

Relationship Pricing User Guide

## **Oracle Banking Treasury Management**

Release 14.5.2.0.0

### Part No. F45885-01

August 2021

## copyright

#### Copyright: 2021

Copyright Holder: Oracle

Product Name: Oracle Financial Software Services, Oracle park, off western express highway, Goregaun (east) mumbai, Maharashtra 400 063, India, Phone Number - 91-22 6718 3000, 91-22 6718 3001. www.oracle.com/financial services

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

U.S. GOVERNMENT END USERS: Oracle programs, including any operating system, integrated software, any programs installed on the hardware, and/or documentation, delivered to U.S. Government end users are "commercial computer software" pursuant to the applicable Federal Acquisition Regulation and agency-specific supplemental regulations. As such, use, duplication, disclosure, modification, and adaptation of the programs, including any operating system, integrated software, any programs installed on the hardware, and/or documentation, shall be subject to license terms and license restrictions applicable to the programs. No other rights are granted to the U.S. Government.

This software or hardware is developed for general use in a variety of information management applications. It is not developed or intended for use in any inherently dangerous applications, including applications that may create a risk of personal injury. If you use this software or hardware in dangerous applications, then you shall be responsible to take all appropriate failsafe, backup, redundancy, and other measures to ensure its safe use. Oracle Corporation and its affiliates disclaim any liability for any damages caused by use of this software or hardware in dangerous applications.

This software and related documentation are provided under a license agreement containing restrictions on use and disclosure and are protected by intellectual property laws. Except as expressly permitted in your license agreement or allowed by law, you may not use, copy, reproduce, translate, broadcast, modify, license, transmit, distribute, exhibit, perform, publish or display any part, in any form, or by any means. Reverse engineering, disassembly, or de-compilation of this software, unless required by law for interoperability, is prohibited. The information contained herein is subject to change without notice and is not warranted to be error-free. If you find any errors, please report them to us in writing

This software or hardware and documentation may provide access to or information on content, products and services from third parties. Oracle Corporation and its affiliates are not responsible for and expressly disclaim all warranties of any kind with respect to third-party content, products, and services. Oracle Corporation and its affiliates will not be responsible for any loss, costs, or damages incurred due to your access to or use of third-party content, products, or services.



# Contents

Preface	l
Introduction	L
Audience	L
Abbreviations and Acronyms 1	l
Documentation Accessibility 2	)
Glossary of Icons	)
Related Documents 2	)
List of Topics	3
OBTR - FCUBS Integration for Relationship Pricing	;
Introduction	;
Integration Scope in Oracle Banking Treasury Management	;
Integration Scope in Oracle FLEXCUBE Universal Banking	)
Prerequisites in Oracle Banking Treasury Management	)
Maintenance of Pricing Parameters	<b>)</b>
Maintenance of Interface Parameters 6	,
Maintenance of External Data Elements    9	)
Maintenance of Pricing Components 1	0
Maintenance of Treasury Customer Details 1	2
Prerequisites in Oracle FLEXCUBE Banking 1	4
Integration Architecture	4
Integration Process	4
Integration Log	5



Integration of Pricing Components 15
OBTR - FCUBS Integration for Charges 15
OBTR - FCUBS Integration for Interest
OBTR - FCUBS Integration for Exchange Rate
List of Glossaries - Relationship Pricing Integration
Relationship Pricing in Money Market    18
Introduction
Relationship Pricing for Interest
Relationship Pricing for Charges 20
Relationship Pricing for Exchange Rate 21
List of Glossaries - Relationship Pricing for Money Market
Relationship Pricing in Foreign Exchange    22
Introduction
Relationship Pricing for Charges
List of Glossaries - Relationship Pricing for Foreign Exchange
Relationship Pricing in Derivatives
Introduction
Relationship Pricing for Interest
Relationship Pricing for Charges
Relationship Pricing for Exchange Rate 28
List of Glossaries - Relationship Pricing for Derivatives
Relationship Pricing in Over the Counter Options 30
Introduction
Relationship Pricing for Charges
List of Glossaries - Relationship Pricing for Over the Counter
Annexure A - EDE SQL Expression for RP Module
EDE SQL Expression
Function ID - Glossary



## 1. Preface

### **1.1 Introduction**

This manual is designed to help acquaint the user with the Relationship Pricing of Oracle Banking Treasury Management. It provides an overview to the module and takes the user through the various steps involved in maintaining securities, portfolios, and deals. Place the cursor on the relevant field and press the F1 key to fetch the field-specific Information.

### 1.2 Audience

This manual is intended for the following Users:

Role	Function	
Back office data entry Clerks	Input functions for deals/queries	
Back office Managers/Officers	Authorization functions/queries	
Product Managers	Product definition and authorization	
End of Day Operators	Processing during End of Day/ beginning of day	
Financial Controller/Product Managers	Generation of queries/reports	

### 1.3 Abbreviations and Acronyms

The below table shows the list of Abbreviations and Acronyms used in this manual.

Abbreviations or Acronyms	Definition		
ASYNC	Asynchronous		
FCUBS	Oracle FLEXCUBE Universal Banking		
CCS	Cross Currency Swap		
DV	Derivatives		
EDE	External Date Element		
FRA	Forward Rate Agreement		
FX	Foreign Exchange		
IRS	Interest Rate Swap		
LYC	Local Currency		
ММ	Money Market		
OBTR	Oracle Banking Treasury Management		

#### Table 1.2: Abbreviations and Acronyms



Abbreviations or Acronyms	Definition	
ОТ	Over the Counter Options	
RP	Relationship Pricing	
SYNC	Synchronous	
SQL	Structured Query Language	
XSL	Extensible Stylesheet Language	

### **1.4 Documentation Accessibility**

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at: http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc

### 1.5 Glossary of Icons

This User Manual may refer to all or some of the following icons:

Icons	Function
×	Exit
+	Add row
-	Delete row
Q	Option List

Table 1.3: Icons

### **1.6 Related Documents**

The user may need to refer to any or all of the User Manuals while working on the Relationship Pricing module:

- Foreign Exchange
- Money Market
- Derivatives



Over the Counter Options

### 1.7 List of Topics

This user manual is organized as follows:

Table 1.4:	Topics
------------	--------

Topics	Description		
OBTR - FCUBS Integration for Relationship Pricing	<ul> <li>Explains the integration between OBTR and FCUBS for Relationship Pricing.</li> <li>The topics which are part of th <ol> <li>Introduction</li> <li>Integration Scope in Oracle Banking Treasury Management</li> <li>Integration Scope in Oracle FLEXCUBE Universal Banking</li> <li>Prerequisites in Oracle Banking Treasury Management</li> <li>Prerequisites in Oracle FLEXCUBE Banking</li> <li>Prerequisites in Oracle FLEXCUBE Banking</li> <li>Integration Architecture</li> <li>Integration Process</li> <li>Integration of Pricing Components</li> <li>Assumptions</li> </ol> </li> </ul>		
Relationship Pricing in Money Market	<ul> <li>Explains the Relationship Processing in Money Market (MM).</li> <li>1) Relationship Processing for Interest</li> <li>2) Relation Pricing for Charges</li> </ul>		
Relationship Pricing in Foreign Exchange	<ul><li>Explains the Relationship Processing in Foreign Exchange.</li><li>1) <i>Relationship Pricing for Charges</i></li></ul>		
Relationship Pricing in Derivatives	<ul> <li>Explains the Relationship Processing in Derivatives.</li> <li>1) Relationship Pricing for Interest</li> <li>2) Relationship Pricing for Charges</li> </ul>		
Relationship Pricing in Over the Counter	<ul> <li>Explains the Relationship Processing in Over the Counter Options.</li> <li>1) <i>Relationship Pricing for Charges</i></li> </ul>		
Annexure A - EDE SQL for RP Module	<ul> <li>Annexure A - EDE SQL Expression to derive EDE value.</li> <li>1) EDE SQL Expression</li> </ul>		
Function ID - Glossary	Function ID Glossary has listing of Function/Screen ID used in the module with page references for quick navigation.		

## 2. OBTR - FCUBS Integration for Relationship Pricing

This topic contains the following subtopics:

- 1) Introduction
- 2) Integration Scope in Oracle Banking Treasury Management
- 3) Integration Scope in Oracle FLEXCUBE Universal Banking
- 4) Prerequisites in Oracle Banking Treasury Management
- 5) Prerequisites in Oracle FLEXCUBE Banking
- 6) Integration Architecture
- 7) Integration Process
- 8) Integration of Pricing Components
- 9) Assumptions

### 2.1 Introduction

The integration between Oracle Banking Treasury Management (OBTR) and Oracle FLEXCUBE Universal Banking (FCUBS) offers a Relationship Pricing (RP) rate for Charges, Interest, and Exchange Rate from FCUBS to OBTR.

### 2.2 Integration Scope in Oracle Banking Treasury Management

For RP integration, the following data are provided to FCUBS from OBTR:

- Price Components for which special rate or amount is to be received.
- External data elements mapped to the pricing components.

During the integration process, OBTR passes data to FCUBS such as EDE codes, External Price components, Customer number, and Product code.

### 2.3 Integration Scope in Oracle FLEXCUBE Universal Banking

For details on the integration scope in FCUBS, Refer to Oracle FLEXCUBE Relationship Pricing User Guide.

### 2.4 Prerequisites in Oracle Banking Treasury Management

The various maintenances required to provide Relationship Pricing to customers are explained in subsequent topics:

- 1) Maintenance of Pricing Parameters
- 2) Maintenance of Interface Parameters
- 3) Maintenance of External Data Elements
- 4) Maintenance of Pricing Components



#### 2.4.1 Maintenance of Pricing Parameters

Ensure to enable Pricing Integration Parameter in OBTR to integrate with External Pricing system.

Table Name	Parameter Name	Parameter Value	
CSTB_PARAM	PRICING_INTEGRATION	Y	

#### Table 2.1: Integration Parameter

#### 2.4.2 Maintenance of Interface Parameters

This topic describes the systematic instruction about the maintenance of Interface Parameters.

**NOTE:** All fields marked with a red asterisk (\*) are mandatory.

1. On the Home page, enter **IFDTRPRM** in the text box, and then click the next arrow. STEP RESULT: **Treasury Interface Parametrization Maintenance** screen is displayed.

Figure 2.1: Treasury Interface Parametrization Maintenance

Treasury Interface F	Parameterization Maintenance				- ×
New Enter Query					
	Interface Code *				
📕 < 1 Of 1 🕨 🗏	Go				+ - =
Parameter Na	me Parameter Value	Description			
					~
Maker Checker		Time: Time:	Mod No	Record Status Authorization Status	Exit

2. On the **Treasury Interface Parametrization Maintenance** screen, specify the fields.

For more information on the fields, refer to the *Table 2.2: Treasury Interface Parametrization Maintenance - Field Description*.

Field	Description	
Interface Code Specify the Interface Code for integrating with the RP system.		
Parameter NameSpecify the parameters involved in integration with the RP system.		
Parameter Value         Specify the Values of the Parameter.		
Description         Specify the Description of the parameter.		

Table 2.2: Treasury Interface Parametrization Maintenance - Field Description

The below table describes the External Pricing parameters to maintain in Treasury Interface Parametrization Maintenance.



Parameter	Description
DEBUG	Specify whether the debug is required or not. The valid values are: • Y • N
DEBUG_LEVEL	Specify the debug level. Example: FINE
DEBUG_PATH	Specify the debug path of OBTR External Pricing adapter.
EXT_CALL_TYPE	Specify the External Pricing integration type. Example: WS
EXT_JNDI_FACTORY	Specify the Java Naming and Directory Interface of the Weblogic Context Factory.
REQUEST_XSL	Specify the request XSL template. Example: RPcommon_request.xsl
RESPONSE_XSL	Specify the response XSL template. Example: RPcommon_response.xsl
TIME_OUT	Specify the Timeout value in milliseconds. Example: 5000

 Table 2.3:
 Treasury Interface Parametrization Maintenance - Parameter Description

#### 2.4.3 Maintenance of External Data Elements

This topic describes the systematic instruction about the maintenance of External Data Elements.

NOTE: All fields marked with a red asterisk (\*) are mandatory.

1. On the Home page, enter **TRDEDEMT** in the text box, and then click the next arrow. STEP RESULT: **Treasury External Data Element Maintenance** screen is displayed.

#### Figure 2.2: Treasury External Data Element Maintenance

Treasury External Data Element Mainte	nance			- ×
New Enter Query				
External Data Element				
Module *				
EDE Code *				
EDE Description *				
EDE Data Type *				
EDE SQL Expression *				
Maker	Date Time:	Mod No	Record Status	
Checker	Date Time:		Authorization Status	Exit

2. On the Treasury External Data Element Maintenance screen, specify the fields.

For more information on the fields, refer to the Table 2.4: Treasury External Data Element- Field Description.



Field	Description
Module	Specify the Module ID. Indicates the OBTR module.
EDE Code	Specify the EDE Code. Indicates the external product processor data ele- ment code.
EDE Description	The system displays the description of the external product processor data element.
EDE Data Type	The system displays the EDE Data Type based on the selected EDE Code. The available EDE Data Types are: • Numeric • String • Date
EDE SQL Expression	Specify the SQL expression. The EDE value is derived using a SQL query on Oracle FLEXCUBE database, which returns a single value. For more information on the SQL expression, refer to EDE SQL Expression.

Table 2.4: Treasury External Data Element- Field Description

#### 2.4.4 Maintenance of Pricing Components

This topic describes the systematic instruction about the maintenance of Pricing components.

**NOTE:** All fields marked with a red asterisk (\*) are mandatory.

1. On the Home page, enter **TRDEXTCO** in the text box, and then click the next arrow. STEP RESULT: **Treasury External Pricing Component Maintenance** screen is displayed.

#### Figure 2.3: Treasury External Pricing Component Maintenance

Treasury External Pricing Component Ma	aintenance			– ×
New Enter Query				
External Price Component				^
Module *				
Product *				
Price Code *				
Price Code Description *				
Price Component Types				
K ◀ 1 Of 1 ► ₩ Go				+ - =
EDE Code *				
				^
				$\vee$ $\vee$
Maker	Date Time:	Mod No	Record Status	_
Checker	Date Time:		Authorization Status	Exit

2. On the Treasury External Pricing Component Maintenance screen, specify the fields.

For more information on the fields, refer to the *Table 2.5: Treasury External Pricing Component Maintenance* - *Field Description*.

The scheduler job TREXT\_ASYNCCALL picks up this data from **TRDEXTCO** screen and invokes create price component operation of FCUBS.

Field	Description
Module	Specify the Module ID. Indicates the OBTR module.
Product	Specify the Product Code. Indicates the external product processor data element code.
Price Code	Specify the Price Code. Indicates the external product processors price component code.
Price Component Description	The system indicates the Pricing Component description of the selected component.
Price Component Types	The system displays the Pricing Component Types based on the selected Price Code. The available Price component Types are: • Charges • Interest • Exchange Rate
EDE Code	Specify the EDE Code. Indicates the external product processor data ele- ment code.

Table 2.5: Treasury External Pricing Component Maintenance - Field Description

#### 2.4.5 Maintenance of Treasury Customer Details

This topic describes the systematic instruction about the maintenance of Treasury customer details. **Treasury Customer Additional Details Maintenance** screen is enhanced to capture Relationship Pricing flag.

**NOTE:** All fields marked with a red asterisk (\*) are mandatory.

1. On the Home page, enter **STDTRCIF** in the text box, and then click the next arrow. STEP RESULT: **Treasury Customer Additional Details Maintenance** screen is displayed.



Treasury Customer Additional Details N	1aintenance			- ×
New Enter Query				
Customer No * Customer Name		Front Office Short Name Front Office Long Name		
Customer Name		Front Onice Long Name	Relationship Pricing	
Main Additional ESMA Details	CLS Participant	Party Role	Clearing House / CCP Counterparty Broker Triparty Agent Intermediary	^
Credit Check Parameters	Credit Check Required			
Multiple Swift Confirmation Parameter: Custodian BIC Code	s Fund Type Customer			
Settlement Member BIC Code Generate Confirmation Message to	Custodian Only Settlement Member Only Both Custodian and Settlement Member			
CLS Restrictions   Change Log				~
Maker Checker	Date Time: Date Time:	Mod No	Record Status Authorization Status	Exit

Figure 2.4: Treasury Customer Additional Details Maintenance

2. On the Treasury Customer Additional Details Maintenance screen, specify the fields.

For more information on the fields, refer to the *Table 2.6: Treasury Customer Additional Details Maintenance* - *Field Description*.

Field	Description
Relationship Pricing	Select the <b>Relationship Pricing</b> check box to enable Relationship Pricing for the deal.
	<b>NOTE:</b> The <b>Relationship Pricing</b> check box is unchecked by default, during the deal booking Existing users can enable or disable the RP flag during amendment.

Table 2.6: Treasury Customer Additional Details Maintenance - Field Description

### 2.5 Prerequisites in Oracle FLEXCUBE Banking

Refer to Oracle FLEXCUBE Common Core - Gateway User Guide and Oracle FLEXCUBE Relationship Pricing User Guide for details on prerequisites in FCUBS.

### 2.6 Integration Architecture

The high level integration diagram of OBTR components for RP provides information on the integration architecture followed in OBTR - FCUBS RP integration.

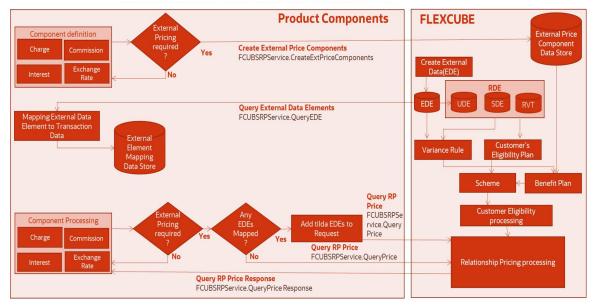


Figure 2.5: High Level Integration Diagram of OBTR Components for RP

### 2.7 Integration Process

OBTR integrates with FCUBS to get relationship pricing for pricing components namely Charges, Interest, and Exchange Rate.

Table 2.7: Pricing Components

Pricing Component Type	Rate Type
Charges	Rate and Amount
Interest	Rate
Exchange Rate	Rate

- The system verifies if the customer is RP enabled, and components of the transaction are defined as pricing components in **Treasury External Pricing Component Maintenance** screen. The synchronous call is made to OBTR Adapter on subsystem pickup and save.
- OBTR Adapter builds pricing requests and invokes FCUBS Web service. The OBTR adapter consumes the FCUBS WS response and extracts the RP rate or amount from the response.



- RP Rate or Amount is displayed in related subsystems as Charges, Interest, and Exchange Rate. Users can modify the rates or amount, and the modified pricing is considered for processing on saving the modification.
- Components which are not applicable for external pricing are processed with the rate or amount defined in OBTR.

#### 2.7.1 Integration Log

You can have integration logs generated that captures the OBTR Adapter flow during RP integration. The log path can be configured in the **IFDTRPRM** screen.

Error in the integration process is also captured and stored in integration log table IFTB\_TR\_EXT\_PRICING\_LOG.

### 2.8 Integration of Pricing Components

Integration between OBTR and FCUBS allows you to transfer rate or amount for Charges, Interest, and Exchange Rate.

- 1) OBTR FCUBS Integration for Charges
- 2) OBTR FCUBS Integration for Interest
- 3) OBTR FCUBS Integration for Exchange Rate

#### 2.8.1 OBTR - FCUBS Integration for Charges

Below are the types of rate and amount that can be sent by FCUBS:

Туре	Process
Fixed Rate	RP rate is considered to compute the fixed rate.
Fixed Amount	RP amount is considered as charge amount.
Variance	RP amount is added to internal charge amount derived.
Waive	Waive the charge.

#### Table 2.8: Rate Types

#### 2.8.2 OBTR - FCUBS Integration for Interest

Below are the types of rate and amount that can be sent by FCUBS:

#### Table 2.9: Rate Types

Туре	Process
Fixed Rate	RP rate is considered to compute the interest rate.
Variance	RP rate is added to internal interest rate.



#### 2.8.3 OBTR - FCUBS Integration for Exchange Rate

RP Exchange rate is used for deriving the Local Currency (LYC) amount. This can be viewed or modified in Settlement subsystem.

### 2.9 List of Glossaries - Relationship Pricing Integration

#### IFDTRPRM

Treasury Interface Parametrization Maintenance - Maintenance of Interface Parameters (p. 6)

#### TRDEDEMT

Treasury External Data Element Maintenance - Maintenance of External Data Elements (p. 9)

#### TRDEXTCO

Treasury External Pricing Component Maintenance - Maintenance of Pricing Components (p. 10)

#### STDTRCIF

Treasury Customer Additional Details Maintenance - Maintenance of Treasury Customer Details (p. 12)

## 3. Relationship Pricing in Money Market

This topic contains the following subtopics:

1) Introduction

### 3.1 Introduction

Relationship Pricing (RP) in Money Market (MM) is applicable for Interest, charges, and Exchange rate. This section contains following sub-topics:

- 1) Relationship Pricing for Interest
- 2) Relationship Pricing for Charges
- 3) Relationship Pricing for Exchange Rate

#### 3.1.1 Relationship Pricing for Interest

This topic describes the systematic instruction on relationship pricing for Interest. The interest call-form in Money Market Contract Input screen is enhanced to display the external pricing component and the system pick up the rate from FCUBS for RP.

NOTE: All fields marked with a red asterisk (\*) are mandatory.

1. On the Home page, enter **MMDTRONL** in the text box, and then click the next arrow. STEP RESULT: **Money Market Contract Input** screen is displayed.



E-t-O-					-
lew Enter Query					-
Product Code *					
Product Description					
Source					
Dealer					
Broker Deal Input Time					
Deal Input Time					
Version Number	< Of	•			
Contract Reference Number *					
User Reference Number					
External Reference Number					
Reversal Reference Number					
Outstanding Amount					
Reject Reason					~
Settlement Status	4				
Confirmation Status					
Contract Schedules Rollove	r Preferences				
Customer Number *		Interest Period Basis	Include From Date	N.	
Customer Name		Payment Method	~		
Currency *		Schedule Type			
Amount *		Tax Scheme			
Local Currency Equivalent		Contract Derived Status			
Line		Remarks			
ettlement Details		Dates and Maturity			
Debit Branch		Trade Date *	YYYY-MM-DD		
Debit Account		Original Start Date			
Debit Account Description		Booking Date			
Credit Branch		Value Date 1	YYYYAMA-DD		
Credit Account		User Maturity Date			
Credit Account Description		Maturity Date			
	Auto	Notice Days			
	Manual	Intra Dav			
	Verify funds before au	to liquidation Tenor			
Rollover Allowed	Yes No	Maturity Type	Fixed Notice		
			Call		
eporting Details		Settlement Instruction Pickup			
Reporting Currency		Settlement Sequence Number			
Reporting Amount		Settlement Instruction Desc.			
Outstanding Balance					
nterest Rates/Amounts		Interest Margin/Spread			
Rate Type	Floating	Margin			
Rate Code		Spread			
		Minimum Spread			
Date		Maximum Spread			
Rate Minimum Rate		Customer Margin			
Minimum Rate					
Minimum Rate Maximum Rate		-			
Minimum Rate		Effective Rate			
Minimum Rate Maximum Rate Interest Amount		Effective Rate	Messages   interes	t   Charges	1
Minimum Rate Maximum Rate Interest Amount		Effective Rate	Messages   interes	it   Charges	I

Figure 3.1: Money Market Contract Input

2. On the **Money Market Contract Input** screen, click the **Interest** tab to display the external pricing component details.

STEP RESULT: The ICCF screen is displayed.

Main       View Details         Payment Delay         Lockout         Interest / Profit Rollover         Last Reset         Last Recent         Plain         Index Value         Rate Compounding	Payment Delay Day Lockout Day Base Computation Methor Spread/Margin Computation Methor Spread Adj Computation Methor Rate Compounding Methor	d v n v d v	
Payment Delay Lockout Interest / Profit Rollover Last Reset Last Recent Plain Index Value	Lockout Day Base Computation Methor Spread/Margin Computation Methor Spread Adj Computation Methor Rate Compounding Methor	d v n v d v	
Lockout Interest / Profit Rollover Last Reset Last Recent Plain Index Value Rate Compounding	Lockout Day Base Computation Methor Spread/Margin Computation Methor Spread Adj Computation Methor Rate Compounding Methor	d v n v d v	
Interest / Profit Rollover Last Reset Last Recent Plain Index Value Rate Compounding	Base Computation Metho Spread/Margin Computation Metho Spread Adj Computation Metho Rate Compounding Metho	d \vee v	
Last Recent Plain Index Value Rate Compounding	Spread/Margin Computation Methor Spread Adj Computation Methor Rate Compounding Methor	n v d d v	
Plain Index Value Rate Compounding	Methor Spread Adj Computation Methor Rate Compounding Methor	d d	
Index Value Rate Compounding	Spread Adj Computation Metho Rate Compounding Metho	d v	
		d 🗸	
External Pricing			
External Pricing	RFR Rounding Uni	it	
Go Go			+ - =
Component Rate Rate Code	Interest Spread		
			^
			Ok Exit

- If the user enables External Pricing for the interest component, the system picks up the rate or variance based on the benefit plans and the schemes.
- The system allows the user to modify the RP defaulted interest rate through VAMI.
- On performing a Rollover, the system must default the RP interest rate, charges, exchange rate for the rolled over amount of child contract.
- When an RP interest rate has defaulted at the deal and the user tries to modify the interest rate at VAMI, the system must allow the user to modify it with an override message "Interest Rate is changed for contract having Relationship Pricing customer".

#### 3.1.2 Relationship Pricing for Charges

This topic describes the systematic instruction on relationship pricing for Charges. The charge call-form in Money

Market Contract Input screen is enhanced to display the external pricing component and the amount picked up

from FCUBS for RP.

**NOTE:** All fields marked with a red asterisk (\*) are mandatory.

1. On the **Money Market Contract Input** screen, click the **Charges** tab to view the External Pricing component details and the system picks up the rate from FCUBS for RP.

STEP RESULT: The system displays the Charge Details screen

igur	e 3.3: C	harge Detail	s				
	e Details	-					;
	Contract Refe	rence *					
Details	5						
Extern	al Pricing						
	1 Of 1 🕨 🕅	Go					=
$\checkmark$	ESN	Component	Currency	Amount	Rate		^
1							v
							Ok Exit

If the user enables External Pricing for Charge component, the system picks up the rate or amount based on the benefit plan and the schemes.

#### 3.1.3 Relationship Pricing for Exchange Rate

The process of relationship pricing for Exchange Rate is explained below:

• If the user enables the External Pricing for the exchange rate, the system picks up the RP rate which can be a

variance rate based on the variance rule and benefit plan mapped for the product.

### 3.2 List of Glossaries - Relationship Pricing for Money Market

#### MMDTRONL

Money Market contract Input - Relationship Pricing for Interest (p. 18)

## 4. Relationship Pricing in Foreign Exchange

This topic contains the following subtopics:

1) Introduction

### 4.1 Introduction

Relationship Pricing (RP) in Foreign Exchange (FX) is applicable for Charges.

This section contains following sub-topics:

1) Relationship Pricing for Charges

#### 4.1.1 Relationship Pricing for Charges

This topic describes the systematic instruction for relationship pricing for Charges. The interest call-form in **Foreign Exchange Contract Input** screen is enhanced to display the external pricing component and the system pick up the amount from FCUBS for RP.

NOTE: All fields marked with a red asterisk (\*) are mandatory.

1. On the Home page, enter **FXDTRONL** in the text box, and then click the next arrow. STEP RESULT: **Foreign Exchange Contract Input** screen is displayed.

Foreign Exchange Contract In	put		- ×
New Enter Query			
			^
Version Number	Of		
	Previous	Next	
Product Code	*		
Product Description			
Source			
External Swap Reference			~
Main Rollover Instructions	Netting Revaluation Details	Non Deliverable Forwards	
Counterparty	*	Deal Type 🗶 Buy	^
Counter Party Name		Sell	
		Bought Currency *	
Booking Date		Bought Amount *	
Option Date		Bought Value date <u>YYYYYMM-DD</u> Sold Currency *	
Broker		Sold Amount *	
Dealer		Sold Value Date YYYY-MM-DD	
Leg Number		Deal Rate	
	Linked Deal Details	Calculate/Recalculate	
Internal Remarks			
Other Details			
	Auto Liquidate	Customer Spread	
	Payment on confirmation	Spread Definition	
	Continuous Linked Settler		
Exclude from Continuous Linke	d Sattlements	Local Currency Equivalent	
Dealing Method	PHON	Outstanding Balance	
Trading Platform Id		Deal Input Time	
Track limits/Risk		Settlement Instruction Pickup	
	Limits/Risk tracking	Settlement Sequence	
Risk Percentage		Number(Buy)	
Risk Weighted Amount		Settlement Instruction Description	
		Settlement Sequence Number(Sold)	
		Settlement Instruction Description	
	Track Settlement Risk	Settlement Risk Credit Line	
	Track Pre-settlement Risk		
	Track Weighted Risk	Weighted Risk Credit Line	
Events   Settlement   Advice	es   Messages   Charges	Tax   MIS   Fields   Brokerage   Option   Change Log   FX Linkag	•
Holiday Preferences   Split	,		
Maker Id	Dat	e Time Authorization Status	- Full
Checker Id	Dat	e Time Contract Status	Exit

#### Figure 4.1: Foreign Exchange Contract Input

2. On the **Foreign Exchange Contract Input** screen, click the **Charges** tab to display the external pricing component details.

STEP RESULT: The Charge Details screen is displayed.

Figure	4 2.	Charge	Details

Charge [	Details						x
E	Contract Referent					~	^
External	Pricing						
<b>K</b> ◀ 1 (	Df 1 🕨 🕅	Go					
<b>~</b>	ESN	Component	Currency	Amount	Rate		
						^	
						Ŷ	
						Ok Exi	t

- If the user enables External Pricing for Charge component, the system picks up the rate or amount based on the benefit plan and the schemes.
- The special pricing for the RP customer is valid based on the validity maintained at Relationship Pricing Scheme Maintenance.
- When the RP flag at the customer level is modified, only the new contracts can be priced based on the flag.

### 4.2 List of Glossaries - Relationship Pricing for Foreign Exchange

#### FXDTRONL

Foreign Exchange contract Input - *Relationship Pricing for Charges* (p. 22)

## 5. Relationship Pricing in Derivatives

This topic contains the following subtopics:

1) Introduction

### 5.1 Introduction

Relationship Pricing (RP) in Derivatives (DV) is applicable for Interest and charges.

This section contains following sub-topics:

- 1) Relationship Pricing for Interest
- 2) Relationship Pricing for Charges

#### 5.1.1 Relationship Pricing for Interest

This topic describes the systematic instruction on relationship pricing for Interest. The interest call-form in Contract Input screen is enhanced to display the external pricing component and the system pick up the rate from FCUBS for RP.

**NOTE:** All fields marked with a red asterisk (\*) are mandatory.

1. On the Home page, enter **DVDTRONL** in the text box, and then click the next arrow. STEP RESULT: **Contract Input** screen is displayed.

Figure 5.1: Contra	act Input			
Contract Input				- ×
New Enter Query				
Product	Reference Number	*	Version Number	Of Next
Product Description	External Reference Reversed Reference		Source Code Type	FLEXCUBE
Reject Reason	Deal Input Time		Type Description	
Swaption Reference	P			
Main Detail Additional Termination De	atails			
Counterparty	Trade Date *	YYYY-MM-DD		Liquidate Past Schedules
Description	Booking Date *	YYYY-MM-DD	Broker	
Settlement Account Branch	Value Date *	YYYY-MM-DD	Dealer	
Account	Maturity Date *	YYYY-MM-DD	Exchange Rate	
Contract Type Hedge Trade	Buy or Sell	Buy Sell	Remarks	
Resettable Leg None				
In Leg	Rate Type	~	Rate Code	
In Leg Currency	Rate Source		Tenor Code	
Description	Rate		Spread	
In Principal Amount *			Flat Amount	
Out Leg	Rate Type	~	Rate Code	
Out Leg Currency	Rate Source		Tenor Code	
Description	Rate		Spread	
Out Principal Amount *			Flat Amount	
Event   Brokerage   Settlements   A	Ndvice   Charges   Tax   MIS   Fields   Holid	lay Preferences   Split	Principal   Interest   Sub Agreement	
Input By	Authorized By	Status		
Date Time	Date Time	Authorization Status		Exit

2. On the **Contract Input** screen, click the **Interest** tab to display the external pricing component details. STEP RESULT: The **Derivatives Contract Interest Details** screen is displayed.

Figure 5.2:	<b>Derivatives</b> Col	ntract Interest D	etails			
Derivatives Contract Intere	st Details					×
Contract Reference						
Les Time					1 Of	1 ►
Leg Type Component						
Main Schedule Revision						
Accrual Details			Liquidation Details			
	Accrual Required			Auto Settlement		
Numerator Method	30-US ~		Numerator Method	Actual ~		
Denominator Method Denominator Basis	~		Denominator Method Denominator Basis	Actual ~		
Denominator Basis	Include To Date		Denominator Basis	Include To Date		
Payment Details						
Rate Denominator Basis	~	Discount Rate Discount Rate Source		Discount Tenor Code	Discount Auto Pickup	
Payment Method	~	Discount Rate Source Discount Rate Code		Discount Rate Spread		
Discount Rate Basis	~	Discount Nate Code		Floating Component		_
Interest Rate Details						
Rate Type	~	Rate Code		Tenor Code		
Interest Rate		Rate Source		Interest Spread		
	Main Component		Waived	Flat Amount		
					Negative Interest Allowed	
				Negative Class Code	Net Negative Interest	-
			5 (		Het Hegative interest	
	Alternative Risk-Free Rate		External Pricing			
<ul> <li>Alternative Risk-Free F</li> </ul>	Rate Preferences					
	Lookback	Lookback Days		Base Computation Method	~	
	Payment Delay	Payment Delay Days		Spread/Margin Computation	~	
	Lockout Interest Rollover	Lockout Days		Method	~	
	Last Reset	Spread Adjustment		Spread Adj Computation Method	~	
	Last Recent Plain			RFR Rounding Unit		
	Rate Compounding					
	Index Value					
	Observation Shift					
External Pricing						
K ◀ 1 Of 1 ► ×	Go					+ - =
Component	Rate	Interest Spread				
View Interest   View Revisi	on					
view interest   view Revisi						
						Ok Exit

- If the user enables External Pricing for the interest component, the system picks up the rate or variance . based on the benefit plans and the schemes.
- For a CCS deal, RP is applicable Interest rate, and Charges. For IRS and FRA deals, RP is applicable for Interest rate and Charges.
- For a DV product, the user can enable external pricing for IN leg or OUT leg, or both legs.

#### 5.1.2 Relationship Pricing for Charges

This topic describes the systematic instruction on relationship pricing for Charges. The charge call-form in Contract

Input screen is enhanced to display the external pricing component and the amount picked up from FCUBS for RP.

**NOTE:** All fields marked with a red asterisk (\*) are mandatory.

1. On the Contract Input screen, click the Charges tab to view the External Pricing component details and the system picks up the rate from FCUBS for RP.

STEP RESULT: The system displays the Charge Details screen



Fig	gure 5.3: C	Charge Details				
Charge						×
	Contract Reference *					
Details						
External	I Pricing					
<b>K</b> ◀ 1	Of 1 🕨 🕅	Go				88
	ESN	Component	Currency	Amount	Rate	
						Ok Exit

If the user enables External Pricing for Charge component, the system picks up the rate or amount based on the benefit plan and the schemes.

### 5.2 List of Glossaries - Relationship Pricing for Derivatives

#### DVDTRONL

Contract Input - Relationship Pricing for Interest (p. 25)

## 6. Relationship Pricing in Over the Counter Options

This topic contains the following subtopics:

1) Introduction

### 6.1 Introduction

Relationship Pricing (RP) in Over the Counter Options (OT) is applicable for Charges.

This section contains following sub-topics:

1) Relationship Pricing for Charges

### 6.1.1 Relationship Pricing for Charges

This topic describes the systematic instruction for relationship pricing for Charges. The interest call-form in **Options Contract Input** screen is enhanced to display the external pricing component and the system pick up the amount from FCUBS for RP.

**NOTE:** All fields marked with a red asterisk (\*) are mandatory.

1. On the Home page, enter **OTDTRONL** in the text box, and then click the next arrow. STEP RESULT: **Options Contract Input** screen is displayed.

Options Contract Input	•					- ×
New Enter Query						
Produc	t	External Reference		< Of		
Product Description	1	Contract Reference *		Previous Ne	xt	
Product Type Description	1	User Reference				
Product Type		Source	FLEXCUBE			
	P	Reversed Reference				
Main Currency Options	Interest Rate Options Contract Details	Reject Reason				
Counterparty	y*	Currency *		Contract Type	Hedge	·
		Counter Currency			Trade	
Trade Date	* YYYY-MM-DD	Strike Price		Buy or Sell	Buy Sell	
Booking Date	YYYY-MM-DD	Contract Amount *				
Value Date	* YYYY-MM-DD	Broker				
Maturity Date	¥ YYYY-MM-DD	Tenor *				
Settlement Account Branch	r	Deal Input Time				
Settlement Account	t					
Premium Details						
Premium Currency	v *	Inception Fair Value *		Expiration Style	American European	
Option Premium		Inception Time Value			Bermudan	
Premium Percen		Inception Intrinsic Value		Earliest Exercise Date		
Premium Pay Date	* YYYY-MM-DD					
Notional & Risk Weighte	ed Limits	Limits		Maturity Holiday Details		
	Notional Limit Tracking		Limits Tracking Required	Holiday Treatment	Ignore ~	
Notional Line Code			Fair Value Limits Tracking Governed By Master Agreement	Holiday Currency		
Risk Weighted Line Code	Risk Weighted Limits Tracking	Master Agreement Code	Coverned by Master Agreement	Financial Center		
Risk Percen		Line Code		Holiday Movement		
Risk Weighted Amoun		Current Value			Backward Move Across Months	
ribit troighted / iniour		Interest Exposure		Remarks		
		Foreign Exchange Exposure				
Events   Bermudan Sch	Interest Schedule   Brokerage   S	Settlement   Advices   Char	ge   Tax   MIS   Fields   Ho	oliday Preferences   Split		
Input By		Authorized By		Contract Status		Exit
Date Time		Date Time		Auth	orized	Exil

#### Figure 6.1: Options Contract Input

2. On the **Options Contract Input** screen, click the **Charges** tab to display the external pricing component details.

STEP RESULT: The Charge Details screen is displayed.

#### Figure 6.2: Charge Details

Charge	e Details					×
	Contract Reference *					
Details	l					
Extern	al Pricing					
◀ ◀	1 Of 1 🕨 🗎	Go				:=
$\checkmark$	ESN	Component	Currency	Amount	Rate	
						Ok Exit

• If the user enables External Pricing for Charge component, the system picks up the rate or amount based on the benefit plan and the schemes.



- The special pricing for the RP customer is valid based on the validity maintained at Relationship Pricing Scheme Maintenance.
- When the RP flag at the customer level is modified, only the new contracts can be priced based on the flag.

### 6.2 List of Glossaries - Relationship Pricing for OT

#### OTDTRONL

Options contract Input - Relationship Pricing for Charges (p. 30)

## 7. Annexure A - EDE SQL Expression for RP Module

This topic contains the following subtopics:

1) EDE SQL Expression

### 7.1 EDE SQL Expression

The EDE value is derived using a SQL query on Oracle FLEXCUBE database, which returns a single value. The below table describes the EDE Code and the EDE SQL Expression to use in **Treasury External Data Element** 

EDE Code	EDE Description	EDE Data Type	Module ID	EDE Expression
SDE_SOLD _AMOUNT	Sold Amount	Numeric	FX	SELECT sold_amount FROM fxtb_contract_master WHERE contract_ref_no = 'CONTREFNO_' and event_seq_no = (SELECT MAX(event_seq_no) FROM fxtb_contract_master WHERE contract_ref_no = 'CONTREFNO_')
SDE_SOLD _CCY	Sold Currency	String	FX	SELECT SOLD_CCY FROM fxtb_contract_master WHERE contract_ref_no = 'CONTREFNO_' and event_seq_no = (SELECT MAX(event_seq_no) FROM fxtb_contract_master WHERE contract_ref_no = 'CONTREFNO_')
SDE_BOT_ AMOUNT	Bought Amount	Numeric	FX	SELECT bot_amount FROM fxtb_contract_master WHERE contract_ref_no = 'CONTREFNO_' and event_seq_no = (SELECT MAX(event_seq_no) FROM fxtb_contract_master WHERE contract_ref_no = 'CONTREFNO_')

Table 1: EDE SQL Expressions



EDE Code	EDE Description	EDE Data Type	Module ID	EDE Expression
SDE_BOT_ CCY	Bought Currency	String	FX	SELECT BOT_CCY FROM fxtb_contract_master WHERE contract_ref_no = 'CONTREFNO_' and event_seq_no = (SELECT MAX(event_seq_no) FROM fxtb_contract_master WHERE contract_ref_no = 'CONTREFNO_')
SDE_AMO UNT	Amount	Numeric	MM	SELECT amount FROM ldtb_tr_contract_master WHERE contract_ref_no = 'CONTREFNO' and version_no = (SELECT MAX(version_no) FROM LDTB_TR_CONTRACT_MA STER WHERE contract_ref_no = 'CONTREFNO')
SDE_BK_D ATE	Booking Date	Date	MM	SELECTbookin_dateFROMIdtb_tr_contract_masterWHERE contract_ref_no ='CONTREFNO_' andversion_no = (SELECTMAX(version_no)FROMLDTB_TR_CONTRACT_MASTERWHEREcontract_ref_no ='CONTREFNO_')
SDE_CUST OMER	Customer	String	MM	SELECT counterparty FROM Idtb_tr_contract_master WHERE contract_ref_no = 'CONTREFNO_' and version_no = (SELECT MAX(version_no) FROM LDTB_TR_CONTRACT_MA STER WHERE contract_ref_no = 'CONTREFNO_')



EDE Code	EDE Description	EDE Data Type	Module ID	EDE Expression
SDE_CUR RENCY	Currency	String	MM	SELECT Currency FROM ldtb_tr_contract_master WHERE contract_ref_no = 'CONTREFNO' and version_no = (SELECT MAX(version_no) FROM LDTB_TR_CONTRACT_MA STER WHERE contract_ref_no = 'CONTREFNO')
SDE_VAL_ DATE	Value Date	Date	MM	SELECT Value_Date FROM ldtb_tr_contract_master WHERE contract_ref_no = 'CONTREFNO' and version_no = (SELECT MAX(version_no) FROM LDTB_TR_CONTRACT_MA STER WHERE contract_ref_no = 'CONTREFNO')
SDE_PRO DUCT	Product	String	MM	SELECT Product FROM ldtb_tr_contract_master WHERE contract_ref_no = 'CONTREFNO' and version_no = (SELECT MAX(version_no) FROM LDTB_TR_CONTRACT_MA STER WHERE contract_ref_no = 'CONTREFNO')
SDE_CUST OMER1	Customer	String	DV	SELECT counterparty FROM dvtbs_contract_master WHERE contract_ref_no = 'CONTREFNO' and version_no = (SELECT MAX(version_no) FROM dvtbs_contract_master WHERE contract_ref_no = 'CONTREFNO')



EDE Code	EDE Description	EDE Data Type	Module ID	EDE Expression
SDE_INLE GAMT	IN LEG Amount	Numeric	DV	SELECT IN_PRN_AMOUNT FROM DVTB_CONTRACT_MAST ER WHERE contract_ref_no = 'CONTREFNO_' and version_no = (SELECT MAX(version_no) FROM DVTB_CONTRACT_MAST ER WHERE contract_ref_no = 'CONTREFNO_')
SDE_OUTL EGAMT	OUT LEG Amount	Numeric	DV	SELECT OUT_PRN_AMOUNT FROM DVTB_CONTRACT_MAST ER WHERE contract_ref_no = 'CONTREFNO_' and version_no = (SELECT MAX(version_no) FROM DVTB_CONTRACT_MAST ER WHERE contract_ref_no = 'CONTREFNO_')
SDE_CUST _OT	Customer	String	ОТ	SELECT counterparty FROM Ottbs_Contract_Master WHERE contract_ref_no = 'CONTREFNO' and version_no = (SELECT MAX(version_no) FROM Ottbs_Contract_Master WHERE contract_ref_no = 'CONTREFNO')

**NOTE:** Ensure to use <u>CONTREFNO</u> in place of contract reference number in EDE expression.

## 8. Function ID - Glossary

#### **IFDTRPRM** List of Glossaries - Relationship Pricing Integration (p. 13) TRDEDEMT List of Glossaries - Relationship Pricing Integration (p. 13) TRDEXTCO List of Glossaries - Relationship Pricing Integration (p. 13) STDTRCIF List of Glossaries - Relationship Pricing Integration (p. 13) **MMDTRONL** List of Glossaries - Relationship Pricing for Money Market (p. 21) **FXDTRONL** List of Glossaries - Relationship Pricing for Foreign Exchange (p. 24) **DVDTRONL** List of Glossaries - Relationship Pricing for Derivatives (p. 28) OTDTRONL List of Glossaries - Relationship Pricing for Over the Counter (p. 32)

