



Oracle Financial Services Capital Adequacy Application Pack v8.1.0.0.0 Maintenance Level Release #1(8.1.0.1.0)

OFS Financial Services Capital Adequacy Application Pack is a separately licensed product.

Description

ID **32056601**: OFS CAP 8.1.0.0.0 MAINTENANCE LEVEL RELEASE #1 (8.1.0.1.0)

Pre-installation Requirements

The minimum patch set level must be OFS CAP Application Pack v8.1.0.0.0.

Installing this Release

For detailed instructions on installing this Maintenance Level Release, see [OFS CAP Installation Guide 8.1.0.1.0](#).

New Features

The OFS Basel Regulatory Capital Release 8.1.0.1.0 release caters to the Capital Requirements Regulation (CRR) II and Capital Requirements Directive (CRD) V compliance for the Europe Jurisdiction (EU), in addition to the existing compliance for CRR for the EU.

Europe Jurisdiction

As part of this release, the application is compliant with the CRR II and CRD V regulations of the EU for Credit Risk and Counterparty Credit Risk calculations. The key functionalities of CRR II and CRD V of Credit risk and Counterparty Credit Risk that are addressed in this release are as follows:

- Credit Risk
 - Treatment of CIUs
 - Changes to the Defaulted Exposure Treatment
- Counterparty Credit Risk
 - Revised Original Exposure Method
- Across All Calculations
 - SME Factor Updates
 - Additional Factor Updates

The other functionalities that remain unchanged from CRR to CRR II are also available. Similar to the 8.1.0.0.0 release changes, the bank's portfolio is being identified and processed in parallel for the following risk types.

- Credit Risk (the core assets related to the bank)
- Credit Risk pertaining to Invested Exposures (the assets which the bank has invested in the form of money market, or long-term instruments)
- Counterparty Credit Risk in the form of derivatives
- Counterparty Credit Risk in the form of Securities and Financing Transaction assets

List of Bugs Fixed in this Release

No bugs were fixed in this release.

Known Issues or Limitations in this Release

The following are the known issues or limitations in this release.

Sl. No.	Bug ID	Bug Description
1	32066711	National Discretionary Overwrite of the RW for Immovable Assets are not being handled explicitly, as the regulatory calculation definition is not being considered in the rules. This will impact the Immovable Assets, wherein there is a national discretionary overwrite to the RW. This overwrite will update the Risk Weight for the exposures, to be a risk weight greater than 35% for Residential Real Estate Exposures and 50% for Commercial Real Estate Exposures.
2	32077007	The Market Value based LTV calculations for Immovable Assets are not handled, though the calculation logic considers this option. This impacts Immovable Assets, wherein the bank decides to compute LTV based on market value, instead of mortgage lending value.