Oracle® Banking Platform Collections

Process Configuration Guide

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Oracle Banking Platform Collections Process Configuration Guide, Release 2.6.2.0.0

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Preface

This document helps you to understand the processes associated with collections.

This preface contains the following topics:

- Audience
- Documentation Accessibility
- Conventions

Audience

This document is intended for the following audience:

- IT Deployment Team
- Consulting Staff
- Administrators

Documentation Accessibility

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Conventions

The following text conventions are used in this document:

Convention	Meaning
boldface	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text or the glossary.
italic	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
`monospace`	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter.

1 Process

This chapter provides information on development of each case life cycle process. The Process life cycle defines the workflow management for each product-shipped case type.

1.1 Configuration Guidelines

The following is list of some of the important configurations required to set up case in collections. These should be done as per implementation requirements. Additional configuration options wherever available are specified in detailed specifications:

- **Strategy Monitor Configuration:**
  - This configuration is set up for automatic initiation of case.
  - A generic list of facts for Strategy Monitor is provided in the Batch Specifications document. Definition of rule is done as per implementation need and strategy setup requirements.

- **Case Life cycle Configuration:**
  - This configuration is defined as part of case life cycle setup.
  - Some of the configurations are available as user managed setup at case or case status level, while some need to be addressed using algorithm spots.
  - This document provides:
    - Configuration to be done at case level and case status level.
    - Algorithms required for the process and values for the parameters to be set.
  - During implementation, you can however change the configuration defined and also the parameters for algorithms as per the requirement.

- **Cross Strategy Action Matrix (CSAM) setup:**
  - This setup is done as per implementation needs.
  - This matrix can be configured to invoke, at the time of entry into specific status in a case, including initial and final status.
  - Each account associated with case is evaluated against CSAM and configured action is taken on strategies for the account.
  - A template for CSAM configuration is provided in Section 1.19 of the Oracle Banking Collections Day Zero Setup Guide. This has to be set up as per implementation needs.

- **Case Allocation to Queue and User:**
  - Case Allocation when manually initiated:
    - This is not managed by configuration but needs to be manually managed at transaction level.
    - User can view all the queues they are associated to and can select one for allocation.
    - Case is allocated to the logged in User.

- Case Allocation when initiated by Strategy Monitor:
  - Queue and user allocation is as per queue management setup.
  - These allocation are done in batch.
- Allocation is retained for the life of the case, unless explicitly re-allocated by user or by case algorithms.

- **Vendor Assignment:**
  - Automated Assignment:
    - Vendor assignment is done by calling the vendor management module for a particular service type.
    - Assignment Logic is defined in vendor management module for each service Type.
  - Manual Assignment:
    - Vendor assignment can be done by the user.
    - Each vendor association can be mapped to a vendor service type and user can select and assign one of the vendors associated to this service type.

- **Approval Requirements:**
  - Approval checks are mentioned with each of the status in the case life cycle specifications.
  - Case life cycle will first check if approval is required.
  - If approval is required, case is put in interim status and approval request is created. This is routed to a user based on Oracle Platform Security Services (OPSS) configuration.
  - Behavior of the case for approval and rejection scenario is defined for each request. These are not user configurable but are embedded in the process.

- **Follow-up (Action and Result):**
  - Activities and outcomes can be configured for each status as per implementation needs.
  - These are captured in follow-up template provided in Section 1.10 of the Oracle Banking Collections Day Zero Setup Guide.
  - Any post-processing required for any outcome is also captured in the follow-up section.

- **Day Zero Setup: Process Case Types:**

  The figure mentioned below describes the feature configuration used to define the Process Case Types.

Figure 1–1 Feature Configuration Used to Define Process Case Types: PROCESS_CASE

2 Deceased Process

The Deceased process is initiated when notification of customer's death is received by the branch staff or the call center staff or by the collections staff (if account was managed in Collection). This process primarily involves:

- Confirmation of Death
- Review of entire customer exposure
- Initiation of appropriate strategies on customer's accounts, if required

2.1 Life Cycle Processing

The diagram provided below describes the life cycle processing of the deceased process.

Figure 2–1 Life Cycle Processing
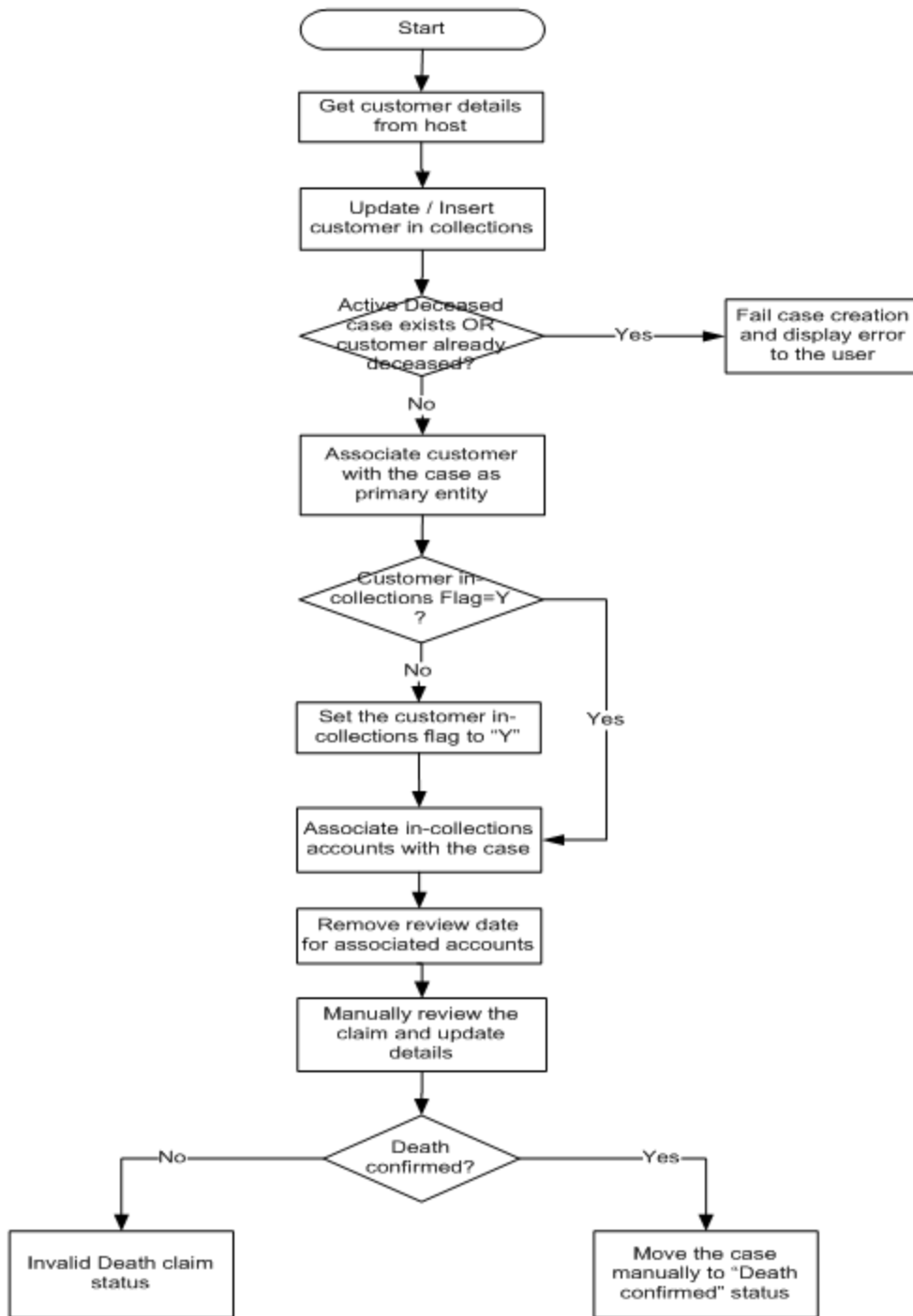
2.2 Day Zero Setup on Case Category

The following table describes the day zero setup on case category.

Table 2–1 Day Zero Setup on Case Category

Case Category	Deceased
Primary Entity	Customer
Allow Multiple Association	Yes
Adhoc Association	Yes

2.3 State Diagram

The following diagram describes the state diagram of the deceased process.

Figure 2–2 State Diagram
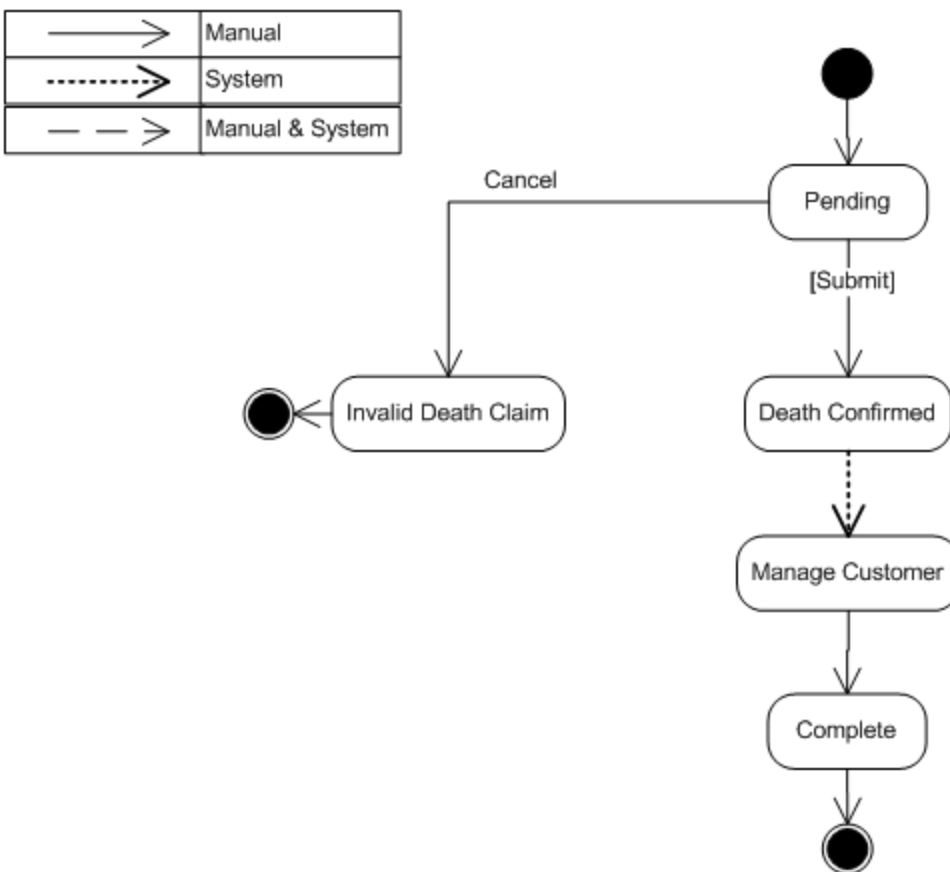
A Deceased case is created from a separate menu option accessible to collections team as well as other users across bank (based on access rights). However, before proceeding to creation, the case system should check if the customer already exists in collections. If not, pull the customer into collections. This does not pull any of the customer's accounts into collections. If it is required to pull the customer's accounts into collections, this should be done by the user using manual account pull screen.

2.4 Product-Shipped Configuration

The following table describes the product-shipped configuration details.

Table 2–2 Product-Shipped Configuration Details

Case Type Code	C1-DECEASED
Char Types used	Customer
Case Status Code	PENDING - Pending DEATHCONFIRM - Death Confirm MANAGECUST - Manage Customer INVALIDCLAIM - Invalid Claim DCSD-COMPLET - Complete DCSD-CANCEL - Deceased Cancel

2.5 Case Status Setup

This section describes the case status setup details.

2.5.1 PENDING - Pending

This is the initial status of the Deceased life cycle. User provides customer ID on the screen and then triggers case creation.

Figure 2–3 Case Status Code: Pending
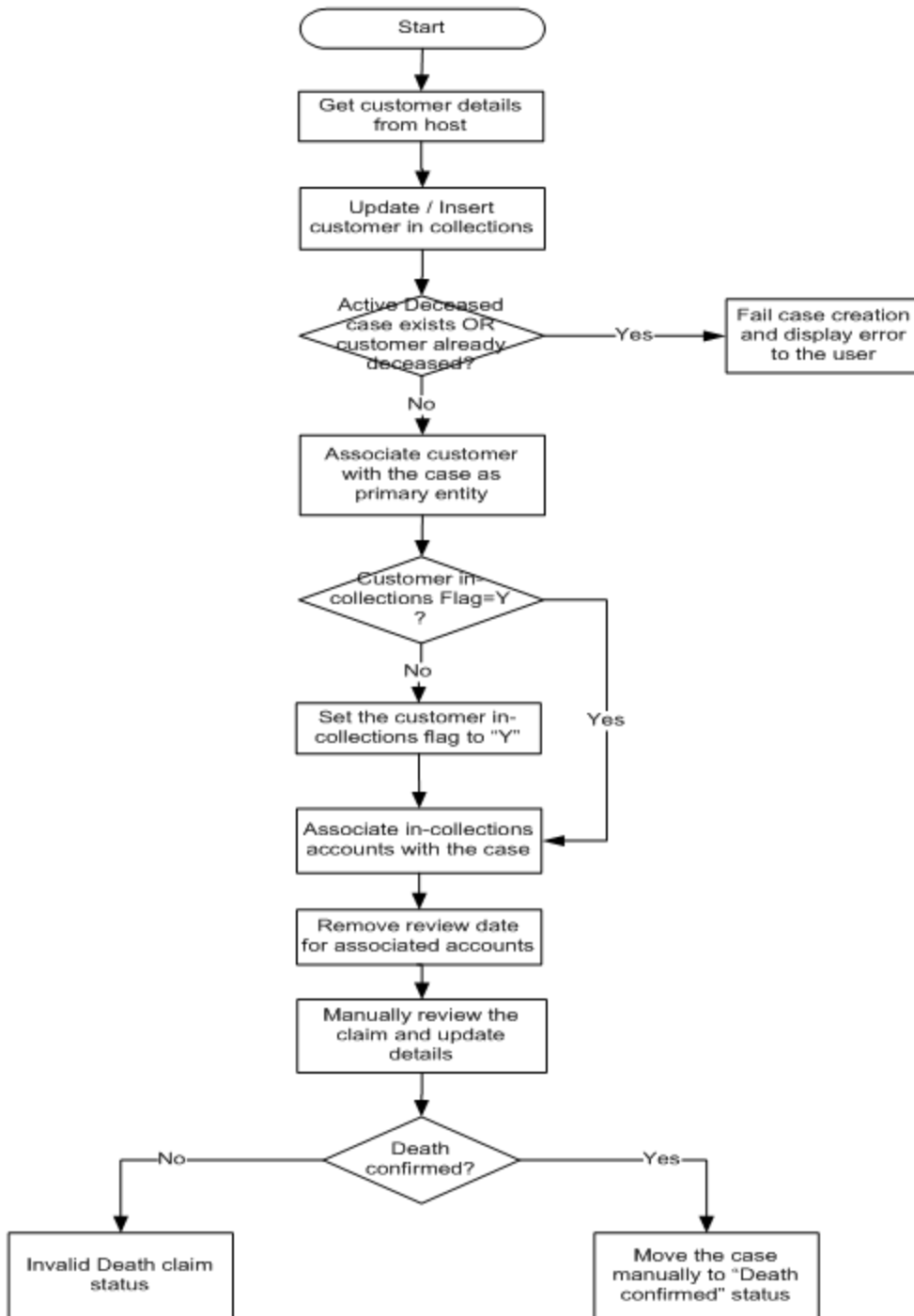
Table 2–3 Case Status Code: Pending

Actor	System / Branch Staff / Call Center Staff / Recovery Associate

Description	The following system activities are done when the case is in this status:
	
	■ Get the customer details from the host. If the customer is already in collections, update the customer details. Else, customer should be set up in collections by the case creation process.
	
	■ Check if an active deceased case exists for the customer OR warning indicator if deceased is already set. If either is true, then terminate the case creation and display error message to the user.
	
	■ System will check if 'In collections' flag is set for the customer. If not, same should be updated to 'Y' in the core.
	
	■ Host will propagate the 'In collections' flag to all accounts of the customer where this customer is a primary holder.
	
	■ Associated all accounts of the customer with the case where:
	
	    ● Customer is primary owner
	
	    ● Account is in collections
	
	■ Remove account review dates for all the associated accounts. This will ensure that accounts are not sent to strategy monitor for strategy review.
	
	The following user activities are expected:
	
	■ Death claim is verified by the user and details are updated in the system.
	
	■ Manually move the case to 'invalid claim' or 'Death confirmed' status.

Modify Association	Yes

Entering Processing Spot Algorithms:

Table 2–4 Case Status Code: Pending: Entering Processing Spot Algorithms

Sr. No.	Algorithm	Description	Parameters
1	**C1-CHKDCD**	Check deceased status for the customer	Case Category = Deceased (DCSD)
2	**C1-DCDACCTS**	Associate accounts with deceased customer case	None
3	**C1-UPDRVWDT**	Update Review Date for associated accounts	Override Flag Value = Yes Days Offset = 5 Update Type = Set
4	**C1-DECSW_Y**	Update deceased switch to 'Y' in collections	Customer Level Switch Name Switch Value

No-Activity Monitoring:

Table 2–5 Case Status Code: Pending: No-Activity Monitoring

Days	To-Do	Reallocate	Prompt After	Change Status
5	Deceased No Activity Level 1(C1-DNA1)			
10	Deceased No Activity Level 2(C1-DNA2)			

Exit Processing Spot Algorithms:

Table 2–6 Case Status Code: Pending: Exit Processing

Sr. No.	Algorithm	Description	Parameters
1	**C1-CLSTODO**	Close To-do's linked to the case	To-Do Type 1 = C1-TD-CL To-Do Type 2 = C1-TD-AC To-Do Type 3 = C1-TD-DN To-Do Type 4 = C1-DNA1 To-Do Type 5 = <<Blank>>

Next Status Transition:

Table 2–7 Case Status Code: Pending: Next Status

Sr. No.	Next Status	Transition Condition	Transition Role	Validate Follow-up	Use as Default
1	Death Confirmed (DEATHCONFIRM)	OK	System and User	Y	N
2	Invalid Death Claim (INVALIDCLAIM)	CXL	System and User	N	Y

2.5.2 DEATHCONFIRM - Death Confirm

This section describes the Death Confirm status.

Figure 2–4 Case Status Code: Death Confirm

Table 2–8 Case Status Code: Death Confirm

Actor	System
Description	Set the Deceased warning indicator for the customer. Setting of warning indicator will put some restrictions and flags on the customer and accounts held by him/her. However, these updates are configured and managed in host and no triggers are required from collections except for setting of warning indicator.
Modify Association	Yes

Enter Processing Spot Algorithms:

Table 2–9 Case Status Code: Death Confirm: Enter Processing Spot Algorithms

Sr. No.	Algorithm	Description	Parameters
1	**C1-UPDWARN**	Update warning indicator for the customer	Association Type = Primary Warning indicator Type = Deceased Update Type = Set

No Activity Monitoring:

Table 2–10 Case Status Code: Death Confirm: No-Activity Monitoring

Sr. No.	Algorithm	Description	Parameters
1	**C1-TRAN-STAT**	Transition to Default Next Status	Next Status Next Transition Condition = OK

Exit Processing Spot Algorithms:

Table 2–11 Case Status Code: Death Confirm: Exit Processing Spot Algorithms

Sr. No.	Algorithm	Description	Parameters
1	**C1-CLSTODO**	Close To-do's linked to the case	To-Do Type 1 = C1-TD-CL To-Do Type 2 = C1-TD-AC To-Do Type 3 = C1-TD-DN To-Do Type 4 = C1-DNA1 To-Do Type 5 = <<Blank>>

Next Status Transition:

Table 2–12 Case Status Code: Death Confirm: Next Status Transition

Sr. No.	Next Status	Transition Condition	Transition Role	Validate Follow-up	Use as Default
1	Manage Customer (MANAGECUST)	OK	System	N	Y

2.5.3 MANAGECUST - Manage Customer

This section describes the Manage Customer status.

Figure 2–5 Case Status Code: Manage Customer
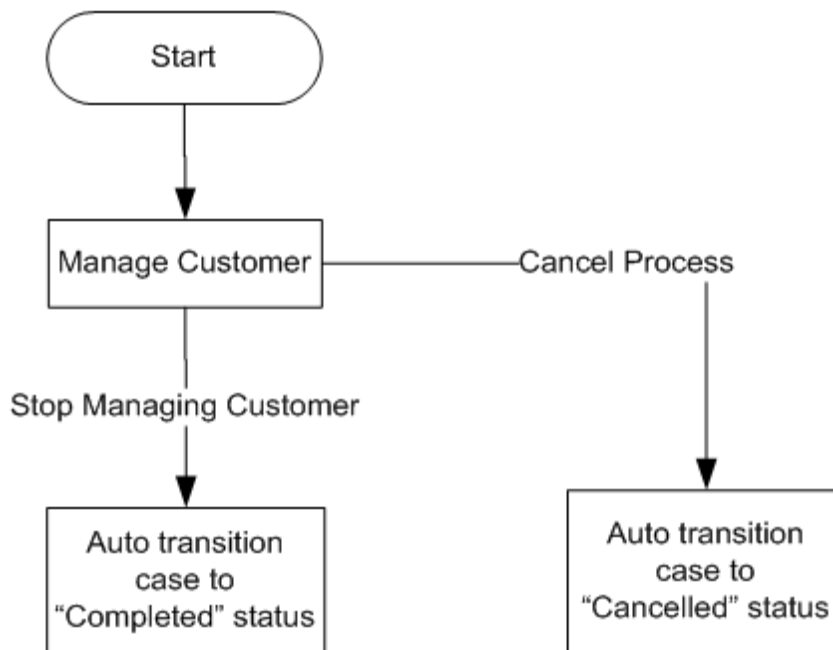
Table 2–13 Case Status Code: Manage Customer

Actor	Recovery Associate
Description	While in this status, the user will review the deceased customer's details on the Customer Centric Landing page.
	They have a view of all the customer's accounts (both regular and irregular).
	User will review various aspects for every exposure to the customer. This will include delinquency status, co-borrower commitment, collateral availability, and so on.
	Based on the above, if required collector will decide the best strategy for the account.
	All of the actions/activities above should be tracked (for each account) through the use of Action/Results on the case, after the action has been performed in Collections or directly on the host system.
	The user may use Next Action and Next Action Date to set reminders to review the case in the near future.
	Any specific strategy for the account can be manually initiated by the user.
	Once the user has completed applying the strategies, he/she will manually transition the case to complete status.
Modify Association	Yes

Enter Processing Spot Algorithms: NA

No Activity Monitoring: NA

Exit Processing Spot Algorithms:

Table 2–14 Case Status Code: Manage Customer: Exit Processing Spot Algorithms

Sr. No.	Algorithm	Description	Parameters
1	**C1-CLSTODO**	Close To-do's linked to the case	To-Do Type 1 = C1-TD-CL To-Do Type 2 = C1-TD-AC To-Do Type 3 = C1-TD-DN To-Do Type 4 = C1-DNA1 To-Do Type 5 = <<Blank>>

Next Status Transition:

Table 2–15 Case Status Code: Manage Customer: Next Status Transition

Sr. No.	Next Status	Transition Condition	Transition Role	Validate Follow-up	Use as Default
1	Deceased Cancel (DCSD-CANCEL)	CXL	System and User	Y	Y
2	Complete (DCSD-COMPLETE)	OK	System and User	N	N

2.5.4 INVALIDCLAIM - Invalid Claim

This section describes the 'Invalid Claim' status.

Figure 2–6 Case Status Code: Invalid Claim
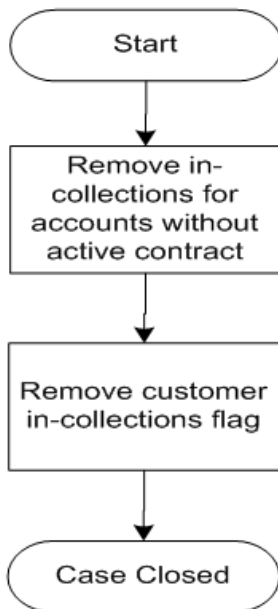
Table 2–16 Case Status Code: Invalid Claim

Actor	Not Applicable
Description	This is final status indicating claim has been rejected, as sufficient proof of death is not available. System will: ■ Remove 'In collections' flag for all accounts not having an active contract in collections and where customer is primary owner. ■ Remove customer 'In collections' flag if no other specialized collections case is running on the account.
Modify Association	Yes

Enter Processing Spot Algorithms:

Table 2–17 Case Status Code: Invalid Claim: Enter Processing Spot Algorithms

Sr. No.	Algorithm	Description	Parameters
1	**C1-CUSINCOLR**	Update collections flag for the customer in core banking	Update Type = Reset Case Category 1 = Bankruptcy Case Category 2 = Imprisonment Case Category 3 = Hardship Case Category 4 = <<Blank>> Case Category 5 = <<Blank>>

Sr. No.	Algorithm	Description	Parameters
2	**C1-UPDRVSET**	Update (Set) Review date Algorithm	Override Flag Value = Yes Days Offset = 0 Update Type = Set
3	**C1-DECSW_N**	Algorithm to set Deceased Switch as N	Customer Level Switch Name = DECEASED_SW Switch Value = N

No Activity Monitoring: NA

Exit Processing Spot Algorithms: NA

Next Status Transition: NA

2.5.5 DCSD-COMPLET - Complete

This section describes the 'DCSD Complete' status.

Figure 2–7 Case Status Code: DCSD Complete
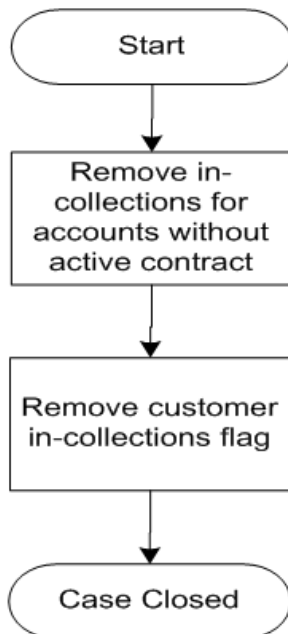
Table 2–18 Case Status Code: DCSD Complete

Actor	Not Applicable
Description	This is final status indicating there is no further need to manage exposures to the dead customer.

	System will:
	▪ Remove 'In collections' flag for all accounts not having an active contract in collections and where customer is primary owner.
	▪ Remove customer 'In collections' flag if no other specialized collections case is running on the account.
	▪ The Deceased warning indicator is not automatically unset, due to sensitive nature of deceased claim application. Manual update of this indicator is required.
Modify Association	Yes

Enter Processing Spot Algorithms:

Table 2–19 Case Status Code: Complete: Enter Processing Spot Algorithms

Sr. No.	Algorithm	Description	Parameters
1	**C1-CUSINCOLR**	Update collections flag for the customer in core banking	Update Type = Reset Case Category 1 = Bankruptcy Case Category 2 = Imprisonment Case Category 3 = Hardship Case Category 4 = <<Blank>> Case Category 5 = <<Blank>>
2	**C1-UPDRVSET**	Update (Set) Review date Algorithm	Override Flag Value = Yes Days Offset = 0 Update Type = Set

No Activity Monitoring:

Table 2–20 Case Status Code: Complete: No-Activity Monitoring

Sr. No.	Algorithm	Description	Parameters
1	**CS-MONITOR**	Algorithm for Monitoring after N days	To-Do Type 1 = C1-DNA1

Exit Processing Spot Algorithms: NA

Next Status Transition: NA

2.5.6 DCSD-CANCEL - Deceased Cancel

This section describes the Deceased Cancel status.

Figure 2–8 Case Status Code: DCSD Cancel
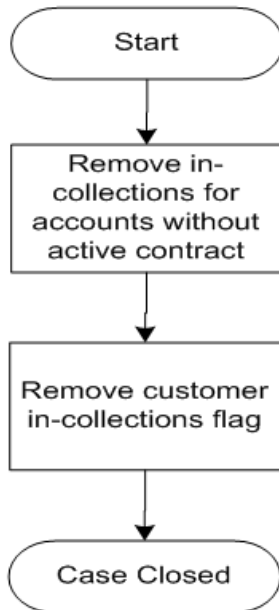
Table 2–21 Case Status Code: DCSD Cancel

Actor	Not Applicable
Description	This is a final status for the case. System will: ■ Remove 'In collections' flag for all accounts not having an active contract in collections and where customer is primary owner. ■ Remove customer 'In collections' flag if no other specialized collections case is running on the account. ■ The Deceased warning indicator is not automatically unset, due to sensitive nature of deceased claim application. Manual update of this indicator is required.
Modify Association	Yes

Enter Processing Spot Algorithms:

Table 2–22 Case Status Code: Deceased Cancel: Enter Processing Spot Algorithms

Sr. No.	Algorithm	Description	Parameters
1	**C1-CUSINCOLR**	Update collections flag for the customer in core banking	Update Type = Reset Case Category 1 = Bankruptcy Case Category 2 = Imprisonment Case Category 3 = Hardship

Sr. No.	Algorithm	Description	Parameters
			Case Category 4 = <<Blank>> Case Category 5 = <<Blank>>
2	**C1-UPDRVSET**	Update (Set) Review date Algorithm	Override Flag Value = Yes Days Offset = 0 Update Type = Set
3	**C1-DECSW_N**	Algorithm to set Deceased Switch as N	Customer Level Switch Name = DECEASED_SW Switch Value = N

No Activity Monitoring: NA

Exit Processing Spot Algorithms: NA

Next Status Transition: NA

3 Deceased Application Screens

This chapter describes the following screens that appear in the **Case** tab in Collections.

Death case can be initiated by the branch staff or by call centre staff. Screens for initiating the death claim is given in section 'OBP Application Form'.

Figure 3–1 Filing Death Claim

The following setup is available in feature configuration to control the behavior of the screen mentioned above:

- **Case Type:** This is the case type used to indicate which case should be created when a user clicks 'New Claim'.

- **Editable Status:** This is the status which will make the UI (Details Section) editable. User can update any details on the screen only in this status. However, updates will further be governed by the rules for each field defined in data requirement section. Multiple status can be specified as 'Editable status'.

- **Submit Status:** Case will attempt to transition to this status when the user clicks 'Submit'.

- **Cancel Status:** Case will attempt to transition to this status when the user clicks 'Cancel'.

For Deceased Case configuration, the values mentioned below should be defined in the feature configuration:

- Case Type = Deceased

- Editable Status = Pending

- Submit Status = Death Confirmed

- Cancel Status = Invalid Death Claim

Figure 3–2 Collections - Case Tab

Widget Table

The following table provides the widget details:

Table 3–1 Widget Table Details

Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status
Host ID	List of Values - This should display list of Hosts for user to select from. If there is only one host in the list, this should be default selected and the Host ID field should not be displayed on the screen.	Not Applicable	Mandatory
Party ID	Text. User should enter the party ID here.	Not Applicable	Mandatory
Party Name	Display Name of the party.	Not Applicable	

Note

Data can be edited only if case is in Open status.

Applications:

The application details are as follows:

- This grid displays all previous cases of case type set in the feature configuration.

- The case is associated to the party ID specified and can be in open or closed status.

- Specified customer may be primary or secondary customer for the case.
- The cases are displayed in descending order of creation date.
- All data in grid is view only.

Table 3–2 Applications Grid Details

Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status
Application ID	Case ID Hyperlink - Click the Application ID to view the application related data in the Details section. Link should be active for Open as well as Closed case.	Read only data	Read only data
Application Date	Date when the case was created.	Read only data	Read only data
Application Status	For an Open or Active case this should display a string as - "Open - <<Case Status>>" For an Closed case this should display a string as - "Closed - <<Case Status>>"	Read only data	Read only data
Assigned to	Displayed only for the Open or Active case. This is the name of the user to whom the case is assigned.	Read only data	Read only data

Details

The following table describes the Details section.

Table 3–3 Details

Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status
Death Certificate Number	Text. A death certificate number up to 20 characteristics can be captured.	Editable in all status as long as case is Open	For Entry into Death Confirmed Manage Customer Completed
Date of Death	Date - Should be <= Current business date	Editable in all status as long as case is Open	For Entry into Death Confirmed Manage Customer Completed
Probate Date	Date - Should be >= Date of Death	Editable in all status as long as case is Open	Non Mandatory
Application ID	Displays CaseID.	Read only data	Read only data
Application Status	For an Open or Active case this should display a string as - "Open - <<Case Status>>"	Read only data	Read only data

Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status
	For an Closed case this should display a string as - "Closed - <<Case Status>>"		

Trustee / Executor Details

The following table describes the Trustee or Executor Details section.

Table 3–4 Trustee or Executor Details

Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status
Trustee / Executor Name	Text - Up to 64 characters. Numbers should not be allowed.	Editable in all status as long as case is Open	For Entry into Death Confirmed Manage Customer Completed
Contact Person	Text - Up to 64 characters. Numbers should not be allowed.	Editable in all status as long as case is Open	For Entry into Death Confirmed Manage Customer Completed
Address	Text - Up to 64 characters.	Editable in all status as long as case is Open	Non Mandatory
Phone	Text - Up to 24 characters.	Editable in all status as long as case is Open	Non Mandatory
Fax	Text - Up to 40 characters.	Editable in all status as long as case is Open	Non Mandatory
E-mail	Text - Up to 70 characters.	Editable in all status as long as case is Open	Non Mandatory

Next of Kin Details

The following table describes the Next of Kin Details section.

Table 3–5 Next of Kin Details

Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status
Name	Text - Up to 64 characters. Numbers should not be allowed.	Editable in all status as long as case is Open	Non Mandatory
Address	Text - Up to 64 characters.	Editable in all status as long as case is Open	Non Mandatory
Phone	Text - Up to 24 characters.	Editable in all status as long as case is Open	Non Mandatory
Fax	Text - Up to 40 characters.	Editable in all status as long as case is Open	Non Mandatory

Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status
E-mail	Text - Up to 70 characters.	Editable in all status as long as case is Open	Non Mandatory

Case Additional Information

The following table describes the case additional information.

Table 3–6 Case Additional Information

Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status	Hidden in Status
Reject Reason	List of Values Incorrect Customer Invalid Claim	Editable in Pending Status only This should be based on "Locked" flag as defined in the system	For Entry into Invalid Claim	This field should be hidden in below status: Death Confirmed Manage Customer

Day Zero Setup for Mandatory/Hidden/Locked fields on Application Form

The Configuration is available in the CI_CASE_ST_PROC_FLD.sql script.

The deceased queue when created using Deceased Application form gets allocated to a particular queue. The queue code should be defined using the feature Config 'C1-DCSDQUEUE'.

The product does not provide any default queue. Following is the sample configuration for reference.

Figure 3–3 Day Zero Setup on Application Form

4 Financial Hardship

This chapter describes the following:

- Hardship application to initiate Financial Hardship case.

- Managing the life cycle of a Financial Hardship application and tracking all approval and timing requirements.

- Complying with approval requirements.

- Sending of letters to customer and third parties, and notification of life cycle progress.

4.1 Life Cycle Diagram

The following diagram describes the life cycle diagram of the financial hardship.

Figure 4–1 Life Cycle Diagram
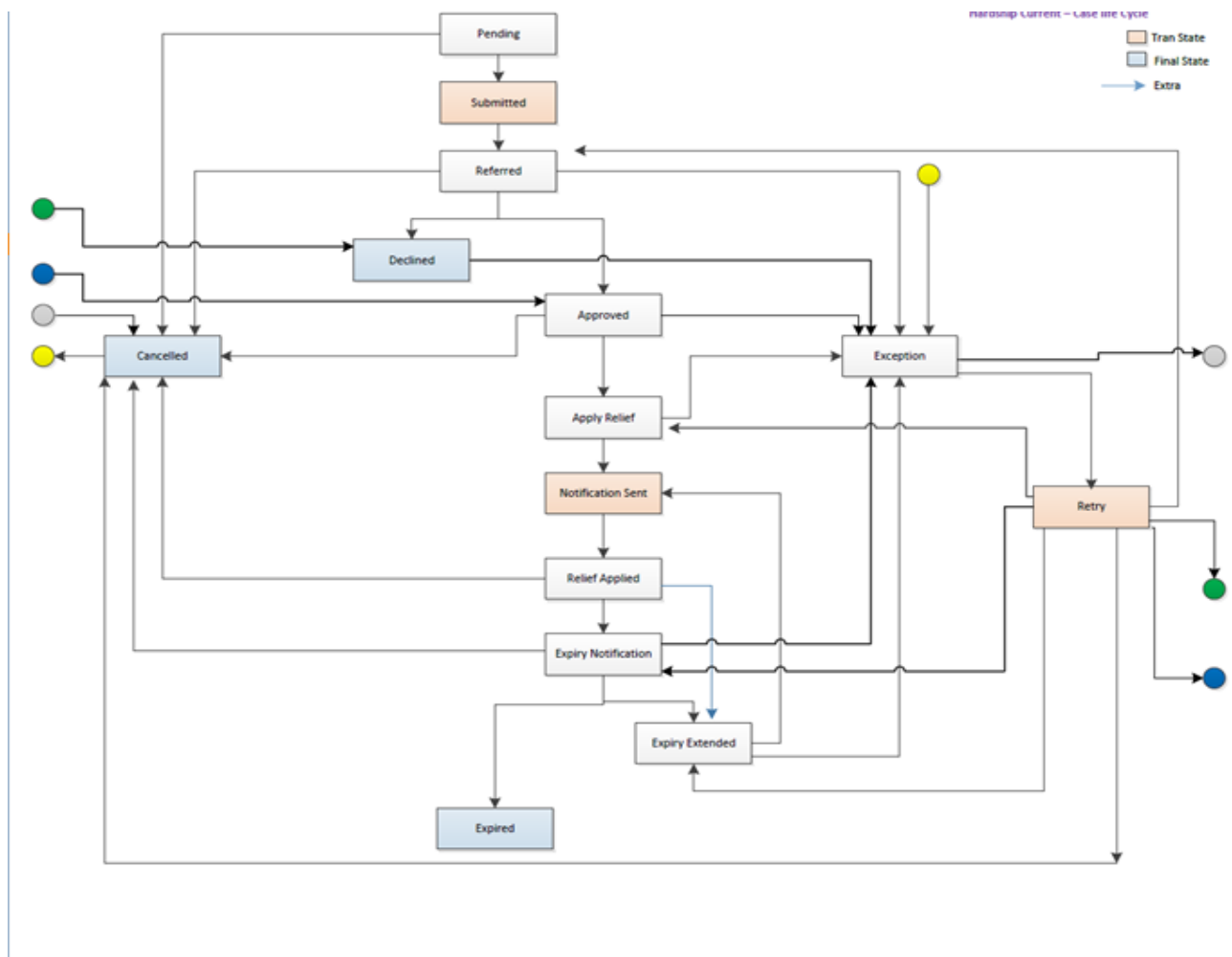
Note

The transitory state has been removed from life cycle, as partial commit is not allowed on XA arch.

Transition out of Approved status has been changed to Manual (earlier it was Auto). This has been done to counter XA issues.

4.2 Day Zero Setup on Case Category

The following table explains the day zero setup on case category.

Table 4–1 Day Zero Setup on Case Category

Case Category	Hardship
Primary Entity	Customer
Allow multiple Association	Yes
Adhoc Association	No

4.3 Product-Shipped Configuration

The following table explains the product-shipped configuration details:

Table 4–2 Product-Shipped Configuration Details

Case Type Code	C1-HARDSHIP
Char Types used	C1-EXPDT - Hardship Expiry Date C1-EXTEX - Extend Expiry Date C1-CANRS - Cancel Reason C1-EFFDT - Hardship Effective Date C1-HRARS - Reason for Hardship C1-DCRSN - Hardship Decline Reason
Case Status Code	PENDING - Pending APP-SUBMIT - Application submitted HARD-REFFERD - Hardship Referred EXCEPTION - Exception RETRY - Retry HARD-APPRV - Hardship Approve HARD-DECLINE - Hardship Declined AP-HARD-RELF - Apply Hardship Relief NOTIF-SENT - Notification sent RLF-APPL - Relief Applied EXP-NOTIFICN - Expiry Notification EXPIRY-EXTND - Expiry Extended HARD-EXPIRED - Hardship Expired HARD-CANCEL - Hardship Cancelled

4.4 Case Status Setup

This section describes the case status setup of different statuses.

PENDING - Pending

Table 4–3 Case Status: Pending

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Pending	Application Submitted	OK	Enter	Retrieve and Create "V"		C1-VCREATE
	Hardship Cancelled	CXL	Enter	Set In Collections Flag On Party and Account(s)		C1-SET-REC
			Auto-transition	Wait Time Out		CS-MONITOR
			Exit	Generic To Do Completion for Case		C1-TO-DO-END
			Enter	Check for existing Hardship		C1-CHKHRDSHP
			Enter	Create Hardship case creation activity		C1-CRTHDSP
			Enter	Hardship Entity association		C1-HARDASSO
			Enter	Queue Allocation algorithm for hardship		C1-ALLOCQUE

APP-SUBMIT - Application Submitted

Table 4–4 Case Status: Application Submitted

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Application Submitted	Referred	OK	Enter	Validate Hardship Application inputs	EXP_DTE_	C1-V-FH-APP
			Auto-transition	Transition to Default Next Status		C1-TRAN-STAT
			Enter	Case Association		C1-HARDASSO
			Enter	Update (Remove) Review Date Algorithm		C1-UPDRVWDTv

HARD-REFFERD - Hardship Referred

Table 4–5 Case Status: Hardship Referred

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Hardship Referred	Hardship Approved	OK	Auto Transition	Wait Time Out		CS-MONITOR
	Hardship Declined	CXL	Enter	Auto-Approval Check		C1-FH-AUTOAP
	Exception	EXCP				
	Hardship Cancelled	CXL				

EXCEPTION - Exception

Table 4–6 Case Status: Exception

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Exception	Retry	OK	Enter	Create To Do for Case in Error		C1-TO-DO-ERR
	Hardship Cancelled	CXL	Auto Transition	Retry Case in Error		C1-RCASEE
			Exit	Generic To Do Completion for Case		C1-TO-DO-END
			Enter	Store previous status		C1-PREV-STAT

RETRY - Retry

Table 4–7 Case Status: Retry

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Retry	Hardship Declined		Enter	Transition to previous state prior to Exception		C1-PREV-EXP
	Hardship Referred					
	Hardship Approved					
	Apply Hardship Relief					

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
	Expiry Extended					
	Expiry Notification					
	Hardship Cancelled					

HARD-APPRV - Hardship Approve

Table 4–8 Case Status: Hardship Approve

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Hardship Approve	Apply Hardship Relief	OK	Enter	{HYPERLINK "../../MMALAM/Desktop/Hardship/Design/Analysis/Hardship_Analysis_rel_2 1 2_March-13_v1 0.xls" \l "RANGE!_Notify_Banker"}		C1-NOT-BANKR
	Hardship Cancelled	CXL	Enter	Set Financial Hardship Indicator		C1-SET-FH
	Exception	EXCP	Enter	Capture Hardship Approval Date		C1-HARAP-DT
			Enter	Characteristic association		C1-FHCHARASC

HARD-DECLINE - Hardship Declined

Table 4–9 Case Status: Hardship Declined

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Hardship Declined	Exception	Exception	Enter	Send hardship declination letter		C1-FH-DEC
			Enter	Remove Financial Hardship indicator		C1-UNSET-FH
			Enter	Mark Accounts for strategy review		C1-REVIEW_ACT
			Enter	Characteristic association		C1-FHCHARASC

AP-HARD-RELF - Apply Hardship Relief

Table 4–10 Case Status: Apply Hardship Relief

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Apply Hardship Relief	Notification Sent	OK	Enter	Assign Applicable Relief Type(s)		C1-RELF-TYPE
	Exception	EXCP	Enter	Check for Operational Relief Types		C1-OP-RT
	Hardship Declined		Enter	Apply Hardship Relief Types		C1-FH-EVAL
	Hardship Cancel		Auto-transition	Transition to Next Status when all Reliefs are applied		C1-RAPP

NOTIF-SENT - Notification sent

Table 4–11 Case Status: Notification Sent

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Notification Sent	Relief Applied	OK	Enter	Send Hardship Application Result		C1-FH-RSLT
			Auto-transition	Transition to Default Next Status		C1-TRAN-STAT

RLF-APPL - Relief Applied

Table 4–12 Case Status: Relief Applied

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Relief Applied	Expiry Notification	OK	Auto-transition	Transition to next status 14 days before expiry		C1-NXT-TENDY
	Cancelled	CXL				
	Expiry Extended					

EXP-NOTIFICN - Expiry Notification

Table 4–13 Case Status: Expiry Notification

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Expiry Notification	Hardship Expired	OK	Enter	Send Hardship Expiration letter		C1-FH-EXPLT
	Expiry Extended		Auto-transition	Transition to Next Status when Hardship Expiry Date is reached		C1_TRN-APL
	Hardship Cancelled	CXL	Exit	Generic To Do Completion for Case		C1-TO-DO-END
	Exception	Exception				

EXPIRY-EXTND - Expiry Extended

Table 4–14 EXPIRY-EXTND: Expiry Extended

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Expiry Extended	Notification Sent	OK	Enter	Validate Extended Expiry Date		C1-VAL-EXPDT
	Exception	EXCP	Enter	Extend Expiry Date	C1_EXTEX	CC1-EXT-EXPDT
			Auto-transition	Transition to Default Next Status		C1-TRAN-STAT
			Enter	Validate Hardship Expiry Date		C1-VAL-FHEXP

HARD-EXPIRED - Hardship Expired

Table 4–15 HARD-EXPIRED: Hardship Expired

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Expired			Enter	Remove Financial Hardship Indicator		C1-UNSET-FH
			Enter	Update status to expired in hardship details table		C1-UPDHDSTAT
			Enter	Mark accounts for strategy review		C1-REVIW-ACT

HARD-CANCEL - Hardship Cancelled

Table 4–16 HARD-CANCEL: Hardship Cancelled

Current Status	Next Status	Transition Condition / Default	Algorithm Spot	Algorithm Description	Required Character	Algorithm Code
Hardship Cancelled	Exception	EXCP	Enter	Cancel Hardship Application	CI-CANRSN	C1-CNHRDSHAP
			Enter	Remove Financial Hardship Indicator		C1-UNSET-FH
			Enter	Cancel Process Approval Request: Financial Hardship		C1-CANFHAPPR
			Enter	Cancel Relief Approval request from SOA		C1-CANRELREQ
			Enter	Cancel OBP Relief Approval Req from SOA Worklist		C1-CANSOARQ
			Enter	Mark accounts for strategy review		C1-REVIW-ACT

4.5 Note

- The transitory state is no more supported on the life cycle, as partial commit does not hold good in case of XA architecture, where the commit/rollback is container managed.

- Transition out of Approved Status to Apply Relief is manual rather than being Auto. This is counter XA posed issue. If any error occurs while applying relief the error would be popped onto screen rather than case being moved to Exception status.

- If this Algorithm fails due to some reason on Host side, the case would not transition to Exception status; rather it would display the message on UI.

- The algorithm has been provided to transmit Linked Account or Parties data from CLOB (Character Large Object) to Case Association table. However, vice-versa is not allowed, if an entity is added via Case Association tab (Available inside Collection), would not update the CLOB and in turn would not impact hardship Application Form. (See the algorithm C1-HARDASSO in Application Submit Status).

  This was not placed in the Pending status because, in Pending status the nominated accounts can change on the form. However, if the user is going to submit the form, it means the user is sure about all linked account and parties, hence this is the correct point for association.

- Any CSAM algorithm should be attached only after Case Association algorithm, because the CSAM algorithm accesses the data from Case Association table.

- Hardship Effective date is system assigned and user does not have provision to change it. System also can update only while capturing Hardship approval date.

- Hardship Expiry date is provided by user in Pending status, however during life cycle it cannot be modified. It can only be extended using the Hardship Expiry Extend Characteristic.

4.6 Algorithm Types

- **C1_NEXT-DT**: Transitions to Next Status on Transition date. Next status and the transition date is a parameter for this type.

- **C1-CUST-CONT**: This common algorithm creates a customer contact for the given customer contact type.

- **C1-TO-DO-END**: This common algorithm completes all To Do's with Drill Keys = Current Case Id and To Do's To Do Type is not excluded from auto completion.

- **C1-VAL-EXPDT**: This algorithm validates to ensure the extended hardship expiry date is greater than current hardship expiry date.

- **C1-FHCHARASC**: Hardship Characteristic Association - This algorithm is used to create characteristic after SOA approval or rejection.

- **C1-UPD-WRIND**: This is a generic algorithm that makes a service call to update Party level warning indicators for Main Customer.

- **C1-REVIW-ACT**: This algorithm marks all accounts that are In collections for the customer in hardship for review.

- **C1-VCREATE**: This algorithm creates RMB Entities such as Person, Account, Account Person, PartyCollect, and so on from Host Data.

- **C1-CRTHDSP**: This algorithm creates Hardship entry in the activity table when the Hardship case is created.

- **C1-HARDASSO**: This algorithm associates the customer and all the accounts for the hardship case.

- **C1-RAPP**: This algorithm transitions the case to the next status when all reliefs have been applied.

- **C1-TRAN-STAT**: This is a common algorithm that automatically transitions the case to the next status.

- **CS-MONITOR**: This algorithm determines if a case has been in its current status long enough to be automatically transitioned to another status or some other action needs to be taken on case.

- **C1-CXLFH**: This algorithm makes a service call to cancel an active Hardship Application.

- **C1-CANFHAPPR**: This algorithm cancels all pending approval requests for the case.

- **C1-UPDHDSTAT**: This algorithm updates the status of relief to Expired in Hardship details table.

- **C1-TO-DO**: This common algorithm creates a To Do using the values from algorithm parameters.

- **C1-EXT-EXPDT**: This algorithm invokes a service to extend the hardship expiry date.

- **C1-RCASEE**: This algorithm is plugged-in on auto-transition of error states and attempts to retry validation, completion or wait if the To Do Entry associated is not being worked on. The retry is performed only until the input Maximum Number of Retries is reached.

- **C1-PREV-STAT**: This common algorithm determines the previous status and store it.

- **C1-VAL-FHEXP**: This algorithm validates whether the Hardship Expiry Date is greater than the posting date.

- **C1-HARAP-DT**: This algorithm stores Case Status Update Date/Time for status into the element specified by xpath in algorithm soft parameter.

- **C1-NXT-BX-DY**: This algorithm transitions to next status if the posting is before or same the new expiry date (current expiry date – num of days (param))

- **C1-V-FH-APP**: This algorithm validates to ensure all mandatory fields for Hardship Application is populated.

- **C1-FH-AUTOAP**: This algorithm invokes an application service, which in turn invokes OPSS to determine if the Hardship application can be auto-approved.

- **C1-PREV-EXP**: This algorithm determines the previous status of the Exception status and transition to that state.

- **C1-ALLOCQUE**: This algorithm allocates Queue for Customer Level Case. Only Queue Allocation would be done. User Allocation is skipped for customer level cases.

- **C1-OP-RT**: This algorithm checks if any of the identified stp relief types need to be operational.

- **C1-FH-EVAL**: This algorithm applies hardship relief types for the accounts in the host.

4.7 Features

Following are the features:

- You can edit the hardship application form in a given status. The feature configuration C1_HDSP_ STAT is used to provide the list of the Hardship life cycle status where the hardship application form needs to be enabled.

  The enabling of application form should be done judicially. For example, two accounts are nominated for hardship during Pending status, and the hardship case is sent for approval as a Human Task with the status marked as editable. Here, if you remove a previously selected account, it would not mean that the Human Task is reflected with these changes.

  Figure 4–2 Hardship application form

- The hardship cases created via Application form would get assigned to a given queue as per the algorithm attached on the Pending status. The queue code is a soft parameter and should be updated according to the implementation needs.

- Feature Configuration C1-HRSRLF will be referred when Hardship Application Form is refreshed and applicable accounts for applying Hardship Relief are to be fetched.

The queue allocation for Hardship is different from Deceased.

- The Hardship cases can be cancelled even if it is in the second level of hardship approval process. Earlier the limitation was, once you are in hardship Apply Relief status and task has been created in SOA, then you cannot cancel the cases. Now, you can cancel it.

5 Legal Proceeding

This chapter describes the legal proceedings which the bank undertakes when the payment is defaulted by the customers.

5.1 Process Summary

If recovery of overdue by reminders is not successful, bank may opt for engagement of third party Legal Service Providers (LSP) to execute legal actions against defaulting customers. High-level flow for the process is as follows:

- A default notice is sent to the customer specifying a date before which customer is required to pay all the dues.

- If expected payment is not received by the expiry of default notice, bank will engage the LSP to initiate a Legal action.

- LSP lodges the claim in the court and it is served to the customer.

- If customer accepts the claim or no response is received within specified time frame, LSP will file for a motion of judgment.

- In response to the claim, customer may opt for defending the matter in court. Both parties attending the court hearings will then manage this and judge will finally give a decision. Other parties can appeal this in the higher court.

- Judgment made by the court, if in favor of bank, will comprise of an amount, which the customer should pay to the bank, and interest rate indicating the interest bank can charge on amount owed since the date of judgment.

- Once a judgment is received, bank will check for possibility of alternative solution. For example, payment arrangement where the customer agrees to pay in compliance with the court judgment.

- If no alternative solution is agreed or the customer breaches an agreed arrangement, bank will ask the LSP to enforce the judgment. This may be repossession of security by the way of warrant of possession or filing for bankruptcy.

5.2 Process Flow

The following diagram describes the process flow of the legal proceedings.

Figure 5–1 Legal Proceedings
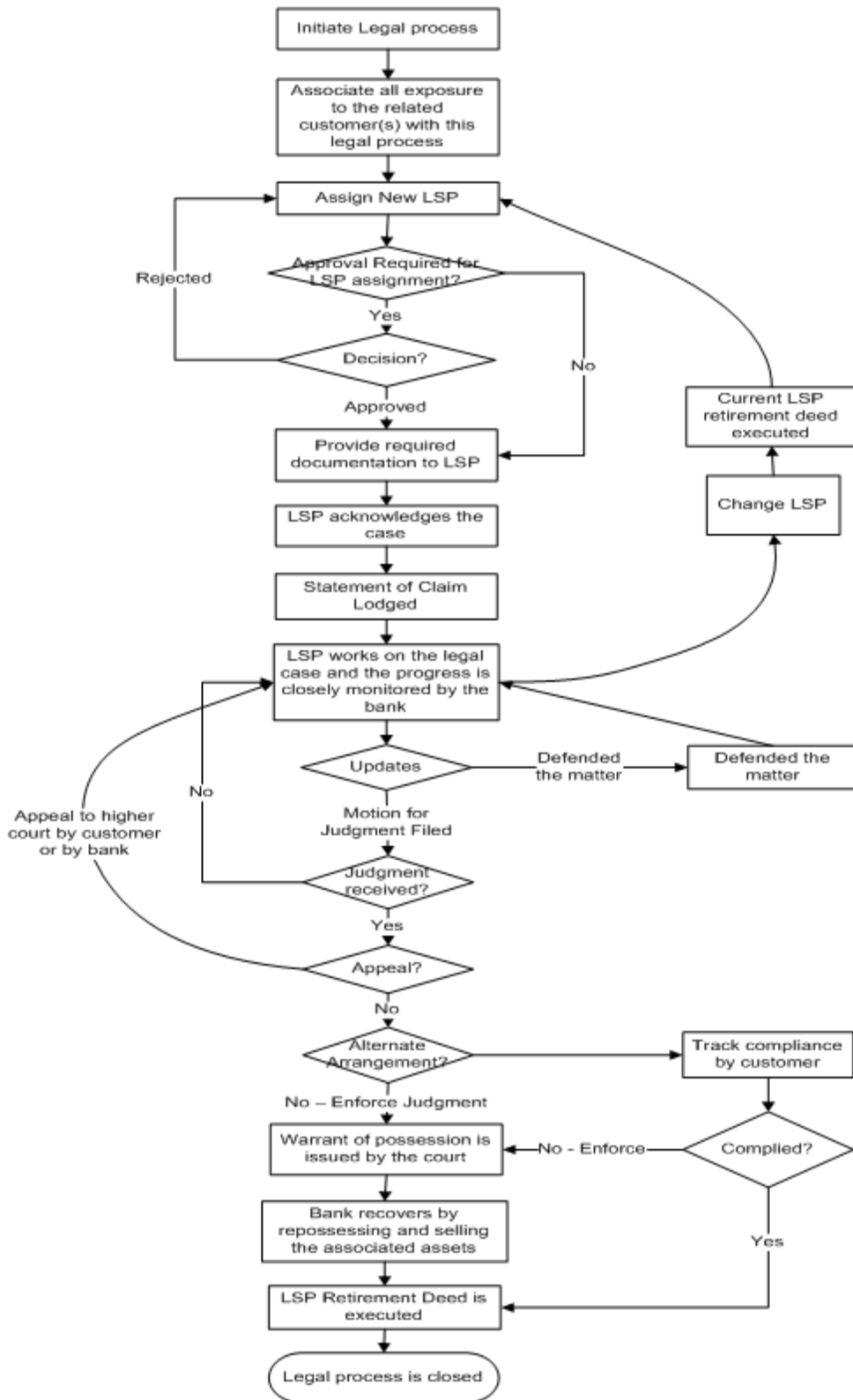
5.3 Roles and Responsibility

The following table provides the roles and responsibility details.

Table 5–1 Roles and Responsibility

Sr. No	Role	Responsibilities
1	Recovery Associate	Prepare Legal Case Review LSP assignments Prepare Required documents for LSP Follow-up with LSP on case progress Initiate repossession of Assets
2	Recovery Supervisor	Approve LSP assignments Manage "No Activity alerts" Monitoring and Tracking
3	Recovery Manager	Approve LSP assignments Manage "No Activity alerts" Monitoring and Tracking

Case Configuration

The following table describes the case configuration details:

Table 5–2 Case Configuration

Case Category	Legal Process
Manual Initiation	Yes By Profile: <<List of Profiles>>
Automated Initiation	Yes Rule ID:
Primary Entity	Account
Allow multiple Association	Yes
Account Association	Same Ownership
Adhoc Account Association	Yes
Account Validation	Account should not be associated with any other legal case. Account should not be associated with any case of same case category.
Non Delinquent Account Association	Yes
Customer Association	Financial Ownership
Adhoc Customer Association	Yes
Customer Validation	None
Automated association in Batch	Yes

Associated Queue	Legal Queue
Create Worklist for Queue	Yes

5.4 Case Life Cycle

This section describes the Case Life Cycle details.

5.4.1 State Diagram

The following figure is the flow chart representation of the State Diagram.

Figure 5–2 Case Life Cycle - State Diagram
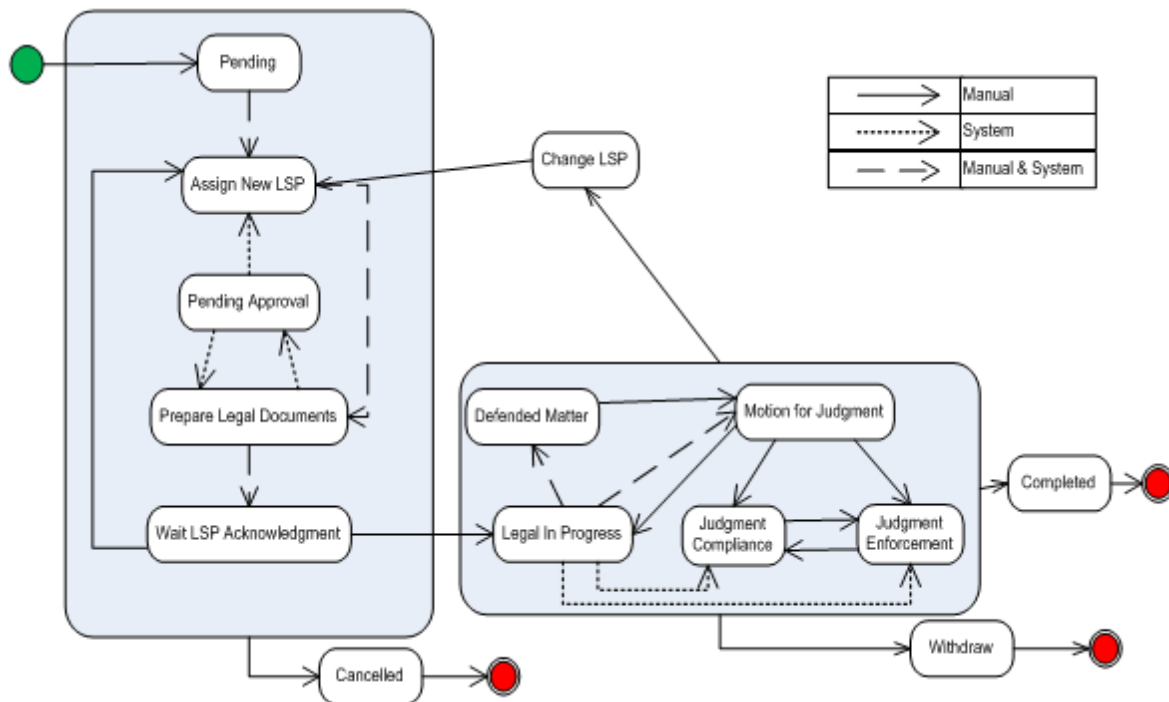
5.4.2 About LSP Assignment Status

LSP Assignment Status manages the assignment of new LSP, approval of assignment and modifications to assignment.

Following are possible values of assignment status:

- **Pending Approval** – This is set as soon as a new LSP is assigned by the system or the user.
- **Approved** – This is set when the assignment is auto approved or approved by supervisor.
- **Rejected** – This is set when supervisor rejects the LSP assignment.
- **Closed** – This is set when:
  - Legal case is complete or withdrawn
  - New LSP is assigned by user or system and status of current assignment was 'Approved'

- **Cancelled** – This is set when:
  - Legal case is cancelled
  - New LSP is assigned by user or system and status of current assignment was 'Pending Approval' or 'Rejected'

Following statuses are considered active assignment and only one LSP can be active at a time:

- Pending Approval
- Approved
- Rejected

5.4.3 Pending

This section describes the Pending status.

Table 5–3 Status: Pending

Actor	System / Recoveries Associate
Description	Case is created in this status. Primary system activities involve: ■ Default notice expiry check as per configuration ■ Automated association of entities as per configuration ■ Automated transition to next status if manual association review check is not required. ■ If association review is required, Worklist is created for the case Primary user activities involve: ■ Review accounts and customers associated with the case, if required ■ Case will appear in users Worklist and once the review is complete it can be manually transitioned to next status
Modify Association	Yes

Enter Processing Algorithm:

Table 5–4 Status: Pending - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG021	C1-CHKLGL	Check Legal Case	■ Case Category = Legal ■ Exception To-do = Legal Case Exception ■ Exception To-do Role = <<Leave Blank>>

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
2	LG020	C1-ASSOENTY	Associate related entities	None
3	LG002	C1-UPDRVWDT	Update Review Date for associated accounts	▪ Update Type = Remove Review Date ▪ Days Offset = <<Not Applicable>> ▪ Override Flag = <<Not Applicable>>
4	LG001	C1-DEFNOEXP	Default Notice Expiry Check	▪ Association Type = Primary ▪ Validation Failure Option = Fail Case Creation ▪ Validation Failure To-do Type = <<Blank>> ▪ Validation Failure To-do Role = <<Blank>>
5	LG023	C1-ASORVCHK	Association Review Check	▪ Association Review Required = No ▪ Next Status = Assign New LSP

Transitions:

Table 5–5 Status: Pending - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Assign New LSP	System and User	Handled in LG023			Y	Y
2	Cancel	User				N	N

5.4.4 Assign New LSP

This section describes the Assign New LSP status.

Table 5–6 Status: Assign New LSP

Actor	Recoveries Associate/ System
Description	In this status, a legal service provider is associated with the case. Case is moved to this status in two possible scenarios: ▪ New LSP assignment is required ▪ Change in LSP assignment is required Primary System activities:

	■ Check if automated LSP assignment is required. If yes, perform LSP assignment ■ Check if legal process was earlier initiated for any of the accounts linked to the case and if LSP assignment from that case needs to be retained (this will be done only for new LSP assignments) ■ Check if allocation review is required. If not required, transition the case to next status ■ If manual allocation is required, worklist is created for the user User Activities: ■ Review, update LSP assignment and manually transition status, if required
Modify Association	No

Enter Processing Algorithm:

Table 5–7 Status: Assign New LSP - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG003	C1-DEFNOEXP2	Default Notice Expiry	■ Association Type = All Delinquent account ■ Validation Failure Option = Fail Status Transition ■ Validation Failure To-do Type = <<Blank>> ■ Validation Failure To-do Role = <<Blank>>
2	LG004	C1-ASGNLSP	Assign New LSP	■ New LSP Allocation Option = Automated with Manual Review only if previous allocation was retained ■ Change LSP Allocation Options = Automated with Manual Review ■ Reset Document Submission Date = No ■ Previous allocation check = Yes ■ Next Status = Prepare Legal Document

Transitions:

Table 5–8 Status: Assign New LSP - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Prepare Legal Documents	System and User	Handled in LG004			N	Y
2	Cancel	User				N	N

5.4.5 Prepare Legal Document

This section describes the Prepare Legal Document status.

Table 5–9 Status: Prepare Legal Document

Actor	Recoveries Associate
Description	In this status, the user is expected to manually gather and prepare all relevant documents to be sent to the LSP. After manually sending the documents to the LSP, the user must update this case with the submission date and manually transition the case status to 'Wait for LSP Acknowledgement'. This step of document preparation is skipped if LSP is being changed and submission date is already present on the case.
Modify Association	No

Enter Processing Algorithm:

Table 5–10 Status: Prepare Legal Document - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG016	C1-APPRCHK	Check if approval is required	■ Exposure Threshold = <<Blank>> ■ Approval Request Status = Pending Approval

Transitions:

Table 5–11 Status: Prepare Legal Document - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Wait for LSP Acknowledgement	System	LG005	C1-CHKSUBDT1 Check SubmissionDate	Change Status = Yes Next Status = Wait for LSP Acknowledgement	N	Y
2	Pending	System	Managed			N	N

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
	Approval		by enter processing algorithm LG016				
3	Cancel	User				N	N

5.4.6 Pending For Approval

This section describes the Pending For Approval status.

Table 5–12 Status: Pending for Approval

Actor	Recoveries Supervisor
Description	In this status, the system will create an approval request in OPSS. As long as the approval is pending, user cannot update any case related data (UI Template and characteristics).
	If the case is approved, it will move to Prepare Legal documents status. If rejected, it is pushed back to "Assign LSP" status.
Modify Association	No

Approval Requirement

Table 5–13 Status: Pending for Approval - Approval Requirement

Sr. No.	Approval Parameters	If Approved	If Rejected
1	■ System allocation override by user, that is the user has changed the LSP assigned by the system. ■ Exposure that is, sum of balances for all accounts associated with the case.	Move to 'Prepare Legal Document' status Set LSP assignment status to 'Approved' System should store ID of the user approving the assignment	Move to 'Assign LSP' status Set LSP assignment status to 'Rejected' System should store ID of the user rejecting the assignment

Transitions:

Table 5–14 Status: Pending for Approval - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Prepare Legal	System	Managed by			N	N

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
	Documents		approval process				
2	Assign LSP	System	Managed by approval process			N	Y
3	Cancel	User				N	N
4	WTFRLSPACK	System	Managed by approval process			N	N

Exit Processing Algorithm:

Table 5–15 Status: Pending for Approval - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG024	C1-CANAPPR	Cancel Approval Request	

5.4.7 Wait For LSP Acknowledgement

This section describes the Wait For LSP Acknowledgement status.

Table 5–16 Status: Wait For LSP Acknowledgement

Actor	Recoveries Associate
Description	This status indicates that acknowledgment from LSP for the case is pending to be received. LSP will review the case and respond with acceptance or can reject taking up the case.
Modify Association	No

Enter Processing Algorithm:

Table 5–17 Status: Wait For LSP Acknowledgement - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG006	C1-SETDSPDT	Set display date	Offset days = 3

Transitions:

Table 5–18 Status: Wait For LSP Acknowledgement - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Legal In	User				Y	Y

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
	progress						
2	Assign New LSP	User				N	N
3	Cancel	User				N	N

Exit Processing Algorithm:

Table 5–19 Status: Wait For LSP Acknowledgement - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG012	C1-CLSTODO	Close To-do's	■ To-do Type 1 = Legal No Activity – Level 1 ■ To-do Type 2 = Legal No Activity - Level 2 ■ To-do Type 3 = <<Blank>> ■ To-do Type 4 = <<Blank>> ■ To-do Type 5 = <<Blank>>

5.4.8 Legal In Progress

This section describes the Legal In Progress status.

Table 5–20 Status: Legal In Progress

Actor	Recoveries Supervisor / System
Description	This status indicates that litigation is in progress for the case. System activities in this status: ■ When the case enters this status, the system checks if this is re-entry due to change in LSP. ■ If so, the case will automatically transition to the status where the previous LSP left off. User activities in this status: ■ The user is responsible for updating the case in this status by adding actions and results (for example, follow-up information) relevant for this status. ■ Case can be manually transitioned to appropriate status based on outcomes of the litigation in progress
Modify Association	No

Enter Processing Algorithm:

Table 5–21 Status: Legal In Progress - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG008	C1-RESSTATUS	Resume status from previous LSP	None

Transitions:

Table 5–22 Status: Legal In Progress - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Defended Matter	User				N	N
2	Motion for Judgement Filed	User				Y	N
3	Judgement Enforcement	System				N	N
4	Judgement Compliance	System				N	N
5	Change or Retire LSP	User				N	N
6	Withdraw	User				N	N

Exit Processing Algorithm:

Table 5–23 Status: Legal In Progress - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG012	C1-CLSTODO	Close To-do's	▪ To-do Type 1 = Legal No Activity - Level 1 ▪ To-do Type 2 = Legal No Activity - Level 2 ▪ To-do Type 3 = <<Blank>> ▪ To-do Type 4 = <<Blank>> ▪ To-do Type 5 = <<Blank>>

5.4.9 Defended Matter

This section describes the Defended Matter status.

Table 5–24 Status: Defended Matter

Actor	Recoveries Supervisor
Description	This status represents the event that the customer has defended the matter in court. User activities in this status: ■ The user is responsible for updating the case in this status by adding actions and results (for example, follow-up information) relevant for this status. ■ Case can be manually transitioned to appropriate status based on outcomes of the litigation in progress.
Modify Association	No

Transitions:

Table 5–25 Status: Defended Matter - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Motion for Judgement Filed	User				N	Y
2	Change LSP	User				N	N
3	Legal In progress	User				N	N
4	Withdraw	User				N	N

Exit Processing Algorithm:

Table 5–26 Status: Defended Matter - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG014	C1-CLSTODO	Close To-do's	■ To-do Type 1 = Legal No Activity – Level 1 ■ To-do Type 2 = Legal No Activity – Level 2 ■ To-do Type 3 = <<Blank>> ■ To-do Type 4 = <<Blank>> ■ To-do Type 5 = <<Blank>>

5.4.10 Motion For Judgement File

This section describes the Motion For Judgement File status.

Table 5–27 Status: Motion for judgment File

Actor	Recoveries Supervisor
Description	This status represents the event that bank has requested the court to provide a judgement on the claim. The court then gives a judgement. However, it is also possible that court may deny the judgement and the legal process may continue. The user is responsible for manually managing the case in this status by specifying actions and results representing the specific activities such as getting judgment and court order. Once the judgement has been made, below two options are possible: ■ Debtor can agree on some alternative resolution like a short term payment arrangement, refinance, and so on. Bank will not enforce the judgement received. ■ Bank can decide to enforce the judgement if no alternate solution has been agreed or debtor does not comply with the arrangement. Enforcement may lead to serving a warrant of possession or a garnishee order. Based on the status, case should be transitioned to appropriate status.
Modify Association	No

Transitions:

Table 5–28 Status: Motion for judgment File - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Change LSP	User				N	N
2	Judgement Enforcement	User				N	N
3	Judgement Compliance	User				N	N
4	Legal In progress	User				N	Y
5	Withdraw	User				N	N

Exit Processing Algorithm:

Table 5–29 Status: Motion for judgment File - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG015	C1-CLSTODO	Close To-do's	■ To-do Type 1 = Legal No Activity – Level 1 ■ To-do Type 2 = Legal No Activity – Level 2 ■ To-do Type 3 = <<Blank>>

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
				■ To-do Type 4 = <<Blank>> ■ To-do Type 5 = <<Blank>>

5.4.11 Judgement Enforcement

This section describes the Judgement Enforcement status.

Table 5–30 Status: Judgment Enforcement

Actor	Recoveries Supervisor
Description	Bank will enforce the judgment to recover the debt: ■ If a court order of warrant of possession is granted, the user must update the case with the corresponding action and result. ■ The case will then automatically create the appropriate Asset Repossession and Sale (ARS) case. Creation of case is managed by the UI. ■ The case cannot move out of this status if any ARS case is still open.
Modify Association	No

Transitions:

Table 5–31 Status: Judgment Enforcement - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Change LSP	User				N	N
2	Judgement Compliance	User				N	Y
3	Complete	User				Y	N

Exit Processing Algorithm:

Table 5–32 Status: Judgment Enforcement - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG009	C1-CHKCASE	Check active cases	Case Category = Asset Repossession
2	LG015	C1-CLSTODO	Close To-do's	■ To-do Type 1 = Legal No Activity – Level 1 ■ To-do Type 2 = Legal No Activity – Level 2

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
				■ To-do Type 3 = <<Blank>> ■ To-do Type 4 = <<Blank>> ■ To-do Type 5 = <<Blank>>

5.4.12 Judgement Compliance

This section describes the Judgement Compliance status.

Table 5–33 Status: Judgment Compliance

Actor	Recoveries Supervisor
Description	This status indicates that an alternative arrangement has been reached with the debtor. Case will stay in this status and compliance to the arrangement is tracked.
Modify Association	No

Transitions:

Table 5–34 Status: Judgment Compliance - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Change LSP	User				N	N
2	Judgement Enforcement	User				N	Y
3	Complete	User				Y	N

Exit Processing Algorithm:

Table 5–35 Status: Judgment Compliance - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG022	C1-CLSTODO	Close To-do's	■ To-do Type 1 = Legal No Activity - Level 1 ■ To-do Type 2 = Legal No Activity - Level 2 ■ To-do Type 3 = <<Blank>> ■ To-do Type 4 = <<Blank>> ■ To-do Type 5 = <<Blank>>

5.4.13 Change LSP

This section describes the Change LSP status.

Table 5–36 Status: Change LSP

Actor	Recoveries Supervisor
Description	Case is moved to this status, if a change in LSP is required. Collector is expected to update the Date of retirement deed for the current LSP and move the case to Assign New LSP status.
Modify Association	No

Enter Processing Algorithm:

Table 5–37 Status: Change LSP - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-SAVPRESTA	Algorithm to save previous state	

Transitions:

Table 5–38 Status: Change LSP - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Assign New LSP	User				Y	Y
2	Withdraw	User				Y	N

5.4.14 Complete

This section describes the Complete status.

Table 5–39 Status: Complete

Actor	Not Applicable
Description	This status indicates that case has closed. No more activities can be done on the case. Case is available in history for reference.
Modify Association	No

Enter Processing Algorithm:

Table 5–40 Status: Complete - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG010	C1-UPDRVWDT	Update Review Date for associated accounts	▪ Update Type = Set Review Date ▪ Days Offset = 0 ▪ Override Flag = Y
2	LG019	C1-LSPSTATUS	Update LSP Assignment status	Status = Closed

5.4.15 Withdrawn

This section describes the Withdrawn status.

Table 5–41 Status: Withdrawn

Actor	Not Applicable
Description	This status represents the event that an LSP has started legal proceedings for the bank but the activity needs to cease for some reason. Withdraw Reason is supplied. This will close the case.
Modify Association	No

Enter Processing Algorithm:

Table 5–42 Status: Withdrawn - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG011	C1-UPDRVWDT	Update Review Date for associated accounts	▪ Update Type = Set Review Date ▪ Days Offset = 0 ▪ Override Flag = Y
2	LG017	C1-LSPSTATUS	Update LSP Assignment status	Status = Closed

5.4.16 Cancel

This section describes the Cancel status.

Table 5–43 Status: Cancel

Actor	Not Applicable
Description	This status represents the event that an LSP has not started legal proceedings for the bank and the activity needs to cease for some reason. Cancel Reason is supplied. This will close the case.
Modify Association	No

Enter Processing Algorithm:

Table 5–44 Status: Cancel - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	LG011	C1-UPDRVWDT	Update Review Date for associated accounts	▪ Update Type = Set Review Date ▪ Days Offset = 0 ▪ Override Flag = Y
2	LG018	C1-LSPSTATUS	Update LSP Assignment status	Status = Cancelled

6 Asset Repossession and Sale

This chapter describes the process of bank's repossession of the customer's assets and sale of the asset to recover the amount due.

6.1 Process Summary

The right for the bank to realize assets securing a customer's debt can only come about through either of the following:

- The customer surrendering their legal rights of ownership (and tenancy) to the asset (that is, voluntary possession), OR

- As a result of the bank pursuing legal action through one of its Legal Service Providers (LSPs) against the customers that results in the court awarding the bank Warrant of Possession of the collateral asset (s).

In case LSP is involved, bank can instruct the same LSP to manage on its behalf the realization of repossessed assets including the related conveyance. However if LSP is not involved, bank will manage the repossession with help of a property presenter.

6.2 Process Flow

The following diagram describes the process flow of the asset repossession and sale of the asset to recover the amount due.

Figure 6–1 Asset Repossession and Sale
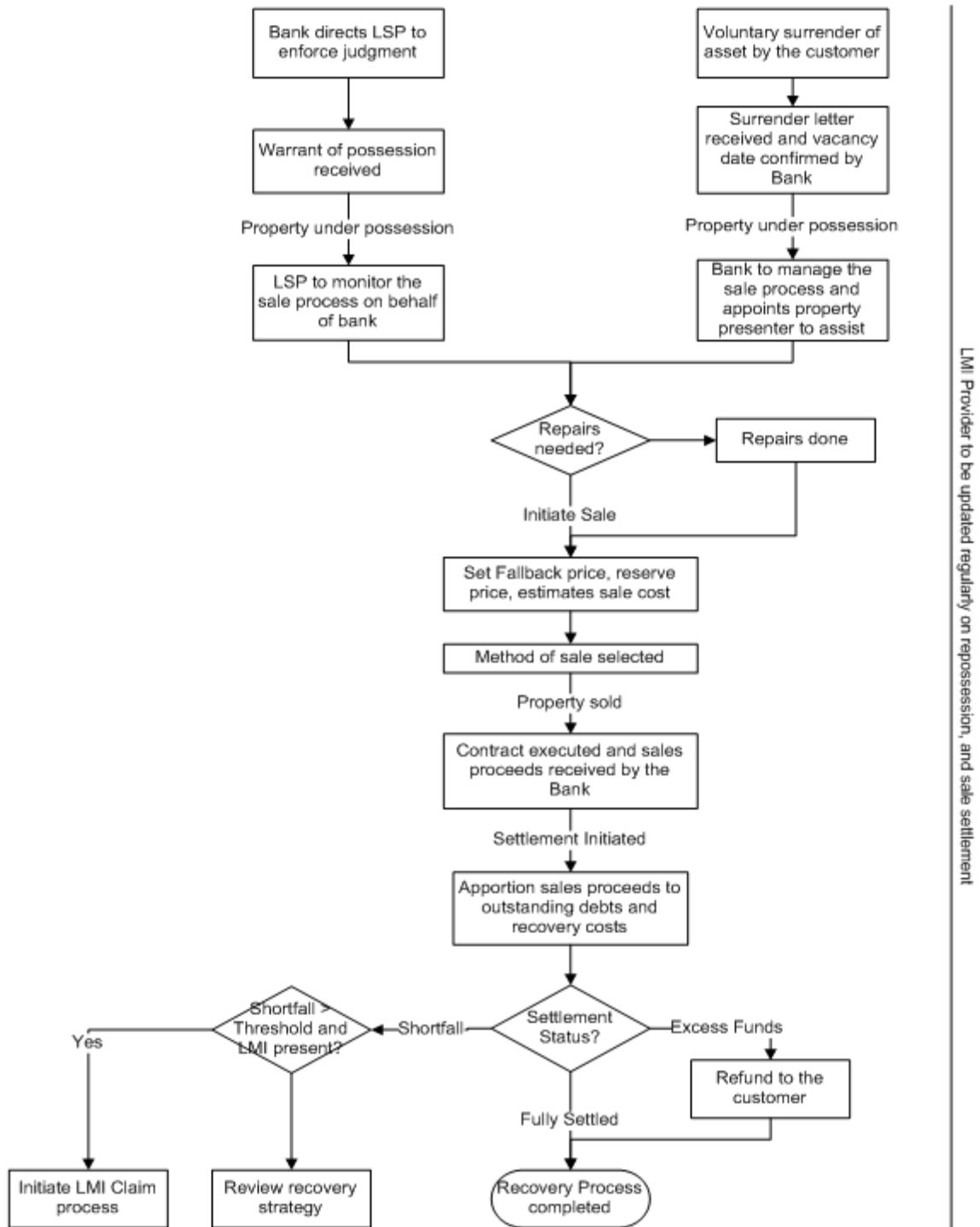
6.3 Roles and Responsibility

The following table provides the roles and responsibility details.

Table 6–1 Roles and Responsibility

Sr. No	Role	Responsibilities
1	Recovery Associate	In case LSP is managing the sale process, recovery associate will follow-up with LSP for updates on repossession and sale process. Also update LMI provider on sale progress. If process is managed by Bank, Recovery associate will directly manage the repossession and sale process.
2	Recovery Supervisor	Supervise repossession and sale operations. Ensure activities are completed within specified SLAs.
3	Recovery Manager	Supervise repossession and sale operations. Ensure activities are completed within specified SLAs.

Case Configuration

The following table describes the case configuration details:

Table 6–2 Case Configuration

Case Category	Asset Repossession
Manual Initiation	Yes By Profile: <<List of Profiles>>
Automated Initiation by Strategy Monitor	No Rule ID: Not Applicable
Primary Entity	Account
Allow multiple Association	Yes
Account Association	Same Ownership
Adhoc Account Association	Yes
Account Validation	
Non Delinquent Account Association	Yes
Customer Association	Financial Ownership
Adhoc Customer Association	Yes
Customer Validation	None
Automated association in Batch	Not Applicable
Associated Queue	Repossession and Sale Queue
Create Worklist for Queue	Yes

6.4 Case Life Cycle

This section describes the Case Life Cycle details.

Figure 6–2 Case Life Cycle
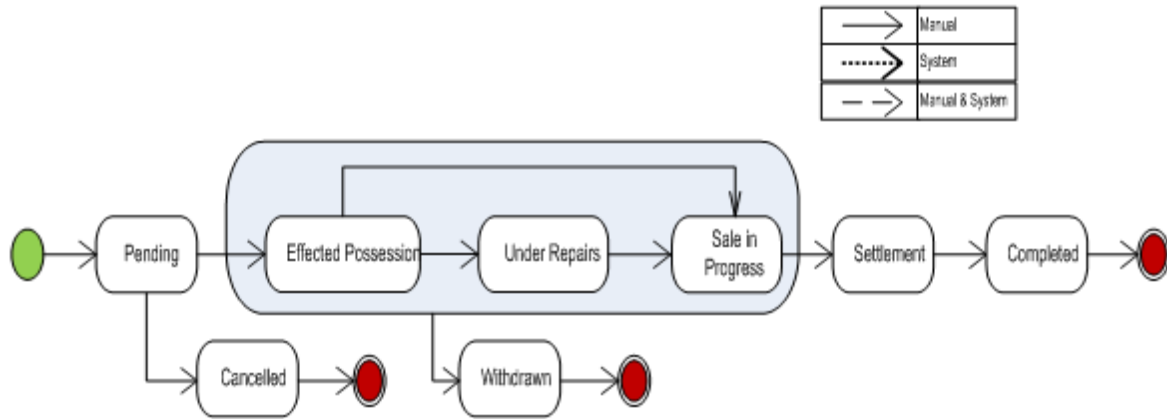
6.4.1 Pending

This section describes the details of the Pending status.

Figure 6–3 Status: Pending

Table 6–3 Status: Pending

Actor	Recoveries Associate / System
Description	Case is created in this status. ■ System will verify that the collateral being associated is not sold OR another active repossession case is not running on the same.

	▪ All accounts secured by the collateral being repossessed are associated with the case. Only the accounts in collections are considered for this. ▪ User will follow-up on the possession status of the asset. Once the asset has been repossessed case is moved to Effected possession status to initiate the sale process. ▪ If the repossession is result of a legal case and LSP is involved, sale and realization process is managed by LSP. If LSP is not involved property presenter is engaged by the bank to manage the process.
Modify Association	Yes

Enter Processing

Table 6–4 Status: Pending - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR001	C1-VRFYCOLS	Collateral Verification	Case Category = Asset Repossession Collateral Type = Property
2	AR002	C1-ARSACCTS	Account association for asset repossession case	None
3	AR017	C1-ARSCUSTS	Customer association for asset repossession case	None
4	AR021	C1-UPCOLPROP	Update Collateral properties	UpdateCollateralProperty=SET

No Activity Monitoring

Table 6–5 Status: Pending - No Activity Monitoring

Days	To-Do	Reallocate	Worklist	Change Status
5	ARS No Activity Level 1			
10	ARS No Activity Level 2			

Mandatory Follow-up

Table 6–6 Status: Pending - Mandatory Follow-up

Sr. No.	Results
1	Possession complete

Transitions

Table 6–7 Status: Pending - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Effected Possession	User				Y	Y
2	Cancelled	User				N	N

Exit Processing

Table 6–8 Status: Pending - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR003	C1-CLSTODO	Close To-do's linked to the case	■ To-Do Type 1 = ARS No Activity Level 1 ■ To-Do Type 2 = ARS No Activity Level 1 ■ To-Do Type 3 = <<Blank>> ■ To-Do Type 4 = <<Blank>> ■ To-Do Type 5 = <<Blank>>

6.4.2 Effected Possession

This section describes the details of the Effected Possession status.

Figure 6–4 Status: Effected Possession
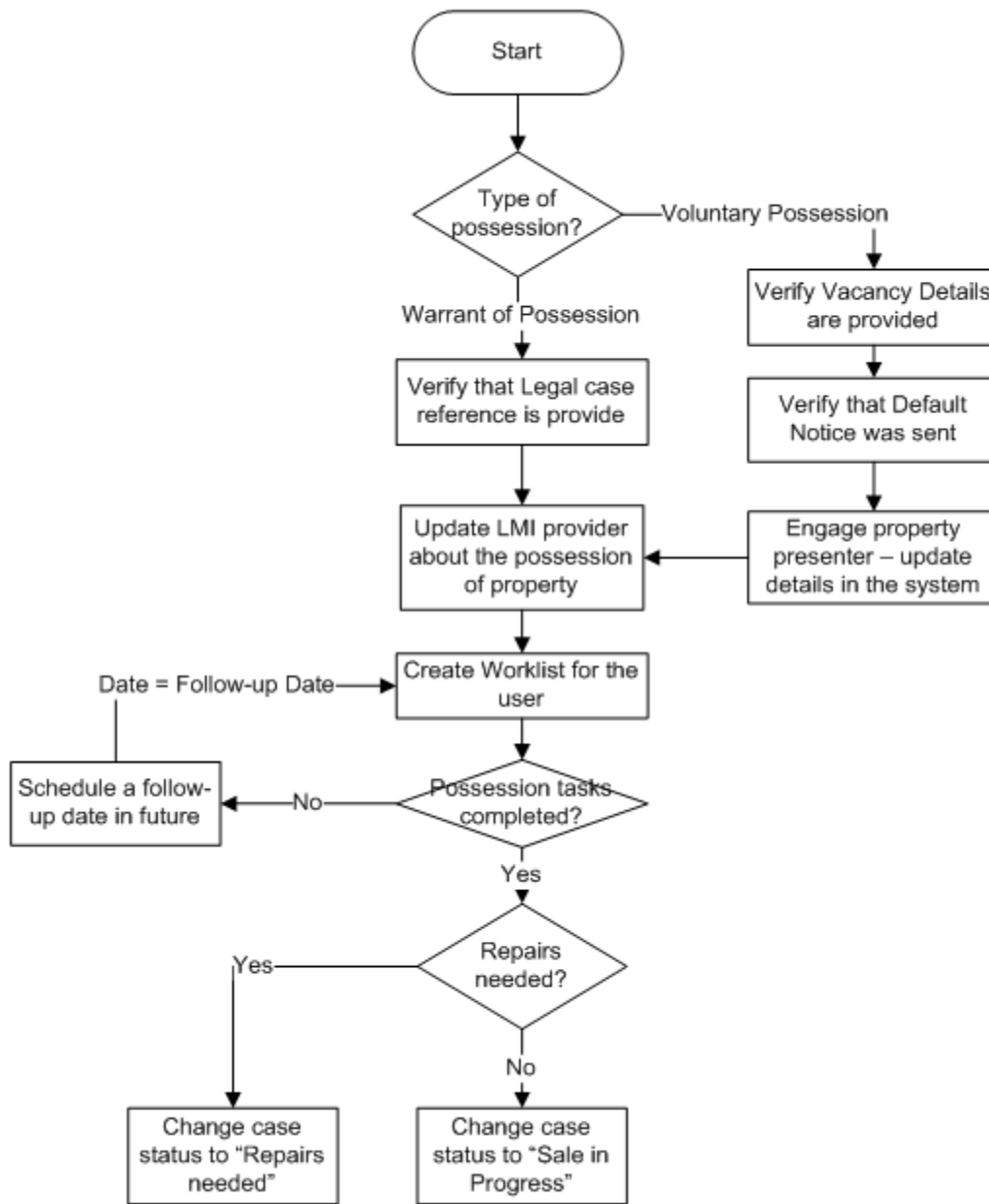
Table 6–9 Status: Effected Possession

Actor	Recovery Associate
Description	Case is manually transitioned, to this status. ■ For Voluntary possession system validates that vacancy information has been provided. Recovery associate will then engage property presenter to

	assist in managing the sale. Also validate that default notice was sent. ■ For Warrant of possession, verify that legal case reference is given. ■ Associate will confirm if repairs are needed for the property.
Modify Association	Yes

Enter Processing

Table 6–10 Status: Effected Possession - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR004	C1-CHARVALZ	Subjective Validations for Mandatory Characteristics	■ Reference char type = Type of Possession ■ Reference char value = Voluntary Possession ■ Mandatory char type 1 = Vacancy Date ■ Mandatory char type 2 = Vacancy Possession Indemnity Policy Reference ■ Mandatory char type 3 = Vacancy Possession Indemnity Effective Date ■ Mandatory char type 4 = Property Surrender Letter Reference ■ Mandatory char type 5 = <<Blank>>
2	AR005	C1-CHARVALZ	Subjective Validations for Mandatory Characteristics	■ Reference char type = Type of Possession ■ Reference char value = Warrant of Possession ■ Mandatory char type 1 = Legal Case ID ■ Mandatory char type 2 = <<Blank>> ■ Mandatory char type 3 = <<Blank>> ■ Mandatory char type 4 = <<Blank>> ■ Mandatory char type 5 = <<Blank>>
3	AR007	C1-UPCOLLSTX	Update Collateral Status in the host	■ Collateral Status = Repossessed ■ Exception To-Do Type = Status update Failure ■ Exception To-Do Role = <<Blank>>

In State Processing

Table 6–11 Status: Effected Possession - In State Processing

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR008	C1-COLLVALX	Initiate collateral valuation	■ Assessment Expiry Days = 60 ■ To-do Type = Initiate Collateral Valuation ■ To-do Role = <<Blank>> ■ Days since closure of last To-do = 30

No Activity Monitoring

Table 6–12 Status: Effected Possession - No Activity Monitoring

Days	To-Do	Reallocate	Worklist	Change Status
5	ARS No Activity Level 1			
10	ARS No Activity Level 2			

Mandatory Follow-up

Table 6–13 Status: Effected Possession - Mandatory Follow-up

Sr. No.	Results
1	Confirmed Repossession / Not Required (This is for LMI Provider - It is captured as outcome of LMI Follow-up)
2	Insurance Obtained / Not Required

Transitions

Table 6–14 Status: Effected Possession - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Sale in Progress	User				Y	Y
2	Under Repairs	User				Y	N
3	Withdrawn	User				N	N

Exit Processing

Table 6–15 Status: Effected Possession - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR009	C1-CLSTODO	Close To-do's	■ To-Do Type 1 = ARS No Activity

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
			linked to the case	Level 11 ■ To-Do Type 2 = ARS No Activity Level 1 ■ To-Do Type 3 = <<Blank>> ■ To-Do Type 4 = <<Blank>> ■ To-Do Type 5 = <<Blank>>

6.4.3 Under Repairs

This section describes the details of assets in the Under Repairs status.

Figure 6–5 Status: Under Repairs
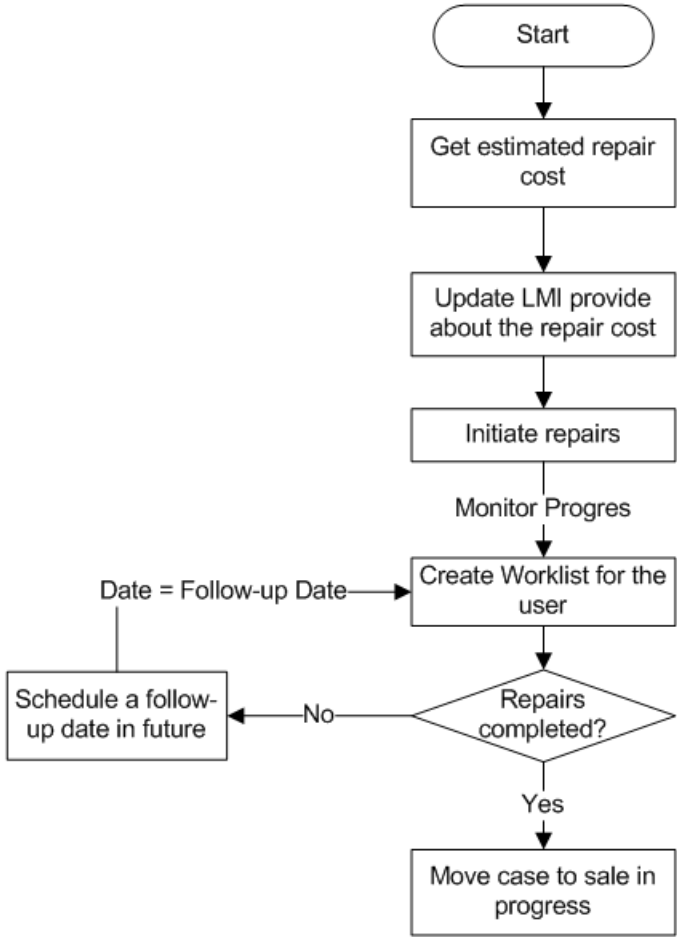
Table 6–16 Status: Under Repairs

Actor	Recovery Associate
Description	Case is moved to this status, if property needs to be repaired. Cost of repair needs to be informed to LMI provider if the property has LMI insurance. Case will then be moved to Sale In Progress status.
Modify Association	Yes

In State Processing

Table 6–17 Status: Under Repairs - In State Processing

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR010	C1-COLLVALX	Initiate collateral valuation	■ Assessment Expiry Days = 60 ■ To-do Type = Initiate Collateral Valuation ■ To-do Role = <<Blank>> ■ Days since closure of last To-do = 30

No Activity Monitoring

Table 6–18 Status: Under Repairs - No Activity Monitoring

Days	To-Do	Reallocate	Worklist	Change Status
5	ARS No Activity Level 1			
10	ARS No Activity Level 2			

Mandatory Follow-up

Table 6–19 Status: Under Repairs - Mandatory Follow-up

Sr. No.	Results
1	Confirmed Repairs / Not Required (This is for LMI Provider - It is captured as outcome of LMI Follow-up)

Transitions

Table 6–20 Status: Under Repairs - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Sale in Progress	User				Y	Y
2	Withdrawn	User				N	N

Exit Processing

Table 6–21 Status: Under Repairs - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR011	C1-CLSTODO	Close To-do's linked to the case	■ To-Do Type 1 = ARS No Activity Level 1 ■ To-Do Type 2 = ARS No Activity Level 1 ■ To-Do Type 3 = <<Blank>> ■ To-Do Type 4 = <<Blank>> ■ To-Do Type 5 = <<Blank>>

6.4.4 Sale In Progress

This section describes the details of assets which are in the Sale In Progress status.

Figure 6–6 Status: Sale In Progress
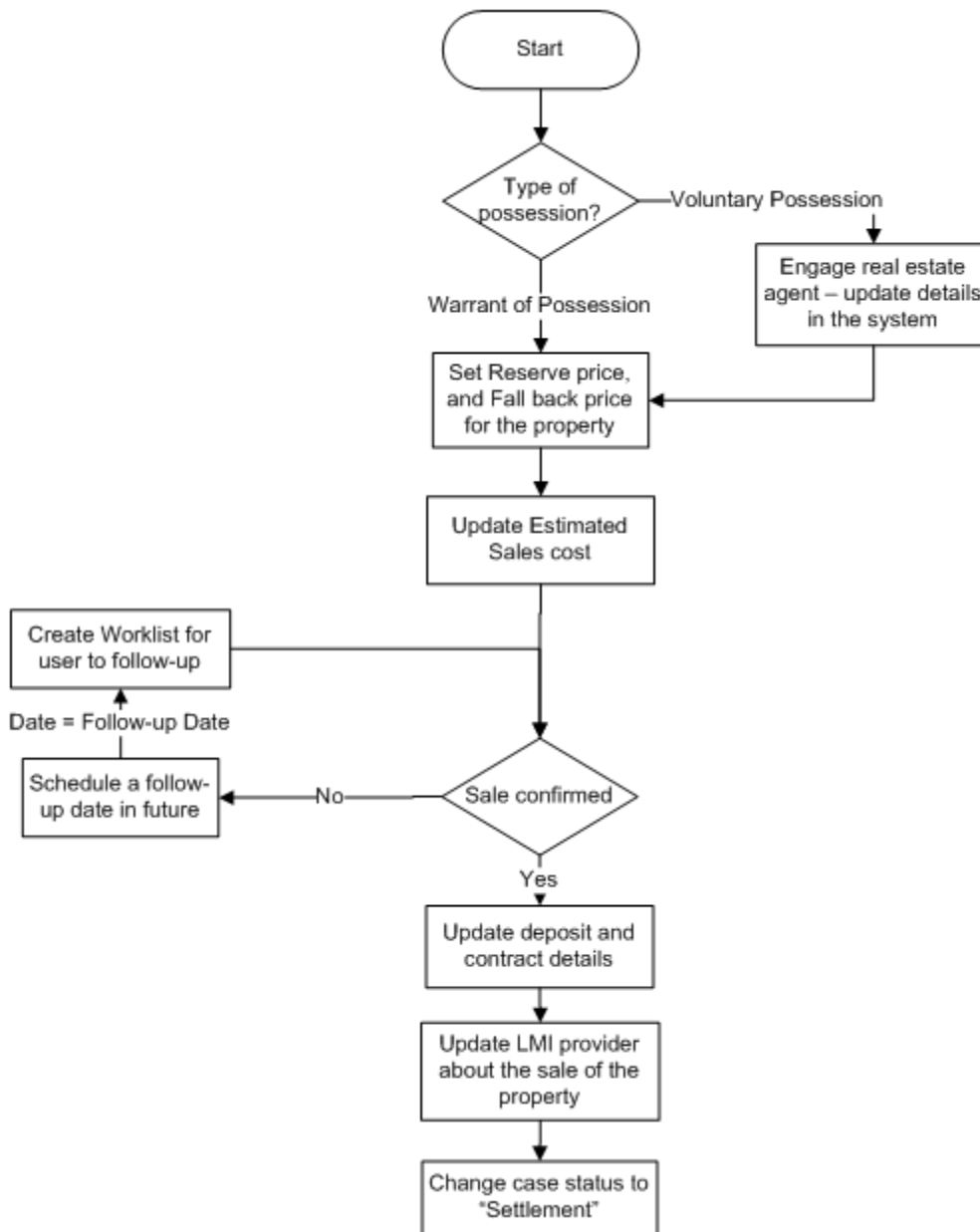
Table 6–22 Status: Sale In Progress

Actor	Recovery Associate
Description	For Voluntary possession of property, bank will appoint a real estate agent to manage the sale process. In other case LSP will manage the process.
	Reserve price, Fall back price, Estimated cost of sale is updated by the user. Once the sale is confirmed, deposit and contract details are captured in the system. LMI provider is updated about the sale of the property.
Modify Association	Yes

In State Processing

Table 6–23 Status: Sale In Progress - In State Processing

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR012	C1-COLLVALX	Initiate collateral valuation	▪ Assessment Expiry Days = 60 ▪ To-do Type = Initiate Collateral Valuation ▪ To-do Role = <<Blank>> ▪ Days since closure of last To-do = 30

No Activity Monitoring

Table 6–24 Status: Sale In Progress - No Activity Monitoring

Days	To-Do	Reallocate	Worklist	Change Status
5	ARS No Activity Level 1			
10	ARS No Activity Level 2			

Mandatory Follow-up

Table 6–25 Status: Sale In Progress - Mandatory Follow-up

Sr. No.	Results
1	Confirmed Collateral Sold / Not Required (This is for LMI Provider - It is captured as outcome of LMI Follow-up)

Transitions

Table 6–26 Status: Sale In Progress - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Settlement	User				Y	Y
2	Withdrawn	User				N	N

Exit Processing

Table 6–27 Status: Sale In Progress - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR013	C1-CLSTODO	Close To-do's linked to the case	▪ To-Do Type 1 = ARS No Activity Level 1 ▪ To-Do Type 2 = ARS No Activity Level 1

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
				■ To-Do Type 3 = Initiate Collateral Valuation ■ To-Do Type 4 = <<Blank>> ■ To-Do Type 5 = <<Blank>>

6.4.5 Settlement

This section describes the details of assets in Settlement status.

Figure 6–7 Status: Settlement
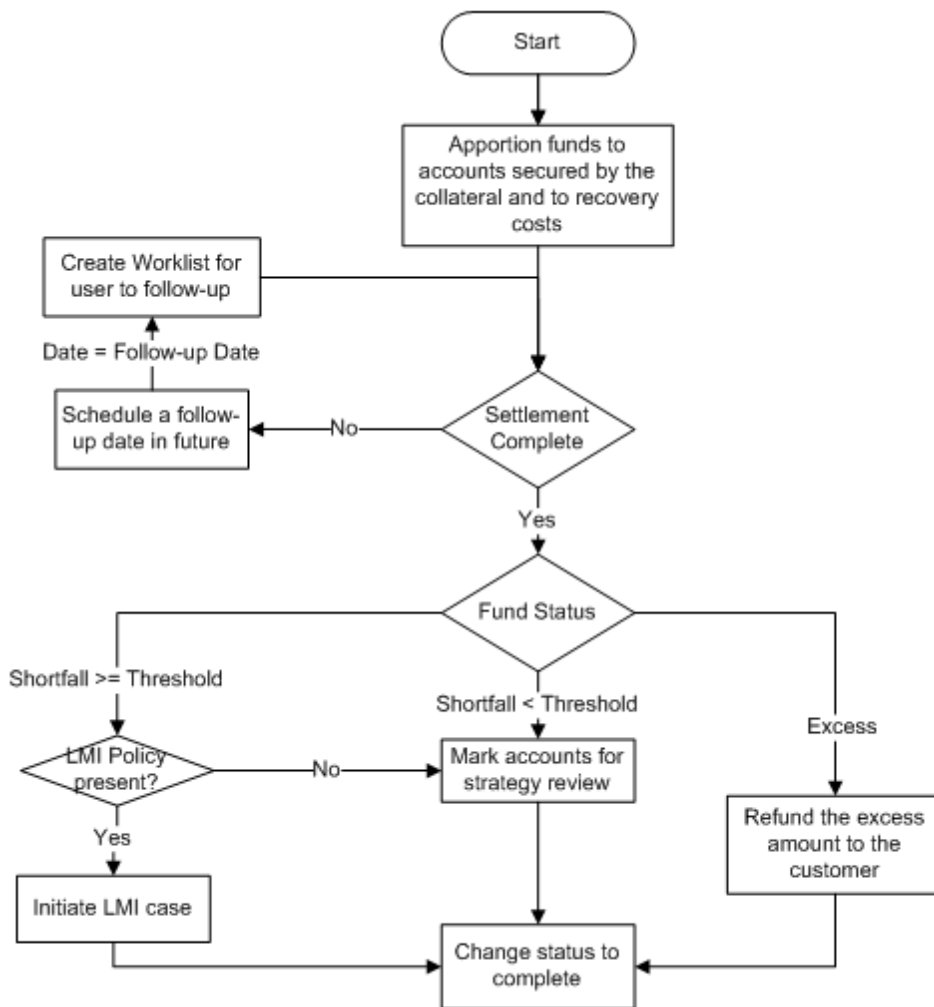
Table 6–28 Status: Settlement

Actor	Recovery Associate

Description	Case is moved to this status when the sale process is complete that is, property is sold and settlement is due.
	
	Sale proceeds are apportioned to the secured accounts and recovery costs. Post apportionment below scenarios are possible:
	
	■ There is a shortfall more than a specific threshold amount:
	
	   ● If LMI policy is associated with facility of the account, initiate a case to create a LMI claim.
	
	   ● If LMI Policy is not associated, mark account for strategy review.
	
	■ Shortfall is less than threshold amount or funds are fully settled:
	
	   ● If LMI Policy is not associated, mark account for strategy review.
	
	   ● These accounts should be cured by cure monitor.
	
	   ● This will however depend on cure monitor configuration.

Modify Association	Yes

Enter Processing

Table 6–29 Status: Settlement - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR014	C1-CHARVALZ	Subjective Validations for Mandatory Characteristics	■ Reference char type = Type of Possession ■ Reference char value = Voluntary Possession ■ Mandatory char type 1 = Contractor Details ■ Mandatory char type 2 = Conveyance Details ■ Mandatory char type 3 ■ Mandatory char type 4 ■ Mandatory char type 5
2	AR015	C1-UPCOLLSTX	Update Collateral Status in the host	■ Collateral Status = Sold ■ Exception To-Do Type = Status update Failure ■ Exception To-Do Role = <<Blank>>

No Activity Monitoring

Table 6–30 Status: Settlement - No Activity Monitoring

Days	To-Do	Reallocate	Worklist	Change Status
5	ARS No Activity Level 1			
10	ARS No Activity Level 2			

Mandatory Follow-up

Table 6–31 Status: Settlement - Mandatory Follow-up

Sr. No.	Results
1	LMI Provider Update done / Not Required
2	Refund Processed / Not Required

Transitions

Table 6–32 Status: Settlement - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	Completed	User				Y	Y

Exit Processing

Table 6–33 Status: Settlement - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR016	C1-VALSET	Validate Settlement	None
2	AR019	C1-INITLMI	Initiate LMI	■ Balance Threshold = $1000 ■ LMI Case Type = LMICASE ■ Initiate LMI Options - Initiate LMI with highest insured amount ■ LMI insurer code ■ No LMI Option - Mark primary account for strategy review
3	AR018	C1-CLSTODO	Close To-do's linked to the case	■ To-Do Type 1 = ARS No Activity Level 1 ■ To-Do Type 2 = ARS No Activity Level 1 ■ To-Do Type 3 = <<Blank>> ■ To-Do Type 4 = <<Blank>> ■ To-Do Type 5 = <<Blank>>

6.4.6 Completed

This section describes the details of assets in Completed status.

Table 6–34 Status: Completed

Actor	Not Applicable
Description	This status marks the completion of the asset repossession and sale process.
Modify Association	No

6.4.7 Cancelled

This section describes the details of assets in Cancelled status.

Table 6–35 Status: Cancelled

Actor	Not Applicable
Description	This status marks the cancellation of the repossession and sale of an asset. This status is only available before actual possession (eviction or voluntary surrender) of a property.
Modify Association	No

Enter Processing

Table 6–36 Status: Cancelled - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-UPCOLPROP	Update Collateral Property	UpdateCollateralProperty

6.4.8 Withdrawn

This section describes the details of assets in Withdrawn status.

Table 6–37 Status: Withdrawn

Actor	Not Applicable
Description	This status marks the withdrawal of the repossession and sale of an asset after actual possession (eviction or voluntary surrender) or during sale of a property.
Modify Association	No

Enter Processing

Table 6–38 Status: Withdrawn - Enter Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1	AR020	C1-UPCOLLSTX	Update Collateral Status in the host	▪ Collateral Status = "With the Customer"

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
				■ Exception To-Do Type = Status update Failure ■ Exception To-Do Role = <<Blank>>
2	AR022	C1-UPCOLPROP	Update Collateral properties	UpdateCollateralProperty=RESET

Case Characteristics

Table 6–39 Case Characteristics

Case Char Type	Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status	Hidden in Status
COLATTCD	Collateral ID	Text Box - User to enter the collateral ID for which repossession case is being initiated	This cannot be edited once the case is created	For Entry into ■ Pending	None
COLLDESC	Collateral Description	System should set this characteristics to the description of the collateral based on the collateral ID of the case	This cannot be edited by the user	For Entry into ■ Pending	None
TPOFPOSS	Type of Possession	List of Values ■ Warrant of Possession ■ Voluntary Possession	■ Pending	For Entry into ■ Pending	None
EXPOSDT	Expected Possession Date	Date	■ Pending	For Entry into ■ Pending	Hidden in all statuses except Pending
ACPOSDT	Actual Possession Date	Date	■ Pending ■ Effected Possession	For Entry into ■ Sale in Progress ■ Under repairs	None
TYOFOCC	Type of Occupancy	List of Values ■ Not Occupied ■ On Lease	■ Pending	Not Mandatory	None

Case Char Type	Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status	Hidden in Status
		■ Rented ■ Self Occupied ■ Not Known			
LEGPROID	Legal Process ID	Text Box - Value to be provided by legal case originating the process or by the user Validation - there should be active case in system with this ID	■ Pending	Not Mandatory	None
VACANCYD	Vacancy Date	Text Box Validation - should be a valid date	Can be edited in any status	Not Mandatory	None
VAPOIDPR	Vacancy Possession Indemnity Policy Reference	Text Box	Can be edited in any status	Not Mandatory	None
VAPOIEFD	Vacancy Possession Indemnity Effective Date	Text Box Validation - should be a valid date	Can be edited in any status	Not Mandatory	None
PROSUREF	Property Surrender Letter Reference	Text Box	Can be edited in any status	Not Mandatory	None
PROPPRES	Property Presenter	List of Values - This should display all vendors from the vendor management module where service type is "property presenter"	Can be edited in any status	Not Mandatory	Hidden in Pending status
PROPPRCO	Property Presenter Contact Person	Text	Can be edited in any status	Not Mandatory	Hidden in Pending status
PROPPRCN	Property Presenter Contact	Number	Can be edited in any status	Not Mandatory	Hidden in Pending status

Case Char Type	Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status	Hidden in Status
	Number				
REALESAG	Real Estate Agency	List of Values - This should display all vendors from the vendor management module where service type is "Real Estate Agent"	Can be edited in any status	Not Mandatory	Hidden in Pending status
ESTRECOS	Estimated Repair Cost		Can be edited in any status. Should be >= 0	For Entry into Status ■ Under Repairs ■ Sale In Progress	Hidden in Pending status
METHOSAL	Method of Sale	List of Values ■ Auction ■ Expression of Interest ■ Tender ■ Private Treaty Sale ■ Other	■ Effected possession ■ Under Repairs ■ Sale in Progress	For Entry into Status ■ Settlement	Hidden in Pending status
RESEPRIC	Reserve Price	Number	■ Effected possession ■ Under Repairs ■ Sale in Progress	For Entry into Status ■ Sale in Progress	Hidden in Pending status
HOSTID	HOSTID	Number	■ Pending	For Entry into Status ■ Pending	
SALCONTY	Sale Contract Type	List of values ■ Conditional ■ Unconditional	■ Sale in Progress	For Entry into Status ■ Settlement	Hidden in Pending, Sale In Progress, Effected Possession

Case Char Type	Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status	Hidden in Status
					and Under Repairs status
CONSAPRI	Contract Sale Price	Number	■ Sale in Progress	For Entry into Status ■ Settlement	Hidden in Pending, Sale In Progress, Effected Possession and Under Repairs status
CONTDETA	Contractor Details	Date	■ Sale in Progress	For Entry into Status ■ Settlement	Hidden in Pending, Sale In Progress, Effected Possession and Under Repairs status
CONVDETA	Conveyancer Details	Text	■ Sale in Progress		Hidden in Pending, Sale In Progress, Effected Possession and Under Repairs status
DEPOAMOU	Deposit Amount	Number	■ Sale in Progress	For Entry into Status ■ Settlement	Hidden in Pending, Sale In Progress, Effected Possession and Under Repairs status
DEPECEDT	Deposit Receipt Date	Number	■ Sale in Progress	For Entry into Status ■ Settlement	Hidden in Pending, Sale In Progress, Effected Possession and Under Repairs status
SETDUEDT	Settlement Due Date	Number	■ Sale in	For Entry into Status	Hidden in

Case Char Type	Field Name	Description / Validation / Computations	Editable in status	Mandatory in Status	Hidden in Status
			Progress	▪ Settlement	Pending, Sale In Progress, Effected Possession and Under Repairs status
SETAMOUN	Settlement Amount	Number	▪ Settlement	For Entry into Status ▪ Completed	Hidden in Pending, Sale In Progress, Effected Possession, Under Repairs and Sale In Progress status
WITHREAS	Withdraw Reason	List of Values ▪ Collateral Redeemed by customer ▪ Not commercial to pursue ▪ Other	All Status	For Entry into Status ▪ Withdraw	None
CANCREAS	Cancel Reason	List of Values ▪ Collateral Redeemed by customer ▪ Not commercial to pursue ▪ Other	All Status	For Entry into Status ▪ Cancelled	None

7 Right of Set-off

This chapter describes the process of bank's right to set-off the unpaid arrears after a series of reminders and recover all or a portion of arrears.

7.1 Process Summary

If arrears remain unpaid after a series of reminders, Bank may exercise its right to set-off. Under this, the Bank can use available funds from a Customer's Savings Accounts and/or Term Deposits to clear all or a portion of arrears on that same customer's personal loan, home loans, unsecured mortgage shortfall, business and transaction account.

Right of set-off process will facilitate execution of right of set-off.

7.2 Process Flow

The following diagram describes the process flow of right to set-off the unpaid arrears and recover all or a portion of arrears.

Figure 7–1 Right of Set-off
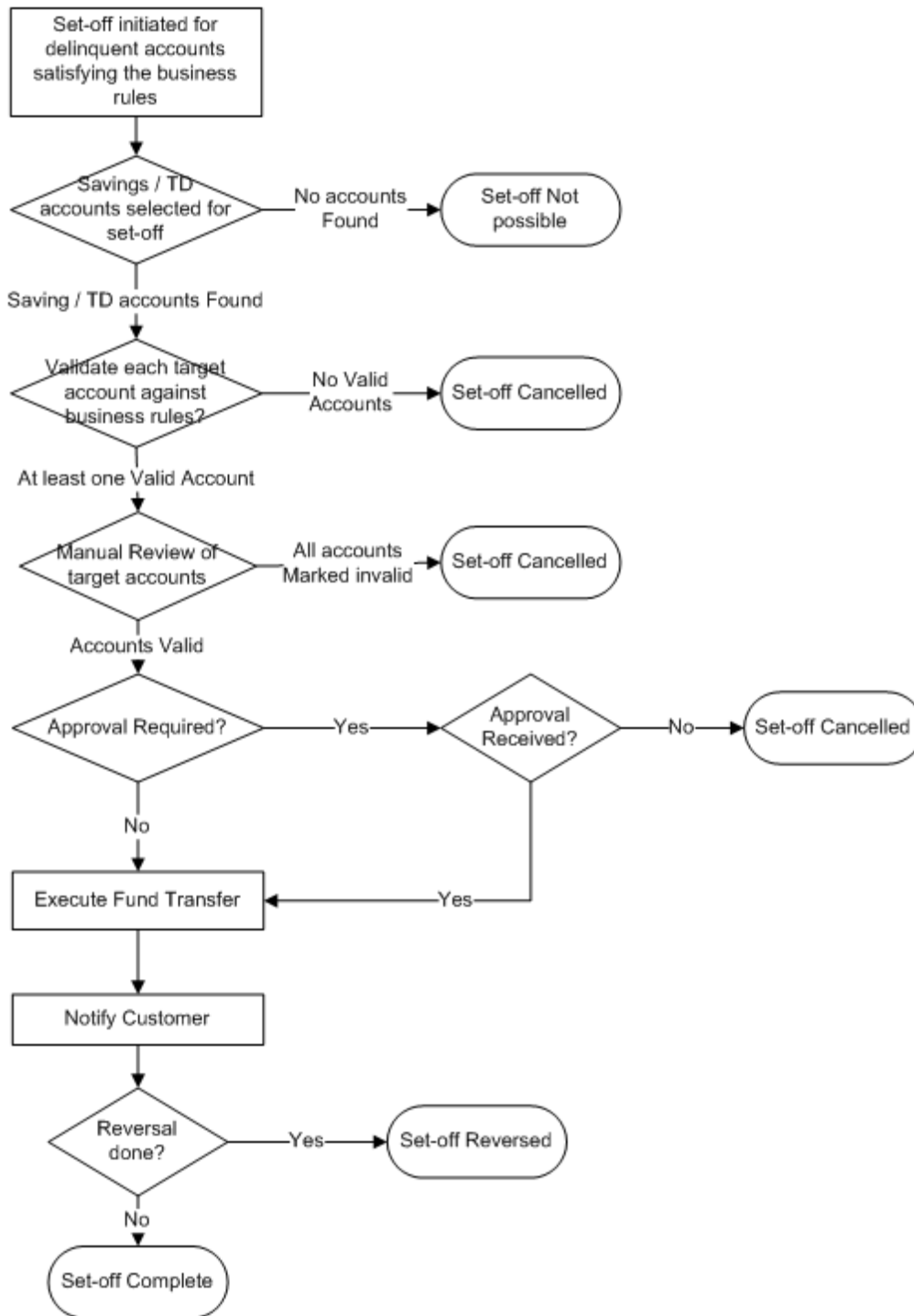
7.3 Roles and Responsibility

The following table provides the roles and responsibility details.

Table 7–1 Roles and Responsibility

Sr. No	Role	Responsibilities
1	Collections Associate	Review ROSO case. Manual review of selected target accounts. Confirm ROSO transactions.
2	Collections Supervisor	Approve ROSO transactions. Monitor ROSO cases. Manage Level 1 Alerts for no activity.
3	Collections Manger	Approve ROSO transactions. Monitor ROSO cases. Manage Level 1 Alerts for no activity.

Case Configuration

The following table describes the case configuration details:

Table 7–2 Case Configuration

Case Category	ROSO
Manual Initiation	By Profile: <<List of Profiles>>
Automated Initiation by Strategy Monitor	Rule ID: Not Applicable
Primary Entity	
Allow multiple Association	
Account Association	
Adhoc Account Association	
Account Validation	
Non Delinquent Account Association	
Customer Association	
Adhoc Customer Association	
Customer Validation	None
Automated association in Batch	
Associated Queue	ROSO Queue
Create Worklist for Queue	Yes

Additional Configuration

This case will be created during the batch based on condition specified in Event Manager. Parameters required to initiate the case are:

- Account Level parameters:
  - Product Group
  - Overdue Amount
  - Outstanding Amount

- Day past due

- Asset classification code

- Accrual status

- Set-off exclusion date (see description for this in case life section. If no value is present in this field, it should be considered as current business date)

- Last set-off date

- Default Notice sent Y/N

■ Customer Level parameters (only for primary customer for the account):

- Customer warning indicators

- Customer Type

- Customer Class

- VIP Flag

■ Event Manager Configuration is also required to "withdraw" the ROSO case, if payment is received or PTP is taken for the account. Follow-up should be captured on account to indicate a PTP being taken. Event will be triggered on capture of follow-up.

■ Rules have to be set up in Rule engine for validation of target accounts. Following parameters are used for validation:

- Target account Product Class

- Target account Product Group

- Target account Product Code

- Target account Balance

■ Following lookups should be maintained in the system:

- List of conflicting case categories

- Offset days for each target account based on reason code

- Offset days for each set-off cancel Reason

7.4 Case Life Cycle

This section describes the Case Life Cycle details.

Figure 7–2 Case Life Cycle
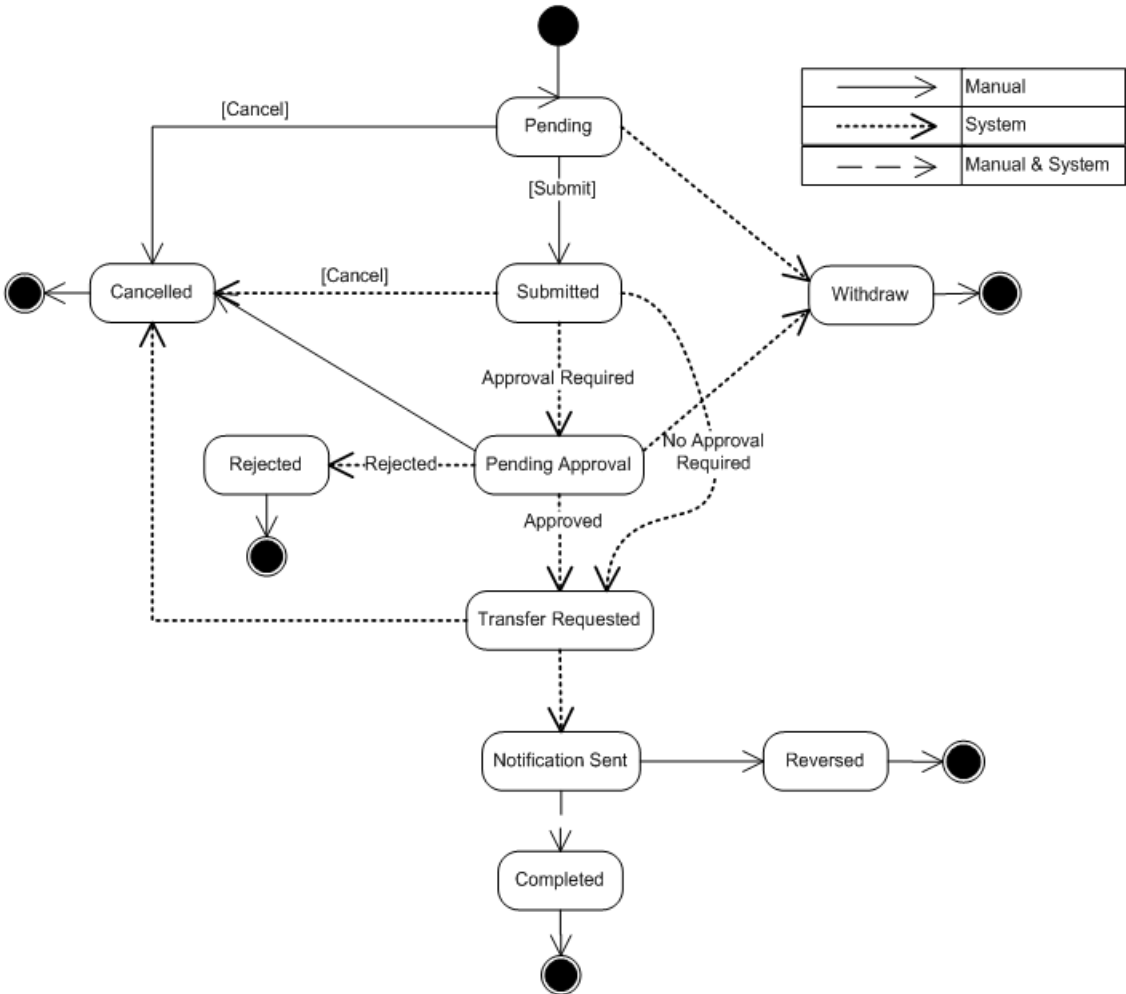
7.4.1 Pending

This section describes the details of the Pending status.

Enter Processing

Table 7–3 Status: Pending - Enter Processing Algorithm

Sr. No.	Algorithm	Description	Parameters
1	C1-EXCLCASE	Check current cases on account for exclusion	Validation Failure Option = FAIL_CASE_CREATION (Fail case creation) Validation Failure Transition Status = Transition status. Case status should be transitioned to the specified status. Set given char value for the given char type (as defined in parameters) Cancel Reason Char Type = Configured characteristic type for cancel reason.

Sr. No.	Algorithm	Description	Parameters
			Cancel Reason Char Value = Cancel reason value to set in configured characteristic type.
2	C1-CHKCUST	Check customer eligibility	Ownership Type = FINANCIAL_OWNER (If ownership type parameter is set to financial owner, then system would get all financially responsible customers for the account. For each customer, system would call the rule engine to check for customer eligibility) or PRIMARY (If ownership type parameter is set to primary, then system would call the rule engine to check for primary customers eligibility) Rule ID = To be defined as per configuration. Rule should return output validation status in fact 'SuccessOrFailure'; possible values are true or false. Validation Failure Option = FAIL_CASE_CREATION (Fail case creation) Validation Failure Transition Status = Transition status. Case status should be transitioned to the specified status. Set given char value for the given char type (as defined in parameters) Cancel Reason Char Type = Configured characteristic type for cancel reason. Cancel Reason Char Value = Cancel reason value to set in configured characteristic type.
3	C1-CHKCNT	Check customer contacts for the account	Contact Days = Number of contact days. Process will check number of "successful" contacts with the customer during specified days inclusive of current date. Contact should belong to one of the five contact class defined as parameters to this process. Minimum contact threshold = Minimum contact threshold. If number of contacts is less than a minimum specified value then validation will fail else success. Contact Class 1 = Contact class Contact Class 2 = Contact class Contact Class 3 = Contact class Contact Class 4 = Contact class Contact Class 5 = Contact class Validation Failure Option = FAIL_CASE_CREATION (Fail case creation) or Validation Failure Transition Status = Transition status. Case status should be transitioned to the specified status. Set given char value for the given char type (as defined in parameters) Cancel Reason Char Type = Configured characteristic type for cancel reason. Cancel Reason Char Value = Cancel reason value to set in configured characteristic type.
4	C1-GETTRGT	Get Target Accounts	Validation Failure Transition Status = T TRANSITION_STATUS (Transition case to next specified status). Case status should be transitioned to the specified status. Set given char value for the given char type (as defined in parameters)

Sr. No.	Algorithm	Description	Parameters
			Cancel Reason Char Type = Configured characteristic type for cancel reason.
			Cancel Reason Char Value = Cancel reason value to set in configured characteristic type.
			Casa Account Type Identifier List = Comma separated CASA account identifiers (for example, CASA, CS, CSA).
			Td Account Type Identifier List = Comma separated Term Deposit account identifiers (for example, TD,TRD)
			Casa Account Exclude Status List = Comma separated CASA account status to be excluded while fetching account (for example, Closed, Unclaimed, WrittenOff, Inactive)
			Td Account Exclude Status List = Comma separated Term Deposit account status to be excluded while fetching account (for example, Closed, DebitBlock)
			Exclude Blocked Td Account = Flag to exclude blocked Term Deposit account.
			Exclude Blocked Deposit = Flag to exclude blocked Deposit's.

No Activity Monitoring

Table 7–4 Status: Pending - No Activity Monitoring

Days	To-Do	Reallocate	Worklist	Change Status
1	ROSO No Activity Level 1			
2	ROSO No Activity Level 2			

Exit Processing

Table 7–5 Status: Pending - Exit Processing Algorithm

Sr. No.	Algorithm	Description	Parameters
1	C1-CLSTODO	Close To-do's linked to the case	■ To-Do Type 1 = ROSO No Activity Level 1 ■ To-Do Type 2 = ROSO No Activity Level 2 ■ To-Do Type 3 = <<Blank>> ■ To-Do Type 4 = <<Blank>> ■ To-Do Type 5 = <<Blank>>

Transitions

Table 7–6 Status: Pending - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	SUBMITTED	User				Y	Y
2	CANCELLED	User				N	N
3	WITHDRAWN	System	Managed by Event Manager			N	N

7.4.2 SUBMITTED - Submitted

This section describes the details of the Submitted status.

Enter Processing

Table 7–7 Status: Submitted - Enter Processing Algorithm

Sr. No.	Algorithm Type	Description	Parameters
1	C1-EXCLCASE	Check current cases on account for exclusion	■ Validation Failure Option = TRANSITION_STATUS (Transition Case Status) ■ Validation Failure Transition Status = CANCELLED ■ Cancel Reason Char Type = Cancel Reason ■ Cancel Reason Char Value = Delinquent Account Not Eligible
2	C1-CHKCUST	Check customer eligibility	■ Ownership Type = FINANCIAL_OWNER (If ownership type parameter is set to financial owner then system would get all financially responsible customers for the account. For each customer, system would call the rule engine to check for customer eligibility) or PRIMARY (If ownership type parameter is set to primary then system would call the rule engine to check for primary customers eligibility) ■ Rule ID = To be defined as per configuration. Rule should return output validation status in fact 'SuccessOrFailure'; possible values are true or false. ■ Validation Failure Option = Transition Case Status ■ Validation Failure Transition Status = Cancelled ■ Cancel Reason Char Type = Cancel Reason ■ Cancel Reason Char Value = Customer Not Eligible
3	C1-CHKCNT	Check customer contacts for the account	■ Contact Days = Number of contact days. Process will check number of "successful" contacts with the customer during specified days inclusive of current date. Contact should belong to one of the five contact class defined as parameters to this process.

Sr. No.	Algorithm Type	Description	Parameters
			■ Minimum contact threshold = Minimum contact threshold. If number of contacts is less than a minimum specified value then validation will fail else success.
			■ Contact Class 1 = Contact class
			■ Contact Class 2 = Contact class
			■ Contact Class 3 = Contact class
			■ Contact Class 4 = Contact class
			■ Contact Class 5 = Contact class
			■ Validation Failure Option = Transition Case Status
			■ Validation Failure Transition Status = Cancelled
			■ Cancel Reason Char Type = Cancel Reason
			■ Cancel Reason Char Value = Delinquent Account Not Eligible
4	C1-REVALTRGT	Revalidate Target Account	■ Rule ID = To be defined as per configuration. Rule should return output validation status in fact 'SuccessOrFailure'; possible values are true or false.
			■ Minimum residual amount = Minimum residual amount that cannot be debited from account.
			■ Excess Debit Option = ADJUST_DEBIT_AMOUNTS (if excess debit option is ADJUST_DEBIT_AMOUNTS then debit amount would be adjusted) or CANCEL_SETOFF (if excess debit option is CANCEL_SETOFF then case would be moved to cancel status and cancel reason char updated)
			■ Validation Failure Transition Status = Cancelled
			■ Cancel Reason Char Type = Cancel Reason
			■ Cancel Reason Char Value = Target Accounts Not Eligible
			■ Casa Account Type Identifier List = Comma separated CASA account identifiers (for example, CASA, CS, CSA).
			■ Td Account Type Identifier List = Comma separated Term Deposit account identifiers (for example, TD,TRD)
5	C1-ROSOAPPR	Approval check for set-off	■ Asset classification code = Asset classification code value (for example, Impaired asset code)
			■ Accrual status Flag = Accrual status Flag Y/N For example, Non accrual (N)
			■ Total Debit Amount Threshold = Total Debit Amount Threshold (Sum of Debit Amounts for all target accounts >= Specified threshold, then create work item and transition

Sr. No.	Algorithm Type	Description	Parameters
			case to approval required status) ■ Approval Required Status = PENDINGAPPR ■ No Approval Status = TRANSFERREQ

Transitions

Table 7–8 Status: Effected Possession - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	PENDINGAPPR	System	Managed by enter processing algorithm			Y	Y
2	TRANSFERREQ	System	Managed by enter processing algorithm			Y	N
3	CANCELLED	System	Managed by enter processing algorithm			N	N

7.4.3 PENDINGAPPR - Pending Approval

This section describes the details of the Pending Approval status.

Approval Requirements

Table 7–9 Status: Pending Approval - Approval Requirements

Sr. No.	Approval Parameters	If Approved	If Rejected
1	■ Asset classification code ■ Accrual status Flag ■ Total Debit Amount	Transition case to 'Transfer Requested' status	Transition case to 'Rejected' status

No Activity Monitoring

Table 7–10 Status: Pending Approval - No Activity Monitoring

Days	To-Do	Reallocate	Worklist	Change Status
1	ROSO No Activity Level 1			
2	ROSO No Activity Level 2			

Exit Processing

Table 7–11 Status: Pending Approval - Exit Processing Algorithm

Sr. No.	Algorithm Type	Description	Parameters
1	C1-ABORTAPP	Abort ROSO approval work item	■ Composite Name = com.ofss.fc.workflow.process.ROSOProcessForApproval ■ Instance Title = ROSO_CASE_ ■ Case Status Exclusion List = TRANSFERREQ,REJECTED
2	C1-CLSTODO	Close To-do's linked to the case	■ To-Do Type 1 = ROSO No Activity Level 1 ■ To-Do Type 2 = ROSO No Activity Level 2 ■ To-Do Type 3 = <<Blank>> ■ To-Do Type 4 = <<Blank>> ■ To-Do Type 5 = <<Blank>>

Transitions

Table 7–12 Status: Pending Approval - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	TRANSFERREQ	System	Based on approval request outcome			N	Y
2	REJECTED	System	Based on approval request outcome			N	N
3	CANCELLED	User				N	N
4	WITHDRAWN	System	Managed by Event Manager			N	N

7.4.4 TRANSFERREQ - Transfer Requested

This section describes the details of the Transfer Requested status.

Enter Processing

Table 7–13 Status: Transfer Requested - Enter Processing Algorithm

Sr. No.	Algorithm Type	Description	Parameters
1	C1-EXCLCASE	Check current cases on account for exclusion	■ Validation Failure Option = TRANSITION_STATUS (Transition Case Status) ■ Validation Failure Transition Status = CANCELLED Cancel Reason Char Type = Cancel Reason ■ Cancel Reason Char Value = Delinquent Account Not Eligible
2	C1-CHKCUST	Check customer eligibility	■ Ownership Type = FINANCIAL_OWNER (If ownership type parameter is set to financial owner then system would get all financially responsible customers for the account. For each customer, system would call the rule engine to check for customer eligibility) or ■ Rule ID = To be defined as per configuration. Rule should return output validation status in fact 'SuccessOrFailure'; possible values are true or false. ■ Validation Failure Option = Transition Case Status ■ Validation Failure Transition Status = Cancelled ■ Cancel Reason Char Type = Cancel Reason ■ Cancel Reason Char Value = Customer Not Eligible
3	C1-CHKCNT	Check customer contacts for the account	■ Contact Days = Number of contact days. Process will check number of "successful" contacts with the customer during specified days inclusive of current date. Contact should belong to one of the five contact class defined as parameters to this process. ■ Minimum contact threshold = Minimum contact threshold. If number of contacts is less than a minimum specified value then validation will fail else success. ■ Contact Class 1 = Contact class ■ Contact Class 2 = Contact class ■ Contact Class 3 = Contact class ■ Contact Class 4 = Contact class ■ Contact Class 5 = Contact class ■ Validation Failure Option = Transition Case Status ■ Validation Failure Transition Status = Cancelled ■ Cancel Reason Char Type = Cancel Reason ■ Cancel Reason Char Value = Delinquent Account Not Eligible

Sr. No.	Algorithm Type	Description	Parameters
4	C1-REVALTRGT	Revalidate Target Account	■ Rule ID = To be defined as per configuration. Rule should return output validation status in fact 'SuccessOrFailure'; possible values are true or false. ■ Minimum residual amount = Minimum residual amount that cannot be debited from account. ■ Excess Debit Option = ADJUST_DEBIT_AMOUNTS (if excess debit option is ADJUST_DEBIT_AMOUNTS then debit amount would be adjusted) or CANCEL_SETOFF (if excess debit option is CANCEL_SETOFF then case would be moved to cancel status and cancel reason char updated) ■ Validation Failure Transition Status = Cancelled ■ Cancel Reason Char Type = Cancel Reason ■ Cancel Reason Char Value = Target Accounts Not Eligible ■ Casa Account Type Identifier List = Comma separated CASA account identifiers (e.g.for example, CASA, CS, CSA). ■ Td Account Type Identifier List = Comma separated Term Deposit account identifiers (e.g.for example, TD,TRD)
5	C1-FUNDTRFR	Execute Funds Transfer	■ Execution Success Status = NOTIFY (Notification Sent) ■ Execution Failure Status = Cancelled ■ Cancel Reason Char Type = Cancel Reason ■ Cancel Reason Char Value = Transfer Failed ■ Successful Fund Transfer Transaction Status = 0

Transitions

Table 7–14 Status: Transfer Requested - Transitions

Sr. No.	Next Status	Transition Type	Algorithm	Algorithm Type	Parameters	Validate Follow-up	Use as Default
1	NOTIFY	System				N	Y
2	CANCELLED	System				N	N

7.4.5 NOTIFY - Notification Sent

This section describes the details of the Notification Sent status.

Monitoring

Table 7–15 Status: Notification Sent - Monitoring

Sr. No.	Algorithm Type	Description	Parameters
1	CS-MONITOR	Algorithm for Monitoring after N days	■ **Seq:** 10 **Parameter Name:** Next Status **Value:** COMPLETED ■ **Seq:** 20 **Parameter Name:** Work List **Value:** - ■ **Seq:** 30 **Parameter Name:** Reallocate Switch **Value:** - ■ **Seq:** 40 **Parameter Name:** To Do Type **Value:** - ■ **Seq:** 50 **Parameter Name:** No Of Days **Value:** 1

Enter Processing

Table 7–16 Status: Notification Sent - Enter Processing Algorithm

Sr. No.	Algorithm Type	Description	Parameters
1	C1-CCCREATE	Generate Customer Contact	■ Contact Type = <<To be defined based on letters configuration>> ■ Customer Contact Class = << Customer Contact Class value>> ■ Preferred Contact Method = << Preferred Contact Method >>

Transitions

Table 7–17 Status: Settlement - Transitions

Sr. No.	Next Status	Transition Type	Validate Follow-up	Use as Default
1	COMPLETED	System and User	N	Y
2	REVERSED	User	N	N

Exit Processing

Table 7–18 Status: Settlement - Exit Processing Algorithm

Sr. No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-CLSTODO	Close To-do's linked to the case	■ To-Do Type 1 = ROSO Completion Failed ■ To-Do Type 2 = <<Blank>> ■ To-Do Type 3 = <<Blank>> ■ To-Do Type 4 = <<Blank>> ■ To-Do Type 5 = <<Blank>>

7.4.6 COMPLETED - Completed

This section describes the details of the Completed status.

Enter Processing

Table 7–19 Status: Completed - Enter Processing Algorithm

Sr. No.	Algorithm Type	Description	Parameters
1	C1-REVROSO	GReverse set-off	None
2	C1-EXCLROSO	Update set-off exclusion date	■ Cancel Reason Char Type = <Blank> ■ Reason code = Reversed ■ Default Offset = Number of days to be added to set-off exclusion date.

7.4.7 REJECTED - Rejected

This section describes the details of the Rejected status.

Enter Processing

Table 7–20 Status: Rejected - Enter Processing Algorithm

Sr. No.	Algorithm Type	Description	Parameters
1	C1-CANROSO	Cancel Set-off	None
2	C1-EXCLROSO	Update set-off exclusion date	■ Cancel Reason Char Type = <Blank> ■ Reason code = Rejected ■ Default Offset = Number of days to be added to set-off exclusion date.

7.4.8 CANCELLED - Cancelled

This section describes the details of the Cancelled status.

Enter Processing

Table 7–21 Status: Cancelled - Enter Processing Algorithm

Sr. No.	Algorithm Type	Description	Parameters
1	C1-CANROSO	Cancel Set-off	None
2	C1-EXCLROSO	Update set-off exclusion date	■ Cancel Reason Char Type = Cancel Reason ■ Reason code = <Blank> ■ Default Offset = Number of days to be added to set-off exclusion date.

7.4.9 WITHDRAWN - Withdrawn

This section describes the details of the Withdrawn status.

Enter Processing

Table 7–22 Status: Withdrawn - Enter Processing Algorithm

Sr. No.	Algorithm Type	Description	Parameters
1	C1-CANROSO	Cancel Set-off	None
2	C1-EXCLROSO	Update set-off exclusion date	■ Cancel Reason Char Type = <Blank> ■ Reason code = Withdrawn ■ Default Offset = Number of days to be added to set-off exclusion date.

Feature Configuration

Table 7–23 Feature Configuration

Feature Name	Description
C1-STORC	Right to Set-off offset days based on reason code.
C1-STOCR	Right to Set-off offset days based on cancel reason char.
C1-ROSO	Right to Set-off constants. It holds valid constant value for TD and CASA account types, GL distribution code.

Lookups

Table 7–24 Lookups

Feature Name	Description
STOR_OPT_TYP_FLG	Options for Right to Set-off offset days based on reason code.
STOC_OPT_TYP_FLG	Options for Right to Set-off offset days based on cancel reason char.
SET_OFF_STATUS_FLG	Set off status flag

Feature Name	Description
ROSO_CONFLICT_CASE_CATEGORY	List of conflicting case categories
ROSO_OPT_TYP_FLG	Options for Right to Set-off constants.

7.5 Ledger Account Creation

Ledger account is created for Collections. It is used to transfer funds from Term Deposit account to delinquent Term Loan account. First, the funds are transferred from TD to Ledger account and then from Ledger to Loans account.

Following are the steps to create Ledger account for Collections ROSO process:

1. Log on to Oracle Banking Platform and open the screen **Product Ledger Summary (Fast path: PLS008)**.

2. Create Ledger account with Product Ledger Level as Node. Enter the following values:

Field	Value
Ledger Account Code	2222222222 (configure account code as per requirement)
Ledger Account Description	Collections Miscellaneous Ledger
Product Ledger Level	Node
Product Ledger Category	Liability
Product Ledger Type:	Internal PL
Product Ledger Subtype	Normal

3. Create Ledger account with Product Ledger Level as Leaf. Enter the following values:

Field	Value
Ledger Account Code	444444444 (configure account code as per requirement)
Ledger Account Description	Collections Ledger account for ROSO
Product Ledger Level	Leaf
Product Ledger Type:	Internal PL
Product Ledger Subtype	Normal
Parent Ledger Code	2222222222 (Enter account code configured in step 2)

4. Set Ledger account with Product Level Leaf created in **Step 3** in feature configuration C1-ROSO against property GL Distribution Code.

8 Bankruptcy Process

This chapter describes the Bankruptcy proceedings. Bankruptcy is a legal status of a person or other entity that cannot repay the debts it owes to creditors. In most jurisdictions, bankruptcy is imposed by a court order, often initiated by the debtor. The primary purpose of bankruptcy is to give a debtor a fresh start through which some debts can be paid, restructured, or discharged.

- When a debtor files for bankruptcy, an automatic stay is imposed to prevent creditors from continuing to pursue collection of the debt owed to them by that debtor. It prohibits creditors from attempting to collect a debt after the date of bankruptcy filing - that is, their collection efforts are stayed or stopped.

- After borrower files the bankruptcy petition, the court mails a notice to all the creditors listed in the bankruptcy schedules. This usually takes a couple of weeks. However there are various other ways by which Collector can receive information about bankruptcy. It can be a notice from borrower's attorney, notice from borrower or simple verbal confirmation from borrower.

- Once a creditor becomes aware of a filing for bankruptcy protection, it must immediately stop all collection efforts. If a creditor continues to use collection tactics, once informed of the bankruptcy, it may be liable for court sanctions and attorney fees for this conduct.

- In case the debts are discharged, bank or collection agency has to charge-off the debts.

- In case the debts are not discharged, bank or collection agency can continue the collection efforts just like any other normal collection case.

Figure 8–1 Bankruptcy Process
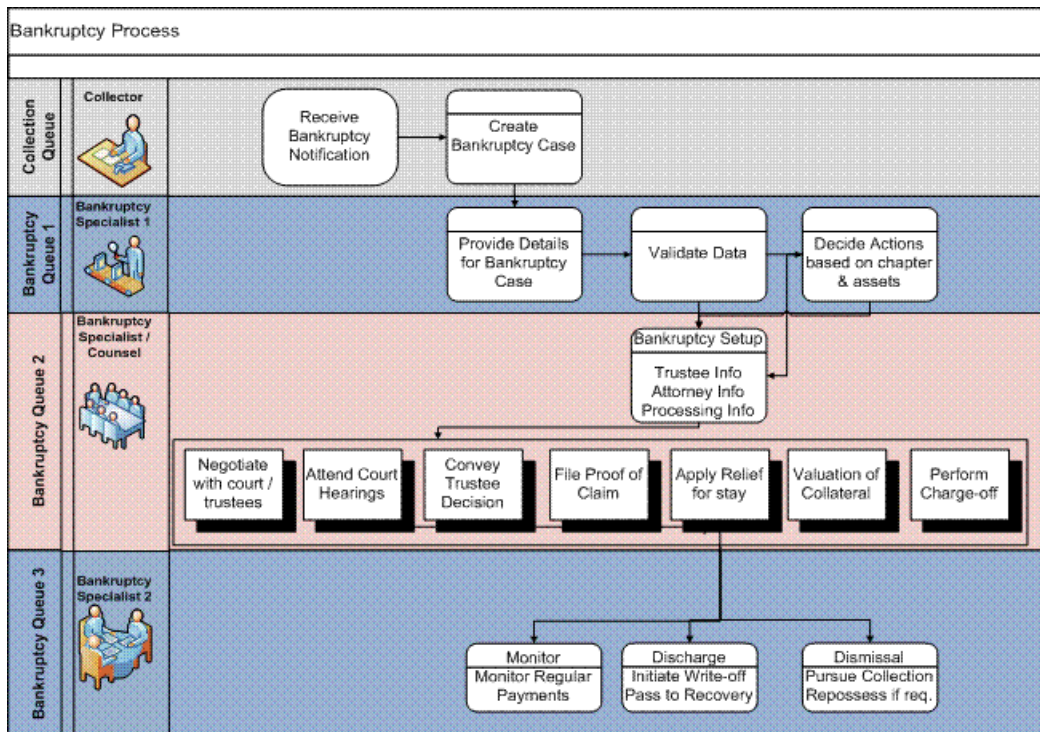
8.1 Process Flow

The following diagram describes the process flow of the Bankruptcy proceedings.

Figure 8–2 Process Flow for Bankruptcy Process
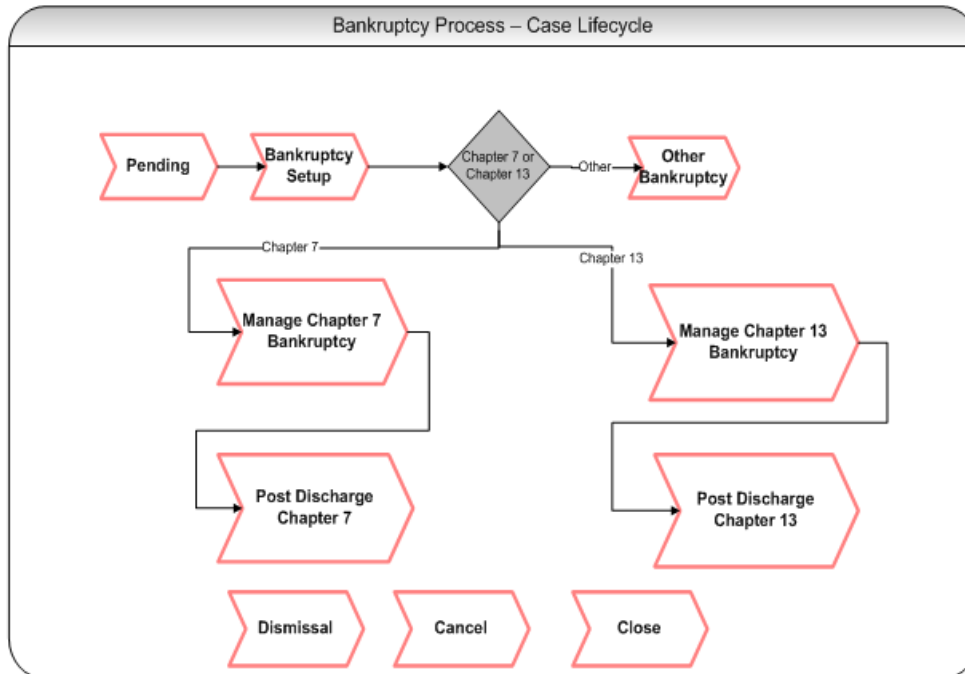
8.2 Bankruptcy Initiation

Collector may receive communication from debtor or debtor's attorney informing about bankruptcy filing. Collector will provide minimum information required for creation of bankruptcy case based on which, System will create bankruptcy case with the provided data.

In specific cases, Bankruptcy Specialist may receive communication from debtor or debtor's attorney informing about bankruptcy filing. In such cases, bankruptcy specialist will provide minimum information required for creation of bankruptcy case. Bankruptcy specialist uploads notice of bankruptcy filing (if available). System will create bankruptcy case with the provided data.

1. User will select a host and then manually provide unique identifier for the borrower (Party ID) and joint borrower (if any) who has filed bankruptcy. System will search for the party in collections.

    If party is present in collections with at least one account with active contract, system should fetch all the party details. System should fetch and associate all accounts in collections irrespective of its host.

    (It should be configurable if accounts are to be fetched based on enterprise id or party id)

    If party is not present in collections with an active account, system will check at if party needs to be pulled in Collections. If party is not to be pulled system should show an information message to the user Party not present in collections. Bankruptcy case cannot be initiated. Else system should attempt to pull the party from the specified host.

(Interfaces like Banko / Pacer provides case and docket information in an online call. The end state should allow receiving the information from interfaces like Banko / Pacer and then triggering the Event Manager to create a Bankruptcy case with the help of information provided by these interfaces. However this can be done once an interface to Banko / Pacer are integrated with OB Collections)

2. If there are any existing bankruptcy cases running on the borrower, the case details will be displayed in the case grid. If there are any inactive or closed bankruptcy cases, they will also be displayed in the case grid. '+' button of case grid should be enabled only when there are no active bankruptcy case on the customer.

3. System will display Borrower's Name against the Party Name field.

4. System will check if an active Bankruptcy case exists for the borrower /joint borrower or risk indicator of Bankruptcy is already set. If either is true, it will terminate the case creation and display error message to the user Bankruptcy Case is already running on the Borrower. Please refer to the created Bankruptcy Case.

5. Any accounts that are delinquent would already be in collections. If the user wants to manage any non-delinquent accounts, user will force the account(s) into collection from the host by using Fetch Non-Delinquent Account screen.

6. System will ensure all the mandatory fields are captured. If any of the mandatory field is missing, system will prompt with the error message for that respective field.

   - Debtor's Name on petition (Will be displayed on entry of Party ID)
   - Date Filed
   - Case number

These are mandatory fields which user must provide for Bankruptcy case creation. However if information is available, user can provide information for below fields.

   - District
   - Chapter
   - Borrower attorney legal firm name
   - Borrower attorney address
   - Borrower attorney name
   - Borrower attorney phone number

These are optional fields which user can provide if available.

Once mandatory information is provided by the user, Bankruptcy case will be created in PENDING status and will be assigned to a bankruptcy queue and to a bankruptcy specialist user.

7. System will remove account review dates for all the associated accounts. This will ensure that accounts will not be sent to strategy monitor for strategy review.

8. System will put all existing active strategies on delinquent accounts on hold or close. This will be done as per Cross Strategy Action Matrix configuration.

8.3 Case Life Cycle

This section describes the Case Life Cycle details.

8.3.1 Pending

This is initial status of bankruptcy case. User (Bankruptcy Specialist/Collector) can search the bankruptcy case using the search mode with help of party id or case id or can pick the case from the case list using the list mode. This will set the case in context. Only mandatory fields would have been captured while creating the case.

However, if any other information is available, then Bankruptcy Specialist can provide the field information in various sections of the case panel.

Table 8–1 Status: Pending

Actor	System and User
Description	This is Initial status of Bankruptcy Case. 1. User (Bankruptcy Specialist/Collector) can search the bankruptcy case using the search mode with help of party id or case id or can pick the case from the case list using the list mode. This will set the case in context. 2. User can pull any non delinquent accounts from offline host manually by using Fetch Non-Delinquent Account screen. This is optional activity. 3. User can provide any additional information and can upload bankruptcy notice (if it is available). 4. User will capture the action results (Plan Next Action Date) and System will transition the case to BANKRUPTCY SETUP status. 5. If at any point of time, bankruptcy case is dismissed by the bankruptcy court, user should provide Date of Dismissal. On entering of the Date of Dismissal, User will capture the action results (Dismissal Received) and System will transition the case to DISMISSAL status. 6. If at any point of time, bankruptcy case is cancelled due to any reason such invalid details of bankruptcy were provided or customer was found solvent or bankruptcy case was not accepted by the court, User will capture the action results (Cancel Bankruptcy) and System will transition the case to CANCEL BANKRUPTCY status. Below system activities will be done when the case is in CANCEL BANKRUPTCY status: 1. Check if a Bankruptcy Case already exists for the customer. 2. Pull all the non delinquent accounts of the customer into OB Collections. 3. Associate all accounts where the customer is primary owner to the case. 4. Set customer level Bankruptcy Switch. 5. Remove Review dates of associated accounts. 6. Take action on account level cases based on Cross Strategy Action Matrix. 7. Exclude the associated accounts from Dialer.
Modify Association	Yes

Enter Processing Algorithm:

Table 8–2 Status: Pending - Enter Processing Algorithm

Sr.No	Algorithm	Algorithm Type	Description	Parameters
1	C1CHKSPCASE	C1-ChkSpCase	Validate if Bankruptcy case is already present on the customer.	■ Case Category: Bankruptcy ■ Case Type: C1-Bankruptcy
2	C1-ASSCUSTJB	C1-AssociateCustomers	Validate if bankruptcy case is already present on the customer.	■ Case Category : Bankruptcy Case ■ Type : C1-Bankruptcy
3	C1-BRUPTSW	C1-CUSTSW	Set the Customer level Bankruptcy Switch.	■ Customer level switch name: Bankruptcy ■ Switch value: Y
4	C1PULLNDACC	C1-PullNDAccounts	Pull all the non delinquent accounts of the customer that are not yet in Collections.	
5		C1-AssociateAccounts	Associate all accounts which are in collections and where the customer is the primary owner to the case.	
6		C1-UPDRVWDT	Remove the review dates of associated accounts.	■ Update Type: Remove Review Date ■ Days Offset: NA ■ Override Flag: NA
7		C1-CSAMENTST	Take Action on Account level Cases based on CSAM.	■ Check Status: N

Sr.No	Algorithm	Algorithm Type	Description	Parameters
8		C1-ExcludeAccountsfromDialer	Exclude Associated Accounts from Dialer.	▪ C1-ExcludeAccountsfromDialer

8.3.2 Bankruptcy Setup

This is interim status of bankruptcy case. Bankruptcy User (Bankruptcy Specialist/Collector) can search the bankruptcy case using the search mode with help of party id or case id or can pick the case from the case list using the list mode. This will set the case in context. User will:

- Contact debtor's attorney (if required) for bankruptcy information.
- Contact trustees (if required) for bankruptcy information.
- Determine date & location of 341 hearing.
- Evaluate bankruptcy case based on type and assets for further course of actions.

Bankruptcy specialist will analyze the bankruptcy case considering the chapter of bankruptcy that is, Chapter 7 or Chapter 13 and accounts considered in the bankruptcy. Case will be moved for further course of action in lifecycle.

Status: Bankruptcy Setup

Actor:

System and User

Description:

This is Interim status of Bankruptcy Case.

1. User (Bankruptcy Specialist/Collector) can search the bankruptcy case using the search mode with help of party id or case id or can pick the case from the case list using the list mode. This will set the case in context.

2. User can contact debtor's attorney information and provide details (if not already provided) such as

   - Borrower attorney legal firm name
   - Borrower attorney legal firm address
   - Borrower attorney name
   - Borrower attorney phone number

3. User can provide additional trustee information (if not already provided) such as

   - Trustee Information - Name
   - Trustee Information - Phone
   - Trustee Information - Fax
   - Trustee Information - Email
   - Trustee Point of Contact Information - Name
   - Trustee Point of Contact Information - Phone

- Trustee Point of Contact Information - Fax

- Trustee Point of Contact Information - Email

- Date assigned to legal counsel

- Legal Counsel

- Contact Person

- Date of 341 Hearing

- Location of 341 Hearing

- Additional Details for 341 Hearing

- Market Value of Collateral

- Date of market value assessment

4. User will upload the necessary documents related to bankruptcy case. These documents are typically received from debtor's counsel or counsel representing the lender or trustee communications. User will upload the documents under Inbound Documents tab.

5. Once mandatory information is provided by the user, system will set the Bankruptcy risk indicator on borrower.

   System will check the valuation of all the collaterals associated with accounts. If the valuation date of any collateral is more than 180 days, systems will create a case level task for valuation of such collaterals associated with accounts.

6. User will provide Date of Market Valuation and Total Market Valuation based on the valuation reports. Total Market valuation will have sum of all collateral values.

7. User will analyze bankruptcy chapter, assets under consideration (if any) and will transition the case to respective status.

   - If Bankruptcy chapter is 7 then case should be moved to MANAGE CHAPTER 7 BANKRUPTCY status.

   - If Bankruptcy chapter is 13 then case should be moved to MANAGE CHAPTER 13 BANKRUPTCY status.

   - If Bankruptcy Chapter = Chapter other than 7 or 13 then case should be moved to OTHER BANKRUPTCY status.

     User will capture the action results and System will transition the case to the respective status based on follow up.

8. If any point of time, bankruptcy case is discharged by the bankruptcy court, user should provide Discharge Date.

   User will upload the discharge notice. User will capture the action results (Discharge Received) and depending on the chapter and assets will transition the case to one of the discharge status (POST DISCHARGE CHAPTER 7, POST DISCHARGE CHAPTER 13).

9. If any point of time, bankruptcy case is dismissed by the bankruptcy court, user should provide Date of Dismissal.

User will upload the dismissal notice. User will capture the action results (Dismissal Received) and will transition the case to DISMISSAL status.

10. If at any point of time, bankruptcy case is cancelled due to any reason such invalid details of bankruptcy were provided or customer was found solvent or bankruptcy case was not accepted by the court, User will capture the action results (Cancel Bankruptcy and capture cancellation reason in result) and will transition the case to CANCEL BANKRUPTCY status.

11. Below system activities will be done when the case is in this status.

  ■ Associate all additional accounts where the customer is primary owner to the case.

  ■ Remove Review dates of associated accounts.

  ■ Set Bankruptcy Warning Indicator in Host (or Create Administration Task).

Modify Association:

No

Enter Processing Algorithm:

Table 8–3 Status: Bankruptcy Setup - Enter Processing Algorithm

Sr.No	Algorithm	Algorithm Type	Description	Parameters
1		C1-UPDWARN	Update Bankruptcy Warning Indicator in Host.	■ Update Type: Set ■ Warning Indicator: Bankrupt ■ Association Type: Primary
2		C1-UPDRVWDT	Remove the review dates of associated accounts.	■ Update Type: Remove ■ Review Date ■ Days Offset: NA ■ Override Flag: NA
3		C1-InitiateCollateralValuation	Initiate Collateral Valuation for all collaterals whose last valuation was done X days before.	■ Valuation Expiry Days (X): 60
4		C1-AssociateAccounts	Associate all accounts which are in collections and where the customer is the primary owner to the case.	

Monitoring Algorithm:

Table 8–4 Status: Bankruptcy Setup - Monitoring Algorithm

Sr.No	Algorithm	Algorithm Type	Description	Parameters
1		C1-Monitor341Hearing	Monitor and Alert Bankruptcy Specialist for 341 Hearing Date.	

8.3.3 Manage Chapter 7 Bankruptcy

This is interim status of bankruptcy case. Bankruptcy specialist works on the assigned case.

Depending on the follow-up, case is moved for further course of action in lifecycle.

Figure 8–3 Manage Chapter 7 Bankruptcy
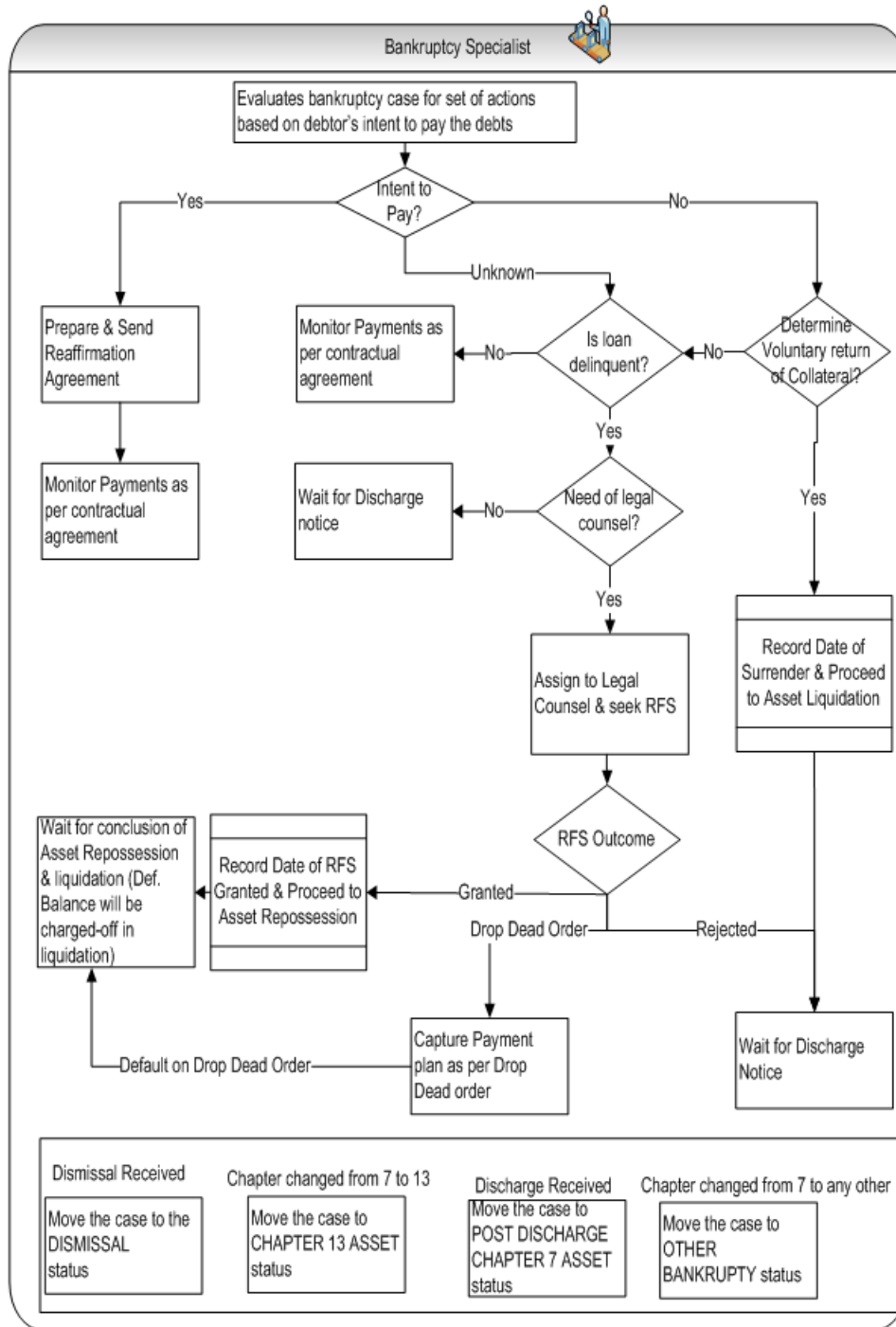
Status: Manage Chapter 7 Bankruptcy

Actor:

System and User

Description

This is Interim status of Bankruptcy Case.

- User will perform following set of actions for each of the account(s).

- If account is unsecured, then User will be taken to **Charge off Activities** stop.

  User should decide if Charge-off Completed.

  If No is selected, then Outcome should be defaulted to Waiting for Charge-off Completion.

  If Yes is selected, User will click Create Task button. System will create a task for Charge off Activities for the associated account. User should charge-off the associated account. User should mark the task as completed only after charge-off is completed.

  User will select the outcome depending on the condition as mentioned in the following table:

Table 8–5 Outcome

Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Waiting for Discharge	When charge off is completed and waiting for discharge notice.	NA	Charge-off Completed
Waiting for Charge-off Completion	When charge-off is yet to be completed	NA	Charge-off Completed

  User can provide remarks if any and will click Save button.

- If account is secured, user will go to **Reaffirmation** stop.

- User should decide if Reaffirmation Agreement is Prepared and sent.

  If No is selected, disable all the fields in the panel. Reaffirmation Outcome should be defaulted to Reaffirmation Agreement Not Applicable.

  If Yes is selected, User will click Create Task button. System will create a task for Prepare and Send Reaffirmation Agreement for the associated account. User should prepare and send the documents required for reaffirmation agreement to the debtor or debtor's attorney. User should mark the task as completed only after debtor or debtor's attorney has accepted the reaffirmation agreement and sent it back to lender.

  Till the reaffirmation agreement is sent back by the debtor or debtor's attorney, Reaffirmation Outcome can be selected as Wait for Reaffirmation Agreement.

  After debtor or debtor's attorney accepts the reaffirmation agreement (directly or via bankruptcy court or trustee), user will provide Date Reaffirmation Agreement Received.

  User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–6 Reaffirmation Outcome

Reaffirmation Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Wait for Reaffirmation Agreement	When documentation is being completed and user is yet to receive the reaffirmation	No	• Reaffirmation Agreement Prepared and Sent

Reaffirmation Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
	agreement.		• Date Reaffirmation Agreement Sent (only when Reaffirmation Agreement Prepared and Sent is ticked)
Monitor Contractual Payments	When user has accepted the reaffirmation agreement and has provided the date affirmation agreements received.	No	• Reaffirmation Agreement Prepared and Sent • Date Reaffirmation Agreement Sent (only when Reaffirmation Agreement Prepared and Sent is ticked) • Date Reaffirmation Agreement Received
Reaffirmation Agreement Not Applicable	When user has decided that debtor is not willing for reaffirmation.	Yes - Move to **Collateral Return**	• Reaffirmation Agreement Prepared and Sent
Reaffirmation Agreement Broken	When debtor has defaulted on the repayment of the debt.	No	• Reaffirmation Agreement Prepared and Sent • Date Reaffirmation Agreement Received
Reaffirmation Agreement Broken-File RFS	When debtor has defaulted on the repayment of the debt and user has decided to file relief from stay.	Yes - Move to **Relief from Stay**	• Reaffirmation Agreement Prepared and Sent • Date Reaffirmation Agreement Received
Reaffirmation Agreement Rescinded	When debtor has refused to honor the reaffirmation agreement and decided to not make any payment as per reaffirmation agreement.	Yes - Move to **Repossession**	• Reaffirmation Agreement Prepared and Sent • Date Reaffirmation Agreement Sent (only when Reaffirmation Agreement Prepared and Sent is ticked) • Date Reaffirmation Agreement Received

Reaffirmation Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
			• Date Reaffirmation Agreement Rescinded Reaffirmation Agreement Rescinded

User can provide remarks if any and will click Save button.

■ When user has selected outcome as Reaffirmation Agreement Not Applicable user will go to **Collateral Return** stop.

User should decide if debtor is ready for Voluntary Surrender of Collateral.

If No is selected, then Collateral Return Outcome should be defaulted to Proceed to Filing relief from Stay.

If Yes is selected, User will click Create Task button. System will create a task for Voluntary Return of Collateral for the associated account only. User should carry out the activities related to voluntary return of collaterals. User should mark the task as completed only after voluntary return activities are completed.

User will select outcome (mandatory) depending on condition as mentioned in the following table.

Table 8–7 Collateral Return Outcome

Collateral Return Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Proceed to Repossession	When Voluntary Surrender is selected as Yes and Date of surrender is recorded.	Yes - Move to **Repossesion**	• Voluntary Surrender of Collateral • Date of collateral surrender
Proceed to Filing Relief From Stay	When Voluntary Surrender is selected as No and user decides to file relief from stay.	Yes - Move to **Relief from Stay**	• Voluntary Surrender of Collateral
Wait for Discharge Notice	Voluntary Surrender is selected as No and user decides not to file relief from stay.	Yes - Move to **Charge off Activities**	• Voluntary Surrender of Collateral

User can provide remarks if any and will click Save button.

■ When user has selected outcome as Proceed to Filing Relief from Stay user will go to **Relief from Stay** stop.

User will capture the legal counsel details (if not captured already) at the case level and will check Legal Counsel Details Captured? checkbox.

User will tick the documents which are submitted to legal counsel for filling relief from stay and check Documents for Relief From stay Prepared? checkbox.

After the documents are sent to counsel, User will tick the Required Documents Sent to Counsel? checkbox.

System will create a task for File Relief from Stay for the associated account. User should prepare and send the documents required for relief from stay to the legal counsel. User should mark the task as completed only after legal counsel has confirmed that relief from stay has been filed and Date Relief from Stay Requested is filled.

After counsel confirms that Relief from stay has been filed with bankruptcy court or trustee, user will provide Date Relief from stay Requested.

After counsel confirms for next hearing date for Relief from stay, user will provide Next Hearing Date for relief from stay.

After counsel confirms that Proof of claim has been granted or rejected or drop dead order is received, user will provide Date Relief From Stay Outcome.

User will select outcome (mandatory) depending on condition as mentioned in the following table.

Table 8–8 Relief From Stay Outcome

Relief From Stay Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
RFS-In Progress	When documentation is being completed or counsel is yet to file.	No	• Lender's Counsel Details Captured? • Documents for Relief from Stay prepared? • Required Documents Sent to Counsel?
RFS Outcome-Waiting	When user is waiting for outcome of relief from stay.	No	• Lender's Counsel Details Captured? • Documents for Relief from Stay prepared? • Required Documents Sent to Counsel? • Date Relief from stay Requested
RFS Outcome-Granted	When user has provided the necessary details and provides Date Relief from Stay Outcome and court or trustee has granted the relief.	Yes - Move to **Repossession**	• Lender's Counsel Details Captured? • Documents for Relief from Stay prepared? • Required Documents Sent to Counsel?

Relief From Stay Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
			• Date Relief from stay Requested • Date Relief from Stay Outcome
RFS Outcome-Rejected	When user has provided the necessary details and provides Date Relief from Stay Outcome and court or trustee has rejected the relief. User should check if RFS needs to be filed again by validating the documents which were originally submitted.	No	• Lender's Counsel Details Captured? • Documents for Relief from Stay prepared? • Required Documents Sent to Counsel? • Date Relief from stay Requested • Date Relief from Stay Outcome
RFS Outcome-Drop Dead Order	When user has provided the necessary details and provides Date Relief from Stay Outcome and court or trustee has ordered drop dead order.	Yes - Move to **Drop Dead Order**	• Lender's Counsel Details Captured? • Documents for Relief from Stay prepared? • Required Documents Sent to Counsel? • Date Relief from stay Requested • Date Relief from Stay Outcome

User can provide remarks if any and will click Save button.

■ When user has selected outcome as RFS Outcome-Drop Dead Order user will go to **Drop Dead Order** stop.

User should decide if Drop Dead Order Received.

If No is selected, then Drop Dead Order Outcome should be defaulted to Wait for Drop Dead Order.

If Yes is selected, User will click Create Task button. System will create a task for Capture Drop Dead Order Plan for the associated account. User should capture the drop dead order plan in PTP tab along with dates and amount for every repayment. User should mark the task as completed only after drop dead plan is captured.

User will provide Date of Receiving Drop Dead Order as per the drop dead order.

Once the drop dead order plan is captured, user will tick the Drop Dead Order Plan Captured? checkbox.

System would display the Days Past Plan calculated as days past due after debtor has defaulted on the drop dead order plan as captured in PTP tab.

User will select outcome (mandatory) depending on condition as mentioned in the following table.

Table 8–9 Drop Dead Order Outcome

Drop Dead Order Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Waiting for Drop Dead Order	When user is yet to receive the drop dead order.	No	• Drop Dead Order Received
Monitor Repayment as Drop Dead	When user has provided the necessary details and provides Date of Receiving Drop Dead Order and court or trustee has issued the drop dead order. User should capture the repayment plan as per the drop dead order using PTP tab.	No	• Drop Dead Order Received • Date of Receiving Drop Dead Order • Drop Dead Plan Captured?
Repossession-Drop Dead Broken	When has defaulted on the drop dead plan.	Yes - Move to **Repossession**	• Drop Dead Order Received • Date of Receiving Drop Dead Order • Drop Dead Plan Captured?

User can provide remarks if any and will click Save button.

■ When user has selected outcome as Drop Dead Broken-Repossession user will go to **Repossession** stop.

User will click Create Task button. System will create a task for Repossession of Collaterals for the associated account. User should mark the task as completed only after repossession and liquidation of collaterals is completed.

User can view the collateral information using the existing Collateral taskflow.

Initiate Liquidation button will create an asset liquidation case for the selected collateral.

Once collateral Repossession is complete, User will provide Total Liquidation Amount as collected after liquidation.

System will display the Shortfall Amount calculated as Total Outstanding Amount less the Total Liquidation Amount.

User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–10 Repossession Outcome

Repossession Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Repossession in Progress	When repossession is in progress and yet to be completed.	No	• None
Repossession Completed	When repossession and liquidation is in completed. User should be navigated to Charge off Activities stop.	Yes - Move to **Charge off Activities**	• Total Liquidation Amount

User can provide remarks if any and will click Save button.

▪ When user has selected outcome as Repossession Completed user will go to **Charge off Activities** stop.

User should decide if Charge-off Completed.

If No is selected, then Outcome should be defaulted to Waiting for Charge-off Completion.

If Yes is selected, User will click Create Task button. System will create a task for Charge off Activities for the associated account. User should charge-off the associated account. User should mark the task as completed only after charge-off is completed.

User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–11 Outcome

Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Waiting for Discharge	When charge off is completed and waiting for discharge notice.	NA	• Charge-off Completed
Waiting for Charge-off Completion	When charge-off is yet to be completed.	NA	• Charge-off Completed

User can provide remarks if any and will click Save button.

▪ If any point of time, bankruptcy case is discharged by the bankruptcy court, user should provide Discharge Date.

User will upload the discharge notice. User will capture the action results (Discharge Received) and will transition the case to POST DISCHARGE CHAPTER 7 status.

▪ If any point of time, bankruptcy case is dismissed by the bankruptcy court, user should provide Date of Dismissal.

User will upload the dismissal notice. User will capture the action results (Dismissal Received) and will transition the case to DISMISSAL status.

- If bankruptcy specialist becomes aware that borrower has changed the chapter under which bankruptcy was originally filed, for this example, From Chapter 7 to Chapter 13, bankruptcy specialist should capture the date of conversion and the new chapter (in the action result) to which it is converted.

  - If Chapter is changed from 7 to 13, case should be moved to MANGE CHAPTER 13 BANKRUPTCY. Chapter in Bankruptcy case should be changed to Chapter 13. Change of chapter must be logged in the system.

  - If Chapter is changed from 7 to any other chapter, case should be moved to OTHER BANKRUPTCY status.

- Below system activities will be done when the case is in this status.

  - Monitor account for initiating Charge Off

  - Monitor account for delinquency

  - Monitor Confirmed Plan

  - Monitor 341 Hearing

Modify Association:

No

Monitoring Algorithm:

Table 8–12 Status: Manage Chapter 7 Bankruptcy - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-MonitorDelinquency	Monitor Account for Delinquency	
2		C1-MonitorforChargeOff	Monitor Account for Charge Off	■ Charge Off Threshold DPD: 60Secured ■ Accounts: No
3		C1-MonitorPaymentPlan	Monitor Payment Plan	■ PTP Type: Drop Dead Order ■ Days Since PTP Broken: 1
4		C1-MonitorHearingDate	Monitor for Relief for Stay Hearing	■ Hearing Type: Relief for Stay
5		C1-MonitorAssetLiquidation	Monitor Asset Liquidation Progress	
6		C1-Monitor341Hearing	Monitor for 341 Hearing	

8.3.4 Post Discharge Chapter 7

This is interim status of bankruptcy case. Bankruptcy specialist works on the assigned case.

If collateral is in the possession of the debtor and the debtor is current with contractual payments, user will continue monitoring for timely payments.

If the debtor ever fails to pay the contractual payments seek legal advice on recovery of the collateral.

Proceed with instructions to recover the collateral.

Depending on the follow-up, case is moved for further course of action in lifecycle.

Status: Post Discharge Chapter 7

Actor:

System and User

Description:

This is interim status of Bankruptcy Case.

1. User will check if all the accounts are paid off or charged off then, User will capture the action results (Close Bankruptcy Case) and will transition the case to CLOSED status.

2. If any of the account is not charged-off, User should go to **Charge off Activities** stop and should decide if Charge-off Completed.

   If No is selected, then Outcome should be defaulted to Waiting for Charge-off Completion.

   If Yes is selected, User will click Create Task button. System will create a task for Charge off Activities for the associated account. User should charge-off the associated account. User should mark the task as completed only after charge-off is completed.

   User will select outcome (mandatory) depending on condition as mentioned in the following table:

   Table 8–13 Outcome

Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Waiting for Discharge	When charge off is completed and waiting for discharge notice.	NA	▪ Charge-off Completed
Waiting for Charge-off Completion	When charge-off is yet to be completed.	NA	▪ Charge-off Completed

   User can provide remarks if any and will click Save button.

3. Below system activities will be done when the case is in this status
   a. Monitor account for Delinquency
   b. Monitor Asset Liquidation Progress

Modify Association

No

Monitoring Algorithm:

Table 8–14 Status: Post Discharge Chapter 7 - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-MonitorDelinquency	Monitor Account for Delinquency	
2		C1-MonitorAssetLiquidation	Monitor Asset Liquidation Progress	

8.3.5 Manage Chapter 13 Bankruptcy

This is interim status of bankruptcy case. Bankruptcy specialist works on the assigned case.

Figure 8–4 Manage Chapter 13 Bankruptcy
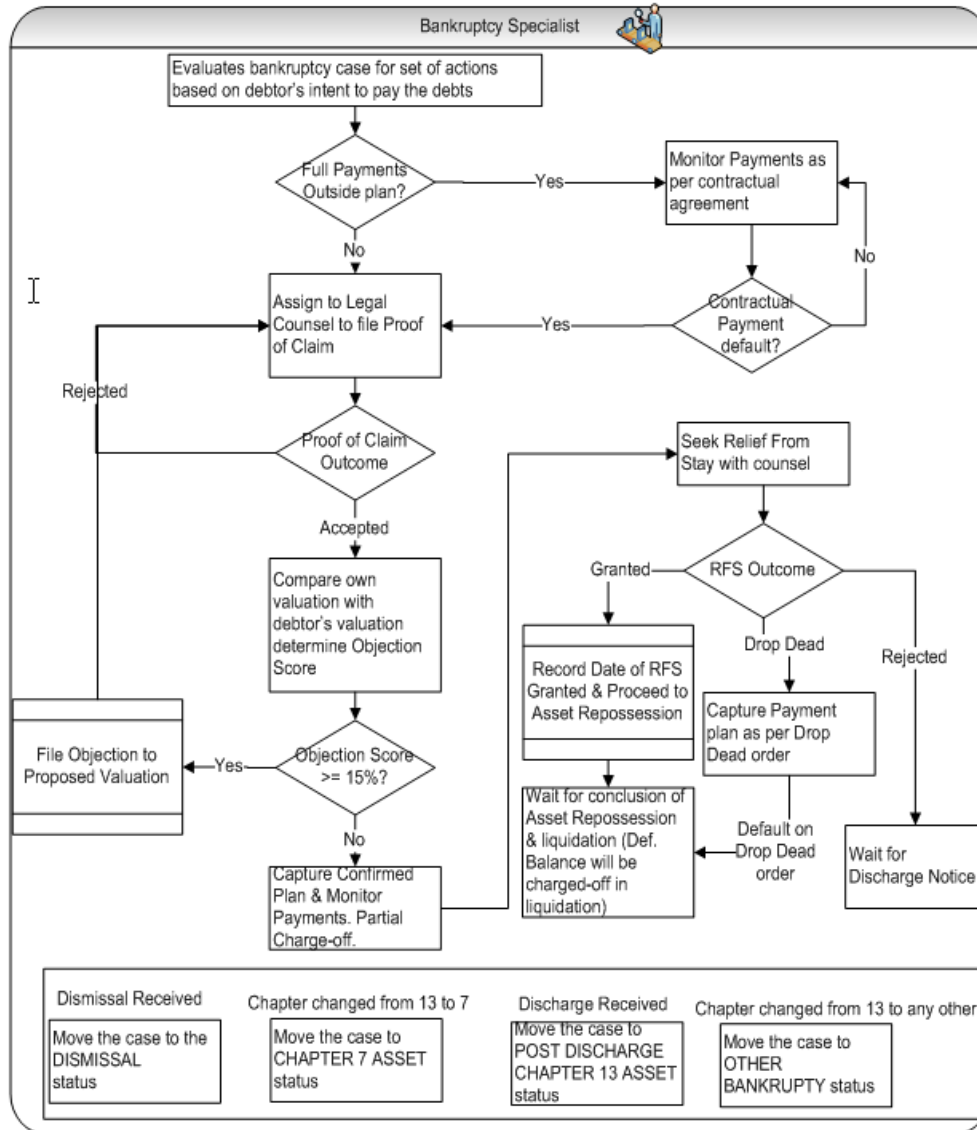
Status: manage Chapter 13 Bankruptcy

Actor:

System and User

Description:

This is Interim status of Bankruptcy Case.

1. User will perform following set of actions for each of the account(s).

2. User will go to **Proof of Claim** stop.

User should decide if Proof of Claim is required.

If No is selected, disable all the fields in the panel. Proof of Claim Outcome should be defaulted to Proof of Claim Not Required.

If Yes is selected, User will click Create Task button. System will create a task for File Proof of Claim for the associated account. User should prepare and send the documents required for proof of claim to the legal counsel. User should mark the task as completed only after legal counsel has confirmed that proof of claim has been filed and Date of Proof of claim Requested is filled.

User will capture the legal counsel details (if not captured already) at the case level and will check Legal Counsel Details Captured? checkbox.

User will tick the documents which are submitted to legal counsel for filling proof of claim and check Documents Needed for Proof of Claim checkbox.

After the documents are sent to counsel, User will tick the Required Documents Sent to Counsel? checkbox.

After counsel confirms that Proof of claim has been filed with bankruptcy court or trustee, user will provide Date PoC Request Sent to Counsel.

After counsel confirms that Proof of claim has been accepted or rejected, user will provide Date PoC Filed.

User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–15 Proof of Claim Outcome

Proof of Claim Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Proof of Claim in Progress	When documentation is being completed and Proof of Claim is not yet filed.	No	■ Proof of Claim Required?
Proof of Claim Not Required	When user decides proof of claim is not required.	Yes - Move to **Debtor's Proposed Plan**	■ Proof of Claim Required?
Proof of Claim Requested	When user has provided the necessary details and provides Date PoC Request Sent to Counsel?	No	■ Proof of Claim Required? ■ Lender's Counsel Details Captured? ■ Documents Needed for proof of claim. ■ Required Documents Sent to Counsel? ■ Date PoC Request Sent to Counsel.

Proof of Claim Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Proof of Claim Filed	When user has provided the necessary details and provides Date PoC Filed and trustee or court has conveyed decision about the proof of claim.	Yes - Move to **Debtor's Proposed Plan**	■ All except remarks

User can provide remarks if any and will click Save button.

3. When user has selected outcome as Proof of Claim Filed user will go to **Debtor's Proposed Plan** stop.

User should decide if Proposed Plan Received.

If No is selected, then Debtor's Plan Outcome should be defaulted to Waiting for Proposed Plan.

If Yes is selected, User will click Create Task button. System will create a task for Valuation of Collateral(s) for the associated account only if valuation present in the system are older than 180 days. User should carry out the valuation of collaterals. User should mark the task as completed only after valuation is completed.

User will provide Date of Debtor's Collateral Valuation as informed by the debtor or debtor's attorney or trustee.

User will provide Debtor's Collateral Valuation as informed by the debtor or debtor's attorney or trustee.

User will provide Date of Lender's Collateral Valuation as obtained from the valuation tasks.

User will provide Lender's Collateral Valuation as obtained from the valuation tasks.

System would display the Cram Down Amount and Objection Score.

Cram Down Amount = Total Market Valuation less Debtor's Total Amount of Proposed Plan.

Objection score is percentage value of Cram Down Amount / Outstanding Amount.

(For this example, On debt with outstanding amount of 20000, including principle, interest, charges, and Lender's valuation is 17,000 whereas Debtor's valuation is 13,000.

Cram Down Amount is 17000 less 13000 = 4000

Hence objection score is 4000/20000= 20%)

User will compare the objection score with threshold objection score.

The threshold objection score (for this example, 15%) should be configurable parameter. It should be present as Threshold for Objection Score in Bankruptcy in Feature Configuration set up.

User can view the Collateral(s) associated account with help of Collateral taskflow.

User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–16 Debtor's Plan Outcome

Debtor's Plan Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Waiting for Proposed Plan	When user is waiting for proposed plan.	No	■ Proposed Plan Received
Proposed Plan Accepted	When user accepts the proposed plan.	Yes - Move to **Confirmed Plan**	■ All except remarks
Proposed Plan Objected	When user does not want to accept the proposed plan since objection score is greater than threshold percentage.	No	■ All except remarks

User can provide remarks if any and will click Save button.

4. When user has selected outcome as Proposed Plan Accepted user will go to **Confirmed Plan** stop. User should decide if Confirmed Plan Received.

If No is selected, then Confirmed Plan Outcome should be defaulted to Waiting for Confirmed Plan.

If Yes is selected, User will click Create Task button. System will create a task for Capture Confirmed Plan for the associated account. User should capture the confirmed plan for the outcome in PTP tab along with dates and amount for every repayment. User should mark the task as completed only after confirmed plan is captured.

User will provide Last Payment Date in Confirmed Plan as per the confirmed plan.

User will provide Total Payment in Confirmed Plan as per the confirmed plan.

User will tick Confirmed Plan Captured? checkbox after the plan is captured.

System would display the Deficient Balance after confirmed plan and Days after confirmed plan.

Deficient Balance after confirmed plan = Total Outstanding Amount less Total Repayment in confirmed plan.

Days After confirmed plan are calculated as days past due after debtor has defaulted on the confirmed plan as captured in PTP tab.

User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–17 Confirmed Plan Outcome

Confirmed Plan Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Monitor Confirmed Plan	When user has accepted the confirmed plan and debtor has promised to make payments as per confirmed plan.	No	■ All except remarks

Confirmed Plan Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
File RFS	When user decides to file relief from stay. This decision is manually taken by the user.	Yes - Move to **Relief From Stay**	▪ All except remarks
Confirmed Plan Broken	When user notes that debtor has defaulted on the confirmed plan or has violated the payment terms of confirmed plan.	No	▪ All except remarks
Waiting for Confirmed Plan	When Waiting for Confirmed Plan.	No	▪ Confirmed Plan Received
Confirmed Plan Kept	When debtor has made all the payments as per the confirmed plan.	No	▪ All except remarks
Confirmed Plan-Charge off	When user decides to charge-off remaining amount of account since repayment in confirmed plan is insignificant.	Yes - Move to **Charge off Activities**	▪ All except remarks

User can provide remarks if any and will click Save button.

5. When user has selected outcome as File RFS user will go to **Relief from Stay** stop.

   User will capture the legal counsel details (if not captured already) at the case level and will check Legal Counsel Details Captured? checkbox.

   User will tick the documents which are submitted to legal counsel for filling relief from stay and check Documents for Relief From stay Prepared? checkbox.

   After the documents are sent to counsel, User will tick the Required Documents Sent to Counsel? checkbox.

   System will create a task for File Relief from Stay for the associated account. User should prepare and send the documents required for relief from stay to the legal counsel. User should mark the task as completed only after legal counsel has confirmed that relief from stay has been filed and Date Relief from Stay Requested is filled.

   After counsel confirms that Relief from stay has been filed with bankruptcy court or trustee, user will provide Date Relief from stay Requested.

   After counsel confirms for next hearing date for Relief from stay, user will provide Next Hearing Date for relief from stay.

   After counsel confirms that Proof of claim has been granted or rejected or drop dead order is received, user will provide Date Relief From Stay Outcome.

   User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–18 Relief From Stay Outcome

Relief From Stay Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
RFS-In Progress	When documentation is being completed or counsel is yet to file.	No	■ Lender's Counsel Details Captured? ■ Documents for Relief from Stay prepared? ■ Required Documents Sent to Counsel?
RFS Outcome-Waiting	When user is waiting for outcome of relief from stay.	No	■ Lender's Counsel Details Captured? ■ Documents for Relief from Stay prepared? ■ Required Documents Sent to Counsel? ■ Date Relief from stay Requested
RFS Outcome-Granted	When user has provided the necessary details and provides Date Relief from Stay Outcome and court or trustee has granted the relief.	Yes - Move to **Repossession**	■ Lender's Counsel Details Captured? ■ Documents for Relief from Stay prepared? ■ Required Documents Sent to Counsel? ■ Date Relief from stay Requested ■ Date Relief from Stay Outcome
RFS Outcome-Rejected	When user has provided the necessary details and provides Date Relief from Stay Outcome and court or trustee has rejected the relief. User should check if RFS needs to be filed again by validating the documents which were originally submitted.	No	■ Lender's Counsel Details Captured? ■ Documents for Relief from Stay prepared? ■ Required Documents Sent to Counsel? ■ Date Relief from stay Requested ■ Date Relief from Stay Outcome

Relief From Stay Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
RFS Outcome-Drop Dead Order	When user has provided the necessary details and provides Date Relief from Stay Outcome and court or trustee has ordered drop dead order.	Yes - Move to **Drop Dead Order**	- Lender's Counsel Details Captured? - Documents for Relief from Stay prepared? - Required Documents Sent to Counsel? - Date Relief from stay Requested - Date Relief from Stay Outcome
RFS Outcome-Rejected-Confirmed Plan	When user has provided the necessary details and provides Date Relief from Stay Outcome and court or trustee has rejected the relief and user decides to go back to Confirmed Plan.	Yes - Move to **Confirmed Plan**	- Lender's Counsel Details Captured? - Documents for Relief from Stay prepared? - Required Documents Sent to Counsel? - Date Relief from stay Requested - Date Relief from Stay Outcome

User can provide remarks if any and will click Save button.

6. When user has selected outcome as RFS Outcome-Drop Dead Order user will go to **Drop Dead Order** stop.

User should decide if Drop Dead Order Received.

If No is selected, then Drop Dead Order Outcome should be defaulted to Wait for Drop Dead Order.

If Yes is selected, User will click Create Task button. System will create a task for Capture Drop Dead Order Plan for the associated account. User should capture the drop dead order plan in PTP tab along with dates and amount for every repayment. User should mark the task as completed only after drop dead plan is captured.

User will provide Date of Receiving Drop Dead Order as per the drop dead order.

Once the drop dead order plan is captured, user will tick the Drop Dead Order Plan Captured? checkbox.

System would display the Days Past Plan calculated as days past due after debtor has defaulted on the drop dead order plan as captured in PTP tab.

User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–19 Drop Dead Order Outcome

Drop Dead Order Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Waiting for Drop Dead Order	When user is yet to receive the drop dead order.	No	■ Drop Dead Order Received
Monitor Repayment as Drop Dead	When user has provided the necessary details and provides Date of Receiving Drop Dead Order and court or trustee has issued the drop dead order. User should capture the repayment plan as per the drop dead order using PTP tab.	No	■ Drop Dead Order Received ■ Date of Receiving Drop Dead Order ■ Drop Dead Plan Captured?
Drop Dead Broken - Repossession	When has defaulted on the drop dead plan.	Yes - Move to **Repossession**	■ Drop Dead Order Received ■ Date of Receiving Drop Dead Order ■ Drop Dead Plan Captured?

User can provide remarks if any and will click Save button.

7. When user has selected outcome as Drop Dead Broken-Repossession user will go to **Repossession** stop.

   User will click Create Task button. System will create a task for Repossession of Collaterals for the associated account. User should mark the task as completed only after repossession and liquidation of collaterals is completed.

   User can view the collateral information using the existing Collateral taskflow.

   Initiate Liquidation button will create an asset liquidation case for the selected collateral.

   Once collateral liquidation is complete, User will provide Total Liquidation Amount as collected after liquidation.

   System will display the Shortfall Amount calculated as Total Outstanding Amount less the Total Liquidation Amount.

   User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–20 Repossession Outcome

Repossession Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Repossession in Progress	When repossession is in progress and yet to be completed.	No	■ None

Repossession Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Repossession Completed	When repossession and liquidation is in completed. User should be navigated to 'Charge off Activities' stop.	Yes - Move to **Charge off Activities**	■ Total Liquidation Amount

User can provide remarks if any and will click Save button.

8. When user has selected outcome as Repossession Completed user will go to Charge off Activities stop.

   User should decide if Charge-off Completed.

   If No is selected, then Outcome should be defaulted to Waiting for Charge-off Completion.

   If Yes is selected, User will click Create Task button. System will create a task for Charge off Activities for the associated account. User should charge-off the associated account. User should mark the task as completed only after charge-off is completed.

   User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–21 Outcome

Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Waiting for Discharge	When charge off is completed and waiting for discharge notice.	NA	■ Charge-off Completed
Waiting for Charge-off Completion	When charge-off is yet to be completed.	NA	■ Charge-off Completed

User can provide remarks if any and will click Save button.

9. If any point of time, bankruptcy case is discharged by the bankruptcy court, user should provide Discharge Date.

   User will upload the discharge notice. User will capture the action results (Discharge Received) and will transition the case to POST DISCHARGE CHAPTER 13 status.

10. If any point of time, bankruptcy case is dismissed by the bankruptcy court, user should provide Date of Dismissal.

    User will upload the dismissal notice. User will capture the action results (Dismissal Received) and will transition the case to DISMISSAL status.

11. If bankruptcy specialist becomes aware that borrower has changed the chapter under which bankruptcy was originally filed, for this example, From Chapter 13 to Chapter 7, bankruptcy specialist should capture the date of conversion and the new chapter (in the action result) to which it is converted.

    ■ If Chapter is changed from 13 to 7, case should be moved to MANAGE CHAPTER 7 BANKRUPTCY. Chapter in Bankruptcy case should be changed to Chapter 7. Change of chapter must be logged in the system.

- If Chapter is changed from 13 to any other chapter, case should be moved to OTHER BANKRUPTCY status.

12. Below system activities will be done when the case is in this status

- Monitor account for initiating Charge Off

- Monitor account for Delinquency

- Monitor Confirmed Plan if exist

- Monitor Drop Dead Order if exist.

- Monitor 341 Hearing

- Monitor Asset Liquidation Progress

Modify Association:

No

Monitoring Algorithm:

Table 8–22 Status: Manage Chapter 13 Bankruptcy - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-MonitorDelinquency	Monitor Account for Delinquency	
2		C1-MonitorforChargeOff	Monitor Account for Charge Off	- Charge Off Threshold DPD = 60 - Secured Accounts = No
3		C1-MonitorPaymentPlan	Monitor Payment Plan	- PTP Type: Confirmed Plan - Days Since PTP Broken: 7
4		C1-MonitorPaymentPlan	Monitor Payment Plan	- PTP Type: Drop Dead Order - Days Since PTP Broken: 1
5		C1-MonitorHearingDate	Monitor for Relief for Stay Hearing	Hearing Type: Relief for Stay
6		C1-MonitorHearingDate	Monitor for Debtors Proposed Plan Hearing	Hearing Type: Debtors Proposed Plan Hearing
7		C1-MonitorAssetLiquidation	Monitor Asset Liquidation Progress	
8		C1-Monitor341Hearing	Monitor for 341 Hearing	

8.3.6 Post Discharge Chapter 13

This is interim status of bankruptcy case. Bankruptcy specialist works on the assigned case.

- Receipt of a discharge on a Chapter 13 indicates all payments on secured debt have been paid and debtor has fulfilled their Bankruptcy 13 obligations. It means that all unsecured debt is discharged or forgiven.

- Charge off the remaining balance, if the loan is still open.

- Recovery Specialist will place account in NFR status and cease all recovery activity.

- Proceed with instructions to recover the collateral.

Depending on the follow-up, case is moved for further course of action in lifecycle.

Status: Post Discharge Chapter 13

Actor:

System and User

Description:

This is final status of Bankruptcy Case

1. User will check if all the accounts are paid off or charged off then, User will capture the action results (Close Bankruptcy Case) and will transition the case to CLOSED status.

2. If any of the account is not charged-off, User should go to **Charge off Activities** stop and should decide if Charge-off Completed.

   If No is selected, then Outcome should be defaulted to Waiting for Charge-off Completion.

   If Yes is selected, User will click Create Task button. System will create a task for Charge off Activities for the associated account. User should charge-off the associated account. User should mark the task as completed only after charge-off is completed.

   User will select outcome (mandatory) depending on condition as mentioned in the following table:

Table 8–23 Outcome

Outcome	Condition on which user will choose outcome	Enable Next Button	Mandatory Fields
Waiting for Discharge	When charge off is completed and waiting for discharge notice.	NA	- Charge-off Completed
Waiting for Charge-off Completion	When charge-off is yet to be completed.	NA	- Charge-off Completed

User can provide remarks if any and will click Save button.

Modify Association:

Yes

8.3.7 Other Bankruptcy

This is interim status of bankruptcy case. Bankruptcy specialist will take all the actions related to such cases outside the collections system.

Table 8–24 Status: Other Bankruptcy

Actor	System and User
Description	This is interim status of Bankruptcy Case. 1. User will carry out the activities in an off-line manner. 2. User will capture the action results (Close Bankruptcy Case) and will transition the case to CLOSED status after the off-line activities are over.
Modify Association	No

8.3.8 Dismissal

This is final status of bankruptcy case. Bankruptcy specialist works on the assigned case. Bankruptcy Specialist:

- Notes the receipt of the dismissal notice.
- Recalls the account from external counsel and advises them of the dismissal if they are not aware.
- Removes any reference to the Bankruptcy in the Notes.

Table 8–25 Status: Dismissal

Actor	System and User
Description	This is interim status of Bankruptcy Case. 1. User will upload the Dismissal Notice if not uploaded already. 2. User will inform external counsel and advises them of the dismissal if they are not aware. 3. System will remove the Bankruptcy warning indicator at party level. 4. System will set Review Date on associated account(s). 5. This will be the final status. Below system activities will be done when the case is in this status: 1. Reset the Customer Level Bankruptcy Switch. 2. Reset the Bankruptcy Risk indicator. 3. Set the review dates for accounts to current business date.
Modify Association	No

Enter Processing Algorithm:

Table 8–26 Status: Dismissal - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-CUSTSW	Reset the Customer	■ Customer level switch

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
			level Bankruptcy Switch.	name: Bankruptcy ■ Switch value: N
2		C1-UPDWARN	Update Bankruptcy Warning Indicator in Host.	■ Update Type = Reset ■ Warning Indicator = Bankrupt ■ Association Type = Primary
3		C1-UPDRVWDT	Remove the review dates of associated accounts.	■ Update Type: Set Review Date ■ Days Offset: 0 ■ Override Flag: NA

8.3.9 Cancel Bankruptcy

This is final status of bankruptcy case. Bankruptcy specialist works on the assigned case.

- Bankruptcy Specialist will cancel the bankruptcy case if:
- Bankruptcy details provided by borrower are not valid.
- Bankruptcy details provided by borrower are erroneous or invalid.
- Customer was found solvent.
- Bankruptcy case was not accepted by the bankruptcy court.

Table 8–27 Status: Cancel Bankruptcy

Actor	System and User
Description	This is final status. The case will be transitioned from any status to this status due to any of the following: 1. User will capture the action results (Cancel Bankruptcy). 2. System will remove the Bankruptcy warning indicator at party level. 3. System will set Review Date on associated account(s). 4. This will be the final status. Below system activities will be done when the case is in this status: 1. Reset the Customer Level Bankruptcy Switch. 2. Reset the Bankruptcy Risk indicator. 3. Set the review dates for accounts to current business date.
Modify Association	No

Enter Processing Algorithm:

Table 8–28 Status: Cancel Bankruptcy - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-CUSTSW	Reset the Customer level Bankruptcy Switch.	▪ Customer level switch name: Bankruptcy ▪ Switch value: N
2		C1-UPDWARN	Update Bankruptcy Warning Indicator in Host.	▪ Update Type: Reset ▪ Warning Indicator: Bankrupt ▪ Association Type: Primary
3		C1-UPDRVWDT	Remove the review dates of associated accounts.	▪ Update Type: Set Review Date ▪ Days Offset: 0 ▪ Override Flag: NA

8.3.10 Closed

This is final status of bankruptcy case. Bankruptcy specialist works on the assigned case. System will:

- Remove the bankruptcy warning indicator
- Removes any reference to the Bankruptcy in the Notes

Table 8–29 Status: Closed

Actor	System and User
Description	This is final status. 1. System will remove the Bankruptcy warning indicator at party level. 2. System will set Review Date on associated account(s). 3. This will be the final status. Below system activities will be done when the case is in this status: 1. Reset the Customer Level Bankruptcy Switch. 2. Reset the Bankruptcy Risk indicator. 3. Set the review dates for accounts to current business date.
Modify Association	No

Enter Processing Algorithm:

Table 8–30 Status: Closed - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
1		C1-CUSTSW	Reset the Customer level Bankruptcy Switch.	■ Customer level switch name: Bankruptcy ■ Switch value: N
2		C1-UPDWARN	Update Bankruptcy Warning Indicator in Host.	■ Update Type: Reset ■ Warning Indicator: Bankrupt ■ Association Type: Primary
3		C1-UPDRVWDT	Remove the review dates of associated accounts.	■ Update Type: Set Review Date ■ Days Offset: 0 ■ Override Flag: NA

8.3.11 Features

Day Zero Setup for Mandatory/Hidden/Locked fields on Application Form. The Configuration is available in the CI_CASE_ST_PROC_FLD.sql script.

CI_COLLATERAL_CASETYPE table needs to be updated to define which case type to be created on click of the Initiate Repossession button.

Feature Configuration:

Table 8–31 Feature Configuration

Feature Name	Description
C1-CHPCODE	Bankruptcy Case Type and its related status to be mentioned.
C1-PTPT	Promise to pay Type Code used for Bankruptcy Process.

9 Early Collections Case

This chapter provides details of the early collections case.

9.1 Process Summary

The Early Collections case type will be a sample product shipped case type available to implement the early collections process in Oracle Banking Collections.

With minimal changes in the factory shipped Early Collections Case Type, implementation team should be able to implement multiple Early Collections Case Types for different products and customer risk groups.

The Early Collections Case will cover the regular Customer Contact Management, Supervisor Reviews, Transfer to Late Collections, Risk Reducing Measures, Skip Tracing, Manage Disputes and Suspensions.

The Early Collections process will also come with factory shipped Actions and Results that will be available to the collectors for recording the call outcomes and other activities done by the collector.

9.2 Process Flow

The below diagram depicts the proposed product shipped Early Collections Case Type:

Figure 9–1 Process Flow for Early Collections Case
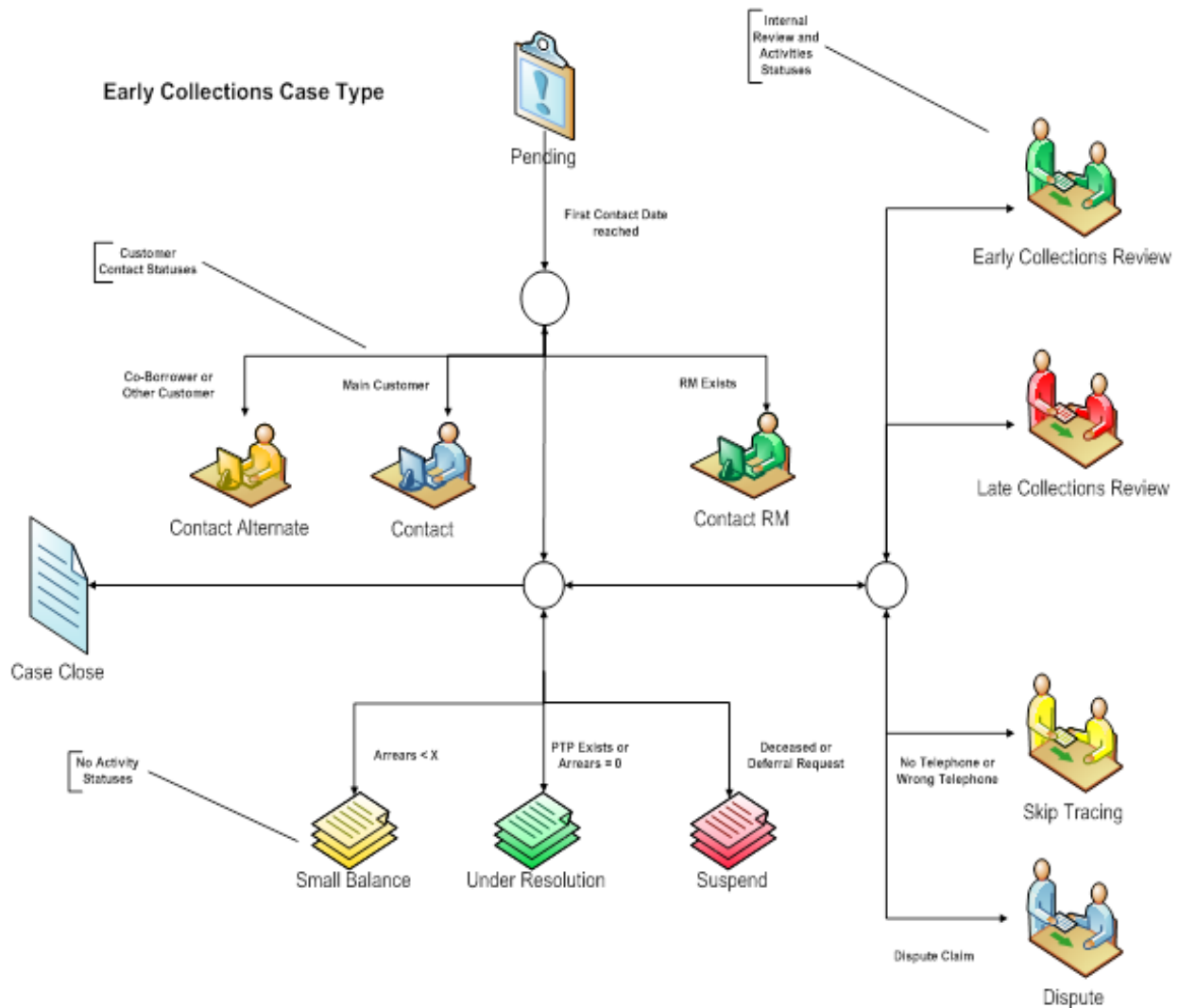
9.3 Roles and Responsibility

This section describes the roles and responsibilities involved in Early Collections Case.

Table 9–1 Roles and Responsibilities

Sr.No	Role	Responsibilities
1	Collector	Follows up with the customer for overdue amount and records the call outcomes and promise to pays in the system. Refers the case to his supervisor for review or further action.
2	Early Collections Supervisor	Works on cases referred by collectors and Late Collections Team and takes appropriate actions.
3	Late Collections Team	Reviews the cases referred for transfer to late collections.
4	Skip Tracing Team	Manages the cases where in the customer cannot be reached

Sr.No	Role	Responsibilities
		on the contact number provided.
5	Dispute Management Team	Handles the cases where a dispute has been claimed by the customer.

9.4 Case Life Cycle

This section describes the Case Life Cycle details.

9.4.1 Pending

Table 9–2 Status: Pending

Actor	System and Collector
Description	Case is always initiated in this status. It signifies the "initial wait" period before initiating collections follow-up. Collections follow-up will start at on the predefined DPD, DIA or Day's in Case. Product Hold functionality should be used to further hold the collection activities if required. Cross Strategy Action Matrix will be called to check the impact on existing cases on the account if any. Below system activities will be done when the case is in this status ■ Call to Cross Strategy Action Matrix for appropriate action on the existing cases on the account. ■ Transition to Contact Status on First Contact Date of the Case ■ Transition to Small Balance Status if Overdue Amount < X (As specified in the configuration) ■ Transition to Skip Trace Status if Customer has No Telephone Number ■ Transition to Suspended if Specific Warning Indicator has been added on Customer or Account.
Modify Association	No

Enter Processing Algorithm:

Table 9–3 Status: Pending - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-ECISTITN	AL003	Transition to Skip Trace Status	■ Contact Points ■ Skip Tracing Status
20	C1-CSETRANS	NA	Transition to Suspension status if Cease and Desist = Y	■ Suspension State

Table 9–4 Status: Pending - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-ECTTSS	AL004	Transition to Suspended Status	■ Account Risk Indicators ■ Party Risk Indicators - Suspend ■ Party Risk Indicators - Contact Alternate ■ Suspended Status ■ Contact Alternate Status ■ Task Type ■ Queue ■ Characteristic Types (Suspend Reason, Alternate contact Reason)
20	C1-ECTTURS	AL010	Transition to Under Resolution Status	■ Under Resolution Status ■ Use Overdue Amount = Yes/No
30	C1-ECRCSB	AL002	Transition to Small Balance Status	■ Small Balance Threshold ■ Small Balance Status ■ Use Overdue Amount = Yes/No
40	C1-ECIC	AL001	Transition to Contact Status	■ First Contact Calculation Parameter: (DPD, DIA and Days since Case Start) ■ Number of Days for First Contact ■ Contact RM Status ■ Contact Alternate Status ■ Contact Status ■ Immediate Transition if Direct Debit: Yes/No

9.4.2 Contact

Table 9–5 Status: Contact

Actor	System and Collector
Description	This status indicates that customer needs to be contacted for a follow-up. Account may be sent to the Dialer for contact. Collector will capture the call outcome in the system. Transition rules will evaluate transition to other statuses. Contact Intensity is decided in this status. All calls are scheduled as per the Contact Intensity Configuration. Facility for Contact Cap Validation should be provided in this status. Below system activities will be done when the case is in this status ■ Put case on Hold if Contact Cap has reached. ■ Schedule Next Call for the case. ■ Transition to Small Balance Status if Overdue Amount < X (As specified in the configuration) ■ Transition to Suspended if Specific Warning Indicator has been added on Customer or Account. ■ Transition to Skip Trace Status if X number of consecutive failed contact attempts.
Modify Association	No

Enter Processing Algorithm:

Table 9–6 Status: Pending - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-ECTTSS	AL004	Transition to Suspended Status	■ Account Risk Indicators ■ Party Risk Indicators - Suspend ■ Party Risk Indicators - Contact Alternate ■ Suspended Status ■ Contact Alternate Status ■ Task Type ■ Queue ■ Characteristic Types (Suspend Reason, Alternate contact Reason)
20	C1-ECTTURS	AL010	Transition to Under Resolution Status	■ Under Resolution Status

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
				■ Use Overdue Amount = Yes/No
30	C1-ECRCSB	AL002	Transition to Small Balance Status	■ Small Balance Threshold ■ Small Balance Status ■ Use Overdue Amount = Yes/No
40	C1-ECISTITN	AL007	Transition to Skip Trace Status	■ Consecutive Failed Contacts (X) ■ Skip Tracing Status ■ Contact Methods
50	C1-ECVCC	AL005	Validate Contact Cap	■ Contact Cap ■ Contact Cap Duration (X) ■ Contact Hold Days (Y) ■ Contact Methods ■ Hold Reason
60	C1-ECDCI	AL015	Determine Contact Intensity	■ Contact Intensity Rule
70	C1-ECSC	AL006	Schedule Next Call	■ Contact Intensity ■ Contact Methods

9.4.3 Contact Alternate

Table 9–7 Status: Contact Alternate

Actor	System and Collector
Description	This status indicates that Main holder of the account cannot be contacted for some reason. This will allow contacting other holders of the account. In this status system should capture and send the alternate contact information to the dialer. Below system activities will be done when the case is in this status ■ Put case on Hold if Contact Cap has reached. ■ Schedule Next Call for the case. ■ Transition to Small Balance Status if Overdue Amount < X (As specified in the configuration) ■ Transition to Suspended if Specific Warning Indicator has been added on Customer or Account.

	Transition to Skip Trace Status if X number of consecutive failed contact attempts.
Modify Association	No

Enter Processing Algorithm:

Table 9–8 Status: Contact Alternate - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-ECTTSS	AL004	Transition to Suspended Status	- Account Risk Indicators - Party Risk Indicators - Suspend - Party Risk Indicators - Contact Alternate - Suspended Status - Contact Alternate Status - Task Type - Queue - Characteristic Types (Suspend Reason, Alternate contact Reason)
20	C1-ECTTURS	AL010	Transition to Under Resolution Status	- Under Resolution Status - Use Overdue Amount = Yes/No
30	C1-ECRCSB	AL002	Transition to Small Balance Status	- Small Balance Threshold - Small Balance Status - Use Overdue Amount = Yes/No
40	C1-ECISTITN	AL007	Transition to Skip Trace Status	- Consecutive Failed Contacts (X) - Skip Tracing Status - Contact Methods
50	C1-ECVCC	AL005	Validate Contact Cap	- Contact Cap - Contact Cap Duration (X) - Contact Hold Days (Y) - Contact Methods - Hold Reason

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
60	C1-ECDCI	AL015	Determine Contact Intensity	■ Contact Intensity Rule
70	C1-ECSC	AL006	Schedule Next Call	■ Contact Intensity ■ Contact Methods

9.4.4 Contact RM

Table 9–9 Status: Contact RM

Actor	System and RM
Description	This status indicates that RM exists for the account. The follow up for the account needs to be done by the RM. The case in this status will be allocated to the RM or it can be allocated to normal early collectors who would call the RM and register the RM's follow up details in the system. Below system activities will be done when the case is in this status ■ Put case on Hold if Contact Cap has reached. ■ Schedule Next Call for the case. ■ Transition to Small Balance Status if Overdue Amount < X (As specified in the configuration) ■ Transition to Suspended if Specific Warning Indicator has been added on Customer or Account. ■ Transition to Skip Trace Status if X number of consecutive failed contact attempts.
Modify Association	No

Table 9–10 Contact RM - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-ECTTSS	AL004	Transition to Suspended Status	■ Account Risk Indicators ■ Party Risk Indicators - Suspend ■ Party Risk Indicators - Contact Alternate ■ Suspended Status ■ Contact Alternate Status ■ Task Type ■ Queue ■ Characteristic Types

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
				(Suspend Reason, Alternate contact Reason)
20	C1-ECTTURS	AL010	Transition to Under Resolution Status	■ Under Resolution Status ■ Use Overdue Amount = Yes/No
30	C1-ECRCSB	AL002	Transition to Small Balance Status	■ Small Balance Threshold ■ Small Balance Status ■ Use Overdue Amount = Yes/No
40	C1-ECISTITN	AL007	Transition to Skip Trace Status	■ Consecutive Failed Contacts (X) ■ Skip Tracing Status ■ Contact Methods
50	C1-ECVCC	AL005	Validate Contact Cap	■ Contact Cap ■ Contact Cap Duration (X) ■ Contact Hold Days (Y) ■ Contact Methods ■ Hold Reason
60	C1-ECDCI	AL015	Determine Contact Intensity	■ Contact Intensity Rule
70	C1-ECSC	AL006	Schedule Next Call	■ Contact Intensity ■ Contact Methods

9.4.5 Under Resolution

Table 9–11 Status: Under Resolution

Actor	System and Collector
Description	This indicates that a Promise to Pay exists for the account OR payment has been received and funds are under clearing. So Arrear amount may not be zero, but the net arrear position that is arrears minus un cleared funds is zero. Below system activities will be done when the case is in this status: ■ Transition to Small Balance Status if Overdue Amount < X (As specified in the configuration). ■ Transition to Suspended if Specific Warning Indicator has been added on Customer or Account.

	■ Transition to Contact Statuses based on PTP Status and Net Arrear on the account.
Modify Association	No

Table 9–12 Status: Under Resolution - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-ECTTSS	AL004	Transition to Suspended Status	■ Account Risk Indicators ■ Party Risk Indicators - Suspend ■ Party Risk Indicators - Contact Alternate ■ Suspended Status ■ Contact Alternate Status ■ Task Type ■ Queue ■ Characteristic Types (Suspend Reason, Alternate contact Reason)
20	C1-ECRCSB	AL002	Transition to Small Balance Status	■ Small Balance Threshold ■ Small Balance Status ■ Use Overdue Amount = Yes/No
30	C1-ECRCFUR	AL008	Transition to Contact Status	■ Contact Status ■ Contact RM Status ■ Contact Alt Status ■ Use Overdue Amount = Yes/No

9.4.6 Small Balance

Table 9–13 Status: Small Balance

Actor	System and Collector
Description	Case will be parked into this status if net arrear amount (Arrear - Unclear funds) is less then specified threshold amount. There will be no bank initiated activities on these accounts for follow-up. Below system activities will be done when the case is in this status: ■ Transition to Under Resolution Status if Active PTP or Net Arrear

	Amount = 0.
	■ Transition to Suspended if Specific Warning Indicator has been added on Customer or Account.
	■ Transition to Contact Statuses if Overdue Amount > Small Balance Threshold.
Modify Association	No

Table 9–14 Status: Small Balance - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-ECTTSS	AL004	Transition to Suspended Status	■ Account Risk Indicators ■ Party Risk Indicators - Suspend ■ Party Risk Indicators - Contact Alternate ■ Suspended Status ■ Contact Alternate Status ■ Task Type ■ Queue ■ Characteristic Types (Suspend Reason, Alternate contact Reason)
20	C1-ECTTURS	AL010	Transition to Under Resolution Status	■ Under Resolution Status ■ Use Overdue Amount = Yes/No
30	C1-ECRCSB	AL009	Resume Contact from Small Balance Status	■ Contact Status ■ Contact RM Status ■ Contact Alt Status ■ Use Overdue Amount = Yes/No ■ Small Balance Threshold

9.4.7 Suspended

Table 9–15 Status: Suspended

Actor	System and Collector
Description	This indicates that Early collections operations have been suspended for temporary period.

	The Suspension Reason can be Possible Bankruptcy, Deceased, Hardship Relief Request, Deferral Request from Customer, Imprisonment etc. Below system activities will be done when the case is in this status: Task creation if case is in Suspended status for more than X days.
Modify Association	No

9.4.8 Early Collections Review

Table 9–16 Status: Early Collections Review

Actor	System and Early Collections Review Team
Description	This status indicates that case needs to be reviewed by a supervisor/manager in the Early Collections team. It will be mandatory to attach a review reason. Supervisor reviews the case and can manually transition to other applicable status in lifecycle.
Modify Association	No

9.4.9 Late Collections Review

Table 9–17 Status: Late Collections Review

Actor	System and Late Collections Team
Description	This status indicates that case needs to be reviewed by a collector / supervisor in Late collections team. It will be mandatory to attach a review reason. Late Collections Team reviews the case and either manually pushes back to Early Collections Review OR close the early collections case and manually initiate a Late Collections case. Below system activities will be done when the case is in this status: Task creation if case is in Suspended status for more than X days.
Modify Association	No

9.4.10 Skip Trace

Table 9–18 Status: Skip Trace

Actor	System and Skip Trace Team
Description	Case would come to this status after "X" consecutive failed attempts. Case will also come in this status if the customer has no telephone number. Collectors will review the account and customer information. If customer is traced, details will be updated and case can be manually transitioned to other status in lifecycle to resume regular collections activities. Below system activities will be done when the case is in this status: Task creation if case is in Suspended status for more than X days.
Modify Association	No

9.4.11 Dispute

Table 9–19 Status: Dispute

Actor	System and Dispute Handling Team
Description	Customer has filed an official complaint with the bank or some Government Agency. The case will remain in this status as long as the dispute is resolved, before normal collection activities resume. The case will be allocated to Dispute Resolution Team. Below system activities will be done when the case is in this status: Task creation if case is in Suspended status for more than X days.
Modify Association	No

Table 9–20 Status: Dispute - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-DISMON	NA	Monitoring Algorithm For Dispute Resolved to exit from Dispute Status	■ Validation Date ■ No Of Grace Days ■ Contact Status ■ Contact RM Status ■ Contact Alternate Status

9.4.12 Closed

Table 9–21 Status: Closed

Actor	System
Description	Case is closed when account is cured or account is moved to another collections strategy. For example, Late Collections, Recoveries.
Modify Association	No

10 Asset Repossession and Liquidation

This chapter provides information on the asset repossession case. It is applicable for US localization.

10.1 Process Summary

Asset Repossession and Liquidation process is an account level case. It manages the repossession and liquidation of one collateral associated to the account. If an account has two collaterals, then two different cases will be created to manage the repossession and liquidation of the collaterals.

10.2 Process Flow

The below diagram depicts the process flow for Asset Repossession and Liquidation.

Figure 10–1 Asset Repossession Process Flow
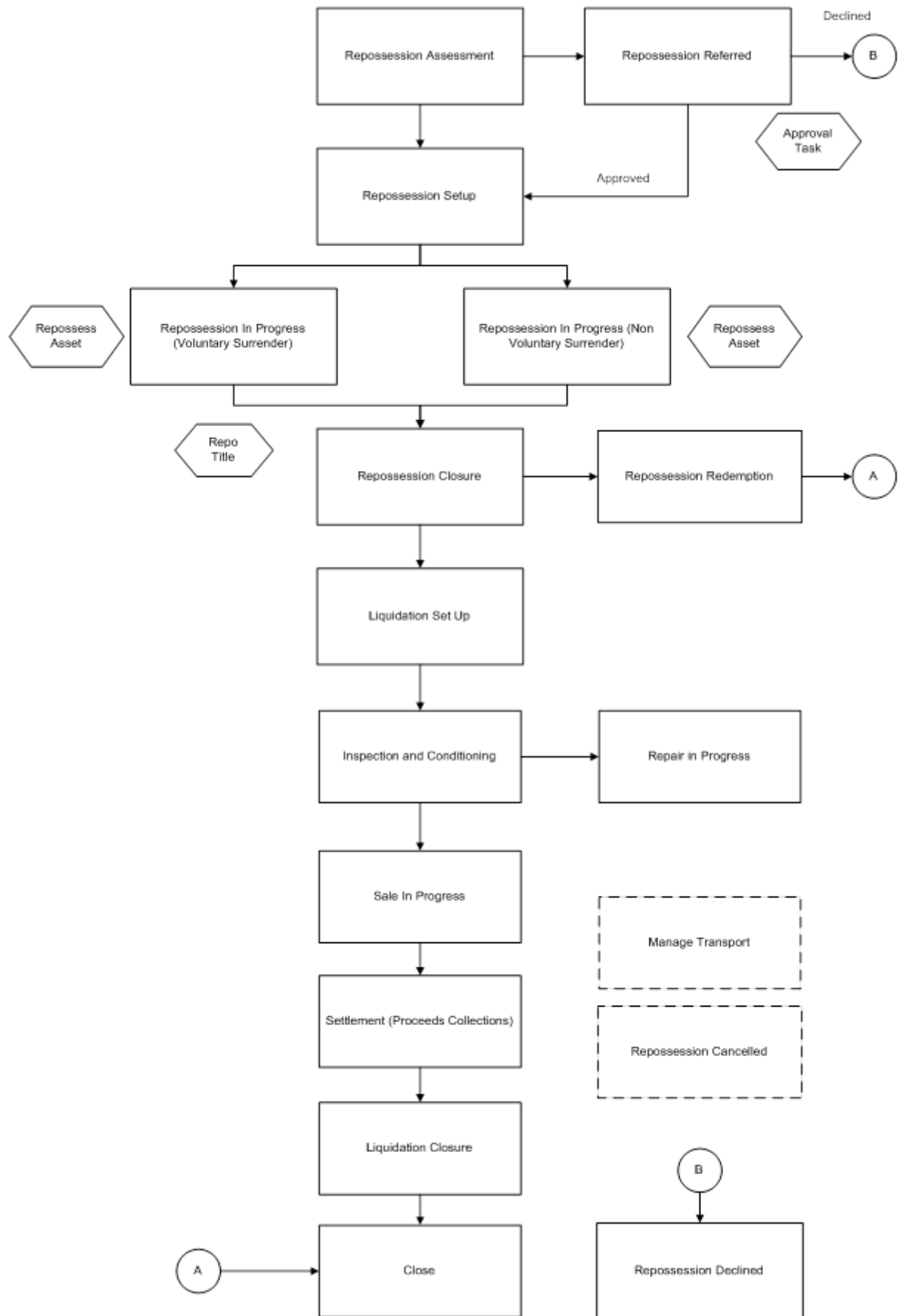
The below diagram depicts the roles and responsibilities involved in Asset Repossession and Liquidation.

Figure 10–2 Roles and Responsibilities

Repossession and Liquidation
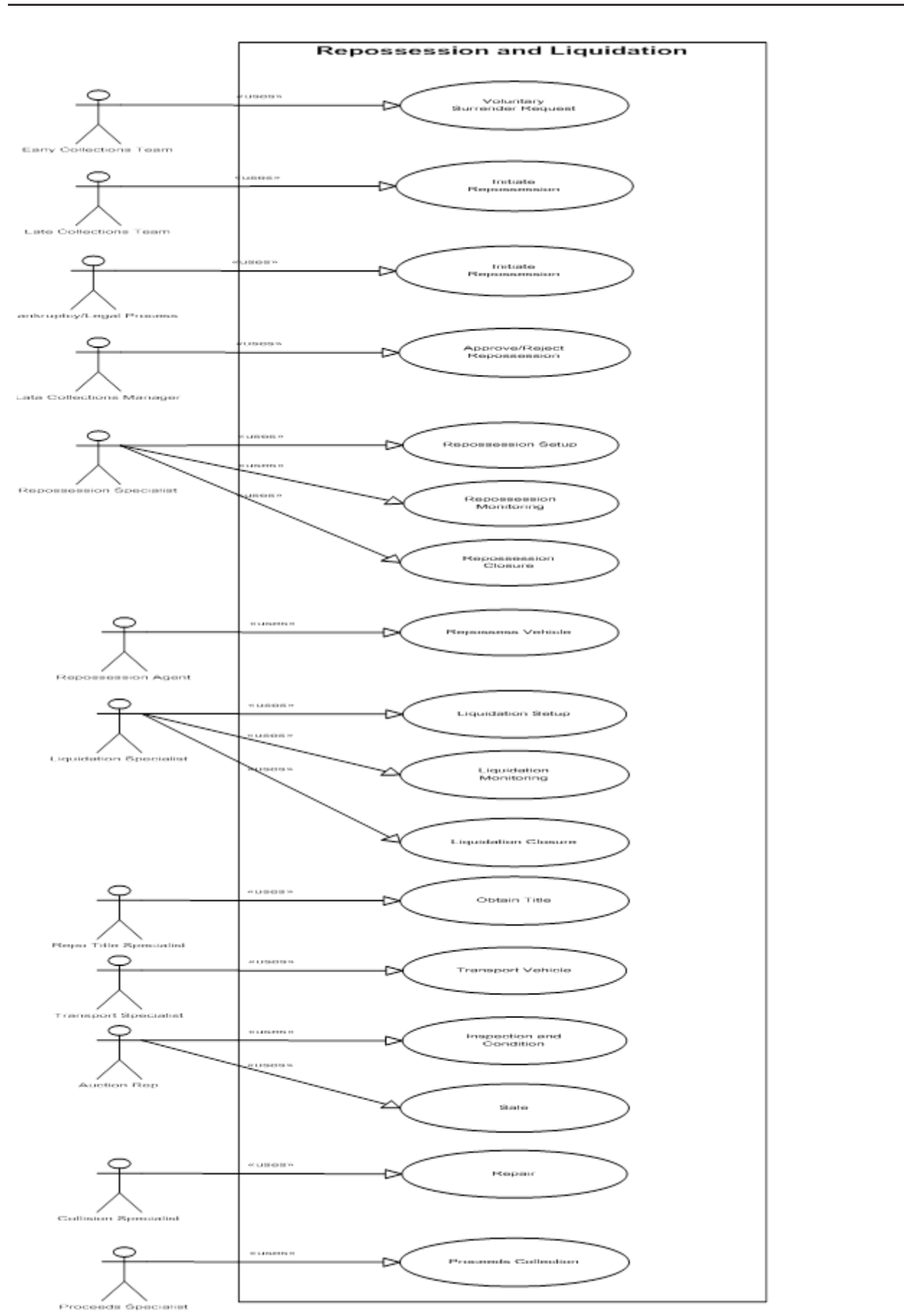
10.3 Roles and Responsibility

This section describes the roles and responsibilities involved in Asset Repossession and Liquidation.

Table 10–1 Roles and Responsibilities

Sr.No	Role	Responsibilities
1	Early Collection Team	Raises Voluntary Surrender request.
2	Late Collections Team	Initiates Repossession case.
3	Bankruptcy/Legal Process	Initiates Repossession case.
4	Late Collection Manager	Approves or rejects Repossession request.
5	Repossession Specialist	Involved in Repossession setup, monitoring and closure.
6	Repossession Agent	Repossesses vehicles.
7	Liquidation Specialist	Involved in Liquidation setup, monitoring and closure.
8	Transport Specialist	Manages the transportation of vehicles.
9	Auction Specialist	Inspects the vehicle's condition and decides to put for sale.
10	Collision Specialist	Involved in Repairing management of vehicles.
11	Proceeds Specialist	Moves proceeds for collection.

10.4 Case Life Cycle

This section describes the Case Life Cycle details. A repossession case can be initiated from multiple sources:

- It can be initiated manually from case panel in a Late Collections Process.
- It can be initiated manually after customer requests for voluntary surrender.
- It can be initiated as part of the other processes like Legal and Bankruptcy process.

During the case initiation, the system/user has to provide below inputs for successful creation of Repossession case:

- Collateral to be repossessed
- Repossession reason

If case is being created manually on case panel, user will have to input these two fields before case creation. Case Creation will fail, if any of these values are not entered.

If case is being created from bankruptcy process, then the bankruptcy process needs to pass these fields for Repossession initiation.

10.4.1 Repossession Assessment

Case is created in this status. Repossession specialist will enter the additional collateral information required for the repossession. The specialist will also enter the estimated realization amount and initiate the repossession approval.

Table 10–2 Status: Repossession Assessment

Actor	System and User
Description	Below system activities will be done when the case is in this status: ■ Collateral Validation: Verify that the collateral code provided as input is associated with the account and has not been sold already. The collateral belongs to one of the collateral type supported by the process. ■ Validate that no other active repossession case is present on the collateral. ■ Associate all accounts that are in OB Collections that share the same collateral. ■ Associate all customers who are the financial owners on the associated accounts. ■ Validate that No Active Bankruptcy case on the associated customers if Repossession Reason <> Bankruptcy. ■ SCRA Check: No active service in last nine months for the associated customers. ■ Validate that demand letter and acceleration letters have been sent already. ■ Cross Strategy Action Matrix will be referred to hold/close the cases on the associated accounts. ■ Remove review dates on the associated accounts. ■ When the Repossession Assessment is complete and Demand and Acceleration letters have been sent and expired case will move to Repossession Referred status. Repossession Specialist will perform the following activities: ■ Validate bank's security interest in the collateral. Action Result: Validate Security Interest. ■ Repossession Specialist will upload the collateral registration documents and other supporting documents in the repossession case. ■ Update the additional collateral information that has been not provided in the host but is known to the repossession specialist. Action Result: Review Collateral Information. ■ Fetch Valuation of the Collateral from pre-configured sources like KBB, NADA etc. ■ Fill the Repossession Assessment form. Action Result: Repossession Assessment. ■ If Security Interest is not valid, Repossession Specialist will cancel the repossession case. Action Result: Cancel Repossession.
Modify Association	Yes

Enter Validation Algorithm:

Table 10–3 Status: Repossession Assessment - Enter Validation Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-VALDCOLL	AL001	Verify that the collateral code provided as input is associated with the account and has not been sold already. The collateral belongs to one of the collateral type supported by the process.	▪ Collateral Type ▪ Collateral Category
20	C1-VALIDDLAL	AL0011	Validate that Demand letter and Acceleration letters have been sen.t on the account	▪ Demand letter code ▪ Acceleration letter code ▪ X Days

Enter Processing Algorithm:

Table 10–4 Status: Repossession Assessment - Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-ECTTSS	C1-ARSACCTS	Account Association for Repossession case	
20	C1-ASSOCUST	AL012	Customer Association for Repossession case	
30	C1-CHKBKPTCY	AL002	Bankruptcy Check for associated customers	▪ Bankruptcy Repossession Reason: Bankruptcy
40	C1-BLOCKREPO	AL003	Active Military Service Check	▪ Repossession Block Period for Service Members = 270 days
50	C1-CSAMENTST	C1-CSAMENTST	Cross Strategy Action Matrix	▪ Check Status = No
60	C1-UPDRVWDT	C1-UPDRVWDT	Remove the review dates of associated accounts	▪ Update Type: Remove Review Date ▪ Days Offset: NA ▪ Override Flag: NA

Table 10–5 Status: Repossession Assessment - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-VALIDDLAL	AL004	Validate the Demand Letter and Acceleration Letter Expiry Date	■ DL Template Code: ■ AL Template Code:

10.4.2 Repossession Referred

This status will manage the supervisor approval for the Repossession of vehicle.

Table 10–6 Status: Repossession Referred

Actor	System and User
Description	Below system activities will be done when the case is in this status: ■ Verify if the case qualifies for auto-approval. If yes move the case ahead for assigning a repossession agent else create an approval task for the supervisor of the repossession queue. ■ If Supervisor approves the task the case will move ahead for repossession vendor assignment. ■ If Supervisor declines the task the case will move into Repossession Declined Status. Repossession Supervisor will perform the following activities: ■ Repossession Supervisor will access the approval task from his task list, navigate to the case panel and review the assessment form. ■ Based on his assessment Repossession Supervisor will either approve or decline the Repossession by selecting appropriate result. Action Result: Repossession Approval.

Enter Processing Algorithm:

Table 10–7 Status: Repossession Referred - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-REPOAPRV	AL005	Auto- Approval check for Repossession	■ Auto Approval Rule ■ Approved Status: Repossession Setup ■ Approval Task Type: ■ :Queue

10.4.3 Repossession Setup

Case will land in this status when repossession is auto-approved by the system or manually approved by the Supervisor. Repossession Specialist will do the necessary activities to initiate the physical repossession of the vehicle.

Table 10–8 Status: Repossession Setup

Actor	System and User
Description	Below system activities will be done when the case is in this status: ■ None Repossession Specialist will perform the following activities: ■ Repossession Specialist will select the Repossession Vendor in the Vendor Assignment Panel. ■ Repossession Specialist will upload the documents that will be required for carrying out the physical repossession. For example, in case of Voluntary Repossession the customer signed Voluntary Repossession Letter will be needed. ■ Once the setup activities are complete Repossession Specialist with record that Repossession Setup is complete. Action Result: Repossession Setup.

10.4.4 Repossession in Progress (Voluntary Surrender)

The actual repossession of the vehicle will happen in this status. A task will be created for the Repossession Vendor selected in the Repossession Setup status. The Repo Specialist will interact with repossession vendor and monitor the progress of the Repossession. Once repossession activity is complete, the Repossession vendor will provide details of repossession activity in the task.

Table 10–9 Status: Repossession in Progress (Voluntary Surrender)

Actor	System and User
Description	Below system activities will be done when the case is in this status: ■ Create Voluntary Surrender Repossession Task and assign it to the Repossession Vendor. ■ Create a notification for the Repossession Specialist when the repossession task is complete. Repossession Vendor will perform the following activities: ■ Repossession Vendor will access the task and check the Vehicle Details. ■ Repossession Vendor will perform the physical repossession and update the repossession details in the task. Repossession Specialist will perform the following activities: ■ Repossession Specialist will monitor the progress of the task after regular intervals. Action: Repossession Progress. ■ When the Repossession is complete Repossession Specialist will assign the Repossession Title Agency based on the Repossessed From State and Repossessed From Address.

	■ Repossession Specialist will review the other repossession details and mark the Repossession as complete. Action: Repossession Progress.

Enter Processing Algorithm:

Table 10–10 Status: Repossession in Progress (Voluntary Surrender) - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-AUTOTASKC	AL009	Automatic task creation for Vendor	■ Service Type: Repossession ■ Task Type: ■ Queue Code:
20	C1-REPOASAL	AL016	Send Email Assignment to Repossession Vendor	■ Template code: ■ Service Type:

Exit Validation Algorithm:

Table 10–11 Status: Repossession in Progress (Voluntary Surrender) - Exit Validation Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-VALTASKEX	C1-VALTASKEX	Validate if Repossession Task have been completed	■ Task Type: Repossession (Voluntary Surrender)

10.4.5 Repossession in Progress

The actual repossession of the vehicle will happen in this status. A task will be created for the Repossession Vendor selected in the Repossession Setup status. The Repo Specialist will interact with repossession vendor and monitor the progress of the Repossession. Once repossession activity is complete, the Repossession vendor will provide details of repossession activity in the task.

Table 10–12 Status: Repossession in Progress

Actor	System and User
Description	Below system activities will be done when the case is in this status: ■ Create a normal Repossession Task and assign it to the Repossession Vendor. ■ Create a notification for the Repossession Specialist when the repossession task is complete. Repossession Vendor will perform the following activities: ■ Repossession Vendor will access the task and check the Vehicle Details.

	■ Repossession Vendor will perform the physical repossession and update the repossession details in the task. Repossession Specialist will perform the following activities: ■ Repossession Specialist will monitor the progress of the task after regular intervals. Action: Repossession Progress. ■ When the Repossession is complete Repossession Specialist will assign the Repossession Title Agency based on the Repossessed From State and Repossessed From Address. ■ Repossession Specialist will review the other repossession details and mark the Repossession as complete. Action: Repossession Progress.

Enter Processing Algorithm:

Table 10–13 Status: Repossession in Progress - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-AUTOTASKC	AL009	Automatic task creation for Vendor	■ Service Type: Repossession ■ Task Type: ■ Queue Code:
20	C1-REPOASAL	AL016	Send Email Assignment to Repossession Vendor	■ Template code: ■ Service Type:

Monitoring Algorithm:

Table 10–14 Status: Repossession in Progress - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-NOTRSTSK	AL008	Notify on Task completion of case level task	

Exit Validation Algorithm:

Table 10–15 Status: Repossession in Progress - Exit Validation Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-VALTASKEX	C1-VALTASKEX	Validate if Repossession Task have been completed	■ Task Type: Repossession (Voluntary Surrender)

10.4.6 Repossession Closure

In the Repossession Closure status, the case will wait for the customer to redeem his collateral. If the customer requests for redemption the case is moved to Redemption status. After the Redemption clear date, liquidation of the vehicle will be initiated.

Table 10–16 Status: Repossession Closure

Actor	System and User
Description	Below system activities will be done when the case is in this status: ■ Redemption Letters will be sent on all the associated accounts. ■ On Redemption Clear date the case will be moved to Liquidation Setup Status. ■ Automatic task creation for Repo Agent Vendor. Repossession Specialist will perform the following activities: ■ If Repo Agent is not going to transport the vehicle to the auction location, Repo Specialist will assign the case to the Transport Specialist to manage the transport of the vehicle. He will enter the transport request details. Action Result: Liquidation Setup Actions. ■ Repossession Specialist will confirm that the vehicle is at Sale location. Action Result: Liquidation Setup Actions. ■ Repossession Specialist will initiate payments to the Repo Agency. Action Result: Manage Payments. ■ If any personal property is found Repossession Specialist will co-ordinate the return of the Personal Property. Action Result: Manage Personal Property. Redemption Actions: (Action Result: Manage Redemption) ■ Repossession Specialist might override the Redemption Clear Date if needed. ■ If customer requests for Redemption repossession specialist will recalculate the Redemption Amount based on fees incurred for Repossession and Liquidation Setup. ■ Repossession Specialist will get a customer information sheet filled by the customer, will verify the Liability and Collision Insurance and finally collect the Redemption amount from the customer. ■ Repossession Specialist will then record that redemption has been complete. Repo Title Agency will perform the following activities: ■ Access the documents shared by the bank which includes the Contract documents, Repossession Affidavit etc. ■ Get the Repo Title in the name of the bank and upload the title document in the task.

Enter Processing Algorithm:

Table 10–17 Status: Repossession Closure - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-REDEMPLTR	AL010	Send Redemption Letters on all associated accounts	Template Code:
20	C1-AUTOTASKC	AL009	Automatic task creation for Vendor	- Service Type: Repossession Title - Task Type: - Queue Code:

Monitoring Algorithm:

Table 10–18 Status: Repossession Closure - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-REDCLRDT	AL018	Automatic movement to Liquidation Setup status when Redemption clear date is reached	Liquidation Setup Status:

10.4.7 Repossession Complete

Case will move into this status when redemption is complete and wait for the redemption proceeds to be applied on the account.

Table 10–19 Status: Repossession Complete

Actor	System and User
Description	Below system activities will be done when the case is in this status: - Validate that any open tasks like Repossession Title, Bill of Lading are closed. - When outstanding amount of all the associated accounts becomes zero the case will be moved to closed status.

Monitoring Algorithm:

Table 10–20 Status: Repossession Complete - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-NOTRSTSK	AL013	Close the repossession case when outstanding amount of all associated accounts = 0	Closed Status:

Enter Validation Algorithm:

Table 10–21 Status: Repossession Complete - Enter Validation Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-VALTASKCM	C1-VALTASKCM	Validate Task Completion (Case Closure)	■ Tasks: Repossession Title, Generate Bill Of Lading, Manage Transport

10.4.8 Manage Transport

Case will move into this status when transport is needed for the repossessed vehicle.

Table 10–22 Status: Manage Transport

Actor	Transport Specialist
Description	Transport Specialist will perform the following activities: ■ Search for all cases allocated to him and that need to be transported from Point A to Point B. Generate Bill of Lading outside the system and Update the Bill of Lading # and Expected delivery date on the case. Action Result: Manage Transport. ■ Follow up with the transport agency if vehicle has not reached by expected delivery date. Action Result: Manage Transport. ■ Once the vehicle reaches the auction or the destination Transport Specialist will update the Stock Number and Actual delivery date and record that transport has been complete. For this he will search the cases based on Stock Number. Action Result: Manage Transport.

10.4.9 Liquidation Setup

Case will enter in this status when Redemption Clear Date has reached.

Table 10–23 Status: Liquidation Setup

Actor	Liquidation Specialist
Description	Below system activities will be done when the case is in this status: ■ System will initiate the cancellation of insurances like Accident and Health Insurances, Credit Life Insurances and Extended Warranty. ■ If Repo Title has been received and the vehicle is available at the Sale Location Date system will move the case to Inspection and Conditioning Status. Liquidation Specialist will perform the following activities: ■ Liquidation Specialist will follow up with the Repo Title Agency, if the title has not been received yet. Action Result: Liquidation Setup Actions. ■ If the vehicle has not yet been transported to the sale location liquidation

	specialist will initiate transport of the vehicle. Action Result: Liquidation Setup Actions.
	■ Liquidation Specialist will initiate payments to Repo Title Agency and Transport Agency. Action Result: Manage Payments.
Modify Association	No

Enter Processing Algorithm:

Table 10–24 Status: Liquidation Setup - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-CREATTASK	C1-CREATTASK	Automatic task creation	Task Type: Cancel Add On Insurances and Warranty's Queue Code:

Monitoring Algorithm:

Table 10–25 Status: Liquidation Setup - Monitoring Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-LIQSETCMP	AL015	Transition to next status when Repo Title has been received and Vehicle available at Sale Location date.	Next Status: Inspection and Condition

10.4.10 Inspection and Conditioning

Case will be in this status when Repo Title has been received and vehicle is at the Sale Location. Case will be assigned to the Auction Rep or the Sales Rep to inspect the vehicle.

Table 10–26 Status: Inspection and Conditioning

Actor	Auction Rep/ Sales Rep
Description	Below system activities will be done in this status: ■ None Auction Rep/ Sales Rep will perform the following activities: ■ Auction Rep will inspect the vehicle and fill a condition report. He will attach the condition report to the case. ■ Auction Rep will do a valuation of the vehicle based on mileage and current condition using the system. ■ Based on his experience Auction Rep will come up with his own valuation and the floor price. ■ Auction Rep will list out what all conditioning and car detailing is required

	for the vehicle. Action Result: Sales Rep Inspection. ■ If any repairs are required Auction Rep will list out the repairs to be carried out. Action Result: Sales Rep Inspection. ■ Auction Rep will attach the conditioning expense in the system. ■ Once the required conditioning and repairs are done Auction Rep will mark the case as Ready for Sale. Action Result: Sales Rep Inspection.
Modify Association	No

10.4.11 Repair in Progress

The case will enter this status when Sales Rep or Auction Rep has indicated that the vehicle needs repairs before being sold.

Table 10–27 Status: Repair in Progress

Actor	Collision Specialist
Description	Below system activities will be done in this status: ■ None Collision Specialist will perform the following activities: ■ Collision Specialist will refer the Repair Details entered by Auction Rep and inspect the vehicle/vehicle photographs to check the damage. ■ Collision Specialist will estimate the repair amount and if repair amount is greater than threshold amount will go ahead to claim the insurance. Action Result: Manage Repairs. ■ Collision Specialist will initiate and monitor the repair until it is completed. Action Result: Manage Repairs.
Modify Association	No

10.4.12 Sale in Progress

The sale of the vehicle will be managed in this status. The auction and Sale Attempts will be entered in the system. Post sale, the sale related information is entered in the system.

Table 10–28 Status: Sale in Progress

Actor	Sales Rep/Auction Rep
Description	Below system activities will be done in this status: ■ None Auction Rep/ Sales Rep will perform the following activities: ■ Auction Rep will attend the auction and make sure the vehicles are positioned in good lanes and timing of presentment is appropriate. At the end of the auction the rep will capture the auction details in the system. If

	a sale has happened Auction Rep will capture the sale information in the system. Action Result: Manage Sale.
	■ In a non auction case the sales rep would collect a minimum of three bids for the vehicle and arrange the sale to the highest bidder. The Sale information will be captured in the system. Action Result: Manage Sale.

10.4.13 Settlement

Case is in this status once the vehicle has been sold. The Proceeds Specialist will monitor for the receipt of the proceeds. Proceeds Specialist will receive the proceeds and the Sale Invoice. Proceeds Specialist will apply the expenses and the net sale proceeds on the account.

Table 10–29 Status: Settlement

Actor	Proceeds Specialist
Description	Below system activities will be done in this status: ■ None Proceed Specialist will perform the following activities: ■ Proceeds Specialist will search the case with the stock number in Advanced Search. ■ Proceeds Specialist will enter the expense details in the Fees and Charges Panel with the help of the Sale Invoice. ■ Proceeds Specialist will apply the expenses and the Net Sale Price on the account in the host system or Recovery System. ■ Once the Proceed Specialist completes his activities he will record the same in the system. Action Result: Manage Proceeds. ■ For all cases allocated to the Proceeds Specialist for which the Sale proceeds have not been received the proceeds specialist will follow up with the Auction Rep and update the status in the system. Action Result: Manage Proceeds.
Modify Association	No

10.4.14 Liquidation Closure

Case will be in this status once the sale is complete. In this status, the Liquidation Specialist will confirm that the proceeds have been applied on the account, charge off/write off the remaining amount, and monitor the receipt of funds from cancellation/claims of insurances.

Table 10–30 Status: Liquidation Closure

Actor	Liquidation Specialist
Description	Below system activities will be done in this status: ■ None

	Liquidation Specialist will perform the following activities:
	■ Liquidation Specialist will initiate Full Charge Off/ Full Write Off tasks based on the whether the repossession case is in pre charge off or post charge off stage. Action Result: Liquidation Closure Activities. ■ Liquidation Specialist will monitor for the receipt of refunds from Add On Insurance Cancellation and if repairs were done Insurance claim amount. Action Result: Liquidation Closure Activities. ■ If excess amount has been received by the bank Liquidation Specialist will co-ordinate the return of excess amount to the customer. Action Result: Liquidation Closure Activities.
Modify Association	

10.4.15 Closed

This is final status of Asset Repossession and Liquidation case. Case will enter into this status when the vehicle has been sold and the proceeds have been applied on the account and closure activities have been completed. Case will also enter into this status if the customer has redeemed the vehicle.

Table 10–31 Status: Closed

Actor	System
Description	Below system activities will be done in this status: ■ Review Dates will be set on the associated accounts.
Modify Association	No

Enter Processing Algorithm:

Table 10–32 Status: Closed - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	C1-UPDRVWDT	C1-UPDRVWDT	Remove the review dates of associated accounts	■ Update Type: Set Review Date ■ Days Offset: 0 ■ Override Flag: NA

10.4.16 Repossession Cancelled

This is final status of Asset Repossession and Liquidation case. Case will enter into this status when Repossession specialist decides to cancel the repossession manually. This could be due to no valid security interest in the vehicle or customer has made recent payment that would indicate that repossession is not required.

Table 10–33 Status: Repossession Cancelled

Actor	System

Description	Below system activities will be done in this status: ■ Review Dates will be set on the associated accounts.
Modify Association	No

Enter Processing Algorithm:

Table 10–34 Status: Repossession Cancelled - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	CC1-UPDRVWDT	C1-UPDRVWDT	Remove the review dates of associated accounts	■ Update Type: Set Review Date ■ Days Offset: 0 ■ Override Flag: NA

10.4.17 Repossession Declined

This is final status of Asset Repossession and Liquidation case. Case will enter into this status when the Repossession Manager has declined the asset repossession.

Table 10–35 Status: Repossession Declined

Actor	System
Description	Below system activities will be done in this status: ■ Review Dates will be set on the associated accounts.
Modify Association	No

Enter Processing Algorithm:

Table 10–36 Status: Repossession Cancelled - Enter Processing Algorithm

Sr.No.	Algorithm	Algorithm Type	Description	Parameters
10	CC1-UPDRVWDT	C1-UPDRVWDT	Remove the review dates of associated accounts.	■ Update Type: Set Review Date ■ Days Offset: 0 ■ Override Flag: NA

10.4.18 Features

Day Zero Setup for Mandatory/Hidden/Locked fields on Application Form. The Configuration is available in the CI_CASE_ST_PROC_FLD.sql script.

Feature Configuration:

Table 10–37 Feature Configuration

Feature Name	Description
C1-VHCI	■ Valuation Type for Vendors - Automatic (KBB) or Manual
C1-LQIPRO	■ Checks on Sales Rep Inspection Panel