Product Release Note
Oracle Banking Treasury Management
Release 14.4.0.2.0
November 2020

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FINANCIAL SERVICES

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November 2020
Version 14.4.0.2.0

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1. Release Notes

1.1 Background

Oracle Financial Services Software Limited has developed new product processor, Oracle Banking Treasury Management (OBTR), which is a comprehensive solution for managing Treasury operations for Banks.

Oracle Banking Treasury Management is an online Real-time solution and is enabled for a multi-entity, multi-currency, multi-lingual operations. OBTR is built on highly adaptable and modular architecture with leading edge industry standards and supports multi-tenancy deployments.

OBTR offers financial institutions, the flexibility to adapt to changing regulatory reforms in treasury markets and enable banks to improve their overall operational efficiency. OBTR provides end-to-end trading capabilities for diverse range of Trading Instruments in Foreign Exchange, Money Markets, Securities, Derivatives and Over-the-counter products.

OBTR is equipped with an innovative pre- settlement manager that expedites and simplifies the operational flow of the Treasury Deals.

1.2 Purpose

The purpose of this Release Note is to propagate the enhancements in Oracle Banking Treasury Management 14.4.0.2.0.

1.3 Abbreviations

Abbreviation	Description
OBTR	Oracle Banking Treasury Management
OBTF	Oracle Banking Trade Finance
OBPM	Oracle Banking Payment
OBDX	Oracle Banking Digital Experience
OFSAA	Oracle Financial Services Analytical Application
DDA	Demand Deposit Accounts
SWIFT	Society for Worldwide Interbank Financial Telecommunication
OFCUB/FCUBS	Oracle FLEXCUBE Universal Banking

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

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1.4   Release Highlights

The rationale for the new product release of Oracle Banking Treasury Management version 14.4.0.2.0 is to have treasury specific product, enabling Banks to choose a diverse range of Treasury products designed to support multiple currencies, facilitate and manage handling of trades efficiently and to support the regulatory requirements and to have features that are essential for Capital markets.

- Oracle Banking Treasury Management product is built to have the below major modules
  - Foreign Exchange
  - Money Market
  - Securities
  - Repo and reverse repo
  - Over The Counter Currency Options
  - Over The Counter Interest Rate Options
  - Over The Counter Interest rate and Cross currency Swaps
  - Forward Rate Agreement (FRA)
  - Exchange Traded Derivatives for Commodities Futures and Options
  - Exchange Traded Derivatives for Interest Rate Futures and Options
  - Exchange Traded Derivatives for Currency Futures and Options
  - Exchange Traded Derivatives for Bonds and Equity Futures and Options
  - Exchange Traded Derivatives for Index Futures and Options
  - Islamic Money Market
  - Islamic Derivatives
- Oracle Banking Treasury Management product consists of common sub systems for processing Settlements, Messages, Tax, Brokerage, Interest, Charges, Commission and Fees and so on in the various modules mentioned above.
- Oracle Banking Treasury Management product can work as a stand-alone system or can work in tandem with other Oracle Banking products such as OBPM, OBTF, OBDX, Oracle Banking Limits and Collateral Management and OFSAA.

1.5   Release Enhancements

1.5.1   Credit Default Swap Index (CDI)

- New Treasury Instrument Credit Default Swap Index (CDI) is introduced.
- System enhanced to support CDI Instrument definition and portfolio definition for premium/upfront fee calculations and position keeping functions respectively. Product definitions available to maintain default features.
- Deal product support for various CDI buy/sell scenario for banks.
- Support for trading with trading price/spread quote.
- Deal lifecycle support for Internal and External MTM, position keeping, periodic premium payments and Redemption.

1.5.2 Derivatives MTM Principal reset

Below Enhancements are done on Cross Currency Swaps

- System enhanced to support Principal Reset for a Cross Currency Swap deal
- System enhanced to support building principal reset schedules in addition to the loan principal schedules during CCS deal booking
- Provision is made for accepting a back dated fixing, reversal and a re-fixing process on a principal reset schedule for CCS deals

Below Enhancements are done commonly on Interest Rate Swaps and Cross Currency Swaps

- Financial amendment of Principal and schedule change is supported and leads to a version increment of Derivative contract.
- Support for applying an amendment fee during deal amendment

1.5.3 Multiple/Mixed calendar support for event dates

System is enhanced to handle multiple calendar maintenances for event dates based on given preferences like multiple currencies, financial center and local holiday.

1.5.4 Split Settlement

System is enhanced to handle split settlement for the outgoing funds on certain specific transactional amounts that are specific to respective modules.

1.5.5 Confirmation message enhancement

- The tag, 77D to support the value /FIDU/ in MT300 and MT320 confirmation messages when the counterparty of the deal is flagged as Fiduciary
- 77D to support information related to Terms and Additional Condition
- Support for different values in 83 & 87 tags on messages sent to Custodian & Settlement member (both 300 & 320)
- In MT 320 , support for population of tag D for fields 83 and 87

1.5.6 Termination settlement processing

System enhanced to allow the user to terminate an option contract for a day and settle the termination proceeds on a different future day.

1.5.7 Bond provision and Status Process

- System enhanced to allow to post provisioning entries for the holdings against respective instruments.
- Status processing capabilities is brought into the system for the bank portfolio/bond instruments to support balance movement to different chart of accounts and continue accruals with different designated GLs for the adversity level and also a provision to stop accrual, if required.

1.5.8 Repo and Reverse Repo collateral Support changes

Introduction of Collateral Portfolio to hold security pledged and received as part of Repo/Reverse Repo transaction

For a Repo transaction -

- Provision for moving the securities pledged as part of repo either to a collateral portfolio or blocked in bank portfolio on booking.
- Move back security from Collateral portfolio to Bank Portfolio on Repo Liquidation /Pre closure.

For a Reverse Repo transaction -

- Transferring securities received from counterparty to Collateral Portfolio on booking.
- Transferring back the securities to counterparty from collateral portfolio on liquidation.

Message generation based on user choice -

- Either MT542/MT543 generated on repo booking.
- Either MT540/MT541 generated on reverse repo booking.

External/manual call for collateral revaluation supported as -

- Margin Pay/Receive for cash or securities with MT 540/542 generation for securities and MT 202/210 for cash.

OR

- Contract repricing as financial amendment.
- Provision for ISDA confirmation check for the below modules.
    - Foreign exchange
    - Derivatives
    - Islamic Derivatives
    - Options
- Support for event wise ISDA confirmation check.

1.5.9 Rate Fixing

- Rate fixing schedule generation at the contract based on the defined parameters.
- Support for manual and batch rate fixing on rate fixing schedule date.
- Bulk rate fixing can be done manually or through gateway or through Generic Interface.
- Rate revision to consider the fixed rate.

1.5.10 Risk free rates (SOFR) support in DV module

System enabled to consume RFR daily from a published source and use one of below methods for interest calculation for primary component in DV module.

- Look back
- Payment delay
- Lockout
- Plain
- Interest rollover

1.5.11 Risk free rates (SOFR) support for advance methods in MM module

System enhanced to use one of below RFR advance methods for interest calculation for main component in MM module

- Last Reset
- Last Recent

1.5.12 <u>Risk free rates (SOFR) support in SE module</u>

System enabled to consume RFR daily from a published source and use one of below methods for interest calculation in SE module.

- Look back
- Payment delay
- Lockout
- Plain

1.5.13 <u>Risk free rates (SOFR) support in SR module</u>

System enabled to consume RFR daily from a published source and use one of below methods for interest calculation for main component in SR module.

- Look back
- Payment delay
- Lockout
- Plain
- Interest rollover
- Last Reset
- Last Recent

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2. Components of the Software

2.1 Documents Accompanying the Software

The various documents accompanying the software are as follows:

- Product Release Note and Installer Kit
- User and Installation manuals - https://docs.oracle.com/cd/F37374_01/index.htm
- Online Help Files

2.2 Software Components

Software Components of Oracle Banking Treasury Management 14.4.0.2.0 that form part of this release are as follows:

- Host
  - UI Components (JS,XML)
  - Stored Procedures (Packages, Functions, Procedures, Triggers, Views)
  - Tables, Types, Sequences, INC
  - Reporting Components(Data models(xdmz), Reports(xdoz),Sub-template(xsbz))
- Java application layer
  - Java sources
  - Configuration files used for deployment
- Integration Gateway
- REST Services
  - Java application layer
    - Java sources
    - Configuration files used for deployment
- Conversion Utilities
- Installation utilities
- ADF files used by Generic Interface (GI) – incoming and outgoing
- Tools
  - ODT

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3. Annexure – A: Environment Details

3.1 Tech Stack – Oracle

Component	Deployment option	Machine	Operating System	Software	Version Number
Oracle Banking Treasury	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)	JDK 1.8 Update 241
				Open Symphony Quartz	2.3.2
				Oracle Top-link	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 Server	12.2.1.4.0
				JDK	1.8 Update 241
				Oracle Analytics Server	5.5.0
			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+

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				JDK	1.8 Update 241
				Oracle WebLogic Server	12.2.1.4.0
				Repository Creation Utility	12.2.1.4.0
		Single Sign On Server	Oracle Enterprise Linux Server 7.6 (x86 64 Bit)	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 Web tier Utilities	12.2.1.4.0
				Oracle Web gate	12.2.1.4.0
Oracle Banking Treasury 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)				

Note: # Browser support is no longer based on Operating Systems but strictly tied to the browser themselves, no matter on which Operating Systems they are installed. Current release is certified on client workstations with Windows 10 and Mac OS X.

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4. Annexure – B: Third Party Software Details

For information on the third party software details, refer Oracle Banking Treasury 14.4.0.2.0 License Guide

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5. Annexure – C: Module Code and Description

Module Code	Module Description
FX	Foreign Exchange
MM	Money market
SE	Securities
DV	Derivatives
ED	Exchange Traded Derivatives
OT	Over The Counter Derivatives
ID	Islamic Derivatives
MC	Islamic Money Markets
SR	Securities Repo and Reverse Repo

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6. Annexure – D: Deprecated Functionality

None

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