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1. About this Manual

1.1 Introduction

This user manual is designed to help you quickly get acquainted with the Funds Transfer (FT) module of Oracle FLEXCUBE.

The manual gives you an overview of the FT module, and takes you through the various steps involved in processing incoming and outgoing funds transfers (FTs).

Besides this manual, you can find information relating to specific features and procedures in the Online Help, which can be invoked, by choosing 'Help Contents' from the *Help* Menu of the application.

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

1.1.1 Audience

You will need to use the Funds Transfer sub-system whenever you are sending:

- Outgoing payments by the media types defined in the Messaging System (MS) Module of Oracle FLEXCUBE
- Outgoing payments with Reimbursement
- Incoming payments
- Internal transfers

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

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

1.1.2 Organization

This manual is organized into the following chapters:

Chapter 1	<i>An Overview of the FT Module</i> —a snapshot of the features that the module provides.
Chapter 2	<i>Defining the attributes of an FT Product</i> — Details the procedure to set up FT products.
Chapter 3	<i>Processing a Funds Transfer</i> — Describes the processing of FTs.
Chapter 4	<i>Automatic Processes</i> — Explains the Batch Processes that are initiated at the beginning or at the End of Day.
Chapter 5	<i>The Batch Upload Function</i> — Explains the FT 'upload' facility that the module offers.
Chapter 6	<i>Cover Matching for Incoming Payment Messages</i> – Explains how cover messages for incoming payment messages are matched and processed in the system.
Chapter 7	<i>Appendix A - Accounting Entries and Advices</i> – Contains a list of suggested accounting entries and advices for the FT module.

1.1.3 Related documents

- The Settlements User Manual
- The Core Services User Manual
- The Procedures User Manual

2. Funds Transfer -- An Overview

2.1 Introduction

As the trend towards automated processing increases and as the demands of financial business become more complex, Oracle FLEXCUBE a by far sophisticated package, breaks down these complexities by its quick, easy to use features which are essential to successful financial management.

The Funds Transfer (FT) Module, which constitutes a part of Oracle FLEXCUBE, is a front office system that handles the processing of the transfer of funds (local and foreign) between Financial Institutions. These can be initiated by financial institutions or banks for themselves or on behalf of their customers. The FT Module is a comprehensive transaction handling and management system, which integrates with the overall system for settlement of payments, charges, commissions and MIS. The system handles all the necessary activities during the life of a contract once it is booked. All the relevant account balances will be updated when transfers are processed.

The rate of exchange for foreign currency conversions can be defined by the user. Exchange rate conversions are automatically effected in cases of Cross-currency transfers based on the rate and method of conversion that you define. The essence of a funds transfer (i.e., transfer of money and the generation of messages) is handled comprehensively by this module. There are some Key Terms that you will encounter frequently in the course of this module. Some of these are listed below:

Ordering Customer	Initiator of the transfer instructions also referred to as the remitter.
Ordering institution	The financial institution that executes the transfer on behalf of its customer, (the ordering customer) also referred to as the remitter's institution.
Remitter	The party that initiates a transfer. The remitter is the source of funds in a payment order.
Account servicing Institution	A financial Institution, which is a depository for an account.
Credit advice	An advice by the account servicing institution indicating credit to the account of the receiver (beneficiary).
Debit advice	An advice by the account servicing institution indicating debit to the account of a receiver.
Cover payment	The reimbursement of a correspondent bank for a payment.

2.1.1 Features

The FT Module offers you features like:

- Flexibility to create new FT Products. You can actually tailor a product to suit your requirements. The product will be based on parameters that you define.
- Graphic User Interface (GUI) to facilitate ease of input; you will be provided with option lists wherever possible.
- National Language Support (NLS).
- Standard media types like Mail, Swift and Telex are supported.
- On-Line Context Help - indicating that you can invoke global help by making use of **help** option in the Menu bar. You can also invoke on-line context sensitive help by striking <F1> on your key board at any stage you require it.

You will need to use the Funds Transfer sub-system whenever you are sending:

Outgoing payments by the media types defined in the Messaging System (MS) Module of Oracle FLEXCUBE.

- Outgoing payments with / without Reimbursement
- Incoming payments
- Internal transfers

The system will interface with other sub-systems for common services that you will require like Settlement Instructions (IS), Messaging System (MS), Security Management Systems (SMS), Accounting Services, Limits tracking, Tax and ICCF.

2.1.2 Organization of the Manual

The manual is organized as follows:

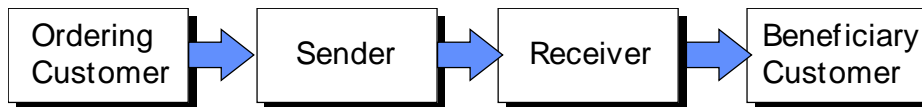
Funds Transfer - An Overview	A snapshot of the contents of the entire manual.
Defining a Product	Describes the process involved in the creation of a product and the various operations that you can perform on a product.
Contract Processing	This chapter details the steps involved in actually processing a funds transfer from your bank. It also contains a comprehensive example that takes you through the different aspects of entering a contract.
Batch processes	Explains the batch processes that care of automatic periodic activities.
Batch Upload	Details the procedure involved for uploading contracts from the FTTBS tables onto FLEXCUBE.
Auto Cover	<i>Cover Matching for Incoming Payment Messages</i> – Explains how cover

	messages for incoming payment messages are matched and processed in the system.
Annexure	<i>Appendix A - Accounting Entries and Advices</i> – Contains a list of suggested accounting entries and advices for the FT module.

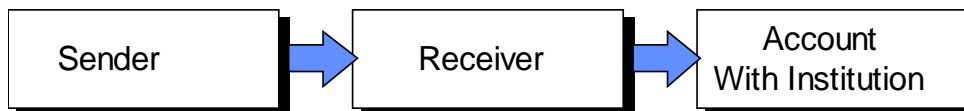
2.1.3 Funds Transfer - An Introduction

A Funds Transfer is a sequence of events that results in the movement of funds from the remitter to the receiver. It is also defined as the remittance of funds from one party to itself or to another party through the banking system. It is an essential support function for other financial products such as loan repayment, settlement of trade bills etc. All these modules have the capability to generate payment messages. Funds Transfers can be classified as Incoming, Outgoing or Internal. **Incoming** or **Outgoing** transfers are indicative of whether funds are coming in or going out of the bank. **Internal transfers** indicate funds being transferred within the bank itself on behalf of its customers. No other financial institution is involved in such transfers. Broadly speaking there are three types of funds transfers: a customer transfer, a bank transfer and bank transfer for own account.

Customer transfer: A customer transfer is a transfer made by the financial institution of the ordering customer to the financial institution of the ultimate beneficiary. Here the originator and the beneficiary of the transfer are not financial institutions.



Bank transfer: A bank transfer refers to the transfer of funds between the ordering institution and beneficiary institution. Here the originator and beneficiary are financial institutions.



Bank Transfer for own account: A transfer initiated by a bank to transfer funds from one Nostro account to another Nostro account.

2.1.4 Media supported

Messaging which constitutes an important ingredient of a funds transfer is supported. In Oracle FLEXCUBE Funds Transfer orders can be executed using the following types of media:

- Mail
- Telex
- S.W.I.F.T
- GCN

3. Defining the attributes of an FT Product

3.1 Introduction

In this chapter, we shall discuss the manner in which you can define attributes specific to a Funds Transfer product. You can create an FT product in the 'Funds Transfer (FT) Product Definition' screen, invoked from the Application Browser under FT Maintenance. In this screen, you can enter basic information relating to a FT product such as the Product Code, the Description, etc.

Input By	Date Time	Auth By	Date Time	Mod No
K.MEDIMI	02-JUL-2001 08:35:31	R.VARADHA	02-JUL-2001 13:40:01	#

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

You can define the attributes specific to a FT product in the FT Product Definition Main screen and the FT Product Preferences screen. In these screens, you can specify the product type and set the product preferences respectively.

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

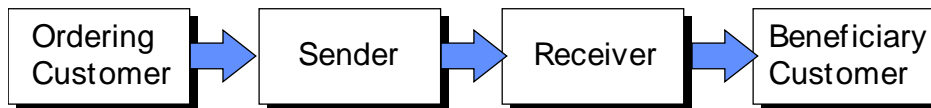
- Products
- Interest
- User Defined Fields
- Settlements

3.1.1 Specifying the product type

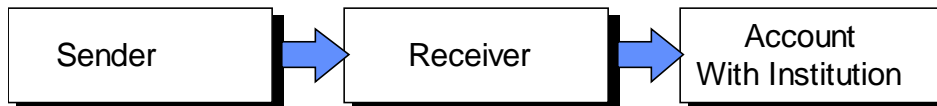
An important detail in defining a product is to specify the type of product you are creating. The product type identifies the basic nature of a product. This helps to classify the product. The entries that are passed, the messages that are generated and the processing of contracts depend on the 'Product Type'. An FT product that you create can either be:

- Incoming
- Outgoing
- Internal

An **incoming transfer** is one in which the beneficiary of the transfer is a customer of your bank. Since funds are coming into your bank, it is termed as an incoming transfer.



An **outgoing transfer** on the other hand indicates a transfer initiated by your bank, either for itself or on behalf of its customers. As the beneficiary of the transfer is not a customer of your bank, you will have to pass on these funds to the ultimate beneficiary through another bank or a series of banks. Such a transfer of funds is termed as an outgoing transfer since funds are going out from your bank.



An **internal transfer** involves funds that are transferred from one account to another within your bank or between the branches of your bank.

A few instances of internal transfers have been listed below:

- If a customer of your bank, with more than one account requests you to initiate a transfer of funds from one of his accounts to another.
- If a customer of your bank initiates a transfer from his account to the account of another customer of your bank.

Therefore, internal transfers do not involve funds that are transferred through a chain of banks, or payments made from or to a correspondent bank account. As the transfer of funds does not involve a party outside the circle of your bank, it is termed as an internal transfer. The customers involved in the transfer will be kept informed by means of debit or credit advices.


Indicating whether the Product is an RTGS Product

You can indicate whether the product you are defining is an RTGS product or not. If it is an RTGS product, then the contracts booked under it will be considered for RTGS payment processing. Check this box to indicate it is an RTGS Product.

3.1.2 Specifying preferences for a product

'Preferences' are the attributes or terms that you define for a product. By default, a transfer involving a product inherits all the attributes defined for the product. However, the attributes that are defined as the product's preferences can be changed for a transfer.



Click on the  button to invoke the FT Product Preferences screen. Through this screen you can define the following Preferences for a product:

- Specify Rate related preferences
- Specify Payment related preferences
- Specify Message related preferences
- Specify the Override limit preferences
- Specify Instrument related preferences
- Indicate whether Cross Currency transfers are allowed
- Indicate whether Future Valued transfers are allowed
- Indicate whether the value of certain fields should be re-keyed at the time the contracts linked to this product are being authorized. You can also specify the fields whose values have to be keyed in during authorization.

Funds Transfer Product - Preferences

Code Description

Message Related

Transfer Type Cover Required
 Generate 103+

Payment Related

Message
 Instrument
 Clearing

Rate Related

Rate Type Rate as of
Spr. Code Message / Entries as of
 After Rate Refresh External Exchange Rate

Rate Variance

Override Limit
Maximum Limit

Instrument Related

Instrument Number Reqd MCK Payable GL
DAO GL Chg Claim GL
 Suppress Booking On Nostro

Duplicate Recognition

Required Yes No

Category 1

User Ref No
 Transfer Currency
 Transfer Amount
 Value Date
 Dr Account
 Cr Account
 Beneficiary Account

Category 2

User Ref No
 Transfer Currency
 Transfer Amount
 Value Date
 Dr Account
 Cr Account
 Beneficiary Account

Duplicate Recognition Days

Other Preferences

Future Value Allowed
 Cross Currency Allowed
 Process Overdraft for Auto Book
 Suppress Payment Messages
 Suppress Receive Messages
 Cutoff Time Checking Required
 Same Dr Cr Account Allowed
 Pass Credits before Debits
 Reconciliation using Custom Ref
 A/c Class Holiday Treatment

Contract Authorisation

Rekey Required Yes No

Rekey Fields

Transfer Currency
 Transfer Amount
 Value Date
 Dr. Account
 Cr. Account
 Ben. Account

IBAN Validation

RTGS Product RTGS Payment

ECA

External Credit Approval Req'd.

The product code together with a brief description that you specified for the product in the product definition screen will be displayed at the top of the screen. The FT Product- Preferences screen contains six sections. Each of these sections captures specific information about the product.

3.1.3 **Specifying Message Related Details for a Product**

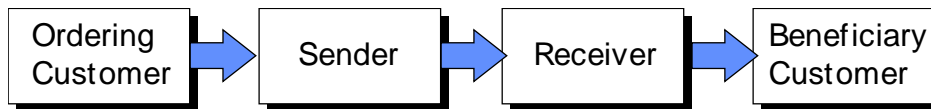
In this section you can define message related details for outgoing transfers.

Indicating the transfer type

You can indicate the type of transfers that the product can be associated with.

From the option list you can choose any of the following options:

- Customer transfer
- Bank transfer'
- Bank transfer for own A/c'
- Choose 'Customer transfer' if the remitter and the beneficiary of the transfer are not financial institutions.



Select 'Bank transfer' if the originator and beneficiary of the transfer are financial institutions.



Select 'Bank transfer for own A/c' when your bank is initiating a transfer of funds from one Nostro account to another.

The type of transfer that you indicate, will determine the type of payment message that will be generated for contracts involving the product.

Indicating whether a cover is required

Indicates whether a cover message needs to be sent for the transfer or not. Check against 'Cover Required' to indicate that a cover is required. Leave it unchecked to indicate otherwise.

Indicating whether 103+ message need to be generated

For a customer transfer, the user has a choice to generate MT103+ as payment message. MT103+ is a fully STP enabled version of customer transfer payment message.

Indicating whether IBAN validation is required

As mentioned above, you can choose to define the product as an RTGS product for RTGS payment processing.

You can indicate whether payments booked under RTGS product requires IBAN validation for the beneficiary account number.

If you choose this check box, IBAN validation is done for all transactions that are processed as RTGS messages.



This field is exclusive for RTGS products and is disabled for all other products.

In case of RTGS clearing messages, the system handles the IBAN validation in the following manner:

- If the incoming FT's IBAN number does not contain the country code, the system adds the country code to the beneficiary number by applying the first 2 characters in the beneficiary field as the country code.
- System then compares the beneficiary IBAN number to the account number maintained at the customer account level and subsequently converts it into an Oracle FLEXCUBE account number.
- As a final step, the system applies the IBAN validation to the message before uploading.

3.1.4 Specifying Payment Related Details

A Funds Transfer can be settled either through an Instrument or a Message. Here you can specify the method through which you want to settle the transfer.

The options available are:

- Instrument
- Message
- Clearing

If you choose to settle the FT by using an Instrument, it becomes mandatory for you to specify Instrument details. In this case you need not specify details of the parties involved in the transfer.

3.1.5 Specifying Rate Related Details for a Product

In this section you can specify rate related details for the product. The rate details that you define for the product will be defaulted to all contracts involving this product. However, you have the option to change them for the contract.

Indicating the exchange rate type

You can indicate the exchange rates that are to be picked up and applied to the transfer amount for contracts involving the product. The options available for the rate pickup are:

- As per Standard rate
- As per Standard rate after Rate Refresh
- As input in the Contract

If you choose 'As per standard rate', the system computes the transfer amount by picking up the exchange rates from the currency table maintained in the Core Services module of Oracle FLEXCUBE.

The system applies the spread that you define for the product to the standard exchange rate.

If you specify 'Standard rate after Rate Refresh', the contract to which the product is associated will be put on hold and will not be processed until the exchange rates for the day have been refreshed.

You will not be allowed to perform further operations on such a transfer product until the rate refresh process for the day has been run and authorized.

Refer to the chapter 'Batch Processes' for details of the Rate Update function

If you specify 'as input in the contract', the system computes the transfer amount based on the exchange rate that you specify while processing transfers involving the product.

Indicating when the rates should be picked up

After you have defined preferences for the exchange rate pickup, you can indicate the date or the day as of when these rates should be picked up and applied to the transfer amount.

The possible dates for Rate pickup
Booking date
Spot date
Value date

Booking date - If you indicate 'Booking Date', the rate type prevailing as of the date you entered the contract will be picked up and applied to the components of the transfer.

In the case of a normal contract (a contract that is liquidated on the booking date) you should specify that the rates should be picked up as of the booking date. For future valued transfers you can specify that the exchange rates can be picked up as of the booking date, value date or spot date.

Spot date - For each currency that your bank deals with, you have also specified a spot date. The spot date for the currency is maintained in the Currency Definition Maintenance table of the Core Services module.

If you specify that the exchange rate should be picked up as of the 'Spot Date', then messages will be generated on the spot date (depending on the spot date you have maintained for the currency involved in the transfer.

Value date - If you specify value date, exchange rates prevailing as of the date on which the transfer becomes effective will be applied to the transfers. The Accounting Entries for the contract will be passed as of this date.

You can also enter the value date of your choice here. The date that you enter can be one of the following:

- Today's date
- A date in the past
- A date in the future. You can enter a date in the future only if future dating has been allowed for the product to which this contract is linked.

The Value Date (transfer initiation date) should not be earlier than the Start Date or later than the End Date of the product involved in the transfer.

Indicating the date on which messages ought to be generated and the date on which booking and Initiation events are to triggered for incoming and internal FTs

You can specify the date on which messages for the contracts linked to the product should be generated.

The possible dates for Message generation and triggering Events
Booking date
Spot date
Value date



Your specification in this field will determine the manner in which the booking and initiation events are triggered for internal and incoming FTs.

A note on the rate pick up and Message / Entry generation dates

There exists a definite link between the rate pick up and the message / entry generation code. The Rate pickup and message / entry generation codes need to be combined in a fashion to facilitate the following flow:

1. Rate pickup
2. Message Generation

3. Triggering the booking and initiation events for Internal and Incoming FTs.

Based on the combination that you specify, exchange rates will be picked up and messages generated. For incoming and internal FTs the booking and initiation events will be triggered depending on your specifications in the Message/Entry generation field. For outgoing FTs accounting entries will be passed and then messages will be generated.

All the possible combinations between the rate pickup and the message /entry generation codes have been explored and detailed below.

Standard rate as of booking date - Message / Entry as of Spot Date

If you select this combination;

- The amounts will be converted using the rates available in the Currency table (on the booking date). The spread will be applied to the rate, based on the spread code you specify.
- Messages will be generated Spot days before the settlement date.
- For incoming and internal FTs the initiation event is triggered spot days before the currency of the contract. Therefore, the accounting entries posted for this event will be dated as of the currency spot date.

Rate as of Spot – Message/ Entry as of Spot

If you choose this combination;

- The contracts involved in a product with this combination will not be processed in the same manner as a normal contract. The Autobook function (a batch process explained in the chapter 7) run either at EOD or BOD picks up the exchange rates as of spot days before settlement date and applies this rate to the contract and commission amounts and also passes accounting entries.
- Messages will also be generated by the Autobook function on the spot date.
- For incoming and internal FTs the initiation event is triggered spot days before the currency of the contract.

Rate and Message/ Entry as of Value date

If you choose this combination the transfer amount will be converted based on:

- The rates that will be picked up on the value date
- Messages will be generated on the value date.
- If the debit value date is in the future, the booking event will be triggered on the date you capture the contract details. The initiation event will be triggered during the beginning of day processes of the debit value date.

Rate as of Booking date - Message / Entry as of Booking date

If you select this combination, the system converts the transfer and commission amount based on the:

- Rates that are available in the Currency table at the time of contract input
- Messages will be generated after the contracts involving this product are authorized.
- The entries passed during the initiation event are posted on the booking date of the contract.

Specifying a spread code

The Standard exchange rate is the mid-rate advised by the Central bank of the country for all foreign exchange operations. Based on the mid-rate quoted for a currency and other market trends each bank determines its spread.

Spreads are nothing but the margins on either side of mid rate (plus or minus) calculated to determine the rate at which your bank will buy or sell currencies. Spreads are maintained in the Currency Spread table of the Core Services module.

For a product, you can specify the fraction of the spread that should be applied to contracts involving this product. The options available are:

- No spread -- indicating that no spread will be applied to the components of transfers involving the product.
- Full spread -- indicating that the full spread specified for the currency in the currency spread table will be applied to the components of transfers involving this product.
- Half spread -- indicating that only half the spread will be applied to the components of transfers involving this product.
- 1/4 spread -- indicating that only one fourths of the spread will be applied to the components of transfers involving this product.
- 1/8 spread -- indicating that only one eighths of the spread will be applied to the components of transfers involving this product.

Facilitating External Exchange Rate Update

If you want to indicate that the exchange rate for a cross currency FT contract should be provided by an external source, either user input or uploaded from another system, you have to select the 'External Exchange Rate Update' option as a product preference.

The exchange rate will be updated by an external source only if the transfer amount exceeds the small FX limits maintained for the customer account. This will result in split processing of cross currency FT contracts i.e. you will be allowed to save the contract without the exchange rate but the system will suppress the liquidation event and the payment message for the contract until you update the exchange rate.

For details on maintaining Small FX limits for an account, refer the 'Core Entities' (CE) User Manual.

You will be able to view and update the exchange rate for all cross currency FT transactions in the 'Exchange Rate Queue'.



Note the following:

- You can provide the exchange rate from an external source only if the 'External Exchange Rate Update' option is selected for the branch (in the 'Branch Parameters – Preferences' screen) and the product under which the contract is processed.
- The following options will not be allowed if you opt for 'External Exchange Rate Update':
 - 'After Rate Refresh'
 - 'Future Value Allowed'

For details on split processing of FT contracts, viewing and updating the exchange rate status, refer the 'Processing a Funds Transfer' chapter of this User Manual.

3.1.6 Specifying contract authorization details for a Product

You can specify whether certain important details of the contract involving this product need to be re-keyed at the time when the contract is being authorized. If you indicate positively then the fields that you specify will have to be re-keyed at the time the contract is authorized.

Under '**Fields**' you will have to check against the specific fields that need to be re-keyed during contract authorization.

This facility has been incorporated as a safety measure. It would do you well to indicate positively in these fields as the possibility of human error cannot be discounted. For instance let us assume that the value date has been input incorrectly for a contract. If you have specified 'Yes' at the Re-key Required field and checked on Value date under 'Fields' then at the time when the contract is being authorized this field will have to be re-keyed and the error which would have otherwise cost you dearly can be corrected.

3.1.7 Specifying other preferences for a product

In this section you can specify:

- Whether future valued contracts can be input using this product.
- Whether Cross-currency transactions can be input using this product.
- Process overdraft for Autobook - This field is applicable to future dated contracts involving this product. The Autobook function automatically liquidates future dated contracts. There could be a situation where the customer requests you to transfer an amount that actually exceeds the amount in his account. In this field you can specify whether contracts involving this product which are picked up by the Autobook function can be processed despite the overdraft.
- Suppress Payment message - The user is allowed to suppress generation of payment messages for FT contract booked using a particular product.
- Suppress Debit message - The user is allowed to suppress generation of Debit messages for FT contract booked using a particular product.
- Cutoff time checking required – If this flag is checked, the system will validate the currency based cutoff maintenance to decide the value dates while processing an FT contract.

- Same Debit Credit Account Allowed - This field indicates whether or not you wish to initiate a fund transfer from a bank or customer account on behalf of a customer who has an account with another bank. Typically, your bank instructs the other bank to transfer funds to the beneficiary, from the customer's account in that bank. Enabling this field, allows debit and credit of the other bank's nostro account with your bank. A SWIFT message (MT 100 / 103 / 202) is also generated on behalf of the customer.
- Reconciliation using Custom Ref - This field indicates whether the Manager's check reconciliation on liquidation of funds should be done using the Contract Reference number or the Custom Reference number. If this field is unchecked, reconciliation is done using the Contract Reference number.



If Reconciliation using the Custom Reference Number option is enabled and if you have not specified the MCK in the FT Contract Details screen, the System passes the Custom Reference number as the instrument code instead of the Contract Reference number. Thus the reconciliation data is stored with the Custom Reference instead of the Contract Reference. However, if the MCK number has not been specified and the Custom Reference Number is not generated for the contract, the Contract Reference Number is passed.

A/c Class Holiday Treatment

Check this box to indicate that Account class Holiday Treatment should be carried out.

If this option is selected, then the settlement days and holiday currencies maintained at the Account class level will be validated during FT contract booking.

3.1.8 Specifying the rate variance

For an FT product you can specify the Rate type to be either Standard, Standard (after rate refresh). These values will be defaulted to all contracts involving this product. At the time you input a contract you have the option of changing the default and specifying an exchange rate of your choice. This field is applicable only if you have decided to change the product default and if the contracts linked to the product are cross currency transfers.

In this section you can specify the minimum and maximum limit by which the exchange rate you input for contracts involving this product can exceed the standard exchange rate.

- In the Override limit field you can specify the minimum percentage over which you can exceed the normal exchange rates.
- In the Maximum Limit field you can specify the maximum percentage upto which you can exceed the normal exchange rate.

Example

Let us assume that for a Product, you had specified the override range to be between 7% and 30%. In such a case the entries in these fields would read:

Override Limit - 7%

Maximum Limit - 30%

Let us assume that you are entering a contract involving this product. This is a cross currency contract and involves the US and the Australian dollar. Also assume that the mid-rate for the currency pair and the rate type is 1.25. Should you wish to override the existing rates for the currency pair, the permissible override should range between 7% and 30%.

We shall examine the three possible situations that you can encounter.

- Below the override limit - Let us assume that for the contract you have specified the exchange rate to be 1.2. In this case the exchange rate exceeds the standard rate by 4%. The transfer will be processed.
- Within the override limit - Let us now assume that you had specified the exchange rate to be 1.5 in this case you are overriding the standard rate by 20%. You will be prompted to confirm the override. If you confirm the override the transfer will be processed using these rates.
- Above the override limit - Let us visualize a situation in which you had specified the exchange rates to be 2.5. In this case you will be overriding the standard rate by 100%. In such a case an error message will be displayed and you will not be allowed to proceed with the transfer until the exchange rate you specify is within the permissible limit of 7-30%.

3.1.9 Specifying instrument related details

In this section you can define Instrument related details for the product:

Indicating that an instrument number is required

Check against this option to indicate whether the Managers Check No should be a mandatory input at the Contract level.

Indicating the Managers Check Payable GL

If you have specified that an instrument number is required, you should also indicate the Managers check payable GL to be by transfers involving the product.

This field will be activated only if you had indicated that an Instrument Number is required. You can select a valid foreign and local currency type GL from the option list that is available.

DAO GL

For products that cater to incoming transfers, you can indicate the Foreign and local currency DAO GL to be used.

You can select a DAO GL from the option list that is available.

3.1.10 Preferences for Processing Type 75 Transfers

Your bank can initiate a bank or customer transfer on behalf of a customer who has an account with another bank with which the bank has an arrangement for such a transfer. Typically, your bank instructs the other bank to transfer funds to the beneficiary, from the customer's account in the other bank.

Example

Mr. Jeffrey Winans, who is a customer of the South Atlanta Bank, requests your bank to send a transfer request to the South Atlanta Bank, to debit his account and transfer funds to Mr. Edward White's account in Global Southern Bank.

In such a case, your bank would generate a S.W.I.F.T message MT100, 103 or 202, with Mr. Winans' details as the remitter details, in Field 53D of the message. South Atlanta Bank, on receipt of the message, would understand it to be a funds transfer request from Mr. Winans, and will debit his account accordingly.

To initiate such transfers, you need to set up a Funds Transfer product allowing debit and credit of the other bank's nostro account with your bank, in the product preferences. Check the box 'Same Debit and Credit Account Allowed', in the Product Preferences screen. The SWIFT message MT 100 / 103 / 202 is generated on behalf of the customer.

Also, when you input the transfer contract in the FT Input screen, capture the remitter account details. These details are populated in Field 53D of MT 100/103/202, and the other bank receives these details as a funds transfer instruction.

3.1.11 Duplicate recognition

Oracle FLEXCUBE recognize the duplicate messages automatically if user selects this feature using the check box for the purpose. If user selects the feature, he has to mention the fields which have to consider while considering a message as duplicate. Separate maintenance has to be done for category 1 and 2 messages.

3.1.12 Identifying the Transaction Type of an FT

If the system encounters errors while processing accounting entries involving an FT transaction marked for STP processing it will re-direct the transaction to the Repair Queue. For instance, if the credit account involved in an incoming transaction is closed the system will redirect the transaction to the Repair Queue. Similarly, if the customer name specified in the incoming FT is incorrect the transactions will be re-directed to the Repair queue.

To represent FT transactions residing in the Repair queue and to track the volume of transactions that the system processes from the Repair queue you can associate transaction types with each transaction code linked to an accounting entry. You have to capture these details while creating FT Products in the accounting entry definition sub-screen.

Although the preferences maintained at the product level get defaulted to the incoming SWIFT message (based on your specifications in the Product Mapping screen), you will be allowed to change the transaction type for a specific FT in the Incoming Message Browser. Consequently, the entries for the FT message will be posted with the transaction code associated with the transaction type for the message.

In addition, during contract processing you will be allowed to change the transaction type of all FT transactions, which were booked manually.

3.1.13 Maintaining Transaction Types

Before your bank can start creating FT products for incoming FT messages which may need to be re-directed to the Repair queue, you will have to capture the various transaction types through the Transaction Types screen.

Input By	Date/Time	Auth By	Date/Time	Mod No
TBMPAU	25-JUL-2001 13:25:43	TBMP	25-JUL-2001 13:26:20	1

Apart from capturing a short name to identify the nature of the incoming FT transaction you will have to qualify it with a short description as well. Let us assume you are maintaining a record to identify transactions in which the remitter is at fault. You have specified **REMFALT** as the Transaction Type. To qualify the short name you can assign **Remitter's fault** as the transaction type description.



A pre-shipped transaction type called Normal will be available in the system. If case you have not associated a valid transaction code with a debit or credit entry the system will use the transaction code associated with the transaction type called Normal.


Since this is a bank level maintenance the details of all transaction type records will be made available across the branches of your bank.

3.1.14 Capturing transaction type details at the FT Product level

Each debit and credit accounting entry and amount tag combination involving an event within FT products meant for incoming messages has to be associated with a transaction type. While defining the event-wise accounting entries through the Product Event Accounting Entries screen you have to specify the following details for each entry:

- The Transaction Type which is to be associated with the entry.
- The transaction code, which is to be used to track such an entry.

You can choose to associate multiple transaction types with a single accounting entry and amount tag combination.

 Since you are associating each transaction type with a corresponding transaction code, the transaction code that you specify in the Accounting Entries section will be associated with the transaction type called Normal, which as stated earlier is pre-shipped.

The manner in accounting entries are tracked against the transaction codes associated with the transaction type while processing incoming FT transactions from the error queue is illustrated in the example given below:

Example

Assume, you are maintaining the details of an FT product called INMS meant to cater to Incoming FT Messages.

The accounting entries that you would need to define for the INIT (Initiation) event would be as follows:

Accounting Role	Amount Tag	Dr./Cr. Indicator	Txn Code
REMITTER	AMT_EQUIV	Debit	TX1
BENEFICIARY	TRF_AMT	Credit	TX2

The Transaction Type details for Debit accounting will be as follows:

Txn Type	Description	Txn Code
OURFALT	Our Fault	TX3
REMFALT	Remitter Fault	TX4

The Transaction type details for the Credit accounting will be as follows:

Txn Type	Description	Txn Code
OURFALT	Our Fault	TX5
LATEREM	Late Remittance	TX6

The details of incoming messages re-directed to the Repair Queue in the Incoming Browser are as follows:

Message	Queue	DCN Number	Txn Type
1	INMS	00000001	OUTFALT
2	INMS	00000002	REMFALT

While processing these transactions the system will post the following entries –

First entry for Message 1

Acct Role	Amount Tag	Dr/Cr Indicator	Txn Code
REMITTER	AMT_EQUIV	Debit	TX3

The system will track this entry against TX3, since this is the transaction code associated with transaction type OUTFALT.

Second entry for Message 1

Acct Role	Amount Tag	Dr/Cr Indicator	Txn Code
BENEFICIARY	TRF_AMT	Credit	TX5

The system will track this entry against TX5, since this is the transaction code associated with transaction type OUTFALT.

First entry for Message 2

Acct Role	Amount Tag	Dr/Cr Indicator	Txn Code
-----------	------------	-----------------	----------

Acct Role	Amount Tag	Dr/Cr Indicator	Txn Code
BENEFICIARY	AMT_EQUIV	Debit	TX4

The system will use the Transaction Type REMFALT and track entries against the Transaction Code TX4.

Second entry for Message 2

Acct Role	Amount Tag	Dr/Cr Indicator	Txn Code
BENEFICIARY	TRF_AMT	Credit	TX2

Since the transaction type REMFALT is not linked to the Credit Entry the accounting entry will be posted with the transaction code linked to the Normal transaction type i.e., TC2.

3.1.15 ECA Allowed

This option enables the external credit approval check for FT contracts.

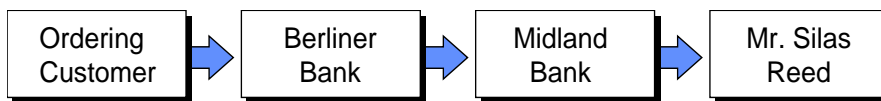
For details of generic ECA check related maintenance and processing, refer to the following User Manuals:

- Core Services (Branch Parameters section)
- Core Services (Transaction Codes section)
- ECA Interface
-

4. Processing a Funds Transfer

4.1 Funds Transfer Contract

An FT contract is a funds transfer instruction wherein a customer requests the bank to transfer funds from one account to another bank account. It may be a telecommunications payment or a collection service. Such an instruction involves a sequence of events, but is treated as one contract. For example, if a customer of Berliner Bank, instructs them to pay Pounds Sterling to Midland bank, London into the account of Mr. Silas Reed. The sequence of the events that will follow, to effect the transfer can be considered an FT contract.




An FT Contract would therefore require information on:

- Who is the remitter?
- What is the transfer amount and currency?
- Is it a cross currency transfer?
- Are any intermediate banks involved in the transfer?
- What route should the transfer follow before it actually reaches the beneficiary?
- When is it to be settled?
- The Beneficiary details (name, account number)
- Mode of reimbursement
- Method of transfer
- The type of transfer (incoming, outgoing or internal)

Under each Product that you have defined, you can input specific FT's based on your customers needs. Each of these will constitute a contract. While Products are general and serve to classify or categorize funds transfers, Contracts are customer specific. The attributes that you define for a product will be inherited by all contracts linked to the product.

4.1.1 Capturing Funds Transfer Contract Details

To invoke the 'Funds Transfer Contract Details' screen, choose **Funds Transfer** from the Application Browser. Thereafter, choose **Contract Input** and **Detailed** under it. 'Funds Transfer Contract Details' screen gets displayed. Choose **New** from the Actions Menu or the  button in the toolbar. 'Payment Parameters' screen gets displayed.

To make your funds transfer easy you can provide the payment vital information in this screen. You can specify the following details here:

Payment Type

Select the type of payment as:

- Agency Participant
- Agency Borrower
- Agency Deal Closing
- Origination
- Secondary Loan Trading
- Other options

Payment Option

Select the payment option from the possible options list provided here. Based on your payment type selection, the list of payment options are maintained in the 'User Defined Static Maintenance' screen.

Reference Number

Select or specify the user reference number for whom you wish to make the payment.



Start Date

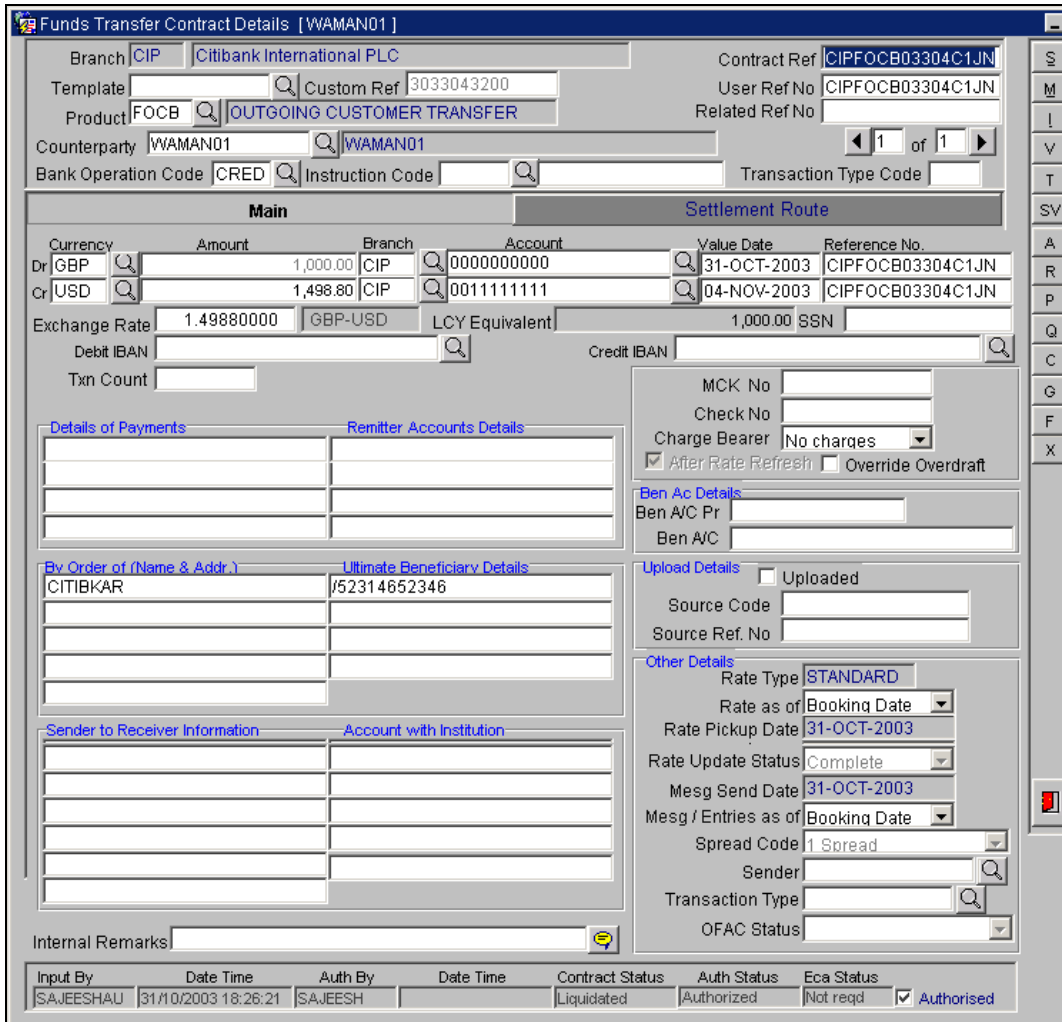
Specify the start date of the payment here.

Maturity Date

Specify the payment maturity date here.

On making manual payments, the system extracts the customer number and appends the corresponding customer name in the first line, and facility name in the second line of field 72 of the settlement instructions SWIFT message. You can modify the details populated in field 72 of the SWIFT message, if required, except for the customer name.

Click  to save the payment details. Click  to cancel the payment details.



Funds Transfer Contract Details [WAMAN01]

Branch: CIP Citibank International PLC Contract Ref: CIPFOCB03304C1JN
 Template: Custom Ref: 3033043200 User Ref No: CIPFOCB03304C1JN
 Product: FOCB OUTGOING CUSTOMER TRANSFER Related Ref No:
 Counterparty: WAMAN01 WAMAN01
 Bank Operation Code: CRED Instruction Code: Transaction Type Code:

Main | **Settlement Route**

Dr	Currency	Amount	Branch	Account	Value Date	Reference No.
	GBP	1,000.00	CIP	0000000000	31-OCT-2003	CIPFOCB03304C1JN
Cr	USD	1,498.80	CIP	0011111111	04-NOV-2003	CIPFOCB03304C1JN

Exchange Rate: 1.49880000 GBP-USD LCY Equivalent: 1,000.00 SSN:
 Debit IBAN: Credit IBAN:
 Txn Count:

Details of Payments | **Remitter Accounts Details**

By Order of (Name & Addr.) | **Ultimate Beneficiary Details**

CITIBKAR	/52314652346
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Sender to Receiver Information | **Account with Institution**


Other Details

Rate Type: STANDARD
 Rate as of: Booking Date
 Rate Pickup Date: 31-OCT-2003
 Rate Update Status: Complete
 Mesg Send Date: 31-OCT-2003
 Mesg / Entries as of: Booking Date
 Spread Code: 1 Spread
 Sender:
 Transaction Type:
 OFAC Status:

Internal Remarks:

Input By	Date Time	Auth By	Date Time	Contract Status	Auth Status	Eca Status
SAJEESHAU	31/10/2003 18:26:21	SAJEESH		Liquidated	Authorized	Not reqd <input checked="" type="checkbox"/> Authorized

Enter valid inputs into all the mandatory fields, or you will not be able to save the contract. After you have entered all the details of the contract, save the contract using one of the following methods:

Click on the  button in the toolbar or select **Save** from the Action menu.

The FT Contract Detailed screen as it appears, contains a header with fields that are specific to the contract you are entering. Besides these fields you will also notice that the screen is divided into two tabs with a vertical array of icons, along the lines of which you can enter details of the contract.

Template

To use an existing template to enter details of a contract, select the template from the list available for this field. The details stored in the template that you have selected will be displayed in the Contract Input window. A new reference number will be automatically generated for the contract. You can change the details defaulted from the template that you have chosen if you so desire. After you have changed the values that need to be changed, save the new contract that you have entered.

Contract Ref No

In Oracle FLEXCUBE, reference numbers are generated automatically and sequentially by the system. This number tag is used to identify the FT contract you are entering, it is also used in all the accounting entries and transactions related to this contract. Hence the system generates a unique number for each contract.

The contract reference number is a combination of a three-digit branch code, a four character product code, a five-digit Julian Date and a four-digit serial number. The Julian Date has the following format:

'YYDDD'

Here, YY stands for the last two digits of the year and DDD for the number of day (s) that has/have elapsed in the year.

Example

January 31, 1998 translates into the Julian date: 98031. Similarly, February 5, 1998 becomes 98036 in the Julian format. Here, 036 is arrived at by adding the number of days elapsed in January with those elapsed in February (31+5 = 36).

Custom Reference Number

This reference number is also a system generated reference number. The reference Number will be based on a format created and attached to that particular FT Product


User Reference Number

You can enter a reference number for the contract. The contract will be identified by this number in addition to the Contract Reference No generated by the system. This number should be a unique number and cannot be used to identify any other contract. By default, the Contract Reference No. generated by the system will be taken as the User Reference Number.

Related Reference Number

You can enter the Related Reference Number for a contract of Product Type Bank Transfer. This field supports a maximum of 16 characters. The Related Reference Number will be reflected in Field 21 of the MT202. This field is not mandatory. If this field is blank, the Contract Reference will be displayed in Field 21 of the MT202.

You will not be allowed to enter the Related Reference Number manually for the Contract Types Customer Transfer and Internal Transfer.

 When an FT Contract is created via a SWIFT message upload, this field will be populated with Field 21 of the incoming MT202.


Product Code

This is the product that is involved in the contract you are entering. Enter the code of an authorized Product defined through the Product definition table. Select the product code of the product to which you want the contract to be linked. The contract will inherit all the attributes of the product you have selected.

To facilitate fast input, you need to just input the product code and a few details about the beneficiary and remitter. Depending on the product code you specify many of the fields are defaulted. You can over write these defaults if you so desire.

Counterparty

This is the code assigned to the customer on behalf of whom you are initiating the transfer. Click on the option list and select a valid Counterparty ID.

 If you do not specify the Counterpart ID then the CIF number associated with the Debit Account will be defaulted in this field.

Bank Operation Code

The Bank Operation Code identifies the type of operation you want to perform. This field corresponds to field 23 B of SWIFT.

Click on the option list and indicate the appropriate Bank Operation Code.

Instruction Code

While maintaining the details of a funds transfer you have to capture the details of the instruction that accompany it.

A list of Instruction Codes are already maintained in the system. You can select a valid code from the option list.

Transaction Type Code










You can choose to specify the nature of the particular transaction. For instance let us assume that your bank is the correspondent bank involved in the processing an outgoing customer transfer wherein the salary has to be credited into an account that the ultimate beneficiary holds with your bank. You can enter SAL as the transaction type code. The field corresponds to field 26T of SWIFT.



Enter a suitable code to identify the transaction type. After you have entered these details, they will be displayed in the screens that correspond to the two tabs on the Contract Detailed screen.

The FT Contract Screen has two tabs in which the details of the contract are entered. The two tabs are:

Main	Click on this tab to enter vital details of a contract. This screen along with its fields has been detailed under the head 'Entering Main Contract Details'.
Settlement Route	Click this tab to view a screen which depicts the route that the transfer will take before it actually reaches the ultimate beneficiary. This screen along with its fields have been detailed under the head 'Viewing the Settlement Route'

On the Contract Detailed screen you will also notice a vertical toolbar on the right. The buttons on this toolbar enable you to invoke a number of functions that are vital to the processing of a contract. These buttons have been briefly enlisted below.

	Click this button to invoke the Settlement Messages screens. Based on these details the transfer will be settled. This has been discussed in the Settlements Manual
	Click this icon to define MIS details for the transfer.
	<p>This button invokes the Charges, Commissions and Fees (ICCF) service. On invoking this function you will be presented with a screen where the ICCF rate, amount, currency, waive charge Y/N parameter can be specified.</p> <p>The chapter titled 'Processing Charges and Fees' details the entire procedure maintaining charge rules. It also deals with the linking of a charge scheme to a product and the application of the scheme on a transfer.</p>
	Click on this button to view the details of the events and the related accounting entries that this contract involves.
	<p>This button invokes the Tax services. On invoking this function you can define the tax scheme. The rule details and the amount details of the contract.</p> <p>The chapter titled 'Processing Tax for Funds Transfers details the entire procedure of maintaining tax rules and schemes.</p> <p>It also deals with the linking of a tax scheme to a product and the application of the scheme on a transfer.</p>
	This button invokes the Signature Verification screen. Through this screen you will be able to verify signatures of the customer involved in the transfer.
	Click on this button to invoke the Advices screen. Here you can choose to either suppress or allow a message associated with the contract to be generated.
	Click on this button to view the Settlement Details for the contract.
	Click on this button, to view the details of the Global Interdict Check screen. This screen contains details validated in the GI system about the Customers/ Customer Accounts involved in the transaction.

Enter valid inputs into all the mandatory fields; or you will not be able to save the contract. After you have entered all your inputs, save the contract by either clicking on the  button in the toolbar or selecting **Save** from the Action menu. Click on the  button to exit the screen. You will be returned to the Application Browser.

4.1.2 Processing a Funds transfer

Through the screens that follow in this section you can initiate all the three major types of FT's (incoming, outgoing and internal).

You can choose to enter the details of the contract either by:

- Selecting a template that has been created earlier - If you do so, the details that have been stored in the template will be displayed. You can change the values in any of the fields except the Product Code.
- Copying the details from an existing contract and changing only the details that are different for the contract you are entering.
- Using your keyboard or the option lists that are available at the various fields to enter the details of the FT afresh.

To enter the details of a contract, you need to just enter a product code and a few details about the beneficiary and the remitter. Depending on the product code that you select, many of the fields will be defaulted you can over write these defaults to suit your requirements.

4.1.3 Entering Main Contract Details

From the Funds Transfer Contract Details screen, click the tab titled **Main** to define important contract details. In this screen you can specify details of the remitter and beneficiary of the transfer, the value date, the amount of the transfer, the rate pickup method and the time at which messages are to be generated. Some of the fields in this screen will be defaulted with inputs characteristic to the product that this contract involves.

Inputs into the various fields of this screen depend on whether the funds involved in the Contract are Incoming Outgoing or Internal. The contract reference number together with the product code and the user reference number will be displayed on the top of the screen.

The information that is captured on the FT Contract Main screen has been briefly described below.

4.1.4 Features on the Contract screen


Specifying Debit Details for a transfer

Debit Currency -- This is the currency of payment. Enter the currency of the remitter's account in this field. You can choose a valid currency from the list of values that is available. If you do not make an entry in this field, the currency of the account entered in the Remitter Account field will be taken as the currency of the transfer.

If you indicate only the GL of the Remitter Account and not the account itself in the account field, an appropriate currency has to be input into the currency field.

Debit Amount -- In this field you can enter the amount that is being transferred. This amount is taken to be in the same currency indicated in the previous field.

If FT transfer type is incoming, the transfer amount is populated from the ordered amount field in Settlement instructions

Debit Branch -- If the remitter's account is in a branch different from your branch, enter the Branch Code of that branch here. Click on the  button and choose a branch from the list of values that will be displayed. This field will be defaulted with the branch code of your bank.

Debit Account -- You can specify the account number of the remitter i.e., the account to be debited. This account number should exist in the list of accounts maintained for the branch you had specified in the 'Branch' field. You can choose an account from the picklist that is available for this field.

The inputs into this field depend on the type of transfer that is initiated. If it is an incoming transfer enter the account of the bank from which your bank has received funds. If it is an outgoing transfer enter the account of the Ordering customer (the ordering customer of your bank).

If the remitter is your bank itself, you can specify the appropriate GL in the currency of the transfer (the currency you specified in the currency field)

Debit Value Date -- This is the date on which the funds transfer will be effected, i.e., the date on which the remitter's account is to be debited. This date must be earlier than or same as the credit date. If you leave this field blank, the system defaults the system date (the current date).

For DDA accounts, value date is based on the settlement days and currencies defined at the account class level. The value date will be displayed only if the 'A/c Class Holiday Treatment' check box is checked at the FT product preference level.

If the settlement days are not maintained, then the value date will display the application date. Value date should not be a holiday in any of the currencies maintained at the account class level. This is valid only if the 'A/c Class Holiday Treatment' check box is checked at the FT product preference level.

The system validates that the value date is not a holiday in any of the currencies maintained at the account class level which is defined at the additional preference screen. Only three currencies can be maintained in this screen. After applying the settlement day, if the value date is a holiday in any of the currencies maintained, then next available working day will be defaulted.

Specifying Credit Details for a transfer

Credit Currency

You can specify the currency in which the beneficiary is to be credited. If you leave this field blank it will be defaulted with the currency of the account entered in the 'Credit Account' field, when you input the account number of the Beneficiary.

If you indicate only the GL in the Beneficiary account field, an appropriate currency has to be input into the currency field.

You can choose a valid currency from the list of values available for this field.

Credit Amount

Specify the Amount to be credited into the Beneficiary account. If you are effecting an outgoing cross currency transfer you need to only enter only the credit amount; the other component of the transfer would be derived based on the exchange rate that you specify.

If the ordered amount in Settlement Instructions is null, the transfer amount is populated in the Detailed Account Statement from FT Contract Details; that is, debit amount for incoming type of transfer and credit amount for outgoing or internal type of transfer.

Credit Branch

Enter the branch to which you are crediting funds (i.e.) the branch into which you are crediting the transfer amount, on behalf of the Ultimate beneficiary. Input into this field depends on the type of transfer you are entering. You can select a valid branch from the list of values that is available for this field.

Credit Account

This is the account that will be credited with the transfer amount. For an outgoing transfer it refers to the next bank in the chain, for the movement of funds. Depending on the settlement route the funds will in turn be transferred to the next bank in the chain before the ultimate beneficiary is paid.

Credit value date

This is the date on which the Beneficiary's account is to be credited. The Credit value date is in reality the value Date (Transaction date) of the transfer. This date must be later than or equal to the debit date.

The system defaults the value date as explained below:

For an incoming FT Contract,

- If transaction currency is the same as account currency, then,

Credit Value Date = Greater of (Booking Date, Debit Value Date)

- If the transaction currency is different from the account currency, then,

Credit Value Date = Greater of (Booking Date, Debit Value Date) + Account Currency Spot Days.

For an outgoing Funds Transfer contract,

- If the transaction currency is the same as the account currency, then,

Credit Value Date = Greater of (Booking Date, Debit Value Date) + Settlement Days (Same CCY).

- If the transaction currency is different from the account currency, then,

Credit Value Date = Greater of (Booking Date, Debit Value Date) + Transaction Currency spot days.

- For incoming and internal transfers the default is the system date
- For outgoing transfers the default date is the system date + spot days as defined in the currency table in the Core Services module of Oracle FLEXCUBE.

Transfer Type	Remitter	Beneficiary
Internal transfer	<p>For an internal transfer, it is mandatory for you to enter details of remitter of the funds.</p> <p>The remitter in this case can be a customer or a bank.</p>	<p>For an internal transfer, it is mandatory for you to enter details of beneficiary of the funds</p> <p>The beneficiary of an internal transfer can be a customer or a bank.</p>
Incoming Transfer	<p>For an incoming transfer the remitter of the funds is always a bank.</p>	<p>The beneficiary in the case of an incoming transfer can be either a bank or a customer.</p>
Outgoing Customer Transfer	<p>For outgoing transfers, it is mandatory for you to enter details of remitter of the funds.</p> <p>The remitter in this case is almost always a customer.</p> <p>However if you input a bank as the remitter of such a transfer, then the system will seek an override.</p> <p>If you input a GL as the remitter, then it is mandatory for you to enter the details of the Ultimate beneficiary.</p>	<p>The beneficiary in the case of an outgoing transfer must always be a bank.</p> <p>If it is a Nostro, then it is mandatory for you to enter the details of the Ultimate beneficiary.</p>
Outgoing Bank Transfer	<p>If you are entering an outgoing bank transfer, input into this field is mandatory.</p> <p>In the case of Outgoing Bank Transfers, the remitter can be either a bank or a GL. If you enter a GL in this field then input into the 'By Order Of' field becomes mandatory.</p>	<p>In this case the beneficiary must be a bank or a Managers Check Payable.</p>



Note the following:

- Dr and Cr value date will be defaulted based on the Contract Ccy, Local Ccy and Other Ccy.
- Debit value date and Credit value date should be the same date if any of the transaction account is a CRA/DDA account.
- The value date of the FT transaction is defaulted based on the holiday preferences and settlement days maintained at the account class level.

For DDA accounts, value date is based on the settlement days and currencies defined at the account class level. The value date will be displayed only if the 'A/c Class Holiday Treatment' check box is checked at the FT product preference level.

If the settlement days are not maintained, then the value date will display the application date. Value date should not be a holiday in any of the currencies maintained at the account class level.

Specifying the Exchange rate for a transfer

This field is defaulted with the exchange rate that is to be used to process the transfer. This exchange rate is determined by the rate type and the spread code you specified for the product, to which this contract is linked.

If you want to change the rate that is defaulted to this field i.e., you can specify an exchange rate of your choice. If the rate you have specified is different from the Standard rate then the system will seek an override. The exchange rate that you specify will have to be within the maximum and minimum limit that you specified for the product to which this contract is linked.

This rate will be applied to the transfer amount and will also be used to calculate the charges and commissions applicable for the transfer.

Exchange Rate currency pair- This displays the currency pair along with the exchange rate.

Manager's Check number -- This is the identifying number of the Manager's check that you issue for outgoing transfers by check. This number should be unique across contracts and is used as a reference for outgoing transfers.

For transfer types involving a Manager's Check, the credit account field will be defaulted with the Manager's Check payable account defined for the product.

Input into this field is mandatory, if you have checked against the field 'Instrument Number Required' in the Product Preferences screen. You will not be allowed to make entries into this field, if the 'Manager's check allowed' field is unchecked in the FT Product Preference Screen.



If the MCK has not been specified in the FT Contract Details screen and if reconciliation using the Custom Reference number option has been enabled in the Product Preference screen, the system passes the Custom Reference number as instrument code instead of the Contract Reference number. Thus the reconciliation data is stored with the Custom Reference number instead of the Contract Reference number. However, the Contract Reference Number is passed if the MCK has not been specified and the Custom Reference Number is not generated for the contract.

Check Number -- You can use this field, if you are debiting a check to a customer account. Therefore this field is applicable for outgoing transfers.

The check number that you enter in this field will have to match number validations in the check book details table maintained in the Current Account and Savings Account (CASA) module of Oracle FLEXCUBE.

Specifying the Charge Bearer -- There are obvious costs involved in transferring funds from one location to another. In this field you can specify who will actually bears these charges. The options available are:

- Beneficiary – All Charges
- Remitter – All Charges
- No Charge
- Remitter – Our Charges

If the charges are to be borne by the beneficiary of the transfer indicate 'Beneficiary'. If they are borne by the remitter indicate 'Ourselves'. If you want to waive the charges indicate 'No charge'.

Example

An outgoing transfer

Let us assume that Silas Reed orders Leander Bank, Vienna to transfer USD 10,000 to the account of Wendy Klien with Citibank Vienna, also assume that the charges incurred to effect the transfer, amounts to USD 1000 which will be borne by the beneficiary – Wendy Klien.

At Leander, Vienna it is an outgoing transfer.

Case 1

Transfer Type	Charge Bearer	Charges	Amount Transferred
Outgoing	Beneficiary	USD 1,000	USD 9,000

In this case the beneficiary bears the charges incurred to transfer funds. Therefore Leander bank would:

Debit Silas Reed's account for USD 10,000.

Transfer only USD 9000 to the account of Wendy Klien with Citibank, Vienna.

Credit its income account with USD 1000.

Case 2

Transfer Type	Charge Bearer	Charges	Amount Transferred
Outgoing	Remitter	USD 1000	USD 10,000

In this case the remitter bears the charges incurred to transfer funds. Therefore Leander Bank Vienna would:

Debit Silas Reed's account with USD 11,000 \$.

Transfer USD 10,000 to the account of Wendy Klien with Citibank, Vienna.

Credit its income account with USD 1000.

An Incoming Transfer

Let us assume that Wendy Klien orders, Citibank Vienna to transfer USD 10,000 to the account of Silas Reed with Leander Bank Vienna, also assume that the charges incurred to effect the transfer, amounts to USD 1000. At Leander Vienna it is an incoming transfer.

Case 1

Transfer Type	Charge Bearer	Charges	Amount Transferred
Incoming	Beneficiary	USD 1000	USD 9,000

In this case it is the beneficiary that bears the charges incurred to effect the transfer. Therefore Citibank Vienna would:

Debit Wendy Klien's account for USD 10,000.

Transfer USD 9,000 to the account of Silas Reed with Leander Vienna and

Credit its' own account with USD 1000.

Case 2

Transfer Type	Charge Bearer	Charges	Amount Transferred
Incoming	Ourselves	USD 1000	USD 10,000

In this case the remitter bears the charges incurred to effect the transfer. Citibank Vienna would therefore:

Transfer USD 10000 to the account of Silas Reed with Leander, Vienna.

Debit the account of Wendy Klien for USD 11000 and

Credit its own for the same.

Internal Transfer

Let us assume that Silas Reed orders Citibank, Vienna to transfer USD 1000 to the account of Wendy Klien with Citibank, Paris. The charges incurred to effect the transfer amount to USD 50.

For Citibank, Vienna it is an Internal transfer.

Case 1

Transfer Type	Charge Bearer	Charges	Amount Transferred
Internal	Beneficiary	USD 50	USD 1000

In this case Citibank, Vienna would:

Debit Silas Reed's account for USD 1000.

Transfer USD 950 to the account of Wendy Klien with Citibank, Paris.

Credit its income account with USD 50.

Case 2

Transfer Type	Charge Bearer	Charges	Amount Transferred
Internal	Remitter	USD 50	USD 1000

In this case Citibank, Vienna would:

Debit Silas Reed's Account with USD 1050

Transfer USD 1000 to the account of Wendy Klien with Citibank, Paris. Credit its' own account with USD 50.

Message / Entries as of – Here you can enter the day or date on which Settlement messages/entries are to be generated. This field will be defaulted based on the specifications you made for the product to which this contract is linked. You can change the values defaulted to this field if required. Choose an option from the option list that is available for this field. The options available are:

Message/Entry as of Booking date - The date on which you input the contract details is known as the booking date. If you specify 'Booking Date' in this field settlement messages will be generated on the booking date after the contract is authorized. Similarly, for internal and incoming FTs the Booking (BOOK) and Initiation (INIT) events are triggered as of this date. The entries passed during the initiation event are posted as of this date as well.

Message/Entry as of Spot date - For each currency that your bank deals with, you would have also specified a spot date. The spot date for the currency is maintained in the Currency Definition Maintenance table of the Core Services module.

If you specify 'Spot Date' in this field, the messages will be generated on the spot date (depending on the spot date you have maintained for the currency involved in the transfer). The initiation event is triggered spot days before the currency of the contract. However, the booking event is triggered on the booking date of the incoming/internal FT.

Message/Entry as of Value date - This is the date on which the transfer takes effect. If you specify value date then the messages will be generated on the day the transfer is effected.

In this case, if the debit value date is in the future, the booking event will be triggered as of the contract details input date. The initiation event will be triggered during the beginning of day processes of the debit value date.

You can also enter the value date of your choice here. It can be any one of the following:

- Today's Date
- A date in the past
- A date in the future


You can enter a date in the future only if Future Dating has been allowed for the product to which this contract is linked.

The Value Date (transfer initiation date) should not be earlier than the Start Date or later than the End Date of the product involved in the loan.

Messages can be generated only after the exchange rate for the contract has been fixed. Thus based on the rate pick up code that you specify, you will have to match the options for message generation.

For normal contracts (as of booking date) messages will be generated only after authorization. In the case of Future Valued transfers messages will be generated as of spot date.

Rate as of -- The 'rate as of field' signifies the date or the day as of when the rates you specified for the contract should be picked up and applied to the transfer amount.

The preferences you specify for the product to which this contract is linked will be defaulted to this field and can be changed here if required. In the case of a normal contract (a contract that is liquidated as of booking date) the rate is as of booking date. For future valued transfers you can specify the rate pick up date as of booking date, value date or spot date. Click on the  button for a list of options for the rate pickup. They are -

Rate as of Booking date - The date on which you input the contract details is known as the booking date. If you specify 'Booking Date' in this field, the rate specified for the product and the spread mentioned in the spread will be picked up as of the booking date for the transfer.

Rate as of Spot date - This field is applicable for Future dated funds transfer contracts. For each currency that your bank deals with, you would have also specified a spot date. The spot date for the currency is maintained in the Currency Definition Maintenance table of the Core Services module.

If you specify 'Spot Date' in this field, the rate specified for the product and the spread mentioned in the spread will be picked up as of the spot date for the transfer.

We shall examine an example wherein the 'rate as of' is specified as Spot Date:

A customer of your bank approaches you on 1 March 1997 (the booking date) to initiate a cross currency transfer for 1000\$. Assume the Offset currency of the transfer to be INR and the transfer currency to be USD. Also assume that you had maintained the spot days for USD to be 2 days in the Currency Definition table of the core services module.

The transfer is to be initiated on 5, March 1997 (the Value Date). It is therefore a future dated transfer.

Booking Date - 01/03/96

Value Date - 05/03/96

Contract Currency - USD

Contract Amount – USD 1000

Spot Days maintained for USD -2

In this case the exchange rates to be applied to the transfer will be picked up from the currency table on 3, March 1997, Spot days (2 days) before the Value date of the transfer.

Rate as of Value Date - This is the date on which the transfer takes effect. If you specify value date then the rates to be used to process the transfer amount will be picked up on the day the transfer is effected. The Accounting Entries for the contract will be passed as of this date.

You can also enter the value date of your choice here, it can be any one of the following:

- Today's date
- A date in the past
- A date in the future. You can enter a date in the future only if Future Dating has been allowed for the product to which this contract is linked.

The Value Date (transfer initiation date) should not be earlier than the Start Date or later than the End Date of the product involved in the loan.

User Input -- In this case the rate you input in the exchange rate field of the contract main screen is picked up to compute the transfer amount.

Not applicable - You can specify 'Not Applicable' when the transfer is not a cross currency transfer (the currency that is remitted is the same, as the currency that is credited to the beneficiary.)

Capturing the Social Security Number of the customer involved in the transaction

If you are processing a funds transfer on behalf of a customer of your bank, the Social Security Number of the customer involved in the transaction will be defaulted from the CIF Maintenance details screen. However, if you are initiating the funds transfer for a walk-in customer you will have to capture the walk-in customer's SS Number.

STOP Each outgoing customer type of transfer initiated by an individual type of customer can be tracked against the customer's SS number. If the value of debits within a specific customer account exceeds USD 2500, with-in a seven-day working period the system notifies you of the same with an override message.

Example

Let us assume that on the 24th of September 2001, Mrs. Wendy Klien a customer of your bank initiates an outgoing FT for USD 2000. Since all weekends are considered as holidays at your bank, while processing the transfer all debits against her account for six working days preceding the 24th i.e., up to the 16th September will be tracked against her SS number.

Again, on the 1st of October 2001, she initiates another outgoing transfer, which necessitates a deduction of USD 700 on her account. While processing the transfer the system checks for all debits upto the 21st of September.

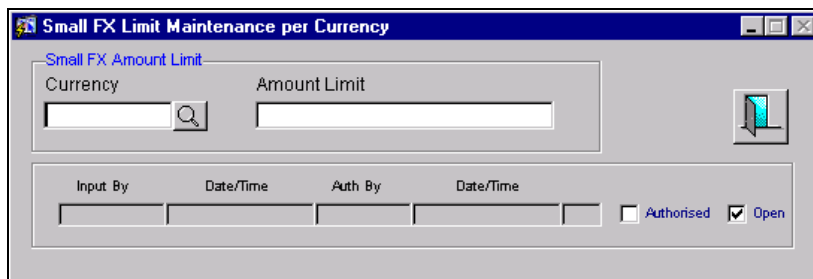
An amount of USD 2000 has already been tracked against her SS number on the 24th of September. However, since the current debit exceeds the maximum limit of USD 2500 for a running seven-day working period the transfer will be processed only if your confirm the override.

STOP If a contract is reversed the debit amount pertaining to the contract is not taken into account.

4.1.5 A note on default rates for Cross Currency Funds Transfers

Oracle FLEXCUBE provides you with a default rate for cross currency funds transfers, in case the transfer amount is within the amount limit you specify for the currency. To achieve this, you have to maintain amount limits for various currencies.

You can maintain Amount Limits for the currencies maintained at your bank in the FX Amount Limit screen. To invoke this screen, choose STP Maintenance and then Small FX Limit under it. Your specification in this screen will apply to all branches of your bank.



When a funds transfer is initiated in the FT Contract Details screen, the transfer amount is checked against the limit maintained for the transfer currency in this screen. If the transfer amount is less than the limit maintained for the currency, Oracle FLEXCUBE automatically displays the exchange rate specified for the product under which the FT is processed. (The mid rate defined for the rate type is used.)

This default rate can be modified. If however, the transfer amount is equal to or more than the limit defined for the currency, the user entering the FT has to provide the exchange rate. Similarly, in case an amount limit is not maintained for the currency, the user entering the FT has to provide the exchange rate.



If you have maintained Small FX limits for a customer account, it will take precedence over the limit maintained for the currency. Hence, the cross currency FT contract amount will be checked against the limit maintained for the customer account.

For details on maintaining Small FX limits for an account refer the 'Core Entities' (CE) User Manual.

4.1.6 Processing a cross currency FT requiring an external exchange rate update

If you opt for 'Use Small FX' and 'External Exchange Rate Update' options for the branch and product, the system will process the cross currency FT contract in the following manner:

- Upon selection of the FT product, depending on the type of FT being processed, whether 'Incoming' or 'Outgoing', the following options will not be available:
 - Exchange Rate (for both types)
 - Credit Amount (for 'Incoming' type of FT)
 - Debit Amount (for 'Outgoing' type of FT)
- For an Incoming type of FT, the transfer amount is checked against the 'Buy Small FX Limit' maintained for the customer. Likewise, for an Outgoing type of an FT, the amount is checked against the 'Sell Small FX Limit' of the customer.

Case 1: The transfer amount is the less than the Small FX limit

If the amount is less than the limit maintained, the system will do the following:

- Default the exchange rate. However, you will be allowed to change the defaulted value. Exchange rate should be provided as mandatory information.
- The 'Rate as of' field will display 'User Input'.
- The 'Rate Update Status' will display 'Complete'.

Case 2: The transfer amount exceeds the Small FX limit

If the amount is greater than the limit maintained for the customer,

- You will not be allowed to specify the exchange rate.
- For an Incoming type of FT, the debit amount equivalent in credit currency will not be displayed.
- Likewise, the credit amount equivalent in debit currency will not be displayed for an outgoing type of FT.
- The 'Rate Update Status' will display one of the following statuses depending on whether the exchange rate is specified or not:
 - Complete

- Incomplete
- Pending (from external system)
- Reject
- If the 'Rate Update Status' is 'Pending', the system will suppress the 'INIT' event and 'Payment Message' generation.

In the Contract Summary screen, you will be allowed to query the contracts based on the 'Rate Update Status'.

4.1.6.1 Processing during different operations on cross currency FTs requiring an external exchange rate update

Authorization

If you authorize a cross currency FT that requires an external exchange rate update, the 'Exchange Rate Queue' will be updated with the following status:

- Complete – This will be the status for contracts with transfer amounts within the Small FX limits. The exchange rate is defaulted by the system in this case.
- Pending (exchange rate update is pending) – Status of contracts with transfer amounts exceeding the Small FX limits.

Amendment

You will not be allowed to amend contracts with Rate Update Status as 'Pending'.

Reversal

You cannot reverse contracts with 'Pending' rate status. The rate status should be either 'Complete' or 'Rejected'. To reverse contracts with 'Pending' status, you should first reject them in the 'Exchange Rate Queue' and then do a reversal in the 'Contract Online' screen.

On successful reversal, the reversal status is updated in the 'Exchange Rate Queue'.

4.1.7 Viewing and updating the exchange rate status

You will be able to view and update the exchange rate for all cross currency FT transactions in the 'Exchange Rate Queue' screen available in the Application Browser.

The Exchange Rate Queue will list all cross currency contracts for the selected module. The contracts are listed with different event sequence numbers (ESN).

You are allowed to perform the following operations in this queue:

- Rate Update
- Status Change
- Authorization of rate update and status change



You can do a rate update and status change only for the latest authorized entries in the queue.

4.1.7.1 Updating the exchange rate in the queue

For contracts with Rate Status 'Pending', you can specify the following:

- Exchange Rate,
- Reference Number, and
- Remarks

The update operation is saved with the event code 'RATE'.

4.1.7.2 Changing the rate status in the queue

You can change the Rate Status from 'Pending' to 'Reject' and save the operation.

4.1.7.3 Authorizing the operations in the Exchange Rate Queue

On authorization of the rate change, the Rate Update Status in the queue is changed to 'Complete'. Accordingly, the Rate Update Status for the corresponding FT contract is updated from 'Pending' to 'Complete'. Subsequently, the contract is initiated and settlement messages and advices are generated.

When you authorize the status change in the queue, the Rate Update Status is marked as 'Reject' for the underlying contract.



Split processing of cross currency funds transfers is applicable to uploaded FT contracts as well.

As part of the Pre-EOTI check, the system will list the following contracts:

- Contracts with Rate Update Status as 'Pending' in the Exchange Rate Queue.
- Contracts with Rate Status as 'Rejected' and hence due for reversal.

4.1.8 A note on Rate pickup and Message/Entry generation

The Rate pickup and message/entry generation codes need to be combined in a fashion to facilitate the following flow of events:

4. Rate pickup
5. Message Generation
6. Triggering the booking and initiation events for Internal and Incoming FTs.

All the possible combinations between the rate pickup, message generation codes and dates as of which the booking and initiation events get triggered have been explored and detailed below.

Standard rate as of Booking date – Message/Entry as of Spot Date

If you select this combination;

- The amounts will be converted using the rates available in the Currency table (on the booking date). The spread will be applied to the rate, based on the spread code you specify.
- Messages will be generated Spot days before the settlement date.
- Since the initiation event is triggered spot days before the currency of the contract the accounting entries posted for this event will be dated as of that date.

Rate as of Spot - Message as of Spot

If you choose this combination;

- The contracts with this combination will not be processed in the same manner as a normal contract. The Auto book function (a batch process explained in the chapter 7) run either at EOD or BOD picks up the exchange rates as of spot days before settlement date and applies this rate to the contract and commission amounts and also passes accounting entries.
- Messages will also be generated by the auto book function on the spot date.
- For incoming and internal FTs the initiation event is triggered spot days before the currency of the contract.

Rate and Message/Entry as of Value date

If you choose this combination the transfer amount will be converted based on:

- The rates that will be picked up on the value date
- Messages will be generated on the value date.
- If the debit value date is in the future, the booking event will be triggered on the date you capture the contract details. The initiation event will be triggered during the beginning of day processes of the debit value date.

Rate as of Booking date – Message/Entry as of Booking date


If you select this combination, the system converts the transfer and commission amount based on the:

- Rates that are available in the Currency table at the time of contract input
- Messages will be generated after the contract is authorized.
- The entries passed during the initiation event are posted on the booking date of the contract.

After rate refresh -- For future dated transfers you can specify that the rates to be used to process the transfer can be as of a future date.

The rate is picked up by the same method mentioned for the standard rate, except that the rate as of booking, spot or value is picked up only after the rate refresh has been completed and has been authorized. When you run the Rate Update function all contracts that require a rate update will be displayed. It is from this screen that you can allow the refreshed rates to be applied to the transfer amount. (Refer to Chapter 6 of this User Manual for details of the rate update function).

Check on this field to indicate that the standard rate as of as of a future date can be applied to the transfer only after the rates have been refreshed for the day.

 When an MT103 message is generated, if the sender does not have a valid Bank Identifier Code, field 50K will be populated with the International Bank Account Number (IBAN). If the IBAN is not present, the Clearing Account Number will be taken. If this account number is also not present, field 50K of the message will be populated with the Oracle FLEXCUBE Account Number.

By Order of (Name and Addr)

Enter the name and address of the ordering customer or institution in this field. Input into this field depends on the type of transfer that has been initiated.

For incoming transfers

Input into this field is mandatory when the beneficiary is:

- A non-bank customer account
- A Profit and Loss account (P&L GL)

Ultimate Beneficiary Details

The account, name and address of the ultimate beneficiary can be captured in this field.

Sender to Receiver Information

The sender to receiver Information corresponding to field 72 in SWIFT, if any, has to be entered in this field. This could include information like OCMT etc.

Account with Institution

The details of account with institution have to be entered here. This corresponds to field 57 of a SWIFT message.

Beneficiary account details

The bank account number of the beneficiary can be captured in this field.

The bank account you maintain here will be validated using the NIB code only if the country is Portugal. The validation done for the NIB code can be explained through the following example:

Suppose the 21 characters NIB code you have is 123456789123456889179 where '79' is the check digit.

The check digit is calculated in the following pattern:

Check Digit = 98 – MOD (SUM, 97)

SUM = (

Position 01 of NIB Code * 73 + Position 02 of NIB Code * 17

+ Position 03 of NIB Code * 89 + Position 04 of NIB Code * 38

+ Position 05 of NIB Code * 62 + Position 06 of NIB Code * 45

+ Position 07 of NIB Code * 53 + Position 08 of NIB Code * 15

+ Position 09 of NIB Code * 50 + Position 10 of NIB Code * 05

+ Position 11 of NIB Code * 49 + Position 12 of NIB Code * 34

+ Position 13 of NIB Code * 81 + Position 14 of NIB Code * 76

+ Position 15 of NIB Code * 27 +Position 16 of NIB Code * 90

+ Position 17 of NIB Code * 09 +Position 18 of NIB Code * 30

+ Position 19 of NIB Code * 03)

The MOD function will get the remainder of SUM divided by 97.

Thus,

SUM = 5548 will give $5548 / 97 = 57.19588$

$5548 - (57 * 97) = 19$

The Check Digit is $98 - 19 = 79$

During input, the system will validate the beneficiary's bank account number you have entered using the above check digit logic. If the validation fails then an error message will be displayed.

After you have made the required mandatory entries and saved the record, your User Id will be displayed in the **Input by** field at the bottom of the screen. The date and time at which you save the contract will be displayed in the **Date Time** field.

Another user should authorize a contract, which you have entered before the EOD is run. Once the contract is authorized by a person other than you, the Id of the user who authorized the contract will be displayed in the **Auth By** field. The date and time at which the contract has been authorized will be displayed in the **Date Time** field positioned next to the Auth By field.

The status of the contract will be displayed in the check box marked 'Authorized'. The field will remain unchecked until the record is authorized.

The **rate pick up** field on the screen displays the actual date (DD-MON-YYYY format) on which the rate is picked up. This date is computed based on your input into the 'Rate as of' field on the Contract main screen. Similarly the **Message send date** is the actual date on which messages are to be generated; this date is computed based your input in the 'Message as of field' in the contract main screen. Other details like the **rate type** and the **spread code** are defaulted based on the specifications you defined for the product to which this contract is linked. The Local currency equivalent of the transfer amount is displayed in the field **LCY Equivalent**.

If, for the branch, you have specified that OFAC validation is required for an FT Contract, the same will be carried out and the status displayed in the field OFAC Status. The status displayed could be one of the following:

- SC Check Requested
- SC Auto SLA Exceeded
- SC Check Approved
- SC Auto Potential Hit
- SC Operations Confirmed Hit
- SC Cancelled Transaction

- SC Manual Approved
- SC Turned Off
- SC Error

Once you have authorized a contract, you will not be allowed to amend it if your branch is marked for OFAC Validation.



The INIT event will not be triggered for contracts future dated or otherwise, if OFAC approval is pending.

If the contract has been uploaded from the FTTBS table by the FT Upload function then the field marked **Uploaded** will be checked. The source code of the source from which the contract is uploaded will be displayed in the **Source Code** field. Each time contracts are uploaded from the FTTBS table, the system automatically generates a source reference number, and this number will be displayed in the **Source Ref No** field. (Refer to Chapter titled 'Batch Processes' for details on the FT Upload function)

The **Override Overdraft** field is applicable to future dated contracts. This field is defaulted based on the specifications you made in the 'Process overdraft for autobook' field on the product preferences screen.

The Autobook function automatically liquidates future dated funds transfer contracts. There could be a situation where a customer requests you transfer an amount that actually exceeds the balance in his account. In this field you can specify whether such future dated contracts, can be processed when it is picked up by the autobook function, inspite of the overdraft. If you check against this field the system will allow overdrawing and process such contracts.

Otherwise the autobook function will skip the contract with an error message. You can view all the contracts that are not processed by the Autobook function on account of the overdraft in the FT Exception Report.

4.1.9 Specifying the Contract Advice Details

For each product that you have created, you have also specified the applicable advices to be generated for various events of the contract. These advices will be applicable to all contracts involving this product and will be displayed in the **Advice name** field.

Suppressing the generation of an advice

By default all the advices that have been defined for a product will be sent for a contract involving it. As certain advices may not be applicable to the contract you are handling, you can suppress its generation. To suppress the generation of an advice for the FT you are processing, click on the



button under **Suppress** next to the advice whose name is displayed against it. A Yes/No option is displayed. If you choose:

- **Yes** -- this advice will not be generated for the contract, if otherwise specify
- **No** -- the advice will be generated for this contract event.



Priority

You can specify the priority of the advice that is to be generated. By default the priority of all advices is marked as Normal. You can prioritize advices into one of the following:

- Normal
- Medium
- High

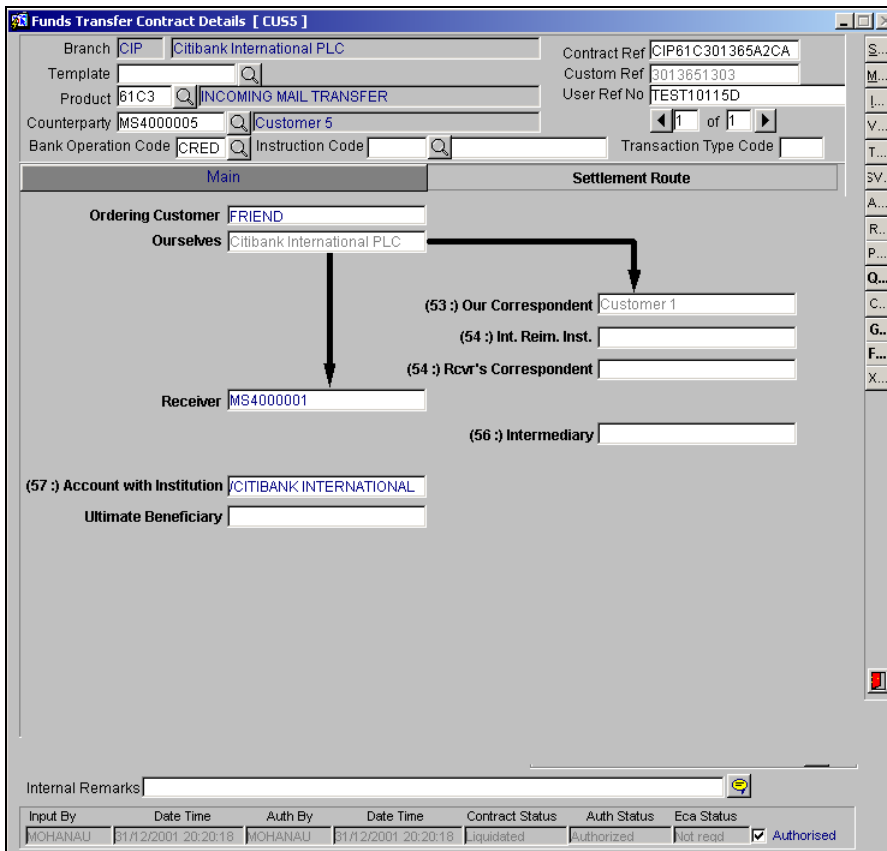


You can change the priority of a message to **Urgent** only for **Payment Advices**.

After you have selected the advices to be generated for the contract, click on the  button to save it. Click on the  button to reject the inputs you have made. In either case, you will be taken back to the contract main screen.

4.1.10 Viewing the Settlement Route

After saving the contract click on the **Settlement Route** tab on the contract details screen. A screen depicting the route that you have defined for the transfer, before it actually reaches the ultimate beneficiary is displayed. This facility has been incorporated to grant you a quick means of verifying the transfer route. If the party details are incorrect, you can delete or change the contract suitably.



Funds Transfer Contract Details [CUS5]

Branch: CIP | Citibank International PLC | Contract Ref: CIP61C301365A2CA
Template: | Custom Ref: 3013651303
Product: 61C3 | INCOMING MAIL TRANSFER | User Ref No: TEST10115D
Counterparty: MS4000005 | Customer 5 | 1 of 1
Bank Operation Code: CRED | Instruction Code: | Transaction Type Code: |

Settlement Route

Ordering Customer: FRIEND
Ourselfs: Citibank International PLC
Receiver: MS4000001
(53) Our Correspondent: Customer 1
(54) Int. Reim. Inst.:
(54) Rcvr's Correspondent:
(56) Intermediary:
(57) Account with Institution: CITIBANK INTERNATIONAL
Ultimate Beneficiary:

Internal Remarks:

Input By	Date Time	Auth By	Date Time	Contract Status	Auth Status	Eca Status
MOHANAU	31/12/2001 20:20:18	MOHANAU	31/12/2001 20:20:18	Liquidated	Authorized	Not read <input checked="" type="checkbox"/> Authorised

The various fields on this screen, basically explores all the possible routes that the transfer can take, before it actually reaches the ultimate beneficiary. However these fields will be defaulted based on the type of transfer that you initiate and the settlement details that you specify for the transfer, the fields of this screen will be populated.

Ordering Customer - This field displays the name of the customer ordering the transaction (the party that has initiated the transfer). This field will be populated only if you have initiated a customer transfer. (MT 100 and MT 103).

Ourselves -This field will be defaulted with details of the financial institution or the branch, thereof, initiating the transaction on behalf of itself or its customer.

Our Correspondent - If you are routing the transfer through a correspondent bank then the name of the correspondent will be displayed in this field.

Int.Reim.Inst. - This field will be defaulted with the details of the financial institution between the Sender's Correspondent and the Receiver's correspondent, through which the reimbursement of the transfer will take place.

Rcvr's Correspondent - This field displays the institution that will receive the funds on behalf of the receiver. Hence this field will be populated for outgoing transfers.

Intermediary - This field displays the intermediary between the receiver's correspondent and the sender's correspondent.

Account With Institution - The name of the Financial Institution at which the Ordering Party requests the Beneficiary to be paid. This field will not be populated for incoming and internal transfers.

Receiver - The name of the bank of the ultimate beneficiary is displayed in this field.

Ultimate Beneficiary - This field displays the name of the customer who is the ultimate beneficiary of the transfer.

During the upload of an MT103, if the Sender and Receiver are both Members of EU, Oracle FLEXCUBE will populate field 33B as a mandatory field.

During the upload of an MT103+, if both the sender and receiver are EU Countries, you will have to enter the IBAN Account Number in the field 57A, if present, as mandatory information.

The following table mentions the basis of field 59 whether mandatory or optional for an MT103+

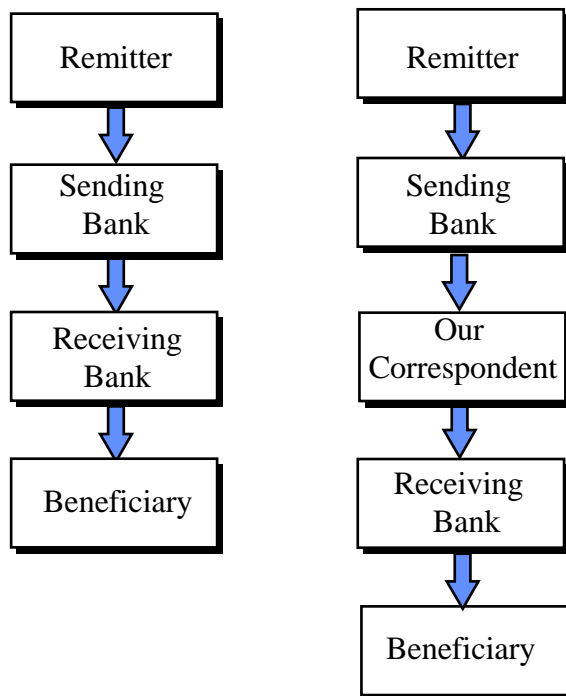
Sender's BIC is a EU Country	Receiver's is a EU Country	Field 57A is present	Field 57A BIC is a EU Country	Then IBAN in field 59 is
YES	YES	NO	N.A.	Mandatory
YES	YES	YES	YES	Mandatory

Sender's BIC is a EU Country	Receiver's is a EU Country	Field 57A is present	Field 57A BIC is a EU Country	Then IBAN in field 59 is
YES	YES	YES	NO	Optional

In all other combinations field 59 is optional.

If there is one bank between the remitter and the beneficiary then it is a one party transfer. In such a transfer funds are transferred directly from the bank of the remitter to the bank of the beneficiary. If a correspondent bank is used to transfer funds from the bank of the remitter to the bank of the beneficiary then it is a two party transfer and so on. This has been illustrated diagrammatically,

A One Party Transfer A Two Party Transfer



The number of banks involved between the remitter and the ultimate beneficiary determines if the transfer is a one party, two party or a three party transfer.

The number of banks involved in the transfer would depend on the;

- Relationships and arrangements between the sending and receiving banks
- Customer instructions
- Location of parties
- The banking regulations of a country.

4.1.11 The FT fields and the information flow

The fields in the FT input screen that decides the direction and flow of funds and messages are:

- Ordering Customer (“by order of”)
- Remitter (sender)
- Senders Correspondent
- Intermediary Bank
- Receiver’s correspondent
- Account with bank (beneficiary’s bank)
- Ultimate Beneficiary

The following examples illustrate how the information flows in various conditions.

A one party transfer

Girozentrale Uno Bank, Vienna, receives a letter from Wonderdrug Pharmaceuticals ordering them to pay US Dollars \$40000 to the National Bank, New York into the account of Silas Reed.

At Girozentrale Uno Bank, the settlement screen will be populated with the following details:

Field name on the Settlement Screen	Entry
Ordering Customer	Wonderdrug Pharmaceuticals
Ourselves	Girozentrale Uno Bank.
Receiver	National Bank, New York.
Ultimate Beneficiary	Mr. Silas Reed.

An example of a two party transfer

Vanbee Traders orders Banca Commerciale, Naples to pay 120,000 Francs into the account of Mr. Silas Reed with Banque Nationale de Paris, Grenoble on 27 May 1997,. Banca Commerciale asks Leanderbank to make the payment, which in turn pays through Banque Nationale de Paris, Paris branch.

At Banca Commercial, Naples the settlement screen will be populated with the following details:

Field name on the Settlement Screen	Entry
Ordering Customer	Vanbee Traders.
Ourselves	Banca Commercial, Naples.
Our Correspondent	Leanderbank.
Receivers Correspondent	Banque Nationale de Paris, Paris.

Field name on the Settlement Screen	Entry
Receiver	Banque Nationale de Paris, Grenoble.
Ultimate Beneficiary	Silas Reed.

An Example of a three party transfer

On May 10, 1997, Wendy Klien orders Leander bank Vienna to pay US dollars 20,000 to Silas Reed, whose account is with Algemene Bank Nederland (ABN), Amsterdam. The beneficiary is to be notified by phone. A cover message for the US Dollar payment is provided through Hansen Trust Company, New York to ABN New York.

At Leander the settlement screen will be populated with the following details:

Field name on the Settlement Screen	Entry
Ordering Customer	Wendy Klien
Ourselves	Leanderbank, Vienna
Our Correspondent	Hansen Trust, New York.
Receivers Correspondent	ABN, New York
Receiver	ABN, Amsterdam
Ultimate Beneficiary	Silas Reed.

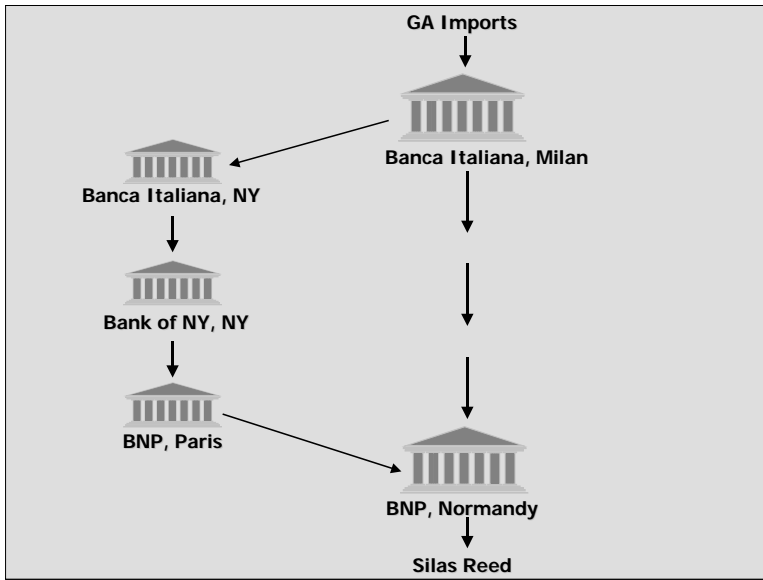
An example of a four party transfer

G.A. Imports Naples orders Banca Italiana Milan to pay USD 500000 to BNP bank, Normandy to the account of Silas Reed. Banca Italiana Milan makes the USD payment through its US Correspondent, Banca Italiana, New York. Payment is made to BNP Paris in favor of BNP Normandy through its US correspondent Bank of New York, NY.

At Banca Italiana, Milan the settlement screen will be populated with the following details:

Field name on the Settlement Screen	Entry
Ordering Customer	G.A Imports.
Ourselves	Banca Italiana, Milan.
Our Correspondent	Banca Italiana, NY.
Receivers Correspondent	Bank of New York, NY.
Receiver	BNP, Normandy.
Ultimate Beneficiary	Silas Reed.

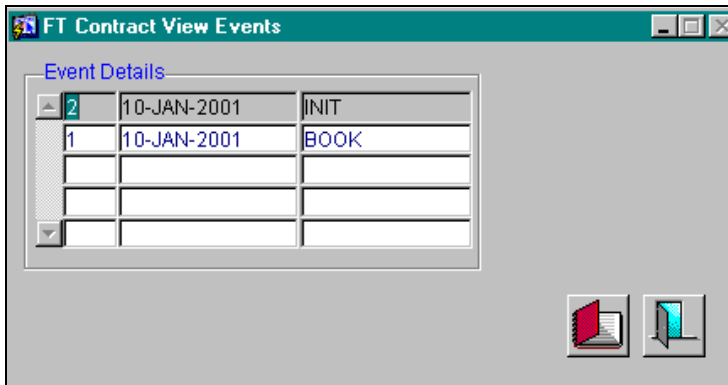
A diagrammatic representation of a flow of funds





4.1.12 Viewing Event details


The details of events that have already taken place on the contract will be displayed along with pending events. The date on which the event took place will also be displayed.

Click on the  button in the FT Contract Detailed View screen to go to the FT Contract View Events screen.




Click on the  button to view the accounting entries for the event. Click on the  button to go back to the FT Contract Detailed View screen.

4.1.13 Accounting Entries

From FT Contract -- View Events screen, click on the  button to view the Accounting Entries for the event. You can view the details of the accounting entries that were passed for the event whose details were displayed in the contract -- View Events screen. The accounting entries that are passed depend on the type of transfer that you initiate.

The following information is provided for each event:

- Branch
- Account
- Transaction Code
- Booking Date
- Value Date
- Dr/Cr indicator
- Currency
- Amount in contract CCY
- Amount in local currency

All the overrides that were allowed for an event will also be displayed. Click on the  button to go back to the screen from where you invoked the Accounting Entries screen.

4.1.14 Operations you can perform on a contract

You can perform the following functions on an FT contract. If a function on the Application Browser is disabled it indicates that you do not have the adequate rights to perform the function:

- Copy the details of a contract
- Amend the details of a contract
- Modify the details of a contract
- Delete a contract
- Reverse a contract
- Authorize a contract
- Place a contract on hold
- Remove the Hold Status of a contract
- Liquidate a contract
- Print the details of a contract

- View the details of a contract
- Reassign a contract to another user

Choose the operation you want to execute on the contract by one of the following methods (the selection of the operation should be done when the contract is highlighted in the Contract Summary View screen or when the contract details are being displayed in the Contract Detailed View screen):



Click on the respective operation in the toolbar; or select the operation from the Action menu.

For example, to delete a contract, click on the  button in the toolbar or select **Delete** from the Actions menu.

Function	When it is Allowed	Result
Reverse	After authorization	Accounting entries will be passed for the negative amounts as in the INIT event. You need to handle the deletion of messages manually.
Amend	Only for contracts for which no entries or messages have been passed (future valued)	

Function	When it is Allowed	Result
Delete	Before authorization	Accounting entries will be deleted. Messages have not yet been generated so no action is required.
Change	Before authorization	Accounting entries will be deleted. Messages have not yet been generated so no action is required.

4.1.15 Viewing different versions of a contract

When you input a contract, it is allotted the version number 1. From then on each amendment results in the next version of the contract being created. When you come to the Detailed View screen for a contract, the latest version will be displayed. To navigate between the various versions use  for previous and  will take you to the next version.


4.1.16 Using a template



In the Contract Details screen, select a template from the picklist at the Template field.

The details that have been stored for the template will be displayed and you can change the values in all the fields except the Product Code.

4.1.17 Saving a contract as a Template

To facilitate fast input you can store an existing contract as a template. A template is the equivalent of a sample contract that has attributes most commonly applicable to many funds transfer contracts. Once a template is defined, it can be used as a base to enter a contract, by changing only those attributes that are specific to the FT you are processing. This renders the input of the details of an FT contract faster and easier.

To store a contract as a template click on the  button in the tool bar or choose **Template** from the Processing sub menu of the Actions Menu. The Template Details screen is displayed.

Enter a code to identify the Template and give brief description for the template. Click on the  button to save the inputs you have made in this screen. Once you have saved a contract as a template, the contract will be put on hold and will not be available for future use. The template can be accessed and used to input Funds transfers. Click on the  button to reject the entries made in this screen.

4.1.18 Placing a contract on Hold

There may be a situation where you do not have all the details of the contract you are entering. Such a situation could also arise if you have not received a confirmation from a customer of your bank. In such a case you can put the contract on Hold instead of saving it. You need not authorize a contract that is on hold. During information retrieval, such a contract will be reported as Held.

To put a contract on hold, click on **Hold** on the tool bar or choose **Hold** from the Actions menu. No accounting entries and advices will be generated for a contract on hold; and the incomplete contract details will be stored on a Hold status.

When all the details of the contract are available, you can remove the Hold status on the contract and process it like any other contract.

4.1.19 Specifications for Type 75 Transfers

Your bank can initiate a bank or customer transfer on behalf of a customer who has an account with another bank with which the bank has an arrangement for such a transfer. Typically, your bank instructs the other bank to transfer funds to the beneficiary, from the customer's account in the other bank.

Example

Mr. Jeffrey Winans, who is a customer of the South Atlanta Bank, requests your bank to send a transfer request to the South Atlanta Bank, to debit his account and transfer funds to Mr. Edward White's account in Global Southern Bank.

In such a case, your bank would generate a S.W.I.F.T message MT100, 103 or 202, with Mr. Winans' details as the remitter details, in Field 53D of the message. South Atlanta Bank, on receipt of the message, would understand it to be a funds transfer request from Mr. Winans, and will debit his account accordingly.

To initiate such transfers, you would have set up a Funds Transfer product allowing debit and credit of the other bank's nostro account with your bank, in the product preferences. The SWIFT message MT 100 / 103 / 202 is generated on behalf of the customer.

Also, when you input the transfer contract using the funds transfer product you have set up, in the FT Input screen, capture the remitter account details in the Main tab. These details are populated in Field 53D of MT 100/103/202, and the other bank receives these details as a funds transfer instruction.

An Example on how to enter the details of an FT contract

We shall now venture into actually entering an FT Contract using Oracle FLEXCUBE.

Let us assume that Silas Reed, a customer of your bank (American Bank) requests you to effect a transfer on his behalf for 1000 £ from his USD account (CORODL-US1000-021) on 31-12-1999 (the value date), to Wendy Klien's account with Barclays London as a birthday gift. You will have to effect an outgoing transfer as funds are going out from your bank. You are initiating the transfer on behalf of your customer therefore an MT 100 or MT 103 will be generated, as it is a customer transfer.

In order to enter the details of this contract quickly onto the FT contract screens we shall link this contract to a product that you have already created, which caters to outgoing customer transfers. Assume that you had assigned a product code 'FCUS' to the product. So at the product prompt choose 'FCUS'. The system will automatically generate a reference number for the contract. You can specify a reference number of your choice at the User Reference Number prompt. Based on the product you have linked this contract to, the product type is defaulted in the adjacent field. In this case it will be 'Outgoing'.

Therefore the debit currency is USD and the credit currency is GBP. Since your customer wishes to transfer 1000 £, enter 1,000.00 at the Credit Amount field. Since we have not checked against the 'After Rate refresh' field. The standard rate you specified for the currency pair (here USD-GBP) in the Currency table will be applied to the 1000£. This exchange rate will be displayed in the Exchange Rate field (.70500). Based on the exchange rate the system automatically computes the equivalent of 1000 £ in USD (1,418.25 USD). This amount will be displayed in the Debit Amount field.

Therefore you will have to credit the Nostro account of Barclays London with GBP 1000 and debit the account of Silas Reed (000CUS993650003) for USD 1418.25 in the Debit account field.

We shall specify that the rates to be applied to the transfer amount are to be picked up as of the Value date and that Messages are to be generated as of Value date.

The value date for the contract is 31-DEC-1999. Based on the Spot date you specified for the GBP, the value date will be defaulted. For our example assume that the Spot date maintained for USD is 2 days. Therefore the Value date is 02-JAN-00.

Since the transfer is not effected through a Managers check or a Check, you need not enter anything in these fields, as they are not applicable to the transfer you are entering.

For the charges incurred to effect the transfer, let us charge the Remitter (Silas Reed). Therefore you will have to choose 'Ourselves' in the Charge Bearer field.

Under Payment Details you can specify information that Silas Reed would like to send to Wendy Klien, as to the reason of the payment. In this case you can specify Birthday Gift in this field.

In the By Order of Field you can specify the name and address of Silas Reed, who is the ordering Customer. At Ultimate Beneficiary Details you can specify the name and address of Wendy Klien (the Ultimate Beneficiary of the transfer).

Earlier we had specified that the Rates and Message as of to be Value date. Therefore the rates to be applied to the transfer amount will be applied on 02-JAN-00, and an MT 100 (payment order) from American Bank, NY, will be sent to Barclays, London, on 02-JAN-00.


4.1.20 Specifying the Advices to be generated for the contract

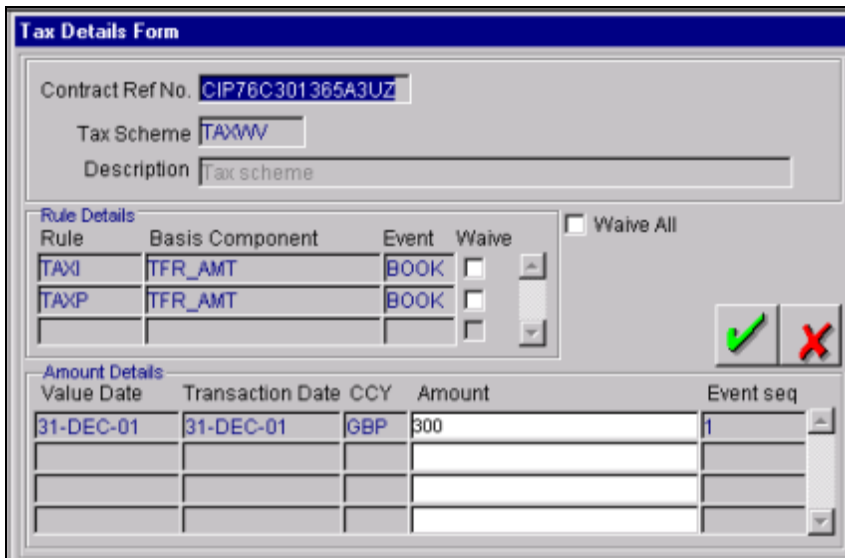
The type of Advices that are generated for the type of product that you have selected will be displayed in this screen. Here you can prioritize or suppress these Advices. In our example we will have to send a Payment Message (MT 100) but we do not need to send Debit Advice (MT 900) therefore you should suppress its generation.

4.1.21 Viewing the Settlement Route of the transfer

In the Settlement Route screen you can view the route that the transfer will take before it actually reaches Wendy Klien. In our case American Bank has a Correspondent relationship with Barclays, London. Therefore funds will pass from the account of Silas Reed (the ordering Customer) with American Bank, NY, to Barclays, London. Barclays will in turn credit the account of Wendy Klien.


4.1.22 Specifying the tax applicable for the transfer

Now in order to specify the tax that is applicable to the contract click on the  button on the Contract Main screen. Here, the tax specifications you made for the product to which this contract is linked will be defaulted. We shall waive the tax to be levied on the transfer amount. To do so click against the box next to 'Waive All'



Tax Details Form				
Contract Ref No.	CIP76C301365A3UZ			
Tax Scheme	TAXW			
Description	Tax scheme			
Rule Details				
Rule	Basis Component	Event	Waive	<input type="checkbox"/> Waive All
TAXI	TFR_AMT	BOOK	<input type="checkbox"/>	
TAXP	TFR_AMT	BOOK	<input type="checkbox"/>	
			<input type="checkbox"/>	
Amount Details				
Value Date	Transaction Date	CCY	Amount	Event seq
31-DEC-01	31-DEC-01	GBP	300	1

4.1.23 Specifying the charges that are to be collected to effect the transfer

Click on the  button in the Contract Details Screen to specify the charges and fees that are applicable to the transfer.

Component	Event	Rate	Ccy	Amount	Status	Waiver
FAX	BOOK		USD	1000	L	<input checked="" type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>

Charge details

The charge components specified for the product to which you have linked the contract will be displayed in tabular columns. You can choose to waive them or charge Silas Reed for them.

Component - The name given to the charge component will be displayed here. The attributes defined for this component will be displayed in the subsequent fields.

For a charge component the following details are displayed:


- The event that triggers the application of the charge being defined.
- If the charge is a rate, it is defaulted from the product.
- The currency in which the charge is specified if it is a flat amount and the flat amount itself.

Waiver


The attributes of a charge defined for a product, will be applied on all contracts involving the product. To waive the charge on a contract you are processing, choose this option. The charge will be calculated but not applied.

We shall waive the Charge levied on the component - FCUS2 and charge him for the others. Therefore you will have to check against Waiver option for FCUS2 as displayed in the screen above.

4.1.24 Specifying the settlement message details

Click on the  button in the Contract Details Screen to specify the settlement message details that are applicable to the transfer.

Based on the details you specify here the transfer will be settled. This has been discussed in the Settlements Manual. *For information on maintaining the settlement message details refer to the Settlements user manual.*

After you have defined all, the relevant details of the transfer you can save it by either clicking on the  button in the toolbar or by choosing **Save** from the Actions menu

4.1.25 The FT Summary screen

The FT Summary screen gives details of all transactions processed during the day. The information will be sorted on the Product Code, in the following order.

- Unauthorized contracts will precede the authorized contracts.
- FT Products involving contracts for which you have enabled the currency cutoff time at the product level will precede the products involving contracts for which currency cutoff time is not required.
- Currency cutoff time for the contracts will be displayed in the increasing order.
- Local currency amount will be displayed in the order of decreasing amount.

From the Summary View you can go to the Product Detail View screen by double clicking on the required record.

4.1.26 Maintaining Currency cutoff details

A Funds Transfer contract is initiated by either an incoming or outgoing swift message. The local branch time is compared during upload with the cutoff time maintained for the currency of the credit leg of the contract.

4.1.26.1 Specifying the Cutoff Time

Transactions received after the cutoff time that you specify for a product will be processed according to the post cutoff parameters you maintain.

Your cutoff time specifications will apply to all transactions processed under the product.

The screenshot shows the 'CURRENCY CUTOFF' window with the following fields and values:

- Time Zone: ARTMZONE
- Payment Currency: EUR (Euro Currency)
- Module: ALL (All Modules)
- Product Code: ALL (All Products)
- Account: ALL
- Receiver's BIC: ALL

Below these fields is a table for cutoff details:

Limit Amount	Cutoff Days	Cutoff Time	
		HH	Mm
10,000.00	1	11	30
20,000.00	2	15	30
999,999,999,999	2	23	59

At the bottom, there is a log table:

Input By	Date Time	Auth By	Date Time	Mod no	Status
MKRISHNA	23-DEC-2003 15:45	MKRISHNAU	23-DEC-2003 15:55	2	<input checked="" type="checkbox"/> Open <input type="checkbox"/> Authorised

You can specify the limit currency and limit amount for each timezone, payment currency, module, product code, nostro account and receiver BIC combination.

Specifying the time zone

You need to specify the time zone for which you are defining the cutoff details. Choose the timezone from the option list.

The cutoff details you specify for this time zone will be applicable to all the branches that has the same time zone.

Indicating the payment currency

This is the transaction currency. Choose the currency code from the option list.

Indicating the module

The options available for selecting modules at present are FT or ALL. Select either one of them for defining the cutoff time.

Indicating the Product

If you have chosen All as your option in the previous field for module then the product will also be defaulted to All option. If not, you can choose the product from the option list available.

Specifying the account number

The option list displays all the account numbers for the specified currency and branch. Select a specific account number or All from the list.

Specifying the Receiver's BIC

Choose the BIC code of the receiver of the transaction from the drop down list.

Specifying the Limit Amount

For each timezone, payment currency, module, product code, nostro account and receiver BIC combination you can define various cutoff limits.

In case you fail to maintain a cutoff time for the limit amount or if the limit amount is repeated for any reason, the system will display an error message.

Also if the amount in the message that is uploaded is greater than the maximum limit amount, the cut off time maintained for maximum limit amount is considered for upload.

Indicating the cutoff days and time

Here, you need to specify the Cutoff days and time (in hours and minutes – the seconds part of the time is assumed to be '00') for the limit amount in the Time zone specified. You will not be able to save the details if you do not specify the cutoff days and time for the limit amount. An error message will be displayed.

The cutoff days and time along with the FT amount and currency will be used to arrive at a Cutoff Date for an FT.

4.1.26.2 Value date processing for cutoff time/days

When the cutoff period (time and days) is busted, the system determines the value date for messages/entries differently for each of the following dates:

- Booking Date
- Spot Date
- Value Date

Message/Entry as of Booking Date

The Cutoff period is said to be busted if the application date and system time are greater than the cutoff date and cutoff time. The following cases apply:

- If time is busted, the value date will be incremented by 1 day
- If the cutoff days are exhausted, the value date will be set to application date + cutoff days.
- If time and days are busted, the value date will be set to application date + cutoff days +1 working day.

Message/Entry as of Spot date

The Cutoff period is busted if the application date and the system time are greater than the spot date and cutoff time, respectively.

- If days are busted, the value date will be set to application date + spot days.
- If time is busted, the value date will be set application date + spot days + 1 working day.

In this case, the Spot Date should be less than the cutoff date. If the spot date is greater than the cutoff date, the transaction will be marked with an 'Error' status.

Message/Entry as of Value date

The Cutoff period is said to be busted if the application date and system time are greater than value date and cutoff time, respectively. If the cutoff time bursts (value date will be application date), the value date will be incremented by 1. In this case, the Cutoff days should be zero. If not, the transaction will be marked with an 'Error' status.

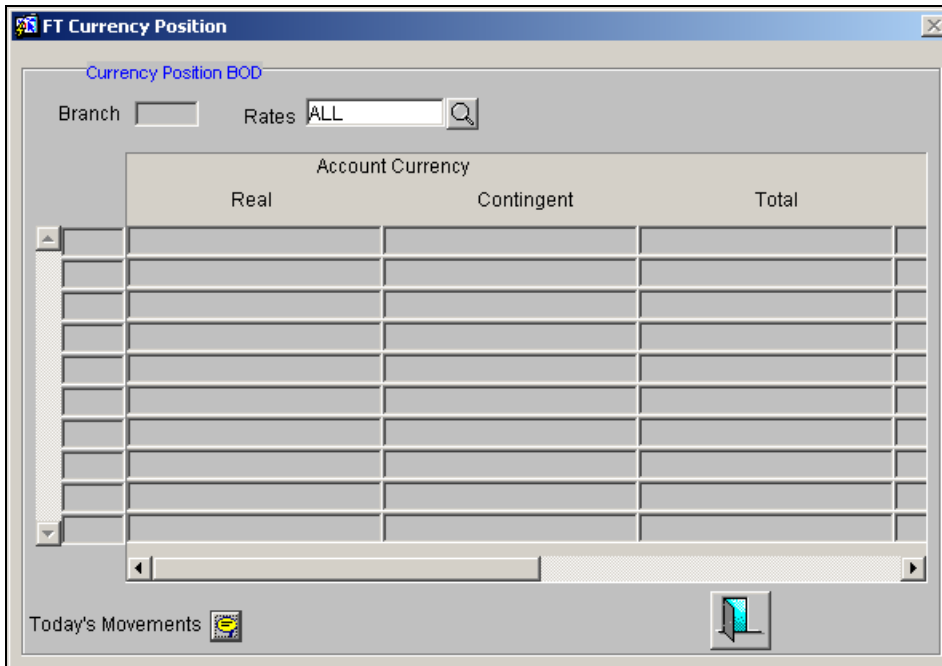
4.1.27 The Sequence in which the Cutoff Instructions are searched

During upload of incoming FT messages, the system will search the cutoff time maintenance for a record matching in the following sequence:

Time Zone	Payment Currency	Module	Product	Account	Receiver's BIC
Time Zone	Payment Currency	MOD	Product	NOSTRO	Receiver BIC
Time Zone	Payment Currency	MOD	ALL	NOSTRO	ALL
Time Zone	Payment Currency	MOD	Product	NOSTRO	ALL
Time Zone	Payment Currency	MOD	ALL	NOSTRO	ALL
Time Zone	Payment Currency	MOD	Product	ALL	Receiver BIC
Time Zone	Payment Currency	MOD	ALL	ALL	ALL
Time Zone	Payment Currency	MOD	Product	ALL	ALL
Time Zone	Payment Currency	MOD	ALL	ALL	ALL
Time Zone	Payment Currency	ALL	ALL	NOSTRO	Receiver BIC
Time Zone	Payment Currency	ALL	ALL	NOSTRO	ALL
Time Zone	Payment Currency	ALL	ALL	ALL	Receiver BIC
Time Zone	Payment Currency	ALL	ALL	ALL	ALL

4.2 Querying FT currency positions


Oracle FLEXCUBE allows you to view the currency positions for FT contracts for various rate types through the online query feature. You can invoke this screen from the Application Browser under Queries. The FT Currency Position screen appears as shown below..



In this screen, the system displays all the authorized records for the day according to the rate type you have specified. If you have chosen a specific rate type, the system will display the currency positions for the FT contracts under that rate type. If you choose the option 'All' from the option list, the currency position for all the FT contracts across all rate types will be picked up for display.

You can double click on each currency position to view the details of the individual FT contracts that have contributed to the position. This will invoke the FT Contract Summary screen displaying the FT contracts for the specified rate type and currency.

To view currency positions for the current date, click on 'Today's Movements' button. This will display the currency positions for all the FT contracts across all rate types as on that day. Double clicking on any currency position will invoke the FT Contract Summary screen displaying the details of the individual FT contracts that have contributed to the position. If there are no underlying contracts for the given day, the system will display an error.

 The system displays the currency position for the specified rate type irrespective of any changes made in the exchange rate while maintaining an FT contract.

5. Automatic Processes

5.1 Introduction

Certain processes that are initiated either at beginning of day (BOD) or end of day (EOD), execute certain events on the days they fall due. The Batch processes that are applicable to Funds Transfers are discussed in this chapter. They are:

- Autobook of a contract
- The Rate Update Function

5.1.1 The Autobook Function

The autobook function handles the processing of future valued contracts. A future valued contract is one that has been stored with a value date in the future and may have rate pickup specifications as of a particular day, which you have defined for the contract.

The values that you enter in the 'rate as of' and 'message as of' fields will drive the processing of a future dated contract. All authorized contracts that are due for initiation as of a particular day are picked up and processed by this batch processing function at EOD or BOD as the case may be. If you have specified that the contract requires a rate update on a particular day then the rate as of that day is picked up from the exchange rate table and applied to the transfer amount and to the other components of the transfer.

However, if you have specified that the rate of the day must be applied to the transfer amount only after the rate refresh program for the day has been run, then the Autobook function will just mark these contracts as 'to be processed by the Rate Update Function'. The Rate Update function will process transfers that require a rate update after the rate refresh process has been run and authorized.

The Autobook function will also automatically pass Accounting Entries for all Contracts processed by it. These Accounting Entries will bear the date of the transfer i.e., the value date of the transfer. Based on the specifications you make in the 'Message as of' field, settlement messages and advices will be generated.

In a nut shell the main functions of 'Autobook' is to:

- Update the transfer amounts based on the Rate Pick up code or mark contracts as needing a Rate Update on that day
- Pass Accounting Entries
- Generate settlement messages and advices based on the message code that you specify

All transfers that have been processed by the Autobook Function will be marked as 'Liquidated' once the accounting entries for the transfers have been passed.

It is mandatory for you to run the Autobook Function before the EOD for the day is run. Your bank can however configure the autobook function to get automatically triggered as part of the beginning of day (BOD) process. If you do so, the Autobook function will automatically get activated when the BOD process is run.

If you have not configured it to be automatically triggered, you can invoke the function manually. From the Application Browser choose FT. Thereafter, choose 'Batch' and 'Autobook' under it.

To activate the Autobook Function click on the  button on the screen. Click on the  button to exit the function. You will be returned to the Application Browser.

5.1.2 The Rate Update Function

When you create an FT product and define preferences for it, you can also specify the time at which the exchange rates need to be picked up for contracts involving this product.

Exchange rates are maintained by the Head Office and propagated to the branches. Rates may either be maintained by individual branches or can be input by the HO and propagated to all branches. Once the HO authorizes the exchange rate record, it becomes applicable to all other branches.

You can specify one of the following at the Product Preferences screen for the field 'Rate Type':

- As input in the Contract
- As per Standard rate
- As per Standard rate after Rate Refresh

If you specify 'as input in the contract' then the system computes the transfer amount based on the exchange rates you specify in the 'Ex Rate' field on the contract main screen. If you specify 'As per standard rate' the system computes the transfer amount by picking up the exchange rates from the Currency table maintained in the Core Services module of Oracle FLEXCUBE to compute the transfer amount.

If you specify 'Standard rate after Rate Refresh' then the contract will be put on hold. No accounting entries will be passed, neither will any messages be generated. Such a contract will not be processed until the rate refresh process for the day has been run and authorized.

You can perform further operations on a contract whose rate pick up is defined as 'Standard rate after rate refresh' only by means of the rate update function. The applicable exchange rates will be picked up and applied to the transfer amount on a day that you can specify. The Rate pick up code that you define for a contract basically signifies the date or day on which the standard rate (after rate refresh) needs to be picked up and applied to the transfer amount. This date can be as of:

- Booking date
- Spot date or
- Value date

To sum it up, the rate update function can be used to process:

- Cross currency transfers, i.e., the 'pay' currency is not the same as the 'receive' currency
- Contracts marked with 'Rate type' as 'Standard rate after rate refresh'

5.1.3 Invoking the rate update function

From the Application Browser choose FT. Thereafter, choose Batch, and Rate Update under it.

When you invoke this function, the system prompts you to confirm if the currency rate refresh and authorize programs have been run for the day. Click on 'Yes' in the message box to indicate that the rates have been refreshed and authorized. Thereafter, you can proceed with the rate update function.

The following details of the transfers that require rate update will be displayed:

- The credit and debit account
- The credit and debit currency
- The credit and the debit amount
- The debit and the credit value date

5.1.4 Processing a contract with rate update

The FT Rate update screen displays a list of all the transfers that require rate update. Important details of the contract will be displayed in a tabular fashion.

The contract status will be displayed with either an 'A' indicating that the contract is active. This implies that the accounting entries for the contract have not been passed.



The authorization status of the contract will be displayed with an 'A' or 'U'.

'A' indicating that the contract has been authorized.

'U' indicating that the contract is unauthorized.

You can update the rates of an unauthorized contract. However the status of the contract will remain as unauthorized.

From this screen select the contract that requires a rate update after the rate refresh program has been run. To select a contract, depress the <Ctrl> button and click on the relevant contract with the left mouse click. You have the option to select more than one contract for processing by this function.

After you have selected the contracts that require a rate update, click on the  button button. At this juncture, the refreshed rates from the currency table will be picked up and applied to the components of the transfer. Click on the  button to return to the Application Browser.

Thereafter, the necessary accounting entries and messages will be passed for the transfer in accordance with the specifications you made in the 'Message Send Date' field of the contract main screen.

If there are contracts for which a rate update is due; and exchange rates for the day have been refreshed, but you have not invoked the rate update function. In this case, the Autobook function will automatically pick up such contracts and processes them with the refreshed rates.

If the rates for the day have been refreshed, but you have not invoked the rate update function when the rate update for a contract is due. In such a circumstance the Autobook function automatically picks up such contracts and processes it with the refreshed rates.

Example

Let us assume that a customer of your bank requests you to initiate a transfer on his behalf on 23 March 1999 (Booking date). Assume that for the contract you had specified 30 March 1999 (Value date) in the 'Rate as of' and 'Message as of' fields. Assume that you had specified that the rates to be used for the contract are to be picked up from the currency table, after the rates have been refreshed (Standard rate - 'after rate refresh').

On 23 March 1999 (the day on which you enter the contract), the contract will not be processed, no Accounting Entries will be passed nor will any messages be generated.

On the 30 March 1999, when you invoke the Rate Update function; the system will ensure that the rates have been refreshed before it allows you to update the contract with the refreshed rates.

Since the Message and Rate is as of 'Value date', accounting entries and messages will be generated on 30 March 1999.

5.1.5 Authorizing back-valued transactions automatically

The system will automatically authorize all back-valued FT transactions processed during the day when you execute the automatic batch program, which is run as part of the end-of-day processes.

If a back-valued FT contract is marked for auto-authorization, the system will suppress the overrides which are displayed when the debit or credit value date is earlier the current system date thus enabling the program to authorizes such transactions automatically. However, if you are authorizing these transactions manually the system will display the following error message depending on whether you are processing an incoming or outgoing FT:

- Debit Value Date of FT Contract is earlier than today's Branch System Date; or
- Credit Value Date of FT Contract is earlier than today's Branch System Date.

You have to ignore the override message to authorize the transaction.

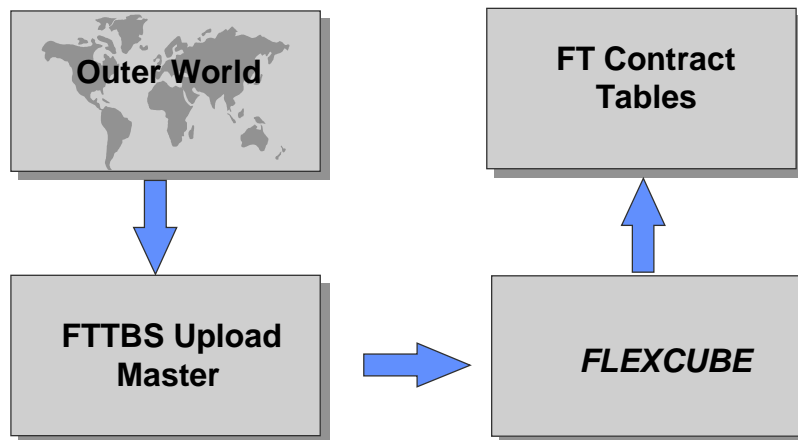
6. The Batch Upload function

6.1 Introduction

Entering high volume of funds transfer contracts can be laborious and time consuming. You can avoid entering such contracts by using the Batch Upload Function. The FT Batch Upload function is designed to accept raw data that can be processed into an FT contract in Oracle FLEXCUBE. This function when invoked will automatically upload the contracts that you have entered in the FTTBS table onto Oracle FLEXCUBE.

Oracle FLEXCUBE will not accept contracts for upload, from any other source except the FTTBS table. However, FT contracts can come into the FTTBS table from any source depicted as the Outer World in the diagram. Contracts to be uploaded onto Oracle FLEXCUBE should match certain validations, which will be discussed in the course of this chapter.

FT contracts can come into Oracle FLEXCUBE from any source depicted as the 'Outer World' in the diagram. However, Oracle FLEXCUBE will pick up contracts for upload only from an FTTBS table.



For FT contracts, to be successfully uploaded on to Oracle FLEXCUBE, the details of such contracts should match certain validations.

In the course of this chapter we will discuss:

- The maintenance that is required in maintaining an upload source and
- The validations required for contracts to be uploaded onto Oracle FLEXCUBE

6.1.1 Maintaining upload sources

To recall, FT contracts can be uploaded onto Oracle FLEXCUBE from any external source. However, the details that come in from a source should be placed in the FTTBS tables from where Oracle FLEXCUBE picks them up for upload. For reporting purposes, before you actually begin to upload FT contracts onto Oracle FLEXCUBE, you should maintain details of the sources from which contracts can come into the FTTBS table.

You can also specify characteristics for contracts coming into the FTTBS tables from a particular source.


Funds transfer contracts can be uploaded to Oracle FLEXCUBE from the FTTBS table. In this table you can specify the sources from which contracts can be uploaded on to Oracle FLEXCUBE. Besides defining the operations that can be performed on contracts uploaded from a particular source, you can also define the status that uploaded contracts should be marked with.

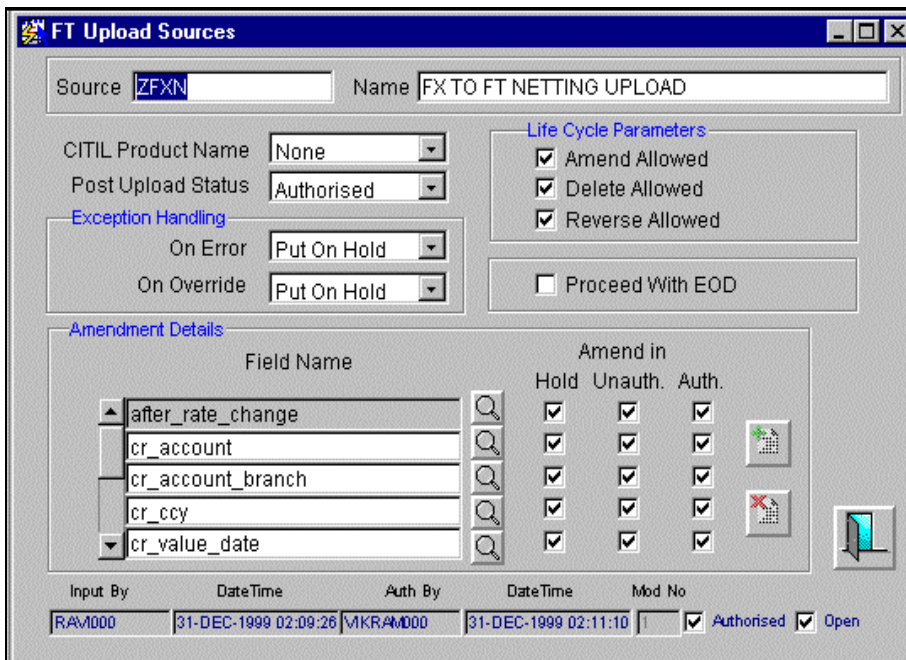
Upload sources can be maintained at the Head Office level and propagated to the branches of your bank.

The maintenance of upload sources helps to retrieve information for a given source.

6.1.2 Invoking the FT upload sources screen

From the Application Browser, choose 'Upload Sources' and then 'Funds Transfer' under it. In the detailed screen you can enter details of a source whereas in the Summary screen, you can only view in a tabular fashion the details that you entered in the detailed screen.

To maintain details of an upload source, choose New from the Actions Menu or click on the  button on the toolbar while in the Upload sources detailed screen.



Field Name	Amend in		
	Hold	Unauth.	Auth.
after_rate_change	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
cr_account	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
cr_account_branch	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
cr_ccy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
cr_value_date	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Input By: RAM000 DateTime: 31-DEC-1999 02:09:26 Auth By: MKRAM000 DateTime: 31-DEC-1999 02:11:10 Mod No: 1 Authorised Open

In this screen you can maintain the following:

- An upload source code and description
- Life cycle parameters for uploaded contracts
- The fields that can be amended depending on the status of the contract

Indicating the upload source


This is the code that identifies the source from which FT records have come into the FTTBS table. Enter a short, unique code of not more than 15 characters to identify the upload source.

Source codes are maintained at the Head office level and are propagated to the branches of your bank.

Indicating the name of the upload source

Here, you can enter the full name of the source you have defined in the previous field in not more than 35 characters alphanumeric.

Indicating that the upload source is a product from i-flex


FT Contracts can come into the FTTBS tables from any source. If the upload source is one of i-flex's products you should indicate so. Click on the  button and select the code of i-flex's product that is the source of the FT contract from the picklist that is available.

The options available are:

- MicroBanker
- CAS and
- Oracle FLEXCUBE

Choose 'None' to indicate that the upload source is not one of i-flex's Products.

Indicating the post upload status for contracts uploaded from a source

You can specify the status that FT contracts, uploaded from a given source should bear, once they are uploaded onto Oracle FLEXCUBE. Click on the  button and select an option from the option list.

Unauthorized	Records uploaded from this source will be marked as 'Unauthorized'.
Authorized	Records uploaded from this source will be marked 'Authorized'.
On Hold	Records uploaded from this source will be put on 'Hold'.

All contracts uploaded from a given source will be marked with the status that you have assigned to the source.

Specifying life cycle parameters

In this section of the screen you will notice 3 check boxes vertically arrayed. In these fields you can specify the list of functions can be performed during the life cycle of contracts uploaded from a given source.

Amend Allowed - Check against this option to indicate that contracts uploaded from the source can be amended. Leave it unchecked to indicate otherwise.

Delete Allowed - Check against this option to indicate that contracts uploaded from the source can be deleted. Leave it unchecked to indicate otherwise.

Reverse Allowed - Check against this option to indicate that contracts uploaded from the source can be reversed. Leave it unchecked to indicate otherwise.

The operations that will be allowed for contracts uploaded from the source you are maintaining is determined by the specifications you make here.

Proceed with EOD

While the End of Day (EOD) process is run for the day, one of the functions that it can perform is to check whether there are contracts in the FTTBS table yet to be uploaded.

If you check against this field, then the EOD process will check the FTTBS table. If there are contracts yet to be uploaded, the EOD process will be stalled. If you do not check against this option the EOD process will not check for contracts in the FTTBS tables.


Specifying exception handling preferences

While defining exception-handling preferences, you can indicate how the system should react to exceptions that are encountered during the current upload session. You can indicate preferences for the following exception types:

- Errors
- Overrides


Error

Here you can indicate how Oracle FLEXCUBE should react to non-critical errors that are encountered during the upload process.

Click on the  button and choose one of the following options:


Options	Result
Reject record	Defective records encountered during the upload process will be rejected.
Put on hold	Defective records encountered during the upload process will be placed on hold.

Overrides

Here you can indicate how Oracle FLEXCUBE should react to 'Overrides' that are encountered during an upload session. Click on the  button to select one of the following:

Options	Functionality
Put on Hold	When an override is encountered, the record will be placed on hold.

Options	Functionality
Ignore	When an override is encountered, it will be ignored. Oracle FLEXCUBE will ignore the override and proceed with the upload session.
Reject Record	When an override is encountered, Oracle FLEXCUBE will reject the defective record.


 'Override' in this context is used in a restricted sense i.e.; it refers only to 'validation overrides' and not to 'limit overrides'. Infact, limit overrides are not considered overrides in this context.

A few examples of validation overrides are listed below:

- The value date of the contract is a holiday
- The exchange rate variance is greater than the override limit



Indicating amendment preferences

When you invoke the Source Detail Maintenance screen, the amendment details section will be disabled. This section will get activated only if you had checked against the 'Amend Allowed' field in this screen.

If you have allowed contracts from a given upload source to be amended, you can indicate the specific fields that can be amended. Click on the  button and select the field for which you wish to specify amendment details.


The field for which you are defining details will be displayed under the column 'Field Name'. Next to the field name you will notice check boxes lined up under the heads:

- Hold - the field you have selected can be amended if the status of the uploaded FT contract is 'Hold'.
- Unauth - the field you have selected can be amended if the status of the uploaded FT contract is unauthorized.
- Auth - the field you have selected can be amended if the status of the uploaded FT contract is authorized.

Click on the  button to add another fresh set of details. Click on the  button to delete a set of details that you have entered.

After you save the record, your user-id will be displayed in the Entry By field and the date and time at which you saved the table is displayed at the Date and Time field. The Status of the product will be updated as Unauthorized.

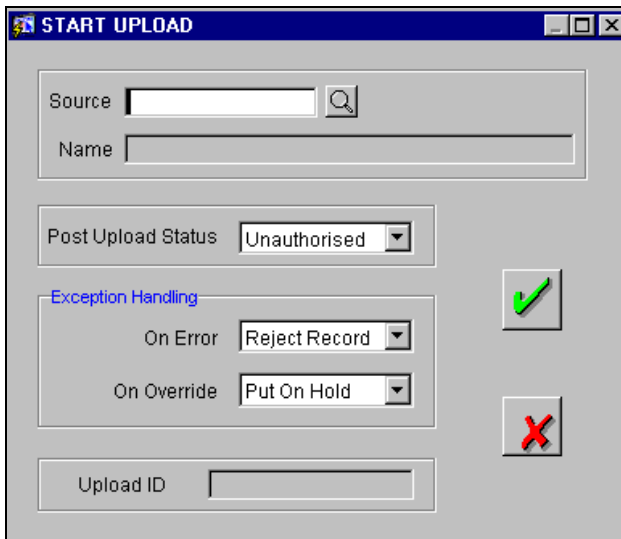
A Source will be available for use only after the maintenance record, has been authorized by a user bearing a different Login ID. After the record has been authorized, the user-id of the person who authorized the record will be displayed in the Auth By field and the date and time at which it was authorized will be displayed in the Date and Time field.

After you have entered these details click on the  button. You will be returned to the Application Browser.


6.1.3 Starting the FT upload function


To upload FT contracts from the FTTBS Upload Master, you need to invoke the FT upload function. All the contracts that have been stored in the upload master will be classified under the sources from which they originate. When you invoke this function and choose a source, all the FT contracts that have come in from the source will be uploaded onto Oracle FLEXCUBE.

From the Application Browser, choose Interfaces Operations. Thereafter, choose Incoming and then Funds Transfer Upload. The FT Start Upload screen is displayed.



In the Source Detail Maintenance screen you have maintained a list of sources from which FT contracts can be uploaded. Records can be uploaded onto the FT tables.

Click on the  button against Source, the list of upload sources that you have maintained in the Source Detail Maintenance screen will be displayed. Select the code of the source from which you want to upload records onto Oracle FLEXCUBE. The full name of the source will be displayed in the Name field.


In the Post Upload Status field you can indicate the status that the uploaded records should bear once they are uploaded from the source you have entered. The entry to this field is defaulted based on the specifications you made in the FT Upload Sources screen. You can however change the defaults to this field. Click on the  button and select an option from the picklist.

The options available are:

Unauthorized	All records uploaded from this source will be marked as unauthorized
Authorized	All records uploaded from this source will be marked as authorized
On Hold	All records uploaded from this source will be placed on Hold.


The status of the FT contracts uploaded during the current upload session will be marked with the status that you assign to it here.

In the Error field you can specify as to how the system should react to non-critical errors that are encountered during the current upload session.


Click on the  button and select an option from the pick list. If you select:

Reject record	Defective records will be rejected by the system.
Put on hold	Defective records will be uploaded but put on hold.


In the 'Override' field you can indicate how the system should react to overrides that are encountered during the upload process. The word override is used in a restricted sense in this field i.e.; it refers only to 'Validation overrides' and not to 'Limit overrides'. Infact, Limit overrides are not considered overrides in this context.

Click on the  button and select one of the following:

Options	Functionality
Put on Hold	When an override is encountered, Oracle FLEXCUBE will place the record on hold.
Ignore	When an override is encountered, Oracle FLEXCUBE will ignore it and proceed with the upload process.
Reject Record	When an override is encountered, Oracle FLEXCUBE will reject the defective record.


Each time you upload contracts from the FTTBS table, the system will automatically generate a unique Upload ID to each upload session. After you have entered the necessary details into these fields, click on the  button. You will be prompted with the following message.

“Do you want to start Upload?”

Choose the appropriate option from the dialog box. Click on the  button to exit the screen, you will be returned to the Application Browser.

6.1.4 Deleting an uploaded contract

Deleting an uploaded FT contract may or may not be allowed. It is determined by the specifications you made in the 'Delete Allowed' field of the 'Source Detail Maintenance' screen.

To delete an uploaded FT contract, select Delete from the Actions Menu or click on the  button in the toolbar when you view the contract in the summary or detailed view. You can delete an uploaded contract only if:

- The record is unauthorized and
- You have allowed the delete operation for the record in the Source Detail Maintenance screen.

6.1.5 Amending an uploaded contract

Amending an uploaded FT contract may or may not be allowed. It is determined by the specifications you have made in the 'Amend Allowed' field on the 'Source Detail Maintenance' screen. To amend an uploaded record, choose the unlock option from the Actions Menu.

Amendments to an unauthorized uploaded contract

If the uploaded contract bears the status 'unauthorized', Oracle FLEXCUBE will allow you to amend only those fields that have been marked with 'Amend allowed'.

Amendment to an authorized uploaded contract

If the uploaded contract bears the status 'authorized', you can amend only those fields that have been marked with 'Amend allowed' in authorized state.

Amending an uploaded contract placed on 'hold'

If an FT Contract has been uploaded and placed on hold, you will be allowed to amend only those fields of the uploaded contract for which you had specified that amendment is allowed.

6.1.6 Reversing an uploaded contract

Reversing an uploaded FT contract may or may not be allowed. It is determined by the specifications you have made in the 'Reverse Allowed' field on the 'Source Detail Maintenance' screen. To reverse an uploaded contract select 'Reverse' from the Actions menu or click on the



button on the toolbar. You can reverse an uploaded record if the record is authorized

You have allowed the reverse operation for the record in the 'Source Detail Maintenance' screen.

6.1.7 Automatic upload of MT 100 and MT 202 SWIFT messages

The upload facility of Oracle FLEXCUBE allows you to automatically process the following messages:

- MT 103

- MT 104
- MT 200
- MT 210
- MT 942

Which result in either incoming or outgoing FTs. Subsequent to the upload, the details of each message will be updated in Oracle FLEXCUBE as an FT contract. After this, the Funds Transfer can be processed as any other contract in Oracle FLEXCUBE.

6.1.8 Maintenance required for the interface

The automatic upload of MT 100 and MT 202 messages onto Oracle FLEXCUBE requires certain basic information to be set up before becoming fully operational. The maintenance that is required can be broadly classified under:

- Maintenance related to the upload source
- Maintenance specific to the upload of MT 100 and MT 202 messages
- Bank Identification Code (BIC) directory maintenance
- Maintenance of settlement details

6.1.9 Maintenance related to the upload source

The procedure for maintaining details of an upload source has been discussed under the head 'Maintaining upload sources'.

6.1.10 Maintenance required to upload MT 100 and MT 202 messages


From the Application Browser choose STP Maintenance and then SWIFT Maintenance under it, to maintain details specific to the upload of MT 100 messages. The User Defined Fields for SWIFT Messages screen is displayed. Through this screen, you can map a message type to a product that you have created in Oracle FLEXCUBE.

All messages belonging to the 'type' you have indicated will be enriched with attributes defined for the product to which it is mapped.

6.1.11 Maintaining the BIC directory details


As part of setting up some basic information for the automatic upload of S.W.I.F.T messages you have to maintain a directory of all the S.W.I.F.T codes assigned to banks worldwide. Maintaining a directory of Bank Identifier Codes (BIC) will also make the validation of S.W.I.F.T codes easier.

You can define BIC codes through the BIC Code Details screen. To invoke this screen, choose Banks Maintenance and then BIC Directory under it. The BIC Code Details screen is displayed.


If you are maintaining details of a new bank identifier code choose 'New' from the Actions Menu or click on the  button from the tool bar. The screen will be displayed without any details.

6.1.12 Specifying the BIC Code details

You have to enter the bank identifier code assigned to the bank by S.W.I.F.T. If the bank for which you are maintaining details is a customer of your bank then you can indicate the CIF id assigned to the particular bank.

Click on the  button against Customer Number; the list of CIF ID's that you have maintained in the Customer Information Maintenance screen will be displayed. Select the CIF ID assigned to the particular bank. Once you specify the CIF ID the name of the bank will be populated in the Bank Name field.

If the bank for which you are maintaining details is not a customer of your bank then you will have to manually enter the name of the bank in the respective field.

 The information maintained in this screen is reflected in the Settlement Instruction screen, where the picklist containing the list of Counterparty Ids will also display whether the counterparty is a customer of your bank or not. If the selected counterparty happens to be a customer of your bank then the counterparty type will be populated automatically.

The counterparty type can either be one of the following:

- CIF; or
- BIC

6.1.13 Indicating whether an SK arrangement exists

If a S.W.I.F.T connectivity exists between your bank and the bank for which you are maintaining details then you have to indicate the same. You can indicate this by choosing either 'Yes' or 'No' from the picklist.

6.1.14 Operation on a BIC code record

Apart from defining a new BIC code record you can perform any of the following operations (if any function under the Actions Menu is disabled, it means that the function is not allowed for the record) on an existing record.


- Amend the details of a record
- Authorize a record
- Copy the details of the record on to a new one
- Close the record
- Reopen the record
- Print the details of the record
- Delete the details of a record.

Refer to Oracle FLEXCUBE User Manual on Common Procedures for details of these operations.

6.1.15 Automatic upload of S.W.I.F.T messages (MT 100, 101 and 202)

The upload of MT 100, MT 101 and MT 202 messages can either be on-line or can be done as a batch process. If you have specified that the automatic upload of MT 100, 101 and 202 messages should be on-line then Oracle FLEXCUBE will automatically upload and process these S.W.I.F.T messages.

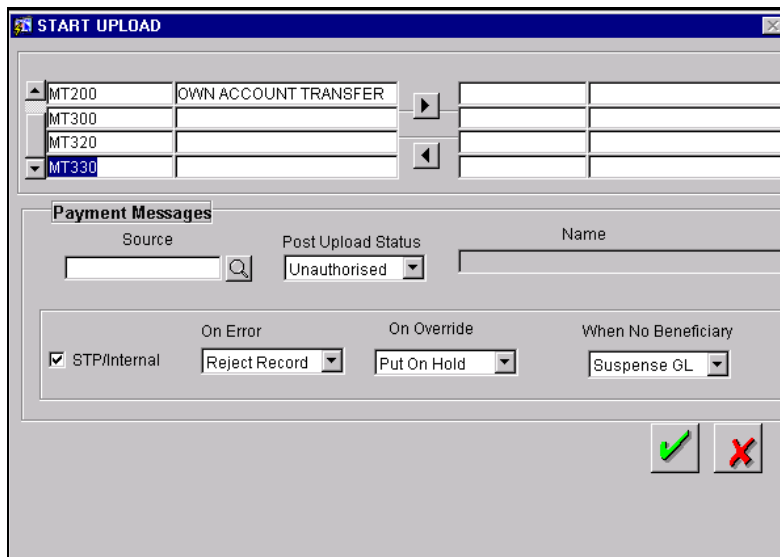
The upload will be in line with the specifications you made for the source, from which the message was uploaded, and will be enriched based on the product linked to the message type.


 The contracts uploaded through this process will bear the status (authorized or unauthorized) defined for the source from which it is uploaded.

6.1.16 Manually starting the upload function for MT 100, 101, 103, 200 and 202

To manually upload MT 100, 101, 103, 200 and 202 messages, you need to invoke the Start Upload function. Only those SWIFT messages that are yet to be processed will be picked up from the incoming messages queue and entered as Funds Transfer contracts.


From the Application Browser, choose Interfaces Operations and then Incoming under it. Thereafter, choose Funds Transfer Upload. The FT Start Upload screen is displayed.



Through this screen you can upload all MT 200 and MT 103 messages as a batch. The system displays all the available MT messages types. You can select or de – select the message series to be uploaded. Select the message type and click on the  button. Based on your selection, the system will upload one after the other.

6.1.16.1 Indicating the Details of Payment Messages



In the Source Detail Maintenance screen you have maintained a list of sources from which FT contracts can be uploaded. Records can be uploaded onto the FT tables.

Click on the  button against Source, the list of upload sources that you have maintained in the Source Detail Maintenance screen will be displayed. Select the code of the source from which you want to upload records onto Oracle FLEXCUBE. The full name of the source will be displayed in the Name field.

The preferences that you specified for the source while maintaining it will be defaulted. They are:

- Post upload contract status preferences and
- Exception handling preferences (STP/Internal, On Error, On Override and When No Beneficiary).

You can change these defaults to suit the current upload session.

After you have entered the necessary details in this screen click on the  button to start the upload process. Click on the  button to exit the screen, you will be returned to the Application Browser.

7. Cover Matching for Incoming Payment Messages

7.1 Straight Through Processing

One of the most important features of the Funds Transfer module of Oracle FLEXCUBE is the facility of processing incoming payment messages to their logical end without manual intervention. This facility is known as Straight Through Processing or STP.

Briefly, straight through processing involves the resolution of payment messages received from originating banks through the SWIFT network are received, into funds transfer payments in the system. Therefore, straight through processing begins with an incoming payment message (for instance, an MT 100, MT 103 or an MT 202) and ends with an FT contract in Oracle FLEXCUBE, which may be a Customer or a Bank transfer.

A general outline of the sequence of events during a Straight Through Processing cycle in the system is given below:

Message Capture:

Incoming payment messages received from other Banks through the SWIFT network are picked up by Oracle FLEXCUBE and displayed in the Incoming Message Browser.

Message Upload

This function interprets the messages in the incoming browser and propagates the interpreted messages into the Funds Transfer (FT) Upload tables in the system. The FT upload tables are a set of standard gateway tables through which FT contracts can be uploaded into Oracle FLEXCUBE.

Funds Transfer (FT) Upload

This is the function which interprets the contents of the FT Upload (gateway) tables and creates Funds Transfer contracts in Oracle FLEXCUBE.

Life Cycle Processing

Subsequent to the creation of the contracts by the FT Upload function, they can be viewed or processed just as any other FT contract in the system.

The above sequence is explained just to understand the processing logic in Oracle FLEXCUBE. As far as the end user is concerned, all these steps would happen seamlessly as if it were one continuous process, which begins with receiving the message and results in the creation of the resultant FT contract.

The interpretation of an incoming message can lead to the creation of the following types of funds transfer contracts in Oracle FLEXCUBE:

- Incoming Customer Transfer
- Incoming Bank Transfer

- Outgoing Customer Transfer
- Outgoing Customer Transfer with Cover
- Outgoing Bank Transfer
- Internal Transfer

7.1.1 Automatic Matching of Cover Messages

Normally, in the case of customer transfers and single customer credit transfers wherein the sender of the message does not have a direct account relationship with the receiving institution, the payments are routed through intermediaries. In such cases, appropriate cover messages are sent to the receiving institution, to confirm the transfer of funds. On receiving these confirmation messages, the receiving institution directs the payment to the beneficiary.

The STP process separates incoming messages of types 100, 103, 202, 910 and 950 into separate queues for processing. The incoming payment messages MT 100 and MT 103 are routed to the Pending Cover Queue, if cover messages are required. The cover messages MT 202, 910 and 950 are routed to the Cover Messages Queue. The routing of incoming messages to either of these queues is based on certain conditions that are validated for by the STP process, according to the Queue Maintenance maintained for each message type in Oracle FLEXCUBE.

The STP process automatically routes an incoming MT 100/103 to the Pending Cover Queue if:

- It contains any or all of the fields 53, 54 or 55, (Sender's Correspondent, Receiver's Correspondent, or Third Reimbursement Institution Code)
- The BIC Code of the Sender is one for which both high value as well as low value processing without cover have not been made applicable

If the STP process detects an Incoming SWIFT Payment Message (MT 100, MT 103) with the status as 'Pending Cover Match', the message is kept on hold until a 'Payment Cover Message' (MT 202) is received from the Intermediary bank. Upon receipt of a Payment Cover Message, it is automatically matched with the Payment Message that is on hold. After it is matched, the Payment Cover Message is suppressed and Payment Message that was on hold is picked up for processing.

The Intermediary bank could also send a Confirmation of Credit message (MT 910) and / or an account Statement Message (MT 950) corresponding to a Payment Cover Message (MT 202).

The concept of a Payment Cover Match is illustrated in the example below:

Example

Chase Manhattan, New York requests Midas Bank to reimburse 1 M GBP to its customer Ms. Sally Williams, who has an account with Midas Bank. To effect this transaction, Chase Manhattan sends a SWIFT Payment Message to Midas Bank. In other words, Midas Bank receives an Incoming SWIFT Payment Message (MT 100) requesting for the transfer of money to Sally Williams.

Chase Manhattan does not have a direct account relationship with Midas Bank; therefore an Intermediary, Midland Bank is used to process the transaction. Midland Bank has a direct account relationship with both Chase Manhattan and Midas Bank. Midas Bank will release the money to the customer only after it receives a Payment Cover Message (MT 202) from Midland Bank, confirming the receipt of funds from Chase Manhattan.

Midas Bank will keep the MT 100 on hold until it receives the Payment Cover Message from its correspondent, Midland Bank. After receipt of MT 202, it is matched with MT 100 received earlier, which is then processed and the money is reimbursed to the customer.

An MT 202 could be sent either as a Payment Cover Message or a normal Payment Message. The system will identify the MT 202 as a Payment Cover Message if it satisfies the following conditions:

- The contents of field 21 (Related Reference) are different from those of field 20 (Transaction Reference Number) of the Incoming MT 202.
- The Payment Currency specified in field 32 (Currency) of the SWIFT message is same as the Base Currency of the branch in which the MT 202 is being processed.

When identified by the STP process as a Payment Cover message, the incoming MT 202 is moved to the Cover Messages Queue.



'Payment Cover Messages' are always received later than the related SWIFT Payment Messages.

All incoming MT 910 messages and MT 950 messages are routed into the Cover Messages Queue.

7.1.2 Matching a Payment Message with its Cover

After the receipt of the 'Payment Cover Message', the STP process matches it with a normal SWIFT Payment Message that satisfies the following conditions:

- The contents of field 21 (Related Reference) of the Payment Cover Message (MT 202) or Confirmation of Credit Message (MT 910) are same as the contents of field 20 (Transaction Reference Number) of a (non-cover) Payment Message (100 or 103).
- The contents of sub field 8 in field 61 (Statement Line) of a Statement Message (MT 950) are identical to the contents of field 20 (Transaction Reference Number) of a (non-cover) Payment Message (100 or 103).
- The contents of field 32 (Payment Amount, Payment Value Date and Payment Currency) of a Payment Cover Message or MT 910 are identical to the contents of field 32 of a (non-cover) Payment Message (100 or 103).

The STP process may encounter one of the following three conditions, in its search for a related Normal Payment Message that matches with a Payment Cover Message (MT 202).

- Finds more than one Payment Message that matches the criteria,
- Finds a single matching normal Payment Message (desirable), or
- Finds no Payment Message matching the criteria

Processing an MT 202 with more than one matching Payment Message

If the STP process detects more than one related normal Payment Message matching the above conditions, the Payment Cover Message is moved to the 'Repair' status and the appropriate reason for repair is also indicated. The user will manually process all the normal Payment Messages matching the Payment Cover Message.

Processing an MT 202 with a single matching Payment Message

If the STP process finds a single related Normal Payment Message that matches the above conditions, the Payment Cover Message is marked as 'Matched' and its status is updated to 'Suppressed'. The related Payment Message (100 or 103) is also marked as 'Matched' and it is moved from the Cover Queue to the unprocessed queue from where the STP picks it up for further processing.

Processing an MT 202 without a matching Payment Message

If the Oracle FLEXCUBE STP process does not find any related Payment Messages matching the above-mentioned criteria, it will check for the presence of field 72 (Sender to Receiver Information) in the Payment Cover Message. If field 72 does not exist, the system will automatically suppress the Payment Cover Message and maintain a detailed audit trail for the same. The suppressed Payment Cover Message will not require any further verification.

If field 72 exists in the Payment Cover Message, the STP process will automatically route the Payment Cover Message to the 'Repair' queue indicating the appropriate reason for repair.

7.1.3 Validations for incoming payment messages requiring cover matching

The system performs the following validations in respect of incoming payment messages MT 100 and MT 103 involving credit of a customer account:

7.1.3.1 Validations for the Sender

High Value Processing Without Cover

The STP process validates whether the BIC Code of the Sender of the incoming payment message is one for which high value processing without cover has been made applicable.

If high value processing without cover is allowed, and the high value currency specified for the incoming BIC is the same as the transaction currency, the validations for the Beneficiary Customer (field 59) can proceed, as described in the section below.

Low Value Processing Without Cover

If high value processing without cover is not allowed for the sender BIC, the STP process validates to check whether low value processing without cover is allowed. If not, the message is moved to the 'Cover Required Queue'.

If low value processing without cover is allowed for the incoming BIC, the validations for the Beneficiary Customer (field 59) for OUC limit are performed. If the customer belongs to the MIS OUC group for low value processing and the transfer amount is less than the OUC limit amount the message will be processed without cover. The validations for the Beneficiary Customer (field 59) are then performed.

If the value is greater than the OUC limit, or if there is no OUC maintenance for the customer and the currency, including the 'ALL' option, the message is moved to the Cover Required Queue.

7.1.3.2 Validations for the Beneficiary Customer (Field 59)

Whether the customer is blocked for STP

If the customer identified in field 59 of the incoming message is blocked for STP processing (as specified in the customer profile), the message is moved to the Cover Required Queue.

Deriving the Credit Account

If the customer account identified in field 59 is one for which a redirect account number has been maintained, it is replaced with the redirect account number. If no redirect account number is found, the settlement instructions maintained for the customer in field 59 are used to obtain the credit account. If no settlement instructions are found, the account in field 59 is taken as the credit account.

7.1.4 Manual Matching of Cover Messages

Incoming MT 100 and 103 messages can also be marked as cover-matched manually in the system (i.e., matched for cover without a cover), if required. The STP process picks up such messages, and contracts are generated in respect of them.

To perform manual matching, use the Manual Matching screen, which you can invoke from the Application Browser. In this screen, those messages that have been marked with 'Cover Match Required' status are displayed, sorted according to message type.

In the top grid list, the MT 100 and MT 103 messages are displayed, and in the lower grid list, the cover messages are displays. In this screen, you can:

- Select an MT 100 or 103 and match it with its cover in the lower grid, by selecting the check box (positioned at the left edge of the message row, next to the DCN field) in the corresponding rows, and then click the Match button to perform the cover match, OR,

- Selecting the check box (positioned at the left edge of the message row, next to the DCN field) against the MT 100 or 103 in the top grid list, and then click the Match button, indicating that the message has been matched for cover without a cover.

Only one message can be selected at a time for manual cover matching.

After you have performed the cover match as described above, the Cover Match Indicator field contains a check mark, indicating that the cover match has been manually performed for the message. The internal match reference number is displayed in the Match Ref. No. field.

A manual matching performed in this screen must be authorized by a different user for it to be effective in the system. Click the Auth button to authorize the cover match.

The following details are displayed for each of the messages in this screen:

- DCN Number
- Reference number
- Related reference number of the cover message corresponding to the incoming payment message (Field 21)
- Sender of the incoming message
- Amount of the incoming payment message
- Value date of the incoming payment
- Currency of the incoming payment message
- After manual matching, an internal match reference number for the matched message is also displayed.

The screenshot shows a 'Manual Matching' window with two sections: 'MT100_103' and 'MT202_910'. Each section contains a table of message details. The 'Cover Match Indicator' column has a checkmark and a yellow speech bubble icon for each row. At the bottom, there are input fields for 'Input By', 'Date/Time', 'Auth By', and 'Date/Time', along with 'Auth' and 'Match' buttons.

DCN	Reference No	Field21	Sender	Amount	Value Date	Ccy	Match Ref No	Cover Match Indicator
JB1FCIN02338JC2	JC2		BCITITMM	150000	03-MAR-03	USD		✓
JB1FCIN02338JC3	JC3		BCITITMM	150000	03-MAR-03	USD		✓
JB1FCIN02338JC4	JC4		BCITITMM	150000	03-MAR-03	USD		✓
JB1FCIN02338JC5	JC5		BNPAFRPP	1500	03-MAR-03	EUR	JB1COVR030622002	✓
JB1FCIN02338JC6	JC6		BNPAFRPP	1500	03-MAR-03	USD		✓

DCN	Reference No	Field21	Sender	Amount	Value Date	Ccy	Match Ref No	Cover Match Indicator
JB1FCIN02338CJ2	202JC2	JC2	CHASUS33	150000	03-MAR-03	USD		✓
JB1FCIN02338CJ3	202JC3	JC3	CHASUS33	150000	03-MAR-03	USD		✓
JB1FCIN02338BJ2	202JB2	JB2	CHASUS33	150000	03-MAR-03	USD		✓
JB1FCIN02338CJ4	202JC4	JC4	CHASUS33	150000	03-MAR-03	USD		✓
JB1FCIN02338DJ7	202DJ7	JD7	CHASUS33	1500	03-MAR-03	EUR		✓

7.1.5 Invoking the STP and Cover Matching batch processes

The STP and Cover Matching batches can be invoked from the Application Browser under Background Processes. You can start the jobs for STP as well as cover matching, by selecting the appropriate option and clicking the EXECUTE button.

To stop a job that has been started, select the Stop Job radio button.



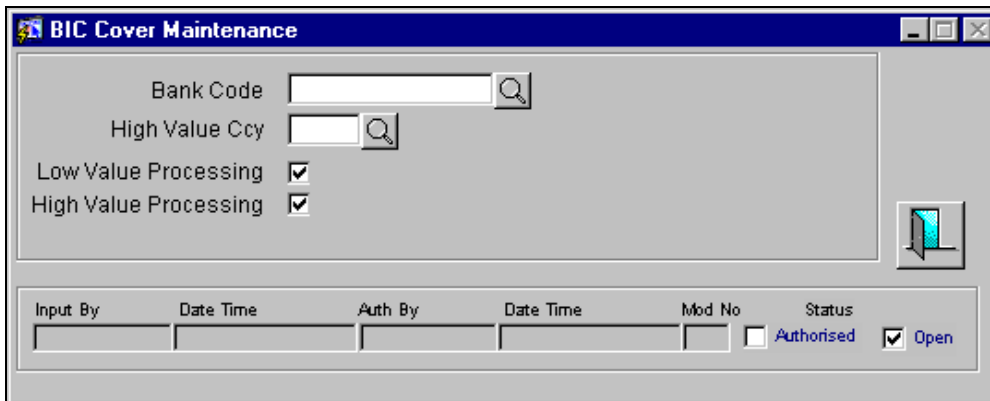
7.1.6 Specifying High and Low Value Ticket Processing

In the BIC Cover Maintenance screen, you can indicate the applicability of high and low value processing without cover, for the BIC of the branch. By default, high and low processing without cover are not applicable, and must be enabled if required.

If high value processing is indicated, you must also specify the high value currency.

An incoming MT100 or MT103 involving the BIC (and the currency) for which you have indicated high value and low value processing in the BIC Cover Maintenance, will be processed without cover matching. You can maintain a record in the BIC Cover Maintenance, to be applicable to all customers, by selecting the ALL option in the Bank Code field.

To invoke this screen, click Banks Maintenance and then BIC Cover. The BIC Cover Maintenance screen appears.



7.1.7 Maintaining Redirection Accounts

For a customer account, you can specify the credit accounts in specific currencies, to be used as the beneficiary accounts, instead of the accounts in field 59 of the incoming payment message for payments in the specified currencies, in the Customer Account Redirection screen. You can invoke this screen from the Application Browser under Customer Maintenance and then Account Redirection.

Input By	Date Time	Auth By	Date Time	Mod No	Open	Authorised
NEEL	31/12/2001 14:00:24				<input checked="" type="checkbox"/>	<input type="checkbox"/>

For a customer account, you can also maintain the charge redirection account to be used for the charges, in cases where the charges applicable on an incoming payment are to be borne by the beneficiary customer.

7.1.8 Maintaining Customer STP Parameters

For incoming payment messages processed through STP, you can maintain certain parameters to be validated against for customers, in the Customer Level Limit Maintenance screen. These parameters include the limits within which a special rate could be applied on credit amounts due to incoming payments.

You can invoke this screen from the Application Browser under Messaging Maintenance and then Customer Level Limits.

Input By	Date Time	Auth By	Date Time	Mod No	Open	Authorised
					<input checked="" type="checkbox"/>	<input type="checkbox"/>

In this screen, individual limits can be specified for each individual customer, or limits can be maintained to be applicable for all customers.

Specifying the customer to be blocked for STP

You can indicate that incoming payment messages involving the customer must not be processed through STP.

Specifying the currency limits for credit amounts due to incoming payment messages

You can specify the minimum and maximum limits (tier amounts) in limit currency against which credit amounts due to an incoming payment message must be validated, for the customer.

Determining if a special rate needs to be used for the customer

In cases where the credit amount currency is different from the currency of the credit account, the STP process determines if a special rate is to be used for the customer, or if the standard mid-rate is to be used for conversion.

If the credit amount is less than the minimum tier amount maintained for the customer, the standard rate is applied and the contract for the incoming payment is booked.

If the credit amount is higher than the minimum tier amount and below the higher tier amount, a special rate for the customer is applied, based on the spread maintained for the customer, for the currency pair (payment currency and credit account currency), and the contract for the incoming payment is booked.

If the credit amount is higher than the maximum tier amount maintained for the customer, the incoming payment is rejected and needs user repair for further processing.


If limits have been maintained for the customer and the payment currency is different from the limit currency, the prevailing mid-rate is used to convert the credit amount into the limit currency, for the purpose of validation. If no limits have been maintained for the specific customer, the limit maintained for ALL customers is validated.

7.1.9 Specifying customer spreads for incoming payments

For incoming payments that are processed through STP, you can specify the customer spreads to be applicable upon which any special rates for the customer would be used, in the Customer Currency Spread screen. Special rates are only applicable if the credit amount in limit currency falls within the limits defined in the Customer STP Currency Limits. You can invoke this screen from the Application Browser under STP Maintenance.

Input By	Date Time	Auth By	Date Time	Mod No	Open	Authorised
NEEL	31/12/2001 14:03:03			1	<input checked="" type="checkbox"/>	<input type="checkbox"/>

You can define the spread for different currency pairs, which would represent the credit amount currency and the currency of the credit account.

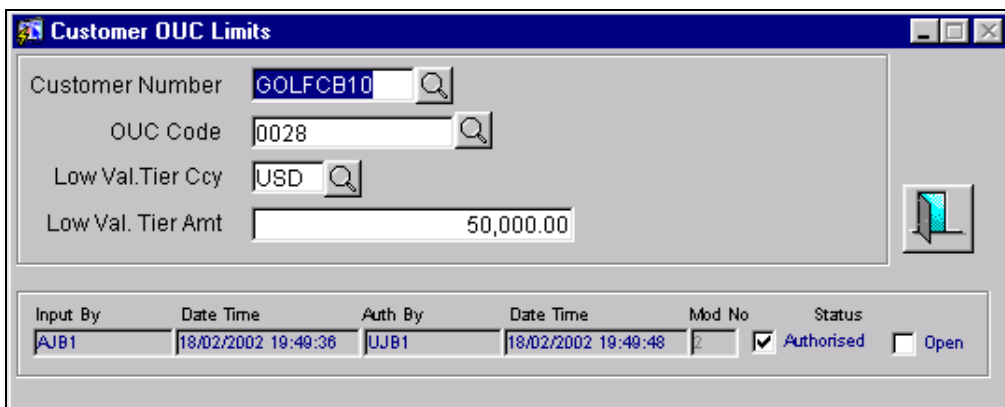
 During STP processing, incoming payments eligible for a special rate are rejected if no spread has been maintained for the payment amount and credit account currency pair.

7.1.10 Maintaining Customer OUC Limits

You can maintain the limit amount for low value processing without cover in the Customer OUC Limits screen. Invoke this screen from the Application Browser under STP Maintenance.

You can maintain limits to be applicable for different currencies, for specific customers, or all customers.

If the customer belongs to the MIS OUC group for low value processing and the transfer amount in an incoming payment is less than the OUC limit amount the message will be processed without cover.



Input By	Date Time	Auth By	Date Time	Mod No	Status
AJB1	18/02/2002 19:49:36	UJB1	18/02/2002 19:49:48	2	<input checked="" type="checkbox"/> Authorised <input type="checkbox"/> Open

7.1.11 STP Rule Maintenance

On receiving incoming payment messages, the STP process resolves them into appropriate queues for processing, by validating the contents of specific fields in the message according to the conditions and the rule-based logic that you specify.

To maintain the derivation logic for different message types, you can use the User Defined Fields for SWIFT Messages screen, which you can invoke from the Application Browser.

Just as you define custom fields (User Defined Fields - UDF) to be associated with the various Oracle FLEXCUBE Products and Function Ids (Maintenance screens), you can also maintain UDF's for each Incoming SWIFT Payment Message. Based on your requirement, you can specify the default values (derived from field logic) and validations for the UDF. The system will validate all the entries made to the field of an Incoming Message against the validations (rules) you define for a field. All unprocessed messages in the Incoming Message Browser will be routed to an appropriate message queue depending on the rules that you maintain for each message.

You can define the STP related fields (UDF's) and assign values to it in the 'User Defined Fields for SWIFT Messages' screen.

To invoke this screen, from the Application Browser, click STP Maintenance and then Swift Maintenance.

7.1.11.1 Specifying the Message Type

You can maintain UDF's for the following SWIFT Payment Messages:

- MT 100
- MT 103
- MT 200
- MT 202

Specify the message for which you want to define the Rule based on which the STP will process the same.

7.1.11.2 Specifying the Field Name

Specify a unique name to identify a field that you define. The STP process will get the value of the field from the logic specified in the 'Field Logic' column and will validate the entries made to these fields based on certain pre-defined conditions. You can use a maximum of 16 characters to assign a name to the UDF being defined.

7.1.11.3 Specifying the Field Type

The type of field that you can create can be of the following formats:

- Number — Select this option to create a Numeric field
- Text — Select this option to create a Text field
- Date— Select this option to create a Date field

7.1.11.4 Defining Field Logic

The value of the field (UDF) being defined for a message type is derived based on the logic that you specify here. The value derived thus is subsequently validated against the rules maintained for the UDF.

The tags and the syntax for using these in the 'Field Logic' are as follows:

TAGS	SYNTAX	Value of the Field
@SENDER	@VALUE:=@SENDER();	Sender of the Message
@BIC	@VALUE:=@BIC('TAG');	BIC code of the tag contained within quotes, for e.g.: @BIC('57')
@ACC	@VALUE:=@ACC('TAG');	Account number specified in the tag
@TAGVALUE	@VALUE:=@TAGVALUE('TAG');	The value of the tag specified
@AMT	@VALUE:=@AMT(3);	The amount in the field 32
@CCY	@VALUE:=@CCY(2);	The currency of the transfer
@VALDT	@VALUE:=@VALDT(1);	The value date of the transfer
@TRAILER	@VALUE:= @TRAILER	The trailer of the message

Depending on the value of the UDF (obtained from the Field Logic), you can define additional conditions (or rules) to process the message. You can also specify a status for each condition. If a particular condition is satisfied, the system will automatically assign the corresponding status to the message.

The following example illustrates this:

Example

Midas Bank wants to process the Incoming SWIFT Message, MT 202 based on information regarding the sender of the message. Further, the bank also wants to validate the message based on the following conditions:

- If the message carries no information regarding the sender, it should be assigned to the 'Repair' status.
- Suppress the message if the sender of the message is not Citibank.

To achieve this, you can:

- Define an UDF 'SENDER',
- Specify the Field Type as 'Text',
- Write a code to check for the presence of information regarding the sender of the message, and
- Specify the conditions for the UDF based on which the message will be processed.

Condition 1

Condition: 'SENDER = NULL'

Result: TRUE

Status: REPAIR

Condition 2

Condition: 'SENDER='CITIBANK'


Result: FALSE

Status: SUPPRESS

The STP process will first read the MT 202 payment message and check for the presence of information regarding the sender. If found, the process will automatically assign the value derived from the message, to the UDF 'SENDER'.

The system will then check for the validity of the conditions.

- If the first condition returns a 'TRUE' value i.e. the message carries no information regarding the sender, it will be assigned to the 'Repair' queue.
- If the second condition returns a 'FALSE' value i.e. sender of the message is not Citibank, the STP process will assign the status 'Suppress' to all MT 202's received from senders other than Citibank.

To define the conditions for a message, click on the  button in the 'User Defined Fields for SWIFT Messages' screen. The 'Rule Maintenance' screen is displayed.

The Message Type is defaulted from the previous screen.

7.1.11.5 Defining Conditions for a UDF

Using the tags mentioned above, you can specify the following conditions for processing the Incoming SWIFT Messages:

- @EXISTS: Depending on your requirement, you can use this tag to check for the existence of a specific field in the Incoming SWIFT Message. For instance, you may want to check for the presence of field 56 in the message. If present, the function will return 'TRUE'. If the field is not present in the message, it will return a 'FALSE' value
- @BIC: This function will check for the presence of the BIC code in the party information fields of the message. It will then validate the BIC and if found valid will assign it to the field (UDF) for which you are defining the condition. For instance, you may want all incoming MT100 messages with 'BMRLUSLY' in field 57 to be routed to Queue 'XYZ' with the status as 'Repair'. For this you will need to maintain the following details:
 - Define an UDF '57BIC.
 - Specify the field logic as '@VALUE:=@BIC('57)'
 - Maintain the condition as 'UDF_57BIC='BMRLUSLY'.
 - Assign the result as 'TRUE'.



This Rule will ensure that any Incoming MT100 with 'BMRLUSLY' in field 57 is routed to the queue XYZ with a status as Repair.

- @ACC: Likewise, this function will check for the account no. of the party initiating the transaction. If the field exists, the system will validate the account no. before assigning it to the UDF.
- @TAGVALUE: This will assign the value of a specific field of the SWIFT message to the UDF. For example, you may want to suppress all MT 100 messages with 'CITI001' in field 56A (Intermediary). For this you will define:
 - Define an UDF, VAL56.

- The field logic as '@VALUE:=@TAGVALUE('56A')
- Specify the condition as UDF_VAL56 = 'CITI001'.
- Assign the result as 'TRUE'.
- This will ensure that all MT 100 messages with 'CITI001' in field 56A are assigned with the 'Suppress' status.
- @OCCVALUE: Some fields of the SWIFT message may contain more than one line of information. You can use this function to check and assign the value of such fields to the UDF.
- @NUMOCC: Using this function, you can track the number of times a particular field appears in the SWIFT message. For instance you may want to route all MT 100 messages to the 'Pending Cover' queue if field 32A is present only once in the message. For this you can maintain the following:
 - Define an UDF 'OCC01'.
 - Specify the field logic as '@VALUE:=@NUMOCC('32A')
 - Maintain the condition as 'UDF_OCC >1'.
 - Assign the result as 'FALSE'.
 - This Rule will ensure that all MT 100 messages will be routed to the 'Pending Cover' queue if field 32A has occurred only once in the message.
- @AMT: This function will assign the value of the transaction amount, if present in field 32 of the SWIFT message to the UDF that you have defined.
- @CCY: Similarly, you can use this function to assign the transaction currency as the value of the UDF being defined and subsequently define a condition to suit your requirement.
- @VALDT: This function will assign the value date of the transaction, if present in the SWIFT message, to the UDF.
- @SENDER: This function will assign the name of the sender of the message to the field being defined.
- @TRAILER: This function will check for the trailer in the message and assign the value of the trailer to the UDF.
- @MT: This function will identify the type of message being received.

7.1.11.6 Assigning a Priority Number

For a particular message type, you can define multiple conditions to validate the UDF's based on which the message is assigned a particular status. Each set of five conditions will be associated with a priority number. The system automatically assigns the next available priority number to the next set of five conditions. If a condition with a higher priority level is satisfied, the status associated with that condition is assigned to the message.

Click on the  button to specify the next set of conditions. To remove a set of conditions, click on the  button.

7.1.11.7 Specifying the value and the messaging queue for a condition

You can specify multiple conditions for validating the value (derived from the Field logic) of an UDF. Each condition can be assigned one of the following values:

- TRUE
- FALSE

You can also choose the queue, to which a message will be routed if a particular condition is satisfied. As discussed earlier, you can specify multiple queues for a message. All the queues maintained for a specific message will be available for selection in the form of an option-list. Select the appropriate 'Queue Name' from the list.

7.1.12 Queues Maintenance

As discussed earlier, all Incoming SWIFT Messages are routed through a messaging queue. You are therefore, required to maintain the different user queues to which incoming messages will be directed. Users with appropriate rights will be allowed to access a particular queue.

You can maintain 'Queues' through the 'Queue Maintenance' screen invoked from the Application Browser.

Queue	Description	Auto STP	Future Value Allowed
MOCT	INCOMING RESULTING IN OUTGOING	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Source Code
FTI FT Upload

Message Code



Input By	Date Time	Auth By	Date Time	Mod No	Open	Authorised
SONIA	01-JAN-2002 10:43:46			3	<input checked="" type="checkbox"/>	<input type="checkbox"/>

In this screen you can capture the following details for a queue:

- A name to identify the queue uniquely throughout the system.
- A short description of the queue.
- Whether auto STP is applicable.
- Whether future valued contracts are allowed.
- The source code for both SWIFT uploads and STP process.
- The various SWIFT messages that would be routed to this queue.

You can assign a SWIFT message to more than one messaging queue. At the time of maintaining rules for a message, you can select the appropriate queue for each rule from the list of queues to which the message is linked.

As and when an Incoming SWIFT Message satisfies a particular rule, the system will automatically route it to the relevant queue associated with the rule. The product and other associated details (maintained at the product mapping level) defined for the branch, queue and message type combination will be made applicable to translate the SWIFT Message into a normal FT Contract.

Click on the  button to add a message to the queue being defined. To remove a message from the queue, click on the  button.

7.2 Altering transaction codes for FT contracts using transaction type

The transaction code to be used for a funds transfer contract is inherited from the code associated with the transaction type specified in the Product Event Accounting Entries Maintenance, for the product used for the contract. The transaction codes are assigned based on the Transaction Type to Transaction Code mapping defined at the product accounting entry level. However, if the transaction code is changed, an override is sought from the user entering the contract. This override is shown to the authorizer during transaction authorization.

An audit trail log is maintained of such change. The changed codes are reflected in the FT Transaction Journal Report, which will contain the corresponding changed debit and credit transaction codes.

7.3 Suppressing message generation for uploaded FT contracts

For funds transfer contracts uploaded through the FT Upload process, generation of appropriate messages is suppressed if the contract details uploaded from the external system contain a 'Y' entry for the Msg. Sent flag. Conversely, if the uploaded details contain a 'N' entry for the Msg. Sent flag, appropriate messages are generated and are not suppressed.

8. Funds Transfer - Archival and Purge

8.1 Introduction

Archival is the process of moving contracts which have completed their life cycle or reversed out from the contract tables to the archival tables based on the lapse of specified days from the date of the last event processed. The days after which contracts are to be archived is captured at the Branch Parameters – Archival/Purge parameters maintenance screen.

Matured or reversed Contracts should be archived to reduce the size of the contract tables in order to improve system performance. A Soft purge is done to move the contract level information to another database to reduce the size of the database. Further, a hard purge will be done to the history tables on the archive database.

Oracle FLEXCUBE allows you to archive contract details from the Funds Transfer module, as well as Accounting details, for future reference and queries.

Soft purge process will be carried out on the Production Server. All validations done for archival will be applied to soft purge if the archival setup is not done. If archival is setup is done, then the validation will be effected only on the last event date of the contracts that are lying in the archival tables.

If soft purge is executed with archiving, contract information will be moved from the archival tables directly to a set of temporary tables which are in the same database. If soft purge is executed without archiving, contract information will be moved from contract tables directly to the same set of temporary tables.

Refer to the Operations Manual for details on Purging and Archival of Data.

All FT contracts that were liquidated or were reversed before the number of days maintained in the branch parameters will be identified for archival.

Module specific validations will be carried out for every contract that is identified for Archival. After a contract is successfully validated for archival, then the contract level information will be moved to the respective archive tables.

In addition to the main contract information, the following subsystems will be moved:

- Advices
- Events
- Charges
- Settlements
- Tax
- UDF
- Accrual Fee



Limits information also will not be archived to maintain the consistency of the Limits module.

8.2 Viewing Archived FT Contracts

Select 'FT Archival' from the Application Browser. Select 'Archived Contract' and then 'Detailed' under it to view details of archived FT contracts.

Funds Transfer Contract Details [WAMAN01]

Branch: CIP Citibank International PLC Contract Ref: CIPFOCB03304C1JN
 Template: Custom Ref: 3033043200 User Ref No: CIPFOCB03304C1JN
 Product: FOCB OUTGOING CUSTOMER TRANSFER Related Ref No: 1 of 1
 Counterparty: WAMAN01 WAMAN01
 Bank Operation Code: CRED Instruction Code: Transaction Type Code:

Main		Settlement Route	
Currency	Amount	Branch	Account
Dr GBP	1,000.00	CIP	0000000000
Cr USD	1,498.80	CIP	0011111111

Value Date: 31-OCT-2003 Reference No.: CIPFOCB03304C1JN
 Value Date: 04-NOV-2003 Reference No.: CIPFOCB03304C1JN
 Exchange Rate: 1.49880000 GBP-USD LCY Equivalent: 1,000.00 SSN:

Debit IBAN: Credit IBAN:

Txn Count:

MCK No: Check No: Charge Bearer: No charges
 After Rate Refresh Override Overdraft

Ben Ac Details: Ben A/C Pr: Ben A/C:

Upload Details: Uploaded Source Code: Source Ref. No:

Other Details: Rate Type: STANDARD Rate as of: Booking Date Rate Pickup Date: 31-OCT-2003
 Rate Update Status: Complete Mesg Send Date: 31-OCT-2003
 Mesg / Entries as of: Booking Date Spread Code: 1 Spread Sender: Transaction Type: OFAC Status:

Details of Payments Remitter Accounts Details

By Order of (Name & Addr.) Ultimate Beneficiary Details

CITIBKAR /52314652346

Sender to Receiver Information Account with Institution

Internal Remarks:

Input By	Date Time	Auth By	Date Time	Contract Status	Auth Status	Eca Status
SAJEESH	31/10/2003 18:26:21	SAJEESH		Liquidated	Authorized	Not reqd <input checked="" type="checkbox"/> Authorised

You can view the Charges and Fees, Taxes etc. associated with this archived FT contract by selecting the corresponding buttons.

8.3 Viewing Soft Purged FT Contracts

Select 'FT History' from the Application Browser. Select 'Contract History' and then 'Detailed' under it to view the details of soft purged FT Contracts.

Funds Transfer Contract Details [WAMAN01]

Branch: CIP | Citibank International PLC | Contract Ref: CIPFOCB03304C1JN

Template: [] | Custom Ref: 3033043200 | User Ref No: CIPFOCB03304C1JN

Product: FOCB | OUTGOING CUSTOMER TRANSFER | Related Ref No: []

Counterparty: WAMAN01 | WAMAN01 | 1 of 1

Bank Operation Code: CRED | Instruction Code: [] | Transaction Type Code: []

Main | Settlement Route

	Currency	Amount	Branch	Account	Value Date	Reference No.
Dr	GBP	1,000.00	CIP	0000000000	31-OCT-2003	CIPFOCB03304C1JN
Cr	USD	1,498.80	CIP	0011111111	04-NOV-2003	CIPFOCB03304C1JN

Exchange Rate: 1.49880000 | GBP-USD | LCY Equivalent: 1,000.00 | SSN: []

Debit IBAN: [] | Credit IBAN: []

Txn Count: []

Details of Payments | Remitter Accounts Details

By Order of (Name & Addr.) | Ultimate Beneficiary Details

CITIBKAR	752314652346

Sender to Receiver Information | Account with Institution

Other Details

MCK No: [] | Check No: []

Charge Bearer: No charges | After Rate Refresh | Override Overdraft

Ben Ac Details: Ben A/C Pr: [] | Ben A/C: []

Upload Details: Uploaded

Source Code: [] | Source Ref. No: []

Rate Type: STANDARD | Rate as of: Booking Date | Rate Pickup Date: 31-OCT-2003

Rate Update Status: Complete | Mesg Send Date: 31-OCT-2003

Mesg / Entries as of: Booking Date | Spread Code: 1 Spread | Sender: [] | Transaction Type: [] | OFAC Status: []

Internal Remarks: []

Input By	Date Time	Auth By	Date Time	Contract Status	Auth Status	Eca Status
SAJEESHAU	31/10/2003 18:26:21	SAJEESH		Liquidated	Authorized	Not reqd <input checked="" type="checkbox"/> Authorised

8.4 Purging Accounting Entries

An accounting entry will be purged if

- The value date and booking date is less than or equal to the purge date.
- The contract has been archived or purged.
- One consolidated entry (for the purged entries) will be posted with the value date and the booking date as the purge date.

- Ad-hoc account statement for the account can be taken from the archival server to view the entries that have been soft purged.
- Ad-hoc account statement beyond the last purge date will not be allowed on the production server.
- GL balances, GL MIS balances or Unit balances beyond the last purge date will also be soft purged.
- Only soft purge and hard purge will be available for accounting.
- The purge date should be less than the last liquidation date for the account. If not, then the period end date on or before the last liquidation date will be the account purge date.
- The accounting purge date will be stored at an account level. If an entry with a value date less than the purge date is posted then the value date will be set to previous purge date plus one.
- MIS details of the contract will be soft purged during purging.

9. Appendix A - Accounting Entries and Advices for FTs

9.1 Accounting entries for FTs

This section contains details of the suggested accounting entries that can be set up, for the FT module of Oracle FLEXCUBE. The details of the suggested accounting entries are listed event-wise.

9.1.1 FT Events

The following is an exhaustive list of events that can take place during the lifecycle of an FT. In the subsequent paragraphs we shall examine the accounting entries and advices for each of the events listed below.

Event Code	Event Description	Remarks
BOOK	<p>The Booking event is applicable for all FTs. There are no Entries booked during this event. For Future Value dated FTs this event is triggered on Input. However, when you capture a Normal FT, INIT is triggered immediately after BOOK. Booking is used for defining/linking the charges applicable for the transfer.</p> <p>Once this event is triggered the Contract Status changes to Active.</p>	All Types
INIT	<p>Initiation is when the entries relating to applicable Charges and Taxes are booked.</p> <p>For Outgoing and Internal FTs: Payment Messages/Debit and Credit advices are generated during this event.</p> <p>The Contract Status will be liquidated.</p> <p>For MCK's:</p> <p>The instrument is generated during this event</p> <p>After this event is triggered the Contract Status changes to Active.</p> <p>For Incoming FT:</p> <p>After this event is triggered the Contract Status changes to Active.</p> <p>Also note that the Credit during this event for Incoming Transfers is to the DAO Account irrespective of whether the Ultimate Beneficiary account is known or not. If the</p>	All Types

Event Code	Event Description	Remarks
	Ultimate Beneficiary Account is known then LIQD is triggered along with INIT.	
AMND	This event is meant only for Future Valued FT contacts that have not been initiated i.e. the status of the contract is Active. Accounting entries are not booked during this event. However the contract status will remain Active.	Outgoing future valued FTs
LIQD	For incoming FTs the DAO Account is debited and the Ultimate Beneficiary Account is Credited. For MCKs, the MCK Payable Account is debited and the Correspondent Account is credited. The status of the contract will be changed to Liquidated after this event is triggered.	Incoming FTs and MCKs.
RATE	The Rate Update event fixes the rate for Future-Valued FTs.	Outgoing Future-Valued FTs
REVR	The Reversal of FT event reverses the financials of the contract completely. No further processing on the contract is possible after reversal. The status of the contract will be changed to Reversed when this event is triggered.	All Types
FXGN	The Fax Message Generation event is used to generate fax copies of MT100 and MT103. Charges can be collected for the same.	All Types

9.1.2 Amount Tags

The amount tags listed below are hard-coded in Oracle FLEXCUBE.

SI No	Amount Tag	Description
	AMT_EQUIV	Equivalent Amount – For Outgoing and Internal FTs this is the debit amount. For Incoming Transfers this is the Credit Amount.
	TFR_AMT	Transfer Amount - For Outgoing and Internal FTs this is the Credit Amount. For Incoming FTs this is the Debit Amount.

In addition to these, you can define a list of amount tags as per requirement.

9.1.3 Accounting Roles

The following list contains details of the accounting Roles that are applicable to the FTs you can process at your bank.

SI No	Accounting Role	Description	Role Type
	REMITTER	Remitter's account	Real/Type "X"
	CUSTCHARGEACC	Customer account	Real/Type "X"
	BENEFICIARY	Beneficiary account	Real/Type "X"
	ADVISED_OUTSTD	DAO account	Real/Type "L"

For your convenience we have defined a set of accounting entries for each of the events mentioned above. Also note that some of the Amount Tag's linked to the Accounting Roles are user defined.

BOOK: Booking of an Incoming FT Contract

If the Charges are collected when the FT is booked, no accounting entries will be generated for this event.

INIT: Initiation of an outgoing FT contract

Accounting Role	Amount Tag	Dr./Cr. Indicator
REMITTER	AMT_EQUIV	Debit
BENEFICIARY	TFR_AMT	Credit
CUSTCHARGEACC	FOCTFACHG3	Debit
FOCTFACHG3INC	FOCTFACHG3	Credit
CUSTCHARGEACC	FOCT_SWF	Debit
FOCT_SWFINC	FOCT_SWF	Credit

INIT: of an Incoming FT

Accounting Role	Amount Tag	Dr./Cr. Indicator
REMITTER	TFR_AMT	Debit
ADVISED_OUTSTD	AMT_EQUIV	Credit

LIQD: of an Incoming FT

Accounting Role	Amount Tag	Dr./Cr. Indicator
ADVISED_OUTSTD	AMT_EQUIV	Debit
BENEFICIARY	AMT_EQUIV	Credit

Accounting Role	Amount Tag	Dr./Cr. Indicator
CUSTCHARGEACC	FINCFACHG3	Debit
FINCFACHG3INC	FINCFACHG3	Credit
CUSTCHARGEACC	FINC_SWF	Debit
FINC_SWFINC	FINC_SWF	Credit

AMND: Amending an FT contract

None

REVR: Reversing an FT contract

Fetch entries for last Initiation event and reverse them.

9.1.4 Advices for an FT

In this section you will find an event-wise listing of advices that can be generated during the life-cycle of an FT.

9.1.5 FT messages

The following is an exhaustive list of messages that can be generated for an FT.

Message	Description	SWIFT	Mail	Telex	FAX	From	To
PAYMENT_MESSAGE - CUST_TRANSFER	Customer Transfer	Y	Y	Y	N	SB	RB/AWI
PAYMENT_MESSAGE - COVER	Cover for Customer Transfer	Y	Y	Y	N	SB	CB
PAYMENT_MESSAGE - BANK_TRANSFER	Bank transfer with cover	Y	Y	Y	N	SB	CB
PAYMENT_MESSAGE - OWN_AC_TRANSFER	Bank transfer for own account	Y	Y	Y	N	SB	CB
BANKER_CHQ	Banker's Check Issue	Y	Y	N	N	SB	SC
Message	Description	SWIFT	Mail	Telex	FAX	From	To
CHARGE_CLAIM	Charge Claim	Y	Y	N	N	Bank entitled to	RC

Message	Description	SWIFT	Mail	Telex	FAX	From	To
	Advice					claim charges	
DRAFT_PENDING	Draft Pending Advice						
DR_ADV	Debit Advice	Y	Y	N	N	Sender/UBB	CUST (REM/BEN)
CR_ADV	Credit Advice	Y	Y	N	N	UBB	BEN
FAX_PMT_MSG	Fax Payment Message	Y	Y	N	Y	SB	REM (OC)
STOP_PMNT	Stop Payment on Banker's Check	Y	Y	N	N	SB	SC

9.1.6 Party type abbreviations

This is an exhaustive list of the parties that can be involved in an FT.

SI No	Code	Party Type
	AWI	Account with Institution
	BEN	Beneficiary
	CUST	Customer
	CB	Correspondent Bank
	OB	Ordering Bank
	OC	Ordering Customer
	REM	Remitter
	RB	Receiver's Bank
	RC	Receiver's Correspondent
	SB	Sender Bank
	SC	Sender's Correspondent
	UBB	Ultimate Beneficiary Bank

9.1.7 FT Event Messages

INIT: Initiation of an FT

Advice Name	Advice Description
BANKER_CHQ	MT 110 - Banker's check.
CHARGE_CLAIM	MT 191 - Charge claim advice sent to the previous bank in the chain to claim charges due to our bank.
DEBIT_ADVICE	Debit advice sent to the customer upon debiting the customer account with the transfer amount.
DRAFT_PENDING	Draft Pending advice.
PAYMENT_MESSAGE	<p>Payment Messages are sent depending on the transfer type being processed. Listed below are the various payment messages that can be sent while processing different types of FTs:</p> <p>MT100 - Customer Transfer.</p> <p>MT103 – Revised Customer Transfer.</p> <p>MT202 – Bank Transfer/Cover.</p> <p>MT200 -.Bank Transfer for own account.</p> <p>MT900 - Confirmation of Debit.</p> <p>MT910 - Confirmation of Credit.</p>
RECEIVE_NOTICE	<p>Advice sent to the Sender's correspondent to receive the funds on our behalf.</p> <p>MT 210 – Receive Notice.</p>

CANC: Cancellation of Banker's Check

SI No.	Advice Name	Advice Description
	DEBIT_ADVICE	When charges for cancellation have been defined the Debit Advice is sent to the Customer after debiting the customer account.

CANC: Cancellation of Banker's Check

Advice Name	Advice Description
STOP_PMNT	MT 111 - Banker's check cancellation advice is sent to the SC from the SB.

FXGN: Ad hoc generation of Pay Message copy

Advice Name	Advice Description
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Advice Name	Advice Description
FAX_PMT_MSG	MT 100/MT103 - A copy of the Customer Transfer message is sent to the OC.

LIQD: Liquidation

Advice Name	Advice Description
CREDIT_ADVICE	Advice sent to the Beneficiary upon crediting the transfer amount to the Beneficiary account.
DEBIT_ADVICE	While debiting the transfer amount the debit advice is sent to the Remitter. The Debit advice is to be sent to the Bearer of Charges while debiting the charge amount.