

Product Release Note
Oracle Banking Corporate Lending
Release 14.5.0.0.0
[May] [2021]





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[May] [2021]
Version 14.5.0.0.0

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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 14.5.0.0.0

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 14.5.0.0.0 comprises of following functional enhancements.

- Loans - Historic Interest Rates
- Loans - Consolidated Rollover with loans of different maturity
- Loans -RFR rate enhancements
- Loans -External Account Check (EAC) Validation through Sync Service
- Loans -Customer Status Validation through Sync Service
- Loans – Oracle Banking Payments Integration
- Loans -Rate Fixing for Fixed
- Loans– Partial Contract search through Chatbot
- Loans – Corporate 360 Integration with UBS
- Loans – View Loan Repayments at Commitment Level
- Loans –OBPM Integration -Payment Reversal service
- Loans –Batch exception screens for loans and syndication exceptions
- Loans - OBPM Integration - Accounting on SGEN Date
- Loans - UBS Integration for Inactive Customer
- Loans – Penalty Compounding
- Loans –Group Status Change
- Loans – Relationship Pricing Integration
- Loan Syndication - Participant Ratio Change
- Loan Syndication - Syndication reports
- Loan Syndication - Discounted reprice
- Loan Syndication - Discounted rollover
- Loan Syndication – Pay By Date
- Loan Syndication – Simplified STP
- Loan Syndication – Swing Line Ratio
- OBCL – Notification framework

1.5 **Enhancements to the Existing Modules**

1.5.1 **Loans - Historic Interest Rates**

New screen (OLDINHST) is created to provide the ability for the user to see the (historic) interest rates for the previous versions after changing the interest details through VAMI. Users should have ability to view interest rate details holistically at component level rather than schedule level.

1.5.2 **Loans - Consolidated Rollover with loans of different maturity**

Users should have the ability to do consolidated rollover for contracts that are also maturing in future. Changes are done in the system to allow the users to select all the contracts including future maturity dated contracts, which are greater than or equal to the value date provided in the consolidated rollover screen.

1.5.3 Loans - RFR rate enhancements

- Look Back & Lock Out methods are supported together. Thus from schedule start date till lockout freeze start date, every day, the k look back days rate will be applied. And, the rate applied on Lock out freeze start day will be applied to the lock out window.
- Observation Shift : In RFR Look back method, when a back dated rate is applied for the current date, the weightage of the rate, based on its applicable days, is considered while arriving the rate factor, and applied to the current rate application date.
- Min Max for Risk Free Rates (RFR) : Min & Max rate configured at Interest Limits / Contract level ICCF is validated RFR rates. Base + Spread adjustment to be within the Min Max range, else the Base rate is adjusted in such a way that, the Base + Spread Adjustment falls within the range.
- Negative interest component support enabled for SOFR methods. Whenever interest rate is going negative, it will be tracked with negative component.
- Changes done in system to calculate online penalty (e.g. during backdated contract booking) which is of SOFR type. SOFR penalty is calculated on based on overdue component, which can be either non- SOFR or SOFR component.

1.5.4 Loans -External Account Check (EAC) Validation through Sync Service

System should have the ability to validate the settlement accounts online. This is achieved by performing a Sync Web service call to UBS. If the settlement accounts are unavailable or having invalid status in UBS, then the system will not allow processing the transaction. This validation through sync service is made available for both Online and Batch

1.5.5 Loans - Rate Fixing for Fixed

Bilateral contracts with Fixed rate are enabled to fix the rate for a specific window. And, Manual Rate Fixing screen is enhanced to capture rate for such contracts, for subsequent window.

1.5.6 Loans – Enabling Chatbot for OBCL

Chatbot is enabled for OBCL with below use cases

- Chatbot can help user in booking or copying Bilateral contract. In case of Copy, user can provide existing contract reference no and system will launch Bilateral contract screen along with copying the contract details.
- User can search for Bilateral loan contract with Contract reference no. Chatbot will check if contract is available in system and if yes, then will query the same from Bilateral contract screen.
- User can search for Bilateral loan contracts with available partial contract details through Chatbot. The chatbot gets the search criteria from user and shows the contract list based on same.

1.5.7 Loans - Corporate 360 Integration with UBS

New service is exposed to UBS which queries the Bilateral/Syndication related transactions of a particular customer from Customer 360 View Screen (STDCUSVW). This new service is called ad-hoc whenever the user queries the transactions from STDCUSVW screen.

1.5.8 Loans - View Loan Repayments at Commitment Level

System will display all the loan repayment schedules at the commitment level. This is accessible from the "Repayment Details" subsystem in Contract Input Screen. This subsystem is enabled only for commitment contracts.

1.5.9 Loans –OBPM Integration -Payment Reversal service

Currently system does not support the generation of cancellation message (MTn92) from OBCL. With this enhancement, the system would allow the cancellation request to be passed to OBPM when the loan contract is reversed from OBCL. Service "PMOutTxnReversalService" would be called from OBCL to pass the cancellation request and after the contract gets reversed in OBPM, the payment system sends the reversal handoff notification to OBCL to pass the actual reversal entries.

1.5.10 Loans –Batch exception screens for Loans and Syndication exceptions

System should have the ability to view all the exceptions that happen during batch as well as online. New summary screen would be available for the user to view all the batch/online exceptions based on the search criteria like contract reference number, module, and product code. This screen will also have the export and download excel feature to capture the exceptions. This screen is applicable for both Bilateral as well as Syndicated Loans.

1.5.11 Loans - OBPM Integration - Accounting on SGEN Date

Currently system does not support the generation of future dated Payment messages (MT103/MT202) from OBCL. With this enhancement, new batch job is introduced that would allow the Payment message request to be passed to OBPM for the Future dated loan contracts/Value Dated Amendments for any Principal Increase originated from OBCL considering the Settlement generation days. Service "PMSinglePayOutService" would be called from OBCL to pass the future dated request and after the transaction gets processed in OBPM, the payment system sends the payment message on SGEN date itself.

1.5.12 Loans - UBS Integration for Inactive Customer

New service "QueryCustSts" would be consumed by OBCL to handoff the customer status (Active/Inactive) to UBS system.

1.5.13 Loans –Penalty Compounding

During rate revision, system should have the capability to compound the penalty on Rate Revision. System should perform penal compounding before or even after maturity date.

1.5.14 Loans -Customer Status Validation through Sync Service

System should have the ability to validate the settlement accounts online. This is achieved by performing a Sync Web service call to UBS. If the settlement accounts are unavailable or having invalid status in UBS, then the system will not allow processing the transaction. This validation through sync service is made available for both Online and Batch

1.5.15 Loans – Oracle Banking Payments Integration

System should have the ability to send the beneficiary charges to Oracle Banking Payments as part of Single Payout Service (SPS OUT) and also to display the accounting entries that are handed off from Oracle Banking Payments in Contract Online Screen (Events->Accounting Entries Section)

1.5.16 Loans – User Defined Events

Enhanced to support User defined events. Events could be created & linked to necessary products. Accounting entries could be configured for the events. The events could be triggered manually or automatically during EOD, by configuring a rule condition. When a user defined event is triggered on a contract, the same could be viewed on the Events call form on the contract.

1.5.17 Loans –Group Status Change

Currently loans module allows to define various status into which overdue loans should move. With this enhancement, customers who have more than one loan, system should consider the worst status among all the loan and mark all loans with the worst status automatically at end of the day. So that all the loans that belongs to the customer integrating with UBS will have a common status.

1.5.18 Loans – Relationship Pricing Integration

Relationship Pricing Integration Pricing benefits are offered to customers based on eligibility criteria, validity period, and the benefits of the scheme in FLEXCUBE Relationship Pricing. RP rate/amount will apply to the interest, charge and fee components instead of our default product rates/amount for RP enabled customers.

1.5.19 Loan Syndication - Participant Ratio Change

User can choose to settle amount with participant that can be different from amount according to asset ratio defined at contract level. This will be applicable only in case of manual Partial payment (pre or scheduled) and will be scoped for that event only.

1.5.20 Loan Syndication - Discounted products enhancements

- Periodic interest payments for drawdown products for product type 'Discounted'
- Support for amendments
- Changes done to refund the excess interest amount collected in event of a prepayment, pre-closure and interest rate modification
- Refunds are configurable
- Support for Reprice features
- Support for Rollover features

1.5.21 Loan Syndication - Syndication reports

The below reports are now available for the syndication module:

No	Report Name	Report Description
1	Disbursement report	Amount disbursed as of a particular date or date range
2	Deal level report	Details of a deal at a counterparty level
3	Scheduled payments report	Details of instalments scheduled for a particular date or date range
4	Contracts overdue report	Details of drawdown contracts overdue for a particular date or date range
5	Drawdown Contracts maturity report	Details of drawdown contracts maturing for a particular date or date range
6	Tranche/ Facility Fees	Details of fees due from the counterparty at a tranche and drawdown level for a particular date or date range
7	Interest Details report	Interest details report
8	Rate revisions	Details of rate revisions at a contract level

1.5.22 Loan Syndication – Pay By Date features for fees

'Payment delay days' feature supported for fee components in Bilateral product is now extended in the syndication module. Fee liquidations will be processed as per 'payment delay days' specified for the respective fee component. Extended buffer provided to the borrower for payment of fee components.

1.5.23 Loan Syndication – Simplified STP

Changes done in Syndication to Bilateral STP process to avoid re-calculations. This is done to avoid calculation mismatch arising because of 2 times calculations.

During STP of syndication contract to bilateral side, system used to do re-computation which was resulting in mismatch in calculations. Same is handled now with pushing syndication calculation for self-participant portion to bilateral.

1.5.24 Loan Syndication – Swing Line Ratio

- Swing line functionality enhanced by introducing the swing line ratio for the swing line lenders, where the swing line drawdown booking will be based on the participant swing line asset share.
- Ability to add a participant in the tranche with zero asset share
- New call form to designate participants as swing line lenders
- Participant transfer enabled for participants with zero share to 'adjust' their participation at a later date
- STP support for swing line contracts

1.5.25 OBCL - Notification framework

Notification framework in OBCL is used to communicate the business event that happened in OBCL to external systems. Depending upon the event, the XML message is pushed to the external system's asynchronous Queues for their consumption.

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/F41496_01/index.htm

2.2 Software Components

Software Components of Oracle Banking Corporate Lending 14.5.0.0.0 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 8.3 (x86 64 Bit)	Oracle Fusion Middleware Infrastructure	12.2.1.4.0
				Java HotSpot(TM) JDK (with WebLogic Application Server)	1.8 Update 281
				Open Symphony Quartz	2.3.2
				Oracle Toplink	12.2.1.4.0
		Database Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	Oracle RDBMS Enterprise Edition	19.10.0.0.0
		Reporting Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	Oracle WebLogic	12.2.1.4.0
				JDK	1.8 Update 281
				Oracle Analytical Server (Oracle BI Publisher)	5.9.0
		Client Machines Important - Browser Support is strictly tied to the Browser itself , and no longer based on the Operating System.	Windows 10	Mozilla Firefox	87+
				Google Chrome	88+
				Microsoft Edge	89+
			Mac OS X	Mozilla Firefox	87+
				Apple Safari	14+
Google Chrome	88+				

		Single Sign On Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	JDK	1.8 Update 281
				Oracle WebLogic	12.2.1.4.0
				Repository Creation Utility	12.2.1.4.0
				Oracle Identity Management	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 8.3 (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 8.3 (x86 64 Bit)	JDK	1.8 Update 281
				Oracle WebLogic Server	12.2.1.4.0
				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 14.5.0.0.0 *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