

# Oracle Banking Release 2.10.0.0.0

Regulatory Compliance Enablement for United States

APRIL 2020



## Table of Contents

Regulatory Compliance	3
E-Sign Act	4
Regulation E – Electronic Fund Transfer Act	5
SCRA – Service Member Civil Relief Act	6
MLA – Military Lending Act	10
TILA – Truth in Lending Act (Regulation Z)	12
Real Estate Appraisal Regulation (Regulation H)	19
SLTV – Supervisory Loan to Value	20
FDPA – Flood Disaster Protection Act	23
Uniform Retail Credit Classification and Account Management Policy	28
Financial and Accounting Standards Board	30
Statement of Financial Accounting Standards (SFAS)	32
Regulation AA	33
Delinquency Tracking Methods	35
Usury laws	37
HMDA – Home Mortgage Disclosure Act	39
CRA – Community Reinvestment Act	43
ECOA – Equal Credit Opportunity Act (Regulation B)	49
SAFE – Secure & Fair Enforcement for Mortgage Licensing Act	57
OFAC – Office of Foreign Asset Control	62
Regulation O	63
FCRA – Fair Credit Reporting Act (Regulation V)	68



CERCLA – Comprehensive Environmental Response, Compensation and Liability Act	70
IRS TIN Certification	73
BSA – CTR	74
Regulation P	75
CAN – SPAM	76
Overdraft Guidance	77
Regulatory Reporting	78
FDCPA – Fair Debt Collections Practices Act	79
Real Estate Settlement Procedures Act ("RESPA")	81
Privacy of Consumer Financial Information ("GLBA")	86
TCPA – Telephone Consumer Protection Act	89
US Bankruptcy Processing Compliance	90
Children's Online Privacy Protection Act of 1998 (COPPA)	92
Garnishment of Accounts Containing Federal Benefit Payments	93
Escheatment	95
Regulation D	97
Regulation CC	98
UTMA – Uniform Transfers to Minors Act	100
Consumer Leasing (Regulation M)	102
Bank Holding Company Manual	103

## Regulatory Compliance

Banking in the United States is one of the most regulated industries with increasing oversight from several Federal and State government agencies. The current regulatory framework is aimed to protect consumers while establishing guidelines for Financial Institutions to maintain sound business practices and financial solvency to continue operations and serve their respective markets. Financial institutions have relied on core software firms to provide basic regulatory support in their systems by automating processes to collect and store data, generating specific output, or computing calculations as prescribed by regulations. Therefore, regulatory support in legacy systems has relied on continuous “ad-hoc” updates to source code requiring technical personnel to make system updates and hiding the configuration required by the regulations from bank users.

The team behind the Oracle Banking Platform, a next generation banking system, has taken a fresh look at how to apply the regulatory compliance framework to enable US Financial Institutions accomplish their regulatory compliance goals. The Oracle Banking Platform leverages its process driven architecture and the parameter driven configuration to lead the bank user in the setup of regulatory functions. As it has become an industry standard from core vendors in the US, the Oracle Banking Platform product team continuously monitors updates from regulatory agencies and engages with the banking community to communicate configuration or system updates for regulatory functions present in our solution and required by regulations.

Here are some highlights on how the Oracle Banking Platform enables regulatory compliance:

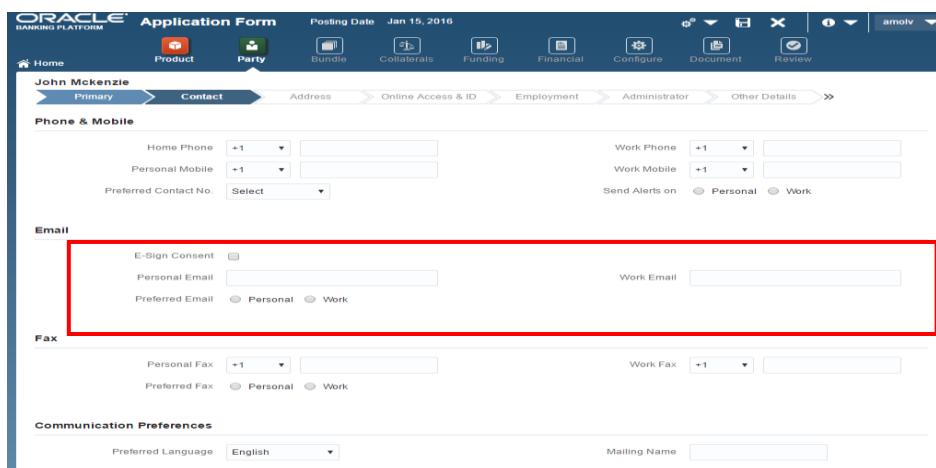
## E-Sign Act

### Regulation Overview

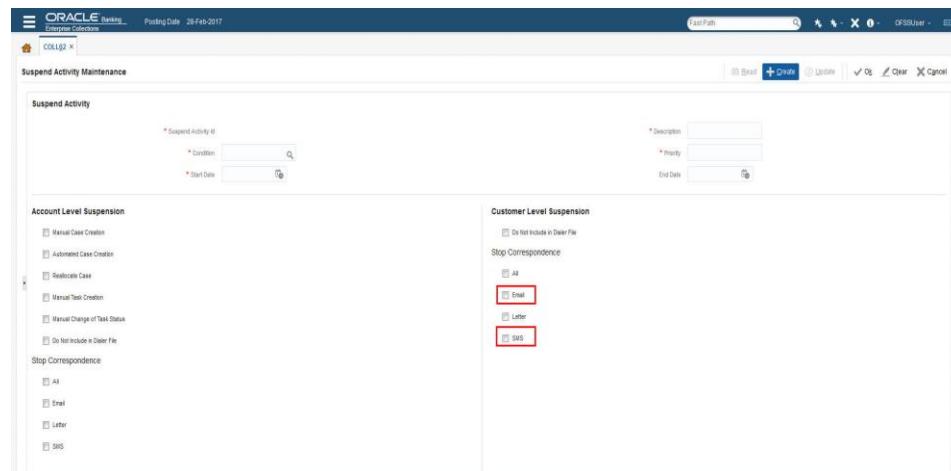
The Oracle Banking Platform collects account holder's consent to enable electronic acknowledgement for information or documents presented to account holder. The relevant features are:

### Built-in Capabilities

- A new E-sign consent is introduced along with the capture of e-mail
- Capture of at least one email ID has been made mandatory if the consent ID checked
- Consent captured can be modified at account level for each account holder
- Ability to suspend outbound e-mails and text messages for specific delinquent customers through Suspend Activity Maintenance



The screenshot shows the Oracle Banking Platform Application Form for 'John McKenzie'. The 'Email' section is highlighted with a red box. It contains fields for Home Phone, Personal Mobile, Preferred Contact No., Work Phone, Work Mobile, and Send Alerts on (Personal or Work). Below this, there is an 'E-Sign Consent' checkbox and a 'Personal Email' field. The 'Personal' radio button is selected for Preferred Email.



The screenshot shows the Oracle Banking Platform Suspend Activity Maintenance screen. The 'Stop Correspondence' section is highlighted with a red box. It contains checkboxes for 'Email', 'Letter', and 'SMS'. Other sections visible include 'Suspend Activity' and 'Customer Level Suspension'.

Figure: Suspend Activity Maintenance

## Regulation E – Electronic Fund Transfer Act

### Regulation Overview

From a retail lending perspective, Reg. E states that No financial institution or other person may condition an extension of credit to a consumer on the consumer's repayment by preauthorized electronic fund transfers. Prohibitions are designed to assure that EFT develops in an environment of free choice for the consumer. A creditor could not condition the extension of credit on a consumer's agreement to repay by automatic EFT payments. However, the banks are allowed to offer discounts/favorable rates to the customers on credit extensions if the customer opts for EFT repayments.

Regulation E requires that for any account to or from which EFT transactions can be made, the financial institution must provide the consumer a statement at least quarterly, and a monthly statement for each monthly cycle in which an EFT transaction has occurred. This is also required in case of any rate change in the account during this period.

### Built-in Capabilities

Log entries for an account transaction history statement when there is any EFT transaction or rate change on the loan account so that customer receives a financial statement within 30 days of the transaction.

## SCRA – Service Member Civil Relief Act

### Regulation Overview

SCRA provide service members relief from certain civil obligations and transactions involving civil liabilities when military service materially affects the ability of a service member to meet or attend to civil matters. The Act protects those who have recently come on active duty, or are preparing for a long-term deployment, whose duty situation may impact their ability to meet their previous financial commitments. SCRA benefits apply to loans opened before start of the Active Duty

### Relevant Definitions in the Oracle Banking Platform

- Service member - A member of the uniformed services
- Military Service - Period of time on active duty

### Built-in Capabilities

- Identify an individual party type as service member or service member dependent.
- Capture the active duty start date and end date.
- Pricing module will cap interest rate during SCRA active duty period to 6%.
- Pricing module will waive all fees during SCRA active duty period.
- Active duty period can be current dated, backdated or future dated.
- Reduce interest rate from current date. This is applicable in case if the active duty 'start date' is the current date.
- Reduce interest rate from a future date. This is applicable in case if the active duty 'start date' is a future date.
- Reduce interest rate from a back date. This is applicable in case if the active duty 'start date' is a back date.
- Display SCRA account status on the loan account during active duty period

**Service Member Details**

\* Party is  Service Member  Service Member Dependent  None

**Service Order Details**

[+ Add Service Order](#)

**Add Service Order**

* Notification Date	Jan 13, 2016	<input type="button" value=""/>
Unit Name	<input type="text"/>	
* Start Date	Jan 30, 2016	<input type="button" value=""/>
End Date	Jan 31, 2017	<input type="button" value=""/>

**Adhoc Document Upload**

<input type="button" value="+ Add"/>	Document Type	Status	File(s)	Received On	In Custody	Comments	Action
▶	Birth Certificate	<input type="button" value=""/>		Jan 15, 2016			<input type="button" value=""/> <input type="button" value="X"/>

**Tax Details**

Voluntary Backup Withholding Tax

[Previous Step](#) [Next Step](#)

Figure 1 Capture Service Member

The screenshot shows a web-based application for managing service member details. At the top, there are two sets of radio buttons for 'Party is':

- \* Party is  An Insider of Bank  Related Interest of an Insider  None
- \* Party is  Service Member  Service Member Dependent  None

Below these, a checkbox 'Covered Borrower Under MLA' is checked. There are two buttons: '+ Add Service Member' and 'Fetch Related'.

The main form is titled 'Add Service Member Details' and contains the following fields:

- Existing Party:  Yes  No
- Party Search by: Name (dropdown) with value 'CHERYL ANN BKULP', a clear button (X), and an 'Advanced Search' button.
- Party Type: Individual (dropdown).
- \* First Name: CHERYL
- Last Name: BKULP
- Email Id: no-reply@oracle.com
- \* Relationship: Mother (dropdown).

At the bottom of this form are 'OK' and 'Cancel' buttons.

Below this form is a 'Tax Details' section with a checkbox for 'Voluntary Backup Withholding Tax'.

At the bottom of the page are navigation buttons: 'Go to', 'Previous Step' (disabled), 'Next Step' (disabled), and a summary button 'Previous Party | Summary | Next Party'.

Figure 2 Capture Service Member Dependent

Manage Loan Account

Account Number: 0000000000008934 | Donald Smith

Notifications:

- Arrears of 255.79 AUD due in Loan Account 300016472 / Business Term Loan LBS3101A
- Installment for Loan Account 300016472 / Business Term Loan LBS3101A of 63.3 AUD due on 30-Jun-2016

Account Setup:

- Term is 2 years for disbursed amount 25,182.50 AUD
- Repayments FRS with Rate 2.075% Floating
- Offers Business Term Loan LBS3101A, LBS3101A Swap Offer
- Bundle is Money Saver Loan
- Purpose of loan facility is House Established
- Account sourced by Scarlet S Saira Jane, ID: B000000101
- Last Activity on May 31, 2016
- Credit Default Risk for the account is Sub Standard Asset

Actions: Split Loan | Close Account | Loan Rescission | Maturity Rollover

Indicators:

Not Restricted	MLA Covered Account
Not Employee Referred	SCRA Benefit Account
Non-Employee Account	TCR Account
Regulated Account	Risk Grade AA+

Risk Indicators:

- No Risk Indicator is maintained

Account Status:

- System Defined Regular
- Classification Performing

Repayment Snapshot:

	Repaid till Date	Outstanding	Total
Fees	0	40	40
Interest	0	215.79	215.79
Principal	0	25,182.5	25,182.5
Insurance	0	0	0
Total	0	25,438.29	25,438.29

Payoff Notice:

2 Overdue Payments | View Aging  
Date of First Default: Feb 29, 2016

Figure 3 SCRA – Display SCRA status



## MLA – Military Lending Act

### Regulation Overview

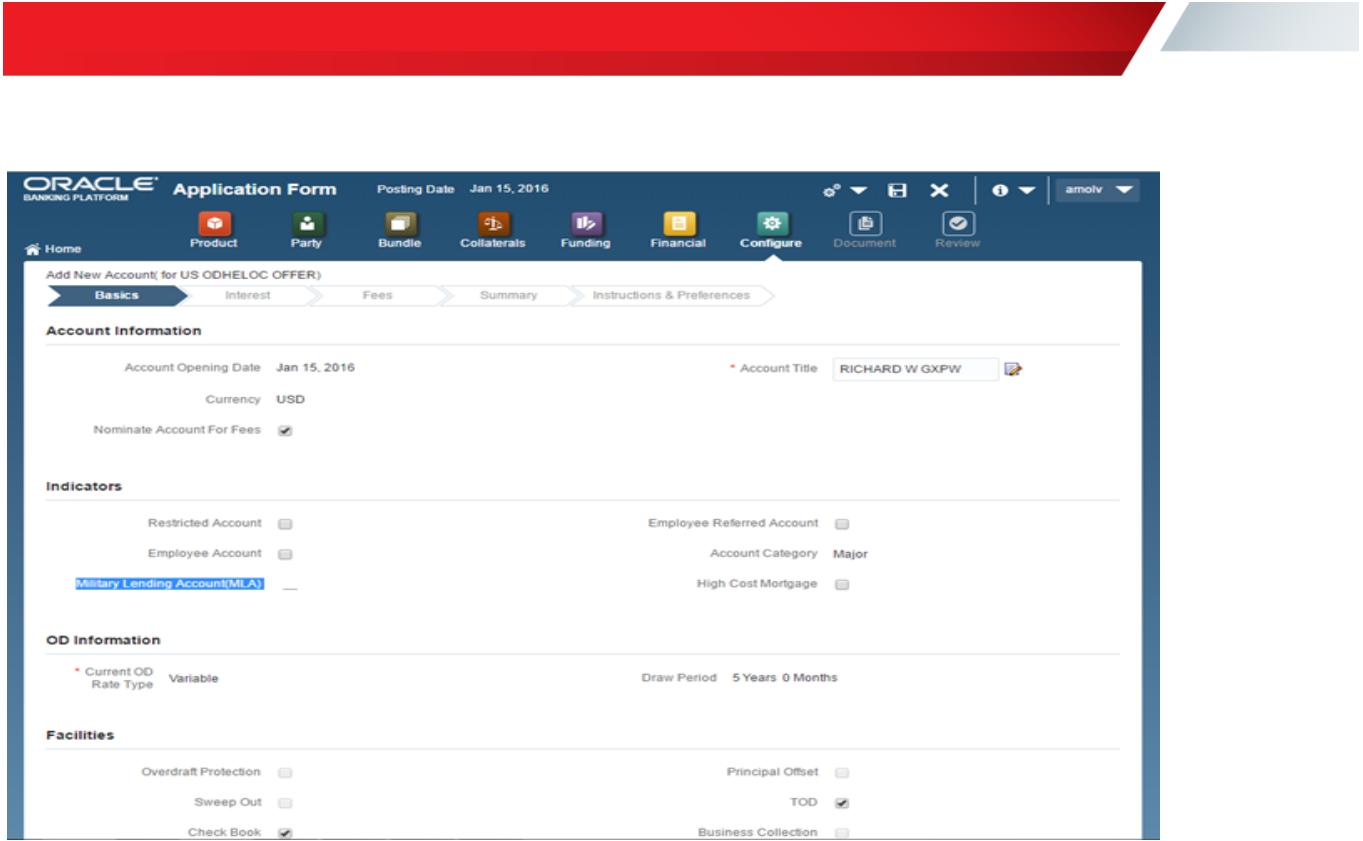
MLA protects service members, their spouses and/or covered dependents at point of origination if they are on active duty at that time. If the service member is of active duty status when the service member or dependent is extended credit, then MLA protections will apply. MLA protections apply to all forms of payday loans, vehicle title loans, refund anticipation loans, deposit advance loans, installment loans, unsecured open-end lines of credit, and credit cards

### Built-in Capabilities

- Identify an individual party type as service member or service member dependent.
- Capture the active duty start date and end date
- Capture and store the military service (active duty) order in the system
- Compute MAPR for the Loan
- Generate specific disclosures as a part of the Loan contract document

The screenshot shows the Oracle Banking Platform interface for defining a checking and savings product. The product code is USCS103, and it is categorized under the OD HELOC Product Group. The 'Control Parameters' section includes a 'Debit Balance Allowed' checkbox, which is checked, and a 'Military Lending Act Applicable' checkbox, which is also checked. The interface is a standard web-based application with a navigation bar and various buttons for managing the product.

Figure 4 Product Level Flag for MLA



The screenshot shows the Oracle Application Form interface for a banking platform. The top navigation bar includes the Oracle logo, application name, posting date (Jan 15, 2016), and user information (amolv). Below the navigation is a breadcrumb trail: Add New Account, for US ODHELOC OFFER, Basics, Interest, Fees, Summary, Instructions & Preferences. The main form is titled 'Account Information' and contains the following fields:

- Account Opening Date:** Jan 15, 2016
- Account Title:** RICHARD W GXPW
- Currency:** USD
- Nominate Account For Fees:**
- Indicators:**
  - Restricted Account:
  - Employee Account:
  - Employee Referred Account:
  - Account Category: Major
  - Military Lending Account(MLA):
  - High Cost Mortgage:
- OD Information:**
  - Current OD:
  - Rate Type: Variable
  - Draw Period: 5 Years 0 Months
- Facilities:**
  - Overdraft Protection:
  - Sweep Out:
  - Principal Offset:
  - TOD:
  - Check Book:
  - Business Collection:

Figure 5 Account Level Validation

## TILA – Truth in Lending Act (Regulation Z)

### Regulation Overview

TILA enforces the disclosure to consumers of credit information by requiring financial institutions provide disclosures about its lending products terms and conditions. TILA also enacts rules that protect consumers against misleading practices from lenders. Regulation Z requires mortgage issuers, credit card companies and other lenders to provide written disclosure of important credit terms, such as interest rate and other financing charges, abstain from certain unfair and deceiving practices and to respond to borrower complaints about errors in periodic billings and statements.

### Built-in Capabilities

- Identify finance charges out of all the charges applied during origination & calculate APR
- Trigger the generation of the following documents:
  - Final TILA disclosure
  - Annual Billing Error Notice
  - Early HELOC disclosure
- Configure a threshold amount at the product/product group level for Reg Z applicability.
- Field to identify if a HELOC/ Mortgage transaction qualifies as a High Cost Mortgage.
- Support Right to Rescind Functionality for HELOC's.
- Dispute Management:
  - The Early Collections Process in the solution has a separate 'Dispute' status for managing dispute claims of customer. The transition of the case to this status is done when collector captures the 'Dispute Claim' result.
  - The solution provides an ability to capture information related to a customer Dispute. This information includes dispute Reason, Dispute Claim Date, Dispute Resolution and Dispute Resolution Date.
  - Bulk Contact Module can be used to send appropriate notices and acknowledgements to the customer related to the dispute.

The screenshot shows the Oracle Banking Platform interface for configuring a Price Definition. The main title is 'Price Definition' with a sub-tab 'Usages(0)'. The interface includes a 'Party Context' sidebar with a search bar and advanced search options. The main content area is divided into sections: 'Price Definition Details' (containing fields like Price Definition ID, Name, Effective Date, Fees Category, Price Category, and Price Type), 'Price Parameters' (containing 'Consider as Finance Charge' and 'MAPR' checkboxes), and 'Price Details' (containing Price Type and Price Amount). The top navigation bar includes 'Read', 'Create', 'Update', 'Close', 'Reopen', 'Print', 'Ok', 'Clear', and 'Exit' buttons.

Figure 6 PD Configuration for Finance Charge

The screenshot shows the 'Define Origination Preferences' screen. The main title is 'Define Origination Preferences' with a sub-tab 'ORM20'. The interface includes a 'Party Context' sidebar with a search bar and advanced search options. The main content area is a table titled 'Define Origination Preferences' with columns 'Rule Type', 'Rule Id', and 'Rule Name'. The table lists various rule types and their corresponding rule IDs and names. The 'Regulation Z' row is highlighted with a blue border. The top navigation bar includes 'Read', 'Create', 'Update', 'Close', 'Reopen', 'Ok', 'Clear', and 'Exit' buttons.

Rule Type	Rule Id	Rule Name
Complex LMI Application Rule		
Debit Decision Rule	Debit_Rule	Debit Assessment Rule
LRM DUA Applicable Rule		
LRM Required Rule		
Pre Assessment Structure Solution Requirement Rule	SS_MAND1	Pre-Assessment Structure Soluto...
Regulation Z	REG2RULE3	REG2RULE
Capture of Cash Forecast Statement		
Employee Rule		
Low Doc Rule		
NCCP Rule	NCCPRL2	NCCP Rule
FastRef Rule		
Financial Template Rule	FINRULE3	Financial Rule 3
Submission Type Rule	SUBTYP3	Submission Type Rule 3
LRM Submission Type Rule	LRMSUBTYP1	LRMSUBTYP1
Submission Level Pricing Approval Task Requirement Rule		
LRM Provider Type Rule		
Validation Due Diligence Rule	MIV_INTERFACE1	MIV Rule for Interface 1

Figure 7 Reg Z Applicability Rule

Figure 8 Configuration for Rescission Period

Figure 9 TILA – Display of Amount Financed and APR

Figure 10 TILA – Display of Finance Charges during servicing

## Regulatory Scope for OBC

Account holder must receive a disclosure of rate under delinquency, default or as a penalty. The disclosure must be in a tabular format, at least 10-point font. OBC will ensure data sufficiency to generate disclosure. Actual generations of disclosure will be up to third party disclosure system.

The list of situations where the financial institution does not need to send periodic statements to consumer, including that (1) account is uncollectible, (2) delinquency collection proceedings have been instituted, (3) account has been charged off (no additional fees or interest), and (4) other situations where furnishing the statement would violate Federal law. OBC needs to have an indicator to pass along to other department of the financial institution to signal the listed situations where the periodic statement is not required.

For open-ended products other than home-equity plans, customer disclosure is required when rate is increased due to delinquency, default or as a penalty. Such disclosure may or may not be included in the periodic statement. OBC will ensure data sufficiency to generate disclosure. Actual generations of disclosure will be up to third party disclosure system.

For open-ended products other than home-equity plans, requirement on the timing of the above disclosure regarding rate increase due to delinquency or default or as a penalty:

- Must be at least 45 days before the effective date of increase; and
- Must be provided after the default/delinquency/event triggering penalty has occurred

OCB will include the following data fields for open-ended products other than home-equity plans, requirement on the content and format of the above disclosure regarding rate increase due to delinquency or default or as a penalty:

- The reason of the flag (delinquency/Default, or a penalty event)
- The date when delinquency or default or penalty event occurred
- Effective date when delinquency/default rate or penalty rate will apply

The customer is allowed to reject a significant change in terms before the effective date of the change. For the changes the customer reject, the creditor must not (1) apply them to the account, or (2) impose a fee or charge or treat the account as in default solely as a result of the rejection; (3) require repayment less beneficial to the consumer than one of the methods provided in the regulation. The methods include (1) The method of repayment for the account before the effective date of the increase; (2) an amortization period of not less than five years; or (3) a required minimum periodic payment that includes a percentage of the balance that is equal to no more than twice the percentage required before the effective date of the increase. OBC will have an indicator if a rejection of the change is received for the account, to pass along to the downstream departments. In addition, for changes rejected, OBC will create controls to prevent applying such changes in the platform, treat the account as in delinquent solely because of the rejection, or require repayment not confirmed by the responsible department.

If the financial institution is a card issuer, it should not report disputed amount as delinquent until the dispute is settled or judgment is rendered. To facilitate tracking OBC will have an indicator to for an item on the account that is in dispute.

The following are the creditor's rights and duties after dispute resolution:

- Shall allow grace period for the consumer to repay, the longer of 10 days or the period time within which the new balance or any portion of the new balance must be paid to avoid additional finance charges.
- The account is not delinquent during such grace period,

- The account is not delinquent if receive further notice from consumer that a portion of the amount is still in dispute. OBC will have indicator for an item on the account that is in dispute, so when the account is no longer in dispute, the correct charges and disclosures can be triggered. In addition, OBC will allow the setup of a grace period for the borrower to repay after dispute is resolved.

Requirements on late fee charged to high-cost mortgage:

- Late fees must be specifically permitted by terms of loan contact or open-end credit agreement; also may not exceed 4% of the past due amount; and cannot be charged more than once for a single late payment
- Timing. Late fee may be imposed if the payment is not received by the end of 15-day period beginning on the payment due date, or the end of the 30-day period beginning on the payment due date if the interest on each installment is paid in advance
- Late fee cannot be imposed if the delinquency is attributed only to a late fee imposed on an earlier payment
- If the consumer fails to make a timely payment by the due date and subsequently resumes making payments but has not paid all past due payments, the creditor may impose a separate late payment charge for any payment(s) outstanding.

OBG will display the data fields to indicate the rate of late fees, past due amount, and effective date of the late fees.

A servicer cannot impose a late fee on a payment if (1) the late fee is attributed solely to failure of the consumer to pay a late fee on an earlier payment; and (2) such payment is otherwise a periodic payment received on time. OBC will indicate the amount of late fees imposed.

For close-end mortgage secured by a dwelling, if the consumer is more than 45 days delinquent, disclosure the following items including (1) the date on which the consumer became delinquent; (2) an account history for the previous 6 months or the period since the last time the account was current, whichever is shorter; and (3) total payment needed to bring the account current. OBC will note in the account history the date when the 45-day disclosure was sent. Additionally, OBC will add the following data fields:

- The date on which the consumer became delinquent

- An account history, since the last time the account was current, showing the amount remaining past due from each billing cycle or, if any such payment was fully paid, the date on which it was credited as fully paid.
- The total payment amount needed to bring the account current.

If the financial institution is a card issuer, it may increase an annual percentage rate or a fee or a charge, due to not receiving the consumer's required minimum periodic payment within 60 days after the payment due date, provided that the corresponding disclosure requirements are met. The card issuer must reduce the increased APR or a fee or a charge after receiving six consecutive required minimum periodic payments before the due dates beginning the first payment due after the effective date of the rate increase. OBC will add data fields to indicate the APR and the late fee.

## Real Estate Appraisal Regulation (Regulation H)

### Regulation Overview

Reg H requires Financial Institution's Real Estate Lending program to include appropriate Real Estate Appraisal and Evaluation functions. Appraisals must be in writing by State certified or licensed appraisers in accordance with guidelines

### Built-in Capabilities

- Trigger the Appraisal Notice
- Generate the Appraisal report for the customer as soon as the report is upload in the system
- Store additional data elements for the Valuation performed - Appraiser / Evaluator Name & Address, Valuation Report sharing Date
- Capture additional fields related to Prospective Market Values: Prospective Market Value "As Completed" , Effective Date of As Completed value, Prospective Market Value "As Stabilized" , Effective Date of As Stabilized value
- Define Rule to determine If the Appraisal is done by State Certified or State Licensed Appraiser

## SLTV – Supervisory Loan to Value

### Regulation Overview

To ensure that a bank's collateral position adequately secures its credit risk associated with real estate transactions, regulators have imposed supervisory limits on credit extensions based on the credit's supervisory loan to value ratio ("SLTV"). LTV is calculated by dividing the loan amount by the market value of the property securing the loan plus the amount of any readily marketable collateral and other acceptable collateral that secures the loan. The total amount of all senior liens on or interests in such property should be included in the calculation.

### Built-in Capabilities

- Ability to define LTV limit based on collateral category/subcategory as part of the day 0 definitions
- Compute the maximum loan amount based on LTV limits maintained and Check whether the 'Requested loan amount' is within the maximum loan amount and generate a warning if Requested Amount exceeds the maximum loan amount. This check needs to be done in Capture Application, Manual Credit Decision and Structure Solution (Post Assessment)

The screenshot shows the Oracle Banking Platform Application Form interface. At the top, it displays 'ORACLE BANKING PLATFORM Application Form' and the 'Review' tab is selected. The main area is titled 'Review Summary' and shows a submission ID: SUB302020160003555. A 'Generate Document' button is visible. Below this, there are sections for 'Parties' (listing 'CHERYL ANN BKULP'), 'Financial Details Provided' (listing 'Financial Details Provided'), and 'Documents Submitted' (listing 'Documents Submitted'). A warning message box is overlaid on the interface, stating: 'LTV Limit breached; Additional Collateral or Mortgage Insurance is required. Mortgage Loan Originator details are blank'. In the 'Home Equity Line of Credit (HELOC)' section, there is a note: 'CHERYL BKULP applied for Home Equity Line of Credit (HELOC) of \$100,000.00 for 25 years 0 month 0 day with purpose of House Under Construction'. At the bottom right, there are 'Back to Document' and 'Submit' buttons.

Figure 11 SLTV Breach warning at Review and Submit

The screenshot shows the Oracle Banking Platform interface. The top navigation bar includes the Oracle logo, a search bar, and various system icons. The main content area is titled "Global Parameter Details". On the left, a "Party Context" sidebar displays information for "Mr RICHARD W GXPW" (Individual ID: 000002494), including Date of Birth (Jun 3, 1961), Constitution (Other), Phone, and Last Activity date (Jan 15, 2016). Below this is a "Pin to transact" section for an "Overdraft[1]" entry, showing details like Account ID (100013070), Account Status (Regular), Relationship (Sole\_Owner), Nickname (US CDHELOC OFFER), Ledger Balance (0.00 USD), Available (65,000.00 USD), and Last Activity date (Jan 15, 2016). The main "Global Parameter Details" section contains several configuration items: "Bank Name" (Emerald 10), "Capitalization Amount Percentage" (83.33), "Currency Conversion Rate Type" (STANDARD), "Decrease Haircut Allowed" (unchecked), "Holiday Treatment" (NextDay), "Collateral Dedupe" (checked), "Auto Closure of Non Revolving Credit Facility" (checked), "Charge Fees on Expired Facility" (unchecked), and "Allow linkage of Affiliate Collaterals" (unchecked). A "LVR Method" section indicates "Loan to Value Ratio Methods: Uniform LVR Method". Under "SLTV Rule", the "SLTV Rule ID" is listed as "SLTV001". The "Family Guarantee" section includes "Guarantee Amount Threshold" (First Registered Mortgage Percentage: 80) and "Guarantor Loan-to-Value Ratio Threshold" (Internal Certificate of Deposit Percentage: 90). The interface includes standard navigation buttons like Read, Update, Print, and Exit.

Figure 12 SLTV Rule Configuration

Review of Credit Assessment for Lending Submission SUB854220130014725 Posting Date 15-Aug-2015 Actions ▾ Withdraw Submission | Edit Submission

< Back

Credit Exposure Financials Credit Worthiness Collaterals Conditions & Covenants Verification Review/Renew Credit Memorandum & Manual Decision

Credit Worthiness

John McKenzie

Date of Birth: 21-Nov-1985 Gender: Male Home Branch: Melbourne  
Gender: Male On boarded on: 18-Apr-2000  
Role: Customer, Affiliate Relationship Manager  
Address: Show  
Jane Mathew

Net Position: \$185,000 AUD Risk Score: 700 Breaches: 2 Bad Debt: No Risk Grade: AAA+

Summary Loans & Credits Cards Deposits Breaches Bureau Report Credit Scores

Conditions Breached (2)

For	Linked Entity	Condition	Type	Compliance Status	Action
Party	McKenzie Family Trust	CN002, Quarterly Statements	Subsequent	Overdue	<input checked="" type="checkbox"/>
Collateral	Warehouse	CN003, Progress Draws Under Construction standards	Preliminary	Overdue	<input checked="" type="checkbox"/>

Covenants Breached (0)

Other Breaches (1)

SLTV breached

Figure 13 SLTV Breach at MCD

## FDPA – Flood Disaster Protection Act

### Regulation Overview

FDPA calls out the mandated flood insurance requirements for all federally backed mortgages, and mortgages and loans obtained through federally insured and regulated financial institutions. Objectives include

- Provide flood insurance to owners of improved real estate located in SFHAs of communities participating in the NFIP
- Prohibiting lending institutions to extend credit secured by improved real estate or a mobile home located or to be located in an SFHA community, unless the property securing the loan is covered by flood insurance

### Built-in Capabilities

- Field at Collateral level to mark it as located on SFHA
- Flood Notice to be generated if the collateral is located in SFHA
- If collateral is located in SFHA, system will create a condition that flood insurance is taken for the collateral. This condition must be complied before Offer acceptance.

ORACLE Application Form  
BANKING PLATFORM

Posting Date Jan 15, 2016

Home Product Party Bundle Collaterals Funding Financial Configure Document Review

Edit Collateral - Home Equity Line of Credit (HELOC)

Basics > Collateral Holders & Documents > Charge Details > Additional Details

**Real Estate Details**

Nature Of Real Estate	Income Producing <input type="checkbox"/>
Restricted <input type="checkbox"/>	Basel Use <input type="checkbox"/>
Adverse Arrears Comments	Document Description
Purchase Date	Area Unit Type <input type="checkbox"/>
Building Size	Other Rooms
Number of Garages	Number of Stories
Dimension Length	Dimension Width
Land Size	Area of Land
Roof Type	Wall Material
Year Built	Under Construction <input type="checkbox"/>
Real Estate in SFHA	Environmental Assessment Required <input type="checkbox"/>
No	
Yes	
No	

**Certificate Of Title Details**

No Certificate Of Title added

+ Add Certificate Of Title

Figure 14 FDPA – Capture field for SFHA

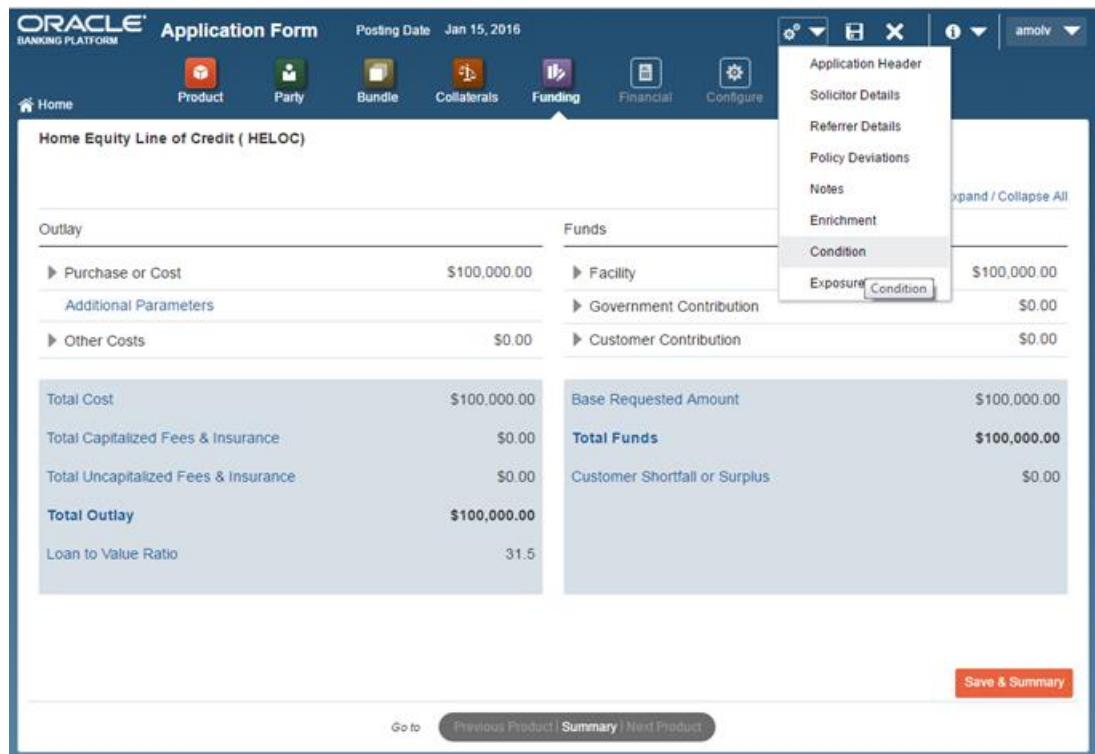


Figure 15 FDPA – Add Condition for Flood Insurance

The screenshot shows a web-based application interface for Oracle Banking Platform. At the top, it displays 'ORACLE' Application Form and the Posting Date as Jan 15, 2016. The interface includes standard browser controls (refresh, back, forward, search, and user dropdown) and a red header bar.

The main content area is titled 'Conditions' and shows the following details:

- Facility: FC201601500023, Amount: \$100,000.00 USD, 25 Years 0 Months
- Borrowing Entity: BE20160150001940, RICHARD W GXPW a

Below this, a 'Summary' section contains a button labeled '+ Add Condition'. A table lists the condition details:

For	Linked Entity	Condition	Type	Waived	Compliance Status	Action
Collateral	Property	D101,FDPA	Preliminary	—	Due	▼

At the bottom right of the summary section is a red 'Close' button.

Figure 16 FDPA - Add Condition for Flood Insurance

Facility: FC201601500023 | \$100,000.00, USD, 25 Years, 0 Months

Borrowing Entity: BE20160150001940, RICHARD W GXPW a

Summary

+ Add Condition

For	Linked Entity	Condition	Type	Waived	Compliance Status	Action
No data to display.						

**New Condition**

Non standard Condition

Borrowing Entity: BE20160150001940

\* Condition For: Collateral

\* Type: Preliminary

\* Linked Entity ID: COL20160150001

\* Condition ID: D101

Description: FDPA

\* Mode: Manual

\* View: INTERNAL

Borrower has insured the property that has been given as a collateral and is identified to be in a "Special Flood Hazard Area". This property is insured via Policy Number #Insert Policy Number# and is covered for # Insert Sum Assured#

Figure 17 FDPA - Add Condition for Flood Insurance

## Uniform Retail Credit Classification and Account Management Policy

### Regulation Overview

The policy establishes standards for classification and account management of retail credit in banks. It generally requires that closed-end loans be charged off when 120 days past due and that open-end credit be charged off when 180 days past due. Other important provisions of the policy include:

- Criteria for classifying delinquent residential mortgage and home equity loans

- Charge-off criteria for bankrupt obligors, deceased obligors, and fraud

- Limits and criteria for re-aging open-end credit

Guidance for controlling the use of extensions, deferrals, renewals, and rewrites of closed-end loans

### Built-in Capabilities

- Deferment Counters: counter available for number of deferments in a calendar year and number of deferments during the life cycle of the loan account. Ability to display the count of deferment on a loan account as on date.
- Charge Off: Ability to identify Charge Off event on a loan account and pass accounting entries. Ability to update the status of the loan account as 'Charge Off'. Further debits will not be allowed, except for fees and interest debits. Further provisioning of charged off account will be stopped since the charged off account will be provided in full.
- Re-age Account: In case of open ended credit accounts, based on customer request or in discretion of bank, account can be re-aged. System marks all the unpaid MADs (Minimum Amount Due Payments) as Paid.
- Payment Tolerance: In case the Bank maintains tolerance percentage, any payment made greater than or equal to that amount will be considered as complying payment and marked as 'Paid' as per the schedule and will not be considered for delinquency tracking.

Example: For an installment amount of \$ 1,000.00 due on 30<sup>th</sup> of every month, payment of \$ 900.00 will be considered as complying payment and marked as 'Paid' if the tolerance is maintained as 90%.

ORACLE BANKING PLATFORM

Posting Date: 15-Mar-2020

Fast path OFSSUser

**LN100 X**

**Manage Loan Account**

No Repayment Holiday Instruction [Edit](#) | [Delete](#)  
[Fee Refund](#) | [Excess Refund](#)

**Transaction History** Statement Inquiry

Date	Amount	Description	Txn. Ref. No.	Balance
May 31,2016	55.49 AUD	Interest charged for loan account number 2016152002018064	25438.29	
May 31,2016	10.00 AUD	Loan Monthly Periodic Fees LBS3101 Charged for the period 30/04/2016 to 30/05/2016	25382.8	
Apr 30,2016	53.57 AUD	Interest charged for loan account number 2016121001388055	25372.8	
Apr 30,2016	10.00 AUD	Loan Monthly Periodic Fees LBS3101 Charged for the period 31/03/2016 to 29/04/2016	25319.23	
Mar 31,2016	55.21 AUD	Interest charged for loan account number 2016091001103009	25309.23	
Mar 31,2016	10.00 AUD	Loan Monthly Periodic Fees LBS3101 Charged for the period 29/02/2016 to 29/03/2016	25254.02	
Feb 29,2016	51.52 AUD	Interest charged for loan account number 2016060001037031	25244.02	
Feb 29,2016	10.00 AUD	Loan Monthly Periodic Fees LBS3101 Charged for the period 31/01/2016 to 29/02/2016	25192.5	
Feb 15,2016	400.00 AUD	Loan Disbursement Fees LBS3101 Charged	25162.5	

**Schedule**

1. FRS Variable from Jan 31,2016 to Jan 30, 2018  
 Installments are 0  
 Next Instalment of 63.30 AUD is due on Jan 30, 2016  
 Deferred 1 time(s) in Calendar year, 2 time(s) in Lifecycle

**Facility Details**

Description: Home Loan  
 Collateral: Property of value 50,000.00 AUD owned by Aditya Pathak  
 CCI: Plan Mortgage Protect, Premium 8,600.00 AUD Annually

**Account Preferences**

Facilities: Redraw, Principal Offset  
 Daily Statement to be generated Both  
 Repayment/Grace Days are 9  
 Purpose: Owner Occupied

**Account Holder Preferences**

Account Holder is Aditya Pathak  
 Account Nickname is Business Term Loan LBS3101A  
 Access Channels are Internet, Mobile, Telephone  
 Correspondence Required by Post at HOM, COM

**Disbursement**

Sanctioned Edit | Disburse Now  
 - Disbursed  
 25,182.50 AUD [View Breakup](#)  
 25,182.50 AUD

Figure 18 FFIEC – Display of count of deferments

ORACLE BANKING PLATFORM

Posting Date: 15-Mar-2020

Fast path OFSSUser

**CHG000 X**

**Charge Off**

\* Account Number: 00000000000008934 [Show Details](#)

**Account Details**

Interest \$0.00 Current Provision \$1,200.00  
 Fees \$5,000.00  
 Insurance \$5,000.00  
 Principal \$50,000.00 [Mark Charge Off](#)

**For Loan Accounts**

Figure 19 FFIEC – Charge Off

## Financial and Accounting Standards Board

### Regulation Overview

FAS91 is the Financial Accounting standard for accounting and reporting of nonrefundable fees and costs associated with retail loans. The statement addresses the balance sheet classification and recognition of nonrefundable fees, discounts, premiums and commitment fees associated with lending activities.

- Financial Intuitions are prohibited from recognizing fee income and costs when received or incurred, but instead must amortize them over the life of the loan as a reduction of the loans yield. Amortization is the method of recognizing non-refundable loan fees and costs over the related period when they are actually incurred.
- Non-refundable fees that are collected upfront, at the time of origination or periodically, during the loan life are to be amortized over the life of the related loan.
- Non-refundable costs that are incurred during the time of Origination of the loan need to be recognized over the period of the related loan.
- All loan fees and costs, which are collected upfront and are non-refundable needs to be amortized over the life of the loan, based on the Interest Rate method.
- The EIR (Effective Interest Rate) is the rate at which the identified non-refundable fees are amortized over the loan period and it is the actual interest rate in a period based on the amount of a financial instrument's book value at the beginning of the accounting period by accounting for net fee income by adjusting the loans yield.

### Built-in Capabilities

- Identify non-refundable and amortizable fees
- Configure at a product level whether amortization will be done by Straight Line Method or EIR method
- Amortize these fees over the lifecycle of the closed ended account using EIR method or straight line method for open ended credit account

Manage Loan Account

Account Number: 300010809      Maya Pai

Summary Make Payment Backdated Reversal **Inquiry** Simulators

Loans Inquiry

Inquiry For: **Fee Amortization**

Fee Amortization

Price Definition Name	Date Of Deduction	Amount Charged	Last Amortization Date	Amount Amortized
USLNPD7	18-Jan-2016	500	29-Feb-2016	51.45
ORG_DOC_Fees	18-Jan-2016	20	29-Feb-2016	3.77
ORG_CR_Fees	18-Jan-2016	30	29-Feb-2016	4.76

Figure 20 FAS 91 – Fee amortization inquiry

## Statement of Financial Accounting Standards (SFAS)

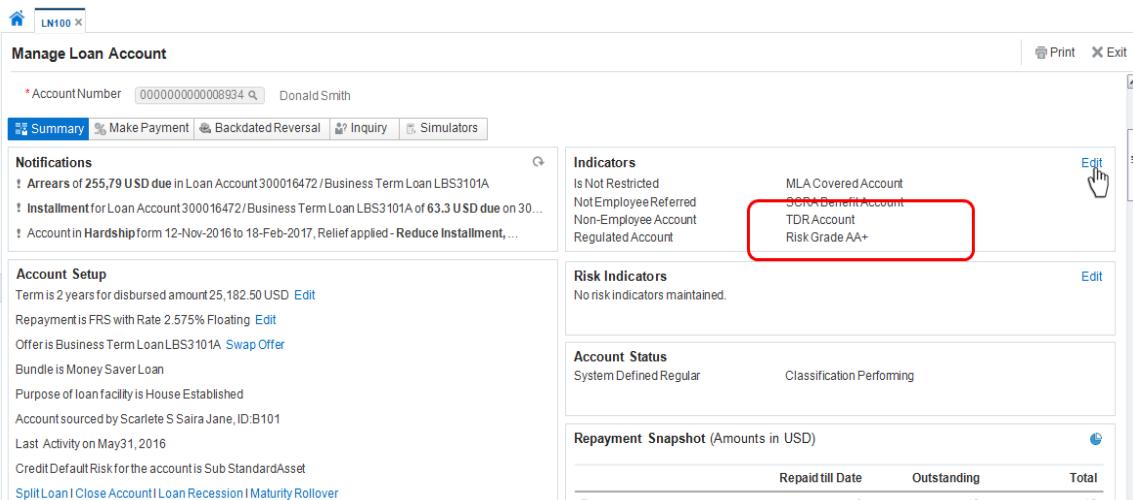
### Regulation Overview

SFAS #15 establishes standards of financial accounting and reporting by the debtor and by the creditor for a troubled debt restructuring 'TDR'. A restructuring of a debt constitutes a troubled debt restructuring when the creditor, for economic or legal reasons related to the debtor's financial difficulties, grants a concession to the debtor that it would not otherwise consider.

In a troubled debt restructuring, the lender expects to obtain more cash or other value from the debtor, or to increase the probability of receipt, by granting the concession than by not granting it.

### Built-in Capabilities

- Capture TDR status for a loan account
- Display the TDR indicator of the loan account along with effective date
- Capture and display Internal Risk Grade for an account



The screenshot shows a software interface for managing a loan account. The top navigation bar includes a home icon, 'LN100 X', 'Print', and 'Exit'. The main title is 'Manage Loan Account'. Below the title, there is a search bar with 'Account Number: 000000000008934' and a dropdown showing 'Donald Smith'. A toolbar below the search bar includes 'Summary', 'Make Payment', 'Backdated Reversal', 'Inquiry', and 'Simulators'.

The 'Notifications' section lists:

- ! Arrears of 255,79 USD due in Loan Account 300016472 / Business Term Loan LBS3101A
- ! Installment for Loan Account 300016472 / Business Term Loan LBS3101A of 63.3 USD due on 30...
- ! Account in Hardship from 12-Nov-2016 to 18-Feb-2017, Relief applied - Reduce Installment, ...

The 'Account Setup' section shows:

- Term is 2 years for disbursed amount 25,182.50 USD
- Repayment is FRS with Rate 2.575% Floating
- Offer is Business Term Loan LBS3101A
- Bundle is Money Saver Loan
- Purpose of loan facility is House Established
- Account sourced by Scarlete S Saira Jane, ID: B101
- Last Activity on May 31, 2016
- Credit Default Risk for the account is Sub Standard Asset
- Split Loan | Close Account | Loan Recession | Maturity Rollover

The 'Indicators' section is highlighted with a red box and shows:

- Is Not Restricted
- Not Employee Referred
- Non-Employee Account
- Regulated Account
- MLA Covered Account
- SORRA Benefit Account
- TDR Account
- Risk Grade AA+

The 'Risk Indicators' section shows: 'No risk indicators maintained.'

The 'Account Status' section shows: 'System Defined Regular' and 'Classification Performing'.

The 'Repayment Snapshot' section shows a table with columns: Repaid till Date, Outstanding, and Total. The table has three rows: 'Total', 'n', and 'n'.

Figure 21 SFAS – Display of TDR and Internal Risk Grade

## Regulation AA

### Regulation Overview

Pyramiding is an accounting method that results in the assessment of multiple delinquency charges because of a single delinquent payment for the current month. For example, when a borrower's payment is received late, the lender deducts a late charge directly from the payment received, which then results in an insufficient payment. Although the next payment may be received on time, because the first payment was considered insufficient, a late charge is again applied. This continues until either the borrower pays the late charge separately or the loan matures.

Pyramiding is an accounting method that results in the assessment of multiple delinquency charges because of a single delinquent payment for the current month.

### Built-in Capabilities

- Identify whether Pyramiding of Fees are allowed.
- If the parameter for Pyramiding of fees is checked as 'No', the system will not charge multiple late fees on account of default of single payment.

For example, when a borrower's payment is received late, the Bank charges late fee to the loan account, which is to be recovered from the next payment made by the Borrower. The Bank appropriates the payment to the loan account as per the appropriation sequence maintained. This result in the Bank recovering the late charges as part of the appropriation sequence and result in insufficient payment. The system identifies that the insufficiency is on account of the late fee levied and does not charge late fee again on the account.

Define Loan Product

Control Parameters

Control Parameters	
* Minimum Term for Debt Consolidation(Months)	1
* Appropriation Sequence	IFCALPNUTDSOEMG
* Payoff Benefit	Immediate
Fee Amortization Method	Effective Interest Rate
* Interest Computation Balance Method	Book Balance
Allowed Incoming payment to Closed/Written off Accounts	✓
* EFS Simulation Permissible up to (Days)	90
* Default Reschedule Date Due To Periodic Fee Change	Same Day
Is Payment Tolerance Applicable	✓
Percentage of Installment Amount for Report	20
* Days before Maturity Roll over	45
* Maximum Number of Maturity Roll over allowed for the loan	2
* Minimum Period for Interest in Advance(Months)	1
Longest Overdue First	✓
Fee Amortization Frequency	Align to Repayment Rate
Update Utilization on Capitalization	✓
* Appropriation Sequence For written off/Closed accounts	IFCALP
Capitalize Economic Cost for PPF	—
APR Applicable	✓
Tolerance Percentage	90
Is Pyramiding of Late Fees Applicable	✓
* Maximum Maturity Roll over period (in months)	6

Read   + Create   ⌂ Update   ⌂ Copy   X Close   ⌂ Reopen   ⌂ Draft   ⌂ Print   ✓ Ob   ⌂ Clear   X Exit

Figure 22 Reg AA – Pyramiding of Fees parameter at Loan Product



## Delinquency Tracking Methods

### System Impact

- Method 1: Number of Days based: Each category is updated every time the oldest payment schedule is past due by the category days. The calculation of delinquency is based on the number of days above the oldest payment due date on an account.
- Method 2: Number of Payments based: Each category is updated when the no. of payment schedules past due falls into relevant category. Usually used for non-periodic frequency based schedule. The calculation of delinquency is based on the number of unpaid payments on an account.

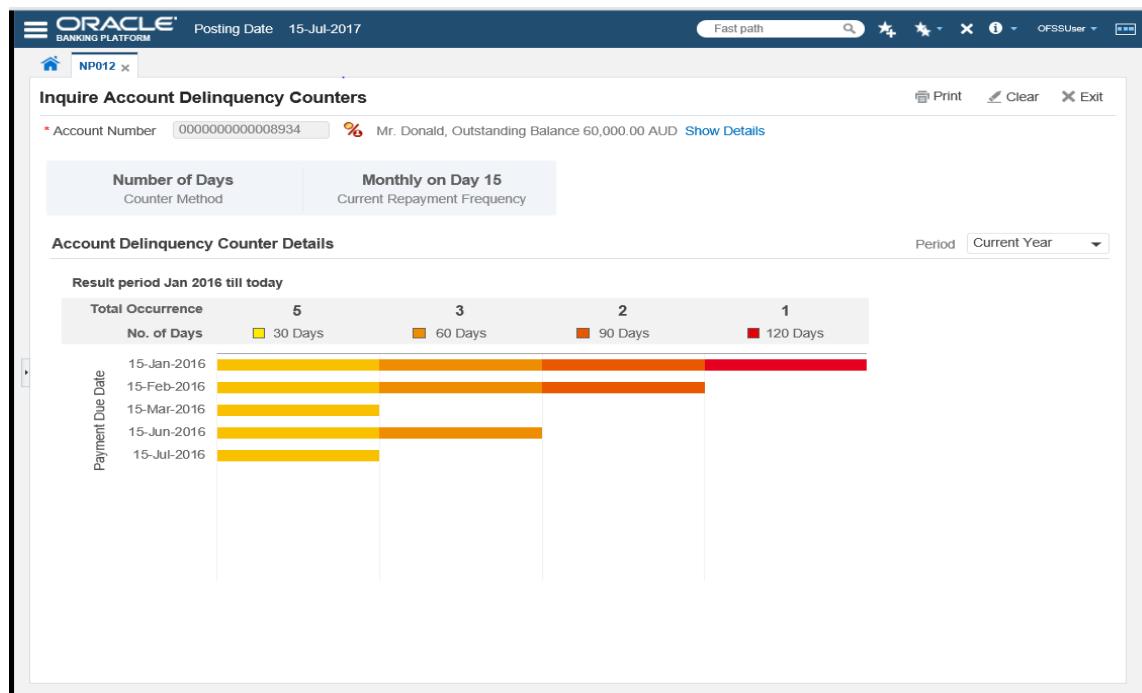


Figure 23 Inquire Account Delinquency Counters

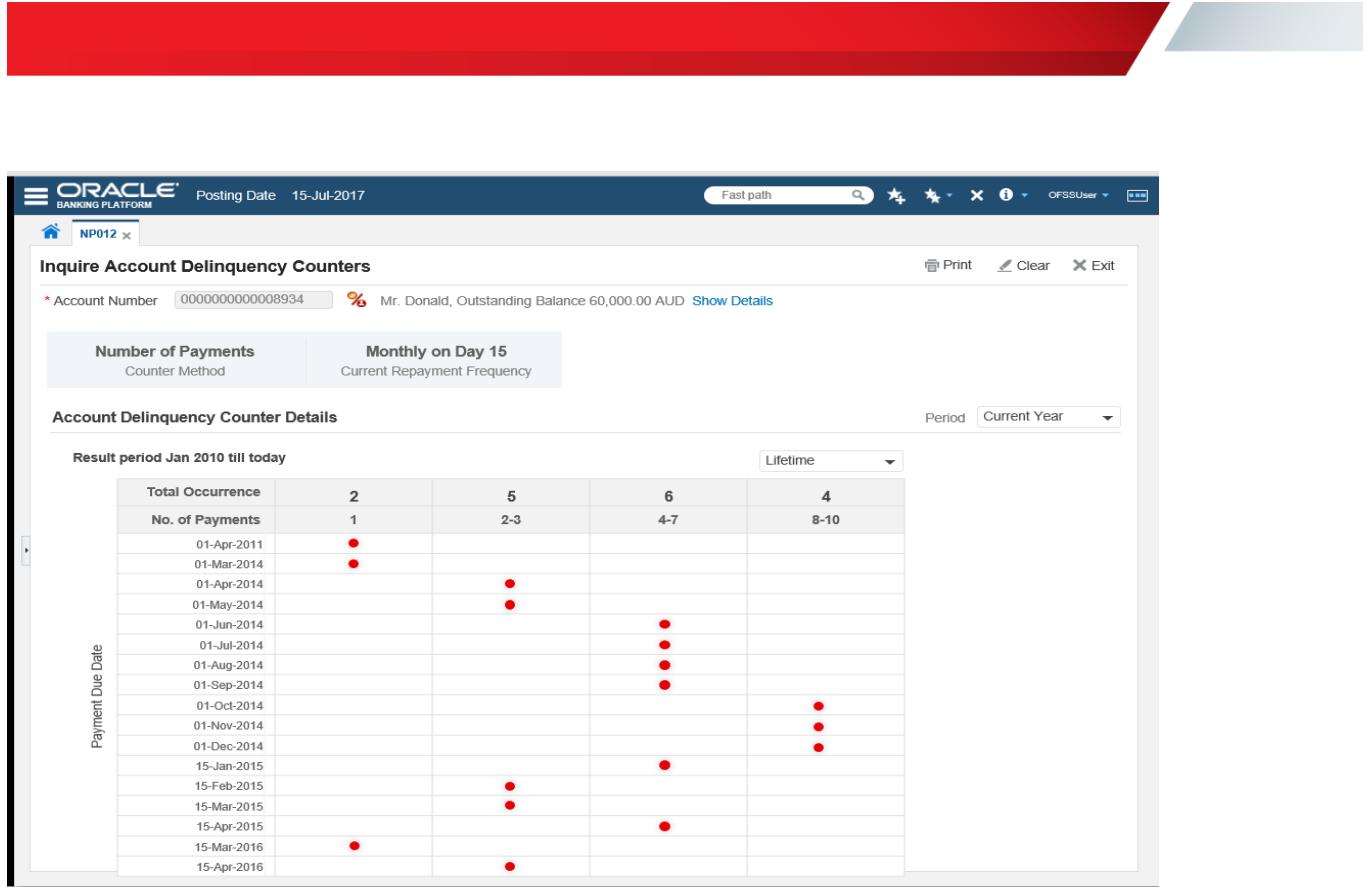


Figure 24 Inquire Account Delinquency Counters

## Usury laws

### Regulation Overview

**Usury laws** are regulations governing the amount of interest that can be charged on a loan. **Usury laws** specifically target the practice of charging excessively high rates on loans by setting caps on the maximum amount of interest that can be levied.

*Usury laws* are state *laws* that specify the maximum legal interest rate at which loans can be made.

### Built-in Capabilities

- Identify State as a fact to provide interest rate margins/caps and fees based on State.
- Update State Codes.
- Use 'Account Branch state code' to create various business rules in the 'Rule Author' screen, based on the values assigned. Maintaining a rule in the 'Rule Author' screen, The Oracle Banking Platform will display all active state codes along with their names in the dropdown, as (literal) values for 'Account Branch State Codes'.

Pricing module will derive the respective fees applicable for each state, using the 'Account Branch state code'.

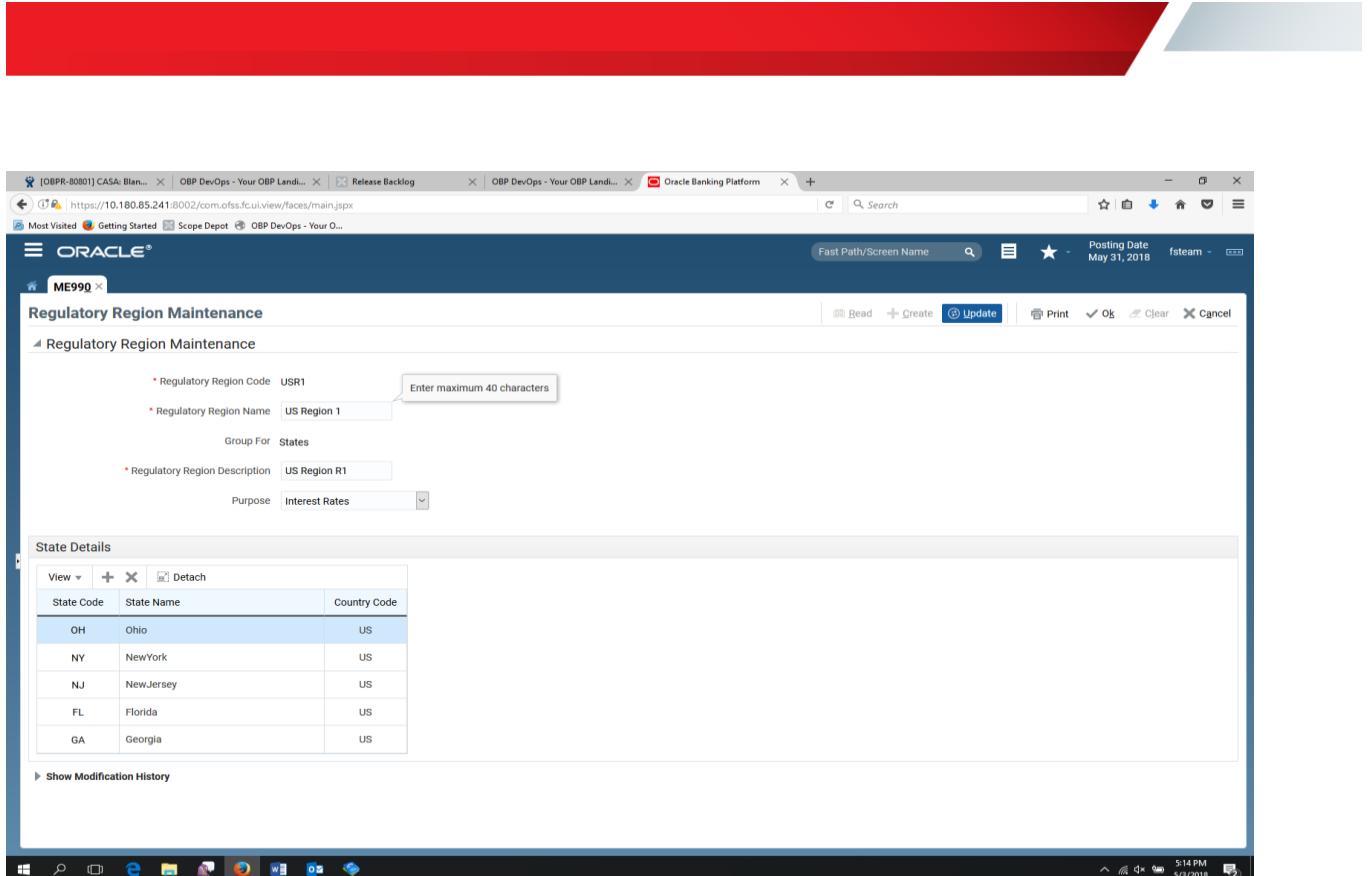


Figure 25 Maintain state table

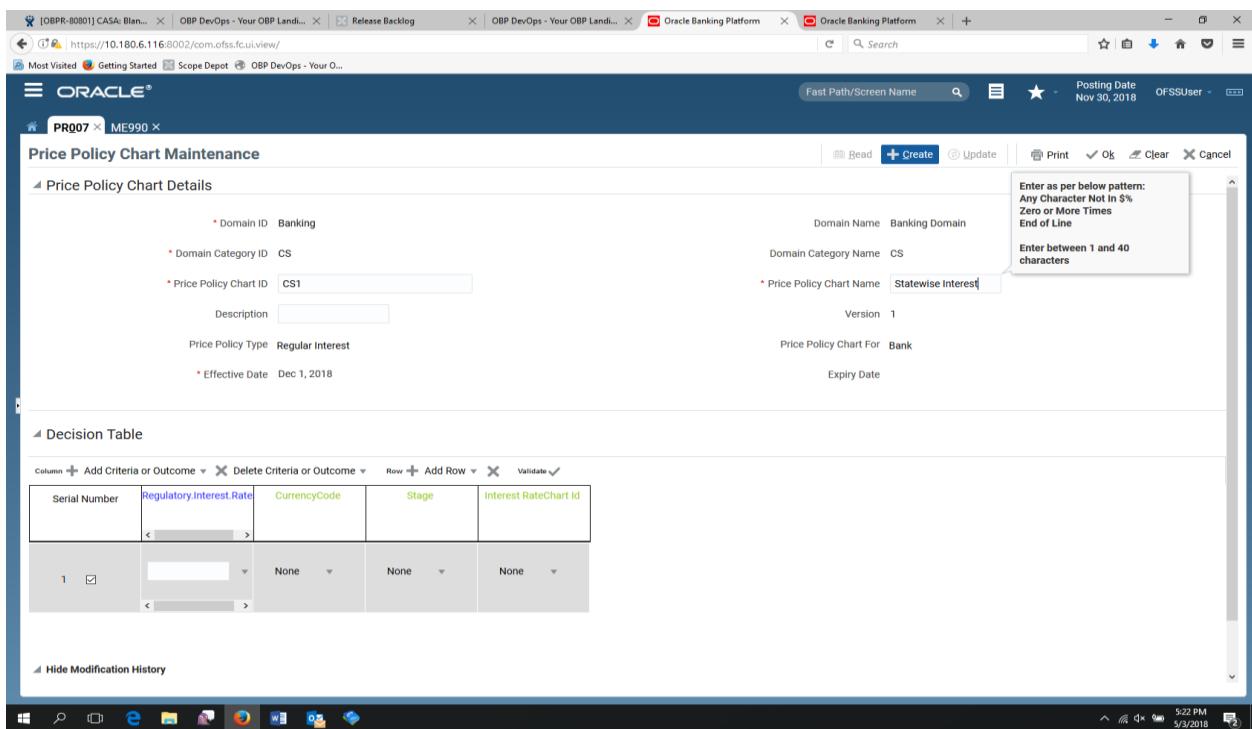


Figure 26 Price policy Chart to define mandated state interest rate

## HMDA – Home Mortgage Disclosure Act

### Regulation Overview

HMDA requires collection and reporting of loan data for all loans used for the purpose of purchase, refinance or improvement of a residential dwelling. This regulation aims to serve the following purpose

- Help determine whether banks are serving the housing credit needs of the neighborhoods and communities in which they are located
- Aid public officials in targeting public investments from the private sector to areas where they are needed
- Collection of applicant and borrower characteristics assist in identifying possible discriminatory lending patterns

### Built-in Capabilities

- Gather Loan Application Data - Loan purpose, Application Date, Type of Action (Approved, Rejected, Disbursed )
- Gather Loan Applicant Data – Ethnicity, Race, Gender, Income
- Gather Collateral Data - Property Type (1 to 4 family dwelling, Multifamily dwelling, Manufactured Housing), Property Location (MSA, Census Tract Number), Primary Dwelling Flag.
- Capture HMDA Loan classification

Figure 27 HMDA Data Element – Ethnicity & Race

Figure 28 HMDA Data Element – One to Four Family

Building Size

Number of Garages

Dimension Length

Land Size

Roof Type

Year Built

Real Estate in SFHA

Other Rooms

Number of Stories

Dimension Width

Area of Land

Wall Material

Under Construction

Environmental Assessment Required

**Certificate Of Title Details**

No Certificate Of Title added

**Residential Details**

Number of Bedrooms

Occupancy

Owner Occupied  
Not Owner Occupied  
Investment  
Not Applicable

Primary Residence Flag

Figure 29 HMDA Data Element - Occupancy

**Indicators**

Employee Account  Employee Referred   
Restricted Account

**Facilities**

Principal Offset  Add Instruction

**Preferences**

Redraw  Accelerated Payment   
Statements   
Statement Frequency Monthly

**Regulatory Parameters**

\* HMDA - Type of Loan

**Repayment Instructions**

Capture Instructions

All  
1-Conventional (other than FHA/VA/FSA/RHS)  
2-FHA Insured  
3-VA guaranteed  
4-FSA/RHS guaranteed

Cancel Configuration Next Step

Figure 30 HMDA Data Element – HMDA Type of Loan

## CRA – Community Reinvestment Act

### Regulation Overview

- CRA provides a framework for financial institutions to promote banking services to all members of a community by prohibiting discriminatory practices like redlining & encouraging efforts to meet credit needs of all members
- A bank's rating under CRA (Outstanding, Satisfactory, Needs Improvement, and Substantial Noncompliance) has a direct impact on a bank's business strategy including M&As, New Branch Application, Charter Change Application
- CRA requires Annual Reporting of data for CRA analysis on small business, small farm and community development loans
- Reporting is mandatory for Large Banks and optional for small and intermediate small banks

### Built-in Capabilities

The Oracle Banking Platform support capture of following additional data elements for CRA reporting

- CRA loan type
- Community Development loans – a field to flag these loans is needed to aid in regulatory reporting
- CRA Revenue code
- Originator code
- Action Code
- Consumer Revenue for consumer purpose loans
- Geo-coding Data

CRA Data Categories	Data elements	Explanation of Data Elements
CRA Loan Type	CRA Code 1	Small Business
	CRA Code 2	Small Farm
	CRA Code 3	Other Small Business/Small Farm – Small business and farm loans/ LOC, primarily secured by residential real estate
	CRA Code 4	Home Equity credit that are not reported under HMDA
	CRA Code 5	Consumer purpose motor Vehicle Loans
	CRA Code 6	Consumer purpose Credit Cards
	CRA Code 7	Other secured consumer purpose loans
	CRA Code 8	Other unsecured consumer purpose loans
	CRA Code 9	Other loans – Includes commercial loans greater than \$1 million, letters of credit, leases, construction loans and any other credit products that do not fall into the other CRA categories
Community Development Loan	Separate flag or Indicator	Loans meeting the definition of "community development loan" should be flagged separately for aggregate reporting
CRA Revenue Code	Revenue Code 1	Annual Revenue (Gross Sales) of business of \$1 million or less
	Revenue Code 2	Annual Revenue (Gross Sales) of business of > \$1 million
	Revenue Code 3	Not known
	Revenue Code 4	NA Consumer Loan and Other
Originator Code	1	Bank
	2	Affiliate
Action Code	1	Originated Loan
	2	Purchased Loan
Consumer Revenue for Consumer Purpose Loan	Amount Field	For consumer purpose loans, Bank must use Revenue Code 4 and captured the consumer income in this field when the CRA code is 4, 5, 6, 7, 8 or 9
Geo-coding Data	MSA	Metropolitan Statistical Area
	State FIPS Code	FIPS state codes were numeric two-letter alphabetic codes to identify U.S. states
	County FIPS Code	FIPS county code is a five-digit code which uniquely identifies counties in US
	Census Tract	Geographic region defined for the purpose of taking a census

Figure 31 CRA Reporting – Data Elements Supported

**Facilities**

Principal Offset  [Add Instruction](#)

**Preferences**

Redraw  Accelerated Payment

Statements

Statement Frequency [Monthly](#)

**Regulatory Parameters**

\* CRA Loan Type

Community Development loans

**CRA Address Details**

\* Address Type

**Repayment Instructions**

Capture Instructions

All  
 1-Small Business  
 2-Small Farm  
 3-Other Small Business/Small Farm  
 4-Home Equity ◆◆◆ non-HMDA  
 5-Consumer purpose motor vehicle loans  
 6-Consumer purpose credit cards  
 7-Other secured consumer purpose loans  
 8-Other unsecured consumer purpose loans  
 9-Other loans

[Cancel Configuration](#) [Next Step](#)

Figure 32 CRA Data Element – CRA Loan Type

**Facilities**

Principal Offset  Add Instruction

**Preferences**

Redraw  Accelerated Payment   
Statements   
Statement Frequency Monthly

**Regulatory Parameters**

\* CRA Loan Type 1-Small Business ▾

\* Community Development loans ▾

- All
- Yes
- No

**CRA Address Details**

\* Address Type ▾

- PARTY
- COLLATERAL
- ADHOC

**Repayment Instructions**

Capture Instructions ▾

Cancel Configuration Next Step

Figure 33 CRA Data Element – Community Development Loan Flag

**Facilities**

Principal Offset  Add Instruction

**Preferences**

Redraw  Accelerated Payment   
Statements   
Statement Frequency Monthly

**Regulatory Parameters**

\* CRA Loan Type: 1-Small Business

\* Community Development loans: No

**CRA Address Details**

\* Address Type:  PARTY  COLLATERAL  ADHOC

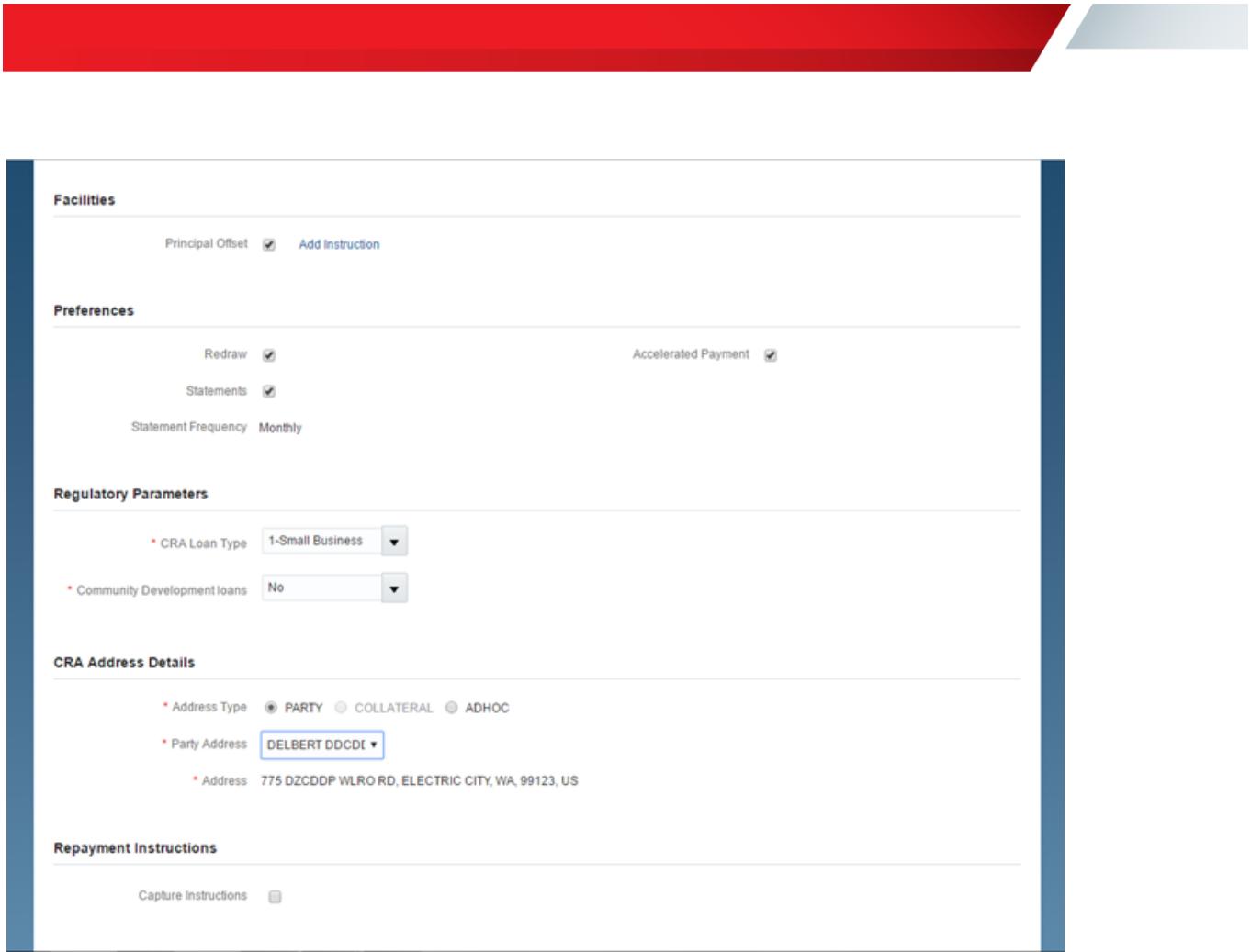
\* Party Address: DELBERT DDCDDP - Home

\* Address: DELBERT DDCDDP - Postal HOM

**Repayment Instructions**

Capture Instructions

Figure 34 CRA Data Element – CRA Address



The screenshot shows a web-based form for CRA data entry. The form is divided into several sections:

- Facilities**: Contains a "Principal Offset" checkbox and a "Add Instruction" link.
- Preferences**: Contains checkboxes for "Redraw", "Accelerated Payment", "Statements", and "Statement Frequency" (set to "Monthly").
- Regulatory Parameters**: Contains dropdown menus for "CRA Loan Type" (set to "1-Small Business") and "Community Development loans" (set to "No").
- CRA Address Details**: Contains radio buttons for "Address Type" (set to "PARTY"), a dropdown menu for "Party Address" (set to "DELBERT DDCDE"), and a text field for "Address" (set to "775 DZCDDP WLRO RD, ELECTRIC CITY, WA, 99123, US").
- Repayment Instructions**: Contains a "Capture Instructions" checkbox.

Figure 35 CRA Data Element – CRA Address

Home Product **Party** Bundle Funding Financial Configure Document Review

DELBERT DDCDDP

Primary Contact Address Online Access & ID Employment Administrator Other Details >>

**Residential**

\* Resident Since: Jan 15, 2012

\* Accommodation Type: Owned

International

\* Line 1: 775 DZCDDP WLRO RD

Line 2:

Line 3:

Line 4:

Country: UNITED STATES

\* City: ELECTRIC CITY

\* State: Washington

\* Zip: 99123

Geo Code 1:

Geo Code 2:

Geo Code 3:

Geo Code 4:

Line 9:

Line 10:

Line 11:

Line 12:

**Work**

Capture Address:

**Postal Address**

Figure 36 CRA Data Element – Geo Code fields in Address Task Flow

## ECOA – Equal Credit Opportunity Act (Regulation B)

### Regulation Overview

ECOA makes it unlawful for any creditor to discriminate against any applicant, with respect to any aspect of a credit transaction, on the basis of race, color, religion, national origin, sex, marital status, or age provided the applicant has the capacity to contract. The ECOA states that creditors must:

- Inform the candidate if they have been denied or granted credit within 30 days of receiving their completed application
- Give the specific reason(s) or tell how to get the reason(s) on why one is denied credit or granted credit differently than under the terms for which they originally applied

### Built-in Capabilities

- Generate Adverse Action Notice when credit is declined or offers on terms which is less favorable
- Appraisal/Valuation notice to be provided for all loan applications secured by a primary dwelling
- Collect GMI Reporting Information
- Credit decision timeline

The screenshot shows the Oracle Application Form interface for the Banking Platform. The top navigation bar includes the Oracle logo, the application title 'Application Form', and a 'Posting Date' of 'Jan 1, 2016'. The top right features various system icons and dropdown menus. The main menu bar has tabs for 'Home', 'Product', 'Party' (which is highlighted in green), 'Bundle', 'Funding', 'Financial', 'Configure', 'Document', 'Review', and 'Cancel'. The 'Party' tab is currently active, displaying a 'Party Summary' section. This section contains a 'Quick Task' area with 'Add/Select Group' and 'P2P' buttons, and a detailed view for 'CHERYL BKULP - Individual' showing a birth date of 'Nov 13, 1959', a phone number of ' - ', and an 'Others - Not Applicable' category. A blue circular arrow icon is at the bottom right of the summary box. At the bottom of the screen are buttons for 'Back to Product', 'Skip Bundles', and a red 'Go to Bundle' button.

Figure 37 ECOA- Adverse Action Notice on Cancel Submission

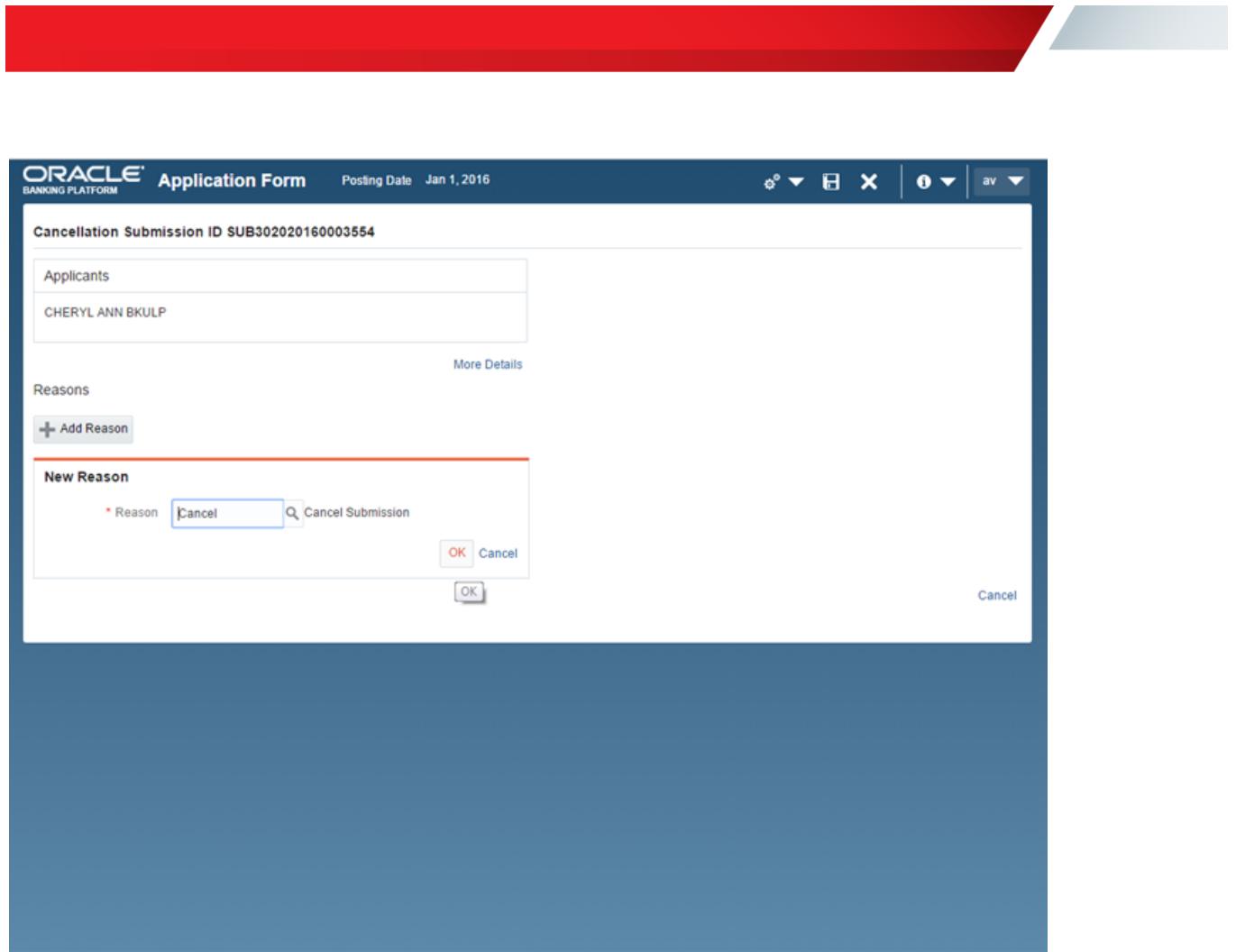
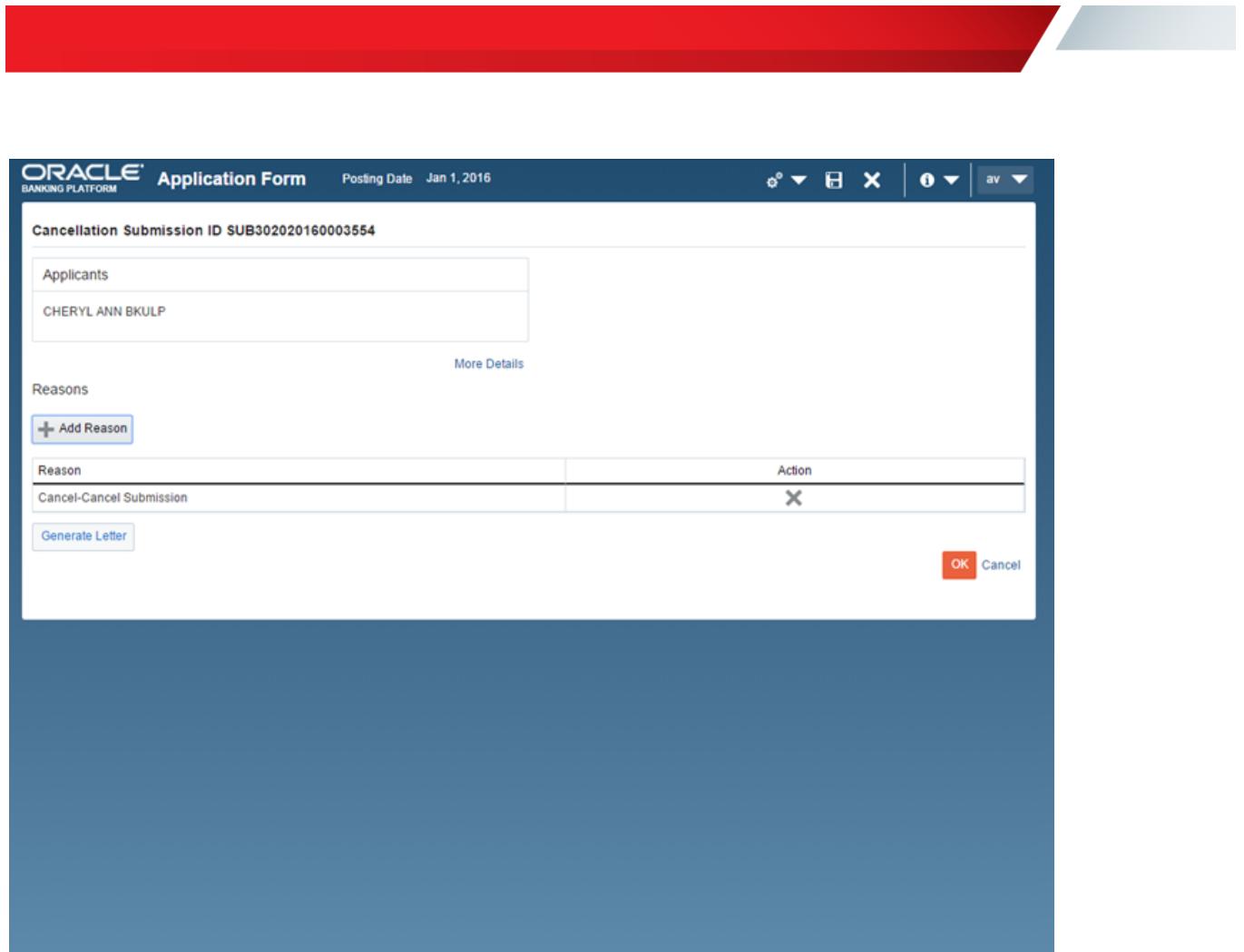


Figure 38 ECOA- Adverse Action Notice on Cancel Submission



The screenshot shows a web-based application form for Oracle's Banking Platform. The title bar reads "ORACLE Application Form" and "BANKING PLATFORM". The posting date is listed as "Jan 1, 2016". The main content area is titled "Cancellation Submission ID SUB302020160003554". It displays a list of "Applicants" with the name "CHERYL ANN BKULP". A "More Details" link is present. Below this, the "Reasons" section includes a "Reason" table with one row: "Cancel-Cancel Submission" and an "Action" column with a delete icon. A "Generate Letter" button is located to the left of the "Action" column. At the bottom right are "OK" and "Cancel" buttons. The background of the main content area is white, while the overall page has a blue header and sidebar.

Figure 39 ECOA- Adverse Action Notice on Cancel Submission

ORACLE Application Form      Posting Date Jan 1, 2016

Cancellation Submission ID SUB302020160003554

Applicants

CHERYL ANN BKULP

More Details

Reasons

+ Add Reason

Reason	Action
Cancel-Cancel Submission	X

Cancellation Documents

Documents

View		Detach	Generate	Dispatch	Refresh		
	Description	Receiving Party	Delivery Mode	Generation	Delivery Address	Document	Dispatch Status
<input checked="" type="checkbox"/>	* Rejection Letter Cancel	CHERYL ANN ...	POST	Not Generated	5704 BRET LN , UNITED STATES , BEAUMONT , Texas , 77713		Not Delivered

OK Cancel

Figure 40 ECOA- Adverse Action Notice on Cancel Submission

Oracle WebCenter Content: Imaging Viewer - Google Chrome

ofss3131443.in.oracle.com:16000/imaging/faces/Pages/Viewer.jsp?\_afrWindowMode=0&documentId=2JPM\_382774&\_afr

File View Tools **Rejection Letter Cancel** Rejection Letter Cancel

Properties

Document ID: 2JPM\_382774

Original: 00001506\_Rejection Letter Cancel.pdf

Application Name: Main

Document Desc: SUBMISSION

DATE: 18-Jan-2017

Dear ,

This is regarding your credit submission filed last. After careful consideration we cannot process your application APP089920110013492 concerning Submissions at this time.

Tab: Fax:

Action

Delivery Address	Document	Dispatch Status
5704 BRET LN , UNITED STATES , BEAUMONT , Texas , 77713		Not Delivered

OK Cancel

Figure 41 ECOA- Adverse Action Notice on Cancel Submission

ORACLE BANKING PLATFORM Application Tracker Posting Date: Jan 1, 2016

[Back to Summary](#)

**Application Details**

APP302020160002106

**Application Stages**

Initiated Today

Auto Decision Approved

- 2 Completed
- 1 In Progress
- 1 Not Started

Notification(s)

- Submission document(s) to be generated

In this Application [New](#)

Unsecured Personal Loans

Approved Amount: \$5,000.00 USD  
Term: 2 Yr(s)  
Applicant(s): CHERYL BKULP

SUB302020160003554 Actions ▾

Submission In Progress

No. of Applications: 1  
Expiry Date: May 31, 2016  
Credit Approved: Jan 1, 2016  
Decision Valid until: Apr 30, 2016

[action/faces/applicationTracker.jsp?\\_afrLoop=6300223625449786&\\_adf.ctrl-state=21nq7ifro\\_1106#](#)

Figure 42 ECOA- Adverse Action Notice on Withdraw Submission

OBP DevOps    BPM Worklist    Oracle Banking Platform    Application Tracker    Application Form

10.180.7.233:8001/integration/worklistapp/faces/home.jspx?\_afrLoop=6300322541603761&\_afrWindowMode=0&\_afrWindowId=18sdbyamg9&\_adf.ctrl-state=de0e62qej\_6

ORACLE® BPM Worklist

amolv

Views    Actions    Me & My Group All    Assigned   

Title

	Number	Creator	Assigned	Priority
Withdraw of Submission SUB302020160003554	200210	av	Jan 18, 2017 10:31...	3
Structure Solution of Lending Application APP302020160002106 and Submission SUB302020160003554	200209	av	Jan 18, 2017 10:29...	3
Account opening Document Generale/Dispatch required for Application APP302020160002052 and Submission SUB302020160003461	200208	av	Jan 16, 2017 10:56...	3
Review of Credit Assessment for Submission SUB302020160003502	200205	av	Jan 13, 2017 3:23...	3
Structure Solution of Credit Card Application APP302020160002105 and Submission SUB302020160003460	200202	av	Jan 13, 2017 3:11...	3
Structure Solution of Lending Application APP302020160002104 and Submission SUB302020160003460	200201	av	Jan 13, 2017 3:11...	3
Review of Credit Assessment for Submission SUB302020160003501	200200	av	Jan 13, 2017 3:03...	3

Views

My Tasks (71)

Initiated Tasks

My Staff Tasks

Administrative Tasks

Views

Due Soon

Please select a task to see the details

High Priority

Past Day

Past Week

Past Month

Past Quarter

New Tasks

Shared Views

Agent Sourced Applications

Applicant wise View

Approvals Worklist View

Branch wise Applications

Channel wise Applications

Collateral Tasks

Copyright © 2005-2015, Oracle and/or its affiliates. All rights reserved.

Figure 43 ECOA- Adverse Action Notice on Withdraw Submission

Decline Offer Letter for Submission SUB302020160003555 Posting Date Jan 1, 2016

Actions ▾ | ← → ↻ | Perform Manual Credit Review | 

▶ Product Group Summary

◀ Offer Letter and Documents

◀ Documents

View ▾ |  Detach | Generate & Dispatch | Refresh

...	Description	Receiving Party	Generation	Delivery Mode	Delivery Address	Document	Dispatch Sta
✓	* Reject Letter	CHERYL ANN ...	Posted	POST	5704 BRET LN , UNITED STATES , BEAUMONT , Texas , 77713		Not Delivered

Submit

▶ History

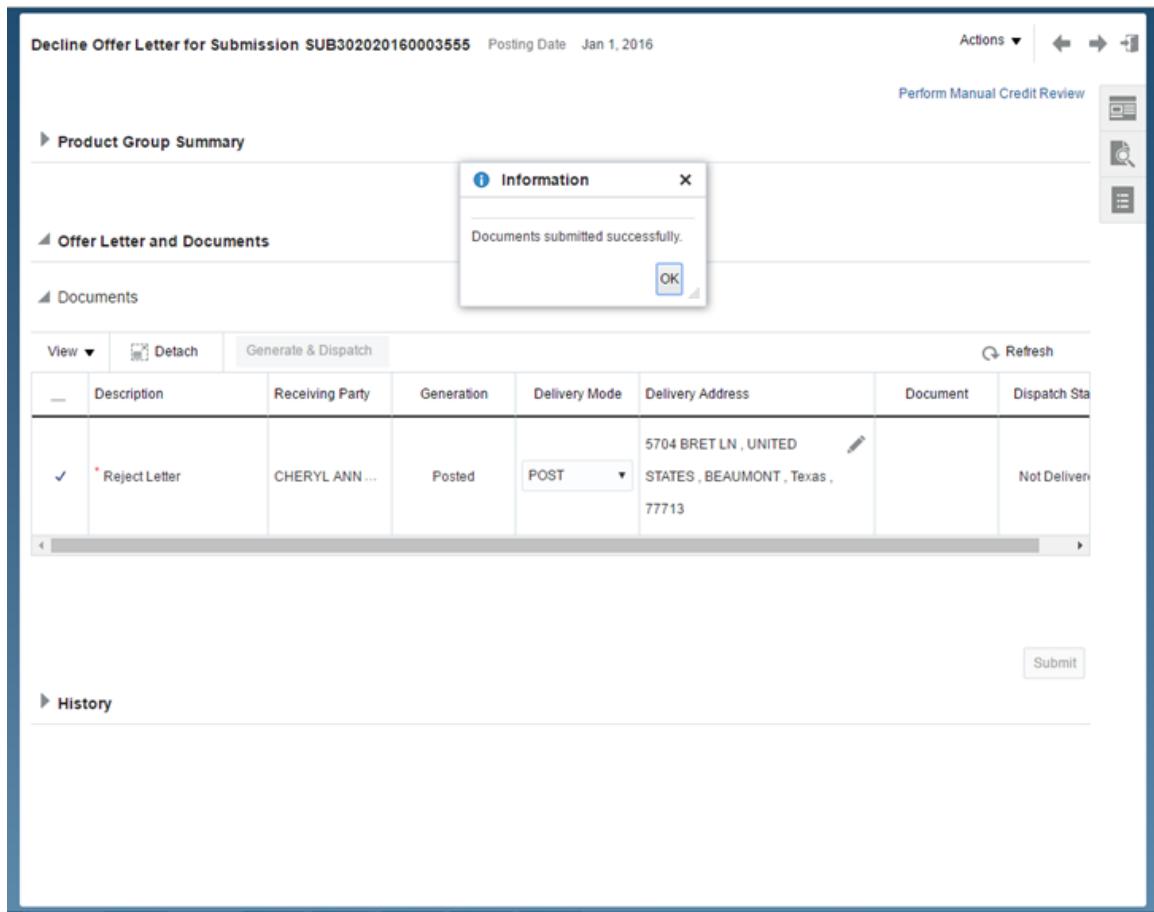


Figure 44 ECOA- Adverse Action Notice on Credit Decline



## SAFE – Secure & Fair Enforcement for Mortgage Licensing Act

### Regulation Overview

SAFE Act prohibits individuals from engaging in the business of a residential mortgage loan originator (MLO) without first obtaining and maintaining annually, a registration as a registered mortgage loan originator and a unique identifier.

### Built-in Capabilities

- Each home loan application is tagged with a registered Mortgage Loan Originator ID.
- The MLO ID will be passed on to the Loan Contract Documents
- The MLO ID is stored at the Loan Account

The screenshot shows the Oracle Application Form interface for MLO Data Capture. The top navigation bar displays 'ORACLE Application Form' and 'Posting Date Jan 1, 2016'. The main content area is divided into two main sections: 'Application' and 'Application Header'.

**Application Section:** This section is titled 'In Principle Approval' and contains a 'New Product' tab. Under the 'Lending' tab, a grid of product categories is displayed:

Vehicle Loans	Non Revolving Loan HELOC	Unsecured Personal Loans
Secured Personal Loans	Private Educational Loans	Secured Overdraft Manufactured Group 1
Secured Overdraft Flexi Credit	Personal CASA Group of Groups Unsecured	Business CASA Group of Groups Secured
Business CASA Group of Groups Unsecured	MAN-MOF Product Group	Unsecured Overdraft Manufactured Group
Group of Groups Secured for Personal ...	Home Equity Line of Credit ( HELOC)	Transaction Account Group
Line of Credit	Secured Overdraft Manufactured Group 2	Personal CASA Group of Groups Secured
US ODLOC Product Group		

**Application Header Section:** This section contains the following fields:

Application Branch	3020, Treasury Off...
Data Entry Branch	3020, Treasury Off...
Priority	Normal
Channel	Branch
Submission Value Date	Jan 1, 2016
Capture Date	Jan 1, 2016
Group Name	Not Applicable
Sourced by	Banker

**Selected Application Requests:** A list box contains 'Home Equity Line of Credit ( HELOC) X'.

**Action Buttons:** At the bottom right are a shopping cart icon with '1' and the text 'Start Application'.

Figure 45 SAFE- MLO Data Capture

Home Equity Line of Credit (HELOC)

Party Details > Facility Details

**About**

\* Facility Name: Home Equity Line of Crec

\* Expiry Period: 25 Years 0 Months

\* Draw Period: 5 Years 0 Months

\* Repayment Period: 20 Years 0 Months

\* Currency: USD

\* Requested Amount:

Refinance:

\* Primary Purpose: Construction (Inve

\* Secondary Purpose: House Under Con

Construction in Stages:

Capital Subvention:

**Attributes**

Low Doc:

General Insurance:

Grant Employee Benefits:

Capitalize Fees:

**Real Estate**

Add New Property

\* Description:

Address

International:

cration/faces/applicationForm.jspx?\_afrLoop=6302019078490693&\_afrWindowMode=0&\_afrWindowId=oujptqr&\_adf.ctrl-state=mqhiub4hj\_279#

Figure 46 SAFE- MLO Data Capture

Address

\* Line 1

Line 2

Line 3

Line 4

Country **UNITED STATES**

\* State

\* Zip

[More](#) [Verify](#)

About

\* Currency

\* Purchase Price

\* Transfer of Land Value Amount

\* Type

\* Sub Type

\* Owners

Consider for Fees

Add as Collateral

**OK** **Cancel**

**Mortgage Loan Originator(MLO) Details**

MLO ID

MLO Name

Financial Institution ID

Financial Institution Name

[Go to](#) [Previous Product](#) [Summary](#) [Next Product](#)

Figure 47 SAFE- MLO Data Capture

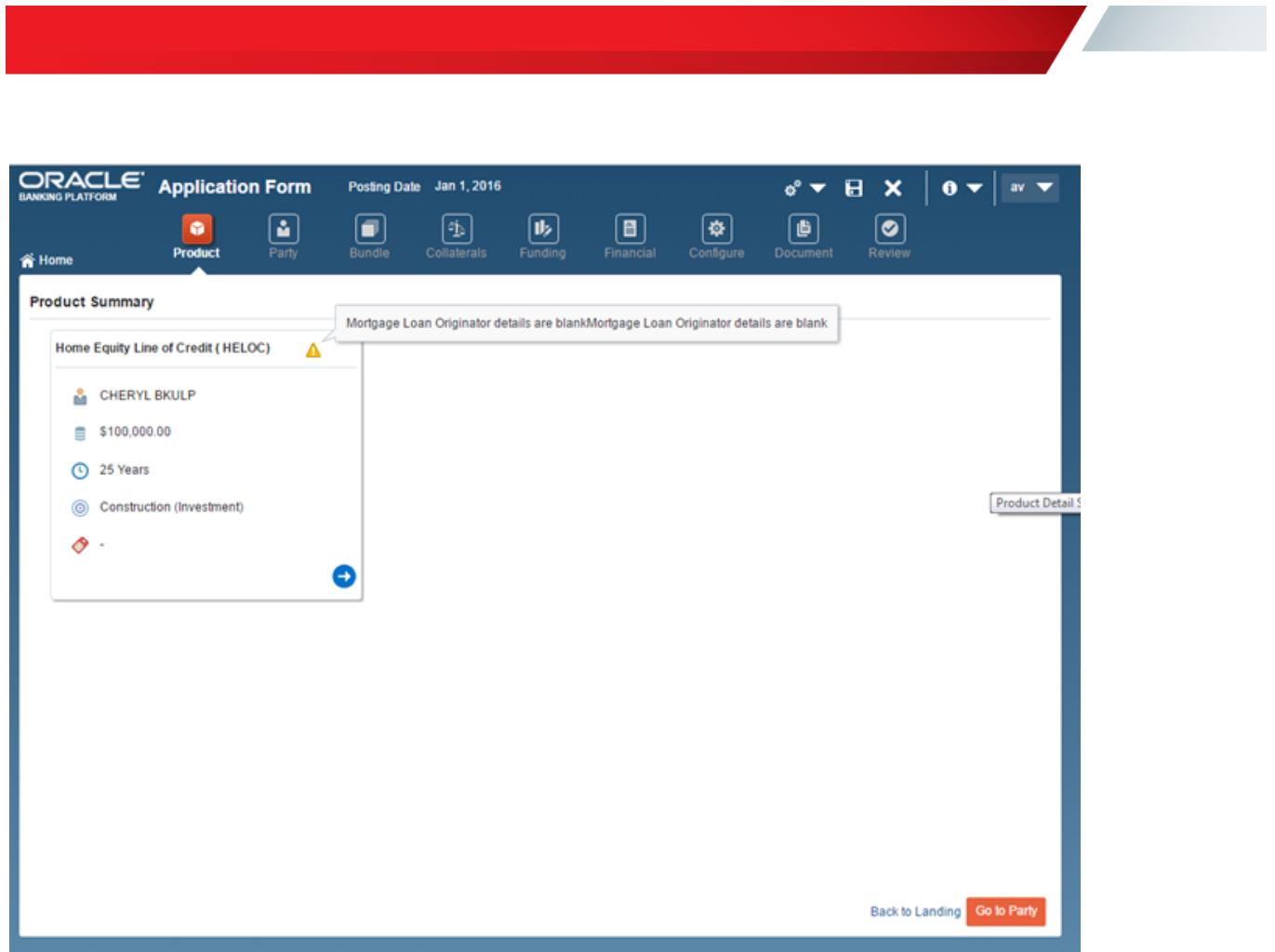


Figure 48 SAFE- Message when MLO Data not captured

ORACLE<sup>®</sup> Application Form      Posting Date Jan 1, 2016

Home      Product      Party      Bundle      Collaterals      Funding      Financial      Configure      Document      Review

Review Summary

Submission ID SUB302020160003555      Generate Document

Parties

CHERYL ANN BKULP

Financial Details Provided

Documents Submitted

Home Equity Line of Credit ( HELOC)

Product

CHERYL BKULP applied for Home Equity Line of Credit ( HELOC) of \$100,000.00 for 25 years 0 month 0 day with purpose of House Under Construction

Draw Period 5 years 0 month 0 day, Repayment Period 20 years 0 month 0 day

Collateral

gh of \$12,345.00 as collateral

LTV Limit breached: Additional Collateral or Mortgage Inst. Mortgage Loan Originator details are blank Mortgage Loan

Back to Document      Submit

Figure 49 SAFE- Message when MLO Data not captured



## OFAC – Office of Foreign Asset Control

### Regulation Overview

OFAC publishes a list of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific. Collectively, such individuals and companies are called "Specially Designated Nationals" or "SDNs." Their assets are blocked and U.S. persons are generally prohibited from dealing with them

### Built-in Capabilities

- While on boarding new party in the system, system should compare party name with most current OFAC list available
- If a party is found to be OFAC hit, then system should not allow on-boarding of such party and should stop account opening for such party
- This has been achieved using The Oracle Banking Platform's Due Diligence Framework – OFAC is added as an Identity Verification Type and linked to the Due Diligence Type AML

The screenshot shows the Oracle Banking Platform interface for 'Define Party Bank Policy'. The 'Access Types' section includes 'Is Signatory in Branch', 'Internet Banking Access', 'Phone Banking Access' (which is checked), and 'Mobile Banking Access'. The 'Relation Required for Check Book' is set to '✓'. The 'Affiliate Relationship Code' is '015' and the 'Affiliate Relationship Name' is 'Guardian'. The 'Due Diligence Details' section shows a table with rows for 'TaxID-Tax Identification', 'KYC-Know Your Customer', and 'AML-Anti Money Laundering'. The 'Identity Verification' column shows 'Tax ID Verification', 'Address Verification, ID Check', and 'OFAC' respectively. The 'Expiry Applicable' and 'Validity Period (In Months)' columns are blank for all rows. The 'Lead days for expiry tracking' and 'Action' columns also have blank entries. The 'Rule Maintenance' section shows 'Broker/Introducer Manager Assignment Rule' as 'AGENT\_MANAGER\_1', 'Due Diligence Rule' as 'RL\_DDR\_US', and 'Party Relationship Manager' as 'PARTY\_RM\_RULE'. A link to 'Show Modification History' is present. The URL at the bottom is [https://10.180.34.168:8002/com.ofss.fcui.view/7\\_afhLoop:63044682383945548\\_af/WindowMode:08\\_af/WindowId:17kmpyc5e&\\_af/ctrl-state:bpne3jywd\\_2#](https://10.180.34.168:8002/com.ofss.fcui.view/7_afhLoop:63044682383945548_af/WindowMode:08_af/WindowId:17kmpyc5e&_af/ctrl-state:bpne3jywd_2#).

Figure 50 OFAC – Due Diligence Configuration

## Regulation O

### Regulation Overview

Reg O places restrictions on a bank lending to its insiders, which is its principal shareholders, directors, executive officers and their related interests. A related interest is a company or other entity that an insider owns or controls

### Built-in Capabilities

- Identify party as Insider or related interest of Insider. Also capture the Insider Role
- If the party is identified as Related interest to insider, system should make it mandatory to capture the insider details and add insider as party (if already not a party)
- Define amount threshold for extension of credit to insiders and validate the breached of this amount
- Board approval should be available as verification policy item based on fact that applicant is insider or related interest of insider

ORACLE Application Form  
BANKING PLATFORM

Posting Date Jan 15, 2016

amolv

Home Product Party Bundle Collaterals Funding Financial Configure Document Review

CHERYL BKULP

Contact Address Online Access & ID Employment Administrator Other Details Consents

**CTR Details**

CTR Exempt  Exemption Start Date Jan 15, 2016

CTR Designation PHASE-1

**Insider Details**

Party is  An Insider of Bank  Related Interest of an Insider  None

Role Select

Select  
Director  
Executive officer  
Principal shareholder of affiliates of the bank  
Principal shareholder of the bank

**Service Member Details**

Party is  Service Member  Service Member Dependent  None

**Tax Details**

Voluntary Backup Withholding Tax  5 %

Previous Step **Next Step**

Go to Previous Party | Summary | Next Party

Figure 51 Regulation O – Capture Party as Insider

Figure 52 Regulation O - Capture Party as Related Interest of Insider

**CTR Details**

CTR Exempt  \* Exemption Start Date Jan 15, 2016

\* CTR Designation PHASE-1

**Insider Details**

\* Party is  An Insider of Bank  Related Interest of an Insider  None

**Add Insider** **Fetch Related**

**Add Insider Details**

Existing Party  Yes  No

Party Search by Name   **Ok** **Cancel**

**Service Member Details**

\* Party is  Service Member  Service Member Dependent  None

**Tax Details**

**Common Parameters**

Unprinted Period Term Days 15 Months 0

Enable Accounting at Payable Branch

Insider Credit Threshold \$1,000,000.00

Executive Officer Credit Threshold \$800,000.00

Military APR Rule ID

**Broker/Introducer Parameters**

Enable capture of commission

Broker ID Generation Logic Automatic

Interface with External Commission System

Introducer ID Generation Logic Automatic

**Unclaimed Processing Parameters**

Unclaimed Processing Manual

Unclaimed Certificate of Deposit Processing After Maturity Status or No. of Renewals/Reinvested

\* Unclaimed Processing Frequency MONTHLY

Unclaimed Processing Start Month

Consider Expiry Period

Check Activity in Accounts Part of Dependent Offer

Check Activity in Accounts Part of Offset

First Reminder Prior Days 2

Second Reminder Prior Days 2

Expiry Period of Manual Task (In Days) 30



Figure 53 Regulation O – Threshold limit for Insider

Verification Type

Type Details

Type ID	VT54	Viewable to Party	✓
Type Name	Verify Board Approval for Insiders	Alert to be Sent on Completion	—
Type Description	Confirm the receipt of Approval received from Board of Directors in case of Insiders	External	✓
Validity In	0 Days 2 Months 0 Years	Number Of Mandatory Documents	1
Electronic Verification Required		Document Type	

Documents Required

View	+	X	Detach
Document Type ID	Document Name	Nature	
Board Approval Letter	Board Approval Letter	Mandatory	

Show Modification History

Figure 54 Regulation O – Board Approval Config – Verification Type

Verification Category

Verification Type

Serial Number	Type ID	Type Description	Viewable to Party	Nature
1	VT52	Verify Salary Income from the last 3 Months Pay Stubs	✓	Mandatory
2	VT51	One computer generated payslip confirming the last three months YTD income of annual salary (no more than 5 weeks old)	✓	Mandatory
3	VT59	Verify Other Income if stated	✓	Mandatory
4	VT54	Confirm the receipt of Approval received from Board of Directors in case of Insiders	✓	Mandatory
5	VT53	Verify Employment of the Applicant	✓	Mandatory

Show Modification History

Figure 55 Regulation O – Board Approval Config – Verification Category

Serial No.	Party/Party Ty.	Party/isInsider	Party/isRelated	Insider limit	VerificationCa.
1	Individual	✓ (red X)	✓ (red X)	✓ (red X)	✓ (red X)
2	Individual	✓ (red X)	✓ (red X)	✓ (red X)	✓ (red X)
3	Individual	✓ (red X)	✓ (red X)	✓ (red X)	✓ (red X)
4	Legal_entity	✓ (red X)	~Any~	~Any~	~Any~
5	Trust	✓ (red X)	~Any~	~Any~	~Any~

Figure 56 Regulation O – Board Approval Config – Verification Policy

## FCRA – Fair Credit Reporting Act (Regulation V)

### Regulation Overview

- Regulation V was enacted to promote fairness, accuracy and to protect the privacy of consumers with regards to information collected by credit reporting agencies
- In case credit is denied and approved with non-favorable terms, bank should provide adverse action notice to applicants with credit score and details of credit reporting agency that has provided the score
- Banks must notify consumers prior to furnishing negative information to a consumer reporting agency or immediately after furnishing negative information to a consumer reporting agency

### Built-in Capabilities

- Maintain and assign adverse action reason for denial of a credit application which is then used to formulate an adverse action notice
- Capture opt-in / opt-out decision from sharing credit worthiness information with affiliates at party level
- Mark customer as one claiming identity theft and hence the account information of all credit accounts should not be reported to the credit bureau
- Produce risk based pricing notice or credit score exception notice

ORACLE Application Form      Posting Date: Jan 15, 2016

Home      Product      **Party**      Bundle      Funding      Financial      Configure      Document      Review

DELBERT DDCDOP

Contact > Address > Online Access & ID > Employment > Administrator > Other Details > **Consents**

**Marketing**

How did you hear about us?

Receive Information  Yes  No

**Documents**

\* How would you like to receive documents?  Email  Online  Post

**Consents**

\* Can we share your credit worthiness?  Yes  No

Can we share your personal information with our affiliates to market to you?  Yes  No

\* Can we share your personal information with our affiliates for everyday business purpose?  Yes  No

Previous Step

Go to

Figure 57 FCRA – Capture customer consent

ORACLE Application Form      Posting Date: Jan 15, 2016

Party General Information

**Risk Indicators**

- Absconding
- Classified Assets
- Bad Debt
- Blacklisted Party
- Party Claiming Identity Theft
- Domestic Management
- Financial Hardship
- Financial Ombudsman Service Or Disputes Case
- Garnishee Order
- Infirm
- Insane
- Close Monitoring
- Notice Of Bankruptcy
- New Customer
- Incarcerated Or Prison
- Recover
- Sequestration Order
- Suspect Fraud (Contact Controlling Branch)
- Suspect Fraud (Contact Services)
- Weak Customers
- Deceased

**FATCA Details**

Figure 58 FCRA – Capture Party Identity Theft

## CERCLA – Comprehensive Environmental Response, Compensation and Liability Act

### Regulation Overview

According to *CERCLA* bank is required to conduct Environmental assessment of commercial properties, when the property secures commercial or consumer loans. Bank should conduct an assessment considering the environmental risk questionnaire collected from the customer, any further owner disclosure of known environmental conditions, any inspection results and search of the individual state EPA (Environmental Protection Agency) database, if available. If the bank's initial assessment warrants a thorough Environmental Assessment, bank is expected by the regulation to conduct a thorough assessment and take cognizance of the Environmental Assessment report before the loan is approved.

### Built-in Capabilities

- System needs to capture if collateral offered for a loan needs Environmental Assessment
- Based on this field configure system will resolve the Verification Type Environmental Clearance Report

**Building Size**

Building Size	<input type="text"/>	Other Rooms	<input type="text"/>
Number of Garages	<input type="text"/>	Number of Stories	<input type="text"/>
Dimension Length	<input type="text"/>	Dimension Width	<input type="text"/>
Land Size	<input type="text"/>		
Roof Type	<input type="text"/>	Area of Land	<input type="text"/>
Year Built	<input type="text"/>	Wall Material	<input type="text"/>
Real Estate in SFHA	<input type="text"/> No	Under Construction	<input type="checkbox"/>
Environmental Assessment Required <input type="checkbox"/>			

**Certificate Of Title Details**

No Certificate Of Title added

[+ Add Certificate Of Title](#)

**Residential Details**

Number of Bedrooms	<input type="text"/>	Primary Residence Flag <input checked="" type="checkbox"/>
Occupancy	<input type="button" value="Owner Occupied"/> <input type="button" value="Not Owner Occupied"/> <input type="button" value="Investment"/> <input type="button" value="Not Applicable"/>	

**Automated Valuation Model**

[View AVM History](#)

[Fetch AVM Details](#)

[Cancel Collateral](#)

[Previous Step](#) [Save Collateral](#)

Figure 59 CERCLA – Capture Environment Assessment Required Field

**Party Context**

Posting Date: Jan 15, 2016

**CS22**

**Verification Type**

[Read](#) [Create](#) [Update](#) [Copy](#) [Close](#) [Reopen](#) [Print](#) [OK](#) [Clear](#) [Exit](#)

**Type Details**

* Type ID: VT57	Viewable to Party <input checked="" type="checkbox"/>
* Type Name: Verify Environmental Clearance Report	Alert to be Sent on Completion <input type="checkbox"/>
* Type Description: Verify the presence of <input type="checkbox"/>	External <input checked="" type="checkbox"/>
Validity In: 0 Days 2 Months 0 Years	* Number Of Mandatory Documents: 0
Electronic Verification Required: <input type="checkbox"/>	Document Type: <input type="text"/>

**Documents Required**

View	+	X	Detach
Document Type ID	Document Name	Nature	
Environmental Clearance Report	Environmental Clearance Report	Optional	

[Show Modification History](#)

Figure 60 CERCLA – Environmental Report Config – Verification Type

Figure 61 shows the 'Verification Category' configuration screen in the Oracle Banking Platform. The table lists the following data:

Serial Number	Type ID	Type Description	Movable to Party	Nature
1	VT57	Verify the presence of Environmental Clearance Report in case the property falls under the environmental hazardous region.	✓	Optional
2	VT58	Verify Title of Property in order to ensure that there are no faulty titles/legations on the property.	✓	Mandatory

Figure 61 CERCLA – Environmental Report Config – Verification Category

Figure 62 shows the 'Verification Checklist Policy' configuration screen in the Oracle Banking Platform. The table lists the following data:

Serial No.	Collateral Col.	Collateral Rea.	VerificationCa.
1	PROPERTY	True	Property Collateral
2	PROPERTY	~Any~	Property Collateral
3	AUTOMOBILE	~Any~	Vehicle Collateral

Figure 62 CERCLA – Environmental Report Config – Verification Policy

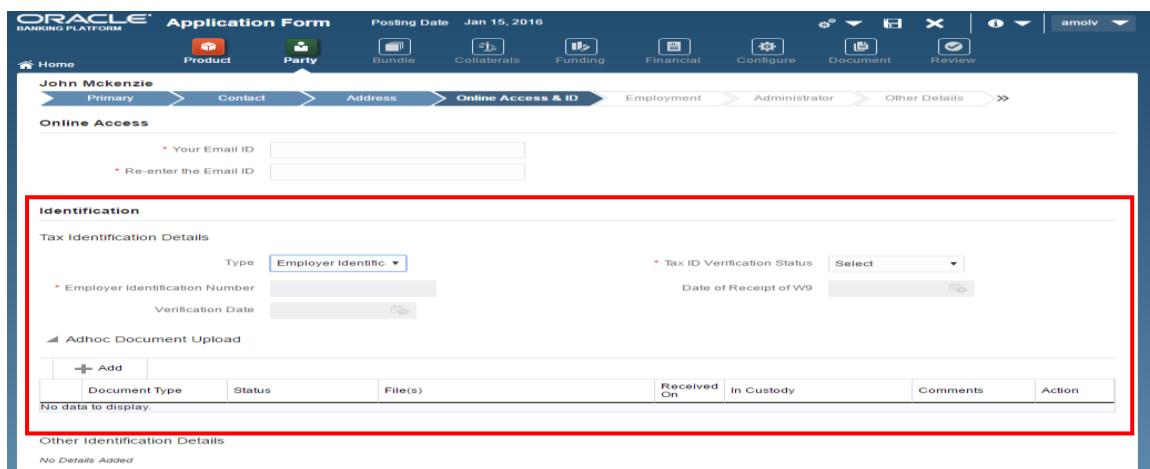
## IRS TIN Certification

### Regulation Overview

United States tax law requires everyone who earns income from U.S. sources to have a Taxpayer Identification Number (TIN), including individuals who are citizens of other countries. There are various types of forms and applications in the W-Series. We are addressing those that pertain to most bank processing requirements. Once an account holder obtains a TIN it becomes the main part of information reporting for the IRS and is used for the aggregation of data by account for annual IRS information reports.

### Built-in Capabilities

- Capture the TIN type and the corresponding identification number
- Capture the TIN verification status and date
- Capture the date of receipt of W8-Ben/W9
- Upload the respective documents



The screenshot shows the Oracle Banking Platform Application Form interface. The top navigation bar includes links for Product, Party, Bundle, Collaterals, Funding, Financial, Configure, Document, and Review. The main content area is titled 'John McKenzie' and shows a navigation path: Home > Primary > Contact > Address > Online Access & ID > Employment > Administrator > Other Details. The 'Online Access' section contains fields for 'Your Email ID' and 'Re-enter the Email ID'. The 'Identification' section is highlighted with a red box and contains fields for 'Employer Identification Number' (Type: Employer Identific) and 'Tax ID Verification Status' (Select dropdown). Below this is an 'Adhoc Document Upload' table with columns for Document Type, Status, File(s), Received On, In Custody, Comments, and Action. The table is currently empty, showing 'No data to display.'

Figure 63 Tax Identification Details



## BSA – CTR

### Regulation Overview

The Bank Secrecy Act requires financial institutions to file a Currency Transaction Report (CTR) for each deposit, withdrawal, exchange or other payment or transfer in currency of more than \$10,000 by, through, or to the bank.

### Built-in Capabilities

- Mark a party as CTR exempt and to capture the date of exemption
- Capture the CTR Designation
- Define Threshold limit at Bank level
- Transacting customer details are captured if threshold limit is breached

The screenshot shows the Oracle Banking Platform Application Form. The top navigation bar includes links for Product, Party, Bundle, Collaterals, Funding, Financial, Configure, Document, and Review. The main content area is titled 'John McKenzie' and shows a breadcrumb navigation: Contact > Address > Online Access & ID > Employment > Administrator > Other Details > Consents. The 'Other Details' section is currently active. A red box highlights the 'CTR Details' section, which contains fields for 'CTR Exempt' (checked), 'Exemption Start Date' (set to Jan 15, 2016), and 'CTR Designation' (set to 'Select'). Below this are sections for 'Insider Details' (radio buttons for 'Party is' options: 'An Insider of Bank', 'Related Interest of an Insider', and 'None') and 'Service Member Details' (radio buttons for 'Party is' options: 'Service Member', 'Service Member Dependent', and 'None'). At the bottom of the form are buttons for 'Previous Step' and 'Next Step', and a 'Go to' link with options for 'Previous Party', 'Summary', and 'Next Party'.

Figure 64 CTR Details



## Regulation P

### Regulation Overview

The purpose of Regulation P is to govern the treatment of nonpublic personal information about consumers by the financial institutions As follows:

- Requires a financial institution to provide notice to customers about its privacy policies and practices;
- Describes the conditions under which a financial institution may disclose nonpublic personal information about consumers to nonaffiliated third parties; and
- Provides a method for consumers to prevent a financial institution from disclosing information to most nonaffiliated third parties by “opting out” of that disclosure, subject to the exceptions provided in the regulation.

### Built-in Capabilities

- Obtain customer consents for sharing of nonpublic information for various purposes.

The screenshot shows a web-based application interface for Oracle Banking Platform. The top navigation bar includes links for Home, Product, Party, Bundle, Collaterals, Funding, Financial, Configure, Document, and Review. The main menu path is: Home > Contact > Address > Online Access & ID > Employment > Administrator > Other Details > Consents. The current step is 'Marketing'. The 'Consents' section contains the following fields:

- How did you hear about us? (dropdown menu: Select)
- Receive Information:  Yes  No
- Preferred Frequency:  Email  SMS  Mail  Phone  Fax
- Select preferred topics to receive information (checkboxes: Email, SMS, Mail, Phone, Fax)
- Documents: How would you like to receive documents? (radio buttons: Email, Online, Post)
- Consents: A red box highlights this section, which contains three questions with Yes/No radio buttons:
  - Can we share your credit worthiness?  Yes  No
  - Can we share your personal information with our affiliates to market to you?  Yes  No
  - Can we share your personal information with our affiliates for everyday business purpose?  Yes  No

At the bottom, there are buttons for Previous Step, Save & Summary, and Next Step.

Figure 65 Regulation P



## CAN – SPAM

### Regulation Overview

The CAN-SPAM Act governs commercial electronic mail on a nationwide basis; requiring that senders of commercial electronic mail should not mislead recipients as to the source or content of such mail, and giving recipients of commercial electronic mail a right to decline to receive additional commercial electronic mail from the same source

### Built-in Capabilities

- Obtain consent from customer for the financial institution to share information.

How did you hear about us?

Receive Information  Yes  No

Email  SMS  Mail  Phone  Fax

Preferred Frequency

Select preferred topics to receive information

Documents

How would you like to receive documents?  Email  Online  Post

Consents

Can we share your credit worthiness?  Yes  No

Can we share your personal information with our affiliates to market to you?  Yes  No

Can we share your personal information with our affiliates for everyday business purpose?  Yes  No

Previous Step

Figure 66 CANSPAM

## Overdraft Guidance

### Regulation Overview

- Overdraft Protection is the processing of a transaction in an account where the account balance is not sufficient to cover the payment request but the transactions are honored by the bank as per the arrangement the bank has with the customer and as per the bank policy.
- Bank should ensure they operate in a manner that avoids maximizing customer overdrafts and related fees.
- There should be provision at the account level to opt in / opt out from Overdraft Protection Plan
- There should be separate option at account level to opt in / Opt out for overdraft facility to be used for ATM / POS transactions.

### Built-in Capabilities

- Support of linking Savings, Checking and Credit card accounts as overdraft protection options.
- Line of credit accounts can be setup as an Overdraft Protection option
- Option to assess fee charges at the end of the processing day.
- Fees can be configured to be assessed based of number of transactions and/or amount threshold per processing day.
- Courtesy Pay and Courtesy Pay for ATM/POS options can be setup at the account level.
- End-of-day sweep setup from another account available to cover fees assessed during a processing day.

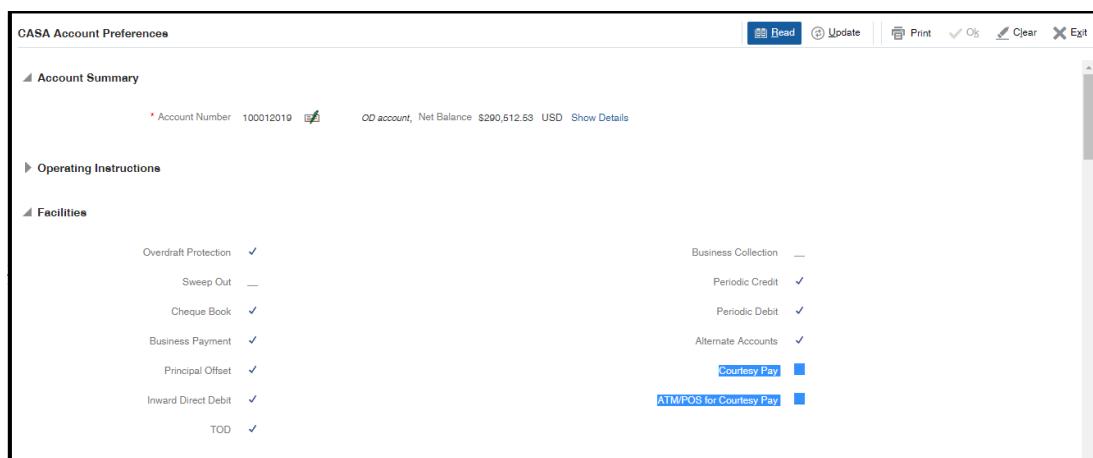


Figure 67 Overdraft Protection Courtesy Pay Opt in and Courtesy Pay Opt In for ATM/POS

## Regulatory Reporting

Data elements are present in The Oracle Banking Platform to support generation of the following Regulatory Reports:

- Community Reinvestment Act (CRA)
- Statement of Financial Accounting Standards (SFAS)
- Allowance for Loan and Lease Losses (ALLL)
- Regulatory Lending Limit (RLL)
- FFIEC Uniform Retail Credit Classification and Account Management Policy
- Interagency Loan Data Request
- SCRA and MLA Report
- Overdraft Protection Disclosure
- Reports for FAS91
- Report for Bank Affiliates (Reg W) and Insiders (Reg O)
- TILA Disclosure
- PEL Approval Disclosure
- TISA Disclosure

## FDCPA – Fair Debt Collections Practices Act

### Regulation Overview

FDCPA applies to the collection of debt incurred by a consumer primarily for personal, family, or household purposes and prohibits false, deceptive, misleading, harassing, abusive and offensive conduct during collection of consumer debts. A debt collector may not communicate with a consumer at any unusual time. When a consumer refuses, in writing, to pay a debt or requests that the debt collector cease further communication, the collector must cease all further communication. Debt collector can contact third party only when the borrower provides consent. The debt collector must provide the consumer with certain basic information such as amount of debt, name of the creditor to whom the debt is owed, and Notice that the consumer has 30 days to dispute the debt before it is assumed valid. A debt collector, in collecting a debt, may not use any false, deceptive, or misleading representation. For a consumer who has multiple debts but only makes a single payment, the debt collector must apply payment via the consumer's direction.

### Built-in Capabilities

The solution's Early Collections process and its various statuses are used for complying with the various regulations of FDCPA

- Third Party Contact:

- The Early Collections Process has a separate 'Contact Alternate' status for managing contact with third parties. The transition of the case to this status is done only on receiving consent from customer and collector registering a result 'Alternate Contact Request'.

(This will prevent contact with any other third party without customer's consent.)

- Accounts having an 'Alternate Contact Request' status are not sent to the dialer. The agent working on the Contact Alternate status will refer the Alternate contact details and will manually call the alternate contact (attorney or any other authorized third party).

(This will prevent contact with customer if the customer has informed that an attorney represents him.)

- Cease and Desist:

- The Early Collections Process has a separate 'Suspend' status for stopping all communication with the customer.

- In the Suspend status the accounts are not sent to Dialer, they are allocated to non-calling queues and all automatic correspondence to the customer is suspended.
- Movement into and out of the Suspend status can be managed by the collector through entering a specific action results.

▪ Dispute Management:

- The Early Collections Process has a separate 'Dispute' status for managing dispute claims of customer. The transition of the case to this status is done when collector captures the 'Dispute Claim' result.
- The system provides ability to capture the required information related to the Dispute like the Dispute Reason, Dispute Claim Date, Dispute Resolution and Dispute Resolution Date.
- Bulk Contact Module can be used to send appropriate notices and acknowledgements to the customer related to the dispute.
- In Dispute status, the account is not sent to dialer and all collections related correspondence will be stopped.

ORACLE OB Collection Admin

Case Type

Main | Case Characteristics | **Lifecycle**

Case Type: EARLY\_COLL | Early Collections Case (Product Shipped)

Status: All 12 displayed | [Expand All] | [Collapse All]

Copy

Pending

Contact

Contact Alternate

Contact RM

Under Resolution

Small Balance

Suspend

Review Early

Review Late

Skip Trace

Dispute

Closed

Figure 68Early Collections Base Process

## Real Estate Settlement Procedures Act ("RESPA")

### Regulatory Scope for OBC

If the borrower is more than 30 days overdue, in foreclosure or bankruptcy proceedings, an escrow account analysis and the subsequent annual, statement does not need to be sent to the borrower. However, when the account becomes current, escrow statements will resume. OBC should be able to trigger a notification to the escrow statement team to either 1) not produce the required escrow statement because the account qualifies for the exemption stated above, or 2) begin to produce the required escrow statements for the account because the account has become current.

Controls or flags from requirements in sections (Early intervention requirements for certain borrowers, Continuity of contact, and Loss mitigation procedures) only applies to a mortgage loan that is secured by a property that is a borrower's principal residence, and do not apply to small servicers or reserve mortgages. These scoping requirements will affect the applicability and logic built into OBC for sections.

Required disclosures must be clear, written in a manner the customer can understand, in writing, and in a manner, the customer can keep. The disclosures may be sent electronically (with the customers consent), and may be given in a language other than English, as long as the English version can be sent at the customer's request. In many instances throughout the collections process, disclosures are required and may be able to be triggered and generated by OBC.

If the servicer receives a written communication from the customer that asserts an error relating to the servicing of a mortgage loan, the servicer must comply with all requirements applicable to a notice of error. An error notice must be in writing and identify the borrower's name, information that allows the servicer to identify the borrower's account, and the alleged error. OBC should be able to create an audit trail for errors received for accounts in collection from the time the error was received and recognized to be in collections, to the resolution of the error.

Within five business days (excluding legal public holidays, Saturdays, and Sundays) of a servicer receiving a notice of error, the servicer must provide a written response acknowledging receipt of the notice of error to the borrower. When the notice of error is received and entered into OBC, the system can trigger the appropriate response letter and automatically send it to the borrower.

When a notice of error is received, the servicer must respond to the notice in one of the following ways:

- Correcting the error and providing the borrower with a written notification of the correction, the effective date of the correction, and contact information, including a telephone number, for further assistance
- Conducting a reasonable investigation and providing the borrower with a written notification that includes a statement that the servicer has determined that no error occurred, and a statement of the reason or reasons for this determination

If during the investigation of the error the servicer recognizes another error, the servicer must fix the error and provide correspondence to the customer letting them know of the error and the resolution. The servicer must comply with this paragraph no later than seven business days (excluding legal public holidays, Saturdays, and Sundays) after receiving the notice of error and the earlier date of foreclosure sale date and 30 days from the error notice. As error notices are received for accounts in collection, the above procedures and time limits could be met and traced within OBC. System could also create notifications of accounts that are approaching the time limits of the notice of error requirements for compliance purposes.

The servicer is not required to comply with notification of receipt of notice of error and response to notice of error if the servicer corrects the error and notifies the borrower of the correction in writing within five business days (excluding legal public holidays, Saturdays, and Sundays) of receiving the notice of error, or if the servicer receives the notice of error within 7 or fewer days of a foreclosure sale. If there servicer determines they are not required to comply with the notification receipt of this section based on the above, the servicer shall notify the borrower in writing not later than five business days (excluding legal public holidays, Saturdays, and Sundays) after making such determination. Controls can be built into OBC to not comply with the notification of receipt of notice of error and the response timing if the error is corrected within five business days, or if the account is 7 days or less from a foreclosure sale.

With the exception of errors related to: "Making the first notice or filing required by applicable law for any judicial or non-judicial foreclosure process in violation", moving for foreclosure judgment or order of sale, or conducting a foreclosure sale in violation nothing in the error resolution requirements should limit or restrict a lender or servicer from pursuing any remedy it has under applicable law, including initiating foreclosure or proceeding with a foreclosure sale. If notices of errors for accounts are handled through OBC, this should not affect any remedy, such as initiating a foreclosure except as noted.

A servicer should establish or make good faith efforts to establish live contact with a delinquent borrower not later than the 36th day of the borrower's delinquency and, promptly after establishing live contact, inform such borrower about the availability of loss mitigation options if appropriate. OBC should alert representatives when the borrower becomes delinquent, track the number of days delinquent, and assign a point of contact to make good faith effort to establish live contact with the borrower before the 36th day of delinquency. The system should also provide an audit trail to establish live contact or good faith effort.

The servicer is required to send the delinquent borrower a written notice not later than the 45th day of the borrower's delinquency (the servicer is not required to provide the written notice more than once during any 180-day period). The notice should include: A statement encouraging the borrower to contact the servicer, the telephone number of the servicer personnel assigned, a statement providing a brief description of examples of loss mitigation options that may be available from the servicer (if applicable) and the Web site to access either the Bureau list or the HUD list of homeownership counselors or counseling organizations, and the HUD toll-free telephone number to access homeownership counselors or counseling organizations. OBC should be able to monitor the delinquency of a borrower's account and be able to trigger and create the written notice to the borrower explaining their delinquency.

The servicer is exempt from the early intervention notifications of this section if the borrower is in bankruptcy under Title 11, or if the servicer is subject to the Fair Debt Collections Practices Act with respect to the borrower and the borrower has submitted a request to cease communication under FDCPA. OBC should implement a control to indicate if the account is under bankruptcy and whether the borrower has submitted a request to cease communication, which would make the account exempt from the early intervention notifications of this section.

The servicer should maintain policies and procedures whereby a person (i.e., single point of contact or "SPOC") is assigned to the account by the time the delinquency letter is sent to the borrower (not later than the borrower's 45th day in delinquency,) and make the assigned personnel available via telephone to assist with any inquiries until the borrower has made two consecutive mortgage payments in accordance with the terms of a permanent loss mitigation agreement. OBC should establish controls in the system to comply with the policy and procedures requirements, such as assigning a SPOC for the account when in delinquency by the appropriate time.

The servicer should maintain policies and procedures regarding the SPOC's responsibilities regarding providing the borrower with accurate information about loss mitigation and the circumstances the servicer could move towards foreclosure, retrieving the applicable account information in a timely manner, and providing the delinquent borrower procedures for submitting a notice of error (if applicable). OBC should establish controls in the system to comply with the policy and procedures requirements, such as tracking when the POC makes contact with the delinquent borrower and the information communicated. All information mentioned in this section should be made easily available to the SPOC so that they may provide the borrower with accurate and timely information.

The servicer cannot make the first notice of filing related to foreclosure unless the borrower is more than 120 days delinquent, the foreclosure is based on a borrower's violation of a due-on-sale clause, or the servicer is joining the foreclosure action of a subordinate lien holder. If a borrower submits a complete loss mitigation application during the pre-foreclosure review period or before a servicer has made the first notice or filing, a servicer shall not make the first notice or filing unless:

- A notice has been sent to the borrower explaining that the borrower is not eligible for any loss mitigation option and, if applicable, the borrower has not requested an appeal within the applicable time for requesting an appeal or the borrower's appeal have been denied
- The borrower rejects all loss mitigation options offered by the servicer, or
- The borrower fails to perform under an agreement on a loss mitigation option

OBC should have controls to confirm the required delinquency and check the status of any loss mitigation activities, and whether the pre-foreclosure activities should be suppressed based upon loss mitigation activities.

If a borrower submits a complete loss mitigation application after a servicer has made the first notice or filing for foreclosure but it is more than 37 days before the foreclosure sale, the servicer cannot move for foreclosure or conduct a foreclosure sale, unless:

- The servicer has sent the borrower a notice that they are not eligible for any loss mitigation option and the appeal process is not applicable, the borrower has not requested an appeal within the applicable time period for requesting an appeal, or the borrower's appeal has been denied;
- The borrower rejects all loss mitigation options offered by the servicer; or
- The borrower fails to perform under an agreement on a loss mitigation option.



OBC should have controls to monitor the loss mitigation status in accordance with the requirements in this section when a foreclosure is initiated.

## Privacy of Consumer Financial Information ("GLBA")

### Regulatory Scope for OBC

It is forbidden to disclose any nonpublic personal information about a consumer to a nonaffiliated third party unless the customer has received an initial notice and opt out notice, has been given a reasonable opportunity to opt out of the disclosure, and the customer chose to not opt out. OBC should include a flag indicating if the consumer did or did not opt out of the nondisclosure to nonaffiliated third parties so privacy rights are not violated.

### Nonaffiliated Financial Institution

If you receive nonpublic personal information from a nonaffiliated financial institution under an exception, your disclosure and use of that information is limited to only the affiliates of the financial institution the information came from, your affiliates (who in turn may only use the information to the extent you may disclose or use the information), or in the ordinary course of business to carry out the activity covered by the exception under which you received the information. If you receive nonpublic personal information from a nonaffiliated financial institution other than under an exception you may disclose the information only to the affiliates of the financial institution from which you received the information, to your affiliates (who in turn may disclose the information only to the extent that you can disclose the information), and to any other person, if the disclosure would be lawful if made directly to that person by the financial institution from which you received the information. OBC should be able to flag the specific information that was or was not received under a qualifying exception and can be shared with affiliated and/or non-affiliated financial institutions, as to not break any privacy laws.

### Nonaffiliated third party

If you disclose nonpublic personal information to a nonaffiliated third party under an exception, the third party may disclose and use that information only to your affiliates, its affiliates, (who may disclose and use the information only to the extent that the third party may disclose and use the information), and in the ordinary course of business to carry out the activity covered by the exception under which it received the information. If you disclose nonpublic personal information to a nonaffiliated third party other than under an exception, the third party may disclose the information only to your affiliates, its affiliates, (who in turn may disclose the information only to the extent the third party can disclose the information), and to any other person, if the disclosure would be lawful if you made it directly to that person. OBC should be able to flag the specific information that was or was not received under a qualifying exception and can be shared with affiliated and/or non-affiliated third parties, as to not break any privacy laws.

You (or an affiliate) cannot disclose an account number or similar form of access number or access code for a consumer's credit card account, deposit account, share account, or transaction account to any nonaffiliated third party for use in telemarketing, direct mail marketing, or other marketing through electronic mail to the consumer, unless:

- You disclose an account number (or similar) to your agent solely in order to perform marketing for your own products or services (only if agent is not authorized to directly initiate charges to the account) or
- To a participant in a private label credit card program or similar where the participants in the program are identified to the customer when the customer enters into the program.

OCB should implement controls to verify account numbers (or similar) are not being shared with nonaffiliated third parties unless one of the previous exceptions are met.

#### **Qualifying Exceptions for processing a consumer's transaction at their request:**

The requirements for initial notice, the opt out, and for service providers and joint marketing do not apply if you disclose nonpublic personal information as necessary to effect, administer, or enforce a transaction that a consumer requests or authorizes, or in connection with servicing or processing a financial product that a consumer requests or authorizes, maintaining or servicing the consumer's account with you, and a proposed or actual securitization, secondary market sale (including sales of servicing rights). OCB should flag information that can be shared with affiliated or non-affiliated third party and should have controls in place to verify if an exception is met that exempts the account from the disclosure laws.

#### **Additional Exceptions**

The requirements for initial notice, the opt-out, and for service providers and joint marketing do not apply if you disclose nonpublic personal information:

- With the consent or at the direction of the consumer
- To protect the confidentiality or security of your records/fraud/institution risk control/persons holding legal interest related to the consumer/persons acting in a fiduciary capacity
- To provide information to qualifying institutions (e.g., insurance rate advisory organizations, your attorneys, accountants, and auditors)

- To the extent specifically permitted or required under other provisions of law and in accordance with the Right to Financial Privacy Act of 1978 to law enforcement agencies (e.g., Secretary of the Treasury) and Financial Recordkeeping
- To a consumer reporting agency in accordance with the Fair Credit Reporting Act
- In connection with a proposed or actual sale, merger, transfer, or exchange of all or a portion of a business or operating unit if the disclosure of nonpublic personal information concerns solely consumers of such business or unit
- To comply with Federal, state, or local laws, rules and other applicable legal requirement or similar

OCB should flag information that can be shared with affiliated or non-affiliated third party and should have controls and documentation in place to verify if an exception is met that exempts the account from the disclosure laws.

A consumer may specifically consent to your disclosure to a nonaffiliated insurance company if the consumer has applied to you for a mortgage (so that the insurance company can offer homeowner's insurance to the consumer) and may revoke consent by exercising the right to opt out of future disclosures. OBC should flag information that can be shared with affiliated or non-affiliated third party and should have controls in place that checks if the consumer has since chosen to opt out.

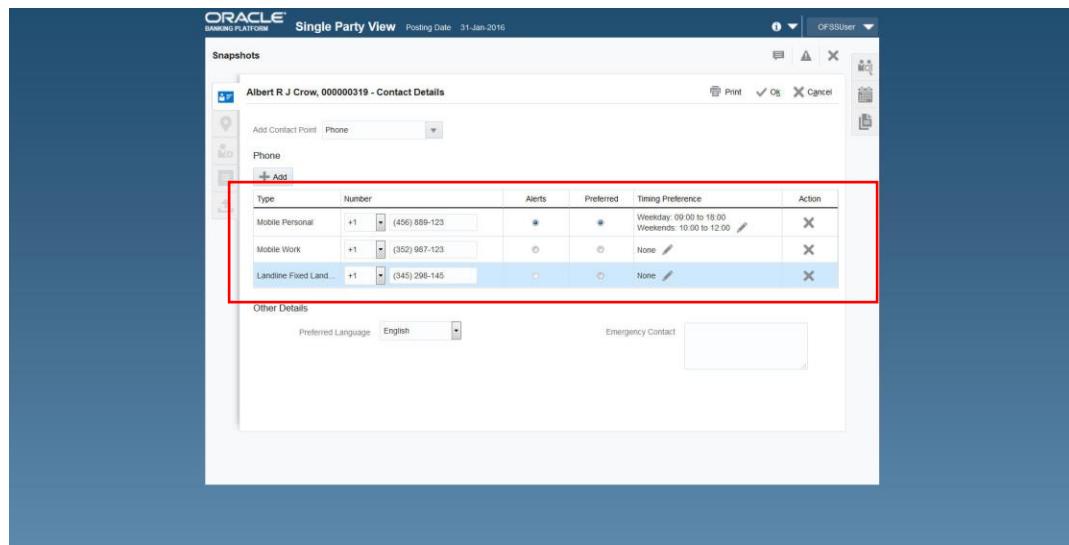
## TCPA – Telephone Consumer Protection Act

### Regulation Overview

The TCPA regulates telemarketing calls, auto-dialed calls, prerecorded calls, text messages and unsolicited faxes. It prohibits telephone solicitations before 8 a.m. or after 9 p.m. local time at the called party's location. A debt collector may not contact the consumer at his or her place of employment if the collector has reason to believe the employer prohibits such communications.

### Built in Capabilities

- The system captures the customer's preferred time of receiving calls (On weekdays and weekends)
- There is a clear distinction on the type of phone numbers in the system for example Home Landline number, Mobile Number, Work Number etc.
- System provides the ability to select the customers preferred number to receive calls as well as preferred mobile number to receive alerts.
- User defined queues can be configured for time zone based calling using Queue Management.



Type	Number	Alerts	Preferred	Timing Preference	Action
Mobile Personal	+1 (406) 888-123	*	*	Wednesday: 09:00 to 18:00 Weekends: 10:00 to 12:00	X
Mobile Work	+1 (352) 987-123			None	X
Landline Fixed Land.	+1 (345) 298-145			None	X

Figure 69 Capturing customer preferences on phone numbers



## US Bankruptcy Processing Compliance

### Regulation Overview

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. Default Management systems should ensure all efforts to collect a debt after the date of bankruptcy filing are stopped.

### Built in Capabilities

- The Oracle Banking Platform supports this federal regulation requirement by providing facility to record all the customer bankruptcy related information received from courts and attorneys in a systematic way as per the bankruptcy processing guidelines. The system provides predefined bankruptcy tracking templates as per the legal practices followed in US and it helps the lender to record and view the bankruptcy details as required for the court filing purposes.

The screen shots below shows the bankruptcy processing features of the system.

The screenshot shows a web-based application interface for managing bankruptcy cases. The main header includes the Oracle Banking Platform logo and the date 'Posting Date 02-May-2016'. The left sidebar shows a navigation menu with 'COLL03' and 'COLL0101' selected. The main content area is titled 'Party-Centric Collections' and contains several sections:

- Borrowers:** Details for 'Mr Swapnil Loan & COLL' (Party Profile ID 89991323), including risk indicator 'Yes', relationship 'Sole Owner', and account information (OD Amount \$2,365.45, OS Amount \$50,505.07).
- Case Information:** Shows 'Case Number: 10-30289-X' and 'Chapter: Chapter 13'.
- Filing Information:** Fields for 'Date Filed' (08-Apr-2017), 'Court' (Southern District of NY), and 'Case Name' (10-30289-X).
- Debtor's Attorney Information:** Fields for 'Firm Name' (Redstone Lawyers), 'Name' (James Sutherland), 'Address', and 'Phone' (1024567897).
- Trustee Information:** Fields for 'Trustee Name' (New York Trustee), 'Trustee Phone' (1788 5673 242), 'Trustee Fax' (1788 5673 242), 'Trustee Email' (xyz@sky.com), and 'Trustee Point of Contact' (Sheena Bora, phone 1788 5673 242, fax 1788 5673 242, email xyz@sky.com).
- Legal Counsel Information:** Fields for 'Date Assigned to Counsel' (25-Mar-2017), 'Contact Person' (Select), 'Contact Number 1', and 'Legal Counsel' (Lorraine Watson).
- Bankruptcy Processing Information:** Fields for 'Date of 341 Hearing' (19-Apr-2017), 'Location of 341 Hearing' (Albany, George), and 'Additional Details for 341 Hearing' (Tel).

Figure 70 Bankruptcy Information Capture

The screenshot shows the Oracle Banking Platform interface. The main title bar reads "OBP DevOps - Your OBPLand... Dashboard for Decision Re... Oracle Banking Platform". The sub-header indicates "Posting Date: 02-May-2016". The interface is divided into several sections:

- Party-Centric Collections:** A sidebar on the left with a "Borrowers" section showing "Mr. Swain's Loan & COLL - Party Profile" and "Risk Indicator: Yes". It also includes "Collections Info" and "View User Defined Fields".
- Associated Account:** A table showing a single record for a "Loans-Automobile Loan" with serial number 300047108, amount \$2,360.45, and outstanding amount \$59,505.07.
- Manage Account - 300047108 - Loans - Automobile Loan:** A detailed view of the account showing various status icons (Proof Of Claim, Proposed, Confirmed, Relief From Stay, Drop Down, Repossession, Charge Off) and a "Create Task" button.
- Task List:** A sidebar on the right showing a list of tasks with columns for "Action", "Last Action Date", and a "Save" button.
- Account Details:** A section for "Account Not in Collection" with fields for "Address", "Communication", "Weekdays From", and "Weekend From".
- Contact Details:** A section for "Contact Person" with fields for "Name", "Address", and "Email".
- Weekdays/Weekend:** A section for "Weekdays From" and "Weekend From" with dropdown menus.

Figure 71 Bankruptcy Information Capture



## Children's Online Privacy Protection Act of 1998 (COPPA)

### Regulation Overview

It is unlawful for an operator of a website or online service directed to children, or any operator that has actual knowledge that it is collecting personal information from a child, to collect personal information from a child in a manner that violates the regulations prescribed.

### Built in Capabilities

- Capture consent from minor's guardian to obtain personal information from minor.

The screenshot shows a screenshot of the Oracle Banking Platform Application Form. The top navigation bar includes 'Home', 'Product', 'Party' (which is selected), 'Bundle', 'Collaterals', 'Funding', 'Financial', 'Configure', 'Document', and 'Review'. The main content area is titled 'John McKenzie' and shows the 'Primary' tab selected. Below this is a 'Party Name Details' section with fields for First Name (John), Middle Name, Last Name (McKenzie), Honors, Marital Status, Dependents, Suffix, Date of Birth (Jan 10, 2016), Gender, and Country of Citizenship (UNITED STATES). There are also fields for Permanent Resident status (Yes/No), NAICS, and Occupation. At the bottom of this section is a 'COPPA Consent' box, which is highlighted with a red rectangular border. Inside the box are radio buttons for 'Received' (selected), 'Yes', and 'No'. At the very bottom of the page are buttons for 'Go to', 'Previous Party', 'Summary' (which is highlighted in blue), and 'Next Party'.

Figure 72 COPPA Consent



## Garnishment of Accounts Containing Federal Benefit Payments

### Regulation Overview

The purpose of this regulation is to implement statutory provisions that protect Federal benefits from garnishment by establishing procedures that a financial institution must follow when served a garnishment order against an account holder into whose account a Federal benefit payment has been directly deposited.

### Built in Capabilities

- Garnishments holds supported for the following products: Saving, Checking and Certificate of deposits
- Setup and maintain notifications to customers involved in the garnishment notice
- Removal of hold or payment for the products supported
- Child support obligation is supported (FIDM)

The screenshot shows the Oracle Banking Platform interface for capturing garnishment instructions. The top navigation bar includes the Oracle logo, a search bar, and user information (sandy\_us). The main window has a title bar with tabs: PM002, CS26, CASA001, and ACCT047. The 'Garnishment Instructions' section contains fields for Number, Order Type (Select One), Creditor's Name, Order Received Date, and Issued By (Select One). The 'Issuing Address Agency' section includes International checkboxes, address lines (Line 1-4), a Country dropdown (set to UNITED STATES), a State dropdown (Select), and a Zip field. The 'Document Details' section is partially visible at the bottom. Buttons for Print, Save, Clear, and Exit are located at the top right of the form area.

Figure 73 Capture Garnishment Instructions

Fast Path sandy\_us

PM002 x CS26 x CASA001 x ACCT047 x

**Garnishment Instructions**

**Add Order**

Garnishment Order For  Full Available Balance  Specific Amount

\* Amount: \$100.00

Account	Account Balance	Existing Lien/Hold	* Debt Fees	Available for Garnishment	* Hold Amount
100007542-Savings	(\$1,043.04)	\$0.00	(\$1,043.04)	\$0.00	
100007956-Savings	\$0.00	\$0.00	\$0.00	\$0.00	
100007651-Savings	(\$1,043.04)	\$0.00	(\$1,043.04)	\$0.00	
100007757-Savings	(\$950.00)	\$0.00	(\$950.00)	\$0.00	
100007169-Savings	(\$1,256.03)	\$0.00	(\$1,256.03)	\$0.00	
100007999-Savings	(\$50.00)	\$0.00	(\$50.00)	\$0.00	
100007533-Savings	(\$1,158.54)	\$0.00	(\$1,158.54)	\$0.00	
100007711-Savings	\$800.00	\$0.00	\$800.00	\$100.00	
100007285-Savings	(\$1,043.04)	\$0.00	(\$1,043.04)	\$0.00	
100010060-Savings	\$250.00	\$0.00	\$250.00	\$0.00	
100007294-Savings	(\$1,044.08)	\$0.00	(\$1,044.08)	\$0.00	
-					

Figure 74 Execute garnishment order

## Escheatment

### Regulation Overview

All states have enacted an unclaimed property statute that requires financial institutions to report when personal property has been abandoned or unclaimed after a period of time, specified by state law.

Before an account can be considered abandoned or unclaimed, the bank must make a diligent effort to try to locate the account owner. If the bank is unable to do so, and the account has remained inactive for the period specified by state law, the bank must report the account to the state where the account is held. The state then claims the account through a process called "escheatment," whereby the state becomes the owner of the account. As part of the escheatment process, the state will hold the account as a bookkeeping entry, against which the former account owner may make a claim. When a former account owner makes a valid request, the states will normally provide the former owner with cash equaling the value of the account at the time of escheatment.

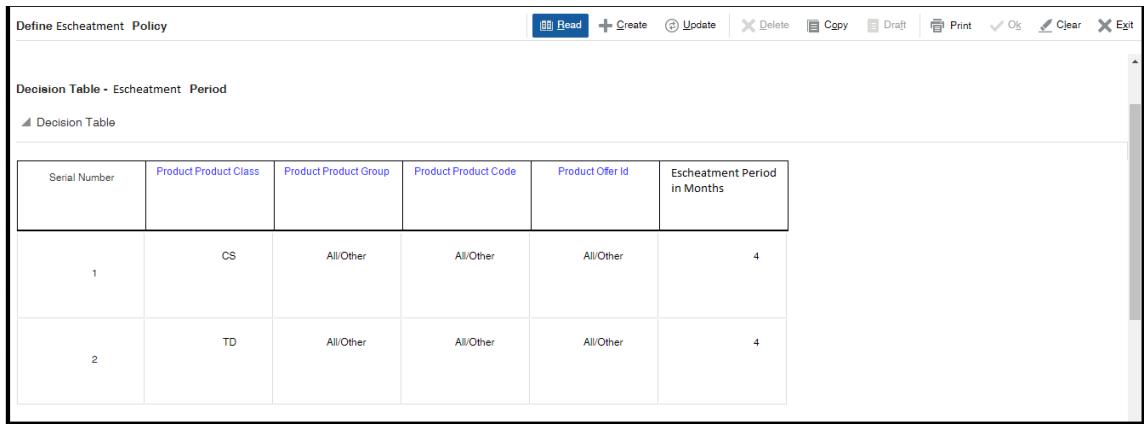
### Built in Capabilities

- Escheatment process support for the following products: Savings, Checking and Certificate of Deposits
- Parameters can be defined at state level to meet selection criteria for escheatment
- Once accounts are identified, Banker can review and start the escheatment process the account(s) selected



The screenshot shows a software interface for 'Regulatory Region Maintenance'. At the top, there are buttons for Read, Create, Update, Print, Ok, and Clear. Below this is a section titled 'Regulatory Region Maintenance' with fields for 'Regulatory Region Code' (RGR3), 'Regulatory Region Name' (Regulatory Region 3), 'Group For' (States), and 'Regulatory Region Description' (Regulatory Region 3). A 'State Details' section is expanded, showing a table with columns for State Code, State Name, and Country Code. The table contains one row for New South Wales (NSW) with values NSW, New South Wales, and AU respectively. There are buttons for View, Create, Update, Delete, and Detach.

Figure 75 Maintenance of State as Regulatory Region



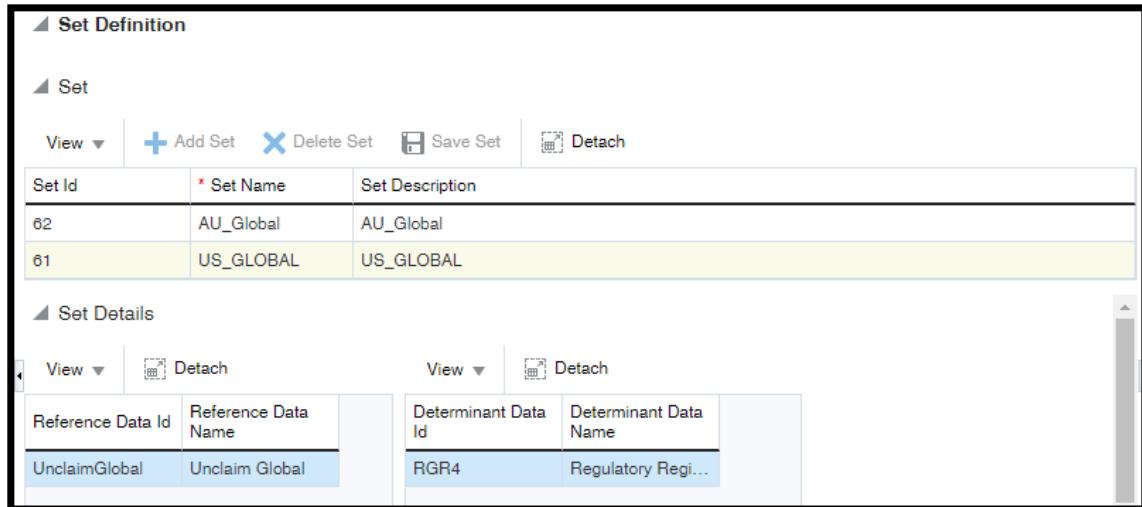
Define Escheatment Policy

Decision Table - Escheatment Period

Decision Table

Serial Number	Product Product Class	Product Product Group	Product Product Code	Product Offer Id	Escheatment Period in Months
1	CS	All/Other	All/Other	All/Other	4
2	TD	All/Other	All/Other	All/Other	4

Figure 76 Escheatment Policy Definition



Set Definition

Set

View ▾ + Add Set X Delete Set Save Set Detach

Set Id	Set Name	Set Description
62	AU_Global	AU_Global
61	US_GLOBAL	US_GLOBAL

Set Details

View ▾	<span>Detach</span>	View ▾	<span>Detach</span>
Reference Data Id	Reference Data Name	Determinant Data Id	Determinant Data Name
UnclaimGlobal	Unclaim Global	RGR4	Regulatory Regi...

Figure 77 Linkage of Escheatment Policy to Regulatory Region

## Regulation D

### Regulation Overview

Regulation D governs reserve requirements imposed on depository institutions for facilitating the implementation of monetary policy by the Federal Reserve System. Regulation D was enacted to require depository institutions to maintain cash reserves equal to certain percentages of their deposits and to report these reserve balances to their respective district Federal Reserve Bank, providing a source of liquidity to the banking system. It also affects customer accounts in terms of account limitations and requires activity monitoring and potential account re-classification. In response to many requests for rulings, the Federal Reserve Board has determined to clarify the types of entities that may maintain NOW accounts at member banks

### Built in Capabilities

- Identification of transactions considered for withdrawal limit under purview of Regulation D
- Support of fee assessment and correspondence to customer for each transaction which is breaching withdrawal limit prescribed by Regulation D
- Support of Negotiable Order of Withdrawal account products

The screenshot shows a software interface for defining CASA Bank Policy. At the top, there is a toolbar with buttons for Read, Create, Update, Print, Ok, Clear, and Exit. Below the toolbar, the title 'Define CASA Bank Policy' is displayed, followed by 'User Discretionary Margin Persistence Parameters'. A table titled 'Event' with columns 'Event' and 'Carry Forward UDM' is shown. The table has three rows: 'Account Cloning' (checked), 'Manual Rollover' (checked), and 'Offer Swap' (checked). Below this is a section titled 'Regulation D Transactions' with a table. The table has columns 'Transactions', 'Regulation D Applicable', and 'Channels'. It contains five rows: 'Fund Transfer' (checked, All), 'Outward Clearing' (checked, All), 'Standing Instruc...' (checked, All), 'Cash Withdrawal' (checked, Branch), and 'Outward Collecti...' (checked, All). The 'Regulation D Transactions' table is highlighted with a red box.

Figure 78 Identification of Transaction for Regulation D

## Regulation CC

### Regulation Overview

Regulation CC was enacted in 1987 by the United States Congress for standardizing hold periods on deposits made to commercial banks and to regulate institutions' use of deposit holds. Regulation CC sets forth the requirements that depository institutions make funds deposited into transaction accounts available according to specified time schedules and that they disclose their funds availability policies to their customers. The regulation also establishes rules designed to speed the collection and return of unpaid checks.

### Built in Capabilities

- Global definition of the Reg CC float schedules.
- Linking the float schedules to rules based on account conditions (e.g., new accounts, default account, high value deposit and exception account). Each of the condition is also user defined.
- Ability to override the float schedule defined at the bank level at customer level, account level or an individual check level.
- Batch based support for resolution of Reg CC float schedule for sum of checks deposited on a single day for an account (considering overrides if any)
- Support for cash back, immediate credit and re-evaluation of release schedules during such events.

#### Control Parameters

Debit Balance Allowed	<input checked="" type="checkbox"/>
* Fund Utilization Sequence	COSABTV
Appropriation Sequence	CIFPNDGSOEM
Allowed Incoming Payment on Closed/Written Off Accounts	—
* Interest Computation Balance Method	Collected Balance
Appropriation Sequence For Closed/Written Off Accounts	—
Principal Offset Allowed For	Both
Penalty Routine	—
Align charging of Interest with Statement Cycle	—
Rescission (in days)	0
Military Lending Act Applicable	—
Longest Overdue First	<input checked="" type="checkbox"/>
* CASA Closure Simulation Allowed Days	20
Backdated Account Opening Allowed Period( In days )	0
Notice Period For Withdrawal	—
Align charging of Fees with Statement Cycle	—
Reg CC Applicable	<input checked="" type="checkbox"/>
Reg CC Threshold Balance Amount	5,000

Figure 79 Define the applicability of Reg CC at product Level



**PY002 X PY007 X**

Define Reg CC Hold Release Schedule

Bank Name: Emerald Bank

**Schedule Details**

**+Add Schedule**

Non Customer Check New Account Schedule	Release Schedule
NCNEWACCSCH	D+1Day ▶ \$5,000.00 D+90Day ▶ Remaining

Customer Check Large Deposit Schedule	Release Schedule
CLARGEDEPSCH	D+1Day ▶ \$200.00 D+20Day ▶ \$4,800.00 D+7Day ▶ Remaining

NCC Large Deposit Schedule	Release Schedule
NCCLARGEDEPSCH	D+1Day ▶ \$5,000.00 D+7Day ▶ Remaining

Figure 80 Define the various Hold on unclear funds

**PY007 X**

Define Reg CC Parameters

Bank Name: Emerald Bank US

**Define Rules And Priority**

**Account Large Deposit Rules**

\* Amount: \$5,000.00      \* Transaction(s): Check Deposit

**Exception Rules (In Last six months)**

If  
 (RegCCExceptionParameter AccountNSFCount greater than equal to 6)  
 And RegCCExceptionParameter ExceptionPeriodInMonthsForNSF equal to 6  
 or (RegCCExceptionParameter AccountAvailableBalanceBelowThresholdCount greater than equal to 2)  
 And RegCCExceptionParameter ExceptionPeriodInMonthsForThreshold equal to 6

Then  
 RegCCExceptionParameter Exception equal to True

Figure 81 Define parameter such as Account Large Deposit Rules, Exception Rules, Instrument Priority, and Schedule Resolution

**PY009 X**

Define Customer or Account RegCC Schedule Override

Party Search By: Name: Andrew Witney

**Party Level Schedule Override (Schedule will apply to all account(s) of the party)**

Customer Check Schedule	<input checked="" type="checkbox"/> CCDEFAULTSC	Customer Check Default Schedule
Non-Customer Check Schedule	<input checked="" type="checkbox"/> NCCDEFAULTS	Non Customer Check Default Schedule

**Account(s) Level Schedule Override**

Account	Customer Check Schedule	Non-Customer Check Schedule
100008040 Andrew Witney	<input type="checkbox"/>	<input type="checkbox"/>
100008077 Andrew Witney	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Figure 82 Define the override Reg CC schedule at account or party level.



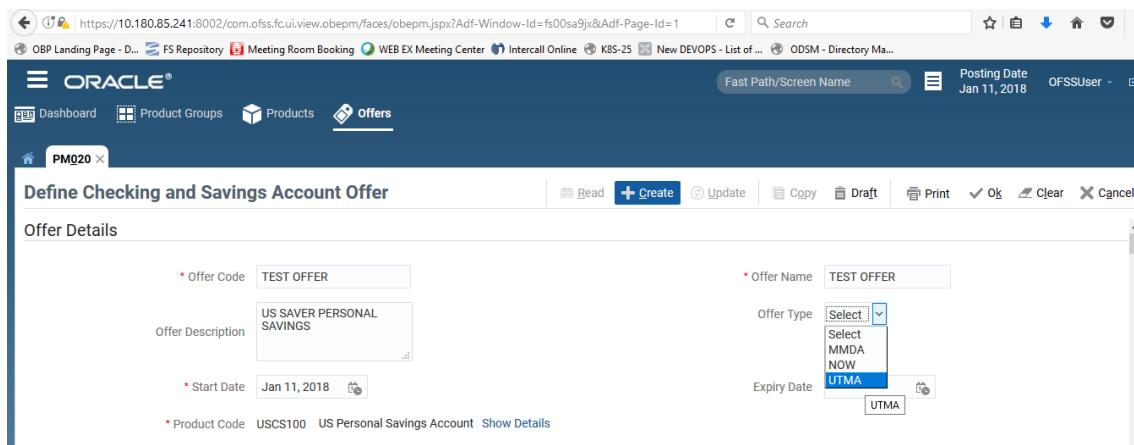
## UTMA – Uniform Transfers to Minors Act

### Regulation Overview

The Uniform Transfers To Minors Act (UTMA) is a uniform act drafted and recommended by the National Conference of Commissioners on Uniform State Laws in 1986, and subsequently enacted by most U.S. States, which provides a mechanism under which gifts can be made to a minor without requiring the presence of an appointed guardian for the minor, and which satisfies the Internal Revenue Service requirements for qualifying a gift of up to \$13,000 for exclusion from the gift tax. It is an extension of the Uniform Gifts to Minors Act (UGMA)

### Built in Capabilities

- System check for DOB and mandated state date for adulthood.
- Define account offer as UTMA account.
- Definition of the account title for UTMA accounts according to FI's guidelines.



The screenshot shows the Oracle OFSS application interface. The top navigation bar includes links for OBP Landing Page, FS Repository, Meeting Room Booking, WEB EX Meeting Center, Intercall Online, KBS-25, New DEVOPS - List of..., and ODSM - Directory Ma... The main menu bar has links for Dashboard, Product Groups, Products, and Offers. The current page is titled 'Define Checking and Savings Account Offer' under the 'Offers' section. The 'Offer Details' section contains fields for Offer Code (TEST OFFER), Offer Name (TEST OFFER), Offer Description (US SAVER PERSONAL SAVINGS), Start Date (Jan 11, 2018), and Expiry Date (UTMA). A dropdown menu for 'Offer Type' is open, showing options: Select, MMDA, NOW, and UTMA, with UTMA being the selected option.

Figure 83 Assign UTMA type to account

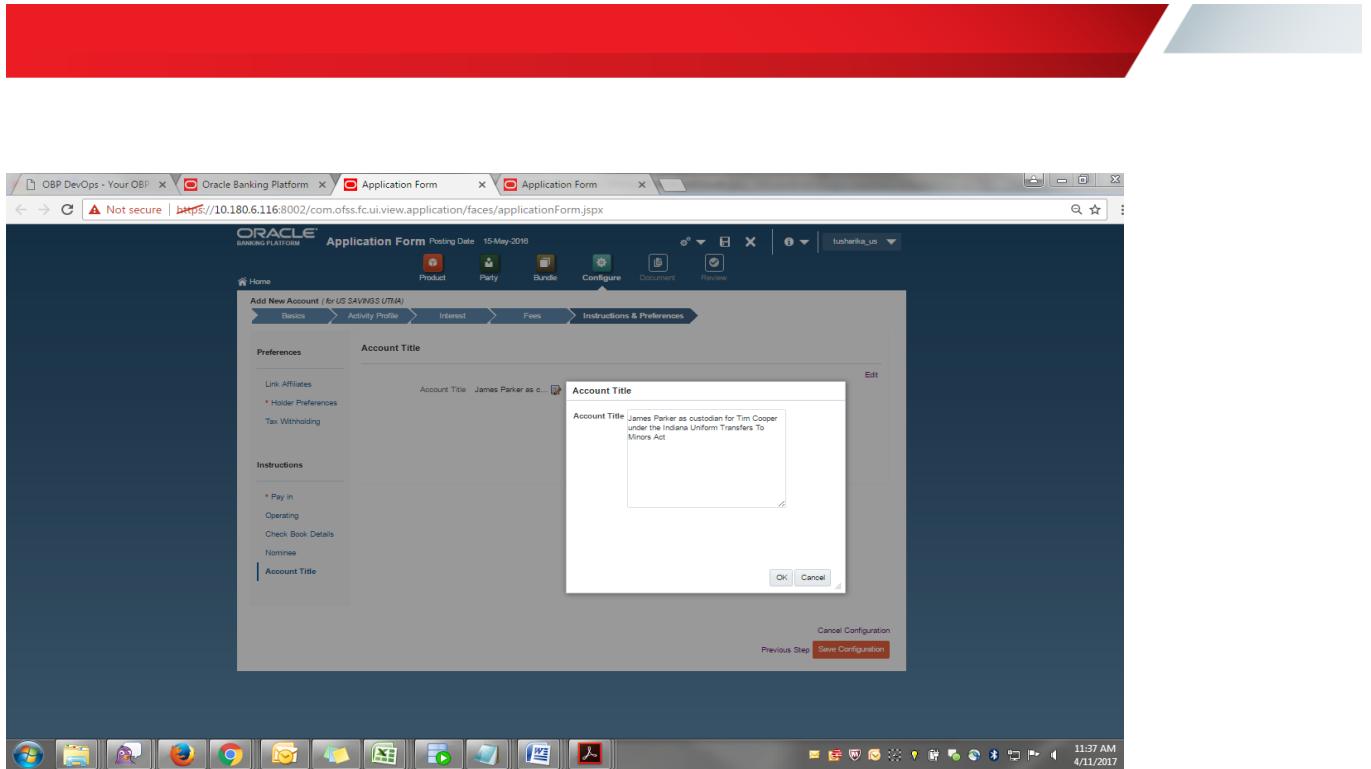


Figure 84 Define account title for UTMA account

## Consumer Leasing (Regulation M)

### Regulatory Scope for OBC

The lessor needs to disclose penalties and other charges for delinquency (e.g., collections costs, early termination), including the amount or the method of determining the amount of any penalty or other charge for delinquency, default, or late payments. OBC should build in controls to check that the equations and requirements for determining penalties and other charges related to delinquency align with what was stated on the contract when the lease was signed.

## Bank Holding Company Manual

### Regulatory Scope for OBC

Banking organizations should respond appropriately to safeguard their lien position and should verify the amount and priority of any senior liens prior to closing the loan. They should have established policies and procedures for problem loan workout. The policies should, at a minimum, address the following:

- Circumstances and qualifying requirements for various workout programs including extensions, re-ages, modifications, and re-writes
- Circumstances and qualifying criteria for foreclosure
- Appropriate MIS to track and monitor the effectiveness of workout programs, including tracking the performance of all categories of workout loans

In general, a banking organization should not use workout strategies to defer losses. Banking organizations should ensure that credits in workout programs are evaluated separately for the allowance for loan and lease losses (ALLL). OBC should have a control in place to verify senior liens were considered prior to closing the loan and it should have the ability to track and monitor the effectiveness of workout programs.

An assessment of the individual asset's collectability should determine whether to place in asset in nonaccrual status, and placing one loan in nonaccrual status does not result in all other lines of credit extended to that borrower automatically being placed in nonaccrual. OBC will add an indicator to determine if the borrower has multiple extensions of credit outstanding; if one credit line is placed in the nonaccrual status (nonperforming), the collection platform should not automatically place other debts in the nonaccrual status without thorough evaluation.

In order to return a multiple-note structure to accrual status under Troubled-Debt Restructuring (TDR), the following conditions must be met:

- The restructuring qualifies as a TDR and there is economic substance to the restructuring
- The portion of the original loan represented by the B note has been charged off
- The institution is reasonably assured of repayment of the A note and of performance in accordance with the modified terms

- The borrower must have demonstrated sustained repayment performance (either immediately before or after the restructuring) in accordance with the modified terms for a reasonable period before the date on which the A note is returned to accrual status (six months and involve payments in the form of cash or cash equivalents)

OCB should track loans that are in TDR and flag accounts that may be ready to return to accrual status based on the qualifiers listed above.

If certain borrowers have resumed paying the full amount of scheduled contractual interest and principal payments on loans that are past due and in nonaccrual status, such loans may henceforth be returned to accrual status, even though the loans have not been brought fully current. To do so, there must be:

- Reasonable assurance of repayment of all principal and interest amounts contractually due (including arrearages) within a reasonable period
- Cash or cash equivalent payments over a sustained period (generally a minimum of six months) in accordance with the contractual terms.

Loans that meet this criteria should continue to be disclosed as past due as appropriate (for example, 90 days past due and still accruing) until they have been brought fully current.

OCB should implement controls to verify the two criteria above are met for past due loans in nonaccrual status that have begun resuming payments, and the system should report the loan appropriately (e.g., 90 days past due and still accruing) until it is brought fully current.

The following is a list of specific requirements related to collections and foreclosures. OCB should have the necessary to accurately and efficiently contribute to the generation of reports and/or data that show the following information for accounts in collections or foreclosure:

- When collection efforts start once an account becomes delinquent
- All attempts at collecting past due payments are documented, including each date of communication with borrowers, the nature of the communications, and the customers' replies.
- Whether foreclosure proceedings are instituted in a timely manner for borrowers 120 days+ in delinquency, including proper notification of foreclosure action, contracts were documented, property inspections were conducted in accordance with policy, and they complied with FHA/VA/PMI requirements and guidelines

- The average foreclosure costs for each product type
- Determine the justifications for delay are reasonable (if account is delayed)
- Determine the number and dollar volume of delinquent loans that were purchased from the servicing portfolio (buyouts or buybacks).

Procedures for payoffs should require:

- Sending Pay instructions to the mortgagor before payoff

OCB should verify that instructions were sent prior to the payoff.

Cure programs (e.g., re-aging, extensions, renewals, rewrites) should be used only when the institution has substantiated the customer's renewed willingness and ability to repay (the assessment for the renewed willingness must be well documented), and if the renewed willingness and ability cannot be demonstrated, the loan should be moved back to its pre-cure delinquency status.

Documentation should include one or more of the following:

- A new verification of employment
- A recomputed debt-to-income ratio indicating sufficient improvement in the borrower's financial condition to support orderly repayment
- A refreshed credit score or updated bureau report
- File memo-evidencing discussion with the customer

OCB should either store the documentation that supports the cure program decision, or should provide transparency into the assessment and clearly outline where the documentation is stored.

Detailed policies concerning collection efforts and foreclosures should be in place and followed and delinquency and foreclosure statistics should be tracked by product type and originator. Foreclosures are generally initiated after three full installments are due and unpaid and the servicer must notify the mortgagor of its foreclosure intent in writing and refers the case to an attorney. OBC should support all policies and standards relating to collection efforts, such as tracking delinquency and foreclosure statistics and creating controls/flags after three installments are unpaid to alert the servicer the account should be reviewed for foreclosure.



#### CONNECT WITH US

-  [blogs.oracle.com/oracle](http://blogs.oracle.com/oracle)
-  [facebook.com/oracle](http://facebook.com/oracle)
-  [twitter.com/oracle](http://twitter.com/oracle)
-  [oracle.com](http://oracle.com)

#### Oracle Corporation, World Headquarters

500 Oracle Parkway  
Redwood Shores, CA 94065, USA

#### Worldwide Inquiries

Phone: +1.650.506.7000  
Fax: +1.650.506.7200

#### Integrated Cloud Applications & Platform Services

Copyright © 2020, Oracle and/or its affiliates. All rights reserved. This document is provided for information purposes only, and the contents hereof are subject to change without notice. This document is not warranted to be error-free, nor subject to any other warranties or conditions, whether expressed orally or implied in law, including implied warranties and conditions of merchantability or fitness for a particular purpose. We specifically disclaim any liability with respect to this document, and no contractual obligations are formed either directly or indirectly by this document. This document may not be reproduced or transmitted in any form or by any means, electronic or mechanical, for any purpose, without our prior written permission.

Oracle and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

Intel and Intel Xeon are trademarks or registered trademarks of Intel Corporation. All SPARC trademarks are used under license and are trademarks or registered trademarks of SPARC International, Inc. AMD, Opteron, the AMD logo, and the AMD Opteron logo are trademarks or registered trademarks of Advanced Micro Devices. UNIX is a registered trademark of The Open Group. 0615

Oracle Banking Regulatory Compliance Enablement for United States  
April 2020

 Oracle is committed to developing practices and products that help protect the environment