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Oracle Banking Corporate Lending
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1. Release Notes

1.1 Background

Oracle Financial Services Software Limited has developed Oracle Banking Corporate Lending product to service a big corporate customer, for a huge value transaction in the form of loan. Oracle Banking Corporate Lending suite enables large value corporate loans and syndicated loans. It enables banks to play multitude of roles in syndication. Trading platform enables trading of syndicated loans and keeps track of position and balances of different portfolios of bank.

Bilateral Loans

Empowers financial institutions of varied sizes to offer and manage complex commercial loan products catering to large corporate and SMEs. Product manufacturing enables the bank to create innovative products, cuts down time to market and respond to competition efficiently and effectively. Rule driven delinquency handling provides better control over stressed loan assets enabling timely action.

Syndicated Loans

Empowers large multinational banks and Financial Institutions to structure complex syndicated loans under three tier architecture. Robust multi-currency, multi borrower, multi region participation support makes it easier for arrangers to structure ultra-flexible deals seamlessly. High volume processing is supported to cater to deals with thousands of participants.

Secondary Loans Trading

SLT Module tracks the trading of syndicated loans in the secondary market. It allows the booking and settlement of trades under Lead and Participated facilities. It supports Par and distressed loan trading. It also supports the Assignment and Participation (Silent) type of trades.

1.2 Purpose

The purpose of this Release Note is to highlight the enhancements in Oracle Banking Corporate Lending 14.4.0.0.0

1.3 Abbreviations

Abbreviation	Description
CASA	Current and Savings Account
CDI	Certificate of Deposit Interest
CUSIP	Committee on Uniform Securities Identification Procedures
ELCM	Enterprise Limits and Collateral Management
EOD	End Of Day

Abbreviation	Description
FCUBS	FLEXCUBE Universal Banking System
FCY	Foreign Currency
GL	General Ledger
LC	Letter of Credit
LB	Loan Syndication
LIBOR	London Inter-bank Offered Rate
LMA	Loan Market Association
LOR	Lender of Records
OBCL	Oracle Banking Corporate Lending
OBDX	Oracle Banking Digital Experience
OBPM	Oracle Banking Payments
OL	Oracle Lending
RFR	Risk Free Rates
SGEN	Settlement Message Generation
SLT	Secondary Loans Trading
SME	Small & Medium Sized Enterprises
SOFR	Secured Overnight Financing Rate
STP	Straight Through Processing
UI	User Interface
VAMI	Value Dated Amendment

For module code and description details, please refer Annexure C.

1.4 **Release Highlights**

The scope of the current release Oracle Banking Corporate Lending 14.4.0.0.0 comprises of following functional enhancements.

Bilateral Loans

- Auto Capitalization of Interest
- Exponential Interest method
- Advices for Consolidated & Split Rollovers
- Loan Rewrite
- Limits tracking for multiple parties
- Financial Centre Calendar – Multiple holiday tracking
- Cash flow generation based on Rate Fixing
- Back dated status change
- LIBOR transition to SOFR
- Pay By Date
- Interest Rate Setting
- Interest period basis – Fees
- Floor & Ceiling for base rate
- Consumer Credit
- Derivation of CDI Rates
- Loan Acceleration
- Allowed number of rollover / maximum aggregate tenor on the loan
- Revision schedules for penal components

Loan Syndications

- Tax enhancements
- Adhoc fees and expenses
- Prepayment penalty enhancements
- Borrower limits across tranches
- Limits tracking for multiple parties
- Financial Centre Calendar – Multiple holiday tracking

- Interest period basis – Fees
- Cash flow generation based on Rate Fixing
- Multi-authorization features
- Revaluation
- Margins for silent participation
- Swift messaging
- Split settlements
- Interest rate rounding rules

Secondary Loans Trading

- Amendment Fee
- Message Director Interface
- Streamlining SLT workflow
- Interest Settlement as per LMA rules for LOR type of contracts

1.5 Enhancements to the Existing Modules – Bilateral Loans

1.5.1 Auto Capitalization of Interest

- Specific Interest schedules can be capitalized
- The extent to which interest needs to be capitalized can be controlled by Interest Reserve Amount

1.5.2 Exponential Interest method

- Loan contracts can be booked with Linear/Exponential interest methods with Simple/Amortized/Discounted schedules.
- This is based on Brazilian requirements for daily recalculation of interest accrual for loans based on Exponential formula.

1.5.3 Advices for Consolidated & Split Rollovers

- Support for advices on consolidated rollover – on every parent contracts
- Support for advices on split Rollover – on every child contracts

1.5.4 Loan Rewrite

- Product can be changed during consolidated Rollover

1.5.5 Limits tracking for multiple parties

- Besides the counterparty, limits utilization of other parties in the deal is supported

1.5.6 Financial Centre Calendar – Multiple holiday tracking

- Similar to Branch & Currency, Banks can define separate calendars for their Financial centres.
- Financial centres can be linked to a product. Loan contracts will consider Financial centre holidays as well.

1.5.7 Cash flow generation based on Rate Fixing

- Amount due computation till the date for which the interest rate is fixed – displayed at Payment Details - Due As Per Rate Fixing field.

1.5.8 Back dated status change

- Enabling back dated transaction feature for status change functionality.

1.5.9 LIBOR transition to SOFR

- Enablement of support for migrating to new RFR method SOFR in place of LIBOR
- Corresponding to the method opted, Look Back Days / Payment Delay Days / Lockout Days can be captured.
- Rate computation method supports Simple & Compounding for Base Rate, Spread / Margin & Spread Adjustment, separately.

1.5.10 Pay By Date

- Payment Delay Days supported per component.
- Pay by date of the schedule is arrived by adding Payment Delay Days on the schedule's Due date.
- Schedules are tracked by Pay By Date instead of Due date.

1.5.11 Interest Rate Setting

- Application of rounding rules for the Interest rates

1.5.12 Interest period basis – Fees

- Similar to interest, interest period basis features enabled for fee components
- Supports Include From, Include To, Include From & To and Exclude From & To options

1.5.13 Floor & Ceiling for base rate

- Floor & Ceiling as supported for All-in-Rate, is now extended for Base Interest Rate as well

1.5.14 Consumer Credit

- Additional method supported for Moratorium interest collection

- Moratorium interest should be collected from the customer in leading few schedules after the moratorium period for the Bearing amortized loan

1.5.15 Derivation of CDI Rates

- Derivation of CDI Interest Rates mostly for Brazil market.

1.5.16 Loan Acceleration

- During status change, if future instalments are there, those have to get accelerated to today.

1.5.17 Allowed number of rollover / maximum aggregate tenor on the loan

- Restrictions are brought in for number of times a loan can be rolled over
- Maximum aggregate tenor for a loan can also be controlled.

1.5.18 Revision schedules for penal components

- Penal components are supported with revision schedule definition.
- Revision schedules for penalty can be defined beyond maturity date as well.

1.6 Enhancements to the Existing Modules – Loans Syndication

1.6.1 Tax enhancements

- Tax collection support on the borrower side
- Support for multiple tax rates for participants
- Tax waiver

1.6.2 Adhoc fees and expenses

- Collection of adhoc fees from borrower
- Participant propagation with modifications for income sharing
- Accruals and amortization for adhoc fees
- Support for changing the amortization schedule, if required
- Collection of adhoc expenses from participants
- Accruals and amortization for adhoc expenses

1.6.3 Prepayment penalty enhancements

- Participant propagation for prepayment penalty
- Modifications enabled for participant side propagation
- Income booking possible towards the loans side.

1.6.4 Borrower limits across tranches

- Borrower limits set-up across tranches
- Validations to restrict transactions violating the limits
- Sub-limits at individual tranche level based on product and currency combination

1.6.5 Limits tracking for multiple parties

- Besides the counterparty, limits utilization of other parties in the deal is supported

1.6.6 Financial Centre Calendar – Multiple holiday tracking

- Similar to Branch & Currency, Banks can define separate calendars for their Financial centres.
- Financial centres can be linked to a product. Loan contracts will consider Financial centre holidays as well.

1.6.7 Interest period basis – Fees

- Similar to interest, interest period basis features enabled for fee components
- Supports Include From, Include To, Include From & To and Exclude From & To options

1.6.8 Cash flow generation based on Rate Fixing

- Amount due computation till the date for which the interest rate is fixed – displayed at Payment Details - Due As Per Rate Fixing field.

1.6.9 Multi-authorization features

- Multiple levels of authorization for pre-configured critical transactions
- Multiple levels of validations at a user, transaction, product and role level to ensure transactions are passed only with proper multi-layered authorization

1.6.10 Revaluation

- FCY Revaluation based on pre-configured schedules
- Batch process to revalue tranche balances based on change in exchange rates and pre-configured frequencies

1.6.11 Margins for silent participation

- Margins for silent participation to be differentiated
- Differentiation based on bank's policy and business decisions

1.6.12 Swift messaging

- Fee liquidation – MT103, MT202, MT202 Cover
- Principal and Interest liquidations – same as above
- SGEN Support
- LS netting – integration with OBPM

1.6.13 Split settlements

- Features similar to Bilateral loans extended to the syndication module
- Settlements can be split among multiple parties of the deal

1.6.14 Interest rate rounding rules

- Application of rounding positions for interest component

1.7 Enhancements to the Existing Modules – Secondary Loans Trading

1.7.1 Amendment Fee

- Ability to waive the Amendment Fee from the specific trades while applying the Amendment Fee for a CUSIP
- Active and settled trades picked up for the amendment fee accrual processing.

1.7.2 Message Director Interface

- Automate the trade settlement process in OBCL on receipt of the effective 'Settlement Details Notice' (SDN).

1.7.3 Streamlining SLT workflow

- Single step process for trading where Origination Desk able to do trading (Buy/Sell) directly with an external counterparty

1.7.4 Interest Settlement as per LMA rules for LOR type of contracts

- Settlement of accrued interest between the last liquidation date and settlement date in case of a Buy/Sell Trade and participant transfer in case of LOR

2. Components of the Software

2.1 Documents accompanying the software

The various documents accompanying the software are as follows:

- Release Notes
- Installer Kit

Note: User Manuals and Installation Guide can be accessed from

https://docs.oracle.com/cd/F31133_01/index.htm

2.2 Software Components

Software Components of Oracle Banking Corporate Lending 14.4.0.0.0 that form part of this release are as follows:

- Host
 - UI Components (JS,XML)
 - Stored Procedures (Packages, Functions, Procedures, Triggers, Views)
 - Reporting Components(Data models(xdm), Reports(xdo and rtf))
 - Process Framework components (BPEL)
- New UI Application Server
 - Java Sources
 - Configuration files used for deployment
- Interface
 - ASCII interface sources
 - Stored Procedures (Packages, Functions, Procedures, Triggers, Views)
- Gateway
- Java application layer
 - Java sources
 - Configuration files used for deployment
 - Messaging layer
 - Stored Procedures (Packages, Functions, Procedures, Triggers, Views)
- Installation utilities

- Front end based installation for host
- Front end based installation for Gateway backend
- Installation documents for
 - Installer documents
 - Gateway
- SMS Related Components
- Reports
 - Stored Procedures (Packages, Functions, Procedures, Views)
 - Repositories and pre-defined Reports
- Online Help Files

3. Annexure – A: Environment Details

3.1 Tech Stack – Oracle

Component	Deployment option	Machine	Operating System	Software	Version Number
Oracle Banking Corporate Lending	UI-Host and Centralized	Application Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	Oracle Fusion Middleware Infrastructure	12.2.1.4.0
				Java HotSpot(TM) JDK (with WebLogic Application Server)	1.8 Update 241
				Open Symphony Quartz	2.3.2
				Oracle Toplink	12.2.1.4.0
		Database Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	Oracle RDBMS Enterprise Edition	19.6.0.0.0
		Reporting Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	Oracle WebLogic	12.2.1.4.0
				JDK	1.8 Update 241
				Oracle Analytical Server (Oracle BI Publisher)	5.5.0
		Client Machines Important - Browser Support is strictly tied to the Browser itself , and no longer based on the Operating System.	Windows 10	Internet Explorer	11+
				Mozilla Firefox	66+
				Google Chrome	73+
				Microsoft Edge	44+
			Mac OS X	Mozilla Firefox	Mozilla Firefox for Mac (62+)
				Safari	12+
				Google Chrome	73+

		Single Sign On Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	JDK	1.8 Update 241
				Oracle WebLogic	12.2.1.4.0
				Repository Creation Utility	12.2.1.4.0
				Oracle Identity Management	12.2.1.4.0
				Oracle SOA	12.2.1.4.0
				Oracle Identity And Access Management	12.2.1.4.0
				Oracle Webtier Utilities	12.2.1.4.0
				Oracle Webgate	12.2.1.4.0
Oracle Banking Corporate Lending Integration Gateway	Web services (incoming)	Integration Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	Oracle WebLogic Server	12.2.1.4.0
	HTTP Servlet (incoming)				
	EJB (incoming)				
	MDB (incoming)				
	Notifications (outgoing)				
Oracle Banking Corporate Lending REST	Web services	Integration Server	Oracle Enterprise Linux Server 7.3 (x86 64 Bit)	JDK	1.8 Update 241
				Oracle WebLogic Server	12.2.1.4.0
				Oracle Toplink	12.2.1.4.0

3.2 Tech Stack – IBM

Component	Deployment option	Machine	Operating System	Software	Version Number
Oracle Banking Corporate Lending	UI-Host and sCentralized	Application Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	IBM WebSphere Application Server with inbuilt JVM (IBM JDK 1.8_64)	9.0.0.0
				IBM WebSphere MQ Server	9.0.0.0
				Open Symphony Quartz	2.3.2

		Database Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	Oracle RDBMS Enterprise Edition	19.6.0.0.0
			Windows 10	Internet Explorer	11+
				Mozilla Firefox	66+
				Google Chrome	73+
				Microsoft Edge	42+
			Mac OS X	Mozilla Firefox	Mozilla Firefox for Mac (62+)
				Safari	11+
				Google Chrome	73+
Oracle Banking Corporate Lending Integration Gateway	Web services (incoming)	Integration Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	IBM WebSphere Application Server with inbuilt JVM (IBM JDK 1.8_64)	9.0.0.0
	HTTP Servlet (incoming)	Integration Server	Oracle Enterprise Linux Server 7.1 (x86 64 Bit)	IBM WebSphere Application Server with inbuilt JVM (IBM JDK 1.8_64)	9.0.0.0
	EJB (incoming)	Integration Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	IBM WebSphere Application Server with inbuilt JVM (IBM JDK 1.8_64)	9.0.0.0
	MDB (incoming)	Integration Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	IBM WebSphere Application Server with inbuilt JVM (IBM JDK 1.8_64)	9.0.0.0
				IBM WebSphere MQ Server	9.0.0.0
	Notifications (outgoing)	Integration Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	IBM WebSphere Application Server with inbuilt JVM (IBM JDK 1.8_64)	9.0.0.0
				IBM WebSphere MQ Server	9.0.0.0
Oracle Banking Corporate Lending REST	Web services	Integration Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	IBM WebSphere Application Server with inbuilt JVM (IBM JDK 1.8_64)	9.0.0.0
				Oracle Toplink	12.2.1.4.0

4. Annexure – B: Third Party Software Details

For information on the third party software details, refer Oracle Banking Corporate Lending 14.4.0.0.0 *License Guide*.

5. Annexure – C: Module Code and Description

Abbreviation/ Acronym	Meaning
CO (Core)	Oracle FLEXCUBE Core
CASA	Current Account and Savings Account
OL	Oracle Lending
LB	Syndications
SLT	Secondary Loan Trading
SMS	Security Management System