a disbursement is made to a loan account, normally the loan account would only receive credits in the form of payments from the customer. If any debit has to be made to the account apart from regular interest/fees charging, then the Miscellaneous Loan debits (MLD) option may be used. It can be used in any of the following cases:

- To reverse wrong installment payment into the account on a previous transaction day.
- To increase the outstanding principal on the account for any reason.

On entering the debit amount the system validates that the amount is less than the loan outstanding. The amount is credited to any GL as specified by the teller.

Assume a loan account in USD has the following credits which have to be reversed using MLD option:

Principal – USD 1350

Service Charges – Euro 12 (USD 15)

Outgoing Receivable – USD 120

Interest – USD 405

Misc. Income – USD 35

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------|---------|----------|----------|-------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Select ed GL | Cr | USD 1925 | 1540 | Miscellaneous LN. Debit | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Dr | USD 1925 | 1540 | Miscellaneous LN. Debit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 1925 | 1540 | Miscellaneous LN. Debit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 1925 | 1540 | Miscellaneous LN. Debit | EOD |

Miscellaneous Loan Debit Transactions options - Fast Path: 9540

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------------|---------|------------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fe e Income GL | Dr | Euro 12 | 12 | Miscellaneous LN. Debit - SC Payment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing Receivable GL | Dr | USD 120 | 96 | Miscellaneous LN. Debit - Outgoing Receivable | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | USD 405 | 324 | Miscellaneous LN. Debit - Normal Interest | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Misc.In come GL | Dr | USD 35 | 28 | Miscellaneous LN. Debit - Normal Interest | EOD |

Miscellaneous Charges Waiver - Fast Path: LN444

Miscellaneous charges levied on an account can be waived using Miscellaneous Charges Waiver. These charges are arrears that have been raised on the account which are still pending payment. Payment pending may be part or all of arrears assessed.

Assume a loan account in USD has the following arrears which are to be waived:

Insurance Premium – USD 20

Service Charge – Euro 8

Outgoing Receivable – USD 35

Legal Fees Receivable – USD 40

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|--------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Premium Remittance GL | Dr | USD 20 | 16 | LN. Charge Waiver | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Insurance Premium GL | Cr | USD 20 | 16 | LN. Charge Waiver | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Dr | Euro 8 | 8 | LN. Charge Waiver | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fees Receivable GL | Cr | USD 8 | 10 | LN. Charge Waiver | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing Payable GL | Dr | USD 35 | 28 | LN. Charge Waiver | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing Receivable GL | Cr | USD 35 | 28 | LN. Charge Waiver | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Payable GL | Dr | USD 40 | 32 | LN. Charge Waiver | EOD |

Miscellaneous Charges Waiver - Fast Path: LN444

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------|---------|--------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Cr | USD 40 | 32 | LN. Charge Waiver | EOD |

Account Payment Instructions

No Accounting entries are generated

Loan Account Address Maintenance

No Accounting entries are generated

Loan Account Master Attributes Maintenance

No Accounting entries are generated

Common Billing Transactions - Fast Path: BAM50

Common Billing is used to levy a charge on a loan account. The Common Billing Transaction is used for billing of one time miscellaneous service charges/outgoing charges/insurance premium/legal fees.

Loan account in GBP has the following charges to be levied:

Insurance Premium – GBP 150

Service Charge – Euro 17

Outgoing Receivable – GBP 45

Legal Fees Receivable – GBP 70

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Insurance Premium GL | Dr | GBP 150 | 200 | Common Billing | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Premium Remittance GL | Cr | GBP 150 | 200 | Common Billing | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fees Receivable GL | Dr | GBP 13 | 17 | Common Billing | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 17 | 17 | Common Billing | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing Receivable GL | Dr | GBP 45 | 60 | Common Billing | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing Payable GL | Cr | GBP 45 | 60 | Common Billing | EOD |

Common Billing Transactions - Fast Path: BAM50

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------|---------|--------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Dr | GBP 70 | 93 | Common Billing | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Payable GL | Cr | GBP 70 | 93 | Common Billing | EOD |

Third Party Account Address Maintenance

No Accounting entries are generated

Loan Collateral Link Maintenance

No Accounting entries are generated

Interest Adjustment Transaction - Fast Path: BAM57

Unaccounted Interest

No accounting entries are generated

Accounted Interest

Debit Interest Adjustment

Debit interest adjustment increases the dues of interest. The account gets debited to the extent of adjustment and a new arrear of type interest gets raised on the account.

Debit Interest Adjustment of GBP 60 is done for Normal Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|--------|----------|-------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | GBP 60 | 80 | LN. Interest Adjustment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Cr | GBP 60 | 80 | LN. Interest Adjustment | EOD |

Debit Interest Adjustment of GBP 30 is done for Penal Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------------|---------|--------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Receivable GL | Dr | GBP 30 | 40 | LN. Penalty Interest Adjustment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Income GL | Cr | GBP 30 | 40 | LN. Penalty Interest Adjustment | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

Debit Interest Adjustment of GBP 15 is done for Post Maturity Interest (PMI)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|--------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | GBP 15 | 20 | LN. PMI. Adjustment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Cr | GBP 15 | 20 | LN. PMI. Adjustment | EOD |

Credit Interest Adjustment

A credit adjustment to a loan account indicates that excess interest charged and received from the borrower must be refunded. A credit interest adjustment can be done only for the unpaid portion of the interest and will not be possible if the same is already paid.

Credit Interest Adjustment of GBP 60 is done for Normal Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|--------|----------|-------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Dr | GBP 60 | 80 | LN. Interest Adjustment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | GBP 60 | 80 | LN. Interest Adjustment | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

Credit Interest Adjustment of GBP 30 is done for Penal Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------------|---------|--------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Income GL | Dr | GBP 30 | 40 | LN. Penalty Interest Adjustment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Penalty Interest Receivable GL | Cr | GBP 30 | 40 | LN. Penalty Interest Adjustment | EOD |

Credit Interest Adjustment of GBP 15 is done for Post Maturity Interest (PMI)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|--------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Dr | GBP 15 | 20 | LN. PMI. Adjustment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | GBP 15 | 20 | LN. PMI. Adjustment | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

Syariah Loan Accounts

Inventory GL entries (Normal Loan)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|-----------|-----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account branch | Inventory Asset GL | Dr | Euro 1000 | Euro 1000 | LN.INVENTORY | EOD |
| 01/08/08 | 01/08/08 | Account branch | Inventory Liability GL | Cr | Euro 1000 | Euro 1000 | LN.INVENTORY | EOD |
| 01/08/08 | 01/08/08 | Account branch | Inventory Liability GL | Dr | Euro 1000 | Euro 1000 | LN.INVENTORY | EOD |
| 01/08/08 | 01/08/08 | Account branch | Inventory Asset GL | Cr | Euro 1000 | Euro 1000 | LN.INVENTORY | EOD |

Margin Accounting Entries (Normal Loan)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account branch | Total Margin receivable GL | Dr | Euro 100 | Euro 100 | LN. MARGIN | EOD |
| 01/08/08 | 01/08/08 | Account branch | Deferred Margin Income GL | Cr | Euro 100 | Euro 100 | LN. MARGIN | EOD |

Booking Actual Income on installment payment - to the extent of receivable credited only (Normal Loan)

Interest Adjustment Transaction - Fast Path: BAM57

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/08/08 | 31/08/08 | Account branch | Interest Income | Dr | Euro 80 | Euro 80 | LN. PROFIT BOOKING | EOD |
| 31/08/08 | 31/08/08 | Account branch | Margin / Profit GL | Cr | Euro 80 | Euro 80 | LN. PROFIT BOOKING | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

Reversal from total margin receivable -to the extent of interest income received from customer (Normal Loans)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/08/08 | 31/08/08 | Account branch | Deferred Margin Income GL | Dr | Euro 20 | Euro 20 | LN. MARGIN | EOD |
| 31/08/08 | 31/08/08 | Account branch | Total Margin receivable GL | Cr | Euro 20 | Euro 20 | LN. MARGIN | EOD |

Additional Margin @EFS (Normal loans)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|---------|----------|------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account branch | Interest Accrual | Dr | Euro 50 | Euro 50 | LN. INTEREST ACCRUAL ADJ | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Income | Cr | Euro 50 | Euro 50 | LN.INTEREST INCOME ADJ | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Receivable | Dr | Euro 50 | Euro 50 | LN. INTEREST CHARGED | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest accrual | Cr | Euro 50 | Euro 50 | LN. INTEREST CHARGED | EOD |
| 01/08/08 | 01/08/08 | Account branch | Customer CASA | Dr | Euro 50 | Euro 50 | EFS. BY XFER FROM CASA. | EOD |
| 01/08/08 | 01/08/08 | Account branch | RPA GL | Cr | Euro 50 | Euro 50 | EFS. BY XFER FROM CASA. | EOD |
| 01/08/08 | 01/08/08 | Account branch | RPA GL | Dr | Euro 50 | Euro 50 | INTERST ARREAR APPROPRIATION | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|---------|----------|------------------------------|------------------|
| Posting | Value | | | | TC Y | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account branch | Interest Receivable | Cr | Euro 50 | Euro 50 | INTERST ARREAR APPROPRIATION | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Income | Dr | Euro 50 | Euro 50 | LN. PROFIT BOOKING | EOD |
| 01/08/08 | 01/08/08 | Account branch | Margin / Profit GL | Cr | Euro 50 | Euro 50 | LN. PROFIT BOOKING | EOD |

Suspended Loans

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|----------|----------------------------------|------------------|
| Posting | Value | | | | TC Y | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account branch | Interest Accrual | Dr | Euro 50 | Euro 50 | LN. INTEREST NON ACCRUAL ADJ | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Income | Cr | Euro 50 | Euro 50 | LN.SUSPENDED INTEREST INCOME ADJ | EOD |
| 01/08/08 | 01/08/08 | Account branch | Suspended Interest Receivable | Dr | Euro 50 | Euro 50 | LN. INTEREST CHARGED | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest accrual | Cr | Euro 50 | Euro 50 | LN. INTEREST CHARGED | EOD |
| 01/08/08 | 01/08/08 | Account branch | Customer CASA | Dr | Euro 50 | Euro 50 | EFS. BY XFER FROM CASA. | EOD |
| 01/08/08 | 01/08/08 | Account branch | RPA GL | Cr | Euro 50 | Euro 50 | EFS. BY XFER FROM CASA. | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|----------|------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account branch | RPA GL | Dr | Euro 50 | Euro 50 | SUSP. INTERST ARREAR APPROPRIATION | EOD |
| 01/08/08 | 01/08/08 | Account branch | Suspended Interest Receivable | Cr | Euro 50 | Euro 50 | SUSP. INTERST ARREAR APPROPRIATION | EOD |
| 01/08/08 | 01/08/08 | Account branch | Suspended Interest Income | Dr | Euro 50 | Euro 50 | LN. PROFIT BOOKING | EOD |
| 01/08/08 | 01/08/08 | Account branch | Margin / Profit GL | Cr | Euro 50 | Euro 50 | LN. PROFIT BOOKING | EOD |

Reversal from total margin receivable - to the extent of interest income received from customer (Normal Loan)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 15/08/08 | 15/08/08 | Account Branch | Deferred Margin Income GL | Dr | Euro 70 | Euro 70 | LN. MARGIN | EOD |
| 15/08/08 | 15/08/08 | Account Branch | Total Margin receivable GL | Cr | Euro 70 | Euro 70 | LN. MARGIN | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

Reversal from total margin receivable - to the extent of additional margin recovered @ EFS
(Normal)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 15/08/08 | 15/08/08 | Account Branch | Deferred Margin Income GL | Dr | Euro 20 | Euro 20 | LN. MARGIN | EOD |
| 15/08/08 | 15/08/08 | Account Branch | Total Margin receivable GL | Cr | Euro 20 | Euro 20 | LN. MARGIN | EOD |

Reversal from total margin receivable - The entire remaining balance

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 15/08/08 | 15/08/08 | Account Branch | Deferred Margin Income GL | Dr | Euro 10 | Euro 10 | LN. MARGIN | EOD |
| 15/08/08 | 15/08/08 | Account Branch | Total Margin receivable GL | Cr | Euro 10 | Euro 10 | LN. MARGIN | EOD |

Mudharabah

Booking Actual Inome on installment payment - to the extent of receivable credited only (Normal Loans)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account branch | Interest Income | Dr | Euro100 | Euro100 | LN. PROFIT BOOKING | EOD |
| 01/08/08 | 01/08/08 | Account branch | Margin /Profit GL | Cr | Euro100 | Euro100 | LN. PROFIT BOOKING | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

Additional Margin @EFS (Normal loans)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|---------|----------|------------------------------|------------------|
| Posting | Value | | | | TC Y | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account branch | Interest Accrual | Dr | Euro 50 | Euro 50 | LN. INTEREST ACCRUAL ADJ | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Income | Cr | Euro 50 | Euro 50 | LN.INTEREST INCOME ADJ | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Receivable | Dr | Euro 50 | Euro 50 | LN. INTEREST CHARGED | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest accrual | Cr | Euro 50 | Euro 50 | LN. INTEREST CHARGED | EOD |
| 01/08/08 | 01/08/08 | Account branch | Customer CASA | Dr | Euro 50 | Euro 50 | EFS. BY XFER FROM CASA. | EOD |
| 01/08/08 | 01/08/08 | Account branch | RPA GL | Cr | Euro 50 | Euro 50 | EFS. BY XFER FROM CASA. | EOD |
| 01/08/08 | 01/08/08 | Account branch | RPA GL | Dr | Euro 50 | Euro 50 | INTERST ARREAR APPROPRIATION | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Receivable | Cr | Euro 50 | Euro 50 | INTERST ARREAR APPROPRIATION | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Income | Dr | Euro 50 | Euro 50 | LN. PROFIT BOOKING | EOD |
| 01/08/08 | 01/08/08 | Account branch | Margin / Profit GL | Cr | Euro 50 | Euro 50 | LN. PROFIT BOOKING | EOD |

Interest Adjustment Transaction - Fast Path: BAM57

Suspended Loans

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|---------|------------------------------------|------------------|
| Posting | Value | | | | | | | |
| 01/08/08 | 01/08/08 | Account branch | Interest Accrual | Dr | Euro 50 | Euro 50 | LN. INTEREST NON ACCRUAL ADJ | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest Income | Cr | Euro 50 | Euro 50 | LN.SUSPENDED INTEREST INCOME ADJ | EOD |
| 01/08/08 | 01/08/08 | Account branch | Suspended Interest Receivable | Dr | Euro 50 | Euro 50 | LN. INTEREST CHARGED | EOD |
| 01/08/08 | 01/08/08 | Account branch | Interest accrual | Cr | Euro 50 | Euro 50 | LN. INTEREST CHARGED | EOD |
| 01/08/08 | 01/08/08 | Account branch | Customer CASA | Dr | Euro 50 | Euro 50 | EFS. BY XFER FROM CASA. | EOD |
| 01/08/08 | 01/08/08 | Account branch | RPA GL | Cr | Euro 50 | Euro 50 | EFS. BY XFER FROM CASA. | EOD |
| 01/08/08 | 01/08/08 | Account branch | RPA GL | Dr | Euro 50 | Euro 50 | SUSP. INTERST ARREAR APPROPRIATION | EOD |
| 01/08/08 | 01/08/08 | Account branch | Suspended Interest Receivable | Cr | Euro 50 | Euro 50 | SUSP. INTERST ARREAR APPROPRIATION | EOD |
| 01/08/08 | 01/08/08 | Account branch | Suspended Interest Income | Dr | Euro 50 | Euro 50 | LN. PROFIT BOOKING | EOD |
| 01/08/08 | 01/08/08 | Account branch | Margin / Profit GL | Cr | Euro 50 | Euro 50 | LN. PROFIT BOOKING | EOD |

Other Miscellaneous Entries

Small Balance Forfeiture

In case the loan amount repaid is slightly higher the bank may wish to close such accounts and treat the remaining amount as income. This situation is commonly encountered in case of Post Dated EMI Cheques where the amount of the last EMI cheque is higher than the last installment amount.

Assume the value of the last EMI cheque is Euro 110 deposited on Loan Account in GBP on 01/01/2005. However the total of all arrears is Euro 105. The balance Euro 5 (GBP 4) will be treated as income. Float Days = 5. The clearing of the cheque is done on the value date of the cheque.

The loan account has the following arrears and the loan account is a GBP loan a/c

Principal Arrears GBP 60 (80 EURO)

Service Charges Euro 6 (4.5 GBP)

Outgoing Receivable GBP 6 (8 EURO)

Interest receivable GBP 8 (11 EURO)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-----------------|---------|----------|----------|---------------------|---------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Clearing Branch | Endpoint GL | Dr | Euro 110 | 110 | Cheque Deposit | Outward Clearing |
| 01/01/05 | 01/01/05 | Clearing Branch | Inter branch GL | Cr | Euro 110 | 110 | Cheque Deposit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Dr | Euro 110 | 110 | Cheque Deposit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | CFC GL | Cr | Euro 110 | 110 | Cheque Deposit | Outward Clearing |
| 05/01/05 | 05/01/05 | Account Branch | CFC GL | Dr | Euro 110 | 110 | Cheque Deposit | Value Date Clearing |

Other Miscellaneous Entries

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|----------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Cr | GBP 82.5 | 110 | Cheque Deposit | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 60 | 80 | LN Installment By Local Cheque Principal Amount | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Loan Asset GL | Cr | GBP 60 | 80 | LN Installment By Local Cheque Principal Amount | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 4.5 | 6 | LN Installment By Local Cheque Service Charges Payment | EOD |

Other Miscellaneous Entries

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/05 | 05/01/05 | Account Branch | SC/Fe e Income GL | Cr | Euro 6 | 6 | LN Install ment By Local Chequ e Servic e Charg es Payme nt | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unappl ied Advan ce (RPA) GL | Dr | GBP 6 | 8 | LN Install ment By Local Chequ e Outgoi ng Receiv able | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Outgoi ng Receiv able GL | Cr | GBP 6 | 8 | LN Install ment By Local Chequ e Outgoi ng Receiv able | EOD |

Other Miscellaneous Entries

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 8 | 11 | LN Installment By Local Cheque Normal Interest (Accrual basis) | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Interest Receivable GL | Cr | GBP 8 | 11 | LN Installment By Local Cheque Normal Interest (Accrual basis) | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 4 | 5 | Small Balance Forfeited | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Small Balance Forfeiture GL | Cr | GBP 4 | 5 | Small Balance Forfeited | EOD |

Small Balance Waiver

In case the amount repaid is slightly lesser the bank may still wish to waive the remaining amount due and close the account, by absorbing the same in the expenses of the Bank. This situation is commonly encountered in case of Post Dated EMI Cheques where the amount of the last EMI cheque is lesser than the last installment amount.

Assume the value of the last EMI cheque is Euro 110 deposited on Loan Account in GBP on 01/01/2005. However the total of all arrears is Euro 115. The shortfall Euro 5 (GBP 4) will be treated as Expense. Float Days = 5. The clearing of the cheque is done on the value date of the cheque.

Note: The appropriation sequence followed is all other arrears to be appropriated before the capital (Principal) arrears.

GBP loan account has the following arrears:

Principal Arrears GBP 60 (80 EURO)

Service Charges Euro 6 (4.5 GBP)

Outgoing Receivable GBP 11 (15 EURO)

Interest receivable GBP 8 (11 EURO)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|-----------------|-----------------|---------|----------|----------|---------------------|---------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Clearing Branch | Endpoint GL | Dr | Euro 110 | 110 | Cheque Deposit | Outward Clearing |
| 01/01/05 | 01/01/05 | Clearing Branch | Inter branch GL | Cr | Euro 110 | 110 | Cheque Deposit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter branch GL | Dr | Euro 110 | 110 | Cheque Deposit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | CFC GL | Cr | Euro 110 | 110 | Cheque Deposit | Outward Clearing |
| 05/01/05 | 05/01/05 | Account Branch | CFC GL | Dr | Euro 110 | 110 | Cheque Deposit | Value Date Clearing |

Small Balance Waiver

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|----------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Cr | GBP 82.5 | 110 | Cheque Deposit | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 56 | 75 | LN Installment By Local Cheque Principal Amount | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Loan Asset GL | Cr | GBP 56 | 75 | LN Installment By Local Cheque Principal Amount | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 4.5 | 6 | LN Installment By Local Cheque Service Charges Payment | EOD |

Small Balance Waiver

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|-----------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/05 | 05/01/05 | Account Branch | SC/Fe e Income GL | Cr | Euro 6 | 6 | LN Install ment By Local Chequ e Servic e Charg es Payme nt | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Unappl ied Advan ce (RPA) GL | Dr | GBP 11 | 15 | LN Install ment By Local Chequ e Outgoi ng Receiv able | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Outgoi ng Receiv able GL | Cr | GBP 11 | 15 | LN Install ment By Local Chequ e Outgoi ng Receiv able | EOD |

Small Balance Waiver

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/05 | 05/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | GBP 8 | 11 | LN Installment By Local Cheque Normal Interest (Accrual basis) | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Interest Receivable GL | Cr | GBP 8 | 11 | LN Installment By Local Cheque Normal Interest (Accrual basis) | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Small Balance Waiver GL | Dr | GBP 4 | 5 | Small Balance Waiver | EOD |
| 05/01/05 | 05/01/05 | Account Branch | Loan Asset GL | Cr | GBP 4 | 5 | Small Balance Waiver | EOD |

Interest Subsidy and Rebate

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---|--------------------|---------|---------|----------|--|----------------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Casa Account Branch/ GL- Account Branch | Cash/CAS A/GL | Dr | Euro100 | Euro100 | Loan Interest subsidy pay-in by cash/Savin /GL Tr. | For Casa Online/For GL EOD |
| 01/08/08 | 01/08/08 | Loan Account Branch | Subsidy Parking GL | Cr | Euro100 | Euro100 | Loan Interest subsidy pay-in by cash/Savin /GL Tr. | EOD |
| 01/08/08 | 01/08/08 | Loan Account Branch | Subsidy parking GL | Dr | Euro100 | Euro100 | LN.Subsidy Interest Income | EOD(month end processing) |
| 01/08/08 | 01/08/08 | Loan Account Branch | Income GL | Cr | Euro100 | Euro100 | LN.Subsidy Interest Income | EOD(month end processing) |

Subsidy Loans – Subsidy Interest Accrual and charging

The subsidy interest will accrue as per the accrual frequency specified for Regular Interest in 'Product Master Maintenance (FP: LNM11)'.
 The accrual and charging entries will be passed to the GL set up in Product Interest attributes (FP: LNM42) for subsidy type of interest. The following GLs will be maintained:

1. Subsidy Interest Accrued
2. Subsidy Interest Income
3. Subsidy Interest Receivable

Subsidy Interest Accrual

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY-CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Subsidy Interest Accrued | Dr | CNY 100 | CNY 100 | Subsidy Interest accrued | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Subsidy Interest Income | Cr | CNY 100 | CNY 100 | Subsidy interest accrued booked to Income | EOD |

Subsidy Interest Charging

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Subsidy Interest Receivable | Dr | CNY 100 | CNY 100 | Subsidy Interest charged | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Subsidy Interest Accrued | Cr | CNY 100 | CNY 100 | Subsidy interest accrued reversed on charging | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Penalty Interest – Penalty Interest apart from charging on Cash basis can also be configured on accrual basis. Accrual frequency for Penalty can be specified in Loan Product Master (FP: LNM11). The frequencies can be defined as 'Daily' or 'Monthly'. An option 'None' is also available which will signify that the penalty interest will not accrue and will directly be computed and charged on the due dates.

Compounding Interest- Compounding interest is fitted in the interest rules framework. This interest type is defined in the Interest Rules screen (FP: LNM41) when compounding interest is to be computed on the outstanding arrears. Charging of Compounding Interest will be driven based on the value selected during the Loan Direct Account Opening (Fast Path: LN057). The GLs pertaining to Compounding Interest will be defined in the Product Interest Attributes screen (Fast Path: LNM42). There will be no accrual of Compounding Interest. The charging date for compounding interest will be derived using the frequency specified in the schedule set up and the first repayment date in the screen Schedule Type (Fast Path: LNM98). The existing flag 'Compute Penalty on repayments' in Loan Product Master (FP: LNM11) will be applicable to compounding interest. If this flag is checked, Compounding interest will be computed and applied on receipt of repayment on loan in addition to the interest application on the charging dates. This behavior is applicable only if penalty is not accrued. Therefore, this flag will apply only if Penalty accrual frequency is set to 'None'.

Diverting Interest - If the loan amount disbursed, is used by the customer for any purpose other than the purpose for which loan is disbursed, then the account is charged with Diverting Interest and is accounted for in Diverting Interest Receivable GL and will be considered as a separate arrear type, accounted and recognized separately. Diverting interest is an ad-hoc charge in FLEXCUBE and therefore the accounting and charging of diverting interest follows the charges framework. This interest amount is calculated externally but applied to the loan account using the Interest Adjustment Transaction screen (Fast Path: LN058).

Accordingly, the arrears appropriation sequence for performing and non performing loans will have four new separate arrear types viz.,

- Normal compounding interest arrears,
- Suspended compounding interest arrears,
- Normal Diverting interest arrears and
- Suspended Diverting interest arrears

Penalty, Compounding and Diverting Interest Arrears Processing

Performing Loans

If Penalty is accrued

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Accrued | Dr | CNY 100 | CNY 100 | Penalty Interest accrued | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Income | Cr | CNY 100 | CNY 100 | Income booked on Penalty interest accrual | EOD |

Charging of Penalty Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Receivable | Dr | CNY 100 | CNY 100 | Penalty Interest charged | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Accrued | Cr | CNY 100 | CNY 100 | Penalty Interest accrual reversed on charging | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Repayment of Penalty Interest by customer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Cash/CAS A Asset/Liability GL | Dr | CNY 100 | CNY 100 | Penalty Interest paid by customer | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Receivable | Cr | CNY 100 | CNY 100 | Penalty Interest receivable reversed on repayment | EOD |

If Penalty is not accrued /Compounding Interest (please note that there is no Accrual facility for Compounding Interest)

Charging of Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Penalty/Compounding Interest Receivable | Dr | CNY 100 | CNY 100 | Penalty/Compounding Interest charged | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Penalty/Compounding Interest Income | Cr | CNY 100 | CNY 100 | Income booked on Penalty/Compounding interest charging | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Repayment of Penalty/Compounding Interest by customer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Cash/CAS A Asset/Liability GL | Dr | CNY 100 | CNY 100 | Penalty/Compounding Interest paid by customer | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Penalty/Compounding Interest Receivable | Cr | CNY 100 | CNY 100 | Penalty/Compounding Interest receivable reversed on repayment | EOD |

Non Performing Loans

Claw back of accrued Penalty arrears

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------------------|---------|---------|---------|-----------------------|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Accrued | Dr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Accrued | Cr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------------------------|---------|---------|---------|-----------------------|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Income | Dr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Income | Cr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |

Claw back of unpaid Penalty/Compounding arrears

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|-----------------------|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty/Compounding Interest Receivable | Dr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Penalty/Compounding Interest Receivable | Cr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Penalty /Compounding Interest Income | Dr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty/Compounding Interest Income | Cr | CNY 10 | CNY 10 | PA to NPA GL movement - booking to liability GL | EOD |

If Penalty interest is accrued

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Accrued | Dr | CNY 15 | CNY 15 | Accrual of Penalty Interest when accrual status is Suspended | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Income | Cr | CNY 15 | CNY 15 | Accrual of Penalty Interest when accrual status is Suspended – booking to liability GL | EOD |

Charging of accrued penalty interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty interest Receivable | Dr | CNY 15 | CNY 15 | Charging of Penalty interest when accrual status is Suspended | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Accrued | Cr | CNY 15 | CNY 15 | Charging of Penalty interest when accrual status is Suspended | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Repayment by customer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Cash/CAS A Asset/Liability GL | Dr | CNY 15 | CNY 15 | Suspended Penalty Interest paid by customer | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty interest Receivable | Cr | CNY 15 | CNY 15 | Suspended Penalty Interest receivable reversed on repayment | EOD |

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Income | Dr | CNY 15 | CNY 15 | Reversal of Penalty Interest Income (Liability) on repayment | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Recovered | Cr | CNY 15 | CNY 15 | Booking of Interest income on repayment | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

If Penalty is not accrued /Compounding Interest (Please note that there is no Accrual facility for Compounding Interest)

Charging of Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty/Compounding Interest Receivable | Dr | CNY 100 | CNY 100 | Suspended Penalty/Compounding Interest charged | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty/Compounding Interest Income | Cr | CNY 100 | CNY 100 | Liability booked on Suspended Penalty/Compounding interest charging | EOD |

Interest Repayment by customer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Cash/CASA Asset/Liability GL | Dr | CNY 100 | CNY 100 | Suspended Penalty/Compounding Interest paid by customer | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty/Compounding Interest Receivable | Cr | CNY 100 | CNY 100 | Suspended Penalty/Compounding Interest receivable reversed on repayment | EOD |

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty/Compounding Interest Income | Dr | CNY 15 | CNY 15 | Reversal of Suspended Penalty/Compounding Interest Income (Liability) on repayment | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty/Compounding Interest Recovered | Cr | CNY 10 | CNY 10 | Booking of Interest income on repayment | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

WRITE OFF OF COMPOUNDING INTEREST ARREARS

Reversal of compounding Interest in Normal receivable bucket (this will apply if claw back is not enabled for compounding arrears)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Compounding Interest Income | Dr | CNY 100 | CNY 100 | Reversal of Compounding Interest Income (Liability) on write off | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Compounding Interest Receivable | Cr | CNY 100 | CNY 100 | Reversal of Compounding Interest Receivable on write off | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Reversal of compounding Interest in suspended receivable bucket

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Compounding Interest Income | Dr | CNY 50 | CNY 50 | Reversal of Suspended Compounding Interest Income (Liability) on write off | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Compounding Interest Receivable | Cr | CNY 50 | CNY 50 | Reversal of Suspended Compounding Interest Receivable on write off | EOD |

Reversal of Diverting Interest in Normal receivable bucket (this will apply if claw back is not enabled for Diverting arrears)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Income | Dr | CNY 20 | CNY 20 | Reversal of Diverting Interest Income on write off | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Receivable | Cr | CNY 20 | CNY 20 | Reversal of Diverting Interest Receivable on write off | EOD |

Reversal of Diverting Interest in suspended receivable bucket

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Income | Dr | CNY 15 | CNY 15 | Reversal of Suspended Diverting Interest Income (Liability) on write off | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Receivable | Cr | CNY 15 | CNY 15 | Reversal of Suspended Diverting Interest Receivable on write off | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Reversal of Penalty Interest accrued in Normal bucket (this will apply if claw back is not enabled)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Income | Dr | CNY 10 | CNY 10 | Reversal of Penalty Interest Income on write off | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Penalty Interest Accrued | Cr | CNY 10 | CNY 10 | Reversal of Penalty Interest Accrued on write off | EOD |

Reversal of Penalty Interest accrued in Suspended bucket

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Income | Dr | CNY 15 | CNY 15 | Reversal of Suspended Penalty Interest Income (Liability) on write off | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Penalty Interest Accrued | Cr | CNY 15 | CNY 15 | Reversal of Suspended Penalty Interest Accrued on write off | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Diverting Interest

Diverting Interest can be charged on the loan or already charged diverting interest can be adjusted (credit transaction) using the option of Interest Adjustment Transaction (Fast Path: LN058)

PERFORMING LOANS (NORMAL)

Debit interest adjustment - Charging of diverting interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Receivable | Dr | CNY 100 | CNY 100 | Diverting Interest charged | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Income | Cr | CNY 100 | CNY 100 | Income booked on Diverting interest charging | EOD |

Diverting Interest payment by customer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Cash/CAS A Asset/Liability GL | Dr | CNY 100 | CNY 100 | Diverting Interest paid by customer | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Receivable | Cr | CNY 100 | CNY 100 | Diverting Interest receivable reversed on repayment | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Credit interest adjustment – Reduction in the diverting interest charged

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Income | Dr | CNY 10 | CNY 10 | Diverting Interest income reversed due to credit interest adjustment | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Receivable | Cr | CNY 10 | CNY 10 | Diverting Interest receivable reversed due to credit interest adjustment | EOD |

NON PERFORMING LOANS (SUSPENDED)

Claw back of unpaid Diverting interest arrears

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|-----------------------|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Receivable | Dr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|---------|-----------------------|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Receivable | Cr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Diverting Interest Income | Dr | CNY 10 | CNY 10 | PA to NPA GL movement | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Income | Cr | CNY 10 | CNY 10 | PA to NPA GL movement - booking to liability GL | EOD |

Debit interest adjustment - Charging of diverting interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|--------------------------------------|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Receivable | Dr | CNY 10 | CNY 10 | Suspended Diverting Interest charged | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------------|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Income | Cr | CNY 10 | CNY 10 | Liability booked on Suspended Diverting interest charging | EOD |

Credit interest adjustment – Reduction in the diverting interest charged

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Income | Dr | CNY 10 | CNY 10 | Suspended Diverting Interest income (Liability) reversed due to credit interest adjustment | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Receivable | Cr | CNY 10 | CNY 10 | Suspended Diverting Interest receivable reversed due to credit interest adjustment | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

Diverting Interest payment by customer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Cash/CAS A Asset/Liability GL | Dr | CNY 10 | CNY 10 | Suspended Diverting Interest paid by customer | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Receivable | Cr | CNY 10 | CNY 10 | Suspended Diverting Interest receivable reversed on repayment | EOD |

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Income | Dr | CNY 10 | CNY 10 | Reversal of Suspended Diverting Interest Income (Liability) on repayment | EOD |

Penalty, Compounding and Diverting Interest Arrears Processing

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--|---------|---------|---------|---|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Diverting Interest Recovered | Cr | CNY 10 | CNY 10 | Booking of Diverting Interest income on repayment | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Using the **Ad-hoc Interest Application option** the user can apply accrued interest as and when required on the dates other than interest charging date. This facility is available for both regular as well as penalty interest.

Charging of accrued Regular / Penalty Interest – Normal

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|---------|---------|---------------------------------------|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Interest Receivable | Dr | CNY 100 | CNY 100 | Interest charged | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Interest Accrued | Cr | CNY 100 | CNY 100 | Interest accrual reversed on charging | EOD |

Charging of accrued Regular / Penalty interest -Suspended

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|---------|---------|--|------------------|
| Posting | Value | | | | TCY CNY | LCY CNY | | |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Interest Receivable | Dr | CNY 100 | CNY 100 | Suspended Interest charged | EOD |
| 01/08/11 | 01/08/11 | Account Branch | Suspended Interest Accrued | Cr | CNY 100 | CNY 100 | Reversal of Suspended accrued interest on charging | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Notary / Insurance Fees

A) Notary/Insurance Fees Collected in a Third Party Fee Collection transaction from a Loan Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------------------------|---------|----------|----------|--|------------------|
| Posting | Value | | | | TC Y | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account Branch | Loan A/c – Outgoing Receivable GL | Dr | Euro 100 | Euro 100 | Text input in Narrative field in BAM79 screen under collection tab | EOD |
| 01/08/08 | 01/08/08 | Transaction Branch | Account Payable GL | Cr | Euro 100 | Euro 100 | Text input in Narrative field in BAM79 screen under collection tab | EOD |

B) Notary/Insurance Fees Collected in a Third Party Fee Collection transaction from a Loan Account(Fee recovered from a CASA Account)

E.g.: SC Amount: Euro 100

Available Balance in CASA –Euro 70

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------|---------|---------|----------|--|------------------|
| Posting | Value | | | | TC Y | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account Branch | CASA A/C | Dr | Euro 70 | Euro 70 | Text input in Narrative field in BAM79 screen under collection tab | Online |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------------|---------|----------|----------|--|------------------|
| Posting | Value | | | | TC Y | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Transaction Branch | Account receivable GL | Dr | Euro 30 | Euro 30 | Text input in Narrative field in BAM79 screen under collection tab | Online |
| 01/08/08 | 01/08/08 | Transaction Branch | Account Payable GL | Cr | Euro 100 | Euro 100 | Text input in Narrative field in BAM79 screen under collection tab | Online |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

C) NSF Condition-Part Debit/Part Hold)-CASA A/C- Third Party Fee Collection Txn

E.g.: SC Amount: Euro 100

Available Balance in CASA- Euro 70

Amount debited from Account receivable GL-Euro 30

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------------|---------|----------|----------|--|------------------|
| Posting | Value | | | | TC Y | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account Branch | CASA A/C | Dr | Euro 70 | Euro 70 | Text input in Narrative field in BAM79 screen under collection tab | Online |
| 01/08/08 | 01/08/08 | Transaction Branch | Account receivable GL | Dr | Euro 30 | Euro 30 | Text input in Narrative field in BAM79 screen under collection tab | Online |
| 01/08/08 | 01/08/08 | Transaction Branch | Account Payable GL | Cr | Euro 100 | Euro 100 | Text input in Narrative field in BAM79 screen under collection tab | Online |

D)

E) After Expiry of threshold days for unclaimed processing account payable

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|--------------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TC Y | LCY-EURO | | |
| 01/12/08 | 01/12/08 | Transaction Branch | Account Payable GL | Dr | Euro 30 | Euro 30 | Unclaimed Collection Processing | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|----------------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/12/08 | 01/12/08 | Transaction Branch | Unclaimed Payable GL | Cr | Euro 30 | Euro 30 | Unclaimed Collection Processing | EOD |

F) After Expiry of threshold days for unclaimed processing account receivable

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------------------------|---------|--------------------|--------------------|---------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/12/08 | 01/12/08 | Account branch | CASA A/C | Dr | Available Amount | Available Amount | Expense Processing: Recover Avail Bal | EOD |
| 01/12/08 | 01/12/08 | Transaction Branch | Account receivable GL | Cr | Available Amount | Available Amount | Expense Processing: Recover Avail Bal | EOD |
| 01/12/08 | 01/12/08 | Transaction Branch | Account receivable GL | Cr | Uncollected amount | Uncollected amount | Expense Processing: NSF Loss | EOD |
| 01/12/08 | 01/12/08 | Account branch | Unclaimed receivable (Expense GL) | Dr | Uncollected amount | Uncollected amount | Expense Processing: NSF Loss | EOD |

The Relationship Pricing benefits - For the loan accounts in the form of cash back to the linked CASA account.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|-------------------------------------|---------|---------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Loan Account Branch | Expense GL (Interest Income Waiver) | Dr | Euro 50 | Euro 50 | (SC code name)+loan cash back for (Loan Account no) | BOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------------------|---------|---------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/08/08 | 01/08/08 | Account Branch | CASA a/c (Linked account for Loan) | Cr | Euro 50 | Euro 50 | (SC code name)+loan cash back for (Loan Account no) | BOD |

Deductions

There are 3 modes in which deductions can be made at the time of loan disbursements. These are Bill, Deduct or Debit. The GL used for deduction will be the Income GL set up in service charge code set up.

Bill

The Billing mode indicates that there will be an arrear on the account on the amount due. The system will pass entries and raise actual arrears on account.

Cash-USD 120 disbursed to USD loan Account. The disbursement fee is 5% of the Disbursed amount i.e. USD 6 (Euro 5)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------------|---------|---------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 120 | 96 | Disbursement By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 120 | 96 | Disbursement By Cash | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Dr | USD 120 | 96 | Disbursement By Cash | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Cr | USD 120 | 96 | Disbursement By Cash | Online |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fees Receivable GL | Dr | USD 6 | 5 | LN. Disb. SC./Other Income | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------|---------|--------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 5 | 5 | LN. Disb. SC./Other Income | EOD |

Deduct

The deduct option reduces the disbursed amount by the fee amount immediately. There is no outstanding on the account in this case.

USD 120 loan disbursed by transfer to GBP CASA Account. The disbursement fee is fixed amount of USD 12 (Euro 10)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|---------------------------|---------|---------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 120 | 96 | Disbursement to CASA | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 120 | 96 | Disbursement to CASA | EOD |
| 01/01/05 | 01/01/05 | CASA Account Branch | Inter Branch GL | Dr | USD 120 | 96 | Disbursement to CASA | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 10 | 10 | LN. Disb. SC./Other Income | EOD |
| 01/01/05 | 01/01/05 | CASA Account Branch | CASA Asset / Liability GL | Cr | GBP 65 | 86 | Disbursement to CASA | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Debit

Debit adds the amount of the deduction to the principal amount. The amount then gets capitalized over the term of the loan.

Disbursement by Bankers Cheque - USD 120 disbursed by bankers cheque. The disbursement fee is fixed amount of USD 11 (Euro 9).

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|------------------|---------|---------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 131 | 105 | Disbursement By Cheque | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Cr | USD 131 | 105 | Disbursement By Cheque | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Dr | USD 131 | 105 | Disbursement By Cheque | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | SC/Fee Income GL | Cr | Euro 9 | 9 | LN. Disb. SC./Other Income | EOD |
| 01/01/05 | 01/01/05 | Transaction Branch | Issuer GL A/C | Cr | USD 120 | 96 | Disbursement By Cheque | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

System Initiated Service Charge

Example: SC is EURO 156

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------|---------|---------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Account Branch | Receivables | Dr | GBP 117 | 156 | Loan SC charged | EOD |
| 01/01/07 | 01/01/07 | Account Branch | Service charge Income GL | Cr | GBP 117 | 156 | Loan SC charged | EOD |

Realization of the charges through DD/RFD

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------------------------|---------|---------|----------|--------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Account Branch | Intermediary GL (Recipient of DD/RFD) | Dr | GBP 117 | 156 | Loan External Payment received | EOD |
| 01/01/07 | 01/01/07 | Account Branch | Receivables | Cr | GBP 117 | 156 | Loan External Payment received | EOD |

Amortization of Service Charges

Example: At the time of Recovery of SC by way of Deduction (loan Amount Disbursed = GBP 51,000, SC=GBP 3,000)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|---------------|---------|------------|----------|----------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Loan Asset GL | Dr | GBP 51,000 | 68,000 | Disbursement To CASA | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|--------------------|---------|------------|----------|---------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Customers CASA A/c | Cr | GBP 48,000 | 64,000 | Loan Disbursement to CASA | Online |
| 01/01/07 | 01/01/07 | Loan Account Branch | Amortisation GL | Cr | GBP 3,000 | 4,000 | Amortisation SC | EOD |

Amortization of Service Charges

Example: If the SC is recovered by way of Deduction (loan Amount Disbursed = GBP 51,000, SC = GBP 3,000)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|------------|----------|---------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Asset Account | Dr | GBP 51,000 | 68,000 | Loan Disbursement to CASA | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Customers CASA | Cr | GBP 48,000 | 64,000 | Loan Disbursement to CASA | Online |
| 01/01/07 | 01/01/07 | Loan Account Branch | Unearned Financial Charges | Cr | GBP 3,000 | 4,000 | Loan deduction SC | EOD |

Example: If the SC is recovered by way of Debit (loan Amount Disbursed = GBP 51,000, SC = GBP 3,000)

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|------------|----------|---------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Asset Account | Dr | GBP 51,000 | 68,000 | Loan Disbursement to CASA | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Asset Account | Dr | GBP 3,000 | 4,000 | Loan Debit SC | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Customers CASA | Cr | GBP 51,000 | 68,000 | Loan Disbursement to CASA | Online |
| 01/01/07 | 01/01/07 | Loan Account Branch | Unearned Financial Charges | Cr | GBP 3,000 | 4,000 | Loan Debit SC | EOD |

Example: If the SC is recovered by way of Bill (loan Amount Disbursed = GBP 51,000, SC = GBP 3,000)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------|---------|------------|----------|---------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Asset Account | Dr | GBP 51,000 | 68,000 | Loan Disbursement to CASA | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Customers CASA | Cr | GBP 51,000 | 68,000 | Loan Disbursement to CASA | Online |
| 01/01/07 | 01/01/07 | Loan Account Branch | SC Receivable | Dr | GBP 3,000 | 4,000 | Loan Bill SC | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|-----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Unearned Financial Charges | Cr | GBP 3,000 | 4,000 | Loan Bill SC | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Example: Receipt of Insurance Premium, Guarantee Premium, Penalty Charges assuming each is 600, 900 and 1,200 GBP

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|----------------------------|---------|-----------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Cash/ Customers CASA | Dr | GBP 2,700 | 3,600 | Loan Dues Received | Online |
| 01/01/07 | 01/01/07 | Loan Account Branch | RPA GL Account | Dr | GBP 2,700 | 3,600 | Loan Dues Received | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | RPA GL Account | Cr | GBP 2,700 | 3,600 | Loan Dues Appropriated | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Unearned Insurance Premium | Cr | GBP 600 | 800 | Loan Insurance Payment Received | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Guarantee Premium | Cr | GBP 900 | 1,200 | Loan Guarantee Premium Received | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Penalty Interest GL | Cr | GBP 1,200 | 1,600 | Loan Penalty Interest Received | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Service Charge Amortization Entry

Example: If on a payment date the interest is 8,700 GBP and it has to be paid by the customer at a rate of 12% (Nominal Rate of Loan) and based on Amortization method if the interest amount is 9,000 GBP then the excess 300 GBP is appropriated to income by posting the following entry:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|--------------------|---------|---------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Amortisation GL | Dr | GBP 300 | 400 | LN. Disb. SC./Other Income | EOM |
| 01/01/07 | 01/01/07 | Loan Account Branch | SC /Fees Income GL | Cr | GBP 300 | 400 | LN. Disb. SC./Other Income | EOM |

Adjustment entry at the time of receipt of last installment

Example: There will be an adjusted entry in the last month to appropriate the balance in the Unearned Financial Charge GL for an amount of 120 GBP.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|---------------------------|---------|---------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Unearned Financial Charge | Dr | GBP 120 | 160 | Loan Final Income Adjusted | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Income | Cr | GBP 120 | 160 | Loan Final Income Adjusted | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Day end entry at the time of Revaluation

Example: There will be an adjusted entry in the last month to appropriate the balance in the Unearned Financial Charge GL for an amount of 120 GBP.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|-------------|---------|---------|----------|---------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Revaluation | Dr | GBP 105 | 140 | Loan Revaluation Notional Gain booked | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Income | Cr | GBP 105 | 140 | Loan Revaluation Notional Gain booked | EOD |

Resulting in a notional loss of 90 GBP

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|-------------|---------|--------|----------|---------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Expense | Dr | GBP 90 | 120 | Loan Revaluation Notional Loss booked | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | Revaluation | Cr | GBP 90 | 120 | Loan Revaluation Notional Loss booked | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Amortization of Dealers Commission: (Deferred Financial Charges)

Dealers Commission is paid by way of issuing a Managers Cheque.

Example: A dealers commission of 600 GBP is paid.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|------------------------|---------|---------|----------|------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/07 | 01/01/07 | Loan Account Branch | Deferred Expenses GL | Dr | GBP 600 | 800 | Loan Dealers Commission paid | EOD |
| 01/01/07 | 01/01/07 | Loan Account Branch | CASA Account of Dealer | Cr | GBP 600 | 800 | Loan Dealers Commission Paid | Online |

In the existing entry, the Rewards Expense GL is debited and CASA Account is credited. This will be replaced by debiting Deferred Expense GL and Crediting to Dealers CASA Account.

On the Month End the first amortization entry will be posted. Subsequently on each month end this entry will be repeated. In the end there will be an adjustment entry in the end of last month to nullify the Deferred Expenses GL.

MONTH END ENTRIES

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|-------------------|---------|--------|----------|-----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/01/07 | 31/01/07 | Loan Account Branch | Expense | Dr | GBP 75 | 100 | Loan Dealers Commission Amortized | EOD |
| 31/01/07 | 31/01/07 | Loan Account Branch | Deferred Expenses | Cr | GBP 75 | 100 | Loan Dealers Commission Amortized | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Last Adjustment Entry

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|---------------------|-------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/01/07 | 31/01/07 | Loan Account Branch | Expense | Dr | GBP 6 | 8 | Loan Dealers Commission final amortization adjustment | EOD |
| 31/01/07 | 31/01/07 | Loan Account Branch | Deferred Expenses | Cr | GBP 6 | 8 | Loan Dealers Commission final amortization adjustment | EOD |

Interest Accrual

Accrual of Interest on loan accounts is the process by which income is "earned" or recognized.

Interest accrual of GBP 60

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|--------|----------|----------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Accrued GL | Dr | GBP 60 | 80 | LN. Interest Accrual | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Cr | GBP 60 | 80 | LN. Interest Accrual | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Interest Charging

Definition: "Charging" of Interest is the recognition of a "due" or a "receivable" of Interest from the customer. All interest accrued till the time of charging is debited to the account. The entries for charging will be passed as part of the End of Day action on the installment due date.

Interest Charging of GBP 60

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|--------|----------|----------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | GBP 60 | 80 | LN. Interest Charged | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Accrued GL | Cr | GBP 60 | 80 | LN. Interest Charged | EOD |

Adding Moratorium Interest to first Installment:

Moratorium Period and Interest charged during the Moratorium Period

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|------------------------------------|----------|----------------|---------|---------|---------|----------|-----------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| Accrual (Moratorium Period) | | | | | | | | |
| 01/01/07 | 01/01/07 | Account Branch | Accrual | Dr | GBP 600 | 800 | Loan Interest Accrued | EOD |
| 01/01/07 | 01/01/07 | Account Branch | Income | Cr | GBP 600 | 800 | Loan Interest accrued | EOD |
| End of Moratorium period | | | | | | | | |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|---|----------|----------------|----------------------|---------|----------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/07 | 31/03/07 | Account branch | Uncollected Interest | Dr | GBP 1800 | 2,400 | Loan Moratorium Interest transferred to Uncollected Interest | EOD |
| 31/03/07 | 31/03/07 | Account branch | Accrual | Cr | GBP 1800 | 2,400 | Loan Moratorium Interest transferred to Uncollected Interest | EOD |
| Charging of Moratorium Interest (Regular Period) | | | | | | | | |
| 30/04/08 | 30/04/08 | Account branch | Receivable | Dr | GBP 900 | 1,200 | Loan Moratorium Interest charged | EOD |
| 30/04/08 | 30/04/08 | Account branch | Uncollected Interest | Cr | GBP 900 | 1,200 | Loan Moratorium Interest charged | EOD |

Interest Compounding

No Accounting entries are generated

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Penalty computation on Repayment

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|---|----------|--------------------|-------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| Full amount is received | | | | | | | | |
| 01/01/08 | 01/01/08 | Transaction Branch | Cash/CASA GL | Dr | GBP 75 | 100 | Loan Penalty Received | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Penalty Income GL | Cr | GBP 75 | 100 | Loan Penalty Received | EOD |
| Partial Amount is received i.e. Due penalty is partially paid. | | | | | | | | |
| For unpaid amount, following entry will be passed: | | | | | | | | |
| 01/01/08 | 01/01/08 | Account Branch | Contingent Asset GL | Dr | GBP 30 | 40 | Loan Penalty Contingent Entry | EOD |
| 01/01/08 | 01/01/08 | Account Branch | Contingent Liability GL | Cr | GBP 30 | 40 | Loan Penalty Contingent Entry | EOD |
| On receiving amount: | | | | | | | | |
| 01/01/08 | 01/01/08 | Account Branch | Contingent Liability GL | Dr | GBP 30 | 40 | Loan Penalty Contingent Entry Reversed | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|---------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Contingent Asset GL | Cr | GBP 30 | 40 | Loan Penalty Contingent Entry Reversed | EOD |
| 01/01/08 | 01/01/08 | Transaction Branch | Cash/CASA GL | Dr | GBP 30 | 40 | Loan Penalty Received | Online |
| 01/01/08 | 01/01/08 | Transaction Branch | Penalty income GL | Cr | GBP 30 | 40 | Loan Penalty Received | EOD |

Penalty computation on Due date

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|------------------------|----------|--------------------|-----------------------|---------|--------|----------|-----------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| On Due date | | | | | | | | |
| 01/01/08 | 01/01/08 | Account Branch | Penalty Receivable GL | Dr | GBP 60 | 80 | Loan Penalty Charged | EOD |
| 01/01/08 | 01/01/08 | Account Branch | Penalty Income GL | Cr | GBP 60 | 80 | Loan Penalty Charged | EOD |
| On receipt date | | | | | | | | |
| 05/01/08 | 05/01/08 | Transaction Branch | Cash/CASA GL | Dr | GBP 60 | 80 | Loan Penalty Received | Online |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|---|----------|--------------------|-------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 05/01/08 | 05/01/08 | Transaction Branch | Penalty Receivable GL | Cr | GBP 60 | 80 | Loan Penalty Received | EOD |
| Partial Amount is received i.e. Due penalty is partially paid. | | | | | | | | |
| For unpaid amount, following entry will be passed: | | | | | | | | |
| 05/01/08 | 05/01/08 | Account Branch | Contingent Asset GL | Dr | GBP 15 | 20 | Loan Penalty Contingent entry | EOD |
| 05/01/08 | 05/01/08 | Account Branch | Contingent Liability GL | Cr | GBP 15 | 20 | Loan Penalty Contingent Entry | EOD |
| On receiving the amount: | | | | | | | | |
| 06/01/08 | 06/01/08 | Account Branch | Contingent Liability GL | Dr | GBP 15 | 20 | Loan Penalty Contingent Entry Reversed | EOD |
| 06/01/08 | 06/01/08 | Account Branch | Contingent Asset GL | Cr | GBP 15 | 20 | Loan Penalty Contingent Entry Reversed | EOD |
| 06/01/08 | 06/01/08 | Transaction Branch | Cash/CASA GL | Dr | GBP 15 | 20 | Loan Penalty Received | Online |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-------------------|---------|--------|----------|-----------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 06/01/08 | 06/01/08 | Transaction Branch | Penalty Income GL | Cr | GBP 15 | 20 | Loan Penalty Received | EOD |

Capitalization of Arrears

Capitalization adds the arrears amount to the Principal and removes from IOA base. Basically, the arrears become part of the principal. Capitalization can happen in case of Rescheduling of Loan account, Restructuring of Loan account or the End of Period (EOP) treatment defined in schedule definition (LNM98).

GBP loan account has the following arrears:

Interest Receivable GBP 58 (77 EURO)

Legal Fees Receivable GBP 20 (27 EURO)

Outgoing Receivable GBP 11 (15 EURO)

Fees Receivable GBP 9 (12 EURO)

Insurance Premium GBP 19 (25 EURO)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--------------------------|---------|---------|----------|--------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | GBP 117 | 156 | Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | GBP 58 | 77 | Interest Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Cr | GBP 20 | 27 | Legal Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing Receivable GL | Cr | GBP 11 | 15 | Outgoing Arrear Capitalization | Online |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------------|---------|--------|----------|-------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fees Receivable GL | Cr | GBP 9 | 12 | Fees Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Insurance Premium GL | Cr | GBP 19 | 25 | Premium Arrear Capitalization | EOD |

NPL Processing

For a loan account it is very important for the bank to track the status of repayments. This is both from a regulatory point of view as well as for banks own profitability. This can be done by setting up and attaching a classification plan and classification rules to the loan product. This will determine how the classification should happen, what the past due period should be, whether the Credit risk rating (CRR) movement should be manual or automatic and the provisioning rate for secured and unsecured loans. Entries will be passed only if the CRR movement happens across the accrual status – Normal to Suspended and vice-a-versa.

Account Interest Freeze Maintenance

No Accounting entries are generated

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

CRR Movement

Account A belongs to Product P having the following features:

Total outstanding loan amount = USD 2200

Interest Accrual = Monthly

Interest Charging = Monthly

Financial Year End = 31st March, 2005

The CRR definition for Product P indicates that Account A will be marked as NPL when the oldest arrears have not been paid for 3 months. The following arrears are overdue on the account on the day of NPA processing:

| Sr No | Date | Type of Arrears | Arrear Amount in USD | Arrear Type | Sum of Arrears |
|-------|-----------|-----------------|----------------------|-----------------|----------------|
| 1 | 31-Jan-05 | Interest Arrear | 100.00 | Interest Arrear | 198.00 |
| 2 | 28-Feb-05 | Interest Arrear | 98.00 | | |
| 3 | 28-Feb-05 | Penalty Arrear | 12.00 | Penalty Arrear | 12.00 |
| 4 | 15-Feb-05 | Outgoing Arrear | 10.00 | Outgoing Arrear | 10.00 |
| 5 | 15-Mar-05 | Legal Arrear | 110.00 | Legal Arrear | 110.00 |

The NPA processing for this account will be done on 31-Mar-05. The following arrears are to be raised after the NPA processing is complete:

| Sr No | Date | Type of Arrears | Arrear Amount in USD |
|-------|-----------|------------------|----------------------|
| 1 | 31-Mar-05 | Interest Arrear | 95.00 |
| 2 | 31-Mar-05 | Legal Arrear | 20.00 |
| 3 | 31-Mar-05 | Outgoings Arrear | 25.00 |

Interest Accrued on the account till 30-Apr-05 is USD 95.00

Clawback Option

By clawing back of unpaid arrears, system basically de-recognizes income. GL entries passed to income GL are reversed and entries passed to respective suspended GL. The income will be recognized only when payment is made into the account. The user has the option to enable or disable the clawback.

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Clawback Enabled

The following entries shall be passed during NPA processing on 31-Mar-05:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|----------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/05 | 31/03/05 | Account Branch | Loan Asset GL | Cr | USD 2200 | 1760 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Loan Suspended Asset GL | Dr | USD 2200 | 1760 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Receivable GL | Cr | USD 198 | 158.40 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Interest Receivable GL | Dr | USD 198 | 158.40 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Income GL | Dr | USD 198 | 158.40 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Interest Income GL | Cr | USD 198 | 158.40 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Penalty Interest Receivable GL | Cr | USD 12 | 9.60 | PA. To NPA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--|---------|---------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Penalty Interest Receivable GL | Dr | USD 12 | 9.60 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Penalty Interest Income GL | Dr | USD 12 | 9.60 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Penalty Interest GL | Cr | USD 12 | 9.60 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Outgoing Receivable GL | Cr | USD 10 | 8 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Outgoing Receivable GL | Dr | USD 10 | 8 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Legal Fees Receivable GL | Cr | USD 110 | 88 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Legal Fees GL | Dr | USD 110 | 88 | PA. To NPA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

The following GL entries will be passed for the arrears to be raised on 31-Mar-05:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/05 | 31/03/05 | Account Branch | Interest Accrued GL | Dr | USD 95 | 76 | LN. Interest Accrued | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Income GL | Cr | USD 95 | 76 | LN. Interest Accrued | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Receivable GL | Dr | USD 95 | 76 | LN. Interest Charged | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Accrued GL | Cr | USD 95 | 76 | LN. Interest Charged | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Income GL | Dr | USD 95 | 76 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Interest Income GL | Cr | USD 95 | 76 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Interest Receivable GL | Dr | USD 95 | 76 | PA. To NPA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/05 | 31/03/05 | Account Branch | Interest Receivable GL | Cr | USD 95 | 76 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Legal Fees Receivable GL | Dr | USD 20 | 16 | Legal Fees Charged | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Legal Fees Payable GL | Cr | USD 20 | 16 | Legal Fees Charged | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Legal Fees GL | Dr | USD 20 | 16 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Legal Fees Receivable GL | Cr | USD 20 | 16 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Outgoing Receivable GL | DR | USD 25 | 20 | Outgoings Due | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Outgoing Payable GL | Cr | USD 25 | 20 | Outgoings Due | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Outgoing Receivable GL | Dr | USD 25 | 20 | PA. To NPA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/05 | 31/03/05 | Account Branch | Outgoing Receivable GL | Cr | USD 25 | 20 | PA. To NPA. GL. Movement | EOD |

Interest Accrual entries on 30-Apr-05 are:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 30/04/05 | 30/04/05 | Account Branch | Susp Int Receivable | Dr | USD 95 | 76 | Int. Receivable | EOD |
| 30/04/05 | 30/04/05 | Account Branch | Susp Int Income | Cr | USD 95 | 76 | PA To NPA GL Movement: Suspended Interest | EOD |
| 30/04/05 | 30/04/05 | Account Branch | Suspended Asset | Dr | USD 95 | 76 | PA To NPA GL Movement FOR (Account No.) | EOD |
| 30/04/05 | 30/04/05 | Account Branch | Susp Int Receivable | Cr | USD 95 | 76 | Int. Receivable | EOD |
| 30/04/05 | 30/04/05 | Account Branch | Susp Int Receivable | Dr | USD 95 | 76 | Int. receivable | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-----------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 30/04/05 | 30/04/05 | Account Branch | Susp Int Income | Cr | USD 95 | 76 | PA To NPA GL Movement: Suspended Interest | EOD |

Clawback Not Enabled

No entries are passed during NPA processing for unpaid arrears prior to 31-Mar-05.

The following GL entries will be passed for the arrears to be raised on 31-Mar-05:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/05 | 31/03/05 | Account Branch | Interest Accrued GL | Dr | USD 95 | 76 | LN. Interest Accrued | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Income GL | Cr | USD 95 | 76 | LN. Interest Accrued | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Receivable GL | Dr | USD 95 | 76 | LN. Interest Charged | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Accrued GL | Cr | USD 95 | 76 | LN. Interest Charged | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Income GL | Dr | USD 95 | 76 | PA. To NPA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Interest Income GL | Cr | USD 95 | 76 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Interest Receivable GL | Dr | USD 95 | 76 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Interest Receivable GL | Cr | USD 95 | 76 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Legal Fees Receivable GL | Dr | USD 20 | 16 | Legal Fees Charged | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Legal Fees Payable GL | Cr | USD 20 | 16 | Legal Fees Charged | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Legal Fees GL | Dr | USD 20 | 16 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Legal Fees Receivable GL | Cr | USD 20 | 16 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Outgoing Receivable GL | Dr | USD 25 | 20 | Outgoings Due | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/03/05 | 31/03/05 | Account Branch | Outgoing Payable GL | Cr | USD 25 | 20 | Outgoing Due | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Suspended Outgoing Receivable GL | Dr | USD 25 | 20 | PA. To NPA. GL. Movement | EOD |
| 31/03/05 | 31/03/05 | Account Branch | Outgoing Receivable GL | Cr | USD 25 | 20 | PA. To NPA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Interest Accrual entries on 30-Apr-05 are:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 30/04/05 | 30/04/05 | Account Branch | Suspended Interest Accrued GL | Dr | USD 95 | 76 | LN. Susp. Interest Accrual | EOD |
| 30/04/05 | 30/04/05 | Account Branch | Suspended Interest Income GL | Cr | USD 95 | 76 | LN. Susp. Interest Accrual | EOD |
| 30/04/05 | 30/04/05 | Account Branch | Suspended Interest Receivable GL | Dr | USD 95 | 76 | LN. Susp. Interest Charged | EOD |
| 30/04/05 | 30/04/05 | Account Branch | Suspended Interest Accrued GL | Cr | USD 95 | 76 | LN. Susp. Interest Charged | EOD |

Movement from Suspended to Normal Status

In case there are any suspended arrears outstanding at the time of reverse movement (case where the Reverse Movement Control Flag is "Classification Plan") then the following entries will be passed to move back the suspended arrears to normal status based on the arrears outstanding.

Assume that:

- The suspended loan account is a USD loan a/c.
- Total Principal outstanding is USD 2200.

Following are the suspended arrears totaling to USD 140:

Suspended Interest USD 30

Suspended Service Charges Euro 8 (USD 10)

Suspended Premium USD 55

Suspended Legal Fees USD 29

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Suspended Outgoing USD 16

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|----------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 2200 | 1760 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Suspended Asset GL | Cr | USD 2200 | 1760 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | USD 30 | 24 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Receivable GL | Cr | USD 30 | 24 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Income GL | Dr | USD 30 | 24 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Cr | USD 30 | 24 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fees Receivable GL | Dr | USD 10 | 8 | NPA. To PA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees Receivable | Cr | USD 10 | 8 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees | Dr | Euro 8 | 8 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Premium Receivable GL | Dr | USD 55 | 44 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Premium Receivable GL | Cr | USD 55 | 44 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Dr | USD 29 | 23 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Legal Fees GL | Cr | USD 29 | 23 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing receivable GL | Dr | USD 16 | 13 | NPA. To PA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|--------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Outgoing receivable GL | Cr | USD 16 | 13 | NPA. To PA. GL. Movement | EOD |

Payments on a Suspended Account

Assume that:

- The suspended loan account is a USD loan a/c.
- Total Principal outstanding is USD 2200.
- Following arrears totaling to USD 960 being paid by cash in full:
- Suspended Principal Arrears USD 820
- Suspended Service Charges Euro 8 (USD 10)
- Suspended Legal Fees USD 29
- Suspended Interest USD 30
- Suspended Outgoing USD 16
- Suspended Premium USD 55
- Provision made in the account USD 150

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-----------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 960 | 768 | LN. Installment Payment By Cash | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 960 | 768 | LN. Installment Payment By Cash | Online |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 960 | 768 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Cr | USD 960 | 768 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 820 | 656 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Suspended Asset GL | Cr | USD 820 | 656 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 10 | 8 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees Receivable | Cr | Euro 8 | 8 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees | Dr | Euro 8 | 8 | NPA. To PA. GL. Movement | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------------------------|---------|--------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 29 | 23 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Legal Fees Receivable GL | Cr | USD 29 | 23 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 30 | 24 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Receivable GL | Cr | USD 30 | 24 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Income GL | Dr | USD 30 | 24 | Suspended Interest recovered | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Recovered GL | Cr | USD 30 | 24 | Suspended Interest recovered | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|-----------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 16 | 13 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Outgoing receivable GL | Cr | USD 16 | 13 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Unapplied Advance (RPA) GL | Dr | USD 55 | 44 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Premium receivable GL | Cr | USD 55 | 44 | LN. Installment Payment By Cash | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | *USD 1380 | 1104 | NPA. To PA. GL. Move ment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Suspended Asset GL | Cr | *USD 1380 | 1104 | NPA. To PA. GL. Move ment | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Bad debt Reserve GL | Dr | USD 150 | 120 | LN. Reserve Provisions Reversal | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Write-off Expense GL | Cr | USD 150 | 120 | LN. Reserve Provisions Reversal | EOD |

Note: * Net amount - Principal outstanding less principal arrears repaid (USD 2200-820 = USD 1380)

Provisioning

System automatically calculates provision on the accounts based on the account CRR.

Provisioning – Unsecured Loan

Assume a USD unsecured loan account:

Outstanding Loan Amount – USD 2500

Type – Unsecured Loan

Provisioning Rate Unsecured – 20%

Provisioning Frequency Monthly

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|---------|----------|------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/01/05 | 31/01/05 | Account Branch | Write-off Expense GL | Dr | USD 500 | 400 | LN. Provisions Expense Debit | EOD |
| 31/01/05 | 31/01/05 | Account Branch | Bad debt Reserve GL | Cr | USD 500 | 400 | LN. Reserve Provisions | EOD |

Provisioning - Secured Loan

If the account is secured then the system uses the secured provisioning rate.

Assume a USD secured loan account:

Outstanding Loan Amount – USD 9000

Type – Secured Loan (Readily Realizable – as defined in Collateral Codes Maintenance – BAM39)

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Collateral Value - 35000 (Fully Secured)

Provisioning Rate Secured - 5%

Provisioning Frequency Monthly

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|---------|----------|------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/01/05 | 31/01/05 | Account Branch | Write-off Expense GL | Dr | USD 450 | 360 | LN. Provisions Expense Debit | EOD |
| 31/01/05 | 31/01/05 | Account Branch | Bad debt Reserve GL | Cr | USD 450 | 360 | LN. Reserve Provisions | EOD |

Provisioning - Partially Secured Loan

In case account is partially secured, the system splits the principal amount into secured and unsecured portions and provisions at applicable rates. This situation usually arises due to erosion/ diminution in the value of the security.

Assume a USD secured loan account:

Outstanding Loan Amount – USD 9000

Type – Secured Loan (Readily Realizable – as defined in Collateral Codes Maintenance – BAM39)

Present Collateral Value – 5000 (Fully Secured)

Provisioning Rate Secured – 5%

Provisioning Rate Unsecured – 20%

Provisioning Frequency Monthly

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|-----------|----------|------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/01/05 | 31/01/05 | Account Branch | Write-off Expense GL | Dr | *USD 1050 | 840 | LN. Provisions Expense Debit | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------|---------|-----------|----------|------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/01/05 | 31/01/05 | Account Branch | Bad debt Reserve GL | Cr | *USD 1050 | 840 | LN. Reserve Provisions | EOD |

* A - Secured 5% of 5000 = USD250

* B - Unsecured 20% of 4000(Outstanding Loan amount 9000 – Collateral Value 5000=4000) = USD800

Total Provision Amount (A+B) = USD1050

Provisioning – Reversal

In case of reversal of provision (user initiated or due to movement to better CRR status) the following entry will be passed.

Assume a USD secured loan account:

Outstanding Loan Amount – USD 9000

Type – Secured Loan (Readily Realizable – as defined in Collateral Codes Maintenance – BAM39)

Collateral Value – 35000 (Fully Secured)

Provisioning Rate Secured – 5%

Provisioning Frequency Monthly

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|---------|----------|---------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Bad debt Reserve GL | Dr | USD 450 | 360 | LN. Reserve Provisions Reversal | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Write-off Expense GL | Cr | USD 450 | 360 | LN. Provisions Expense Reversal | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Normal Uncollected Interest Provisioning

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--|---------|-----------|----------|------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/12/07 | 31/12/07 | Account Branch | Provision for Loss-Uncollected Interest (expense) | Dr | GBP 1,800 | 2,400 | Loan Uncollected Interest Provided | EOD |
| 31/12/07 | 31/12/07 | Account Branch | Allowance for Loss – Uncollected Interest (contra asset) | Cr | GBP 1,800 | 2,400 | Loan Uncollected Interest Provided | EOD |

Reversal of Normal Uncollected Interest Provisioning on Repayment

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--|---------|---------|----------|------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 31/01/08 | 31/01/08 | Account Branch | Allowance for Loss – Uncollected Interest (contra asset) | Dr | GBP 600 | 800 | Loan Uncollected Interest Reversed | EOD |
| 31/01/08 | 31/01/08 | Account Branch | Provision for Loss-Uncollected Interest (expense) | Cr | GBP 600 | 800 | Loan Uncollected Interest Reversed | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Write-off Entries for Uncollected (Normal) Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|--|---------|-----------|----------|---------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 15/01/08 | 15/01/08 | Account Branch | Allowance for Loss – Uncollected Interest (contra asset) | Dr | GBP 1,200 | 1,600 | Loan a/c write off | EOD |
| 15/01/08 | 15/01/08 | Account Branch | Interest Receivable GL | Cr | GBP 1,200 | 1,600 | Loan a/c write off | EOD |

Write-off

Write-off is to charge an asset amount to expense or loss.

Full Write-off

The system will display the account balance, outstanding arrears, provisions made and the security available. The user will not be allowed to modify anything other than commit the transaction.

Assume a loan account in USD with accrual status as Suspended has the following arrears totaling to USD140:

Total Principal outstanding is USD 2200

Cash realized from sale of collateral security – USD 300

Provisioning done in the loan account – USD 250

Suspended Premium USD 55

Suspended Legal Fees USD 29

Suspended Outgoing USD 16

Suspended Interest USD 30

Suspended Service Charges Euro 8 (USD 10)

The account also has the following suspended interest accruals:

Suspended Interest – USD 20

Suspended Penalty Interest – USD 12

Suspended Post Maturity Interest – USD 35

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|--------------------|-------------------------|---------|----------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Transaction Branch | Cash GL | Dr | USD 300 | 240 | Cash realized from sale of collateral security | Online |
| 01/01/05 | 01/01/05 | Transaction Branch | Inter Branch GL | Cr | USD 300 | 240 | Cash realized from sale of collateral security | Online |
| 01/01/05 | 01/01/05 | Account Branch | Inter Branch GL | Dr | USD 300 | 240 | Cash realized from sale of collateral security | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Bad debt Reserve GL | Dr | USD 250 | 200 | LN. Write-off Prov. Debit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Write-off Expense GL | Dr | USD 1750 | 1400 | LN. Write-off Expense Debit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Suspended Asset GL | Cr | USD 2200 | 1760 | LN. Principal Write-off | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|-----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Premium Receivable GL | Cr | USD 55 | 44 | LN. Susp. Premium Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Legal Fees GL | Cr | USD 29 | 23 | LN. Legal Fees Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Outgoing receivable GL | Cr | USD 16 | 13 | LN. Outgoings Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Income GL | Dr | USD 30 | 24 | LN. Interest Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Receivable GL | Cr | USD 30 | 24 | LN. Interest Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees | Dr | Euro 8 | 8 | LN. Susp. Fees Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees Receivable | Cr | USD 10 | 8 | LN. Susp. Fees Write-off | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Income GL | Dr | USD 20 | 16 | LN. Susp. Interest Accrual Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Accrued GL | Cr | USD 20 | 16 | LN. Susp. Interest Accrual Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Penalty Interest GL | Dr | USD 12 | 10 | LN. Susp. Penalty Interest Accrual Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Accrued GL | Cr | USD 12 | 10 | LN. Susp. Penalty Interest Accrual Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Income GL | Dr | USD 35 | 28 | LN. Susp. PMI Interest Accrual Write-off | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------------|---------|--------|----------|--|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Accrued GL | Cr | USD 35 | 28 | LN. Susp. PMI Interest Accrual Write-off | EOD |

Partial Write-off

The entries for partial write-off will be the same as Full Write-off. The user will be allowed to specify the amount of arrears being written off against each type of arrear. Also, the user will be allowed to specify the amount of provision to be drawdown to write off. The net of the total write-off and the provision drawdown will be taken from the write –off expense GL.

Assume a loan account in USD with accrual status as Suspended has the following arrears totaling to USD140:

Total Principal outstanding is USD 2200 – Principal write-off amount USD 800

Provisioning done in the loan account – USD 250 – Provisioning amount utilized USD 100

Suspended Premium USD 55 - Written off – USD 15 – Write-off amount USD 20

Suspended Legal Fees USD 29 – Write-off amount USD 12

Suspended Outgoing USD 16 – Write-off amount USD 8

Suspended Interest USD 30 – Write-off amount USD 14

Suspended Service Charges Euro 8 (USD 10) – Write-off amount Euro 4 (USD 5)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|---------|----------|-----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Bad debt Reserve GL | Dr | USD 100 | 80 | LN. Write-off Prov. Debit | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Write-off Expense GL | Dr | USD 759 | 607 | LN. Write-off Expense Debit | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|---------|----------|-----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Suspended Asset GL | Cr | USD 800 | 640 | LN. Principal Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Premium Receivable GL | Cr | USD 20 | 16 | LN. Susp. Premium Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Legal Fees GL | Cr | USD 12 | 10 | LN. Legal Fees Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Outgoing receivable GL | Cr | USD 8 | 6 | LN. Outgoings Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Receivable GL | Cr | USD 14 | 11 | LN. Interest Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees | Dr | Euro 4 | 4 | LN. Susp. Fees Write-off | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees Receivable | Cr | USD 5 | 4 | LN. Susp. Fees Write-off | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Post Write-off Processing

The user will be required to reschedule the account after Partial Write-off. The account will be reclassified based on the outstanding arrears and other rules affecting classification unless the CRR movement for the account has been marked as 'Manual'.

Loan Restructuring

In restructuring of loan all the due arrears including catch-up interest are capitalized.

Assume that:

- The suspended loan account is a USD loan a/c.
- Total Principal outstanding is USD 2200.

Following are the suspended arrears totaling to USD 148:

Suspended Interest USD 30

Suspended Service Charges Euro 8 (USD 10)

Suspended Premium USD 55

Suspended Legal Fees USD 29

Suspended Outgoing USD 16

Catch up Interest (interest accrued/charged till the date of restructuring) USD 11

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------|---------|----------|----------|----------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 2200 | 1760 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Suspended Asset GL | Cr | USD 2200 | 1760 | NPA. To PA. GL. Movement | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Loan Asset GL | Dr | USD 151 | 121 | LN. Arrears Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | USD 30 | 24 | LN. Interest Arrears Cap. | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|---------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Receivable GL | Cr | USD 30 | 24 | LN. Interest Arrears Cap. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Income GL | Dr | USD 30 | 24 | LN. Interest Arrears Cap. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Cr | USD 30 | 24 | LN. Interest Arrears Cap. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | USD 30 | 24 | LN. Interest Arrears Cap. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fees Receivable GL | Dr | USD 10 | 8 | LN. SC. Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees Receivable | Cr | USD 10 | 8 | LN. SC. Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended SC/Fees | Dr | Euro 8 | 8 | LN. SC. Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fee Income GL | Cr | Euro 8 | 8 | LN. SC. Capitalization | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---------------------------------|---------|--------|----------|------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | SC/Fees Receivable GL | Dr | USD 10 | 8 | LN. SC. Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Premium Receivable GL | Cr | USD 55 | 44 | Susp Premium Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Premium Receivable GL | Dr | USD 55 | 44 | Susp Premium Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Premium Receivable GL | Cr | USD 55 | 44 | Susp Premium Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Dr | USD 29 | 23 | Susp Legal Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Legal Fees GL | Cr | USD 29 | 23 | Susp Legal Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Legal Fees Receivable GL | Cr | USD 29 | 23 | Susp Legal Arrear Capitalization | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|---|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing receivable GL | Dr | USD 16 | 13 | Susp Outgoings Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Outgoing receivable GL | Cr | USD 16 | 13 | Susp Outgoings Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Outgoing receivable GL | Cr | USD 16 | 13 | Susp Outgoings Arrear Capitalization | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Accrued | Dr | USD 11 | 9 | LN. Catch Up Suspended Interest Accrual | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Income | Cr | USD 11 | 9 | LN. Catch Up Suspended Interest Accrual | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Receivable | Dr | USD 11 | 9 | LN. Susp. Interest Charg. | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------------------|---------|--------|----------|---------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Accrued | Cr | USD 11 | 9 | LN. Susp. Interest Charg. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Dr | USD 11 | 9 | LN. Interest Arrears Cap. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Receivable GL | Cr | USD 11 | 9 | LN. Interest Arrears Cap. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Suspended Interest Income GL | Dr | USD 11 | 9 | LN. Interest Arrears Cap. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Income GL | Cr | USD 11 | 9 | LN. Interest Arrears Cap. | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Interest Receivable GL | Cr | USD 11 | 9 | LN. Interest Arrears Cap. | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Account Write-Off

Off balance sheet entries

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|---|---------|----------|----------|------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Contingent asset defined at the loan/CASA bank parameter level. | Dr | EURO 100 | 100 | LN. Principal Writeoff | Online |
| 01/01/08 | 01/01/08 | Account Branch | Contingent liability defined at the loan/CASA bank parameter level. | Cr | EURO 100 | 100 | LN. Principal Writeoff | Online |

Event Based Entries

At the time of Limit Sanction:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|----------|----------|------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Contingent Liability | Dr | EURO 100 | 100 | Dr. Product Contingent Asset | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------|---------|----------|----------|----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Contingent Asset | Cr | EURO 100 | 100 | Cr. Product Contingent Liability | EOD |

FREQUENCY BASED ENTRIES

Reversal of the existing balance in the contingent GL:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|-------------------------|---------|----------|----------|----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/08 | 01/01/08 | Account Branch | Contingent Liability GL | Dr | EURO 100 | 100 | Dr. Product Contingent Asset | EOM |
| 01/01/08 | 01/01/08 | Account Branch | Contingent Asset GL | Cr | EURO 100 | 100 | Cr. Product Contingent Liability | EOM |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Sanctioned Amount Adjustment

When sanctioned amount is adjusted upwards. The entries are passed for the difference amount after adjustment

Example: Original Sanctioned amount-100,000

Adjusted sanctioned amount-150,000

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|------------|----------|--------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Liability | Cr | USD 50,000 | 40,000 | Sanctioned amount contingent entries | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Asset | Dr | USD 50,000 | 40,000 | Sanctioned amount contingent entries | EOD |

When sanctioned amount is adjusted downwards but is still above disbursed value

Example: Original Sanctioned amount-1,00,000

Amount disbursed is 80,000

Adjusted sanctioned amount-90,000

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|------------|----------|--------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Liability | Dr | USD 10,000 | 8,000 | Sanctioned amount contingent entries | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|------------------|---------|------------|----------|--------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Asset | Cr | USD 10,000 | 8,000 | Sanctioned amount contingent entries | EOD |

When sanctioned amount is adjusted down wards but is still above disbursed value

Example: Original Sanctioned amount-1,00,000

Amount disbursed is 80,000

Adjusted sanctioned amount-60,000

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|-----------|----------|--------------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Liability | Dr | USD 2,000 | 1,600 | Sanctioned amount contingent entries | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Asset | Cr | USD 2,000 | 1,600 | Sanctioned amount contingent entries | EOD |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

Account Closure

Example: Original Sanctioned amount-1,00,000

Amount disbursed is 80,000

Then account is closed

| Date | | Branch | GL Head | Dr / Cr | Amount | | Default Description | Generated During |
|----------|----------|----------------|----------------------|---------|------------|----------|----------------------------------|------------------|
| Posting | Value | | | | TCY | LCY-EURO | | |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Liability | Dr | USD 20,000 | 16,000 | Dr. Product Contingent Liability | EOD |
| 01/01/05 | 01/01/05 | Account Branch | Contingent Asset | Cr | USD 20,000 | 16,000 | Cr. Product Contingent Asset | EOD |

Note: Same entries are passed for LIMIT EXPIRY or LIMIT DELETION or FULL WRITE OFF.

Position Accounting

Global Assumptions

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this section of the manual are listed below along with the maintenance which is used for maintaining the same:

| Sr No | GL Head | Location of Setup |
|-------|---------------------------|--|
| 1 | CASA Asset / Liability GL | CHM01/ GL/ Liabilities balance |
| 2 | SC Income GL | BAM14/ SC GL Code |
| 3 | Position GL | BAM 25/CCY Details/ Position GL |
| 4 | Position Equivalent GL | BAM 25/CCY Details/ Position Equivalent GL |
| 5 | Selected GL | GL Code as entered on the screen |
| 5 | Inter branch GL | BAM08/GL Details / IB Credit or Debit Account |
| 5 | Cash GL | BAM08/GL Details / Bank Cash GL |
| 5 | Future dated bridge GL | BAM08/GL Details / Future Dated Bridge Credit / Debit GL |
| 5 | Income GL | BAM14/ SC GL Code |

Position accounting is done for transactions involving two different currencies. If position accounting is to be done, then the system shall pass one pair of entries for every foreign currency entry. There will be one entry to the position account that will be an exact replica of the original entry – except that it will be with the opposite sign. The second will be a local currency entry to the position equivalent account. The amount of the second entry will be the same as the local currency equivalent of the original entry.

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

The foreign currency amount for the position account entry shall be the foreign currency amount of the original entry. The local currency equivalent amount of the position account entry will be taken from the local currency equivalent of the original entry. Position Accounting is not supported for income/expense type of GLs.

For example, if the original entry for which position accounting is to be done is

Dr GL Ac A1 USD 10; RMB 500

Then the position accounting entries the system shall pass will be

Cr Position Ac maintained for A1 USD 10; RMB 500

Dr Position equivalents ac maintained for A1 RMB 500

The EOD process will generate position accounting entries for all foreign currency GLs if position accounting has been enabled in the system through the bank wide parameters maintenance.

The position and position equivalent GL's to which position accounting entries are to be passed will be maintained by users. These GL's will be maintained as two separate and new categories in the system.

For every asset, liability, contingent asset or contingent liability GL maintained in the system, the user will be able to specify if position accounting is required for that GL or not.

Position/Position Equivalent GLs are linked at the currency definition level. This can be overridden for a particular GL – Currency combination in the Chart of Accounts.

The user will need to maintain a position and position equivalent GL for each currency defined in the system – but not necessarily for each GL.

System will pick up the Position/Position Equivalent GLs defined at Chart of Accounts level while passing position entries for GL-Currency combination. If no such definition is found, then the Position GLs will be picked up from the currency level.

A foresaid can be explained with the help of the following example:

Currency Exchange Rates used

1 USD = 6.3045 RMB

1 GBP = 9.6992 RMB

Example:

Dr - CASA 1 (USD) (A/c Branch - A)

Cr - CASA 2 (GBP) (A/c Branch - B)

Transaction Branch - Branch A

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|----------------------------|---------|---------|------------|------------------|---------|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Liability GL of CASA A/c 1 | Dr | USD 100 | RMB 630.45 | Online | |
| 20/02/09 | 20/02/09 | Branch A | Interbranch GL | Cr | GBP 65 | RMB 630.45 | Online | |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|----------------------------|---------|------------|------------|------------------|---------|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch B | Interbranch GL | Dr | GBP 65 | RMB 630.45 | Online | |
| 20/02/09 | 20/02/09 | Branch B | Liability GL of CASA A/c 2 | Cr | GBP 65 | RMB 630.45 | Online | |
| 20/02/09 | 20/02/09 | Branch A | Position GL | Cr | USD 100 | RMB 630.45 | EOD | |
| 20/02/09 | 20/02/09 | Branch A | Position Equivalent GL | Dr | RMB 630.45 | RMB 630.45 | EOD | |
| 20/02/09 | 20/02/09 | Branch A | Position Equivalent GL | Cr | RMB 630.45 | RMB 630.45 | EOD | |
| 20/02/09 | 20/02/09 | Branch A | Position GL | Dr | GBP 65 | RMB 630.45 | EOD | |

Example:

Dr - CASA 1 (USD) (A/c Branch - A)

Cr - CASA 2 (RMB) (A/c Branch - B)

Transaction Branch - Branch 2

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|----------------------------|---------|---------|------------|------------------|---------|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Liability GL of CASA A/c 1 | Dr | USD 100 | RMB 630.45 | Online | |
| 20/02/09 | 20/02/09 | Branch A | Interbranch GL | Cr | USD 100 | RMB 630.45 | Online | |
| 20/02/09 | 20/02/09 | Branch B | Interbranch GL | Dr | USD 100 | RMB 630.45 | Online | |
| 20/02/09 | 20/02/09 | Branch B | Liability GL of CASA A/c 2 | Cr | GBP 65 | RMB 630.45 | Online | |

Ad-hoc Charging of accrued Regular / Penalty Interest - Fast Path: LN071

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|------------------------|---------|------------|------------|------------------|---------|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch B | Position GL | Cr | USD 100 | RMB 630.45 | EOD | |
| 20/02/09 | 20/02/09 | Branch B | Position Equivalent GL | Dr | RMB 630.45 | RMB 630.45 | EOD | |
| 20/02/09 | 20/02/09 | Branch B | Position Equivalent GL | Cr | RMB 630.45 | RMB 630.45 | EOD | |
| 20/02/09 | 20/02/09 | Branch B | Position GL | Dr | GBP 65 | RMB 630.45 | EOD | |

The batch transactions for which the cross currency inter-branch transactions are supported and logic of identifying the transaction branch are as below:

| Batch Transaction | Transaction Branch |
|--|--|
| Standing Instruction | Debit Account branch |
| Sweep out Instruction | Debit Account branch |
| Reverse sweep out | Debit Account branch |
| Sweep in Instruction | The branch where the original transaction has been initiated that has triggered the sweep in |
| TD Pay out instructions | Debit Account branch |
| Interest Credit / Debit (Alternate account for Interest) | Interest booking branch |
| Service charge (Periodic SC / Alternate SC) | SC income branch |

Position Squaring

- Position Squaring is a process whereby position in foreign currency arising from cross currency transactions at branches being squared/balanced by Head Office.
- Position squaring is done for cross currency transaction in EOD. Further after position squaring, entry towards Profit/Loss arising out of such business is also passed automatically by system.

Global Assumption

Note: All dates in DD/MM/YY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this section of the manual are listed below along with the maintenance which is used for maintaining the same:

| Sr No | GL Head | Location of Setup |
|-------|------------------------|--|
| 1 | Inter branch GL | BAM08/ GL Details/ IB GL |
| 2 | Cash GL | BAM08/ GL Details/ Bank Cash GL |
| 3 | Position GL | BAM 25/CCY Details/ Position GL |
| 4 | Position Equivalent GL | BAM 25/CCY Details/ Position Equivalent GL |
| 5 | FX Profit/Loss GL | BAM08/ GL Details/ Squaring off Profit / Loss GL |

Illustration – I

Forex Buying: A sum of 100 USD is bought by Branch A from a customer. Following accounting entries will be passed:

Exchange Rate Applied: Cash Buying Rate: 670

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|---------|---------|---------|---------|------------------|-------------------------------------|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Cash GL | Dr | USD 100 | CNY 670 | Online | USD Cash received by branch A |
| 20/02/09 | 20/02/09 | Branch A | Cash GL | Cr | CNY 670 | CNY 670 | Online | LCY equivalent is given by branch A |

Position Squaring

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Position Equivalent GL | Dr | CNY 670 | CNY 670 | EOD | Position equivalent accounting for LCY |
| 20/02/09 | 20/02/09 | Branch A | Position GL | Cr | USD 100 | CNY 670 | EOD | Position accounting for FCY |

- Position Squaring selling Rate Applicable at the time of above transaction: 676

After the transaction, the balance in Position GL of Branch A is on Credit side. System should automatically perform the Position Squaring by transferring the position to HO.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Position GL | Dr | USD 100 | CNY 676 | EOD | Position entry transfer to HO |
| 20/02/09 | 20/02/09 | Branch A | Interbranch GL | Cr | USD 100 | CNY 676 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | HO | Interbranch GL | Dr | USD 100 | CNY 676 | EOD | Responding entry |
| 20/02/09 | 20/02/09 | HO | Position GL | Cr | USD 100 | CNY 676 | EOD | Position entry transferred by branch A |
| 20/02/09 | 20/02/09 | HO | Position Equivalent GL | Dr | CNY 676 | CNY 676 | EOD | Position equivalent entry transfer to Branch A |
| 20/02/09 | 20/02/09 | HO | Interbranch GL | Cr | CNY 676 | CNY 676 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | Branch A | Interbranch GL | Dr | CNY 676 | CNY 676 | EOD | Responding entry |

Position Squaring

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Position Equivalent GL | Cr | CNY 676 | CNY 676 | EOD | Position equivalent entry transferred by HO |

Note: Exchange Rate applied: Position Squaring Selling Rate applicable at the time of original transaction

At the end of day for Branch A, the balance of Position GL (USD) is 0 and Position Equivalent GL has a credit balance of $(676-670=6)$ 6 RMB, which is transferred to FX Profit GL.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|------------------------|---------|--------|-------|------------------|--|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Position Equivalent GL | Dr | CNY 6 | CNY 6 | EOD | Position Equivalent entry booked to Income |
| 20/02/09 | 20/02/09 | Branch A | FX Profit GL | Cr | CNY 6 | CNY 6 | EOD | Profit booked |

Illustration – II

Forex Sale: A sum of 100 USD is sold to customer against RMB by Branch A. Following accounting entries will be passed:

Exchange Rate Applied: Cash Selling Rate

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Cash GL | Dr | CNY 670 | CNY 670 | Online | CNY equivalent is received by branch A |
| 20/02/09 | 20/02/09 | Branch A | Cash GL | Cr | USD 100 | CNY 670 | Online | USD Cash sold by branch A |
| 20/02/09 | 20/02/09 | Branch A | Position GL | Dr | USD 100 | CNY 670 | EOD | Position accounting for FCY |
| 20/02/09 | 20/02/09 | Branch A | Position Equivalent GL | Cr | CNY 670 | CNY 670 | EOD | Position equivalent accounting for LCY |

Position Squaring buying rate applicable at the time of original transaction: 660

After the transaction, the balance in Position GL of Branch A is on Debit side. System should automatically perform the Position Squaring by transferring the position to HO.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|----------------|---------|---------|---------|------------------|---------------------------------------|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | HO | Position GL | Dr | USD 100 | CNY 660 | EOD | Position entry transfer from Branch A |
| 20/02/09 | 20/02/09 | HO | Interbranch GL | Cr | USD 100 | CNY 660 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | Branch A | Interbranch GL | Dr | USD 100 | CNY 660 | EOD | Responding entry |

Position Squaring

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|------------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Position GL | Cr | USD 100 | CNY 660 | EOD | Position entry transferred to HO |
| 20/02/09 | 20/02/09 | Branch A | Position Equivalent GL | Dr | CNY 660 | CNY 660 | EOD | Position equivalent entry transfer to HO |
| 20/02/09 | 20/02/09 | Branch A | Interbranch GL | Cr | CNY 660 | CNY 660 | EOD | Originating entry |
| 20/02/09 | 20/02/09 | HO | Interbranch GL | Dr | CNY 660 | CNY 660 | EOD | Responding entry |
| 20/02/09 | 20/02/09 | HO | Position Equivalent GL | Cr | CNY 660 | CNY 660 | EOD | Position Equivalent entry transferred by branch A |

At the end of day for Branch A, the balance of Position GL (USD) is 0 and Position Equivalent GL has a credit balance of (670-660=10) 10 RMB, which is transferred to FX Profit GL.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|------------------------|---------|--------|--------|------------------|--|
| Posting | Value | | | | FCY | LCY | | |
| 20/02/09 | 20/02/09 | Branch A | Position Equivalent GL | Dr | CNY 10 | CNY 10 | EOD | Position Equivalent entry booked to Income |
| 20/02/09 | 20/02/09 | Branch A | FX Profit GL | Cr | CNY 10 | CNY 10 | EOD | Profit booked |

Note: Each Cross Currency transaction will be squared individually. However consolidated entry will be passed towards FX Profit/Loss GL.

INVENTORY

Inventory tracking is important where inventories are treated as valuable as the cash itself. A memo GL is created in Chart of Accounts screen for passing Inventory offset entry and it is linked at the bank level. Memo GL's are created for each inventory type. For each entry posted to Inventory memo GL, there has to be a corresponding entry posted to Inventory Offset GL.

When the following actions are performed on the inventory, off-balance sheet accounting for inventory transactions is triggered:

- When the HO receives stock from Vendor and after confirming physical receipt of stock.
- When HO transfers stock to Branch/Sub-branch/Outlet.
- When Branch/Sub-branch/Outlet confirms receipt of stock.
- When Branch/Sub-branch/outlet issues stock to the customer.
- When Inventory is kept in safe custody and is returned back to the customer.
- When Inventory issued is reversed.
- When re-issuing inventory against an inventory marked as 'Lost'.
- When inventory is collected from the customer and kept in safe custody.
-

Following are the two types of entries that will be passed:

- Collect –
 - When HO/Branch/Sub-branch/Outlet receives stock from vendor or from its reporting branch and identified by Cr entry.
 - When the linkages between the Multi Currency Account (MCA) and the inventory number is deleted.
 - When the new status of the inventory is 'Converted'.
- Pay –
 - When HO/Branch/Sub-branch transfer stock to the requesting branch and identified by Dr entry.
 - When the status of the inventory is marked as 'Normal'.
 - When inventory is sold or linked to a Multi Currency Account (MCA).
 - When the previous status of the inventory is 'Converted'.

For stock tracking, the tracking level for the stock codes is selected as User level and denomination of the stock code with the face value is multiplied to arrive at the notional value of

the stock. For every transfer of stock off balance sheet accounting entry is passed. For the stocks with a face value, appropriate allowed denominations are selected. For stocks without face value, denomination is selected as 1.

For example, 100 pieces of TC booklet each containing 25 TCs is being transferred from HO to Branch – 1. The Amount of the off balance sheet accounting entry that will be passed through Memo GL will be 2500.

Global Assumptions

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this section of the manual are listed below along with the maintenance which is used for maintaining the same:

| Sr. No | GL Head | Location of Setup |
|--------|---------------------|-------------------|
| 1 | Inventory Memo GL | GLM02/GL Details |
| 2 | Inventory Offset GL | GLM02/GL Details |

Inventory Interbranch Transfer : Fast Path: IV003

HO on transfer of 100 booklets of 50 cheque leaves stock to the Branch/Sub-branch/Outlet, in the books of HO - Pay entry is passed.

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|--------|---------------------|---------|--------------------------------|------------------|------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | HO | Inventory Memo GL | Dr | 5000 (Quantity * Denomination) | Online | Inventory received at Branch |
| 05/01/05 | 05/01/05 | HO | Inventory Offset GL | Cr | 5000 (Quantity * Denomination) | Online | Corresponding matching entry |

At the Branch on receipt of 100 booklets of 50 cheque leaves stock from HO, in the books of Branch - Collect entry is passed.

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|--------------------------------|------------------|-------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Transaction Branch | Inventory Memo GL | Cr | 5000(Quantity * Denomination) | Online | Inventory transferred from HO |
| 05/01/05 | 05/01/05 | Transaction Branch | Inventory Offset GL | Dr | 5000 (Quantity * Denomination) | Online | Corresponding matching entry |

Cheque Book Issue : Fast Path: CHM37/5004

A teller issuing a cheque book of 50 leaves to a customer, pay entry is passed.

| Date | | Branch | GL Head | D r / C r | Amount | Generate d During | Remarks |
|----------|----------|---------------------|----------------------|-----------|-------------------------------|-------------------|---------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Memo GL | Dr | 50 (Quantity * Denomination) | Online | Cheque book of 50 leaves issued |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Offset GL | Cr | 50(Quantity * Denomination) | Online | Correspondin g matching entry |

Passbook Issue : Fast Path: PS001

Passbook issued to a customer. Accounting entry related to passbook inventory to be passed as under. Denomination value of passbook is one.

| Date | | Branch | GL Head | D r / C r | Amount | Generate d During | Remarks |
|----------|----------|---------------------|----------------------|-----------|------------------------------|-------------------|-------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Memo GL | Dr | 1 (Quantity * Denomination) | Online | Passbook issued, |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Offset GL | Cr | 1(Quantity * Denomination) | Online | Correspondin g matching entry |

Stock Adjustment : Fast Path: IV002

Accounting entries are passed only for intra branch adjustment type Duplicate/ Lost /Torn/ Used/ Rejected.

Stock adjustment for 5 torned passbooks.

| Date | | Branch | GL Head | D r / C r | Amount | Generate d During | Remarks |
|----------|----------|---------------------|----------------------|-----------|-----------------------------|-------------------|-------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Memo GL | Dr | 5(Quantity * Denomination) | Online | Adjustment for 5 Passbook |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Offset GL | Cr | 5(Quantity * Denomination) | Online | Correspondin g matching entry |

Inventory Balancing : Fast Path: 6202

On checking with passbook stock allocated to a teller she finds 8 excess passbooks after netting from the issued stock from initial balance. Overage of 8 Passbooks (Denomination value of Passbook - one) is booked.

| Date | | Branch | GL Head | D r / C r | Amount | Generate d During | Remarks |
|----------|----------|---------------------|----------------------|-----------|------------------------------|-------------------|-------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Memo GL | Cr | 8 (Quantity * Denomination) | Online | Overage booked |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Offset GL | Cr | 8(Quantity * Denomination) | Online | Correspondin g matching entry |

On checking with passbook stock allocated to a teller, 10 less passbooks than the expected balance is found. Shortage of 10 Passbooks (Denomination value of Passbook - one) is booked.

| Date | | Branch | GL Head | D r / C r | Amount | Generate d During | Remarks |
|----------|----------|---------------------|----------------------|-----------|-------------------------------|-------------------|-------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Memo GL | Dr | 10 (Quantity * Denomination) | Online | Shortage booked |
| 05/01/05 | 05/01/05 | Transactio n Branch | Inventor y Offset GL | Cr | 10(Quantity * Denomination) | Online | Correspondin g matching entry |

Inventory Balancing : Fast Path: 6202

Cancellation of overage or shortage is booked on the subsequent day and these entries are passed in the Inventory Memo GL.

Cancellation of overage booked related to 8 passbooks.

| Date | | Branch | GL Head | D r / C r | Amount | Generate d During | Remarks |
|----------|----------|--------------------------------|---------------------|-----------|------------------------------|-------------------|------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Branch where Overage is booked | Inventory Memo GL | Dr | 8 (Quantity * Denomination) | Online | Overage booked is cancelled |
| 05/01/05 | 05/01/05 | Branch where Overage is booked | Inventory Offset GL | Cr | 8(Quantity * Denomination) | Online | Corresponding matching entry |

Cancellation of Shortage booked related to 10 passbooks.

| Date | | Branch | GL Head | D r / C r | Amount | Generate d During | Remarks |
|----------|----------|---------------------------------|---------------------|-----------|-------------------------------|-------------------|------------------------------|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Branch where Shortage is booked | Inventory Memo GL | Dr | 10 (Quantity * Denomination) | Online | Shortage booked is cancelled |
| 05/01/05 | 05/01/05 | Branch where Shortage is booked | Inventory Offset GL | Cr | 10 (Quantity * Denomination) | Online | Corresponding matching entry |

GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU module of **Oracle FLEXCUBE** is used for uploading of files received from external systems. These systems are recorded in **Oracle FLEXCUBE** with unique System ID. The file to be uploaded has to be in specific format as per templates having unique File Type/Template ID, acceptable to Flexcube. Thus, any given file received from third party can be easily interpreted, if the unique system and file type id are uploaded in Flexcube.

GEFU upload files fall under two categories viz, BALD GEFU and Salary Upload file. The differences between the two are to the extent of the file formats as well as the manner in which the accounting entries are posted onto **Oracle FLEXCUBE**.

In case of BALDGEFU, for the specific External System Code, if the flag "Generate Bridge GL" in External File Setup Maintenance (FP: BAM54) is selected, the entries will be routed through intermediate GLs, which is Bridge System cash GL (Debit or Credit) for cash transactions and Internal Transfer GLs (Debit or Credit). These GLs are also maintained as part of the same setup. System will pass two entries for the consolidated amounts one for the debit and the other for the credit leg of the transaction. After having passed the consolidated entries, while debiting or crediting the actual accounts as per the GEFU file, system will pass individual reversal entries to Bridge System Cash Debit and Bridge System Cash Credit GLs. In case any individual entry posting fails, the offset entry will be posted either to Suspense debit or Suspense Credit GL depending on which leg (debit or credit) has failed to post successfully. If the flag "Generate Bridge GL" is not selected, the entries will not be routed through Bridge System Cash Debit and Bridge System Cash Credit GLs. However, if any individual entry posting fails, the offset entry will be directly posted either to Suspense debit or Suspense Credit GL depending on which leg (debit or credit) has failed to post successfully.

IB entries will not be bypassed with the routing of entries through Bridge System Cash Debit/Credit GLs.

In case of Salary uploads, entries will not be routed through Bridge System Cash Debit and Bridge System Cash Credit GLs. In case any individual entry posting fails, the offset entry will be directly posted either to Suspense debit or Suspense Credit GL depending on which leg (debit or credit) has failed to post successfully.

In all cases during the processing of the file, each debit or credit record in the GEFU file is processed independently and has no linkage as to whether corresponding debit and credit entries have been posted. As mentioned above if any transaction posting fails the amount will be posted to Suspense debit/credit GLs.

Global Assumptions

- Local Currency = CNY
- All transactions are posted in CNY

GENERIC EXTERNAL FILE UPLOAD (GEFU)

- SC is setup only in LCY (CNY)

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this manual are listed below along with the maintenance which is used for maintaining the same:

| Sr No | GL Head | Location of Setup |
|-------|------------------------------|---|
| 1 | CASA Asset / Liability GL | CHM01/ GL/ Liabilities balance |
| 2 | Internal Transfer Debit GL | BAM54/ GL Setup/ Internal Transfer Debit GL |
| 3 | Internal Transfer Credit GL | BAM54/ GL Setup/ Internal Transfer Credit GL |
| 4 | Bridge System Cash Debit GL | BAM54/ GL Setup/ Bridge System Cash Debit GL |
| 5 | Bridge System Cash Credit GL | BAM54/ GL Setup/ Bridge System Cash Credit GL |
| 6 | Inter branch GL | BAM08/GL Details / IB Credit or Debit Account |
| 7 | Suspense Debit GL | BAM54/ GL Setup/ Suspense Debit GL |
| 8 | Suspense Credit GL | BAM54/ GL Setup/ Suspense Credit GL |

- In case of BALDGEFU upload 3 debit and 5 credit transactions for the total amount of RMB 10,000 have been considered.
- In case of Salary Upload 1 debit (employer account) and 5 credit transactions for the total amount of RMB 20,000 have been considered.
- Only CASA accounts have been considered as part of debit and credit accounts.

GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU Upload – Transaction Scenarios

Fund transfer to multiple CASA accounts from a single CASA account with Generate Bridge GL Flag checked

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer Bridge GL | Cr | CNY200 | 200 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer Bridge GL | Dr | CNY100 | 100 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer Bridge GL | Dr | CNY100 | 100 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | online | |

Updation to cash GL through upload of ATM transactions. Handoff received from switch/ forwarder. Generate Bridge GL flag is selected. Cash withdrawal from 3 CASA accounts for CNY 100 each has been made.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | online | |

GENERIC EXTERNAL FILE UPLOAD (GEFU)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Bridge System Cash Credit GL | Cr | CNY600 | 600 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Bridge System Cash Debit GL | Dr | CNY200 | 200 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Bridge System Cash Debit GL | Dr | CNY200 | 200 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Bridge System Cash Debit GL | Dr | CNY200 | 200 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Branch Cash GL | Cr | CNY600 | 600 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Branch Cash GL | Dr | CNY200 | 200 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | Branch Cash GL | Dr | CNY200 | 200 | | |

GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU upload for Bill payment without Generate Bridge GL flag selected.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------------------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Utility Company's CASA Liability GL | Cr | CNY600 | 600 | | |

GEFU upload for Salary payment without Generate Bridge GL flag selected.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Employer's CASA Liability GL | Dr | CNY600 | 600 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | | |

GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU upload for Salary payment without Generate Bridge GL flag with one of the beneficiary account maintained with a different branch with Generate Interbranch GL Flag selected.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Employer's CASA Liability GL | Dr | CNY600 | 600 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interbranch GL | Dr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Account Branch | Interbranch GL | Cr | CNY200 | 200 | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Dr | CNY200 | 200 | | |

GEFU upload for Salary payment with Generate Bridge GL flag with two transactions, from credit leg being unsuccessful.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Employer's CASA Liability GL | Dr | CNY600 | 600 | Online | Funds transfer from employer's account |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer credit GL | Cr | CNY600 | 600 | Online | Transfer to bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer debit GL | Dr | CNY100 | 100 | Online | Reversal of bridge GL |

GENERIC EXTERNAL FILE UPLOAD (GEFU)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------------|---------|--------|---------|------------------|------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer debit GL | Dr | CNY100 | 100 | Online | Transfer to bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer debit GL | Dr | CNY100 | 100 | Online | Reversal of bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer debit GL | Dr | CNY100 | 100 | Online | Reversal of bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer debit GL | Dr | CNY100 | 100 | Online | Reversal of bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer debit GL | Dr | CNY100 | 100 | Online | Reversal of bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer debit GL | Dr | CNY100 | 100 | Online | Reversal of bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | Suspense Credit GL | Cr | CNY100 | 100 | Online | Failed Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | Suspense Credit GL | Cr | CNY100 | 100 | Online | Failed Transaction |

GENERIC EXTERNAL FILE UPLOAD (GEFU)

GEFU upload for Salary payment with Generate Bridge GL flag with Debit leg being unsuccessful.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Suspense Dedit GL | Dr | CNY600 | 600 | Online | Funds transfer from employer's account |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer credit GL | Cr | CNY600 | 600 | Online | Transfer to bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer dedit GL | Dr | CNY600 | 600 | Online | Transfer to bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Successful Transaction |

GENERIC EXTERNAL FILE UPLOAD (GEFU)

Batch

Global Assumptions

Note: All dates in DD/MM/YYYY

If the transaction branch and the account branch are the same, no Inter branch entries will be passed.

The various GLs used in this manual are listed below along with the maintenance which is used for maintaining the same:

| Sr No | GL Head | Location of Setup |
|-------|--------------------------|-----------------------------------|
| 1 | CASA Liability GL | CHM01/ GL/ Liabilities balance |
| 2 | CASA Asset GL | CHM01/ GL/ Asset balance |
| 3 | CASA Interest Expense GL | CHM01/ GL/ Interest Expense |
| 4 | CASA Interest Payable GL | CHM01/ GL/ Interest Payable |
| 5 | Payment GL | TDM01/ GL codes/ Payment GL |
| 6 | SC Income GL | BAM14/ SC GL Code |
| 7 | Rewards GL | BAM14/ SC GL Code (Expense GL) |
| 8 | Regular Deposit GL | TDM01/ GL codes/ Regular Deposits |
| 9 | TD Interest Accrued GL | TDM01/ GL codes/ Interest Accrued |
| 10 | TD Interest Accrued GL | TDM01/ GL codes/ Interest Payable |

| Sr No | GL Head | Location of Setup |
|--------------|---------------------------------|---|
| 11 | TD Interest Compounded GL | TDM01/ GL codes/ Interest compounded |
| 12 | TD Redemption GL | TDM01/ GL codes/ Redemption Payable |
| 13 | TD Maturity GL | TDM01/ GL codes/ Matured Deposits |
| 14 | TD Unclaimed GL | TDM01/ GL codes/ Unclaimed Deposits |
| 15 | Interest Expense GL | TDM01/ GL codes/ Interest Expense |
| 16 | TD Interest payable GL | TDM01/ GL codes/ Interest Payable |
| 17 | CASA Tax Withheld GL | BAM08/GL Details / Withholding Tax GL1 |
| 18 | CASA Tax Withheld Additional GL | BAM08/GL Details / Withholding Tax GL2 |
| 19 | TD Tax Withheld GL | TDM01/ GL Codes/Taxwithheld1/Base Tax |
| 20 | TD Tax Withheld Additional GL | TDM01/ GL Codes/Taxwithheld1/Additional Tax 1 |
| 21 | Account Turnover GL | Chart of account |
| 22 | RD Liability GL | CHM01/ GL/ Suspended Asset |
| 23 | RD Penalty Income GL | CHM01/ RD/ Penalty Income |
| 24 | RD Interest Expense GL | CHM01/ GL/ Suspended Asset |
| 25 | Interest write off expense GL | CHM01/ GL/ Write off |
| 26 | Suspended Asset GL | CHM01/ GL/ Suspended Asset |
| 27 | Interest Income GL | CHM01/ GL/ Interest Income |
| 28 | Suspended Interest Income GL | CHM01/ GL/ Suspended Interest |

| Sr No | GL Head | Location of Setup |
|--------------|----------------------------------|---|
| 29 | Interest Receivable GL | CHM01/ GL/ Interest Receivable |
| 30 | Suspended Interest Receivable GL | CHM01/ GL/ Suspended Asset |
| 31 | Write off expense GL | CHM01/ GL/ Write off |
| 32 | Bad Debt Reserve GL | CHM01/ GL/ Bad Reserve |
| 33 | Selected GL | No specific location set up |
| 34 | Inter branch GL | BAM08/GL Details / IB Credit or Debit Account |
| 35 | Accounts payable GL | BAM78/ Accounts payable GL |
| 36 | Bridge System cash credit GL | BAM54/GL Setup / Bridge System cash Credit GL |
| 37 | Bridge System cash Debit GL | BAM54/GL Setup / Bridge System cash Debit GL |
| 38 | Internal Transfer Debit GL | BAM54/GL Setup / Internal Transfer Debit GL |
| 39 | Internal Transfer Credit GL | BAM54/GL Setup / Internal Transfer Credit GL |
| 40 | Forwarder Settlement GL | Forwarder Settlement GL |
| 41 | ATM cash GL | ATM01/ ATM Cash GL |
| 42 | Outgoing Remit GL | ATM02/ Outgoing Remit GL |
| 43 | Incoming Remit GL | ATM02/ Incoming Remit GL |
| 44 | FCY Cash GL | GLM02/ GL Details |
| 45 | Cash GL | BAM08/GL Details / Bank Cash GL |
| 46 | Tax Remitted to GL | BAM08/GL Details / Tax GL of the collecting branch that finally remits tax to the Local Tax Authority |

Transaction Scenarios

OD Collateral Maintenance – Fast Path: CHM06

Service charge of CNY 10 recovered from the CASA OD Account where collateral was attached

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/Liability GL | Dr | CNY10 | 10 | EOD | Amount recovered for collateral attachment |
| 01/01/10 | 01/01/10 | Transaction Branch | SC Income GL | Cr | CNY10 | 10 | EOD | Transferred to income |

Single Account Transfer – Fast Path: BA995

Single Account transfer from Branch A to Branch B.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/Liability GL | Dr | CNY100 | 100 | Online | Account with balance of CNY 100 |
| 01/01/10 | 01/01/10 | Transaction Branch | Interbranch GL of branch A | Cr | CNY100 | 100 | EOD | Intermediate entry for IB txn |
| 01/01/10 | 01/01/10 | Account Branch | Interbranch GL of branch B | Dr | CNY100 | 100 | EOD | Intermediate entry for IB txn |
| 01/01/10 | 01/01/10 | Account Branch | CASA Asset/Liability GL | Cr | CNY100 | 100 | Online | Account with balance of CNY 100 transferred |

Third party Collection/Remittance Funds Transfer Request – Fast Path: BAM79

Insurance premium collected from a CASA OD Account

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|--------------------|--|-------------------|--------|-------------|----------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset GL | Dr | CNY100 | 100 | Online | Insurance premium collected |
| 01/01/10 | 01/01/10 | Transaction Branch | Accounts Payable GL | Cr | CNY100 | 100 | Online | Parked in the intermediate account |
| 01/01/10 | 01/01/10 | Account Branch | Accounts Payable GL | Dr | CNY100 | 100 | EOD | Withdrawal from intermediate account |
| 01/01/10 | 01/01/10 | Account Branch | CASA Asset/Liability GL of the insurance company | Cr | CNY100 | 100 | EOD | Appropriation by trf to insurance company |

File Upload (GEFU++) - Fast Path: BA452

Fund transfer to multiple CASA accounts from a single CASA account with Generate Bridge GL Flag checked

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------------|---------------|--------|-------------|---------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | Online | Originating debit for transfer |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer Bridge GL | Cr | CNY200 | 200 | Online | Consolidated entry |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------------|---------|--------|---------|------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer Bridge GL | Dr | CNY100 | 100 | Online | Reversal of consolidated entry |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Destination account |
| 01/01/10 | 01/01/10 | Transaction Branch | Internal Transfer Bridge GL | Dr | CNY100 | 100 | Online | Reversal of consolidated entry |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Destination account |

File Upload (GEFU++) - Fast Path: BA452

Salary Credit through GEFU Upload

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | Online | Transfer from account |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Beneficiary account |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Beneficiary account |

ATM Transfer by POS Remote on us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | EOD | Account using other ATM of the network |
| 01/01/10 | 01/01/10 | Transaction Branch | Forwarder settlement GL | Cr | CNY200 | 200 | EOD | Transfer to forwarder |

Deposit Reversal Txn

Cash deposit of CNY 200 Reversed

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | Online | CASA where cash deposit was made in the original transaction |
| 01/01/10 | 01/01/10 | Transaction Branch | Cash GL | Cr | CNY200 | 200 | Online | Cash reduced by deposit amount |

TD Redemption on maturity as per payout instruction

Instruction to Xfer to CASA

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|--------------------|---------------------|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued GL | Dr | CNY100 | 100 | EOD | Accrued interest |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Cr | CNY100 | 100 | EOD | Transfer to Interest payable |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Dr | CNY100 | 100 | BOD | Transfer from Interest payable |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Cr | CNY100 | 100 | BOD | To redemption |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Liability GL | Dr | CNY1000 | 1000 | BOD | Principal portion |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Cr | CNY1000 | 1000 | BOD | Principal transfer to redemption |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Dr | CNY1100 | 1100 | BOD | Redeemable amount after adding interest |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Maturity GL | Cr | CNY1100 | 1100 | BOD | Total transferred to maturity GL |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Maturity GL | Dr | CNY1100 | 1100 | BOD | From maturity GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Cr | CNY1100 | 1100 | BOD | Intermediate GL before making actual payment |

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|---------|---------|------------------|-------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Dr | CNY1100 | 1100 | BOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY1100 | 1100 | BOD | Transfer to CASA as per instruction |

Matured Deposit Renewal Reversal

Matured deposit of CNY 1000 Reversed and parked back to maturity GL

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|---------|---------|------------------|------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Liability GL | Dr | CNY1000 | 1000 | EOD | TD created post renewal |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Maturity GL | Cr | CNY1000 | 1000 | EOD | Transfer back to maturity GL |

Capitalization of Service charge

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | 100 | EOD | Account from which SC is recovered |
| 01/01/10 | 01/01/10 | Transaction Branch | SC Income GL | Cr | CNY100 | 100 | EOD | SC credited to income |

ATM. Cash withdrawal On Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------|---------|--------|---------|------------------|-------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | 100 | online | CASA account using ATM |
| 01/01/10 | 01/01/10 | Transaction Branch | ATM Cash GL | Cr | CNY100 | 100 | online | ATM cash GL updated post withdrawal |

ATM. Funds Xfer. Debit.On Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------|---------|--------|---------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | 100 | EOD | CASA account using the facility |
| 01/01/10 | 01/01/10 | Transaction Branch | Outgoing Remit GL | Cr | CNY100 | 100 | EOD | Fund parked for remittance |

ATM. Funds Xfer. Credit.On Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------|---------|--------|---------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Incoming Remit GL | Dr | CNY100 | 100 | EOD | Parked incoming funds |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Cr | CNY100 | 100 | EOD | Transfer to beneficiary account |

ATM. Funds Xfer. Credit.Remote On Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Forwarder settlement GL | Dr | CNY100 | 100 | EOD | Parked incoming funds |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Cr | CNY100 | 100 | EOD | Beneficiary account |

ATM. Cash withdrawal settlement on Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | 100 | Online | CASA holder using ATM |
| 01/01/10 | 01/01/10 | Transaction Branch | ATM Cash GL | Cr | CNY100 | 100 | Online | Cash dispensed from ATM |

ATM. Cash withdrawal settlement remote on Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Forwarder settlement GL | Dr | CNY100 | 100 | EOD | Withdrawal amount accounted to Forwarder's GL |
| 01/01/10 | 01/01/10 | Transaction Branch | ATM Cash GL | Cr | CNY100 | 100 | EOD | Cash Dispensed |

Funds transfer debit Remote On Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | 100 | EOD | Transferor's CASA |
| 01/01/10 | 01/01/10 | Transaction Branch | Forwarder settlement GL | Cr | CNY100 | 100 | EOD | Parked to forwarder's GL for onward remittance to beneficiary |

ATM. Cash withdrawal with forwarder in foreign currency (Assumed CNY 100 equivalent to USD 10)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Forwarder settlement GL | Dr | CNY100 | 100 | EOD | Forwarder's GL on behalf of user's account |
| 01/01/10 | 01/01/10 | Transaction Branch | ATM Cash GL | Cr | CNY100 | 100 | EOD | Cash under ATM updated |
| 01/01/10 | 01/01/10 | Transaction Branch | ATM Cash GL | Dr | CNY100 | 100 | online | |
| 01/01/10 | 01/01/10 | Transaction Branch | FCY Cash GL | Cr | USD100 | 100 | online | FCY cash dispensed |

POS Merchandise Remote On Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Forwarder settlement GL | Dr | CNY100 | 100 | EOD | Forwarder's account debited on behalf of Buyer's account |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Cr | CNY100 | 100 | EOD | Sale proceed to merchant's account |

Matured Deposit Renewal transaction

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|---------|---------|------------------|------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Cr | CNY1100 | 1100 | BOD | To Redemption amount on maturity |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Dr | CNY1100 | 1100 | BOD | From Redemption amount on maturity |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Maturity GL | Cr | CNY1100 | 1100 | BOD | To maturity GL |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Maturity GL | Dr | CNY1100 | 1100 | BOD | From maturity GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Cr | CNY1100 | 1100 | BOD | To intermediate GL |

Transaction Scenarios

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|--------------------|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Payment GL | Dr | CNY1100 | 1100 | EOD | From intermediat e GL at EOD |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Liability GL | Cr | CNY1100 | 1100 | EOD | New deposit from maturity proceeds |

TD Interest capitalization

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|--------------------------------|-------------------|--------|-----------------|----------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY - CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Accrued GL | Dr | CNY100 | 100 | BOD | Accrued interest |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Compoundin g GL | Cr | CNY100 | 100 | BOD | Transfer to Compoundin g |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Compoundin g GL | Dr | CNY100 | 100 | BOD | From Compoundin g GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Cr | CNY100 | 100 | BOD | To Interest payable |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Dr | CNY100 | 100 | BOD | From Interest payable |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Liability GL | Cr | CNY100 | 100 | BOD | To Liability GL |

TD Redemption on Maturity

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|-------------------------|-------------------|-------------|-------------|----------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Accrued GL | Dr | CNY100 | 100 | BOD | Accrued interest |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Cr | CNY100 | 100 | BOD | To Interest payable |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Dr | CNY100 | 100 | BOD | From Interest payable |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Cr | CNY100 | 100 | BOD | To Redemptio n amount on maturity |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Liability GL | Dr | CNY100 0 | 1000 | BOD | Principal portion of Deposit |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Cr | CNY100 0 | 1000 | BOD | From Redemptio n amount on maturity |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Dr | CNY110 0 | 1100 | BOD | Total proceeds transferred to Redemptio n GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Maturity GL | Cr | CNY110 0 | 1100 | BOD | Payment routed through maturity GL |

TD post maturity interest processing, applicable PMI of CNY 10

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|---------------------------|-------------------|-------------|-------------|----------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Expense GL | Dr | CNY100 | 100 | EOD | Accrued interest charged to Expense GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Accrued GL | Cr | CNY100 | 100 | EOD | To accrued GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Accrued GL | Dr | CNY100 | 100 | BOD | From Accrued GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Cr | CNY100 | 100 | BOD | Accrued interest routed through interest payable |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Dr | CNY100 | 100 | BOD | Interest transfer from Interest payable GL to Redemptio n GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Cr | CNY100 | 100 | BOD | Interest portion transferred to Redemptio n GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Liability GL | Dr | CNY100 0 | 1000 | BOD | Principal portion of deposit |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Cr | CNY100 0 | 1000 | BOD | Principal transfer to redemption GL |

Transaction Scenarios

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|--|----------|------------------------|---------------------------|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Dr | CNY1000 | 1000 | BOD | Net redeemable proceeds transferred to maturity GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Maturity GL | Dr | CNY1100 | 1100 | BOD | Final payment to maturity GL |
| Post Maturity (Same set of GLs for Expense and accrual) | | | | | | | | |
| 01/01/10 | 05/01/10 | Transactio n Branch | Interest Expense GL | Dr | CNY10 | 10 | EOD | Post maturity interest charged to expense GL |
| 01/01/10 | 05/01/10 | Transactio n Branch | Interest Payable GL | Cr | CNY10 | 10 | EOD | Charged interest routed through Interest payable GL |
| 01/01/10 | 05/01/10 | Transactio n Branch | Interest Payable GL | Dr | CNY10 | 10 | BOD | From Interest payable GL |
| 01/01/10 | 05/01/10 | Transactio n Branch | TD Payment GL | Cr | CNY10 | 10 | BOD | Net PMI transferred to intermediate GL |

TD tax recovery on accrual basis

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued GL | Dr | CNY100 | 100 | EOD | Tax recoverable portion from Accrued GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Tax withheld GL | Cr | CNY20 | 20 | EOD | Recovered tax transfer to main tax payable head |
| 01/01/10 | 01/01/10 | Transaction Branch | Tax withheld Additional GL | Cr | CNY10 | 10 | EOD | Remaining portion of recovered tax transferred to additional tax withheld GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Cr | CNY70 | 70 | EOD | Net interest after tax recovered. |

Tax Remittance

The following accounting entries depict the functionality of tax being collected by branches in local or foreign currencies and conversion of tax collected in foreign currency into local currency. Further these branches may either be the tax remitting (remit to a centralized branch) or a tax collecting branch (collect tax centrally from all branches and finally remit it to the Tax authorities)

Tax deducted from CASA/ TD account in LCY

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|--|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Asset/ Liability/ TD Liability GL | Dr | CNY 400 | 400 | EOD | Tax recovered from CASA/TD accounts (LCY) by the account branch |
| 01/01/10 | 01/01/10 | Account Branch | Withholding Tax GL 1/Tax withheld 1 GL | Cr | CNY 400 | 400 | EOD | Tax recovered from CASA/TD accounts (LCY) by the account branch |

Transaction Scenarios

Tax deducted from CASA/ TD account in FCY

Assumptions:

LCY=CNY

Tax Currency is FCY – USD

1 USD = 6.7 CNY

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|--|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY | | |
| 20/02/09 | 20/02/09 | Account Branch | CASA Asset/ Liability/ TD Liability GL | Dr | USD 100 | CNY 670 | EOD | Tax recovered from CASA/TD accounts (FCY) by the account branch |
| 20/02/09 | 20/02/09 | Account Branch | Withholding Tax GL 1/Tax withheld 1 GL | Cr | USD 100 | CNY 670 | EOD | Tax recovered from CASA/TD accounts (FCY) by the account branch |

Conversion of tax collected in FCY (USD) into LCY (CNY)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|-------------------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY | | |
| 20/02/09 | 20/02/09 | Account Branch | Withholding Tax GL 1/Tax withheld 1 | Dr | USD 100 | CNY 670 | EOD | Tax recovered from CASA/TD accounts (FCY) converted to LCY |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|-------------------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY | | |
| 20/02/09 | 20/02/09 | Account Branch | FX Settlement and Sale GL | Cr | USD 100 | CNY 670 | EOD | Tax recovered from CASA/TD accounts (FCY) converted to LCY |
| 20/02/09 | 20/02/09 | Account Branch | FX Settlement and Sale GL | Dr | CNY 670 | CNY 670 | EOD | Reversal |
| 20/02/09 | 20/02/09 | Account Branch | Withholding Tax GL 1/Tax withheld 1 | Cr | CNY 670 | CNY 670 | EOD | Converted LCY Tax |

Branch remits tax to the Tax collecting branch (Tax in LCY including the above converted LCY tax)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-------------------|-------------------------------------|---------|--------------------|----------|------------------|---|
| Posting | Value | | | | TCY | LCY | | |
| 20/02/09 | 20/02/09 | Remitting Branch | Withholding Tax GL 1/Tax withheld 1 | Dr | CNY 1070 (400+670) | CNY 1070 | EOD | Remitting branch transfers tax to the collecting branch |
| 20/02/09 | 20/02/09 | Remitting Branch | Interbranch GL | Cr | CNY 1070 (400+670) | CNY 1070 | EOD | Originating entry (remitting branch) |
| 20/02/09 | 20/02/09 | Collecting Branch | Interbranch GL | Dr | CNY 1070 (400+670) | CNY 1070 | EOD | Responding entry (collecting branch) |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-------------------|--------------------|---------|-----------------------|----------|------------------|---|
| Posting | Value | | | | TCY | LCY | | |
| 20/02/09 | 20/02/09 | Collecting Branch | Tax remitted to GL | Cr | CNY 1070 (400+670) | CNY 1070 | EOD | Tax collected by collecting branch for onward remittance to Local Tax Authority |

Tax remitting branch remits tax to Local Tax Authority

Manual Entry

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-------------------|------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY | | |
| 20/02/09 | 20/02/09 | Collecting Branch | Tax remitted to GL | Dr | CNY 400 | CNY 400 | Online | Collecting branch transfers tax to Local Tax Authority |
| 20/02/09 | 20/02/09 | Collecting Branch | Local tax authority GL | Cr | CNY 400 | CNY 400 | Online | Local Tax Authority account credited |

Transaction Scenarios

Accounting entry if TDS Remittance (Fast Path: TDS10) screen is used for Tax Remittance

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|-------------------|--|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY | | |
| 20/02/09 | 20/02/09 | Collecting Branch | Tax remitted to GL | Dr | CNY 400 | CNY 400 | Online | Collecting branch transfers tax to Local Tax Authority |
| 20/02/09 | 20/02/09 | Collecting Branch | GL / CASA (As inputted in TDS10screen) | Cr | CNY 400 | CNY 400 | Online | Local Tax Authority account credited |

TD interest payout to CASA

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|--------|---------|------------------|-----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued GL | Dr | CNY100 | 100 | BOD | Accrued Interest |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Cr | CNY100 | 100 | BOD | To Interest Payable |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Dr | CNY100 | 100 | BOD | From Interest Payable |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Cr | CNY100 | 100 | BOD | To Intermediate GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Dr | CNY100 | 100 | BOD | From intermediate GL |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------------|---------|--------|---------|------------------|------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Cr | CNY100 | 100 | BOD | To beneficiary Account |

TD Redemption on maturity as per payout instruction

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued GL | Dr | CNY100 | 100 | BOD | From Accrued Interest |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Cr | CNY100 | 100 | BOD | To Interest Payable |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Dr | CNY100 | 100 | BOD | From interest payable GL |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Cr | CNY100 | 100 | BOD | Redemption of interest component |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Liability GL | Dr | CNY1000 | 1000 | BOD | Redemption of principal |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Cr | CNY1000 | 1000 | BOD | Transfer of principal component of deposit to redemption GL |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Dr | CNY1100 | 1000 | BOD | From Redemption to Maturity GL |

Transaction Scenarios

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|--------------------------------|-------------------|---------|-------------|----------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Maturity GL | Cr | CNY1100 | 1100 | BOD | Total redeemable proceeds in maturity GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Maturity GL | Dr | CNY1100 | 1100 | BOD | From Maturity GL to intermediate GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | Payment GL | Cr | CNY1100 | 1100 | BOD | Proceeds transferred to intermediate payment GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | Payment GL | Dr | CNY1100 | 1100 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | CASA Asset/ Liability GL | Cr | CNY1100 | 1100 | BOD | To Beneficiary Account as per instruction |

TD Interest Accrual

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|--------|---------|------------------|-----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Expense GL | Dr | CNY100 | 100 | EOD | Expense booking for Accrual |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued GL | Cr | CNY100 | 100 | EOD | To Accrued GL |

TD Interest Compounding

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|--------|-----------|------------------|-----------------------------|
| Posting | Value | | | | TCY | LCY - CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Expense GL | Dr | CNY100 | 100 | EOD | Expense booking for Accrual |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued GL | Cr | CNY100 | 100 | EOD | Interest accrual |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued GL | Dr | CNY100 | 100 | BOD | From Accrued GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Compounding GL | Cr | CNY100 | 100 | BOD | Interest Compounding |

TD Tax refund by transfer to CASA

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|--------|---------|------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Tax withheld GL | Dr | CNY100 | 100 | Online | Originally deducted tax parked |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Cr | CNY100 | 100 | Online | Transferred to beneficiary CASA |

Tax deduction at source for Alternate account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | 100 | Online | Selected account for Tax Deduction |
| 01/01/10 | 01/01/10 | Transaction Branch | Tax withheld GL | Cr | CNY100 | 100 | Online | Tax recovered |

Regular Deposit Redemption Reversal

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Dr | CNY100 | 100 | EOD | CASA where the proceeds were originally transferred |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Cr | CNY100 | 100 | EOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Dr | CNY100 | 100 | EOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Maturity GL | Cr | CNY100 | 100 | EOD | |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|--------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Maturity GL | Dr | CNY100 | 100 | EOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Cr | CNY100 | 100 | EOD | Reversed to redemption GL |

TD Redemption by GL, with SC

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Redemption GL | Dr | CNY1100 | 1100 | BOD | TD redemption proceeds |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Maturity GL | Cr | CNY1100 | 1100 | BOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Maturity GL | Dr | CNY1100 | 1100 | BOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Cr | CNY1100 | 1100 | BOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Dr | CNY1100 | 1100 | BOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Income GL | Cr | CNY10 | 10 | BOD | SC deducted |
| 01/01/10 | 01/01/10 | Transaction Branch | Misc. GL | Cr | CNY1090 | 1090 | BOD | Net proceeds amount transferred as per instruction |

Penalty Capitalization

TD redemption and payout by Transfer to GL. TD being redeemed at maturity, with principal amount of CNY1000 and Interest CNY100. Penalty of CNY 5 is capitalized.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|--|----------|------------------------|-------------------------------|-------------------|--------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Compounde d GL | Dr | CNY30 | 30 | EOD | Penalty deducted |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Expense GL | Cr | CNY30 | 30 | EOD | Transferred to Expense GL |
| Reverse the Interest compounded but not paid | | | | | | | | |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Accrued GL | Dr | CNY10 | 10 | EOD | Accrual of interest |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Expense GL | Cr | CNY10 | 10 | EOD | |
| Reverse the Interest Accrued but not compounded | | | | | | | | |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Accrued GL | Dr | CNY10 | 10 | EOD | Reversal of accrual |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Expense GL | Cr | CNY10 | 10 | EOD | |
| Penalty capitalization | | | | | | | | |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Expense GL | Dr | CNY25 | 25 | EOD | Revised interest with penalty being recalculate d |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Cr | CNY25 | 25 | EOD | |

Transaction Scenarios

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|-------------------------|-------------------|--------|-------------|----------------------|---------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Dr | CNY25 | 25 | EOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Penalty Income GL | Cr | CNY5 | 5 | EOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Liability GL | Cr | CNY20 | 20 | EOD | |

Premature Payment with Penalty appropriation and tax deduction on payout

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|--|----------|------------------------|-------------------------------|-------------------|--------|-------------|----------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| Reverse the Interest compounded but not paid | | | | | | | | |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Compounde d GL | Dr | CNY30 | 30 | EOD | Compoundin g interest |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Expense GL | Cr | CNY30 | 30 | EOD | |
| Reverse the Interest Accrued but not compounded | | | | | | | | |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Accrued GL | Dr | CNY10 | 10 | EOD | Accrual Interest |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Expense GL | Cr | CNY10 | 10 | EOD | |
| Interest paid net of penalty | | | | | | | | |
| 01/12/09 | 01/12/09 | Transactio n Branch | Interest Expense GL | Dr | CNY25 | 25 | EOD | Reversal of interest with netting of penalty |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Cr | CNY25 | 25 | EOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Dr | CNY25 | 25 | EOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Tax withheld GL | Cr | CNY5 | 5 | EOD | |
| 01/12/09 | 01/12/09 | Transaction Branch | Payment GL | Cr | CNY20 | 20 | EOD | |

TD Credit Interest adjustment

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|--------|---------|------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Expense | Dr | CNY100 | 100 | EOD | Less Interest charged adjusted |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued | Cr | CNY100 | 100 | EOD | To Accrual |

TD Debit Interest adjustment

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------|---------|--------|---------|------------------|---------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Accrued | Dr | CNY100 | 100 | EOD | Excess interest recovered |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Expense | Cr | CNY100 | 100 | EOD | Transferred to Expense |

TD post maturity interest processing, applicable PMI of CNY 10 and its reversal

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|--|----------|------------------------|---------------------------|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Dr | CNY1100 | 1100 | BOD | Redemptio n of TD and transfer to maturity GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Maturity GL | Cr | CNY1100 | 1100 | BOD | |
| Post Maturity (Same set of GLs for Expense and accrual) | | | | | | | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Expense GL | Dr | CNY10 | 10 | EOD | Interest calculation post maturity |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Cr | CNY10 | 10 | EOD | |
| PMI Reversal | | | | | | | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Dr | CNY10 | 10 | EOD | Reversal of PMI by credit to expense GL |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Expense GL | Cr | CNY10 | 10 | EOD | |

Sweep out to TD

Sweep out from a CASA Account to a TD Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------|---------|--------|---------|------------------|---------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY100 | 100 | EOD | Funds transfer from CASA on Sweep out |
| 01/01/10 | 01/01/10 | Account Branch | Payment GL | Cr | CNY100 | 100 | EOD | Intermediate parking of payin amount |
| 01/01/10 | 01/01/10 | Account Branch | Payment GL | Dr | CNY100 | 100 | EOD | From intermediate GL to deposit GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Deposit Liability GL | Dr | CNY100 | 100 | EOD | Deposit creation |

Compensation Interest Credit to Alternate CASA

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|-------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Expense | Dr | CNY100 | 100 | EOD | Compensatory interest portion |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | EOD | Transfer to alternate CASA |

TD interest payout by Reinvesting into a new Deposit with added principal of CNY 1000

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|--|----------|------------------------|-------------------------|-------------------|-------------|-------------|----------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Accrued GL | Dr | CNY100 | 100 | BOD | TD redemption |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Cr | CNY100 | 100 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Payable GL | Dr | CNY100 | 100 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Cr | CNY100 | 100 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Liability GL | Dr | CNY100 0 | 1000 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Cr | CNY100 0 | 1000 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Redemptio n GL | Dr | CNY100 0 | 1000 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Maturity GL | Cr | CNY110 0 | 1100 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Maturity GL | Dr | CNY110 0 | 1100 | BOD | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Payment GL | Cr | CNY110 0 | 1100 | BOD | Redemptio n proceeds parked to intermediat e GL |
| Additional Principal Xfer from CASA | | | | | | | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | CASA Liability GL | Dr | CNY100 0 | 1000 | Online | Additional principal component transferred |

Transaction Scenarios

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|--|----------|------------------------|--------------------|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Payment GL | Dr | CNY1000 | 1000 | Online | |
| Deposit to Liability GL at EOD with added Principal | | | | | | | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Payment GL | Dr | CNY2100 | 2100 | EOD | Maturity proceeds and additional principal |
| 01/01/10 | 01/01/10 | Transactio n Branch | TD Liability GL | Cr | CNY2100 | 2100 | EOD | Total proceeds added to a new deposit A/c |

Unclaimed Deposit Processing

Single CASA Account with Balance of CNY 100 is to be marked Unclaimed

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|--------------------------------|-------------------|--------|-------------|----------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | CASA Asset/Liabilit y GL | Dr | CNY100 | 100 | EOD | CASA to be marked unclaimed |
| 01/01/10 | 01/01/10 | Transactio n Branch | Unclaimed GL | Cr | CNY100 | 100 | EOD | CASA outstandin g transferred to unclaimed GL |

TBS:Funds transfer request

Transfer Funds from Account A to Account B within the same Branch

| Date | Branch | GL | Dr | Amount | Generated | Remarks |
|------|--------|----|----|--------|-----------|---------|
|------|--------|----|----|--------|-----------|---------|

Transaction Scenarios

| Posting | Value | | Head | / Cr | TCY | LCY- CNY | During | |
|----------|----------|--------------------|-------------------|---------|--------|-------------|--------|-------------------------|
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY100 | 100 | EOD | Transfer from Account A |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | EOD | Transfer to Account B |

SC for Stop cheque Instruction

SC recovered at EOD for Stop Cheque instruction noted

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|------------|--------|-------------|------------------|--------------------------------------|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY100 | 100 | EOD | Cheque from CASA marked as 'stopped' |
| 01/01/10 | 01/01/10 | Transaction Branch | SC income GL | Cr | CNY100 | 100 | EOD | Transfer to income GL |

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Fund transfer to multiple CASA accounts from another single CASA account; with flg_genarte_bridge_gl 'Y'

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|------------|--------|-------------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY200 | 200 | Online | Provider CASA |
| 01/01/10 | 01/01/10 | Transaction Branch | Bridge GL | Cr | CNY200 | 200 | Online | Parked to Bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Bridge GL | Dr | CNY200 | 200 | Online | Reversal from Bridge GL |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Beneficiary Account |
| 01/01/10 | 01/01/10 | Transaction Branch | Bridge GL | Dr | CNY100 | 100 | Online | Reversal From Bridge GL |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | Online | Beneficiary Account |

Credit type adjustment on credit interest

Credit type adjustment of interest of CNY 100

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Expense GL | Dr | CNY100 | 100 | EOD | Adjusted interest to CASA |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/Liability GL | Cr | CNY100 | 100 | EOD | Less interest charged now being adjusted |

Accounting Entry on movement of standard asset to NPA, classification done from back date with reversal of applied and accrued interest. Clawback enabled

A CASA account with accrual frequency Monthly and capitalization frequency Quarterly. The CRR definition of the product specifies if the charged interest is in arrears for more than six months the account moves to NPA. Outstanding details as on the date of classification is as under. Outstanding in CASA OD (Excluding unserviced interest) - CNY1000 Interest arrear (Unserviced inters) for last six months - CNY100 Accrued Interest - CNY10

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|--|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | CASA Asset GL | Dr | CNY1000 | 1000 | EOD | Original outstandin g in CASA OD |
| 01/01/10 | 01/01/10 | Transactio n Branch | Suspende d Asset GL | Cr | CNY1000 | 1000 | EOD | On marking NPA |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Income GL | Dr | CNY100 | 100 | EOD | Charged interest in NPA |
| 01/01/10 | 01/01/10 | Transactio n Branch | Suspende d Interest Income GL | Cr | CNY100 | 100 | EOD | Interest moved to suspended |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Receivable GL | Dr | CNY10 | 10 | EOD | Accrued interest |
| 01/01/10 | 01/01/10 | Transactio n Branch | Suspende d Interest receivable GL | Cr | CNY10 | 10 | EOD | Accrued interest transferred after classifying as NPA |

Bill Payment

Bill Payment from CASA to a Utility Company. Service charge levied for the Txn.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY100 | 100 | Online | Bill amount |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY10 | 10 | Online | SC on bill |
| 01/01/10 | 01/01/10 | Transaction Branch | SC Income GL | Cr | CNY10 | 10 | EOD | Booked as income |
| 01/01/10 | 01/01/10 | Account Branch | Utility Company's Liability GL | Cr | CNY100 | 100 | Online | Bill amount to utility company's account |

ATM. Cash Deposit on Us

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|-----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | ATM Cash GL | Dr | CNY100 | 100 | Online | ATM cash updated on deposit |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Cr | CNY100 | 100 | Online | Deposit to CASA |

Rewards Credit

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Rewards GL | Dr | CNY100 | 100 | EOD | Rewards collected |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset/ Liability GL | Cr | CNY100 | 100 | EOD | Rewards proceeds Transferred to beneficiary CASA |

On write off of a CASA OD Bad asset . CASA OD is already in suspended GL

An unsecured NPA CASA OD account with outstanding of CNY 1000 in suspended asset GL . 50% provisioning were done over a period of time. The write off entry is :

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Write off expense GL | Dr | CNY500 | 500 | EOD | Writing off for the unprovided portion |
| 01/01/10 | 01/01/10 | Transaction Branch | Bad Debt Reserve GL | Dr | CNY500 | 500 | EOD | Provision for 50% |
| 01/01/10 | 01/01/10 | Transaction Branch | Suspended Asset GL | Cr | CNY1000 | 1000 | EOD | Adjusting the suspended asset |

On reverse movement of bad asset to standard asset

An unsecured NPA CASA OD account with outstanding of CNY 1000 in suspended asset GL . Total unpaid interest arrear of CNY 200 is recovered. The Account becomes standard asset.

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------------|---------|--------|---------|------------------|-----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Cash GL | Dr | CNY200 | 200 | EOD | Cash deposit in NPA account |
| 01/01/10 | 01/01/10 | Transaction Branch | Suspended Interest Income GL | Cr | CNY200 | 200 | EOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Suspended Interest Income GL | Dr | CNY200 | 200 | EOD | |

Transaction Scenarios

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|---------------------------|-------------------|---------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Income GL | Cr | CNY200 | 200 | EOD | Appropriatio n of interest arrears |
| 01/01/10 | 01/01/10 | Transactio n Branch | CASA Asset GL | Dr | CNY1000 | 1000 | EOD | Asset recognized as Standard |
| 01/01/10 | 01/01/10 | Transactio n Branch | Suspende d Asset GL | Cr | CNY1000 | 1000 | EOD | Suspended asset transferred as standard |

Credit type adjustment on credit interest

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|--------------------------------|-------------------|--------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Interest Expense GL | Dr | CNY100 | 100 | EOD | Adjustment amount separately debited from expense |
| 01/01/10 | 01/01/10 | Transactio n Branch | CASA Asset/Liabilit y GL | Cr | CNY100 | 100 | EOD | Amount appropriate d to CASA |

On provisioning for Bad Asset

A Secured CASA OD with outstanding of CNY 1000 on turning NPA and outstanding lying in suspended asset GL . We assume the required provision as per local regulatory norms is 10%. Provision of CNY100 is made in bank's book

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------|---------|--------|---------|------------------|--------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Write off expense GL | Dr | CNY100 | 100 | EOD | |
| 01/01/10 | 01/01/10 | Transaction Branch | Bad Debt Reserve GL | Cr | CNY100 | 100 | EOD | 10% provision of CNY1000 |

Tax Recovery from CASA

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------------|---------|--------|---------|------------------|----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Payable GL | Dr | CNY100 | 100 | EOD | Accrued Interest |
| 01/01/10 | 01/01/10 | Transaction Branch | Tax withheld GL | Cr | CNY20 | 20 | EOD | Base tax deducted |
| 01/01/10 | 01/01/10 | Transaction Branch | Tax withheld Additional GL | Cr | CNY10 | 10 | EOD | Additional tax |
| 01/01/10 | 01/01/10 | CASA Liability GL | CASA Liability GL | Cr | CNY70 | 70 | EOD | Net interest paid to the account |

CASA OD Penalty

SC as penalty for OD recovered

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------|---------|--------|---------|------------------|----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset GL | Dr | CNY100 | 100 | EOD | Penalty deducted |
| 01/01/10 | 01/01/10 | Transaction Branch | SC income GL | Cr | CNY100 | 100 | EOD | Penalty recovered paid to Income |

Reverse Service charge debit

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------|---------|--------|---------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | SC income GL | Dr | CNY100 | 100 | EOD | Charged SC |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset GL | Cr | CNY100 | 100 | EOD | Reversed by paying back to CASA |

Penalty for RD Debit

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|--------|---------|------------------|----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | RD Liability GL | Dr | CNY100 | 100 | EOD | Penalty deducted from RD account |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------|---------|--------|---------|------------------|-----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | RD Penalty Income GL | Cr | CNY100 | 100 | EOD | Deducted penalty booked as income |

Reversal of Penalty for RD

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|----------------------|---------|--------|---------|------------------|----------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | RD Penalty Income GL | Dr | CNY100 | 100 | EOD | Originally Charged penalty |
| 01/01/10 | 01/01/10 | Transaction Branch | RD Liability GL | Cr | CNY100 | 100 | EOD | Penalty paid back to RD |

RD Deposit by Draw down from CASA

RD Installment Deposit of CNY 100 by transfer from CASA

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY100 | 100 | EOD | Installment deducted from CASA |
| 01/01/10 | 01/01/10 | Transaction Branch | RD Liability GL | Cr | CNY100 | 100 | EOD | Installment paid to RD |

Matured RD transfer to CASA

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | RD Liability GL | Dr | CNY100 | 100 | EOD | Matured RD |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Cr | CNY100 | 100 | EOD | Paid to CASA, as per instruction |

VAT on SC

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY100 | 100 | EOD | CASA from where SC and VAT to be deducted |
| 01/01/10 | 01/01/10 | Transaction Branch | SC Income GL | Cr | CNY70 | 70 | EOD | Recovered SC paid to income GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Additional SC for VAT | Cr | CNY30 | 30 | EOD | Applicable VAT, recovered, is appropriated |

Suspended Interest write off debit

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY70 | 70 | EOD | CASA as standard asset |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|---------------------------|----------|--------------------|-------------------------------|---------|--------|---------|------------------|----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Income GL | Cr | CNY70 | 70 | EOD | Charged interest as income |
| On Classifying NPA | | | | | | | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest Income GL | Dr | CNY70 | 70 | EOD | Interest charged in derecognized |
| 01/01/10 | 01/01/10 | Transaction Branch | Suspended Interest Income GL | Cr | CNY70 | 70 | EOD | Interest suspended |
| On Write off | | | | | | | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Suspended Interest Income GL | Dr | CNY70 | 70 | EOD | Suspended interest |
| 01/01/10 | 01/01/10 | Transaction Branch | Interest write off expense GL | Cr | CNY70 | 70 | EOD | Interest is reduced from income |

FCN Transaction (TD payin in Foreign Currency)

Assume 10 USD is equivalent to 100 CNY

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------|---------|--------|---------|------------------|-------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | USD10 | 100 | Online | Provider account for TD Payin |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Cr | CNY100 | 100 | Online | Intermediate GL |
| 01/01/10 | 01/01/10 | Transaction Branch | Payment GL | Cr | CNY100 | 100 | EOD | Intermediate GL |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|--------|---------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Liability GL | Cr | USD10 | 100 | EOD | Converted to USD and payin done |

Depreciation Transaction

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Depreciation Expense GL | Dr | CNY100 | 100 | EOD | Depreciation amount deducted from Expense |
| 01/01/10 | 01/01/10 | Transaction Branch | Fixed Asset GL | Cr | CNY100 | 100 | EOD | Reduced from net block |

SC Capitalization

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-------------------------------|---------|--------|---------|------------------|---------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY10 | 10 | EOD | Charges for Account maintenance |
| 01/01/10 | 01/01/10 | Transaction Branch | Account Master Maintenance GL | Cr | CNY10 | 10 | EOD | Appropriated to Income |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Liability GL | Dr | CNY10 | 10 | EOD | SC for Statement |

Transaction Scenarios

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|------------------------|-------------------|--------|-------------|----------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Statement SC GL | Cr | CNY10 | 10 | EOD | Appropriate d to Income |
| 01/01/10 | 01/01/10 | Transactio n Branch | CASA Liability GL | Dr | CNY10 | 10 | EOD | SC for Account recovered |
| 01/01/10 | 01/01/10 | Transactio n Branch | Account Turnover GL | Cr | CNY10 | 10 | EOD | Appropriate d as income |

SC Amortization

SC Billing transaction initiated for CASA where amortization flag is selected at definition level.

Daily amortization of charged SC amount of CNY149 over a period of 30 days

Transaction GL entry at the end of defined frequency of amortization.

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|---------------------------|-------------------|--------|-------------|----------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/11 | 01/01/11 | Transactio n Branch | CASA Liability | Dr | CNY149 | 149 | EOD | Billed SC to CASA |
| 01/01/11 | 01/01/11 | Transactio n Branch | SC Amortizatio n GL | Cr | CNY149 | 149 | EOD | Transfer to amortizatio n GL (not same as SC income GL) |

*Amortized amount of last day of amortization (i.e. one day less than the term of amortization) = total Amortization amount – accumulated amortized amount until two days before the end date of amortization

Amortization GL entries :

GL Entries passed for Amortization on daily basis

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--------------------|---------|----------|----------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/11 | 01/01/11 | Transaction Branch | SC Amortization GL | Dr | CNY 4.97 | CNY 4.97 | EOD | Amortized SC booked as income |
| 01/01/11 | 01/01/11 | Transaction Branch | SC Income GL | Cr | CNY 4.97 | CNY 4.97 | EOD | Transfer to SC income GL on expiry of amortization term. |

TD Unclaimed Transfer

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|-----------------|---------|--------|---------|------------------|---------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Maturity GL | Dr | CNY100 | 100 | EOD | Matured TD without payout instruction |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Unclaimed GL | Cr | CNY100 | 100 | EOD | Transferred as unclaimed |

TD add uncollected interest to Principal

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|------------------------|---------|--------|---------|------------------|--------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Interest payable GL | Dr | CNY100 | 100 | EOD | Uncollected interest recovered |
| 01/01/10 | 01/01/10 | Transaction Branch | TD Liability GL | Cr | CNY100 | 100 | EOD | Paid to Deposit account |

Scenario based Cases for Sweep In and Sweep Out**Scenario1 - Event-based sweep-out**Parent (Beneficiary) Account **A**Child (Provider) Account **B**

Set up in Oracle FLEXCUBE - CHM32 Sweep Out Maintenance

Sweep-out instructions set up on Account B

| Sweep-out Type | Execution Type | Frequency | Sweep out Time (Only for Time Specific) | Minimum Balance to be Retained | Maximum Sweep-out Amount | Minimum Sweep-out Amount | Threshold Amount (reverse sweep out) or Upper Limit (for event-based sweep-out) | Fixed Amount | Sweep-out %age |
|----------------|----------------|-----------|---|--------------------------------|--------------------------|--------------------------|---|--------------|----------------|
| Normal | Event based | N.A. | N.A. | 10000 RMB | 0 | 0 | 0 | 0 | 0 |

Transactions in account B

| Date | Time | Transaction | Dr/Cr | Transaction Amount | Balance | Remarks |
|----------|----------|---------------------------|-------|--------------------|---------|--|
| 01-01-10 | 10:00 AM | Initial Pay-in to CA1 | Cr | 10000 | 10000 | Sweep-out did not occur, "10000" limit not breached. |
| 02-01-10 | 11:00 AM | Cash Deposit to CA1 | Cr | 45000 | 55000 | |
| 02-01-10 | | Sweep-out from CA1 to PA1 | Dr | 45000 | 10000 | Sweep-out occurred, "10000" limit breached. |

Scenario2 – Specific time sweep-out

Parent (beneficiary) Account **A**

Child (provider) Account **B**

Set up in Oracle FLEXCUBE - CHM32-Normal Sweep-Out Maintenance

Sweep-out instructions set up on CA1:

| Instruction # | Sweep-out Type | Execution Type | Frequency | Sweep out Time (Only for Time Specific) | Minimum Balance to be Retained | Maximum Sweep-out Amount | Minimum Sweep-out Amount | Threshold Amount (reverse sweep out) or Upper Limit (for event-based sweep-out) | Fixed Amount | Sweep-out %age |
|---------------|----------------|----------------|-----------|---|--------------------------------|--------------------------|--------------------------|---|--------------|----------------|
| 1 | Normal | Specific Time | Daily | 10:00 AM | 10000 RMB | 0 | 0 | 0 | 0 | 0 |
| 2 | Normal | Specific Time | Daily | 12:00 Noon | 10000 RMB | 0 | 0 | 0 | 0 | 0 |

Transactions in account B

| Date | Time | Transaction | Dr/Cr | Transaction Amount | Balance | Remarks |
|----------|----------|-----------------------|-------|--------------------|---------|--|
| 01-01-10 | 10:00 | None | NA | NA | 0 | At 10:00 AM, instr 1 does not execute because Min Bal 10000 is not breached. |
| 01-01-10 | 10:15 AM | Initial Pay-in to CA1 | Cr | 10000 | 10000 | |
| 02-01-10 | 11:00 AM | Cash Deposit to CA1 | Cr | 45000 | 55000 | |

Transaction Scenarios

| Date | Time | Transaction | Dr/Cr | Transaction Amount | Balance | Remarks |
|----------|------------|---------------------------|-------|--------------------|---------|--|
| 02-01-10 | 12:00 Noon | Sweep-out from CA1 to PA1 | Dr | 45000 | 10000 | Instr 2 for 12:00 Noon executes because Min Bal setup of 10000 has been breached |

Scenario – 3 Specific time sweep-out

Parent (provider) Account **A**

Child (beneficiary) Account **B**

Set up in Oracle FLEXCUBE - CHM32-Reverse Sweep Out Maintenance

Sweep-out instructions set up on B:

| Instruction # | Sweep-out Type | Execution Type | Frequency | Sweep out Time (Only for Time Specific) | Minimum Balance to be Retained | Maximum Sweep-out Amount | Minimum Sweep-out Amount | Threshold Amount (reverse sweep out) or Upper Limit (for event-based sweep-out) | Fixed Amount | Sweep-out %age |
|---------------|----------------|----------------|-----------|---|--------------------------------|--------------------------|--------------------------|---|--------------|----------------|
| 1 | Reverse | Specific Time | Daily | 10:00 AM | NA | NA | NA | 10000 | 0 | 0 |
| 2 | Reverse | Specific Time | Daily | 12:00 Noon | NA | NA | NA | 10000 | 0 | 0 |

Transactions in child account B

| Date | Time | Transaction | Dr/Cr | Transaction Amount | Balance | Remarks |
|----------|------------|-----------------------|-------|--------------------|---------|--|
| 01-01-10 | 10:00 | None | NA | NA | 0 | At 10:00 AM, instr 1 does not execute because Min Bal 10000 is not breached. |
| 01-01-10 | 10:15 AM | Initial Pay-in to B | Cr | 10000 | 10000 | |
| 02-01-10 | 11:00 AM | Cash Deposit to B | Cr | 45000 | 55000 | |
| 02-01-10 | 12:00 Noon | Sweep-out from B to A | Dr | 45000 | 10000 | Instr 2 for 12:00 Noon executes because Min Bal setup of 10000 has been breached |
| 03-01-10 | 09:00 AM | Cash Deposit to B | Cr | 25000 | 35000 | |
| 03-01-10 | 10:00 AM | Sweep-out from B to A | Dr | 25000 | 10000 | Instr 1 for 10:00 AM executes because Min Bal setup of 10000 has been breached |

Transaction Scenarios

| Date | Time | Transaction | Dr/Cr | Transaction Amount | Balance | Remarks |
|----------|------------|----------------------|-------|--------------------|---------|---|
| 03-01-10 | 10.30 AM | Sweep-in from A to B | Cr | 10000 | 20000 | Net sweep amt at this point for CA1 is 70000 (45000 + 25000). Hence sweep-in from A to B is successful. After this sweep-in Net sweep amt for CA1 is 60000 (45000+25000-10000). |
| 03-01-10 | 10.30 A.M. | Cash Withdrawal | Dr | 20000 | 0 | Account has gone below the defined threshold amount of 10000 |

Transaction Scenarios

| Date | Time | Transaction | Dr/Cr | Transaction Amount | Balance | Remarks |
|----------|----------|-------------------------------|-------|--------------------|---------|--|
| 03-01-10 | 12.00 AM | Reverse Sweep-out from A to B | Cr | 10000 | 10000 | Reverse sweep-out from A to B is done to meet the threshold amount of 10000 Net sweep amount at this point for CA1 is 50000 (45000 + 25000 – 10000 - 10000) |
| 04-01-10 | 08.30 AM | Cash Withdrawal of 65000 in B | NA | NA | 10000 | Sweep-in from A does not execute because Net sweep amount for B is 50000 + available balance 10000 = 60000. The cash withdrawal is for 65000 deficit of 5000 |

1. If 'Sweep in at' option is chosen as EOD, then following new accounting entries are proposed.

At the time of, sweep in instruction execution:

| Date | Branch | GL Head | Dr | Amount | Generated | Remarks |
|------|--------|---------|----|--------|-----------|---------|
|------|--------|---------|----|--------|-----------|---------|

Transaction Scenarios

| Posting | Value | | | / Cr | TCY | LCY-CNY | During | |
|----------|----------|----------|-----------------------------------|------|----------|----------|--------|--|
| 01/01/10 | 01/01/10 | Branch 1 | Intermediate GL | Dr | RMB 1000 | RMB 1000 | Online | |
| 01/01/10 | 01/01/10 | Branch 1 | Beneficiary CASA A/c Liability GL | Cr | RMB 1000 | RMB 1000 | Online | |

In EOD:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|-----------------------------------|---------|----------|----------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch 1 | Provider CASA A/c Liability GL | Dr | RMB 1000 | RMB 1000 | EOD | |
| 01/01/10 | 01/01/10 | Branch 1 | Beneficiary CASA A/c Liability GL | Cr | RMB 1000 | RMB 1000 | EOD | |

In EOD:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|--------------------------------|---------|----------|----------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch 1 | Provider CASA A/c Liability GL | Dr | RMB 1000 | RMB 1000 | EOD | |
| 01/01/10 | 01/01/10 | Branch 1 | Intermediate GL | Cr | RMB 1000 | RMB 1000 | EOD | |

- In case, beneficiary and provider accounts are belonging to different branches, then intermediate GL belonging to beneficiary account's branch will always be used. This is explained with an example below.

Assume Beneficiary CASA is of Branch XXXX.

Provider CASA is of Branch YYYY.

Then accounting entries which will be passed are as below.

At the time of, sweep in instruction execution:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|-----------------------------------|---------|------------|------------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch 1 | Intermediate GL | Dr | RMB 450 | RMB 450 | Online | |
| 01/01/10 | 01/01/10 | Branch 1 | Beneficiary CASA A/c Liability GL | Cr | RMB 450 | RMB 450 | Online | |

In EOD:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|-----------------------------------|---------|------------|------------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch 1 | Provider CASA A/c Liability GL | Dr | RMB 450 | RMB 450 | EOD | |
| 01/01/10 | 01/01/10 | Branch 1 | IB GL | Cr | RMB 450 | RMB 450 | EOD | |
| 01/01/10 | 01/01/10 | Branch 1 | IB GL | Dr | RMB 450 | RMB 450 | EOD | |
| 01/01/10 | 01/01/10 | Branch 1 | Beneficiary CASA A/c Liability GL | Cr | RMB 450 | RMB 450 | EOD | |

In EOD:

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------|--------------------------------|---------|------------|------------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch 1 | Provider CASA A/c Liability GL | Dr | RMB 450 | RMB 450 | EOD | |
| 01/01/10 | 01/01/10 | Branch 1 | Intermediate GL | Cr | RMB 450 | RMB 450 | EOD | |

Dormant Account Processing

TD account is marked dormant

| Date | | Branch | GL Head | D r/ C r | Amount | | Generate d During | Remarks |
|----------|----------|------------------------|--|-------------------|---------|-------------|----------------------|---|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Matured Deposit / Redemptio n Payable GL | Dr | CNY1000 | 1000 | EOD | Matured TD, with no appropriatio n of maturity proceeds |
| 01/01/10 | 01/01/10 | Transactio n Branch | Dormant Deposit Credit GL | Cr | CNY1000 | 1000 | EOD | Transfer on classifying an account as dormant. |

On reactivation from dormancy to normal account.

| Date | | Branch | GL Head | D r/ C r | Amount | | Gener ated During | Remarks |
|----------|----------|------------------------|--|-------------------|---------|-------------|-------------------------|--|
| Posting | Value | | | | TCY | LCY -CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Dormant Deposit Credit GL | Dr | CNY1000 | 1000 | EOD | Dormant TD on becoming normal A/c |
| 01/01/10 | 01/01/10 | Transactio n Branch | Matured Deposit / Redemptio n Payable GL | Cr | CNY1000 | 1000 | EOD | Transfer on TD account becoming normal. |

Transfer to Unclaimed Status

| Date | | Branch | GL Head | D r/ C r | Amount | | Gener ated During | Remarks |
|----------|----------|------------------------|--|-------------------|---------|-------------|-------------------------|--|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Matured Deposit / Redemptio n Payable GL | D r | CNY1000 | 1000 | EOD | Dormant TD on becoming normal A/c |
| 01/01/10 | 01/01/10 | Transactio n Branch | Unclaimed Deposit Credit GL | C r | CNY1000 | 1000 | EOD | Transfer on TD account becoming normal. |

On reactivation from Unclaimed to normal

| Date | | Branch | GL Head | D r/ C r | Amount | | Gener ated During | Remarks |
|----------|----------|------------------------|--|-------------------|---------|-------------|-------------------------|--|
| Posting | Value | | | | TCY | LCY- CNY | | |
| 01/01/10 | 01/01/10 | Transactio n Branch | Unclaimed Deposit Debit GL | D r | CNY1000 | 1000 | EOD | Dormant TD on becoming normal A/c |
| 01/01/10 | 01/01/10 | Transactio n Branch | Matured Deposit / Redemptio n Payable GL | C r | CNY1000 | 1000 | EOD | Transfer on TD account becoming normal. |

Inventory

Inventory related accounting entries will be passed in the following scenarios and based on the various statuses that the inventory gets during its lifecycle. Here the linkages are considered as the Multi Currency Account (MCA) linked to the inventory/ies:

- When Branch/Sub-branch/outlet issues stock to the customer.
- Delinking of an MCA linked to the inventory and linking to another inventory (Move In – Move Out from Inventory)

- When Inventory is kept in safe custody and is returned back to the customer.
- When Inventory issued is reversed.
- When re-issuing inventory against an inventory marked as 'Lost'.
- When inventory is collected from the customer and kept in safe custody.
-

Following are the two types of entries that will be passed:

- Collect –
- When the linkages between the Multi Currency Account (MCA) and the inventory number is deleted.
- When the new status of the inventory is 'Converted'.
- Pay –
- When the status of the inventory is marked as 'Normal'.
- When inventory is sold or linked to a Multi Currency Account (MCA).
- When the previous status of the inventory is 'Converted'.
-
- The accounting entries are explained in the following sections:

Inventory status is updated as 'Normal' /

If the MCA to be linked to 'To Inventory' is the first MCA /

Sale of Inventory to an MCA or returning of inventory to customer from safe custody

In all the above scenarios system will pass 'Pay' type off balance sheet accounting entry

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|------------------|--|---------|------------------------------|------------------|---|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Memo GL | Dr | 50 (Quantity * Denomination) | EOD | MCA is linked to the Inventory |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Offset GL (Dummy Memo account) | Cr | 50(Quantity * Denomination) | EOD | Corresponding matching entry - MCA is linked to the Inventory |

Reversal of inventory issuance (RED ink reversal)

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|------------------|--|---------|-------------------------------------|------------------|---|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Memo GL | Dr | 50 (Quantity * Denomination) = - 50 | EOD | Reversal of inventory issuance |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Offset GL (Dummy Memo account) | Cr | 50(Quantity * Denomination) = - 50 | EOD | Corresponding matching entry - Reversal of inventory issuance |

Inventory kept by bank in safe custody - system will pass 'Collect' type off balance sheet accounting entry

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|------------------|--|---------|------------------------------|------------------|---|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Offset GL (Dummy Memo account) | Dr | 50 (Quantity * Denomination) | EOD | Inventory collection in safe custody |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Memo GL | Cr | 50(Quantity * Denomination) | EOD | Corresponding matching entry - Inventory collection in safe custody |

Linkage between the MCA and the inventory is deleted i.e. the sale of inventory to the MCA is cancelled - system will pass 'Collect' type off balance sheet accounting entry

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|------------------|--|---------|------------------------------|------------------|--|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Offset GL (Dummy Memo account) | Dr | 50 (Quantity * Denomination) | EOD | MCA linkage to inventory is cancelled |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Memo GL | Cr | 50(Quantity * Denomination) | EOD | Corresponding matching entry - MCA linkage to inventory is cancelled |

When an Inventory which is in the possession of the bank having previous status as 'Converted' is lost - system will pass 'Pay' type off balance sheet accounting entry

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|------------------|--|---------|------------------------------|------------------|--|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Memo GL | Dr | 50 (Quantity * Denomination) | EOD | Inventory with prior status 'Converted' is lost by bank |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Offset GL (Dummy Memo account) | Cr | 50(Quantity * Denomination) | EOD | Corresponding matching entry - Inventory with prior status 'Converted' is lost by bank |

Inventory with previous status as 'Lost' and the lost reporting is cancelled. Further, prior to the cancellation of the lost report if the inventory status was 'Converted' and the new status post cancellation of lost report is marked back to its erstwhile status i.e. 'Converted' - system will pass 'Collect' type off balance sheet accounting entry

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|------------------|--|---------|------------------------------|------------------|--|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Offset GL (Dummy Memo account) | Dr | 50 (Quantity * Denomination) | EOD | Lost reporting is cancelled and new status is marked as 'Converted' |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Memo GL | Cr | 50(Quantity * Denomination) | EOD | Corresponding matching entry - Lost reporting is cancelled and new status is marked as 'Converted' |

Reissuance of Inventory due to loss/damage/exhaustion (e.g. pages of passbook) the status of the reissued inventory is marked as 'Normal' / 'Converted' – system will pass 'Pay' type off balance sheet accounting entry

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|------------------|--|---------|------------------------------|------------------|--|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Memo GL | Dr | 50 (Quantity * Denomination) | EOD | Inventory re-issued |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Offset GL (Dummy Memo account) | Cr | 50(Quantity * Denomination) | EOD | Corresponding matching entry - Inventory re-issued |

If status of the new inventory post re-issuance is 'Converted' the following additional 'Collect' type off balance sheet accounting entry

| Date | | Branch | GL Head | Dr / Cr | Amount | Generated During | Remarks |
|----------|----------|------------------|--|---------|------------------------------|------------------|---|
| Posting | Value | | | | | | |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Offset GL (Dummy Memo account) | Dr | 50 (Quantity * Denomination) | EOD | Inventory is re-issued and new status is marked as 'Converted' |
| 05/01/05 | 05/01/05 | Inventory Branch | Inventory Memo GL | Cr | 50(Quantity * Denomination) | EOD | Corresponding matching entry - Inventory is re-issued and new status is marked as 'Converted' |

Cash Management

The following accounting entries depict the scenarios of cash being transferred between banks. Banks would mean the Central Bank of the country/other banks. It also covers internal cash transfer across branches and booking cash shortage/ overage. In current OFCR framework, though system provides an option to buy/ sell cash from/to central bank using task codes 'Buy Cash From Central Bank' (FP: 9009) and 'Sell Cash To Central Bank' (FP: 9010). The accounting entries given below assume the existence of mirror CASA account to which the GL entries are passed which are otherwise not supported in these two options. The Mirror CASA accounts opened report to CAS Asset GL.

Cash deposit to Central Bank / other bank

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------------|---------|----------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset GL | Dr | CNY10000 | 10000 | Online | Cash deposit in Central Bank/other bank |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|---------|---------|----------|---------|------------------|-------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Cash GL | Cr | CNY10000 | 10000 | Online | Cash payout |

Cash withdrawal from Central Bank / other bank

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------|--|---------|----------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Transaction Branch | Cash GL | Dr | CNY10000 | 10000 | Online | Cash withdrawal from Central Bank/other bank |
| 01/01/10 | 01/01/10 | Transaction Branch | CASA Asset GL | Cr | CNY10000 | 10000 | Online | Cash withdrawal from Central Bank/other bank |
| 01/01/10 | 01/01/10 | Transaction Branch | Inventory Memo GL | Dr | CNY1 | 1 | EOD | Pay (off balance sheet entry) for cheque inventory used for withdrawal |
| 01/01/10 | 01/01/10 | Transaction Branch | Inventory Offset GL (Dummy Memo account) | Cr | CNY1 | 1 | EOD | Corresponding matching entry - |

Cash handing over / selling by Outlet / sub-branch to HO (superior) branch

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------------|---------|---------|----------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | HO (superior) branch | Cash GL | Dr | CNY10000 | 10000 | Online | Cash received by HO (superior branch) from outlet/sub-branch |
| 01/01/10 | 01/01/10 | HO (superior) branch | IB GL | Cr | CNY10000 | 10000 | EOD | Contra entry |
| 01/01/10 | 01/01/10 | Outlet/sub-branch | IB GL | Dr | CNY10000 | 10000 | EOD | Contra entry |
| 01/01/10 | 01/01/10 | Outlet/sub-branch | Cash GL | Cr | CNY10000 | 10000 | Online | Cash handed over to HO (superior branch) by outlet/sub-branch |

Cash receiving by Outlet/sub-branch from HO (superior) branch

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------------|---------|---------|----------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Outlet/sub-branch | Cash GL | Dr | CNY10000 | 10000 | Online | Cash received by outlet/sub-branch from HO (superior branch) |
| 01/01/10 | 01/01/10 | Outlet/sub-branch | IB GL | Cr | CNY10000 | 10000 | EOD | Contra entry |
| 01/01/10 | 01/01/10 | HO (superior) branch | IB GL | Dr | CNY10000 | 10000 | EOD | Contra entry |
| 01/01/10 | 01/01/10 | HO (superior) branch | Cash GL | Cr | CNY10000 | 10000 | Online | Cash handed over to outlet/sub-branch by HO (superior branch) |

Booking of Cash shortage

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------------------|------------------|---------|--------|---------|------------------|----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch where shortage is booked | Cash Shortage GL | Dr | CNY100 | 100 | Online | Cash shortage booked to Asset GL |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------------------|---------|---------|--------|---------|------------------|----------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch where shortage is booked | Cash GL | Cr | CNY100 | 100 | Online | Cash shortage booked |

Cash received/recovered subsequently against the cash shortage booked

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------------------------|------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch where shortage was booked | Cash GL | Dr | CNY100 | 100 | Online | Cash recovered against cash shortage booked |
| 01/01/10 | 01/01/10 | Branch where shortage was booked | Cash Shortage GL | Cr | CNY100 | 100 | Online | Cash shortage booking reversed |

Recovery of cash shortage booked from customers CASA account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------------------------|-------------------------|---------|--------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account branch | CASA Asset/Liability GL | Dr | CNY100 | 100 | Online | Customers CASA account debited after tracing the cash shortage |
| 01/01/10 | 01/01/10 | Branch where shortage was booked | Cash Shortage GL | Cr | CNY100 | 100 | Online | Cash shortage booking reversed |

Absorbing of cash shortage booked by booking expense

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------------------------|-------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch where shortage was booked | Non Business expense GL | Dr | CNY100 | 100 | Online | Cash shortage booking reversed by booking as an expense |
| 01/01/10 | 01/01/10 | Branch where shortage was booked | Cash Shortage GL | Cr | CNY100 | 100 | Online | Cash shortage booking reversed |

Booking of Cash overage

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|--------------------------------|-----------------|---------|--------|---------|------------------|-------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch where overage is booked | Cash GL | Dr | CNY100 | 100 | Online | Cash overage booked |
| 01/01/10 | 01/01/10 | Branch where overage is booked | Cash Overage GL | Cr | CNY100 | 100 | Online | Cash overage booked to Liability GL |

Refund of Cash overage against Cash

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------------------|-----------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch where overage was booked | Cash Overage GL | Dr | CNY100 | 100 | Online | Cash overage booking reversed |
| 01/01/10 | 01/01/10 | Branch where overage is booked | Cash GL | Cr | CNY100 | 100 | Online | Cash paid out towards cash overage booked |

Refund of Cash overage against customers CASA account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------------------|-------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch where overage was booked | Cash Overage GL | Dr | CNY100 | 100 | Online | Cash overage booking reversed |
| 01/01/10 | 01/01/10 | Account branch | CASA Asset/Liability GL | Cr | CNY100 | 100 | Online | Amount paid out to customer towards cash overage booked |

Cash overage booked to Income GL

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------------------|------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Branch where overage was booked | Cash Overage GL | Dr | CNY100 | 100 | Online | Cash overage booking reversed |
| 01/01/10 | 01/01/10 | Branch where overage was booked | Non Business Income GL | Cr | CNY100 | 100 | Online | Cash overage amount booked to income GL |

Loans

'**Entrusted Loan**' is a unique product which is offered by the Banks in China. The Entrusted Loan works on the fundamental of lending on behalf of another entity/body/financial Institution. There are financial Institutions/entities, NBFC's (Non Banking Financial Companies), Individuals etc., who do not have appropriate rights directly to lend in the market i.e., to the end customer (as per People's Bank of China regulations). Hence, these companies approach the Bank (who have a right to lend in the market directly) and strike a deal with them on the terms that they would pass on the funds to the Bank and the Bank should lend the same to the market (Individual Borrowers) on their behalf. The Interest and Principal after recovery from the borrowers will be returned back to these financial institutions.

The following accounting entries depict the scenarios considering the Entrusted Loans functionality.

The entrusted loans related accounting entries given below will be passed only upon:

Checking of the flag 'Entrusted Loans' in the Definition tab of Product Master Maintenance (Fast Path: LNM11).

The value in Product Class drop down in CASA Product Master Maintenance (Fast Path: CHM01) is maintained as 'Entrusted'.

The 3 CASA accounts viz., Entrusted Settlement (Principal Remittance & No Principal Remittance), Entrusted Deposit and Entrusted Mirror accounts are opened under CASA Liability Products.

The Entrusted Deposit CASA account number is entered in the Loan Direct Account Opening screen (Fast Path: LN057).

Transfer of funds from Entrusted Settlement (Principal Remittance) CASA Account to Entrusted Deposit CASA Account (Fast Path: 1103)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|-------------------|---------|----------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Dr | CNY10000 | 10000 | EOD | Funds transferred from Entrusted Settlement (Principal Remittance) CASA account to Entrusted Deposit CASA account |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|-------------------|---------|----------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Cr | CNY10000 | 10000 | EOD | Funds transferred to Entrusted Deposit CASA account from Entrusted Settlement (Principal Remittance) CASA account |

Note: Loan account opening will be possible only if and to the extent of the funds available in the Entrusted Deposit CASA account.

Loan Disbursement to CASA account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|-------------------------|---------|----------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | Loan Asset GL | Dr | CNY10000 | 10000 | EOD | Disbursement by Transfer to borrowers CASA account |
| 01/01/10 | 01/01/10 | CASA Account Branch | CASA Asset/Liability GL | Cr | CNY10000 | 10000 | EOD | Disbursement by Transfer to borrowers CASA account |

Note: As mentioned above the Loan account opening and disbursement will be possible only if and to the extent of the funds available in the Entrusted Deposit CASA account.

Funds transfer from Entrusted Deposit CASA to Entrusted Mirror CASA account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|-------------------|---------|----------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Dr | CNY10000 | 10000 | EOD | Funds transferred from Entrusted Deposit CASA account to Entrusted Mirror CASA account |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Cr | CNY10000 | 10000 | EOD | Funds transferred to Entrusted Mirror CASA account from Entrusted Deposit CASA account |

Note: As part of loan disbursement system will automatically reduce the amount of available balance in the Entrusted Deposit CASA account to the extent of the loan amount disbursed and credit Entrusted Mirror CASA account.

Funds transfer from Entrusted Mirror CASA to Entrusted Deposit CASA account on account of disbursement reversal

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|-------------------|---------|----------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Dr | CNY10000 | 10000 | EOD | Funds transferred from Entrusted Mirror CASA account to Entrusted Deposit CASA account due to disbursement reversal |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Cr | CNY10000 | 10000 | EOD | Funds transferred to Entrusted Deposit CASA account from Entrusted Mirror CASA account due to disbursement reversal |

Loans Drawdown and Repayment – Principal

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|---------|-------|--------|---------|---------|--------|---------|------------------|---------|
| Posting | Value | | | | TCY | LCY-CNY | | |

Transaction Scenarios

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|----------------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Asset/Liability GL | Dr | CNY1000 | 1000 | EOD | Loan Installment payment (principal) from borrowers CASA account |
| 01/01/10 | 01/01/10 | CASA Account Branch | Unapplied Advance (RPA) GL | Cr | CNY1000 | 1000 | EOD | Loan Installment payment (principal) from borrowers CASA account |

Principal Repayment

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|----------------------------|---------|---------|---------|------------------|--------------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | Unapplied Advance (RPA) GL | Dr | CNY1000 | 1000 | EOD | Loan Installment payment (principal) |
| 01/01/10 | 01/01/10 | CASA Account Branch | Loan Asset GL | Cr | CNY1000 | 1000 | EOD | Loan Installment payment (principal) |

Transfer of funds from Entrusted Mirror CASA Account to Entrusted Deposit CASA Account

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|-------------------|---------|---------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Dr | CNY1000 | 1000 | EOD | Funds transferred from Entrusted Mirror CASA account to Entrusted Deposit CASA account to the extent of principal repayment |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Cr | CNY1000 | 1000 | EOD | Funds transferred to Entrusted Deposit CASA account from Entrusted Mirror CASA account to the extent of principal repayment |

Note: The above entries will be passed to the extent of the principal repayment done

Transfer of funds from Entrusted Deposit CASA Account to Entrusted Settlement (Principal Remittance) CASA Account (FP: 1103)

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|-------------------|---------|---------|---------|------------------|--|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Dr | CNY1000 | 1000 | EOD | Funds transferred from Entrusted Deposit CASA account to Entrusted Settlement (Principal Remittance) CASA account to the extent of principal repayment |
| 01/01/10 | 01/01/10 | Account Branch | CASA Liability GL | Cr | CNY1000 | 1000 | EOD | Funds transferred to Entrusted Settlement (Principal Remittance) CASA account from Entrusted Deposit CASA account to the extent of principal repayment |

Note: The above entries will be passed to the extent of the principal repayment done. The above entry will be passed by the system itself during the batch processing if the Remittance mode is "Automatic". If the Remittance mode is "Manual", then the above entry is to be passed manually from screen 1103.

Loans Interest Accrual

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|---------------------|---------|--------|---------|------------------|----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | Interest Accrued GL | Dr | CNY100 | 100 | EOD | Interest accrued on loan account |
| 01/01/10 | 01/01/10 | Account Branch | Interest Income GL | Cr | CNY100 | 100 | EOD | Interest accrued on loan account |

Loans Interest Charging

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|----------------|------------------------|---------|--------|---------|------------------|----------------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | Interest Receivable GL | Dr | CNY100 | 100 | EOD | Interest charged on loan account |
| 01/01/10 | 01/01/10 | Account Branch | Interest Accrued GL | Cr | CNY100 | 100 | EOD | Interest charged on loan account |

Loans Drawdown and Repayment – Interest

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|----------------------------|---------|--------|---------|------------------|---|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | CASA Asset/Liability GL | Dr | CNY100 | 100 | EOD | Loan Installment payment (interest) from borrowers CASA account |
| 01/01/10 | 01/01/10 | CASA Account Branch | Unapplied Advance (RPA) GL | Cr | CNY100 | 100 | EOD | Loan Installment payment (interest) from borrowers CASA account |

Interest Repayment

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|----------------------------|---------|--------|---------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | Unapplied Advance (RPA) GL | Dr | CNY100 | 100 | EOD | Loan Interest repayment |
| 01/01/10 | 01/01/10 | CASA Account Branch | Interest Receivable GL | Cr | CNY100 | 100 | EOD | Loan Interest repayment |

Credit to Entrusted Settlement (Non Principal Remittance) CASA account to the extent of Interest repayment done as part of batch process

| Date | | Branch | GL Head | Dr / Cr | Amount | | Generated During | Remarks |
|----------|----------|---------------------|--------------------|---------|--------|---------|------------------|-------------------------|
| Posting | Value | | | | TCY | LCY-CNY | | |
| 01/01/10 | 01/01/10 | Account Branch | Interest Income GL | Dr | CNY100 | 100 | EOD | Loan Interest repayment |
| 01/01/10 | 01/01/10 | CASA Account Branch | CASA Liability GL | Cr | CNY100 | 100 | EOD | Loan Interest repayment |

Note: The interest income recognised for loan accounts under the entrusted product is not the bank's income since the funds for lending are provided by a third party. Hence though the income recognition will take place in the bank's books, the income booked will be transferred to the entrusted settlement (Non Principal Remittance) CASA after the borrower makes the repayment. Thus interest income GL is debited and credited to Entrusted Settlement (Non Principal Remittance) CASA account after repayment. The above entry is passed by the system itself during the batch processing irrespective of the Remittance mode (Automatic / Manual).

Advance Payment against Letter of Credit, Bank Guarantee and Acceptance Bill

The following accounting entries depict the scenarios of Advance Payment granted by the banks to its beneficiary customers in the case of

Letter of Credit (LC) wherein the exporters bank requests for payment

Invoking of Bank Guarantee (BG) by the beneficiary of the BG

Presentment of Acceptance Bill (AB) by the manufacturer on the due date

A new loan product category is maintained at the Product Master Maintenance screen (FP: LNM11) in the existing product category field to highlight LC/BG/Bill product. Following accounts of the customer will be involved for this kind of advance payment:

| Sr.No. | Account Type | Purpose | Module/GL |
|--------|---------------------|---|------------------------------|
| 1 | Margin TD Account | As part of the Advance Payment facility for LC/BG/AB the customer deposits the margin amount in this TD account. Funds from this account including accrued interest will be used to make the payment. | TD/TD Liability GL |
| 2 | Margin CASA Account | As part of the Advance Payment facility for LC/BG/AB the customer deposits the margin amount in this CASA account. Funds from this account (available balance excluding the accrued interest) will be used to make the payment. | CASA/CASA Asset/Liability GL |

| | | | |
|---|--------------------------|--|------------------------------------|
| 3 | Settlement Account | This is the CASA account of the customer which will be debited in case of non-existence or shortfall in the Margin Account CASA/TD account. | CASA/CASA Asset/Liability GL |
| 4 | Drafts & TT Payable CASA | During the funds preparation process, the funds recovered from the respective margin account/s and settlement account are parked in the drafts and TT payable CASA. | CASA/CASA Asset/Liability GL |
| 5 | Dummy GL | In event of the funds in the margin and settlement accounts being insufficient to pay the bill, the bank pays for the same. In this case a pre-designated Misc. Dr/Cr. Type GL (Dummy GL) will be debited for the shortfall and credit is passed to the Drafts & TT payable CASA. In such cases, system will mark a hold on the settlement CASA at BOD to the extent of the shortfall. This hold will be marked for the entire day till the loan account is created in case the customer does not make a payment. If the customer makes a payment which is adequate to recover the shortfall amount, the amount will be transferred back to the Dummy GL at EOD. The hold will be subsequently removed. If the customer makes partial payment, the amount paid will be transferred to the Dummy GL and hold to the extent of the payment made will be removed—residual hold will continue. The shortfall amount will be reduced to the extent of the payment made by the customer. In case of non funding or partial funding the residual balance in Dummy GL will be finally reversed by means of proceeds from a Loan account. This amount is referred to as Advance Payment record. | GL/Liability GL |
| 6 | Loan account | In case an Advance Payment record exists, a loan account will be opened at EOD and funds will be credited to the Dummy GL account to that extent and nullified. | Loans/Asset GL |

Note: Only one Margin CASA or one Margin TD or a combination of one margin CASA and one margin deposit is allowed.

Only one Settlement CASA account is allowed.

All the Margin CASA/TD, Settlement, Dummy GL and Loan account related details will be maintained as part of Funding Preparation screen (FP: BA070).

Inter branch entries will be passed by the system wherever applicable.

All the below examples and its related accounting entries are assuming that the transaction and account branch are the same.

Balance in margin accounts adequate to pay the bill proceeds.(Bill type – Bill)

Bill amount – RMB 100,000.00

Margin accounts :

The accounts are added in the margin account grid in the following sequential order.

Bill Type – Acceptance Bill

| Account no | Type | Available balance(RMB) |
|------------|--------------|------------------------|
| A | CASA | 60,000.00 |
| D | Time Deposit | 35,000.00 |

Accrued Interest on Time deposit D = RMB 8000

Accounting entries for CASA (Entries will be passed during the beginning of day)

| Dr/ Cr | GL Head | Branch | Amount | Currency |
|--------|--|--------------------|-----------|----------|
| DR | CASA Asset/Liability GL (CASA A) | Transaction branch | 60,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT Payable CASA) | Transaction branch | 60,000.00 | RMB |

Accounting entries for Time deposits (Entries will be passed during the beginning of day)

| Dr/ Cr | GL Head | Branch | Amount | Currency |
|--------|-----------------------------|--------------------|-----------|----------|
| DR | Regular Deposits GL | Transaction branch | 35,000.00 | RMB |
| CR | Redemption Payable GL (TDD) | Transaction branch | 35,000.00 | RMB |
| DR | Redemption Payable GL (TDD) | Transaction Branch | 35,000.00 | RMB |
| CR | Payment GL (TDD) | Transaction Branch | 35,000.00 | RMB |

Transaction Scenarios

| Dr/ Cr | GL Head | Branch | Amount | Currency |
|-----------|---|------------------------|-----------|----------|
| DR | Payment GL (TDD) | Transactio n Branch | 35,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT Payable CASA) | Transactio n Branch | 35,000.00 | RMB |
| DR | Interest Expense GL (Accrual entry) | Account Branch | 8000.00 | RMB |
| CR | Interest Accrued GL (Accrual entry) | Account Branch | 8000.00 | RMB |
| DR | Interest Accrued GL | Account Branch | 8000.00 | RMB |
| CR | Interest Payable GL | Account Branch | 8000.00 | RMB |
| DR | Interest Payable GL | Transactio n Branch | 8000.00 | RMB |
| CR | Payment GL | Transactio n Branch | 8000.00 | RMB |
| DR | Payment GL | Transactio n Branch | 8000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT Payable CASA) | Transactio n Branch | 5000.00 | RMB |
| CR | CASA Asset/Liability GL (Settlement CASA) | Transactio n Branch | 3000.00 | RMB |

Combination of margin and settlement accounts to pay the bill proceeds. (Bill type –LC/BG)

Bill amount – RMB 150,000.00

Margin accounts : The accounts are added in the margin account grid in the following sequential order.

| Account no | Type | Available balance(RMB) |
|------------|------|---------------------------|
| A | CASA | 100,000.00 |

Settlement CASA – CASA E

Available balance for CASA E – RMB 50,000.00

Accrued interest for CASA E – RMB 6,500.00

Accounting entries for margin CASA.

CASA accounts are updated online however the GL entries will be passed at EOD.

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|--------|--|--------------------|------------|----------|
| DR | CASA Asset/Liability GL (CASA A) | Transaction branch | 100,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT Payable CASA) | Transaction branch | 100,000.00 | RMB |

Accounting entries for settlement CASA.

CASA accounts are updated online however the GL entries will be passed at EOD.

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|--------|--|--------------------|-----------|----------|
| DR | CASA Asset/Liability GL (CASA E) | Transaction branch | 50,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT Payable CASA) | Transaction branch | 50,000.00 | RMB |

The assumption here is that there is no accrued interest.

Balance insufficient in margin and settlement accounts – subsequent end of day processing

Bill amount – RMB 100,000.00

Margin accounts : The accounts are added in the margin account grid in the following sequential order.

| Account no. | Type | Available balance(RMB) |
|-------------|------|------------------------|
| A | CASA | 60,000.00 |

Settlement CASA – CASA C

Available balance for CASA C – RMB 20,000.00

Shortfall amount – RMB 20,000.00

Flexcube will place a hold on settlement CASA C to the extent of RMB 20000. No other processing will take place during the beginning of day.

Assuming that the customer deposits RMB 40000 during the day in the settlement CASA C – Flexcube will pass the accounting entries for the available balance by debiting the margin and settlement accounts and crediting the drafts and tt payable CASA.

Transaction Scenarios

The dummy GL will also be debited simultaneously and credit will be passed to the Drafts and TT Payable CASA account.

In the end of day, the settlement CASA account will be debited for the shortfall amount and the hold will be removed.

The pre designated GL viz., Dummy GL will be credited for the shortfall which was debited earlier in the beginning of day.

Accounting entries for margin and settlement CASA (Entries will be passed during the beginning of day)

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|--------|--|--------------------|-----------|----------|
| DR | CASA Asset/Liability GL (CASA A) | Transaction branch | 60,000.00 | RMB |
| DR | CASA Asset/Liability GL (CASA C) | Transaction branch | 20,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT payable CASA) | Transaction branch | 80,000.00 | RMB |
| | | | | |
| DR | Dummy GL | Transaction Branch | 20,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT Payable CASA) | Transaction Branch | 20,000.00 | RMB |

Accounting entries passed during the end of day after the customer has deposited funds in the settlement CASA

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|--------|----------------------------------|--------------------|-----------|----------|
| DR | CASA Asset/Liability GL (CASA C) | Transaction branch | 20,000.00 | RMB |
| CR | Dummy GL | Transaction branch | 20,000.00 | RMB |

Balance insufficient in margin and settlement accounts – creation of loan account and related end of day processing)

Bill amount – RMB 100,000.00

| Account no | Type | Available balance(RMB) |
|------------|-----------------|------------------------|
| A | Margin CASA | 20,000.00 |
| B | Settlement CASA | 40,000.00 |

Shortfall amount – RMB 40,000.00

Hold will be placed on settlement CASA account for RMB 40,000.00

Accounting entries passed during the beginning of day

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|--------|--|--------------------|-----------|----------|
| DR | CASA Asset/Liability GL (CASA A) | Transaction branch | 20,000.00 | RMB |
| DR | CASA Asset/Liability GL (CASA B) | Transaction branch | 40,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT payable CASA) | Transaction branch | 60,000.00 | RMB |
| | | | | |
| DR | Dummy GL | Transaction branch | 40,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT payable CASA) | Transaction branch | 40,000.00 | RMB |

Accounting entries passed during the end of day

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|--------|----------------|--------------------|-----------|----------|
| DR | Loans Asset GL | Transaction Branch | 40,000.00 | RMB |
| CR | Dummy GL | Transaction | 40,000.00 | RMB |

Transaction Scenarios

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|--------|---------|---------|--------|----------|
| | | Branch | | |

Hold placed on settlement CASA will be removed in the end of day after the loan is booked.
The assumption here is that there is no accrued interest.

Balance insufficient in margin and settlement accounts – creation of loan account and related end of day processing – All processing in local currency (RMB).

LC amount – RMB 100,000.00

| Account no | Type | Available balance(RMB) |
|------------|-----------------|------------------------|
| A | Margin CASA | 20,000.00 |
| B | Settlement CASA | 40,000.00 |

Shortfall amount – RMB 40,000.00

CASA and Dummy GL accounts are updated online (GL accounting entries will be passed at EOD)

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|--------|--|--------------------|-----------|----------|
| DR | CASA Asset/Liability GL (CASA A) | Transaction branch | 20,000.00 | RMB |
| DR | CASA Asset/Liability GL (CASA B) | Transaction branch | 40,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT Payable CASA) | Transaction branch | 60,000.00 | RMB |
| DR | Dummy GL | Transaction Branch | 40,000.00 | RMB |
| CR | CASA Asset/Liability GL (Drafts and TT Payable CASA) | Transaction Branch | 40,000.00 | RMB |

Hold will be placed on the settlement CASA for the shortfall amount of RMB 40,000.00.

Accounting entries passed during end of day

| Dr/ Cr | GL Head | BranchH | Amount | Currency |
|---------------|----------------|--------------------|---------------|-----------------|
| DR | Loans Asset GL | Transaction Branch | 40,000.00 | RMB |
| CR | Dummy GL | Transaction Branch | 40,000.00 | RMB |

Hold placed on the settlement CASA will be deleted after the above loan is booked.



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