Patch Release Note
Oracle Banking Trade Finance
Release 14.5.3.0.0
November 2021

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FINANCIAL SERVICES

Patch Release Note
November 2021
Version 14.5.3.0.0

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1. Overview

1.1 Issue Details

As part of Mashreq requirements and other committed items changes are made in OBTF14.5.3.0.0 release.

1.2 Requirement Summary

The requirements specific to Q2 Trade incremental changes and other committed items on integration with product processors are to be addressed as part of 14.5.3.0.0 version.

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2. Assignee Settlement details

2.1 Feature 1 – Assignee Settlement details

- ✓ Provision to capture Assignee Account, Assignee Bank and Account with Institution details during LC issuance (LCDTRONL). The same will be propagated to Bills booked under LC (BCDTRONL).
- ✓ Assignee Account and Assignee Bank details will be defaulted to Settlement subsystem. Settlement processing will continue as per existing functionality.
- ✓ Above functionality extended to Islamic LCs (LIDTRONL) and Islamic Bills (IBDTRONL)

2.1.1 Functional Flow Diagram

Not Applicable

2.1.2 Detailed Flow

- ✓ Assignee Id and Assignee Name changes :
- ✓ Assignee details in LC Contract input (LCDTRONL) enhanced to capture below additional details :

Field Name	Field description
Assignee Account	Indicates Account of Assignee
Assignee Bank	Indicates Bank of Assignee
Address Line 1	Indicates Assignee Bank address details
Address Line 2	Indicates Assignee Bank address details
Address Line 3	Indicates Assignee Bank address details
Address Line 4	Indicates Assignee Bank address details
Account with Institution	Indicates Assignee Account with Institution
Address Line 1	Indicates Account with Institution address details
Address Line 2	Indicates Account with Institution address details
Address Line 3	Indicates Account with Institution address details
Address Line 4	Indicates Account with Institution address details

- ✓ Above Assignee details will be free text and details to be provided manually for all customers namely bank customers, walk in customers and third party customers.
- ✓ Assignee details in Bills and Collections Contract Detailed (BCDTRONL) enhanced with above additional fields.
- ✓ New tab Assignee details introduced in LC and BC screens (LCDTRONL / BCDTRONL) and assignee details to be captured in the same.
- ✓ While booking Bills under LC, above additional Assignee details can be captured if assignee not available in LC
- ✓ While booking Bills under LC, assignee details to be defaulted from LC to Bills as per existing functionality
- ✓ New button 'Default Assignee Amount' introduced in Assignee details tab in BCDTRONL. On click of the button, system to derive assignee amount based on the Bill amount
- ✓ As per existing functionality, based on Assignee id, Account LOV provides accounts of the customer for bank customers and Nostro accounts for walk-in customer and third party customers.
- ✓ System enhanced as below :

  - o Assignee Id and Assignee Name not to be mandatory
  - o If Assignee Id is not provided, Account LOV to provide all accounts. Assignee ID to be derived based on account provided

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- o Assignee ID to be walk-in customer if customer is not available

- ✓ Account details provided from External system to be mapped to Assignee Account field which is newly introduced.
- ✓ Assignee ID, Account and Assignee Account derivation will be as below:

Assignee Id	Account	Assignee Account	Processing on Save
Customer selected from LOV	Customer Account selected from LOV	Not provided	Assignee account to be defaulted with Account on Save
Not provided	Customer Account selected from LOV	Not provided	Customer id to be derived and Assignee Account to be defaulted with Account
Not provided	Not provided	Valid Customer account provided	Customer id to be derived and Account to be defaulted with Assignee Account
Not provided	Not provided	Invalid Customer account provided	Walk in customer and Nostro account of the walk in customer to be defaulted
Customer selected from LOV	Not provided	Not provided	Error to be thrown. Either account or assignee account should be provided

- ✓ During Bill liquidation, assignee details to be defaulted to Settlement subsystem as below :

Assignee Details	Settlement Subsystem
Assignee Account	Ultimate Beneficiary 1
Assignee Name	Ultimate Beneficiary 2
Assignee Address 1	Ultimate Beneficiary 3
Assignee Address 2	Ultimate Beneficiary 4
Assignee Address 3	Ultimate Beneficiary 5
Assignee Bank	Beneficiary Institution 1
Assignee Bank Address Line 1	Beneficiary Institution 2
Assignee Bank Address Line 2	Beneficiary Institution 3
Assignee Bank Address Line 3	Beneficiary Institution 4
Assignee Bank Address Line 4	Beneficiary Institution 5
Account with Institution	Account with Institution 1
Address Line 1	Account with Institution 2

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Address Line 2	Account with Institution 3
Address Line 3	Account with Institution 4
Address Line 4	Account with Institution 5

- ✓ Settlement processing during Bill liquidation will continue as per existing functionality
- ✓ Above functionality to be extended to Islamic LC and Islamic Bills (LIDTRONL / IBDTRONL)
- ✓ Simulation screens to be enhanced accordingly:

    - o LCDTRSIM
    - o BCDTRSIM
    - o LIDTRSIM
    - o IBDTRSIM

2.1.2.1 UI Prototype

Letters of Credit Detailed : LCDTRONL

Bills and Collection Contract Detailed : BCDTRONL

2.1.2.2 UI Elements

Display Name	Description	Attribute Type	Object Type	Required/ Mandatory	Data Type/ Size	Field Validation	Default Value	Amendable
Assignee Account	Assignee Account number to be captured	Input	Textbox	N	Varchar2(20)	None	N	Y
Assignee Bank	Assignee Bank Name to be captured	Input	Textbox	N	Varchar2(20)	None	N	Y
Address 1	Assignee Bank Address 1 to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y
Address 2	Assignee Bank Address 2 to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y
Address 3	Assignee Bank Address 3 to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y

Address 4	Assignee Bank Address 4 to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y
Account with Institution	Account with Institution name to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y
Address 1	Institution Address 1 is to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y
Address 2	Institution Address 2 is to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y
Address 3	Institution Address 3 is to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y
Address 4	Institution Address 4 is to be captured	Input	Textbox	N	Varchar2(105)	None	N	Y

2.1.2.3 UI Error Messages

Error Code	Error Condition	Type	Message Text	User Action
LC-VALS-813	Account and Assignee Account are NULL	E	Either Account or Assignee Account is mandatory.	Save
LC-VALS-814	Account is NULL	E	Assignee Account is not a valid account for walk in customer.	Save

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3. Automatic Extension Changes

3.1 Feature 1 – Automatic Extension Changes - LCDGUONL/LIDGUONL

- Automatic Extension of Guarantees and Standby LCs should continue irrespective of Non-extension Notification period

- Automatic Extension of Guarantees and Standby LCs should stop once MT785 Non-extension notification is generated manually and sent to ABK before notification period

3.1.1 Functional Flow Diagram

Not Applicable

3.1.2 Detailed Flow

- ✓ Automatic Extension should be processed even if Non-Extension notification period is available

- ✓ Non-Extension notification MT785 generation during EOD to be de-supported

- ✓ Provision to generate MT785 through LC Tracer generation (LCDTRGEN) will continue as per existing functionality

- ✓ Automatic extension can be processed only if:

    - o Non-extension notification (MT785) is not generated, or

    - o Non-extension notification (MT785) is generated after the notification period

- ✓ If MT785 is generated after notification period, automatic extension will not be processed for subsequent extension

- ✓ Similar functionality is enabled for Islamic Guarantees and Standby Letters of Credit as well (LIDGUONL)

- ✓ Automatic Extension related scenario :

AutomaticExtensionS
cenarios.xlsx

3.1.2.1 UI Prototype

Not Applicable

3.1.2.2 UI Elements

Not Applicable

3.1.2.3 UI Error Messages

Not Applicable

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4. Islamic Simulation Screens

4.1 Feature 1 – Islamic simulation screens

- Simulation screens introduced for Islamic BC, LC and Islamic Guarantee screens.

- Gateway support for summary query for Islamic screens namely IBDTRONL, LIDTRONL, LIDAMEND, LIDGUONL and LIDGUAMD.

4.1.1 Functional Flow Diagram

Not Applicable

4.1.2 Detailed Flow

- Below simulation screens introduced for Islamic LC and Islamic Guarantee screens.

Function id	Function Description
LIDTRSIM	Islamic Letters Of Credit Contract Simulation Detailed
LIDAMSIM	Islamic Letters Of Credit Amendment Simulation Detailed
LIDGUSIM	Islamic Guarantee and Standby LC Simulation Detailed
LIDGAMSM	Islamic Guarantee and Standby LC Amendment Simulation Detailed

- Below simulation screens introduced for Islamic BC screens.

Function id	Function Description
IBDTRSIM	Islamic Bills and Collection Contract Simulation Detailed

- Gateway support for Summary query introduced for below Islamic screens :

FUNCTION_ID	DESCRIPTION
LIDTRONL	Islamic LC Contract Input
LIDAMEND	Islamic LC Amendment Confirmation Input
LIDGUONL	Islamic Guarantees and Standby Letters of Credit Contract Input
LIDGUAMD	Islamic Guarantees and Standby Letters of Credit Amendment
IBDTRSIM	Islamic Bills and Collection Contract Simulation Contract Input

4.1.2.1 UI Prototype

Not Applicable

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4.1.2.2 UI Elements

Not Applicable

4.1.2.3 UI Error Messages

Not Applicable

5. Number of amendment changes

5.1 Feature 1 – Number of Amendment Changes

- ✓ System should not increment Number of Amendment

- • On generating MT769 (GUAR_RELEASE) from LC Guarantee Amendment Screen (LCDGUAMD)

- • During Reopen of Closed LCs without financial amendment

5.1.1 Functional Flow Diagram

Not Applicable

5.1.2 Detailed Flow

- • During Advice of Reduction for Guarantees, system should not increment Number of Amendment
- • During Reopen of closed LCs from amendment, with or without change in Closure date only, and without modifying any other details, system should not increment Number of Amendment
- • Number of amendment will be made as non-mandatory field. LOV will be removed from the same.
- • Amendment Number will be modified as mandatory field. LOV will be introduced for the same.
- • Amendment Number will be introduced in amendment summary screens
- • Above changes will be incorporated for below screens :

Function id	Function Description
LCDAMEND	Letters of Credit Amendment Confirmation Input
LCDGUAMD	Guarantees and Standby Letters of Credit Amendment
LCDAMSIM	LC Amendment Simulation
LCDGAMSM	Guarantee Amendment Simulation
LIDAMEND	Islamic LC Amendment Confirmation Input
LIDGUAMD	Islamic Guarantees and Standby Letters of Credit Amendment
LIDAMSIM	Islamic LC Amendment Simulation
LIDGAMSM	Islamic Guarantee Amendment Simulation

5.1.2.1 UI Prototype

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Letters of Credit Amendment Confirmation Input - LCDAMEND

Letters of Credit Amendment Confirmation Input

Save   Hold

Acknowledgement Reference Number
Product Type

ESN
Amendment Status

Amendment Initiation Date   YYYY-MM-DD

Contract Reference Number *   P

Number of Amendment

☑ Beneficiary Confirmation Required
☐ Cancellation Request

User Reference
Amendment Number *

Details | Parties | Goods | Documents | Advices

Currency
Contract Amount
Amount In Local Currency
Increase Decrease LC Amount
Additional Amounts Covered

Issue Date   YYYY-MM-DD
Expiry Date   YYYY-MM-DD
Expiry Place
Closure Date   YYYY-MM-DD

Drafts | Commission | Charges | Settlement | Tax | Collateral | Events | Fields | Message Preview | Import License | Remarks |

Input By	Auth By	Status	
Date Time	Date Time	Authorization Status	Cancel

Guarantees and Standby Letters of Credit Amendment - LCDGUAMD

Guarantees and Standby Letters of Credit Amendment

Save   Hold

Acknowledgement Reference Number
Product Type

ESN
Amendment Status

Amendment Initiation Date   YYYY-MM-DD

Contract Reference Number *   P

Number of Amendment

☑ Beneficiary Confirmation Required
☐ Cancellation Request

User Reference
Amendment Number *

Details | Local Undertaking Details | Parties | Terms and Conditions | Liability Change Schedule | Advices

Currency
Contract Amount
Amount In Local Currency
Increase Decrease Contract Amount

Issue Date   YYYY-MM-DD
Expiry Date   YYYY-MM-DD
Expiry Place
Closure Date   YYYY-MM-DD
Final Expiry Date   YYYY-MM-DD

Drafts | Commission | Charges | Settlement | Tax | Events | Collateral | Fields | Message Preview | Remarks | Linkage Details |

Input By	Auth By	Status	
Date Time	Date Time	Authorization Status	Cancel

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Islamic LC Amendment Confirmation Input - LIDAMEND

Islamic Guarantee Amendment Confirmation Input - LIDGUAMD

5.1.2.2 UI Elements

Not Applicable

5.1.2.3 UI Error Messages

Not Applicable

6. Open Ended Guarantees

6.1 Feature 1 – Open Ended Guarantees / Standby Letters of Credit Changes

  ➢ Open Ended Guarantees creation with default tenor as per URDG 758

  ➢ UI changes in Guarantees and Standby LC Contract input screen - LCDGUONL / LIDGUONL

6.1.1 Functional Flow Diagram

   Not Applicable

6.1.2 Detailed Flow

- System should default tenor as per URDG 758 for open ended guarantees, irrespective of tenor maintained in the product.

Guarantees type	Tenor
Open ended guarantees	3 years
Open ended counter guarantees and corresponding local guarantee	3 years 30 days 3 years

- Expiry date to be defaulted based on the tenor and processing to continue as per existing functionality
- System to validate Expiry Type and Purpose of Guarantee on click of Default. Validations to be as per existing functionality.
- User can modify the defaulted tenor and expiry date.
- Auto Closure will not be supported for Open ended guarantees.
- Stop date provided in main tab to be retained and propagated to Commission subsystem. Stop date in Commission subsystem can be modified. Commission should be processed based on Stop date as per existing functionality
- Tag 31E (Expiry Date) will not be populated in MT760 for Open ended guarantees
- UI changes in Guarantees and Standby Letters of Credit Contract Input (LCDGUONL) screen to ease user input :
  o Guarantee related details to be moved above
  o Remarks to be moved under Transaction details
  o Customer and Contract Status details to be modified
- STP processing of MT760 with Tag 23B (Expiry Type) as OPEN to create open ended guarantees as below :
- If Expiry date is not available, contracts to be created with tenor of three years if expiry type is Issue and tenor of three years 30 days if expiry type is Request
- If Expiry date is available, open ended guarantees to be created with available expiry date
- Open ended guarantee creation requests from external system to be processed as mentioned above.
- Above changes to be supported for Islamic Guarantees and SBLC (LIDGUONL)
- Guarantee and Islamic guarantee simulation screens to be enhanced accordingly
- Guarantee and Standby Letters of credit simulation – LCDGUSIM
- Islamic Guarantee and Standby Letters of credit simulation - LIDGUSIM

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6.1.2.1 UI Prototype

Guarantees and Standby Letters of Credit Contract Input - LCDGUONL

Islamic Guarantees and Standby Letters of Credit Contract Input - LIDGUONL

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6.1.2.2 UI Elements

Not Applicable

6.1.2.3 UI Error Messages

Error Code	Error Condition	Type	Message Text	User Action
LC-GUA-045	Expiry Type is open and Auto Closure is checked	Error	Auto Closure not supported for Open ended guarantees	User should uncheck Auto Closure

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7. Partial Confirmation changes

7.1 Feature 1 – Partial Confirmation changes

✓ Provision to support Partial Confirmation in Advice of Standby LC's and Advice of Guarantee's.

7.1.1 Functional Flow Diagram

Not Applicable

7.1.2 Detailed Flow

✓ Provision to support Partial Confirmation in Advice of Standby LCs and Advice of Guarantee's.
✓ As per existing functionality in LCDTRONL Partial Confirmation is supported for Export Product only.
✓ In LCDGUONL as part of this changes below fields will be introduced

- o Partial Confirmation Allowed
- o Confirm Percentage
- o Confirmed Amount
- o Unconfirmed Amount
- o Available Confirmed Amount
- o Available Unconfirmed Amount

✓ Partial Confirmation Allowed value from Product will be defaulted and will be allowed to change.
✓ Either Confirm Percentage or Confirmed Amount can be entered when partial confirmation allowed is selected.
✓ If both Confirmed Amount and Confirm Percentage is given system will consider Confirm percentage and on save it will calculate Confirmed Amount.
✓ If Confirm Percentage alone given on save system will calculate confirmed amount.
✓ If Confirm Amount alone given on save system will calculate confirm percentage.
✓ Based upon the confirm percentage or confirm amount below fields get calculated.
- Unconfirmed Amount
- Available Confirmed Amount
- Available Unconfirmed Amount
✓ If Partial Confirmation Allowed is selected and if Confirm Percentage and Confirm Amount is not provided system will default the Confirm percentage as 100 and Confirm Amount as LC Amount.
✓ The Confirmation Amount cannot be greater than the LC Outstanding amount.
✓ Above changes will be supported in Guarantee simulation screens namely LCDGUSIM.
✓ Similar changes will be supported in Islamic Guarantee screens namely LIDGUONL

Accounting Entries

For BANC Events below entries will be passed:

Example Eg 1.
If Max LC Amount   : GBP 1000
Confirmed Amount   : GBP 700
Confirmed %   : 70%
Unconfirmed Amount   : GBP 300

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Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_OS_AMT	300	Unconfirmed LC Amount
Cr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_OS_AMT	300	Unconfirmed LC Amount
Dr	LC_CNF (Confirmation of LC)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount
Cr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount

Partial Availment of LC up to confirmed Amount

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_AVAIL_AMT	700	Availment Amount
Cr	LC_CNF (Confirmation of LC)	CNF_LIAB_AVAIL_AMT	700	Availment Amount

Full Availment of LC/Partial Availment above the confirmed amount
For Eg,if the availment is done for GBP 800

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_AVAIL_AMT	100	Availment of Unconfirmed LC Amount
Cr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_AVAIL_AMT	100	Availment of Unconfirmed LC Amount
Dr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_AVAIL_AMT	700	Availment of Confirmed LC Amount
Cr	LC_CNF (Confirmation of LC)	CNF_LIAB_AVAIL_AMT	700	Availment of Confirmed LC Amount

AATC Event (Advice & then confirm as part of Amendment)
Initially the entries passed for BADV (Booking of LC with Advice) will be:

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU (Outstanding Credit Unutilized)	ADV_LIAB_OS_AMT	1000	Outstanding Liability Amount
Cr	LC_OCU_OFFSET (Unutilized Credit Offset)	ADV_LIAB_OS_AMT	1000	Outstanding Liability Amount

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Then for AATC Event,
If the entries are maintained at BADV

Dr/ Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU_OFFSET (Unutilized Credit Offset)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount
Cr	LC_OCU (Outstanding Credit Unutilized)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount
Dr	LC_CNF (Confirmation of LC)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount
Cr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount

If the entries are not maintained at BADV

Dr/ Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_CNF (Confirmation of LC)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount
Cr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount

Partial Availment of LC up to confirmed amount

Dr/ Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_AVAIL_AMT	700	Availment Amount
Cr	LC_CNF (Confirmation of LC)	CNF_LIAB_AVAIL_AMT	700	Availment Amount

LC Closure
When the Export LC is closed, the amount would be reduced proportionately from Confirmed portion and Unconfirmed portion
As per the Example Eg 1,

Dr/ Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_OS_AMT	300	Unconfirmed LC Amount
Cr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_OS_AMT	300	Unconfirmed LC Amount
Dr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_OS_AMT	700	Confirmed LC Amount
Cr	LC_CNF (Confirmation of LC)	CNF_LIAB_OS_AMT	700	Confirmed LC Amount

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LC Transfer

When an Export LC is transferred, the amount in the old LC (From LC) would be reduced proportionately from Confirmed portion and Unconfirmed portion as part of AVAL event

As per the Example Eg 1,

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_AVAIL_AMT	300	Unconfirmed LC Amount
Cr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_AVAIL_AMT	300	Unconfirmed LC Amount
Dr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_AVAIL_AMT	700	Confirmed LC Amount
Cr	LC_CNF (Confirmation of LC)	CNF_LIAB_AVAIL_AMT	700	Confirmed LC Amount

The new Export LC contract would have the same split of Confirmed LC amout and Unconfirmed LC amount as it was there in the old LC

As per the Example Eg 1,

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_OS_AMT	300	Unconfirmed LC Amount
Cr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_OS_AMT	300	Unconfirmed LC Amount
Dr	LC_CNF (Confirmation of LC)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount
Cr	LC_CNF_OFF (Confirmation of LC Offset)	CNF_LIAB_OS_AMT	700	Partial Confirmation Amount

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7.1.2.1 UI Prototype

Guarantees and Standby Letters of Credit Contract Input : LCDGUONL

Islamic Guarantees and Standby Letters of Credit Contract Input : LIDGUONL

7.1.2.2 UI Elements

Not Applicable

7.1.2.3 UI Error Messages

Not Applicable

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8. Revoke Confirmation

8.1 Feature 1 – Amendment of Confirmed Export LC – LCDTRONL / LCDAMEND

- ✓ Provision to extend confirmation during amendment of confirmed export LCs

8.1.1 Functional Flow Diagram

Not Applicable

8.1.2 Detailed Flow

- ✓ System enhanced to extend confirmation during amendment of confirmed export LCs

- ✓ New field, *Confirmation Expiry Date* introduced in LC contract input (LCDTRONL) and will be display field

- ✓ System will default Confirmation Expiry Date with LC expiry date during advice of confirmed LCs, namely LCs advised with Advice and Confirm or Confirm operation.

- ✓ Below new fields introduced in LC amendment confirmation screen (LCDAMEND) :

Field Name	Field description
Extend Confirmation	✓ Extend Confirmation flag to be selected to extend confirmation. ✓ Will be checked by default. The same can be unchecked if required
Confirmation Expiry date	✓ Confirmation Expiry date to be defaulted with modified LC expiry date if Extend Confirmation is selected, on subsystem pickup or save. ✓ Confirmation Expiry date will be a display field ✓ Confirmation expiry date will be propagated to LC Contract online (LCDTRONL) during amendment confirmation

- ✓ Confirmation extension is not depended on Partial confirmation

- ✓ Scenarios applicable for Extend confirmation :
  - Increase in Contract amount before or after expiry date
  - Increase in Expiry date before or after original expiry date
  - Increase in Contract amount and expiry date before or after original expiry date

- ✓ Confirmation related processing will continue as per existing functionality in case of increase in Contract amount. Confirm amount and Confirm percentage will be derived as per existing functionality

- ✓ Limits and accounting entries related processing mentioned below :

RevokeConfirmation_
Scenarios.xlsx

- ✓ Messaging :

  - o Export LC advice (ADVICE_CL) enhanced to provide Confirmation Expiry date for confirmed export LCs. New tag CONFIRM_EXPIRY_DATE introduced for the same.

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- o Export LC amendment advice (AMD_EXP_CR) enhanced to provide Confirmation Expiry date during amendment of confirmed export LCs. Amendment advice to indicate amendment is confirmed subject to payment of confirmation fee.

- o Above mail advices will be sent to beneficiary. MT799 to be sent to Issuing bank.

- o MT730 (LC_ACK_AMND) acknowledgement should indicate confirmation is accepted

✓ Above functionality is supported for Islamic LC (LIDTRONL) and Islamic LC amendment (LIDAMEND)

✓ Above changes to be supported in LC and LI simulation screens
  - o LCDTRSIM
  - o LCDAMSIM
  - o LIDTRSIM
  - o LIDAMSIM
✓ Accounting Entries in Amendment of LC

  - o When the LC Amount is amended (increased) from LC Amendment screen, the values mentioned in 'Confirmation Percent' at the contract level will be considered for confirming the increased amount.
  - o Consider the below example for Partial Confirmation is unchecked

Example 1

LC Issue Date	1-Jun
LC Amount	10000
Expiry Date	1-Aug
Confirmation Percent	100
Available Confirmed Amount	10000
Amended Date	15-Jul
Modified Amount	15000
Modified Expiry Date	01-Sep
Extend Confirmation	N

  - o Due to the increase in LC Amount then LC Max amount is increased to USD 15000. The Increased Amount, USD 5000 will be apportioned towards unconfirmed since the extend confirmation is unchecked.
  - o Accounting entries will be as below:

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_INCRAMT	5000	Unconfirmed LC Amendment amount
Cr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_INCRAMT	5000	Unconfirmed LC Amendment amount

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o   Consider the below example if Partial confirmation is checked

LC Issue Date	1-Jun
LC Amount	10000
Expiry Date	1-Aug
Confirmation Percent	30
Available Confirmed Amount	3000
Available Unconfirmed Amount	7000
Amended Date	15-Jul
Modified Amount	15000
Extend Confirmation	N

o   Due to the increase in LC Amount then LC Max amount is increased to USD 15000. The Increased Amount, USD 5000 will be apportioned towards unconfirmed since the extend confirmation is unchecked.

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_INCRAMT	5000	Unconfirmed LC Amendment amount
Cr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_INCRAMT	5000	Unconfirmed LC Amendment amount

✓   LCEOD Batch enhanced to support Revoke Confirmation Contingent Entries Reversal

   o   To be processed during EOD
   o   To be processed during next EOD, if processing date is a holiday
   o   New event RVCE introduced to initiate Reversal of Contingent Entries.
   o   System will pick the contracts in the EOD which is eligible for revoke confirmation contingent entries reversal.
   o   Contracts which are eligible is that confirmed contracts which is amended before expiry date and extend confirmation is not checked.
   o   For example 1, the accounting entries posted in Issuance, Amendment and EOD as below

   Accounting entries during Issuance on 01-Jun

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_CNF (Confirmation of LC)	CNF_LIAB_OS_AMT	10000	Confirmed LC amount
Cr	LC_OCU_OFFSET (Confirmation of LC Offset)	CNF_LIAB_OS_AMT	10000	Confirmed LC amount

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Accounting Entries during Amendment on 15-Jul

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Dr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_INCRAMT	5000	Unconfirmed LC Amendment amt
Cr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_INCRAMT	5000	Unconfirmed LC Amendment amt

Accounting Entries during EOD of original Expiry Date (01-Aug)

Dr / Cr	Account role code	Amount tag	LCY Amount	LCY Amount Description
Cr	LC_CNF (Confirmation of LC)	CNF_LIAB_DECR_AMT	10000	Available Confirmed LC Amount
Dr	LC_CNF_OFFSET (Confirmation of LC Offset)	CNF_LIAB_DECR_AMT	10000	Available Confirmed LC Amount
Dr	LC_OCU (Outstanding Credit Unutilized)	UCNF_LIAB_INCRAMT	10000	Unconfirmed LC amount
Cr	LC_OCU_OFFSET (Unutilized Credit Offset)	UCNF_LIAB_INCRAMT	10000	Unconfirmed LC amount

8.1.2.1 UI Prototype

LC Contract Input – LCDTRONL

LC Amendment Confirmation – LCDAMEND

Islamic LC Contract Input – LIDTRONL

8.1.2.2 UI Elements

Display Name	Description	Attribute Type	Object Type	Required/Mandatory	Data Type/Size	Field Validation	Default Value	Amendable
Extend Confirmation	Indicates extension of confirmation	Input	Checkbox	N	VARCHAR2 (1)	N	Y	N
Confirmation Expiry Date	Indicates Confirmation expiry date	Display	Date	N	Date	N	N	N

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8.1.2.3 UI Error Messages

Error Code	Error Condition	Type	Message Text	User Action
LC-AMND-018	Extend Confirmation is checked for other than confirmed LC	E	Extend Confirmation is applicable only for Confirmed LC	Save
LC-AMND-019	Extend confirmation is unchecked and when there is decrease in LC amount or Expiry Date	E	Decrease in LC Amount or Expiry Date is not allowed when Confirmation is not extended	Save

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9. MT798 - SWIFT 2020 CHANGES

9.1 Feature 1 – Local Guarantee for Islamic screens

- Local Guarantee features are extended for Islamic Guarantees. Existing local guarantee functionality of conventional guarantee screens is extended to Islamic guarantee screens as well.

- The features are extended to the following Islamic screens:
  - Islamic Guarantees issuance - LIDGUONL
  - Islamic Guarantee amendment - LIDGUAMD
  - Islamic Guarantee issuance simulation - LIDGUSIM
  - Islamic Guarantee amendment simulation – LIDGAMSM

9.1.1 Functional Flow Diagram

Not Applicable

9.1.2 Detailed Flow

- Islamic Guarantees / Standby Letters of Credit issuance - LIDGUONL
  - New tab 'Local Undertaking Details' is introduced in LCDGUONL/LIDGUONL to capture details specific to Local Undertaking.
  - This tab is applicable only for Local Undertaking, when Purpose of Guarantee is 'Request'. If Purpose if Guarantee is 'Issue', then this tab will be disabled.
  - System enhanced to support new FFTs for Local Guarantee specific details during Islamic Guarantee/SBLC Issuance.
  - Outgoing MT760 message generation logic is modified to consider these new fields and FFTs for Tags in Sequence C appropriately.

- Islamic Guarantees / Standby Letters of Credit amendment- LIDGUAMD
  - New tab 'Local Undertaking Details' is introduced in LCDGUAMD to capture details specific to Local Undertaking.
  - System enhanced to support new FFTs for Local Guarantee specific details during Guarantee/SBLC Amendment.
  - Outgoing MT767 message generation logic is modified to consider these new fields and FFTs for Tags in Sequence C appropriately.

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9.1.2.1 UI Prototype

Not Applicable

9.1.2.2 UI Elements

Islamic Guarantees issuance – LIDGUONL

Islamic Guarantee amendment - LIDGUAMD

9.1.2.3 UI Error Messages

Not Applicable

9.2 Feature 2 – Line feed changes for Guarantee messages

- Line feed changes for guarantee related Bank to Bank (B2B) messages were added.

- For the guarantee B2B messages, the tags which had multiple lines in its format, the character count of each line is now considered by excluding the line feed character from the count.

- Consider the tag 72Z, for which the SWIFT2020 tag format is 6*35, i.e. 6 lines with 35 characters in each line. The tag will be populated in the message such that, each line will have maximum 35 characters.

9.2.1 Functional Flow Diagram

Not Applicable

9.2.2 Detailed Flow

- In the messages, the line feed character is no longer considered for the character count of tag values.

- For the following guarantee B2B messages, the corresponding tag's length were updated such that line feed character is not included in the character count :

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Message	Tag length modified for
MT760	72Z, 35G, 39D, 41A, 71D, 45C, 77U, 78, 39E, 45L, 24G, 77L
MT761	77U, 77L
MT765	78, 49A, 77, 72Z
MT767	72Z, 35G, 77U, 24G, 77L
MT775	77U, 77L
MT768	71D, 72Z
MT769	39C, 71D, 72Z
MT785	72Z
MT786	77J, 77B, 72Z
MT787	23R, 72Z

9.2.2.1 UI Prototype

Not Applicable

9.2.2.2 UI Elements

Not Applicable

9.2.2.3 UI Error Messages

Not Applicable

9.3 Feature 3 – MT765 for Local Guarantee and Counter Guarantee

- The MT765 message generation for Counter Guarantees and Local Guarantees.

- MT765 is generated on claim lodgment. This message is sent by a party (as the beneficiary or on behalf of the beneficiary) to a party which has issued an undertaking (guarantee, demand guarantee, standby letter of credit or dependent undertaking), either directly or via a third party.

9.3.1 Functional Flow Diagram

Not Applicable

9.3.2 Detailed Flow

- MT765 (claim lodgment) to be supported for below scenarios :

Scenarios	Type of Guarantee	Product Type	MT765 Receiver
Guarantee	Guarantee / Standby LC	G / S	Not Applicable
Advice of Guarantee to Guarantee	Advice of Guarantee/ Advice of Standby LC	A / B	ISB

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Local Guarantee to Counter Guarantee	Local Guarantee / Local Standby LC	G	APB
Counter Guarantee to Counter Counter Guarantee	Counter Guarantee / Counter Standby LC	G	APB

- System enhanced to support MT765 generation for Local Guarantees and Counter Guarantees to Applicant Bank - APB

9.3.2.1 UI Prototype

Not Applicable

9.3.2.2 UI Elements

Not Applicable

9.3.2.3 UI Error Messages

Not Applicable

9.4 Feature 4 – Extend or Settle changes

- Extend or Settle related changes in Guarantee claim lodgment (LCDGCLM)

9.4.1 Functional Flow Diagram

Not Applicable

9.4.2 Detailed Flow

.

- Guarantee claim lodgment (LCDGCLM) enhanced with below changes :
    - o Query to Extend or Settle renamed to Extend or Settle
    - o New expiry date is made as optional, when Extend or Settle option is selected for a claim. Existing error is modified as a configurable override.
    - o Latest Reply date is populated in 31T (mandatory tag) in MT777 (MT798) message which is sent to applicant. Hence latest reply date is mandatory for claims lodged for Guarantees / SBLCs, else it is optional for claims lodged for Advice of Guarantees / SBLCs

- Amendment of claim from Extend or Settle to Extension should not initiate guarantee amendment. System will provide an override stating "Extension of Guarantee to be initiated from Guarantee amendment".

9.4.2.1 UI Prototype

Not Applicable

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Claim Lodgement: LCDGCLM

Islamic Guarantee Claim Lodging : LIDGCLM

Error Code	Error Condition	Type	Message Text	User Action
LC-CLM-042	If Extend or Settle is Extend or Settle	O	Extension of Guarantee to be initiated from Guarantee amendment	Save

9.5 Feature 5 – MT798 – C2B - Application for Issuance of Documentary Credit – C2B - (770/700/701)

- SWIFT 2020 changes to process MT 798 - C to B - incoming MT798/770/700/701 to create Import LC

9.5.1 Functional Flow Diagram

Not Applicable

9.5.2 Detailed Flow

- The Application for issuance of Documentary Credit is sent by the corporate (applicant) to its bank and comprises a series of MT 798 messages. Collectively these messages are used to submit one or more draft documentary credit applications for bank review or as a final draft to initiate the issuance of a documentary credit by the applicant's bank according to the terms, and conditions under which the requested credit is to be issued.

Import Documentary Credit					
MT Message Type	**Sub-Message Type**	**Status**	**Max. Occur**	**Name**	**Base Message Type**
Application for Documentary Credit - C2B					
MT 798	770	M	1	LC Application Index	
MT 798	700	M	1	LC Application Details	MT 700
MT 798	701	O	7	LC Application Extension	MT 701

Below changes are incorporated as per SWIFT 2020 standards :

Message Type	**Message Description**				
770	LC Application Index				

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Tag	Tag Name	Format	Status	Definition / Content / Additional Usage Rules/Guidelines	Changes incorporated
21T	Customer Business Reference	16x	M	DEFN: This field specifies a business reference assigned by the customer.	1. Tag description and Status changes. 2. X Character set validation
21S	Bank Business Reference	16x	O	DEFN: This field specifies a business reference assigned by the bank.	1. Tag description changes. 2. X Character set validation

9.5.2.1 UI Prototype

Not Applicable

9.5.2.2 UI Elements

Not Applicable

9.5.2.3 UI Errors

Not Applicable

9.6 Feature 6 – Request for amendment of Documentary Credit - C2B - (772/707/708)

- SWIFT 2020 changes to process MT 798 - C to B - incoming MT798 - 772/707/708

9.6.1 Functional Flow Diagram

Not Applicable

9.6.2 Detailed Flow

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- The Request for Amendment of Documentary Credit is sent by the corporate (applicant) to its bank and comprises a series of MT 798 (Proprietary) messages. Collectively these messages are used to request amendment/s of the terms and conditions of a credit previously issued by the applicant's bank.

MT Message Type	Sub-Message Type	Status	Max. Occur	Name	Base Message Type
Import Documentary Credit					
Advice of Documentary Credit - B2C					
MT 798	772	M	1	LC Amendment Request Index	
MT 798	707	M	1	LC Amendment Request Details	MT 707
MT 798	708	O	7	LC Amendment Request Extension	MT 708

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Below changes incorporated:

Message Type	Message Description				
772	LC Amendment Request Index				
Tag	**Tag Name**	**Format**	**Status**	**Definition / Content / Additional Usage Rules/Guidelines**	**Changes incorporated**
21T	Customer Business Reference	16x	M	DEFN: This field specifies a business reference assigned by the customer.	1. Tag description and Status changes. 2. X Character set validation

- Limitation : Message does not contain the tag '21S - Bank Business Reference' which is a mandatory tag for the B2C message MT773 – 'Notification of Amendment of Documentary Credit'. Hence the B2C TRADE_ENVELOPE message

9.6.2.1 UI Prototype

Not Applicable

9.6.2.2 UI Elements

Not Applicable

9.6.2.3 UI Errors

Not Applicable

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10. Customer Instruction

10.1 Feature 1 – Customer Instructions

Customer would want to give instructions in advance to the bank (Standard Instructions) that need to be referred by the bank while processing certain type of transactions. And also, Customer would give certain instructions that are applicable only for the transactions.

- OBTF system enhanced to receive the request to maintain or store the Standard Instructions details captured at OBTFPM.
- OBTF system enhanced to list of the standard instructions maintained for the customer.
- OBTF system enhanced to capture the customer instructions during transaction processing. Introduced "Customer Instructions" at OBTF transaction screens to capture the transaction level instructions.

10.1.1 Functional Flow Diagram

Not Applicable

10.1.2 Detailed Flow

1) OBTF system enhanced to receive the request to maintain or store the Standard Instructions details captured at OBTFPM.

   ➢ Introduced below list of API's to capture/modify the standard instruction details shared from OBTFPM.

Service Name	Operation
OBTFIFService	CreateTFCustInstruct
OBTFIFService	ModifyTFCustInstruct
OBTFIFService	QueryTFCustInstruct
OBTFIFService	CloseTFCustInstruct
OBTFIFService	ReopenTFCustInstruct
OBTFIFService	DeleteTFCustInstruct
OBTFIFService	AuthorizeTFCustInstruct
OBTFIFService	SummaryQueryTFCustInstruct

   ➢ Field level details of the screen are given below,

Field Name	Description	Applicable Value	Length	Mandatory
Customer Number	Customer Number for whom the standard instruction to be maintained	Valid customer available in the system.	9	Y
Customer Name	Customer name of provided customer number.		105	N
Module Code	Module code for which the standard instruction to be maintained	1.Valid module code available in the system 2.AL (For ALL Modules)	2	Y
Module Description	Description of the provided module code.		35	N

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Product Type	Product Type for which the standard instruction to be maintained.	1.Valid Product types available in the system. 2. AL (For ALL product types)	3	Y
Product Type Description	Description of product type.		35	N
Under LC	Under LC or not.	Y N A - ALL	1	Y
Product Code	Product code for which the instruction to be maintained.	1.Valid product code available in the system. 2.ALL (For ALL products)	4	Y
Product Description	Description of the product code.		105	N
Instruction ID	Instruction ID for the maintained Standard instructions.		16	Y
Instruction	Standard Instructions		195	Y
Instruction Date	Instruction start date		7	Y
Instruction Expiry Date	Instruction expiry date		7	Y

➢ On receiving the request from OBTFPM, following are the validation done in OBTF

- o OBTF system accepts multiple instructions, whereas system validates at least one Instructions is being provided on Create or Modify request.
- o Instruction date and Instruction expiry date cannot be less than application date. Instruction expiry date cannot be less than Instruction date.
- o If module code is,
  - ▪ AL – Product type, Product code and Under LC flag must be ALL
  - ▪ BC/IB – if product type is AL, then product code and Under LC flag also must be ALL.

  LC/LI – If product type is AL, then product code must be ALL and Under LC flag must be N.
➢ Instruction details received from OBTFPM, cannot be modified in OBTF.

2) OBTF system enhanced to list of the standard instructions maintained for the customer.

➢ Following are the list of input/output field in API,

Field Name	Input/Output	Possible Values	Mandatory
Customer Number	Input/Output	Valid customer	Y
Module Code	Input/Output	Valid module code	Y
Product Type	Input/Output	Valid product type	Y
Under LC	Input/Output	Y – Yes; N – No and A - ALL	Y
Product Code	Input/Output	Valid product code	Y
Instruction ID	Output		
Instruction	Output		
Instruction Date	Output		

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Instruction Expiry Date	Output				

> Given below is the logic to list standard instruction in API,

LEVEL#	Customer No	Module	Product Type	Under LC	Product
1	Specific	Specific	Specific	Specific	Specific
2	Specific	Specific	Specific	Specific	ALL
3	Specific	Specific	Specific	ALL	ALL
4	Specific	Specific	ALL	ALL	ALL
5	Specific	ALL	ALL	ALL	ALL

Table 1: Instruction Listing Logic

- o OBTF system returns the standard instruction as per the above logic, only if the instructions are not available on higher level (Level 1), it checks for next higher level (Level 2 and So on).

- o In addition, system validates whether instruction selected are having instruction date less than or equal to application date and instruction expiry date greater than or equal to application date.

3) OBTF system enhanced to capture the customer instructions during transaction processing.

> Introduced "Customer Instructions" at OBTF transaction screens to display the Standard Instructions (as per table "*Table 1: Instruction Listing Logic*" and to capture the transaction level instructions. List of transaction screens are as below.

Customer_Instr_Fun
ction_ID.xlsx

> Transaction level instruction captured for particular event/version in a contract is applicable only to that event/version and it cannot be modified through different channels.
> During transaction life cycle, if there is any change in maintained standard instruction, the difference will be applicable only for future events.
OBTF System will display an override message to visit Customer Instruction screen, if any standard instruction is available and if the screen is not visited during save.

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10.1.2.1 UI Prototype

10.1.2.2 UI Elements

Not Applicable

10.1.2.3 UI Errors

Error Code	Type	Description
IF-TFINS-01	Error	Invalid $1
IF-TFINS-02	Error	$1 must be provided
IF-TFINS-03	Error	Customer Instructions must be provided
IF-TFINS-04	Error	Invalid Module Code, Product Type and Product Code combination
IF-TFINS-05	Error	Instruction Date cannot be less than application date
IF-TFINS-06	Error	Instruction Expiry Date cannot be less than application date
IF-TFINS-07	Error	Instruction Expiry Date cannot be less than instruction date
IF-TFINS-08	Error	Instruction exceeds 195 characters
IF-TFINS-09	Error	Transaction wise Instructions cannot be modified
IF-TFINS-10	Override	Please visit Customer Instruction tab
IF-TFINS-11	Override	Customer Instruction details will be Re Defaulted
IF-TFINS-12	Error	Invalid Value for field Under Letter of Credit

IF-TFINS-13	Error	Invalid Product Type and Product Code combination
IF-TFINS-14	Error	Invalid value for the field Customer No
IF-TFINS-15	Error	Instruction exceeds 210 characters
IF-TFINS-16	Error	Failure in Customer Instruction Processing
IF-TFINS-17	Error	Incorrect Customer Instructions provided

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11. Bill Sequence Number

11.1 Feature 1 – Bill Sequence Number

There can be single or multiple bills under a LC based on the terms of LC. If multiple bills are applicable user must be able to identify the sequence of the bill. OBTF System should be enhanced to identify the sequence of the bill/Islamic bill created under same LC/LI.

11.1.1 Functional Flow Diagram

Not Applicable

11.1.2 Detailed Flow

Filed "Bill Sequence Number" has been introduced in Bills and Collection /Islamic Bills and Collection Contract/Contract Simulation Input Screen respectively to display of the sequence number of the bill under the same LC/LI.

- Once user book a bill under an LC, on authorization the system automatically generates the sequence number for the bill. Bill Sequence number is a display field and the generated value cannot be modified.

- Sequence number of the bill is generated in incremental phase when a bill is authorized irrespective of the bill stage,
    - For Example:
        - Book LC contract – LC1.
        - Book BC contract – BC1.
        - Book BC contract – BC2.
        - Authorize BC Contract – BC2. Sequence number of BC2 will be generated as 1.
        - Authorize BC Contract – BC1. Sequence number of BC1 will be generated as 2.

Filed "Bill Sequence Number" has been introduced in 'BC Linkages' of Letters and Credit/Islamic Letters and Credit Contract/Contract Simulation Input Screen respectively to display of the sequence number of the bill under the same LC/LI.

Bill Sequence number will be introduced in the Bill advices as well - "Document Arrival Notice for Import bill" and "Remittance Letter of Export Bill".

There will not be any impact on the generated bill sequence number throughout the life cycle of the bill like contract reversal/Closure/Liquidation of the bill.

Bill Sequence number will be blank for the bills not under LC.

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11.1.2.1 UI Prototype

Bills And Collection Contract Detailed

Letters Of Credit Contract Detailed – Bc Linkages Callform

Bill Sequence Number in Advices

```
SUB :-  ARRIVAL OF DRAFT/BILL OF EXCHANGE DOCUMENTS
        ----------------------------------------------

DEAR SIR(S)/MADAM,

    PLEASE BE ADVISED THAT THE DRAFT/BILL OF EXCHANGE WITH DETAILS AS
SHOWN BELOW IS FOR YOUR ACCOUNT.

    OUR REFERENCE           : PK1IULL21125A2BH
    BILL SEQUENCE NUMBER     : 9
    OUR LC REFERENCE        : PK1ILUN21125AG7G
    YOUR REFERENCE          : NONE

    DRAWEE  NAME            : PHIL HAMPTON
    DRAWEE  ADDRESS         : PKBANK21XXX
    DRAWEE  REFERENCE       : NONE
    DRAWEE  COUNTRY         : GREAT BRITAIN

    DRAWER  NAME            : FIXNETIX
    DRAWER  ADDRESS         : PKBANK41XXX
    DRAWER  REFERENCE       : NONE
    DRAWER  COUNTRY         : GREAT BRITAIN

    BILL AMOUNT             : GREAT BRITAIN      1,000.00
                              POUND
    AMOUNT IN WORDS         : One Thousand

    TENOR OF BILL           : Usance
    TENOR DAYS OF BILL      : 30
    BILL MATURITY DATE      : 04-JUN-21
```

11.1.2.2 UI Elements

Not Applicable

11.1.2.3 UI Errors

Not Applicable

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12. Special Price Reference

12.1 Feature 1 – Special Price Reference

Bank can provide concession in pricing to the customer for various transactions. User can mention the special pricing details by quoting the Special Price reference number. OBTF System has been enhanced to capture the Special Price Reference number against the interest components of the transaction.

12.1.1 Functional Flow Diagram

Not Applicable

12.1.2 Detailed Flow

- Field "Special Price Reference" has been introduced in Interest/Profit screen (Call form) of Bills and Collection /Islamic Bills and Collection Contract/Contract Simulation Input Screen respectively.

    - Special Price Reference should be available in Interest – Main & View Details (Tabs).

    - User can input special price reference while processing the transaction against the interest component.

    - External system can also provide the same when the transaction is initiated through gateway.

    - If there is a change in Special Price Reference, it can also be modified.

User can view the Special Price Reference of a transaction on View Details Tab. Query response includes the Special Price Reference details as well.

12.1.2.1 UI Prototype

BCDTRONL – Interest (Main Tab)

BCDTRONL - Interest (View Details Tab)

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12.1.2.2 UI Elements

Not Applicable

12.1.2.3 UI Errors

Not Applicable

13. Customer Dispatch

13.1 Feature 1 – Customer Dispatch

Banks can have special agreement with selected Export customers allowing the customers to directly dispatch the Export documents to the importer's bank.

13.1.1 Functional Flow Diagram

Not Applicable

13.1.2 Detailed Flow

- Flag "Customer Dispatch" has been introduced in below screens,
    - Trade Finance Customer Maintenance screen (STDTFCIF)
    - Bills and Collection Contract Input screen (BCDTRONL)
    - Islamic Bills and Collection Contract Input screen (IBDTRONL)
    - Bills and Collection Contract Simulation (BCDTRSIM)
    - Islamic Bills and Collection Contract Simulation (IBDTRSIM)
- Customer Dispatch at Trade finance customer maintenance screen can be enabled for those customers, who can dispatch the documents directly to the importer's bank.
- Customer Dispatch at transaction screen is read-only and it is applicable only for the external export transactions initiated through Gateway.
- On booking an export bill (through Gateway),
    - Customer Dispatch maintained at Trade finance customer input screen against the customer of a bill will be defaulted to Customer Dispatch of a transaction if the value of customer dispatch is not provided in the request.
    - User will be allowed to disable Customer Dispatch during transaction input, even when it is enabled at Trade finance customer level.
    - User will not be allowed to enable Customer Dispatch during transaction input, when it is not enabled at Trade finance customer level.
    - An override message "Customer Dispatch Selected – Customer will directly dispatch the documents to the Importer Bank" will be raised to the user. Whereas the override is not applicable for those transaction initiated through OBTF Screens.

13.1.2.1 UI Prototype

Trade Finance Customer Maintenance - STDTFCIF

Bills and Collection Contract Detailed – BCDTRONL

Islamic Bills Contract Detailed - IBDTRONL

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Bills and Collection Contract Simulation - BCDTRSIM

Islamic Bills and Collection Contract Simulation (IBDTRSIM)

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13.1.2.2 UI Elements

Not Applicable

13.1.2.3 UI Errors

Error Code	Error Condition	Type	Message Text	User Action
BC-00254	OBTF System display an override message for the export transactions initiated through gateway, when the flag Customer Dispatch is enabled for a transaction.	Override	Customer Dispatch Enabled-Customer will directly dispatch the documents to the Importer Bank	User enables Customer Dispatch flag
BC-00290	OBTF System display an error message for export transactions initiated through gateway, when customer dispatch flag enabled and customer dispatch flag disabled in customer level.	Error	Direct dispatch value cannot be modified if the flag is N.	User enables Customer Dispatch flag

14. Presenting Bank

14.1 Feature 1 – Presenting Bank

During Import bill processing, OBTF system has been enhanced to validate if any other bill exists with the same Exporters bank reference.

14.1.1 Functional Flow Diagram

Not Applicable

14.1.2 Detailed Flow

During Import Bill processing, OBTF system has been enhanced to validate if any other bill exists with the same exporters bank reference.

- On booking an Import LC Drawing - OBTF System validates if the same 'Negotiating Bank Reference' exists for any other existing bills and restricts the bill processing with the message "Contract already exists with the same negotiating bank reference '$Party Reference' received from '$Party Name' under contract reference '$Bill Reference Number".
- On booking an Import Documentary Collection Bills - OBTF System validates if the same 'Remitting Bank Reference' exists for any other existing bills and display the override message e "Contract already exists with the same remitting bank reference '$Party Reference' received from '$Party Name' under contract reference '$Bill Reference Number".
- Introduced an API 'QueryBCPresentbakdl' to list the BC reference number which already exists with the same Exporter's Bank Reference.
    - When an OBTF System receives 'Party type' and 'Party Reference' as input values – System verifies if there is any other bill exists with same Reference for the provided Party type. If yes, the value of Bill reference number and Document Original Received will be provided as response.
    - When an OBTF System receives 'Party type', 'Party Reference' and LC Reference number as input values – System verifies if there is any other bill exists with same Reference for the provided Party type against the same LC reference number. If yes, the value of Bill reference number and Document Original Received will be provided as response.
    - If there is no existing bill with the same reference against the party type, the response will not contain any Bill reference number and Document Original Received.
    - Below is the Input and Output details of API

S No	Field /Tag	Mandatory	Input/Output
1	Party Type	Yes	Input/Output
2	Party Reference	Yes	Input/Output
3	LC Reference Number	Optional	Input/Output
4	Bill Reference Number	NA	Output
5	Document Original Received	NA	Output

14.1.2.1 UI Prototype

Not Applicable

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14.1.2.2 UI Elements

Not Applicable

14.1.2.3 UI Errors

Error Condition	Type	Message Text	User Action
Negotiating Bank Reference	Error	Contract already exists with the same negotiating bank reference '$Party Reference' received from '$Party Name' under contract reference '$Bill Reference Number	On booking an Import LC Drawing - OBTF System validates if the same 'Negotiating Bank Reference' exists for any other existing bills and restricts the bill processing with the Error
Collecting Bank Reference	Configurable Override	Contract already exists with the same remitting bank reference '$Party Reference' received from '$Party Name' under contract reference '$Bill Reference Number	On booking an Import Documentary Collection Bills - OBTF System validates if the same 'Remitting Bank Reference' exists for any other existing bills and display the override message

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15. OBTF Maintenance Data Replication to OBTFPM

15.1 Feature 1 – OBTF Maintenance Data Replication to OBTFPM

OBTF maintenance data replication into OBTPM.

15.1.1 Functional Flow Diagram

Not Applicable

15.1.2 Detailed Flow

- Source code 'PLATOOBTF' to be maintained in "CODSORCE - Upload Source Maintenance" screen.
- Static data is released to CSTB_PARAM table with parameter name 'OBTF_REPL_OBMA_REQ' and value 'Y'. If OBTF to OBTFPM replication is not required it can be switched to 'N'.
- Screen "IFDTFXSE - Trade Finance External Service Maintenance" is enhanced to capture
  - Read Time Out
  - Connection Time Out
  - External System Application ID
  - External System Type
    - Default
    - OBMA
    - OBRH

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- Introduced quartz job "TF_MAINT_EXTASYNC_CALL" in SMSJOBBR screen to replicate data from OBTF into OBTFPM.

Job Details   — ✕

Save   Reset
Case Sensitive

Job Name TF_MAINT_EXTASYNC_C🔍	Job Group 🔍
State 🔍	Next Fire Time 🔍
Scheduler 🔍	

Records per page 15 ▾ First Previous 1 Of 1 Next Last   Go   Lock Columns 0 ▾

☐	Job Name	Job Group	State	Next Fire Time	Scheduler	Error	
☐	TF_MAINT_EXTASYNC_CALL	EXTSYS	Scheduled	10/11/2021, 4:46:51 PM	SchedulerFactory		

Pause | Resume

Exit

- Introduced fields "Message Identification" and "Process Reference" in screen "IFSTFERQ – Trade Finance Core Entity Error Queue" to resubmit failure data from OBTF to OBTFPM due to technical reason any like "Time out" or "OBTF/OBTFPM/OBRH services are down".

Trade Finance Core Entity Error Queue   — ✕

Save   Refresh   Reset   Clear All   Details
Case Sensitive

Branch Code 🔍	Message Identification 🔍	Key Id 🔍
Process Sequence No 🔍	External Status 🔍	Process Reference 🔍

Records per page 15 ▾ ⏮ ◀ 1 Of ... ▶ ⏭   Go   Lock Columns 0 ▾

☐	Branch Code	Message Identification	Key Id	Process Sequence No	Service Code	External Status	Function	Customer No	Destination Source	Process	Authorization Status	Re
☐	PK1	1252169818327795	279	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	PK1	1262105110443675	1731	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	PK1	1262132410260179	2227	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	PK1	1262133970646147	2259	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	PK1	1262137812168107	2467	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	PK1	1262140330049307	2736	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	PK1	1262140569907154	2803	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	PK1	1262141169905314	2987	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	000	1262141831471324	3159	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M
☐	000	1262141831880251	3189	1	CreateEa	Failed	IFDEXACC		FCUBS	N	A	M

Re-Submit | Reject | Error Messages

Exit

- OBTF replication to OBTFPM applies to following screens.

Sr. No	OBTF Function Id	OBTF Screen Name	OBTF Table	OBTFPM Target Table

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1	BCDFFTC D	Bills Free Format Code Maintenance	BCTM_FFT_MASTER	TFPM_TW_FFT_MASTER
2	BCDPRM NT	Bills Product Definition	CSTM_TF_PRODUCT BCTM_PRODUCT_MASTER BCTM_PRODUCT_DOCS	TFPM_TW_PRODUCT_MASTER TFPM_TW_BC_PROD_DEFINITI ON TFPM_TW_PROD_DOC_DETAIL
3	IBDPRMN T	Islamic Bills @ Product Definition	BCTM_PRODUCT_MASTER BCTM_PRODUCT_DOCS	TFPM_TW_PRODUCT_MASTER TFPM_TW_PROD_DOC_DETAIL S
4	LCDPRMN T	Letters Of Credit Product Definition	CSTM_TF_PRODUCT LCTM_PRODUCT_DEFINITION LCTM_PRODUCT_DOCUMENT S	TFPM_TW_PRODUCT_MASTER TFPM_TW_LC_PROD_DEFINITI ON TFPM_TW_PROD_DOC_DETAIL S
5	LIDPRMN T	Islamic LC Product Definition	CSTM_TF_PRODUCT LCTM_PRODUCT_DEFINITION LCTM_PRODUCT_DOCUMENT S	TFPM_TW_PRODUCT_MASTER TFPM_TW_LC_PRODUCT_DEFI NITION TFPM_TW_PROD_DOC_DETAIL S

15.1.2.1 UI Prototype

Not Applicable

15.1.2.2 UI Elements

Not Applicable

15.1.2.3 UI Errors

Not Applicable

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16. Staff Restriction

16.1 Feature 1 – Staff Restriction

OBTF System will facilitate following restrictions on the staff customers/accounts.

- No staff can transact on own Customer/Account.
- Restricted Staff – cannot transact on Customer/Accounts of other staff
- Restricted Staff – cannot view transactions of other staff.

16.1.1 Functional Flow Diagram

Not Applicable

16.1.2 Detailed Flow

- Existing field 'Customer Number' at the user maintenance can be used to link the Customer id of the staff with the user id created for the staff.

- Existing Field "Access to other staff accounts" will be available in user maintenance screen. The value of the field will be 'Restricted' or 'Not-Restricted'.

- If a staff customer is linked to the user at user maintenance screen:
  - User won't be able to input/ authorize/ view a transaction with own account irrespective of whether the "Access to other staff accounts" is Restricted/Not Restricted at the user maintenance.

- If "Access to other staff accounts" is 'Restricted' for the user at the user maintenance level then the staff user won't be able to:
  - View the Customer/Account details in Customer /Account Maintenance or any query screens pertaining to Customer/account of other staff.
  - View the transaction of other staff.
  - View, modify or authorize operations on all staff customer details will be restricted.

- Staff restriction applies to,

Staff_Restriction_Mat
rix_Functionid_1.xlsx

Restricted Staff

| | Customer/Account | | Transactions (Contracts) | |
	View	Update/ Authorize(U/A)	View	Create/Update/ Authorize (C/U/A)
Self	Not-Allowed	Not-Allowed	Not-Allowed	Not-Allowed
Other Staff	Not-Allowed	Not-Allowed	Not-Allowed	Not-Allowed
Non Staff	**Allowed**	**Allowed**	**Allowed**	**Allowed**

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	Customer/Account		Transactions (Branch Transactions & Contracts)	
	View	Update/ Authorize (U/A)	View	Create/Update/ Authorize (C/U/A)
Self	Not-Allowed	Not-Allowed	Not-Allowed	Not-Allowed
Other Staff	Allowed	Allowed	Allowed	Allowed
Non Staff	Allowed	Allowed	Allowed	Allowed

16.1.2.1 UI Prototype

Not Applicable

16.1.2.2 UI Elements

Not Applicable

16.1.2.3 UI Errors

Not Applicable

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17. Corporate-to-Bank Trade Envelope Messages - Bills under LC Messages

17.1 Feature 1 – Corporate-to-Bank Trade Envelope Messages - Bills under LC Messages

System enhanced to support MT738 - Response to Advice of Discrepant Presentation Index Messages as per latest SWIFT 2020 standards.

17.1.1 Functional Flow Diagram

Not Applicable

17.1.2 Detailed Flow

The Response to Advice of Discrepant Presentation is sent by the corporate (beneficiary) to its bank (Negotiating Bank) and comprises one MT 798 message. It is used to instruct the bank on the handling and disposal of discrepant documents.

MT798_738.xlsx

17.1.2.1 UI Prototype

Not Applicable

17.1.2.2 UI Elements

Not Applicable

17.1.2.3 UI Errors

Not Applicable

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18. OBTF-OBTFPM-OBDX API ENHANCEMENTS – Q2

18.1 Feature 1 – Advance by Loan

Existing API listing BC Contracts will be enhanced with the additional input tag for Advance by Loan.

18.1.1 Functional Flow Diagram

Not Applicable

18.1.2 Detailed Flow

Existing API QueryIFDTFBCContract is modified with an additional Input tag/field 'Advance_by_Loan'.

- When an OBTF system receives the query request with 'Advance_by_loan' as 'Y', the response will be the list of BC Contract details for which 'Advance by Loan' is enabled during the transaction processing.
- When an OBTF system receives the query request with 'Advance_by_loan' as 'N', the response will be the list of BC Contract details for which 'Advance by Loan' is not enabled during the transaction processing.
- When an OBTF system receives the query request with 'Advance_by_loan' as 'ALL', the response will be the list of all BC Contract details irrespective to the value of Advance by Loan during the transaction processing.

Filed	Mandatory	Input / Output	Possible Values
ADVANCE_BY_LOAN	N	Input	Y, N or ALL

18.1.2.1 UI Prototype

Not Applicable

18.1.2.2 UI Elements

Not Applicable

18.1.2.3 UI Error Messages

Not Applicable

18.2 Feature 2 – Expiry Status, Has Open Claim and Amounts in Local currency

Existing API to fetch the list of LC contract details (QueryContractListDtl) should be enhanced with additional output tags Expiry Status, Local Currency, Contract amount in Local currency, Current Availability in Local Currency and Has Open Claim.

18.2.1 Functional Flow Diagram

Not Applicable

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18.2.2 Detailed Flow

Existing API to fetch the list of LC contract details (QueryContractListDtl) should be enhanced with additional output tags Expiry Status, Local Currency, Contract amount in Local currency, Current Availability in Local Currency and Has Open Claim.

- Query response includes Expiry status of the contract. Expiry status will be E (Expired – expiry date less than application date) or N (Not Expired – expiry date greater than application date).

- Query response includes the local currency and the local currency amount for contract amount and the current available amount of a transaction.

- Query response returns the status of open claims for the guarantee contract.

  - Has Open Claim will return the value as 'Y', if the claim status of guarantee contract is 'L - Lodged, 'I - Injunction' or 'Q - Query to extend or settle'.

  - Has Open Claim will return the value as 'N', If the claim status of the guarantee contract is other than 'L - Lodged, 'I - Injunction' or 'Q - Query to extend or settle'.

  - Has Open Claim is applicable only for guarantee contracts and for other contracts the value will be returned as 'N'.

Tag	Input	Output
EXPIRY_STAT	N	Y
LOCAL_CURR_LCY	N	Y
CONTRACT_AMT_LCY	N	Y
CURRENT_AVAILABILITY_LCY	N	Y
HAS_OPEN_CLAIM	N	Y

18.2.2.1 UI Prototype

Not Applicable

18.2.2.2 UI Elements

Not Applicable

18.2.2.3 UI Error Messages

Not Applicable

18.3 Feature 3 – Amounts in Local Currency for Customer Acceptance

Existing API QueryCustomerAccept should be enhanced with additional output tags Local Currency and Contract amount in Local Currency.

18.3.1 Functional Flow Diagram

Not Applicable

18.3.2 Detailed Flow

Existing API QueryCustomerAccept is modified with additional output tags. Query response includes the local currency and amount in local currency of a transaction.

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Field	Output
LOCAL_CCY	Y
CONTRACT_AMT_LCY	Y

18.3.2.1 UI Prototype

Not Applicable

18.3.2.2 UI Elements

Not Applicable

18.3.2.3 UI Error Messages

Not Applicable

18.4 Feature 4 – Amounts in Local Currency for Amend Details

Existing API QueryAmendDtls should be enhanced with additional output tags Local Currency and Contract amount in Local Currency.

18.4.1 Functional Flow Diagram

Not Applicable

18.4.2 Detailed Flow

Existing API QueryAmendDtls is modified with additional output tags. Query response includes the local currency and amount in local currency of a transaction.

Field	Output
LOCAL_CCY	Y
CONTRACT_AMT_LCY	Y

18.4.2.1 UI Prototype

Not Applicable

18.4.2.2 UI Elements

Not Applicable

18.4.2.3 UI Error Messages

Not Applicable

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18.5 Feature 5 – Acknowledgement Status of Messages

Existing API QueryTFMessages should be enhanced with tag Acknowledgement Status.

18.5.1 Functional Flow Diagram

Not Applicable

18.5.2 Detailed Flow

- Existing API **QueryTFMessages** is modified with additional tags.
- Input field ACK_NACK_STATUS_MAS can have values 'O','A','N','X','ALL' for acknowledgement status in Pending, Accepted, Rejected, Not Required and ALL respectively.
  - List of messages will be filtered based on the input tag value. For Example- If the tag value is A, the response includes only the messages with acknowledgement status as Accepted.
- Output field ACK_NACK_STATUS_DTL can have values 'O','A','N','X' for acknowledgement status in Pending, Accepted, Rejected and Not Required respectively.

Field	Mandatory	Input	Output
ACK_NACK_STATUS_MAS		Y	Y
ACK_NACK_STATUS_DTL		N	Y

18.5.2.1 UI Prototype

Not Applicable

18.5.2.2 UI Elements

Not Applicable

18.5.2.3 UI Error Messages

Not Applicable

18.6 Feature 6 – Presenting Bank

System should be enhanced with new API to identify if any other bill already exists with the same Exporters Bank Reference.

18.6.1 Functional Flow Diagram

Not Applicable

18.6.2 Detailed Flow

Introduced an API 'QueryBCPresentbakdl' to list the BC reference number which already exists with the same Exporter's Bank Reference.

- When an OBTF System receives 'Party type' and 'Party Reference' as input values – System verifies if there is any other bill exists with same Reference for the provided Party type. If yes,

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the value of Bill reference number and Document Original Received will be provided as response.

- When an OBTF System receives 'Party type', 'Party Reference' and LC Reference number as input values – System verifies if there is any other bill exists with same Reference for the provided Party type against the same LC reference number. If yes, the value of Bill reference number and Document Original Received will be provided as response.
- If there is no existing bill with the same reference against the party type, the response will not contain any Bill reference number and Document Original Received.

Field	Mandatory	Input	Output
Party type	Y	Y	Y
Party Reference	Y	Y	Y
LC Reference Number		Y	Y
Bill Reference Number		N	Y
Document Original Received		N	Y

18.6.2.1 UI Prototype

Not Applicable

18.6.2.2 UI Elements

Not Applicable

18.6.2.3 UI Error Messages

Not Applicable

18.7 Feature 7 – Bill Sequence Number, Special Price Reference and Customer Dispatch

Existing API QueryContract should be enhanced with tags Bill Sequence Number, Special Pricing Reference number, Customer Dispatch.

18.7.1 Functional Flow Diagram

Not Applicable

18.7.2 Detailed Flow

Existing API Create/Modify/QueryContract of BC/IB is modified with additional tags.

- Query response includes the Sequence number of the bill booked under an LC. Bill Sequence number is applicable for both Import and Export bills under LC. Refer *OBTF_14.5.2.0.0_DesignDocument_BillSequenceNumber.docx* for details.

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- Special Pricing Reference number for an interest component can be provided/Queried using new tag/field 'SPECIAL_PRICE_REF'. User can capture the Special Pricing Reference Number, when there is a special Interest rate to be provided for that customer against the interest component. Refer *OBTF_14.5.2.0.0_DesignDocument_SpecialPriceReference* for details.

- Customer Dispatch flag indicates whether the customer can dispatch the Export documents directly to the importer's bank. Customer dispatch for a contract can be provided/queried using the tag 'CUSTOMER_DISPATCH'. Refer *OBTF_14.5.2.0.0_DesignDocument_CustomerDispatch.docx* for details.

Field	Input	Output
BILL_SEQ_NO	Y	Y
SPECIAL_PRICE_REF	Y	Y
CUSTOMER_DISPATCH	Y	Y

18.7.2.1 UI Prototype

Not Applicable

18.7.2.2 UI Elements

Not Applicable

18.7.2.3 UI Error Messages

Not Applicable

18.8 Feature 8 – Customer Instruction

OBTF system has been enhanced to list the maintained standard instruction through API.

- Introduced API – OBTFIFService (QueryTFInstructions) to list the standard instruction details maintained for the customer.

OBTF system has been enhanced to capture the customer instructions during transaction processing API's using tag <Trans-Ins><INSTRUCTION></INSTRUCTION></Trans-Ins>

18.8.1 Functional Flow Diagram

Not Applicable

18.8.2 Detailed Flow

List of maintained Standard Instructions can be queried using an API,

- o Service Name: OBTFIFService
- o Operation Code: QueryTFInstructions

Field	Mandatory	Input	Output

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Customer Number	Y	Y	Y
Module Code	Y	Y	Y
Product Type	Y	Y	Y
Under LC	Y	Y	Y
Product Code	Y	Y	Y
Instruction ID			Y
Instruction			Y
Instruction Date			Y
Instruction Expiry Date			Y

OBTF system has been enhanced to capture the customer instructions during LC/LI/BC/IB transaction processing API's using tag <Trans-Ins><INSTRUCTION></INSTRUCTION></Trans-Ins>

18.8.2.1 UI Elements

Not Applicable

18.8.2.2 UI Error Messages

Not Applicable

18.9 Feature 9 – CGM – Reference Number Generation

- OBTF System has been enhanced with an API to generate the reference number for a common group messages.

18.9.1 Functional Flow Diagram

Not Applicable

18.9.2 Detailed Flow

- Introduced an API QueryTFGenRefNum to generate the common message group reference number.
  - When an OBTF system receives the query request, the response will be the reference number for a common group message.

Filed	Mandatory	Input / Output	Possible Values
INTERNALREF	Y	Output	<Reference Number>

18.9.2.1 UI Prototype

Not Applicable

18.9.2.2 UI Elements

Not Applicable

18.9.2.3 UI Error Messages

Not Applicable

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19. Support for Liability in OBTF

19.1 Feature 1 – Support for Liability in OBTF

- OBTF System enhanced to fetch linkage type 'Liability' in Trade transaction screens.
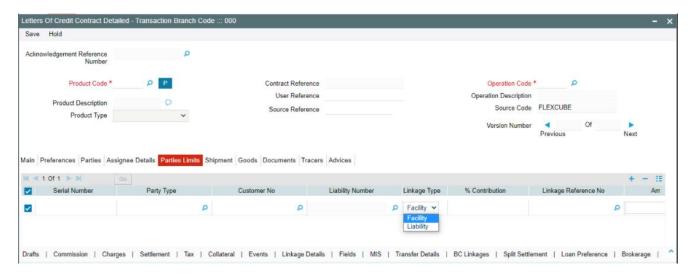
19.1.1 Functional Flow Diagram

Not Applicable

19.1.2 Detailed Flow

- New Drop down value 'Liability' introduced for the field linkage type in below screens,
    - LCDTRONL/LIDTRONL
    - BCDTRONL/IBDTRONL
    - LCDGUONL/LIDGUONL
    - LCDTRANF/LIDTRANF
    - LCDGUTRF/LIDGUTRF
- Linkage Reference No option is also enhanced to display all valid facilities and liabilities from ELCM system for the specific liability number.

19.1.2.1 UI Prototype

19.1.2.2 UI Elements

Not Applicable

19.1.2.3 UI Error Messages

Not Applicable

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20. Risk Free Rates

20.1 Feature 1 – Risk Free Rates

OBTF System should have a provision to consume Risk Free Rates daily from a published source and applied for floating rate types and Arrears collection type.

- OBTF will enhanced to consume and calculate the interest rate based on the rates maintained for RFR.

- The RFR will be supported for,
    - Floating Rates.
    - Arrear Collection type and not for Advance Collection type.

- Integration of OBTF with centralized interest calculation engine is established. When OBTF requires interest rate and computed interest amount, this new interest calculation engine on receipt of appropriate parameters sent will provide it.

- To support interest rate compounding each succeeding day of the Interest period, where the accrued interest added to the principal. If Interest rates not available for a day, then previous day's interest rate considered.

20.1.1 Functional Flow Diagram

Not Applicable

20.1.2 Detailed Flow

1. Define Rate codes for Risk Free rates in existing Rate Code Definition screen (CFDFRTCD) for the Standard overnight RFRs mentioned in figure 1.

2. RFR rate details to be maintained in existing RFR Rate Input screen (CFDRFRRT) for a specific currency.

3. Trade Finance Interest Class Definition Maintenance screen (CFDTFINC) will be enhanced to support RFR methods and computation preferences.

   Table 1: Introduced Alternate Risk Free Rate Preference

Field name	Field Description	Field Type
Alternative Risk Free Rate	Identifies if the interest class is enabled for RFR	Check Box
Alternative Risk Free Rate Preferences	User will have the option to select any one of the below RFR calculation methods • Plain -Use the averaged RFR over the current interest period, paid on the first day of the next interest period. • Lookback - For everyday in the current interest period, user RFR rates from k days earlier. • Payment Delay - Use the averaged RFR over the current interest period, paid k days after the start of the next period. • Lockout - Use the averaged over the the current interest period with last dates set at the fixed k days before the period ends.	Check Box

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Look Back Days	Number of days to look back for interest rate when Alternative Risk Free Rate Preferences is Lookback.	Text
Lockout Days	Lockout days means that the RFR is frozen for a certain number of days prior to the end of an interest period (lockout period) when Alternative Risk Free Rate Preferences is Lockout.	Text
Payment Delay Days	Number of days by which the interest (or installment) payments are delayed by a certain number of days and are thus due a few days after the end of an interest period.	Text
Base Computation method	It can be either Simple or compounded	Dropdown
Spread\ Margin Computation method	Spread\ Margin computation method can be maintained as either Simple or compounded	Dropdown
Spread Adjustment computation method	Spread adjustment method can be kept as either Simple or compounded	Dropdown
Rate compounding	This will enable user to select if rate compounding to be applied for each calculation period	Checkbox

- RFR rate code maintained in screen "RFR Rate input" will be available in Rate code of Trade finance Interest class definition floating rate code. For the provided rate code – maintained currency details should be same as Settlement currency of Trade Class Interest Class Definition.
- On selection of Alternate Risk free rate below validations performed.

Table 2 : RFR Screen Validations

Sl. No.	Validation	Type	Message	Actionable by End User
1	User checks 'RFR method' flag for the interest class, without checking Alternate Risk Free Rates option	Error	For selecting any RFR method, Alternate Risk Free Rates should be selected	Check Alternate Risk Free Rates flag or uncheck RFR method
2	User checks 'Alternate Risk Free Rates option " flag, without checking RFR method'	Error	For Alternative RFR rates, one of RFR methods and corresponding method days are mandatory	Check RFR method or uncheck alternative RFR option
3	User selects more than one RFR method in an interest class	Error	Only one RFR method can be selected at a time	Check only one RFR method
4	User selects Look back method without entering the Look back days	Error	For Lookback method Lookback days must be provided	User has to enter the Lookback days
5	User selects Lockout method and keeps lockout days as blank	Error	For Lockout method Lockout days must be provided	User has to enter Lockout days

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6	User selects Payment delay method and keeps payment days as blank	Error	For Payment delay method Payment dealy days must be provided	User has to enter Payment delay days
7	User keeps the computation methods as blank	Error	Computation methods either simple or compounded should be selected.	User should select computation as simple or compounded
8	User selects rate from Floating rate maintenance other than RFR and Alternative Risk-free rate option selected.	Error	Rate code selected does not apply to RFR.	User should select rate code applicable for RFR
9	User selects RFR rate from floating rate maintenance and Alternative Risk-Free Rate details not provided.	Error	For RFR rate code, Alternative Risk-Free Rate details should be provided	User should provide Alternative Risk-Free rate details.
10	User selects RFR rate code and provides settlement currency other than currency mapped to RFR rate code.	Error	Mismatch of input currency details with currency mapped for the rate code.	User should provide Settlement currency with currency maintained in RFR rate code.
11	User selects lookback method and provides lookback days as zero.	Error	Lookback days should be greater than zero.	User should provide lookback days greater than zero for lookback method.
12	User selects lockout method and provides lockout days as zero.	Error	Lockout days should be greater than zero.	User should provide lockout days greater than zero for lockout method.
13	User selects payment delay method and provides payment delay days as zero.	Error	Payment delay days should be greater than zero.	User should provide payment delay days greater than zero for payment delay method.
14	User does not provide settlement/Limit currency for RFR component	Error	Settlement and Limit Currency is Mandatory for RFR Component.	User should provide settlement and Limit currency for RFR component.

4. Introduced new fields as mentioned in Table 1: Introduced alternative Risk Free rate Preference in existing Interest/Profit Screen of Bills and Collection/Islamic Bills and Collection Product Maintenance Screen.

- RFR details will be defaulted from Trade finance interest class.

- On selection/Modification of Alternate Risk free preferences, validations performed as mentioned in the Table 2: RFR Screen Validations.

5. Introduced new fields as mentioned in Table 1: Introduced alternative Risk Free rate Preference in existing Interest/Profit Screen of Bills and Collection/Islamic Bills and Collection contract creation Screen.

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- RFR details will be defaulted from Product definition.
- During Contract creation, a user cannot change the defaulted RFR preferences in the interest call form.
- RFR Contracts cannot be created from non-RFR products and vice-versa.

6. Below BC/IB batch processes has been enhanced to pick-up the defined RFR rates wherever required.
   a) Floating Rate Change
   b) Interest Accrual
   c) Auto Liquidation

20.1.2.1 UI Prototype

Figure 1: Rate Code Definition screen (CFDFRTCD)

Figure 2: RFR Rate Input screen (CFDRFRRT)
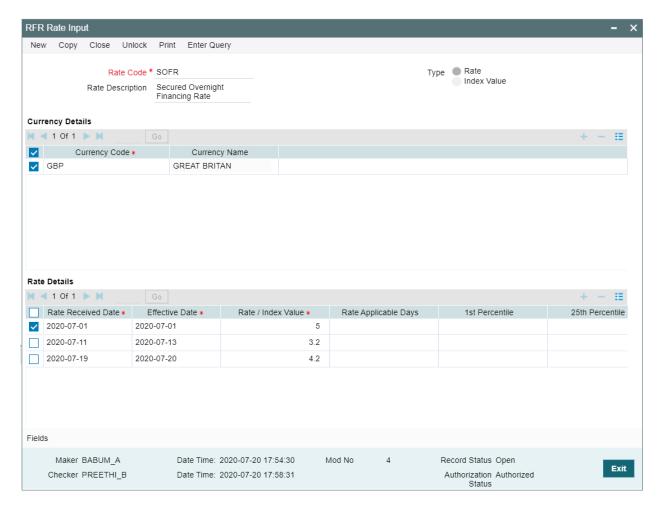
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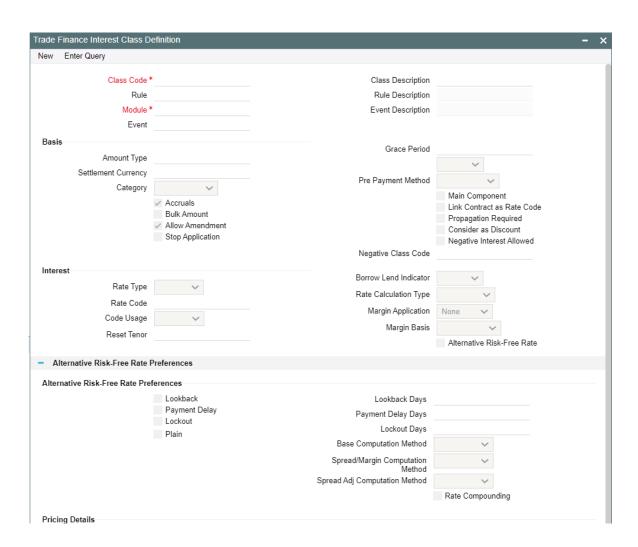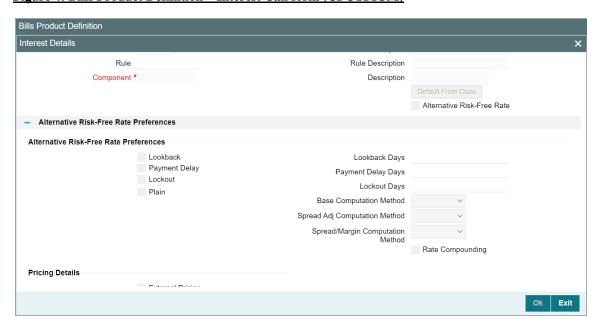**Figure 3: Trade Class Interest Class Definition (CFDTFINC):**
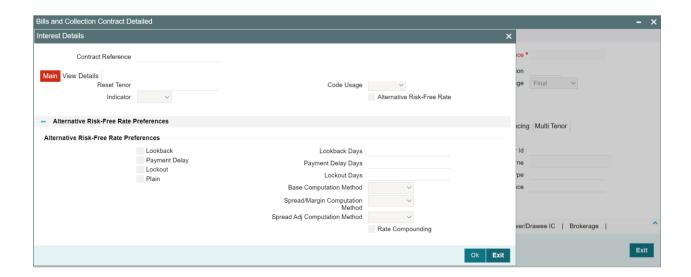
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Figure 4: Bills Product Definition – Interest Call form (CFCTFICM)

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Figure 5: Bills and Collection Contract Detailed – Interest Call form (CFCTFICO)

20.1.2.2 UI Elements

Not Applicable

20.1.2.3 UI Error Messages

S.No	Error Code	Error Description
1	TF-RFR-M01	For selecting any RFR preference, Alternate Risk Free_Rates should be selected
2	TF-RFR-M02	For Alternative RFR rates, one of RFR methods and corresponding method days are mandatory
3	TF-RFR-M03	Only one RFR method can be selected at a time
4	TF-RFR-M04	For LookBack method, LookBack method days must be provided
5	TF-RFR-M06	For Payment Delay method, Payment Delay method days must be provided
6	TF-RFR-M08	For LockOut method, LockOut method days must be provided
7	TF-RFR-M10	Computation methods either simple or compounded should be selected.
8	TF-RFR-M11	Rate code selected does not apply to RFR
9	TF-RFR-M12	For RFR rate code, Alternative Risk-Free Rate details should be provided
10	TF-RFR-M24	Mismatch of input currency details with currency mapped for the rate code
11	TF-RFR-M28	Payment delay days should be greater than zero
12	TF-RFR-M29	Lookback days should be greater than zero
13	TF-RFR-M30	Lockout days should be greater than zero
14	TF-RFR-M37	Settlement and Limit Currency is Mandatory for RFR Component