

Oracle Financial Services Price Creation and Discovery

User Guide

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Oracle Financial Services Price Creation and Discovery User Guide

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1 Preface

Oracle Financial Services Pricing Management application is renamed to Oracle Financial Services Price Creation and Discovery.

Oracle Financial Services Price Creation and Discovery (OFS PCD) application user guide explains the concepts of Price Creation and Discovery and provides step-by-step instructions for navigating through the application.

This chapter discusses the following topics:

- [Audience](#)
- [How this Guide is Organized](#)
- [Documentation Accessibility](#)
- [Related Documents](#)
- [Conventions](#)
- [Acronyms](#)

1.1 Audience

The target audience for this product is the globally active commercial and retail banks that provide either an asset or liability products or related services to either retail or institutional customers. Banks look forward to establishing a relationship with the customer by meeting their needs of banking products and services; the focus of the bank here is the profitability of the customer which is driven by the rate offered by the bank. Banks are keen to provide customized deals to customers based on customer attributes. The audience within the bank includes CDO, CIO, CRO, Treasury, Product, and LoB heads.

The target audience to this guide is the different roles within the bank that are involved in setting up/configuring the product and daily users. It is targeted towards the Administrators, Analysts, Implementation partners, Relationship Managers & Product Managers.

1.2 How this Guide is Organized

The Price Creation and Discovery User Guide includes the following topics:

- Chapter 1, "About Price Creation and Discovery," explains the Price Creation and Discovery Application, its workflow, and user roles and actions.
- Chapter 2, "General Features," explains the general features of Price Creation and Discovery. These are the common features that are found across the application.
- Chapter 3, "Getting Started," explains how to access and log in to the application.
- Chapter 4, "Managing Administration," explains the roles and activities of an Administrator in regards to the application settings.
- Chapter 5, "Managing Price Creation and Discovery," explains the roles and activities of the Relationship Manager for pricing.

- Chapter 6, "Workflow," explains the workflow procedure for approval of a deal.
- Chapter 7, "Overview of Reports," explains the various reports that can be generated by the Price Creation and Discovery application.
- Appendix A, "Parameters for Batch Maintenance," explains the procedure to define the parameter list of the batch.
- Appendix B, "Deploying the Web Service," explains the procedure to deploy a web service.
- Appendix C, "Integrating OFS PCD with OFS FTP," explains the procedure to integrate OFS PCD application with OFS FTP application.

1.3 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>.

Access to Oracle Support

Oracle customers have access to electronic support through My Oracle Support. For information, visit <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info> or visit <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs> if you are hearing impaired.

1.4 Related Documents

This section identifies additional documents related to the OFS PCD application pack 8.0.7.4.0. You can access Oracle documentation online from the Documentation Library ([OHC](#)).

Additionally, you can refer to the following documents for OFS PCD application pack Release 8.0.7.4.0:

- [OFS Price Creation and Discovery Release Notes 8.0.7.4.0](#)
- [Oracle Financial Services Price Creation and Discovery Application Pack Installation Guide 8.0.7.4.0](#)

Additional Documents to Read:

- [OFS Funds Transfer Pricing User Guide](#)
- [OFS Analytical Applications Technology Matrix](#)
- [OFS Analytical Applications Infrastructure Installation and Configuration Guide](#)

1.5 Conventions

The following text conventions are used in this document:

| Conventions | Meaning |
|---------------|---|
| boldface | Boldface type indicates graphical user interface elements associated with an action or terms defined in text or the glossary. |
| <i>italic</i> | Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values. |

| Conventions | Meaning |
|-------------|--|
| monospace | Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter. |

1.6 Acronyms

The following acronyms are used in this document:

| Acronym | Description |
|----------------|--|
| TP | Transfer Pricing |
| Expenses/ Cost | Total value of indirect costs like loan servicing costs, employee salaries that are allocated to a product |
| Fee Income | Income generated by a product based on the fees charged |
| NII | Net Interest Income |
| RAPM | Risk Adjusted Performance Measures |
| RAROC | Risk Adjusted Return on Capital |
| NIM | Net Interest Margin |
| ROTA | Return on Total Assets |
| SVA | Shareholder Value Added |
| UL | Unexpected Loss |
| EL | Expected Loss |
| FTP | Fund Transfer Pricing |

2 About Price Creation and Discovery

This chapter discusses the features of Price Creation and Discovery and its components.

The following topics are discussed in this chapter:

- [Overview](#)
- [Salient Features](#)

2.1 Overview

The Price Creation and Discovery Application is intended to aid a banker in pricing (or re-pricing) an asset or a liability product for a customer, while taking into account customer and product attributes, customer relationship depth, and overall customer or account level profitability.

In this application, the banker would enter relevant customer and product details and the product will return the suggested price as well as offers available that can be offered to the customer for that particular product.

The banker can obtain different combinations of price point and offer by adjusting the levers available.

The suggested price points and the final selected price can be saved in a database and made available for further analysis at a later stage.

2.2 Salient Features

Traditionally, banks had adopted a uniform product pricing policy that does not take into account the incremental risk that the bank was taking on its books on account of the new product. This results in a less than optimum price which is not sufficient to cover the additional risk.

To resolve these issues, the Price Creation and Discovery tool help the banks in the following ways:

The Price Creation and Discovery tool enable banks to assess the cost and risk added to their portfolio by each new product and helps them to price the product appropriately.

Price Creation and Discovery addresses this need by estimating the Transfer Rates, Capital Charges, and the Corresponding Price to be charged for the new exposure.

It estimates the Cash Flows from each new product and calculates the profitability measures like Risk-Adjusted Return on Capital (RAROC), Return On Total Assets (ROTA), Net Interest Margin (NIM), Revenue, and Shareholder Value Added (SVA) to measure the returns generated from a product by considering the risk added by them.

It enables banks to identify good credits and avoid bad credits.

The suggested price points and the final selected price should be saved in a database and made available for further analysis at a later stage.

2.3 Components

The main features of this application are:

- [Default Parameters](#)
- [Product Parameters](#)
- [Price Review](#)
- [Offers](#)
- [Carded Rates](#)
- [Pricing](#)

2.3.1 Default Parameters

This section discusses the setting up of default parameters.

Setting up the default parameters involves specifying general parameters for estimating the price. These parameters are inputs to the pricing process.

It also includes specifications of default parameters such as the Transfer Pricing Rule and Capital Charge Computation Rule. These parameters are required for estimating the Transfer Pricing and Capital Charge Measures by making a call to respective applications which provide the inputs required for pricing.

2.3.2 Product Parameters

This section discusses the setting up of Product parameters.

Setting up the product parameters involves specifying costs and setting target values for risk-adjusted performance measures (RAPM). This is specified for each product-currency combination to carry pricing.

2.3.3 Price Review

The Pricing Review section is where a bank user can configure rules based on which accounts can be reviewed to identify the accounts that need to be re-priced.

The rules can be defined based on attributes of customer and account such as age, next re-price date, or profitability parameters.

2.3.4 Offers

This section describes the creation of offers depending on certain parameters and criteria that have been set for the customer. In this section, the bank can manage the offers for a customer by adding, modifying, or deleting any offer.

2.3.5 Carded Rates

This section describes the creation of the carded rates for the bank. The bank can create their own Carded Rates for the customers based on certain eligibility criteria; which can be defined by the user.

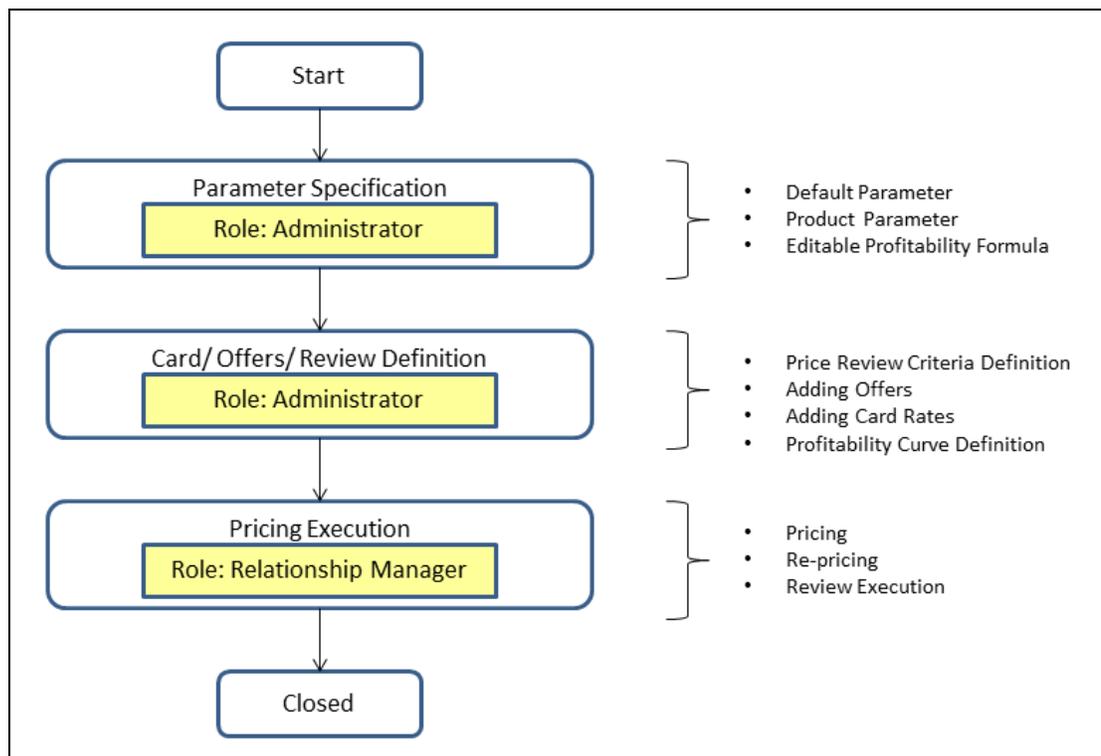
2.3.6 Pricing

In this section, the Relationship Manager can add new customers or define the Pricing Definition for the existing customers. The final computation of pricing happens at this stage. The Pricing Definition has the following steps:

- Customer Details
- Deal Details
- Offers
- Price Optimization
- Recommended Price

2.4 Business Process Flow

The Business Process Flow for the process is shown below:



The process flow is described below:

1. You need to specify the parameters before starting the process. This product supports three key methodologies:
 - Carded: In this method, the Interest Rate is pre-set and fixed by the banks.
 - Negotiated: In this method, the Interest Rate is negotiated with the customer.

- **User Input:** In this method, the banks can input their Rate of Interest based on certain parameters.

A Carded process involves finding a suitable price for the customer based on a pre-determined (set of) options available for that product and other dimensional combinations.

A Negotiated Process allows the banker to determine a suitable price point within a set of thresholds determined by the bank/banker to solve for a target profitability parameter.
- 2. The next stage is the Pricing Definition Section where you need to define the offers and the Carded Rates for the customer.
- 3. Finally, in the Pricing Execution, you can price new customers as well as consider the existing customers based on the available details of the customer and account.
- 4. Based on the available details of the customer and account, the application generates the best rate possible for the desired profitability.
- 5. In addition to this, reviews can be conducted to identify the accounts that need to be re-priced. The identification is based on certain pre-defined conditions.

2.5 User Roles and Actions

The actions for the respective users are:

- **Bank Administrator:** The Bank Administrator has the following roles:
 - Setting up Parameters
 - Price Review
 - Adding Card Rates
- **Relationship Manager:** The product pricing process begins with the analysis of the type of customer. The Relationship Manager analyzes and identifies whether the pricing is for an existing customer or a prospective customer.
 - a. In the case of existing customers, gather the relevant customer details from the system.
 - b. The relationship manager also specifies the details of the product to be priced and the details of the deal including the methodology of pricing and other relevant parameters.
 - c. After sufficient information has been gathered about the customer and the product, the Relationship Manager would use the Price Creation and Discovery Application to derive the final rate for the customer.
- **System Administrator:** A System Administrator creates roles and maps users. Access is provided to a user at the top of the hierarchy. Access is defined in terms of product and geography hierarchy. Users created by system administrators follow a similar hierarchy with restricted access.
- **Credit Analyst:** The credit analyst has the following roles:
 - Adding Card Rates
 - Adding Offer Rates
 - Creating Price Review Definition

2.6 User Access

The following tables explain the tasks that can be performed by various users in the Price Creation and Discovery application.

| Role | Deal Pricing | Description |
|-----------------------------|--------------|---|
| Relationship Manager | Yes | A Relationship manager has limited access; only to those accounts/customers that he is mapped to. |
| Pricing or Business Analyst | Yes | |
| Credit Analyst | Yes | |
| Admin or Super User | Yes | |
| Product Analyst | Yes | |

| Role | Card Rate Definition | Description |
|-----------------------------|----------------------|-----------------|
| Relationship Manager | No | |
| Pricing or Business Analyst | Yes | View Only |
| Credit Analyst | Yes | View and Edit |
| Admin or Super User | Yes | Create and Edit |
| Product Analyst | Yes | Create and Edit |

| Role | Offered Rate Definition | Description |
|-----------------------------|-------------------------|-----------------|
| Relationship Manager | No | |
| Pricing or Business Analyst | Yes | View Only |
| Credit Analyst | Yes | View and Edit |
| Admin or Super User | Yes | Create and Edit |
| Product Analyst | Yes | Create and Edit |

| Role | Accounts Flagged for Review | Description |
|-----------------------------|-----------------------------|-----------------|
| Relationship Manager | Yes | |
| Pricing or Business Analyst | Yes | View Only |
| Credit Analyst | Yes | View and Edit |
| Admin or Super User | Yes | Create and Edit |
| Product Analyst | Yes | Create and Edit |

| Role | Account Review Criteria Definition | Description |
|-----------------------------|------------------------------------|-----------------|
| Relationship Manager | No | |
| Pricing or Business Analyst | Yes | View Only |
| Credit Analyst | Yes | View Only |
| Admin or Super User | Yes | Create and Edit |
| Product Analyst | Yes | View and Edit |

| Role | Editable Profitability Formula | Description |
|-----------------------------|--------------------------------|---------------|
| Relationship Manager | No | |
| Pricing or Business Analyst | Yes | View Only |
| Credit Analyst | Yes | View Only |
| Admin or Super User | Yes | View and Edit |
| Product Analyst | Yes | View Only |

| Role | Profitability Curve Definition | Description |
|-----------------------------|--------------------------------|---------------|
| Relationship Manager | No | |
| Pricing or Business Analyst | Yes | View Only |
| Credit Analyst | Yes | View Only |
| Admin or Super User | Yes | View and Edit |
| Product Analyst | Yes | View Only |

2.7 Oracle Financial Services Price Creation and Discovery Run Chart

Oracle Financial Services Price Creation and Discovery provides the Run Chart listing the tasks required for the population of data for OFS PCD Reports. This covers the following tasks:

- Set up Table Population
- Stage Dimension Load
- Seeded Dimension Data Population
- Common Data Population
- Common Tasks like Exchange Rate Population

Download the OFS PCD 8.0.7.0.0 RUN Chart from the [MOS](#) Page.

3 General Features

This chapter explains the general features of Price Creation and Discovery. These are the common features that are found across the Price Creation and Discovery Application. It describes the organization of the user interface and provides step-by-step instructions for navigating through the application.

This chapter includes the following topics:

- [OFSAAI Home Page](#)
- [Price Creation and Discovery Common Screen Elements](#)

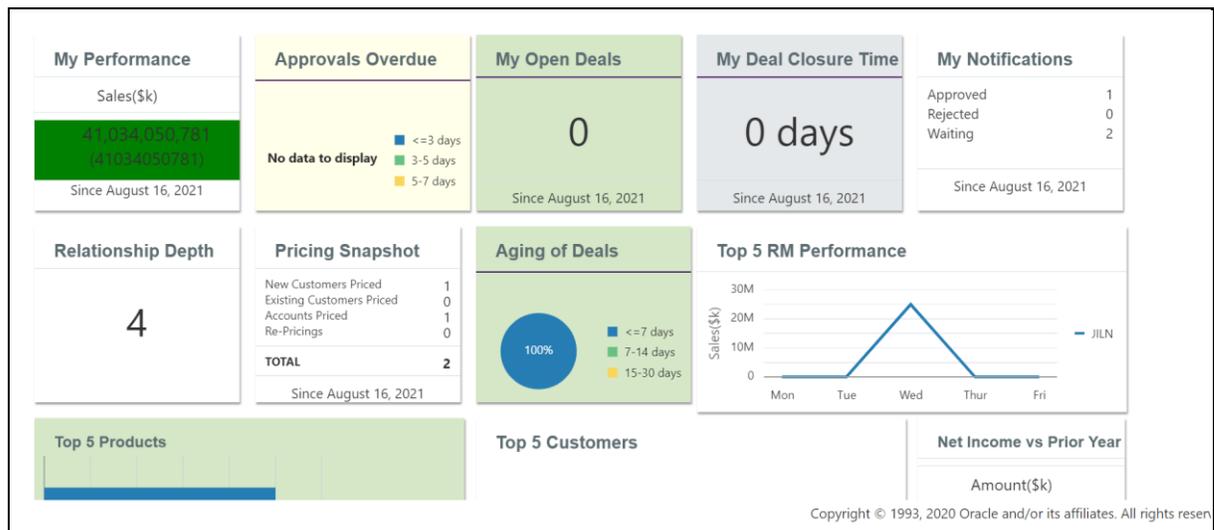
3.1 OFSAAI Home Page

This section describes the general features of the Oracle Financial Services Analytical Application Infrastructure Home Page. Any user logging into the Price Creation and Discovery Application comes across the OFSAAI Home Page.

This section discusses the various components of the OFSAAI Home Page.

3.1.1 Components of OFS PCD Homepage

Figure 1: OFS PCD Home Page



The OFS PCD Homepage (Landing page) displays the following information:

Top Row

| Widget | Description |
|-------------------|---|
| My Performance | Shows amount by which deal value for the logged-in RM exceeds/falls short of target – Target shown in brackets. |
| Approvals Overdue | Pie Values <=3 days, 3-5 days, 5-7 days. |

| Widget | Description |
|----------------------|--|
| My Deal Closure Time | Shows the average time in days from submission to approval. |
| My Notifications | Displays the status of the deals as follows: <ul style="list-style-type: none"> • Approved • Rejected • Escalated |

Middle Row

| Widget | Description |
|----------------------|--|
| Relationship Depth | This shows the average number of account holdings for each customer that has been priced. |
| Pricing Snapshot | Displays the following details: <ul style="list-style-type: none"> • New Customers Priced • Existing Customers Priced (for new deals) • Accounts Priced (indicating the total number of products) • Repricings |
| Aging of Deals | This shows the number of days it takes for a deal approval to come through. |
| Top 5 RM Performance | Lines point to Top 5 RM's with approved deal balances over the Last 5 Days. |

Bottom Row

| Widget | Description |
|--------------------------|---|
| Top 5 Products | Shows Product names and balances sold. |
| Top 5 Customers | Shows Customer names along with estimated net income. |
| Net Income vs Prior Year | Shows amount by which estimated net income exceeds/falls short of last year – Prior year shown in brackets below for all RM's in the system |

The OFS PCD Homepage contains the following sections.

- Top Menu
- Left Hand Side (LHS)
- Right Hand Side (RHS)

3.1.1.1 Top Menu

This section displays the logged-in User information and Information Domain. The Top menu contains the following buttons:

- **Logout:** This logs you out from the application.
- **Change Password:** This takes you to the Change Password Window.
- **About:** This displays the OFSAAI Copyright Information.

3.1.1.2 Left Hand Side (LHS)

This section displays the menu which allows you to navigate to the required module. The items displayed in the Menu depend upon the access rights of the logged-in user.

You can select an Information Domain to which the Application is connected, from the connected to drop-down list. The Menu gets refreshed based on the selected Information Domain.

For more details, see the *Oracle Financial Services Analytical Application Infrastructure User Guide*.

3.1.1.3 Right Hand Side (RHS)

This section displays user options available on the Home page on logging into OFSAAI Application. From the Set My Home Page drop-down list select an option and click **Save**. This saves the Application Page as the default Landing Page.

3.2 Price Creation and Discovery Common Screen Elements

This section describes the Common Screen Elements of Price Creation and Discovery.

The following table lists the various icons and buttons in the Price Creation and Discovery user interface:

Table 1: Common Icons

| Icon Button | Name | Description |
|---|-------------------|---|
|  | Add | Click to create a new function. |
|  | Enable/Disable | Click this check box to enable a selection. This selection is disabled if the box is unchecked. |
|  | Delete | Click to Delete any entry from the list. |
|  | Dimension | Click to view the list for Hierarchy Dimensions. |
|  | Edit | Click to modify any entry. |
|  | Number of Records | Click to display a particular number of records per page. |
|  | View | Click to view an entry post creation. |
|  | Sort By | Click to sort the list in the Summary Screen. |
|  | Search | Click to search for a record. |

3.2.1 Audit Trail

An Audit Panel is displayed at the bottom of the screens. The following details are displayed in this section.

Table 2: Audit Trail Screen Fields and Descriptions

| Field | Description |
|--------------------|---|
| Created By | Displays the name of the user who has created the record. |
| Creation Date | Displays the date when the record was created. |
| Last Modified By | Displays the name of the person who had last modified the record. |
| Last Modified Date | Displays the date when the record was last modified. |

Figure 2: Audit Trail Screen

The screenshot shows a web interface with two tabs: "Audit Trail" (selected) and "User Comments". Below the tabs is a search bar labeled "System ID:". Underneath is a table with the following columns: "Created By", "Creation Date", "Last Modified By", and "Last Modification Date". The table is currently empty. A scroll bar is visible on the right side of the table area.

3.2.2 Comments

This section enables you to enter any comments or descriptions about the record. This is a free text field.

4 Getting Started

This chapter provides step-by-step instructions to log in to the Price Creation and Discovery Application and different features of the Oracle Financial Services Price Creation and Discovery Application Page.

This chapter discusses the following topics:

- [System Requirements](#)
- [Accessing OFSAA Applications](#)
- [Managing the Pricing Application Page](#)

4.1 System Requirements

The following are the system requirements for Price Creation and Discovery Application.

- Microsoft Edge, Google Chrome, Firefox.
- Earlier versions and other browsers are not supported and may produce errors, inaccurate data, and display failures.
- Adobe Acrobat Reader version 9.0, or later. You can download a free copy of the latest version of the Reader at www.adobe.com.
- Java should be installed. JDK 1.7 (version 7) or above.
- The screen resolution of the system should be set to 1280 x 1024 or higher for proper display of the user interface (UI).

4.2 Accessing OFSAA Applications

Access to the Oracle Financial Services Price Creation and Discovery Application depends on the Internet or Intranet environment. Oracle Financial Services Price Creation and Discovery can be accessed through Microsoft Edge, Google Chrome, and Firefox browsers.

Your System Administrator provides the intranet address Uniform Resource Locator (URL).

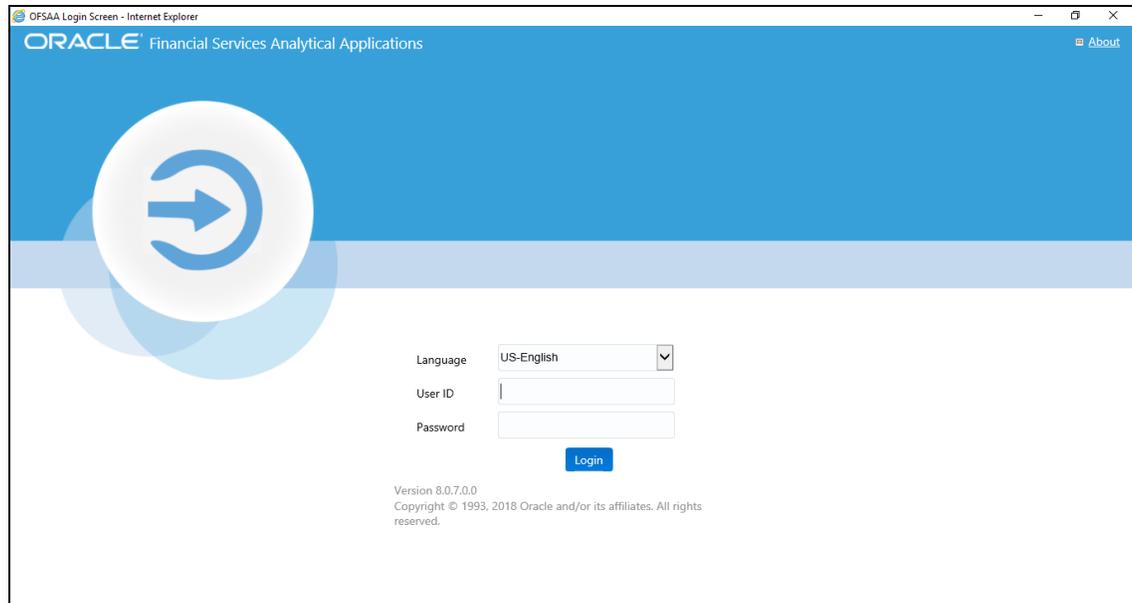
Your System Administrator provides you with a user ID and password. Log in to the application through the Login Page. You will be prompted to change your password on your first login. You can change your password whenever required by logging in. (See the Section [Change Password](#) for more information.)

Your password is case-sensitive. If you have problems with the password, verify that the Caps Lock key is off. If the problem persists, contact your System Administrator.

To access OFSAA Applications, follow these steps,

1. Enter the URL into your browser using the following format:
`<scheme/ protocol>://<ip address/ hostname>:<port>/<context-name>/login.jsp`
For example `https://myserver:9080/ofsaaapp/login.jsp`
The OFSAA Login Page is displayed.

Figure 3: OFSAA Login Page



2. Select the **Language** from the Language drop-down list.
3. Enter your **User ID** and **Password**.
4. Click **Login**. The OFSAAI Home Page is displayed.

The OFSAA Application Page is a common Landing Page for all users until a preferred application page is set. You can use the OFSAA Application Page to access the Oracle Financial Services Applications in your environment. For example, to access PCD, select Price Creation and Discovery from the drop-down list.

The OFSAA Application Page has multiple tabs and each tab has specific links to OFSAA Infrastructure and Application Modules. The modules which you may access depend on your user role and the OFSAA Application you select. The relevant tabs and links are displayed. This page is divided into two panes:

- **Left Pane:** Displays any menus and links to modules in a tree format based on the application selected in the Select Application drop-down list.
- **Right Pane:** Displays any menus and links to modules in a navigational panel format based on the selection of the menu in the Left pane. It also provides a brief description of each menu or link.

Following are the menu options available:

- Setup
- Account Review
- Card Rate Definition
- Offer Rate Definition
- Deal Pricing

4.3 Managing the Pricing Application Page

This section describes the different panes and tabs in the OFSAA Application Page.

- [Applications Tab](#)
- [Object Administration Tab](#)
- [System Configuration and Identity Management Tab](#)

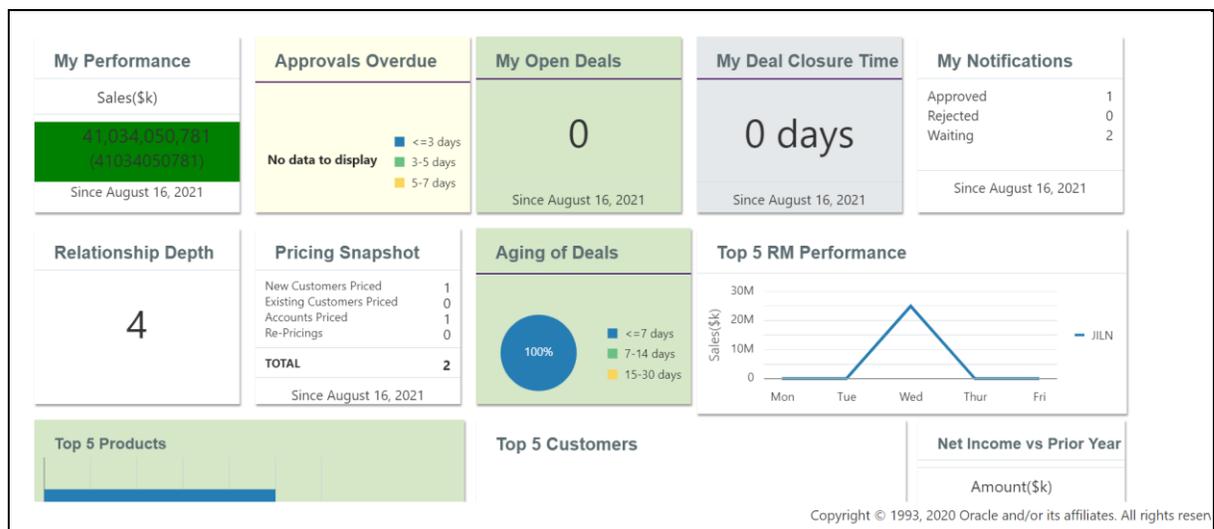
The following sections describe these tabs:

4.3.1 Applications Tab

The Applications Tab lists the various OFSAA Applications that are installed in the OFSAA Setup based on the logged-in user and mapped OFSAA Application User Group(s).

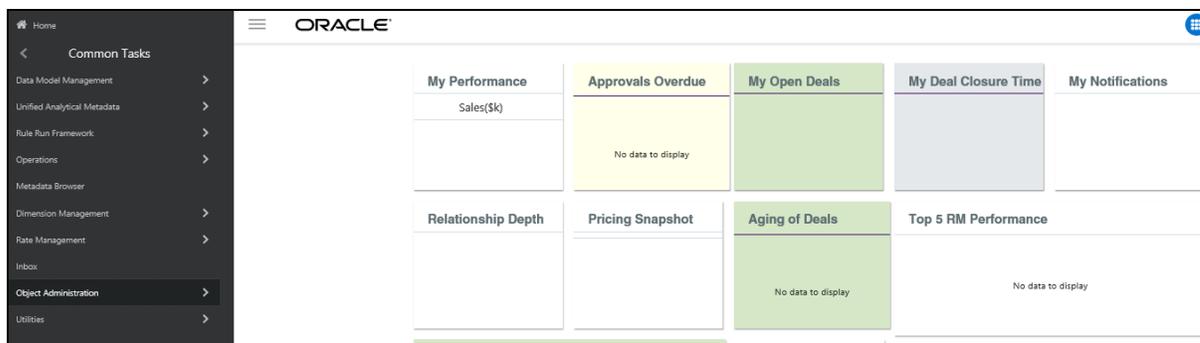
To access the OFSAA Applications, choose the required Application from the Select Application drop-down list. For PM, select Price Creation and Discovery. Based on your selection, the page refreshes the menus and links across the panes.

Figure 4: OFS PCD Home Page



4.3.2 Object Administration Tab

Object Administration is an integral part of the Infrastructure system and allows system administrators to define the security framework with the capacity to restrict access to the data and metadata in the warehouse, based on a flexible, fine-grained access control mechanism. These activities are mainly done at the initial stage, and then as needed. This tab includes information related to the workflow of the Infrastructure Administration process with related procedures to assist, configure, and manage administrative tasks. The Object Administration tab lists the various OFSAA Information Domains created in the OFSAA setup based on the logged-in user and mapped OFSAA Application User Groups. For more information about managing Information Domains, see the [Oracle Financial Services Advanced Analytical Applications Administration Guide](#). To define or maintain access for an Information Domain, choose the required Information Domain from the Select Information Domain drop-down list. Based on your selection, the page refreshes the menus and links across the panes.



4.3.3 System Configuration and Identity Management Tab

System Configuration and Identity Management is an integral part of the Infrastructure Administration Process. This tab helps System Administrators to provide the Security and Operational Framework required for the Infrastructure.

System Administrators can configure Server details, Database details, OLAP details, and Information Domains, along with other configuration processes such as segment and metadata mapping, mapping segments to securities, and rules setup. System Configuration is mostly a one-time activity, which helps the System Administrator make the Infrastructure system operational. The System Configuration and Identity Management tab lists the OFSAA Infrastructure System Configuration and Identity Management modules that work across Applications and Information Domains, so there is no Application and Information Domain drop-down list in this tab.

Selecting **Identity Management** allows System Administrators to manage Users, User Groups, and the functions each User or User Group may access. For more information about managing Users and User Groups, see the [Oracle Financial Services Advanced Analytical Applications Administration Guide](#).

4.3.4 Copyright Information

To access copyright information, click the About hyperlink in the OFSAA Login Page. The Copyright text is displayed in a new pop-up window.

4.3.5 Changing Password

If you want to change your password, you can do so using the **Change Password** option available from the drop-down list available on the OFSAA Application Page.

The application will navigate to the Password Change Page. Enter your old and new password in the given fields, respectively, and click **OK**. Your password is changed successfully. After clicking **OK** in the pop-up window, the application navigates back to the Login Page where you can log in with the new password.

4.3.6 Troubleshooting Your Display

If you experience problems logging into Oracle Financial Services Price Creation and Discovery or with your display, the browser settings may be incompatible with running OFSAA Applications. The following sections provide instructions for properly setting your Web display options for OFSAA Applications within IE.

NOTE

The following procedures apply to all versions of IE listed in the section System Requirements separate procedures are listed for each version where differences exist in the locations of settings and options.

4.3.7 Enabling Cookies

Cookies must be enabled. If you have problems troubleshooting your display, please contact your System Administrator.

4.3.8 Setting Preferences

The preferences section enables you to set your OFSAA Home Page. To access this section, click Preferences from the drop-down list where the user name is displayed.

The Preferences screen is displayed.

Figure 5: Preferences

| Property Name | Property Value |
|------------------|----------------|
| Set My Home Page | Default Screen |
| Date Format | -- Select -- |

Save Cancel

Under the Property Value drop-down list, select the application which you want to set as the Home Page.

Click **Save** to save your preference.

Whenever you install a new application, the related value for that application is found in the drop-down list.

5 Managing Administration

This chapter covers the following topics:

- [Overview](#)
- [User Roles and Actions](#)
- [Managing Administrative Activities](#)

5.1 Overview

This section discusses the activities that an Administrator performs for Price Creation and Discovery settings.

There might be a single administrator or multiple administrators who can manage the settings of the application. Each action for the administrator is independent of each other.

5.2 User Roles and Actions

- **User:** Administrator
- **Action:** The Administrator sets up the default and product parameters, sets the Price Review Criteria, the Card Rates, and adds offers for the customer.

5.3 Managing Administrative Activities

This section discusses the following topics:

- [Setting Default Parameters](#)
- [Setting Product Parameters](#)
- [Product Hierarchy](#)
- [Managing Account Review](#)
- Managing Card Rate Definition
- Managing Offer Rate Definition
- Managing Profitability Curve Definition

5.3.1 Setting Default Parameters

A Parameter is a limit or boundary which defines the scope of a particular process or activity. You need to define the parameters to set a measure for pricing computation.

To access this window, follow these steps:

1. Select **Price Creation and Discovery**, select **Setup**, and then select **Default Parameters**.
The Default Parameters Screen is displayed.

Figure 6: Default Parameters

Default Parameters
 Price Creation And Discovery > Setup > Default Parameters

Save Cancel

▼ Default Parameters

Cost of Capital Risk Free Rate
 Discount (%)

▼ Customer Insight Parameters

| Customer Type | Default Segmentation Type | Folder | Rule ID |
|---------------|---------------------------|--------|---------|
| Institutional | Corporate Tracker | | |
| Individual | Demographic | | |

▼ Transfer Pricing Parameters

Folder Transfer Pricing Process

> Capital Charge Parameters (not enabled)

▼ Global Default Parameters

| | Specify | Lookup | Real-time Calculation |
|--------------------|-------------------------------------|-------------------------------------|--------------------------|
| Transfer Price | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Expected Loss | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Unexpected Loss | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Average Balance | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Miscellaneous Fees | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Other Income | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Expenses | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Payments | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Purchases | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Utilization Rate | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Revolve Rate | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

The Default Parameter Screen has the following sections:

- Default Parameters
- Customer Insight Parameters
- Transfer Pricing Parameters
- Capital Charge Parameters
- Global Parameters

5.3.1.1.1 Default Parameters Section

This section of the **Default Parameters** Screen has the following fields:

Table 3: Default Parameters Fields and Descriptions

| Field | Description |
|-----------------|---|
| Cost of Capital | Enter the Cost of Capital as a profitability parameter for pricing. NOTE: Cost of capital is the cost of funds used for financing a business. |
| Risk-Free Rate | Enter the Risk-Free Rate for pricing. NOTE: Risk-Free Rate is the theoretical rate of return of an investment with no risk of financial loss. |
| Discount (%) | Enter the Discount Rate. |

5.3.1.1.2 Customer Insight Parameters Section

The Customer Insight Parameters Section is integrated with IPA/RPA. This section has the following fields:

Table 4: Customer Insight Parameters Field and Descriptions

| Field | Description |
|---------------------------|--|
| Customer Type | Select the customer type to be used as a customer insight parameter. The customer type can be Institutional or Individual. NOTE: The Institutional option is integrated with IPA and the Individual option is integrated with RPA. |
| Default Segmentation Type | Select the basis by which the customers are segmented. |
| Folder | Select the folder from the drop-down list. |
| Rule ID | Select the rule ID corresponding to which segmentation is done in the selected folder. |

5.3.1.1.3 Transfer Pricing Parameters Section

The Transfer Pricing Parameters Section is integrated with FTP. This section has the following fields:

Table 5: Transfer Pricing Parameters Fields and Descriptions

| Field | Description |
|--------------------------|--|
| Folder | Select the folder from the drop-down list. |
| Transfer Pricing Process | Select the Transfer Pricing Process from the drop-down list. |

5.3.1.1.4 Capital Charge Parameters Section

Capital Charge is an amount of money equal to how much a business has tied up in assets multiplied by the weighted average cost of those assets. The Capital Charge Parameters Section is integrated with Basel. This section has the following fields:

Table 6: Capital Charge Parameters Field and Description

| Field | Description |
|-----------|--|
| Basel Run | Select the appropriate value from the drop-down list for Basel Run. This value is derived if you have Basel installed along with Price Creation and Discovery. |

5.3.1.2 Global Default Parameters

The final section in the Default Parameters screen is the Global Default Parameters Section where you need to specify the approach by which a specific parameter can be used while pricing a deal. This section has the following fields:

Table 7: Global Default Parameters Fields and Descriptions

| Field | Description |
|---------------------------|---|
| Global Default Parameters | <p>To select an input method for the transfer price parameter, select the corresponding check box in the appropriate column. The input method can be Specify, Lookup, or Real-time Calculation.</p> <p>The following parameters are available:</p> <ul style="list-style-type: none"> • Transfer Price • Expected Loss • Unexpected Loss • Average Balance • Miscellaneous Fees • Other Income • Expenses • Payments • Purchases • Utilization Rate • Revolve Rate <p>NOTE: The Specify and Lookup Input Methods are selected for all the parameters by default and can be deselected. The Input Method or Methods that you select are available to the RM when pricing a deal.</p> |

5.3.2 Setting Product Parameters

The Product Parameter Window allows Administrators to specify parameters, adjustments, and costs that are applicable to a given product-currency combination. You can also specify the floor values of rate and profitability parameters that are applicable for the selected product.

To access this screen, follow these steps:

1. Click **Price Creation and Discovery**, select **Setup**, and then select **Product Parameters**.

Figure 7: Product Parameters

The screenshot shows the 'Product Parameters' window. At the top, there is a breadcrumb 'Home > Product Parameters' and a search bar with 'Clear' and 'Go' buttons. Below the search bar are input fields for 'Product' and 'Currency'. A 'Product Parameters' section is expanded, showing a table with columns: Product, Currency, Created By, Created Date, Last Modified By, and Last Modified Date. The table contains 10 rows of data.

| Product | Currency | Created By | Created Date | Last Modified By | Last Modified Date |
|-----------------------|-----------|------------|--------------------|------------------|---------------------|
| Institutional Savi... | US Dollar | PMUSER | 07/22/2021 00:0... | PMUSER | 07/22/2021 11:47:00 |
| Platinum Card | US Dollar | PMUSER | 07/22/2021 00:0... | PMUSER | 08/24/2021 16:06:00 |
| Equity Plus | US Dollar | PMUSER | 07/22/2021 00:0... | PMUSER | 07/22/2021 13:40:00 |
| Leases | US Dollar | PMUSER | 07/22/2021 00:0... | PMUSER | 07/22/2021 14:24:00 |
| Other Contracts | US Dollar | PMUSER | 07/23/2021 00:0... | PMUSER | 07/27/2021 11:56:00 |
| Savings(Ret) | US Dollar | PMUSER | 07/23/2021 00:0... | PMUSER | 07/23/2021 14:44:00 |
| Car Loan | US Dollar | PMUSER | 07/23/2021 00:0... | PMUSER | 07/23/2021 15:34:00 |
| Business Loans | US Dollar | PMUSER | 07/21/2021 00:0... | PMUSER | 09/26/2021 13:18:00 |
| Government Loa... | US Dollar | PMUSER | 07/21/2021 00:0... | PMUSER | 07/21/2021 16:53:00 |
| Home Loan | US Dollar | PMUSER | 07/21/2021 00:0... | PMUSER | 08/24/2021 16:20:00 |

NOTE

If a new profitability parameter is defined in the **Editable Formula Window**, it appears in the **Product Parameter Specification**. The expressions defined for the profitability parameter can be mapped to certain product types and if the product that is selected has a particular expression mapped to it then the Floor Rate for the same is captured in this section. You must capture the Floor Values for the new formula if you want it to appear when you price the product.

The Product Parameter Screen has the following sections:

- Searching a Product Parameter
- Product Parameter Summary

5.3.3 Defining a Product Parameter

You can navigate to the Defining a Product Parameter Screen by clicking the **Add** icon on the Product Parameter Summary from the main screen.

Figure 8: Product Parameter Specification

The screenshot shows the 'Product Parameter Specification' window. At the top, it displays the breadcrumb 'Price Creation And Discovery > Setup > Product Parameter Specification(Definition Mode)' and 'Save' and 'Cancel' buttons. The 'Product Details' section includes a 'Product Name' dropdown menu with the placeholder 'Choose the product' and a 'Currency' dropdown menu set to 'US Dollar'. The 'Floor Values' section contains two columns of input fields: the left column includes 'Fee Income (%)', 'Interest Rate (%)', 'Purchase Rate (%)', 'Balance Transfer Rate (%)', and 'Go-To Rate (%)'; the right column includes 'Spread (bps)', 'Purchase Spread (bps)', 'Balance Transfer Spread (bps)', and 'Go-To Spread (bps)'. The 'Performance Metric' section has tabs for 'Audit Trail' and 'User Comments'. Below this is a table for 'System ID:-1' with the following data:

| | | | |
|------------------|--------|------------------------|--------------------------------|
| Created By | PMUSER | Creation Date | September 27, 2021 03:01:31 PM |
| Last Modified By | PMUSER | Last Modification Date | September 27, 2021 03:01:31 PM |

The Product Details Screen has the following fields:

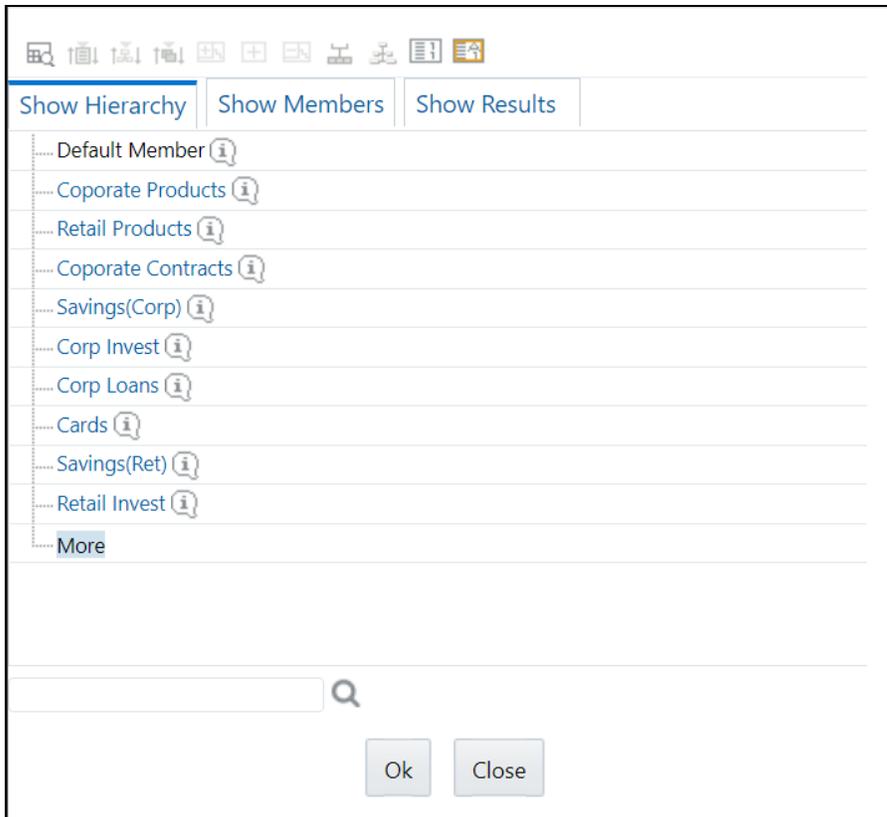
- **Product Name:** Select the Product Name from the lookup menu.

The lookup menu will show the Product Hierarchy from where you need to select the product. You can also use the search option to search for a product from within the list.

5.3.4 Product Hierarchy

The Product Hierarchy List shows the list of products that are listed for pricing.

Figure 9: Product Hierarchy Window



To search for a product type, you can use the Search By option to select the criteria for searching.

1. For example, select **Dimension Member** Name from the drop-down list.
2. In the Matching Values Section, select **Starts With**.
3. In the Values field, enter the first name of the Member.
4. Click **Search**.

This will result in displaying all the members with the same first name.

Floor Values: The Floor Values Section has the following fields:

- Fee Income (%)
- Interest Rate (%)
- Spread (bps)
- Purchase Rate (%)
- Purchase Spread (bps)
- Balance Transfer Rate (%)
- Balance Transfer Spread (bps)
- Go-To Rate (%)
- Go-To Spread (bps)

This section enables you to enter the profitability parameters for pricing computation.

NOTE The new floor values defined for an Editable Formula are defined here. For information on Editable Formula, see [Defining Formula for Profitability Parameter](#).

NOTE The above parameters are the parameters that are enabled by default. Any additional parameters that are defined also appear here.

Performance Metric Section: The Performance Metric Section has the following fields:

Figure 10: Performance Metrics

| Performance Metric | | | | | | Add Y-o-Y LTV | Delete |
|--------------------|-----------------|--------|--------|--------|--------|---------------|--------|
| | Life-Time Value | Year 1 | Year 2 | Year 3 | Year 4 | | |
| RAROC(%) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| ROTA(%) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Revenue(%) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| SVA | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |

Enter the field values as follows:

| Field | Description |
|---------------|--|
| Interest Rate | Enter the floor interest rate for the product. |
| Spread | Enter the floor spread for the product. |
| RAROC | Enter the floor RAROC for the product. |
| SVA | Enter the floor SVA rate for the product. |
| ROTA | Enter the floor ROTA rate for the product. |
| NIM | Enter the floor NIM rate for the product. |
| Revenue | Enter the floor revenue rate for the product. |

This section enables you to enter the performance metrics at the yearly level. You can add up to five years.

5.3.5 Searching a Product Parameter

The searching a Product Parameter Section helps you to search for a product parameter using certain criteria.

The criteria for searching a product parameter are:

Table 8: Product Parameter Search Criteria

| Field | Description |
|---------|--|
| Product | Enter the type of product for pricing. |

| Field | Description |
|----------|--|
| Currency | Enter the currency used for pricing computation. |

5.3.6 Product Parameter Summary

The Product Summary Screen displays the list of the products for which profitability parameters and floor rates are defined in the Defining a Product Parameter Section.

5.4 Managing Account Review

In this section, the Relationship Manager checks the customer account details for re-pricing.

Following are the menu options available under Account Review:

- [Managing Criteria Definition](#)
- [Executing Account Review](#)
- [Managing Accounts Flagged for Review](#)
- [Managing Card Rate Definition](#)
- [Managing Offer Rate Definition](#)
- [Managing Profitability Curve Definition](#)
- [Defining Formula for Profitability Parameter](#)

5.4.1 Managing Criteria Definition

To access the Pricing Review Criteria Definition Window, select **Price Creation and Discovery**, select **Account Review**, select **Criteria Definition** and then click **Add**.

Figure 11: Pricing Review Criteria Definition

Pricing Review Criteria Definition
 Price Creation And Discovery > Account Review > Pricing Review Criteria Definition(NEW)

Definition Name: TestNCB Description: Test NCB

Filter Selection

Price Review Criteria Specification

| Price Review Criteria Based On | Operator | Limit |
|---|----------|-------|
| <input type="checkbox"/> AccountXstatus | | |
| <input type="checkbox"/> AverageXCreditXBalance | | |
| <input type="checkbox"/> AverageXDebitXBalance | | |
| <input type="checkbox"/> CreditXLimit | | |
| <input type="checkbox"/> CreditXRating | IN | |
| <input type="checkbox"/> CreditXScore | | |

5.4.1.1 Creating Price Review Definition

This section defines the criteria for a price review. The criteria are defined through different attributes which correspond to particular products and segments. The selection of accounts for Price Review is done through dimensions defining the respective accounts.

To create a price review definition, follow these steps:

1. Click **Add** on the Pricing Review Criteria Definition Tool Bar to display the Price Review Criteria Definition Screen.
2. Enter the following details:

Table 9: Pricing Review Criteria Definition Fields and Descriptions

| Field | Description |
|------------------------|--|
| Folder | Select the folder from the drop-down list. |
| Definition Name | Enter the name of the Definition. |
| Description | Enter the description of the account that needs to be reviewed. |
| Criteria Definition ID | Enter the ID unique created for the definition. |
| Filter Selection | <p>This field allows you to specify the filters based on which the accounts for which price review criteria are applicable can be selected. The filters are provided through dimensions.</p> <ol style="list-style-type: none"> 1. Click the Hierarchy Browser button to open the Dimension Browser. 2. Select the required members and click the left arrow button. Multiple members can also be selected. 3. To de-select, the members, select it from the Hierarchical pane and click the right arrow button. 4. Click Apply. |

| Field | Description |
|-------------------------------------|---|
| Price Review Criteria Specification | <p>This allows users to specify the conditions based on which an account is flagged for re-pricing.</p> <ol style="list-style-type: none"> To add criteria, click Add. The Measure Browser Window is displayed. This browser displays the following list of measures: <ul style="list-style-type: none"> Account Status Average Credit Balance Average Debit Balance Credit Limit Credit Score Credit Rating Days past due Delinquency Amount Income NIM (%) Outstanding Balance Outstanding Principal Balance Overdue Interest Amount Overdue Principal Amount Prepayment Amount RAROC (%) ROE (%) ROTA (%) Recovered Amount Revenue (%) SVA Time to Maturity Select the measure you want. Depending on the measure selected, the value and limit of the measure vary. <p>NOTE: Multiple criteria within a definition that may be used for a price review.</p> <ol style="list-style-type: none"> Click OK. |

- Click **Save**. The Price Review Definition is added and is displayed in the Price Review Criteria Definition List Window.

5.4.1.2 Viewing Pricing Review Criteria Definition

You can view Pricing Review Criteria Definition details at any given point. To view the existing Pricing Review Criteria Definition details in the Pricing Review Criteria Definition Window, follow these steps:

- Select the check box adjacent to the Definition Name.
- Click **View** in the Pricing Review Criteria Definition Tool Bar.

The Price Review Criteria Definition Window is displayed.

5.4.1.3 Modifying Pricing Review Criteria Definition

You can modify Pricing Review Criteria Definition details at any given point. To modify the existing Pricing Review Criteria Definition details in the Pricing Review Criteria Definition Window, follow these steps:

1. Select the check box adjacent to the Definition Name.
2. Click **Edit** on the Pricing Review Criteria Definition Tool Bar to display the Price Review Criteria Definition Screen.
3. Edit the required details and click **Save**.

5.4.1.4 Searching Price Review Criteria Definition

The Price Review Criteria Definition Window allows you to search for the definitions that you want to view.

To search for a definition, follow these steps:

1. Navigate to Price Review Criteria Definition Window.
2. Enter the following details:
 - Definition Name
 - Folder
 - Criteria Definition ID
3. Click **Search** to display the filtered list.

5.4.1.5 Deleting Pricing Review Criteria Definition

You can delete Pricing Review Criteria Definition details at any given point. To delete the existing Pricing Review Criteria Definition details in the Pricing Review Criteria Definition Window, follow these steps:

1. Select the check box adjacent to the Definition Name.
2. Click **Delete** in the Pricing Review Criteria Definition Tool Bar.

The selected definition is deleted.

5.4.2 Executing Account Review

To access execute Account Review Summary Window, click Execute Account Summary under Account Review.

Execute Account Review Summary

[Home](#) > [Execute Account Review Summary](#)

Search Clear Go

Name Execute Account Review ID

Folder

Execute Account Review Summary

Add Edit View Delete Run Sort By Search

| <input type="checkbox"/> | Name | Execute Account Review ID | Created By | Created Date | Last Modified By | Last Modified Date | Task Status |
|--------------------------|---------|---------------------------|------------|---------------------|------------------|---------------------|-------------|
| <input type="checkbox"/> | TEst | 200043 | PMUSER | 03/10/2018 04:39:00 | PMUSER | 03/10/2018 04:39:00 | New |
| <input type="checkbox"/> | TestNCB | 201601 | PMUSER | 05/16/2018 13:15:00 | PMUSER | 05/16/2018 13:15:00 | New |

Page 1 of 1 (1-2 of 2 items) Records Per Page 15

5.4.2.1 Creating Execute Account Review Definition

In this section, the user selects the price review criteria definitions that will be executed against a set of selected accounts for review.

To add an Execute Account Review Definition, follow these steps:

1. Click **Add** on the Execute Account Summary toolbar to display the Execute Account Review Definition Screen.
2. Enter the following details:

| Field | Description |
|------------------------------------|---|
| Folder | Select the folder from the drop-down list. |
| Definition Name | Enter the name of the Definition. |
| Description | Enter the description of the Definition. |
| Execute Account Review ID | Enter the system-generated ID created for each Price Review Definition. |
| Price Review Criteria Selection | <p>To select the criteria for an execution, click the browser button to open Price Review Criteria Selection Definition Browser. This browser displays a unique list of all price review criteria definitions. One or multiple definitions are allowed to be selected.</p> <ol style="list-style-type: none"> 1. Select the required criteria definitions and click the left arrow button. 2. Click OK to complete the selection. 3. Click Close to display the selected criteria definitions in the Execute Account Review Criteria Selection Section of the Execute Account Review Definition UI. <p>The account should be processed for all the criteria of all the definitions that are selected in a price review.</p> |
| FIC MIS Date | <p>It is a data entry point where a date has to be entered. This specifies the date and the data corresponding to which is used for the review.</p> <p>Select the date from the calendar.</p> |
| Execute Account Review Description | Enter the description. |

3. Click **Save** to save the details or click **Execute** to trigger the execution process.

On clicking **Execute**, the following screen is displayed.



NOTE Criteria definitions are to be re-saved post-upgrade to 80302/804. Otherwise, the Execute an Account Review, based on these definitions would fail.

5.4.2.2 Viewing Execute Account Review Definition

You can view Execute Account Review Definition details at any given point. To view the existing Execute Account Review Definition details in the Execute Account Review Summary Screen, follow these steps:

1. Select the check box adjacent to the **Definition Name**.
2. Click **View** in the Execute Account Review Definition Tool Bar.

The Execute Account Review Definition Screen is displayed.

5.4.2.3 Modifying Execute Account Review Definition

You can modify Execute Account Review Definition details at any given point. To modify the existing Execute Account Review Definition details in the Execute Account Review Definition Screen, follow these steps:

1. Select the check box adjacent to the **Definition Name**.
2. Click **Edit** on the Execute Account Review Definition Tool Bar.

The Execute Account Review Definition Screen is displayed.

3. Edit the required details and click **Save**.

5.4.2.4 Searching Execute Account Review Definition

The Execute Account Definition Window allows you to search for the definitions that you want to view.

To search for a definition, follow these steps:

1. Navigate to **Execute Account Review Summary** Screen.
2. Enter the following details:
 - Name of the definition

- Folder
 - Execute Account Review ID
3. Click **Search**.
The filtered list is displayed.

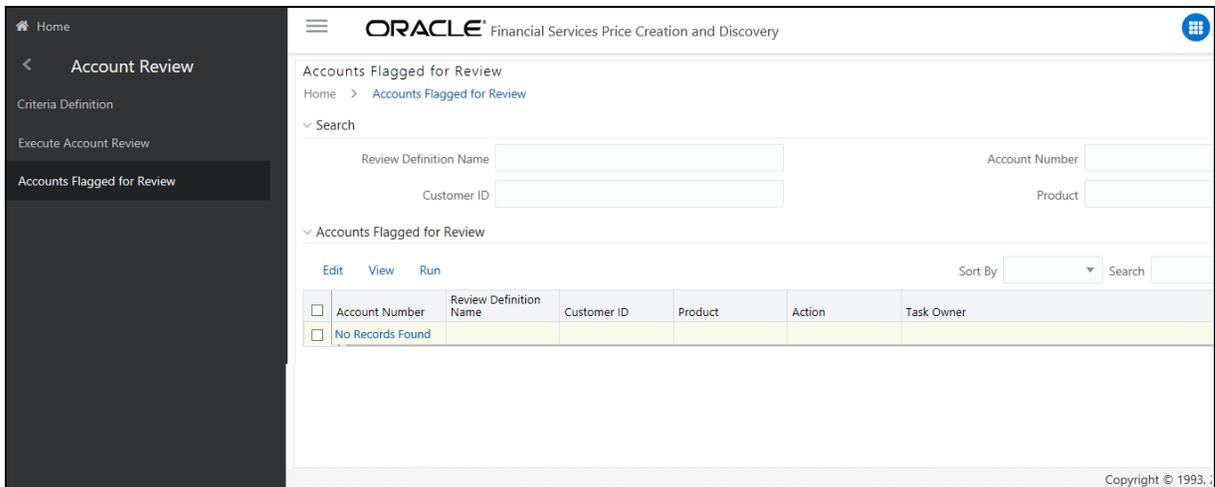
5.4.2.5 Deleting Execute Account Review Definition

You can delete Execute Account Review Definition details at any given point. To delete the existing Execute Account Review Definition details in the Execute Account Review Definition Screen, follow these steps:

1. Select the check box adjacent to the **Definition Name**.
 2. Click **Delete** in the Execute Account Review Definition Tool Bar.
- The selected definition is deleted.

5.4.3 Managing Accounts Flagged for Review

To access accounts flagged for review screen, click Accounts Flagged for Review under Account Review.



5.4.3.1 Modifying Accounts Flagged for Review

To modify the details of the account flagged for review, follow these steps:

1. Click Edit to display the Accounts Flagged for Review Screen.
2. Enter the following details:

| Field | Description |
|------------------------------------|---|
| Execute Account Review Definition | Select the execute account review definition from the drop-down list based on which the account was flagged. |
| Pricing Review Criteria Definition | Select the pricing review criteria definition from the drop-down list based on which the account was flagged. |

| Field | Description |
|----------------|---|
| Action | Select the action that needs to be taken for a flagged account. Following are the two options available: <ul style="list-style-type: none"> • Re-price: This recommends the account for a new rate to be generated through the pricing engine. • Postpone Review: In this, the account does not get re-priced and it is also excluded from all reviews until the next review date. The Next review date is specified by the user whenever Postpone review is selected as action. |
| Task Status | Select the status of the activity for a flagged account: <ul style="list-style-type: none"> • Open: The status for all flagged accounts is displayed as Open by default. This status indicates that the flagged account is open for re-pricing. • Completed: The status indicates that either the re-pricing is completed or the action is updated as Postpone Review and the next review date is provided. • Closed: This status indicates that the flagged account shall not be considered for re-pricing at any point in time. |
| Criteria Met | This section displays all the criteria of the given definition against which the account has been flagged for review. |
| Criteria Unmet | This section displays all the other criteria within the given criteria definition against which the account was not flagged. |

3. Click **Save**. The account number with the modified details is displayed Accounts Flagged for Review List Window.

OR

Click **Re-price**. On clicking **Re-price**, the re-pricing is initiated and the Deal Pricing Section with the auto-populated details of the customer and the account is displayed. You can proceed with the re-pricing procedure. For more details, see [Modifying Deal Details](#).

NOTE

On clicking Re-price, status in the Action field automatically changes to Re-price and the Task Status field changes to Completed.

5.4.3.2 Viewing Accounts Flagged for Review

You can view Account Flagged for Review details at any given point. To view the existing accounts flagged for review details in the Accounts Flagged for Review window, follow these steps:

1. Select the check box adjacent to the account number.
2. Click **View** in the Accounts Flagged for Review Tool Bar.

The Accounts Flagged for Review screen is displayed.

5.4.3.3 Searching Accounts Flagged for Review

The Accounts Flagged for Review window allows you to search for the flagged accounts that you want to view.

To search for flagged accounts, follow these steps:

1. Navigate to Accounts Flagged for Review Window.
2. Enter the following details:
 - Review Definition Name
 - Customer ID
 - Account Number
 - Product
3. Click **Search**.
 The filtered list is displayed.

5.4.4 Managing Card Rate Definition

The Card Rate Definition Window enables you to manage the card rates for pricing Definition.

The screenshot shows the 'Card Rate Definition' window. At the top, there is a breadcrumb 'Home > Card Rate Definition' and a 'Clear' button. Below is a search section with fields for 'Name', 'Definition ID', 'Folder', and 'Product'. A 'Search' button is on the right. Below the search fields is a table with columns: Name, Definition ID, Product, Created By, Created Date, and Last Modified By. The table contains four rows of data. At the bottom, there is a pagination bar showing 'Page 1 of 1 (1-4 of 4 items)' and 'Records Per Page 15'.

| Name | Definition ID | Product | Created By | Created Date | Last Modified By |
|----------------|---------------|----------------------|------------|---------------------|------------------|
| GoldLoan | 200622 | Gold Loan | PMUSER | 03/30/2018 07:10:00 | PMUSER |
| CardDefinition | 200820 | Credit Card | PMUSER | 04/03/2018 03:17:00 | PMUSER |
| CardTest | 200041 | Mortgage Bonds | PMUSER | 03/10/2018 04:37:00 | PMUSER |
| LoanBullet2 | 200546 | Loan(Bullet) Fixe... | PMUSER | 03/29/2018 05:54:00 | PMUSER |

The Card Process involves finding a suitable price for the customer based on a pre-determined (set of) options available for that product and other dimensional combinations. Similar criteria cannot be provided with different rates. An error message is displayed when a criterion is being repeated (duplicated) within a defined time window.

The system checks for the following conditions to identify the repetition of criteria:

- If the defined criteria are similar to another criterion within the same definition.
- If there is any overlap in the effective dates. The conditions are as follows:
 - The Effective Start Date of a created criteria is greater than the Effective Start Date of existing criteria but less than the Effective End Date of the same existing criterion.
 - The Effective End Date of created criteria is greater than the Effective Start Date of existing criteria but less than the Effective End Date of the same existing criterion.

If all the above conditions are met, then the criteria are repetition (duplication). An error message is displayed when repetition (duplication) occurs indicating that the two defined Card Rates have different rates for similar criteria. You can either edit the Card Rate Criteria or delete it.

5.4.4.1 Adding Card Rate Definition

To add Card Rates, follow these steps:

1. Click Add to display the Card Rate Definition Screen.
2. Enter the following details:

| Field | Description |
|----------------------------|--|
| Folder | Select a folder from the drop-down list for the Card Rate Definition. |
| Card Rate Name | Enter the name for the Card Rate Definition. |
| Description | Enter a description of the Card Rate Definition. |
| Product | Select the product from the Product browser. Only one product is to be selected per definition. |
| Currency | Select the type of currency from the drop-down list. |
| Rate Selection | Select one or multiple rates from the drop-down list. |
| Interest Rate Type | Select the type of interest: <ul style="list-style-type: none"> • Fixed Rate: When this option is selected, the other parameters to be entered are in accordance with the rate type. • Floating Rate: When this option is selected, the parameters are specific to the floating rate. • Fixed and Floating Rate: The Fixed plus Floating Rate type is a combination of the Fixed Rate and Floating Rate. The Fixed Rate is applicable for an initial period of the tenure of the product and the Floating Rate is applicable for the remaining life of the product. In this option, the data input is a combination of those required in both fixed as well as Floating types. |
| Floating Rate BenchMark | Select the Floating Rate Benchmark from the drop-down list. |
| Criteria | To set the criteria, follow these steps: <ol style="list-style-type: none"> 1. Click the Browser button to display the Condition Screen. 2. Select the condition. 3. Click Apply. The criteria are set for the Card Rate. |
| Floating Rate Spread (BPS) | Enter a numerical value in this field. |
| Effective From | Select the start date of the period when the rates are applicable. |
| Effective To | Select the end date of the period when the rates are applicable. |
| Condition | This is the eligibility condition based on which the rates to be offered to customers differ. Click the Browser button select the condition from the Condition Browser. |

NOTE You can create more Card Rate specifications to the list by clicking Add on the Card Rate Specification Grid.

3. Click **Apply**. The Card Rate definition details are added and are displayed in the Card Rate Definition List Window.

You can view, modify, search, and delete the offer definition details from the Card Rate Definition Window.

5.4.4.2 Viewing Card Rate Definition

You can view Card Rate Definition details at any given point. To view the existing Card Rate Definition details in the Card Rate Definition Window, follow these steps:

1. Select the check box adjacent to the Definition Name.
2. Click **View** in the Card Rate Definition Tool Bar.

The Card Rate Definition Window is displayed.

5.4.4.3 Modifying Card Rate Definition

You can modify Card Rate Definition details at any given point. To modify the existing Card Rate Definition details in the Card Rate Definition window, follow these steps:

1. Select the check box adjacent to the Definition Name.
2. Click **Edit** on the Card Rate Definition Tool Bar.

The Card Rate Definition Window is displayed.

3. Edit the required details and click **Save**.

5.4.4.4 Searching Card Rate Definition

The Card Rate Definition Window allows you to search for the card rates definition that you want to view.

To search for card rate definition, follow these steps:

1. Navigate to Card Rate Definition Window.
2. Enter the following details:
 - Name
 - Folder
 - Definition ID
 - Product
3. Click **Search** to display the filtered list.

5.4.4.5 Deleting Card Rate Definition

You can delete Card Rate Definition details at any given point. To delete the existing Card Rate Definition details in the Card Rate Definition Screen, follow these steps:

1. Select the check box adjacent to the **Definition Name**.
2. Click **Delete** in the Card Rate Definition Tool Bar.

The selected definition is deleted.

5.4.5 Managing Offer Rate Definition

The Offer Rate Definition Window enables you to manage the offer rate for pricing definition.

The screenshot shows the 'Profitability Curve Definition' window. At the top, there is a search bar with fields for 'Definition Name', 'Definition ID', 'Folder', and 'Product'. Below the search bar, there are buttons for 'Add', 'Edit', 'View', and 'Delete'. A table lists several definitions with columns for Definition Name, Definition ID, Product, Created By, Created Date, Last Modified By, Last Modified Date, and Status. The table contains 7 rows of data.

| Definition Name | Definition ID | Product | Created By | Created Date | Last Modified By | Last Modified Date | Status |
|---------------------|---------------|----------------------|------------|---------------------|------------------|---------------------|----------|
| TestPProf | 200039 | Mortgage Bonds | PMUSER | 03/10/2018 04:35:00 | PMUSER | 03/10/2018 04:35:00 | |
| MotgageBonds1 | 200074 | Mortgage Bonds | PMUSER | 03/13/2018 05:50:00 | PMUSER | 03/13/2018 05:50:00 | |
| GoldLoanDefinition | 201121 | Gold Loan | PMUSER | 04/13/2018 05:39:00 | PMUSER | 04/13/2018 07:54:00 | |
| MortgageDefinition1 | 201122 | Mortgage Bonds | PMUSER | 04/13/2018 07:38:00 | PMUSER | 04/13/2018 07:38:00 | |
| MortgageDefinition | 201120 | Mortgage Bonds | PMUSER | 04/13/2018 05:39:00 | PMUSER | 04/13/2018 05:50:00 | |
| LoanFixed1 | 200259 | Loan(Bullet) Fixe... | PMUSER | 03/27/2018 03:30:00 | PMUSER | 03/27/2018 05:02:00 | Approved |
| LoanFixed2 | 200275 | Loan(Bullet) Fixe... | PMUSER | 03/27/2018 05:14:00 | PMUSER | 03/27/2018 05:14:00 | Approved |

Based on eligibility criteria, the Offer Rate Definition defines the offer rates that can be provided to the customers. Multiple offer rates can be provided based on the eligibility and each offer rate should be distinct and not duplicated. The system checks for the following conditions to identify the duplication of an Offer Rate:

- If the Offer Rate condition is similar to another Offer Rate Condition within the same definition.
- If there is any overlap in the effective dates. The following are the two conditions:
 - The Effective Start Date of created criteria is greater than the Effective Start Date of existing criteria but less than the Effective End Date of the same existing criterion.
 - The Effective End Date of created criteria is greater than the Effective Start Date of existing criteria but less than the Effective End Date of the same existing criterion.
- If the offered parameter in an Offer Rate is the same as in another Offer Rate. The order of offer parameters is immaterial.
- If the corresponding attributes of the offer parameters, that is, amount reduction/percentage reduction are similar to those of another Offer Rate within the definition.
- If the corresponding tenure of offer parameters is similar to that of another Offer Rate within the definition.

If all of the above conditions are met, then the offer is a duplicate. An error message is displayed when duplication occurs indicating that the two offers clash. You can either edit the offer or delete it.

5.4.5.1 Adding Offer Definition

To add Offer Rates, follow these steps:

3. Click Add to display the Offer Definition Screen.
4. Enter the following details:

| Field | Description |
|--------------------------|---|
| Folder | Select a folder from the drop-down list for the Offer Rate definition. |
| Offer Name | Enter the name for the offer. |
| Description | Enter a brief description of the offer. |
| Validity Start Date | Select the Offer Start Date from the calendar. |
| Validity End Date | Select the Offer End Date from the calendar. |
| Conditional Offer | Select Yes if the offer is based on certain conditions or select No if the offer does not have any conditions attached is applicable for all accounts of that product. |
| Offer Definition ID | Enter the ID generated for the offer. |
| Product | Select the product from the Product Browser. You can select only a single product. |
| Multiple Products | This is an additional option available when you want to select a different product for the same offer. |
| Interest Rate Reduction | Enter the percent of the reduction in the Rate of Interest for the customer. |
| Fee Amount Reduction | Enter the reduction in the Fee amount in figures for the customer. |
| Fee Percentage Reduction | Enter the percent of the reduction in Fees for the customer. |
| Effective From | Enter the Start Date from which the offer is effective. |
| Effective To | Enter the date until which the offer is effective. |
| Offer Tenure | Select the overall tenure for the offer. This can be in either Days, Months, or Years. The offer tenure is specified through the following two inputs: <ul style="list-style-type: none"> • Value: The number of units of time for which the offer is provided. • Units: Select the unit of time from the drop-down list. Note: Offer tenure is specified separately for each element within the offer. |
| Offer Condition | This option is available when a Conditional Offer is selected as Yes. To set the offer condition, follow these steps: <ol style="list-style-type: none"> 1. Click the Browser button to display the Filter Selection Screen. 2. Click the Browser button to display the Dimension Hierarchy Browser. The Dimension Hierarchy Browser lists all the dimensions. 3. Click the left arrow button to select the dimensions or click the right arrow button to de-select the dimensions. 4. Click OK. |

5. Click **Apply**. The Offer definition created is displayed in the Offer Summary Screen.

You can view, modify, search, and delete the offer definition details from the Offer Definition Screen.

NOTE

You can also define the offer based on bundled offers eligibility conditions. Under this condition, an offer is dependent on the user already having or currently purchasing some other product.

5.4.5.2 Viewing Offer Definition

You can view Offer Definition details at any given point. To view the existing Offer Definition details in the Offer Definition Window, follow these steps:

1. Select the check box adjacent to the **Offer Name**.
2. Click **View** in the Offer Definition Tool Bar.

The Offer Definition Window is displayed.

5.4.5.3 Modifying Offer Definition

You can modify Offer Definition details at any given point. To modify the existing Offer Definition details in the Offer Definition Window, follow these steps:

1. Select the check box adjacent to the **Offer Name**.
2. Click **Edit** on the Offer Definition Tool Bar to display the Offer Definition Screen.
3. Edit the required details and click **Save**.

5.4.5.4 Searching Offer Definition

The Offer Definition window allows you to search for the card rates definition that you want to view.

To search for the offer definition, follow these steps:

1. Navigate to Offer Definition Window.
2. Enter the following details:
 - Offer Name
 - Folder
 - Offer ID
3. Click **Search** to display the filtered list.

5.4.5.5 Deleting Offer Definition

You can delete Offer Definition details at any given point. To delete the existing Offer Definition details in the Offer Definition Screen, follow these steps:

1. Select the check box adjacent to the **Offer Name**.
2. Click **Delete** in the Offer Definition Tool Bar.

The selected definition is deleted.

5.4.6 Managing Profitability Curve Definition

A profitability curve is defined for a profitability parameter, such as Transfer Price, to understand the trends observed over a certain period of time. The defined curve can in turn be used when pricing a deal for a particular product using the profitability parameter. The profitability curve is defined by the bank based on the product and the eligibility of the customer.

The Profitability Curve Definition Window allows you to define the profitability curve for a particular profitability parameter.

Profitability Curve Definition

[Home](#) > [Profitability Curve Definition](#)

Search [Clear](#) [Go](#)

Definition Name Definition ID

Folder Product

Profitability Curve Definition

[Add](#) [Edit](#) [View](#) [Delete](#) Sort By Search

| Definition Name | Definition ID | Product | Created By | Created Date | Last Modified By | Last Modified Date | Status |
|--|---------------|----------------------|------------|---------------------|------------------|---------------------|----------|
| <input type="checkbox"/> TestPRof | 200039 | Mortgage Bonds | PMUSER | 03/10/2018 04:35:00 | PMUSER | 03/10/2018 04:35:00 | |
| <input type="checkbox"/> MotgageBonds1 | 200074 | Mortgage Bonds | PMUSER | 03/13/2018 05:50:00 | PMUSER | 03/13/2018 05:50:00 | |
| <input type="checkbox"/> GoldLoanDefinition | 201121 | Gold Loan | PMUSER | 04/13/2018 05:39:00 | PMUSER | 04/13/2018 07:54:00 | |
| <input type="checkbox"/> MortgageDefinition1 | 201122 | Mortgage Bonds | PMUSER | 04/13/2018 07:38:00 | PMUSER | 04/13/2018 07:38:00 | |
| <input type="checkbox"/> MortgageDefinition | 201120 | Mortgage Bonds | PMUSER | 04/13/2018 05:39:00 | PMUSER | 04/13/2018 05:50:00 | |
| <input type="checkbox"/> LoanFixed1 | 200259 | Loan(Bullet) Fixe... | PMUSER | 03/27/2018 03:30:00 | PMUSER | 03/27/2018 05:02:00 | Approved |
| <input type="checkbox"/> LoanFixed2 | 200275 | Loan(Bullet) Fixe... | PMUSER | 03/27/2018 05:14:00 | PMUSER | 03/27/2018 05:14:00 | Approved |

Page 1 of 1 (1-7 of 7 items) Records Per Page 15

All the previously created definitions are available on the screen. You can also search for an existing definition using the definition name, definition ID, folder, or product type. You can only view the folders to which you are mapped. Only the definitions that are approved through the workflow mechanism can be used to price a deal.

5.4.6.1 Adding Profitability Curve Definition

To add profitability curve definitions, follow these steps:

1. Click **Add** to display the Profitability Curve Definition (new) Screen.

Profitability Curve Definition
[Price Creation And Discovery](#) > Profitability Curve Definition(NEW)

Save Cancel Submit

Linked To
 Folder: DEFAULT

Definition Details
 Definition Name: TestNCBPFTCrue Description: Test NCB PFT Crue
 Definition ID: [REDACTED] Product: Personal Loan
 Validity Start Date: 05/16/2018 Validity End Date: 05/15/2020

Definition Specification
 Expected Loss Unexpected Loss Miscellaneous Fees

Enable options available for banker while pricing a deal:
 Specify Real-time Calculation Lookup
 Default: [REDACTED]

Define lookup values

| Criteria name | Effective from | Effective to | Condition | Expected Loss |
|---------------|----------------|--------------|-----------|---------------|
| Default | 05/16/2018 | 05/16/2018 | | [REDACTED] |

Audit Trail User Comments

System ID:
 Created By: PMUSER Creation Date: May 16, 2018 01:37:36 PM
 Last Modified By: PMUSER Last Modification Date: May 16, 2018 01:37:36 PM

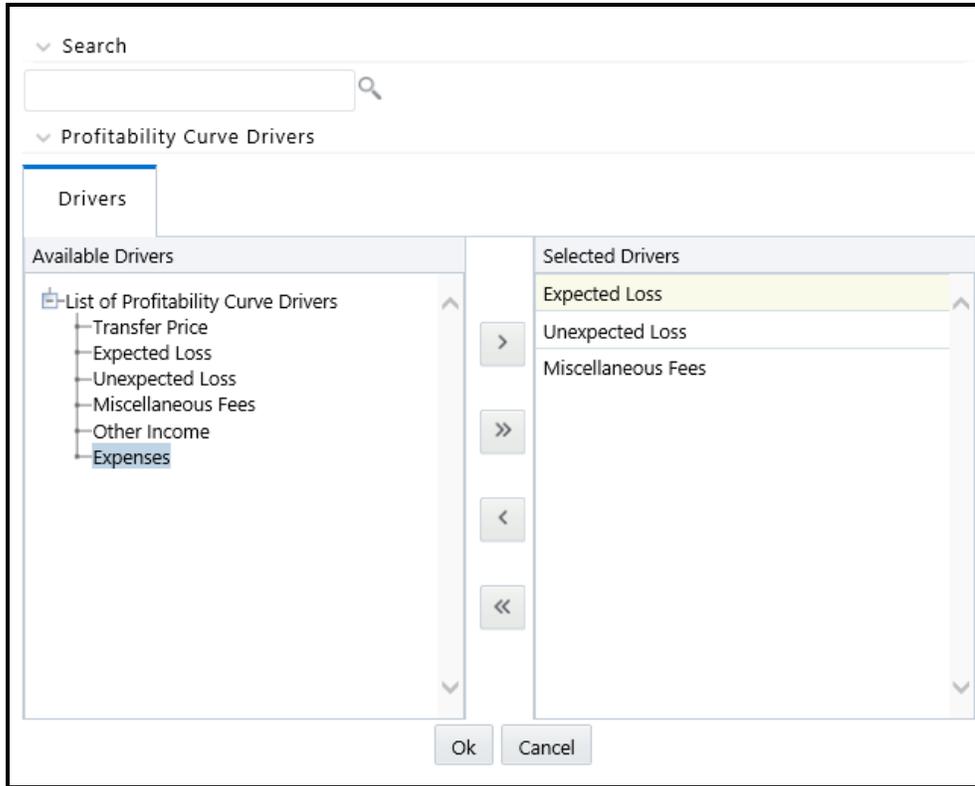
2. Enter the following details:

| Field | Description |
|---------------------|--|
| Folder | Select a folder from the drop-down list for profitability curve definition. |
| Definition Name | Enter the definition name. |
| Description | Enter a brief description of the definition. |
| Definition ID | The definition ID is generated by the system once the definition is created. |
| Product | Select the product for which the definition is created and for which the defined rates are applicable. To select a product, click the button next to the field. The product browser appears. |
| Validity Start Date | Select the date from when the definition is valid. |
| Validity End Date | Select the date until when the definition is valid. |

| Field | Description |
|-------|-------------|
|-------|-------------|

To add a profitability parameter or driver, follow these steps:

1. Click **Select Drivers**. The Profitability Curve Definition Browser Screen appears.



2. Double-click the driver that you want to select on the left pane. The driver moves to the right pane.
3. Click **Ok**. The selected driver appears as a tab in the Definition Specification Section.

| | |
|---------------------------------|--|
| Specify check box | To enable this input option while pricing a deal, select this check box. This check box is selected by default and can be deselected. NOTE: This option is available for a particular product in the Deal Pricing section only if you select this check box. |
| Lookup check box | To enable this input option while pricing a deal, select this check box. This check box is selected by default and can be deselected. NOTE: This option is available for a particular product in the Deal Pricing Section only if you select this check box. |
| Real-time Calculation check box | To enable this input option while pricing a deal, select this check box. Note: This option is available for a particular product in the Deal Pricing Section only if you select this check box. |
| Default | This field is editable and mandatory only if the Specify , Lookup , and Real-time Calculation check boxes are deselected. Select the default input method from the drop-down list. The default input method can be Specify, Lookup, or Real-time Calculation. NOTE: If you select Lookup , the Define lookup values Section is displayed. |

| Field | Description |
|----------------------|---|
| | By default, a row is available in the Define lookup values Section. To add a new criterion for the profitability driver, click Add new criteria . A new row is added. You can add one or more criteria. |
| Effective from | Select the date from when the curve is effective. |
| Effective to | Select the date until when the curve is effective. |
| Profitability Driver | To define the profitability curve, click the button next to the field. The Profitability Driver Window appears. |

Profitability Driver:

Profitability Driver
[Profitability Driver](#)>[Profitability Driver\(EDIT\)](#)

Curve Definition

Curve Duration 6 Months Unit Frequency 1 Months

| Drivers | MOB 1 | MOB 2 | MOB 3 | MOB 4 | MOB 5 | MOB 6 |
|---------------|-------|-------|-------|-------|-------|-------|
| Expected Loss | 10 | 10 | 10 | 10 | 10 | 50 |

Ok Cancel

| Field | Description |
|----------------|---|
| Curve Duration | Enter the value of the Curve Duration. You can also select the unit of the Curve Duration. The unit of the Curve Duration can be Months, Quarters, and Years . |
| Unit Frequency | Enter the value of the Curve Frequency. You can also select the unit of the Curve Frequency. The unit of the Curve Frequency can be Months, Quarters, and Years . |
| Drivers | The Curve Range that is displayed here is based on the values that are provided in the Curve Duration and Unit Frequency Fields. For example, if the Curve Duration is 6 months and the unit frequency is 1 month, then a total of 6 drivers are captured. You can enter a value for each element of frequency across the Curve Duration. |

3. PCD supports Import/ Export of Profitability Driver Values into the above fields.

Profitability Driver
[Profitability Driver](#)>[Profitability Driver\(EDIT\)](#)

Curve Definition

Curve Duration 6 Months Unit Frequency 1

| Drivers | MOB 1 | MOB 2 | MOB 3 | MOB 4 | MOB 5 | MOB 6 |
|---------------|-------|-------|-------|-------|-------|-------|
| Expected Loss | | | | | | |

Export Import

Ok Cancel

4. Click Save. The created Profitability Curve Definition is displayed in the Profitability Curve Definition Screen.

5.4.6.2 Submitting a Created Profitability Curve Definition for Approval

To view and submit a Profitability Curve Definition, follow these steps:

1. In the Summary Window, enter the definition name in the **Definition Name** Field or the product type in the **Product** Field and click **Search**.
2. Select the check box corresponding to the definition name of the definition that you want to edit and click **Edit**.
3. Click **Save** to save the edited Curve.
4. Click **Submit** to send the edited Curve for approval.

NOTE Every time a definition is edited, it needs to be approved.

5.4.6.3 Approving Profitability Curve Definition

After the Relationship Manager submits the definition, it is assigned to the Definition Approver. The Definition Approver can edit the Definition Name and Product type.

To approve a Profitability Curve Definition, follow these steps:

1. Navigate to your inbox by clicking **My Inbox**.
2. Click the hyperlinked Entity Name Value.
This is the definition ID for the created definition.
3. Click **Approved** to approve the definition or click **Reject** to reject the definition. The status of the definition changes accordingly in the Summary Window. Only the approved definitions can be used for Deal Pricing.

5.4.7 Defining Formula for Profitability Parameter

The Editable Formula Window enables you to define the expression used to calculate the profitability parameter. You can link a profitability parameter to a product type. The profitability formula defined in this section is used for calculations throughout the application.

Editable Formula Definition

[Home](#) > [Editable Formula Definition](#)

Search Clear → Go

Formula ID Formula Name

Profitability Measures

Add Edit View Delete Sort By Search

| <input type="checkbox"/> | Formula Name | Formula ID | Description | Expression | Created By | Created Date | Last Modified By | Last Modified Date |
|--------------------------|--------------|------------|-------------|--------------------|------------|--------------|------------------|--------------------|
| <input type="checkbox"/> | RAROC | 1 | RAROC | CASE WHEN UNE... | SYSADMN | 4/17/18 | SYSADMN | 4/17/18 |
| <input type="checkbox"/> | ROTA | 2 | ROTA | NET INCOME BE... | SYSADMN | 4/17/18 | SYSADMN | 4/17/18 |
| <input type="checkbox"/> | NIM | 3 | NIM | NET INTEREST IN... | SYSADMN | 4/17/18 | SYSADMN | 4/17/18 |
| <input type="checkbox"/> | Revenue | 4 | Revenue | TOTAL REVENUE... | SYSADMN | 4/17/18 | SYSADMN | 4/17/18 |
| <input type="checkbox"/> | SVA | 5 | SVA | NET INTEREST IN... | SYSADMN | 4/17/18 | SYSADMN | 4/17/18 |

Page 1 of 1 (1-5 of 5 items) Records Per Page 15

Five profitability parameters are available by default, namely, ROTA, RAROC, Revenue, NIM, and SVA. These parameters are displayed in the **Name** Column. The associated expression for the parameter is displayed in the **Expression** Column. You can also search for a particular parameter.

The seeded expressions for each of the seeded profitability parameters is shown below:

- For ROTA - $\text{Net_Income_before_tax}/\text{deal_amount} * 100$
- For RAROC - case when unExpected_Loss = 0 then 0 else (NET INTEREST INCOME+NON INTEREST INCOME-OPERATING EXPENSES-EXPECTED LOSS+Return_on_UL)/(UNEXPECTED LOSS)*100 END
- For Revenue - $\text{Total_Revenue}/\text{deal_amount} * 100$
- For NIM - $\text{Net_Interest_Income}/\text{deal_amount} * 100$
- For SVA - $\text{NET INTEREST INCOME+NON INTEREST INCOME-OPERATING EXPENSES-EXPECTED LOSS+Return_on_UL-UNEXPECTED LOSS} * (\text{COST OF CAPITAL}/100)$

5.4.7.1 Adding Profitability Parameter

To add Profitability Parameters, follow these steps:

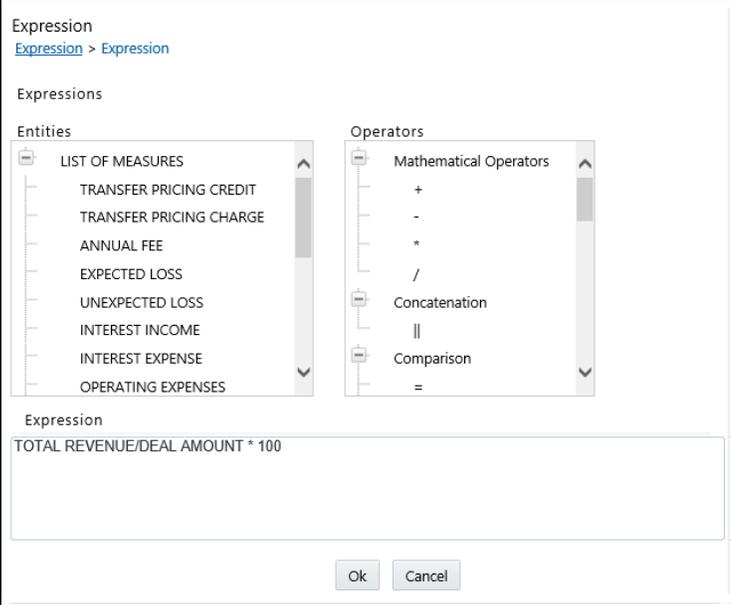
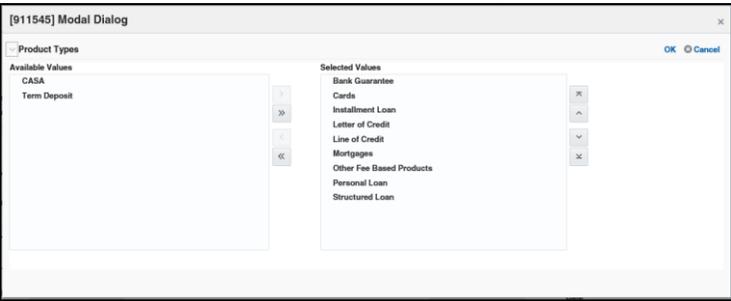
1. Click Add to display the Formula Screen.

The screenshot shows a form titled "Profitability Measures" with the following fields and controls:

- Formula Name:** A text input field.
- Formula ID:** A text input field with up and down arrow buttons.
- Description:** A text input field.
- Expression:** A text input field.
- Data Type:** A dropdown menu currently set to "Percentage".
- Buttons:** "Define", "Save", and "Cancel" buttons are located in the top right corner.

2. Enter the following details:

| Field | Description |
|--------------|---|
| Formula Name | Enter the name of the Profitability Parameter. |
| Description | Enter the description of the Profitability Parameter. |

| Field | Description |
|---------------|---|
| Expression | <p>To add an expression or formula for the Profitability Parameter, click Add. The Specify Expression Window is displayed.</p>  <p>In the window, two panes are displayed; the left pane displays the list of available measures you can use to build the expression, and the right pane displays the list of available operators.</p> <p>To move a measure or operator to the Expression field, double-click the measure or operator. The selection appears in the Expression field. After you are done building the expression, click Ok. The expression is now saved.</p> <p>NOTE: Only a mathematically correct expression can be saved.</p> |
| Data Type | <p>Select the data type. The data type can be Absolute or Percentage.</p> |
| Product Types | <p>To add a product type, click Add. The Hierarchy Browser appears.</p>  <p>In the window, two panes are displayed; the left pane displays the list of available product types, and the right pane displays the list of product types selected for the profitability parameter.</p> <p>To select a product type, double-click the product type. The selection appears in the right pane. You can select one or more product types. Once you are done, click Ok.</p> <p>NOTE: The profitability parameter is applicable only for the selected product types.</p> |

3. Click **Save**. The created Profitability Parameter is displayed in the Summary Window.

5.4.7.2 Editing Profitability Parameter

To edit a profitability parameter, follow these steps:

1. In the Summary Window, enter the profitability parameter code in the **Code** Field or the Profitability Parameter Name in the **Name** Field and click **Search**.
2. Select the check box corresponding to the Profitability Parameter Name that you want to edit and click **Edit**.

NOTE

When an expression is divided by zero, the formula row is not displayed in the recommended Pricing Report. Therefore, if a formula has a divide by zero condition, an error is displayed. This formula displays the profitability as IN, where IN denotes an incorrect formula. Since it is not possible to optimize against such as a parameter, the expression should be made invalid for profitability parameters.

6 Managing Price Creation and Discovery

This chapter describes the various types of activities that a Relationship Manager performs in Price Creation and Discovery Application.

This chapter discusses the following topics:

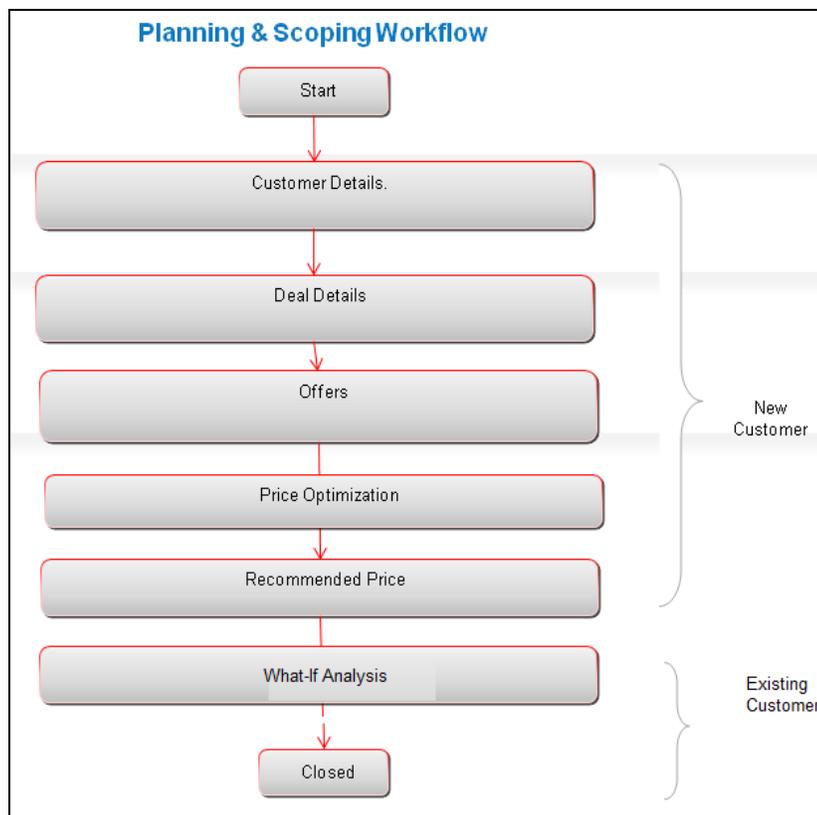
- [Overview](#)
- [Activities of a Relationship Manager](#)
- [User Roles and Actions](#)
- [Managing Relationship Manager \(RM\) Hierarchy](#)
- [Managing Deal Pricing](#)
- [Pricing Web Service](#)

6.1 Overview

The Price Creation and Discovery enables the bank to assess the cost and risk added to their portfolio by each new loan, thereby pricing the loan appropriately.

6.2 Activities of a Relationship Manager

The Workflow Diagram for the roles of a Relationship Manager is described below:



6.3 User Roles and Actions

User: Relationship Manager.

Actions:

- Identifying an Existing Customer and Pricing for a New Customer.
- Editing/Recommending the accounts flagged for review
- Analyzing the Pricing Metric.
- Generate the Rate of Interest to be charged to meet the target profitability parameters.
- Assess whether the Current Rate being charged is optimal.
- Re-pricing

6.4 Managing Relationship Manager (RM) Hierarchy

The Dimension Management Screen allows the Relationship Manager to create an RM Hierarchy and add members to the RM Hierarchy.

This section discusses the following topics:

- [Creating an RM Hierarchy](#)
- [Adding Members to the RM Hierarchy](#)

6.4.1 Creating an RM Hierarchy

To create an RM Hierarchy, do the following:

1. Click **Dimension Management** under the **Applications** Tab.
2. Select **Hierarchy Maintenance**.
3. Click **Add** in the Hierarchies toolbar to display the New - Hierarchy Details Screen.
4. Select the **Dimension** from the drop-down list. Enter the Hierarchy Properties as tabulated:

| Field | Description |
|-----------------------|---|
| Name | Enter the Name of the Hierarchy. |
| Description | Enter the required description for the Member. |
| Folder | Select the folder where the hierarchy is to be stored from the drop-down list. |
| Access Type | Select the Access Type as Read Only or Read/Write . |
| Automatic Inheritance | <ul style="list-style-type: none"> • Click Yes to inherit the hierarchy properties of the parent to the child • Click No if you want to define a new hierarchy. |
| Display Signage | Click Yes to display the Signage to the right-hand side of the member in the Show hierarchy panel or click No . |

| Field | Description |
|-----------------------|--|
| Show Member Code | <p>Select from the drop-down list as one of the following:</p> <ul style="list-style-type: none"> • Alphanumeric Code to Left of Name: Displays Alphanumeric Code on the Left side of Member Name. • Alphanumeric Code to Right of Name: Displays Alphanumeric Code on the Right side of Member Name. • Only Name -No Code: Displays only the Member Name. • Numeric Code to Left of Name: Displays the Numeric Code on the Left side of Member Name. • Numeric Code to Right of Name: Displays the Numeric Code on the Right side of Member Name. |
| Initial Display Level | Select the Initial Display level from the drop-down list. |
| Orphan Branch | Click Yes to display the Orphan Branch in the Show Hierarchy Panel or click No . |

5. To add a Child under the **Show Hierarchy** Tab, follow these steps:
 - a. Right-click in the Show Hierarchy Tab.
 - b. Select Add Child and the Add Member Window is displayed.
 - c. Select the required Member and click the Left Arrow button. The Member is displayed in the Selected Members panel.
 - You can click the **Right Arrow** button to deselect a Member.
 - You can click the **Right Arrow** button to deselect a Member.
 - You can click the **Right Arrow** button to deselect a Member.
 - Click **Search** to search for the required member using Alphanumeric code, Numeric Code, Name, and Description.
 - d. Click **OK**. The selected Member is displayed as a Child under the Show Hierarchy panel in the New - Hierarchy Details Window.
6. To add a Sibling, follow these steps:
 - a. Right-click the Child and select **Add Sibling**. The Add Member Window is displayed.
 - b. Select the required Member and click the **Left Arrow** button. The Member is displayed in the **Selected Members** Panel.

You can click the **Right Arrow** Button to deselect a Member.
 - c. Click **Apply**.

The selected Member is displayed as a Sibling below the Parent under Show Hierarchy Panel in the New - Hierarchy Details Window.
7. To add a Leaf under a Parent, Child, or Sibling, follow these steps:
 - a. Right-click the Parent or Child and select **Add Leaf**.

The Add Member window is displayed.
 - b. Select the required Member and click the **Left Arrow** Button.

The Member is displayed in the **Selected Members** Panel.

You can click the **Right Arrow** button to deselect a Member.

- c. Click **Apply**.

The selected Member is displayed as a Leaf below the Parent or Sibling under **Show Hierarchy** Panel in the New - Hierarchy Details Window.

8. To define Level Properties, follow these steps:
 - a. Select **Level Properties** from the options under Parent, Child, Sibling, or Leaf, and the Level Properties Window is displayed.
 - b. Enter the valid Name and Description in the respective fields.
 - c. Click **OK** and the Levels defined are displayed in the drop-down in the **Initial Level Display** field in Hierarchy Properties Grid in New - Hierarchy Details Window.
9. To add a Child/Sibling/Leaf, follow these steps:
 - a. Right-click any node and select **Create and add Child**.
The New - Member Details Window is displayed.
 - b. Right-click any node and select **Create and add Sibling**.
 - c. Right-click any node and select **Create and add Leaf**.

10. Click **Save**.

The Audit Trail Section at the bottom of the window displays the metadata about the Hierarchy with the option to add additional information as comments. The User Comments Section facilitates you to add or update additional information as comments.

6.4.2 Adding Members to the RM Hierarchy

To add members to the hierarchy:

1. Click Dimension Management under the Applications Tab.
2. Select Members.
3. Click Add in the Dimension Members Toolbar.

The Members Screen is displayed.

4. Enter the field values:

| Field | Description |
|-------------------|---|
| Dimension | Select the dimension from the drop-down list. |
| Alphanumeric Code | This field is editable only if the selected Dimension accepts Alphanumeric Code. Enter the required Alphanumeric Code. |

| Field | Description |
|--------------|--|
| Numeric Code | <p>Enter the Numeric Code by doing any of the following:</p> <ul style="list-style-type: none"> To auto-generate a Numeric Code, click the Auto-generate Button. A system-generated code is displayed. Manually enter the required code which is auto validated for uniqueness. A maximum of 14 numeric characters can be specified. <p>NOTE: If the selected Dimension accepts only Numeric Code, then the specified, Numeric Code is auto-populated to the Alphanumeric Code Field.</p> |
| Name | Enter the Name of the Member. |
| Description | Enter the required description for the Member. |
| Enabled | <p>This field is set to Yes by default and is editable only in Edit Window.</p> <p>You can change the option to No only when the particular member is not used in any hierarchy.</p> |
| Is Leaf | <p>This field is set to Yes by default.</p> <p>If Yes, the particular member can be used as a Leaf Node in any Hierarchy and Child cannot be added to this node.</p> <p>If No, the node becomes a Non-Leaf and can have Child Nodes.</p> |

5. Click **Save**.

6.5 Managing Deal Pricing

The Deal Pricing Section enables the Relationship Manager to manage Customer's Details, Deal Details, Offer Details and get the best rate of interest for the customer.

The Pricing section discusses the following topics:

- [Search](#)
- [Pricing Summary](#)
- [Managing Customer Details](#)
- Modifying Deal Details
- [Managing Offers](#)
- [Optimizing Prices](#)
- [Recommended Price](#)
- [Prepayment Analysis for Mortgages](#)
- [What-If Analysis](#)

6.5.1 Search

The Search option enables a Relationship Manager to search for a Pricing Definition based on certain parameters. Search will be conducted based on the entered details.

1. For searching the Pricing Definition, navigate to **Price Creation and Discovery**, and then select **RM Summary**.

Figure 12: Deal Pricing Search



The image shows a search interface with a text input field containing the placeholder text "Search for Pricing Definition, Prospect Name, Client Name and System Id". To the right of the input field are two buttons: a blue button with a magnifying glass icon and a red button with a circular arrow icon and the text "Reset".

2. Enter any of the following details:
 - Pricing Definition
 - Prospect Name
 - Client Name
 - System ID.
3. Click **Search**. The Pricing Details are displayed.

Figure 13: Pricing Summary

Welcome PMUSER

Q Reset

+ New Deal

Portfolio Performance

2020
▼
▼
▼
Go

0

Target:45000000

Projected Income (\$)

0

Target Achieved (%)

Top Performing Deals

All ▼

| System Id | Net Interest Margin (%) | Products |
|-----------|-------------------------|------------------|
| 200105 | 8.14 | Installment Loan |
| 200153 | 5.1 | Line of Credit |

Page 1 of 1 (1-2 of 2 items)
 K < 1 > X

New Opportunities Total 81 Opportunities

| Pricing Definition | Prospect Name | Relationship | Last Modified On | System Id | Stage |
|------------------------------|-----------------------|--------------|---------------------|-----------|--|
| Existing fixed and floating | Titan Industries | Existing | 19-10-2021 12:02:45 | 201559 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| floating | floating | New | 19-10-2021 12:01:13 | 201558 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| Existing-floating | TATA Housingr Pvt Ltd | Existing | 19-10-2021 11:47:15 | 201557 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| Existing -Individual | TATA Housingr Pvt Ltd | Existing | 19-10-2021 11:23:21 | 201463 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| Existing | PantaloonSr Ltd | Existing | 19-10-2021 11:00:08 | 201368 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| Existing_floating_ind | TATA Housingr Pvt Ltd | Existing | 19-10-2021 10:57:58 | 201367 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| Existing No Reprice Floating | Prestige | Existing | 19-10-2021 10:41:53 | 201366 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| Existing repricing yes | Prestige | Existing | 18-10-2021 06:02:59 | 201270 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| Repricing yes | Prestige | Existing | 18-10-2021 06:01:06 | 201269 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |
| Existing_customer | Prestige | Existing | 18-10-2021 05:15:22 | 200893 | <div style="width: 100%; height: 5px; background-color: #007bff;"></div> 🔍 🗄️ 🗑️ |

Page 1 of 9 (1-10 of 81 items)
 K < 1 2 3 4 5 ... 9 > X

All Deals Total 4 Deals

| Pricing Definition | Client Name | Net Income (\$) | Date Submitted | Last Modified On | System Id | Status |
|--------------------------|-------------|-----------------|----------------|---------------------|-----------|---|
| LOC_UI_FIX_VAR_RATE_HIGH | Oracle | 1,287,601.08 | 08-10-2021 | 08-10-2021 12:52:09 | 200153 | Approved 🔍 🗄️ 🗑️ |
| CASA_UI_FIX_CONST_BAL_5Y | Oracle | 16,270.04 | 08-10-2021 | 08-10-2021 06:02:32 | 200162 | Submitted 🔍 🗄️ 🗑️ |
| LC_UI_6M | Oracle | 6,000.01 | 07-10-2021 | 07-10-2021 10:52:20 | 200128 | Submitted 🔍 🗄️ 🗑️ |
| 8075 | 8075 | 56,568.34 | 06-10-2021 | 06-10-2021 03:50:52 | 200105 | Approved 🔍 🗄️ 🗑️ |

Page 1 of 1 (1-4 of 4 items)
 K < 1 > X

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This page displays the following details:

- Portfolio Performance:** This displays the status of the performance of the Relationship Manager in terms of the Target and Target Achieved with a pie chart and in percentage. The Relationship Manager can filter the data based on the Year, Quarter, and Month.

- **Top Performing Deals:** This part of the screen displays the Top Performing Product in terms of Net Interest Margin (%).
- **New Opportunities:** This part of the screen displays the New Opportunities that the Relationship Manager can look into for further deals.
- **All Deals:** This area of the screen displays the existing Deals that are already running.

6.5.1.1 Editing, Viewing or Deleting Prospect Customers

The Pricing Summary Screen allows you to edit, view, or delete the Prospect Customers and Pricing Definitions as follows:

Figure 14: Editing, Viewing, or Deleting the Prospect Customers

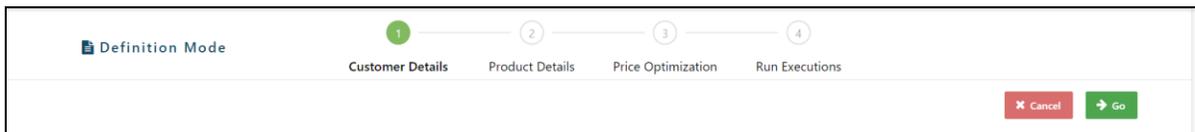
| New Opportunities <small>Total 96 Opportunities</small> | | | | | |
|---|---------------|--------------|---------------------|-----------|---|
| Pricing Definition | Prospect Name | Relationship | Last Modified On | System Id | Stage |
| OBIB2C14A2 | Big Bazaar | Existing | 19-10-2021 07:04:58 | 201762 |    |
| Existingoffset | Prestige | Existing | 19-10-2021 06:57:19 | 201761 |    |

- **Edit:** To edit the Deal, click the  icon. This opens the Deal in Edit Mode.
- **View:** To view the Deal, click the  icon. This opens the Deal in View Mode.
- **Delete:** To delete the Deal, click the  icon. This opens the DELETE DEAL window for confirming the Delete operation of the Prospect Name.

6.5.1.2 Defining a New Pricing Deal

To define a New Pricing Deal, click  on the top right corner of the Pricing Summary Screen. This opens the Pricing Details Screen in Definition Mode.

Figure 15: Pricing Details Definition Mode



The Pricing Definition Mode Screen displays different widgets in a train as follows:

- Customer Details
- Product Details
- Price Optimization
- Run Executions

NOTE

You must define all the details of the above. Without defining any of the details, you cannot proceed to the next widget. For example, unless you define the Customer Details, the ScreenFlow does not allow you to proceed to the Product Details.

6.5.1.3 Pricing Details

Figure 16: Pricing Details

Enter the following details:

| Field | Description |
|---------------|--|
| Name | Enter the name of the Pricing Definition. |
| Customer | Select the Customer Type from the drop-down list. Following are the two options: <ul style="list-style-type: none"> • Institutional: If you select this field, then the Business Information and Financial Information grids are displayed. • Individual: If you select this field, then the Customer Information grid is displayed. |
| Customer Type | Select the relevant Customer Type by selecting the appropriate radio button. Customers can be New or Existing. If you select Existing, then the Existing Customers grid is displayed where you can select a customer to see the Existing Accounts. |
| Repricing | If you select Existing for the Customer Type, then this screen allows you to select if it is repricing for the existing account or not by options Yes or No. |

6.5.2 Managing Customer Details

The Customer Details Tab allows you to manage the Customer Pricing Details for new as well as existing customers. Click New Deal to open the Deal Definition Mode Screen.

You can add, view, modify, and delete the Customer Details from the Pricing Screen.

Figure 17: Customer Details (Existing)

Pricing Details

Pricing Definition Name *

Customer * Individual Institutional

Customer Type * Existing New

Repricing * Yes No

Search Customer Identifier Search Customer Name 🔍 ↺ Reset

Existing Customers Total 42 Existing Customers

| | Customer Identifier | Customer Name | Date Of Joining | City | Country |
|-------------------------------------|---------------------|------------------|-----------------|------------|---------|
| <input checked="" type="checkbox"/> | OBIB2C49 | Titan Industries | 01-JUN-2012 | | India |
| <input type="checkbox"/> | OBIB1C50 | UltraTech Cement | 01-JUN-2012 | Whitefiled | India |
| <input type="checkbox"/> | OBIB2C51 | Tata Group | 01-JUN-2012 | | India |
| <input type="checkbox"/> | OBIB1C13 | Jet Airways | 01-JUN-2011 | Whitefiled | India |
| <input type="checkbox"/> | OBIB1C15 | Pantaloons | 01-JUN-2011 | Whitefiled | India |

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Existing Accounts Total 1 Existing Accounts

| | Account Number | Product | Open Date | Current Balance | Currency |
|-------------------------------------|----------------|-----------|-------------|-----------------|----------|
| <input checked="" type="checkbox"/> | OBIB2C49A1 | Home Loan | 05-APR-2011 | 2,500,000.00 | USD |

Page 1 of 1 (1 of 1 items) ⏪ < 1 > ⏩

Figure 18: Customer Details (New)

abcd
✖ Cancel
💾 Save

Pricing Details

Customer Individual Institutional

Customer Type Existing New

Business Information

Organization Name *

Organization Address

Country of Incorporation

Date of Incorporation

Status of Listing Yes No

Number of Employees

Industry

Rating Source

Obligor Rating

Information As On

Turnover ('000 \$)

Earnings After Tax ('000 \$)

Debt Coverage Ratio (%)

Interest Coverage Ratio (%)

Group Asset Size ('000 \$)

Liquidity Cash ('000 \$)

To add the existing Customer details, follow these steps:

4. Click **Go** on the Pricing Tool Bar.
5. Enter the field values in the Pricing Details Grid:

| Field | Description |
|----------------|--|
| Customer | Specify the Customer Type by selecting the appropriate radio button. Customers can be New or Existing. |
| Customer Name | Specify the Name of the Customer for whom the Pricing is being computed. |
| Customer ID | This field displays the Unique System Generated Customer ID. |
| Customer Type | Select the Customer Type from the drop-down list. Following are the two options: <ul style="list-style-type: none"> • Institutional: If you select this field, then the Business Information and Financial Information grids are displayed. • Individual: If you select this field, then the Customer Information grid is displayed. |
| Account | Select the Account Type. The Account Type can be an Existing or a New account. |
| Account Number | This is a search-enabled field used to select an Account for Re-Pricing. |

6. Depending on the Customer Type selected, perform the following:
 - On selecting **Institutional** as the Customer type, the Business Information and Financial Information grid is displayed.

Figure 19: Business and Financial Information

The screenshot displays the 'Pricing Details' form. At the top, there are radio buttons for 'Customer Type' with 'Institutional' selected and 'New' also selected. Below this, the 'Business Information' section contains fields for Organization Name, Organization Address, Country of Incorporation (set to Afghanistan), Date of Incorporation, Status of Listing (set to Yes), Number of Employees (set to 5), Industry (set to All Industries), Rating Source (set to Brickwork(BRI)), and Obligor Rating (set to BRI LT Rating A). The 'Financial Information' section on the right includes sliders and input fields for Information As On (19-OCT-2021), Currency (US Dollar), Turnover ('000 \$) (10), Earnings After Tax ('000 \$) (10), Debt Coverage Ratio (%) (0), Interest Coverage Ratio (%) (0), Group Asset Size ('000 \$) (100), and Liquidity Cash ('000 \$) (10).

7. Enter the details in the **Business Information** grid.

| Field | Description |
|--------------------------|---|
| Organization Name | Enter the Name of the Organization. |
| Organization Address | Enter the Address of the Organization. |
| Country of Incorporation | Select the Country where the Organization is registered. |
| Date of Incorporation | Select the Date of Incorporation from the Calendar. |
| Status of Listing | Select Yes or No. Yes: If the Organization is listed on the Stock Exchange. No: If the organization is unlisted. |
| Number of Employees | Enter the Number of Employees in the Organization or use the slider, select a number. |
| Industry | Select the Industry associated with the Organization, for example, Finance, Retail, Telecom, and so on from the drop-down list. |
| Rating Source | Select the Source of Credit Rating for the Organization from the drop-down list, for example, CIBIL, CRISIL, Export Credit Agency, and so on. |
| Obligor Rating | Select the Credit Rating for the Organization from the drop-down list. |

8. Enter the details in the **Financial Information** grid.

| Field | Description |
|-------------------------|---|
| Information As On | Select the Date from the data lookup on which the information is based. |
| Currency | Select the Currency for the Organization from the drop-down list. |
| Turnover | Enter the Turnover of the Organization for whom Pricing is being considered. You can use them to select a number |
| Earnings After Tax | Enter the Earnings Post Tax in this field. |
| Debt Coverage Ratio | Enter the Long Term Debt value. NOTE: Long Term Debt value would include Company Bond issues or Long-Term Leases that have been capitalized on a firm's Balance Sheet. Loans and Financial Obligations lasting over one year are Long Term Debts. |
| Interest Coverage Ratio | This field is visible only when the Customer Type selected is Institutional. Enter the Interest Coverage Ratio. NOTE: A Ratio used to determine how easily a company can pay interest on outstanding debt is known as Interest Coverage Ratio. |
| Group Asset Size | This field is visible only when the Customer Type selected is Institutional. Enter the Asset Size for the Organization. |
| Liquidity Cash | Value of Liquid assets held by the company |

On selecting Individual as the Customer type, the Customer Information Grid is displayed.

9. Click **Save**.

The ADD PRODUCT Screen is displayed.

10. If the Customer is a new **Retail Customer**, the Customer Details Screen is displayed as follows:

Figure 20: Retail Customer Details

11. Enter the following details in the Customer Information grid.

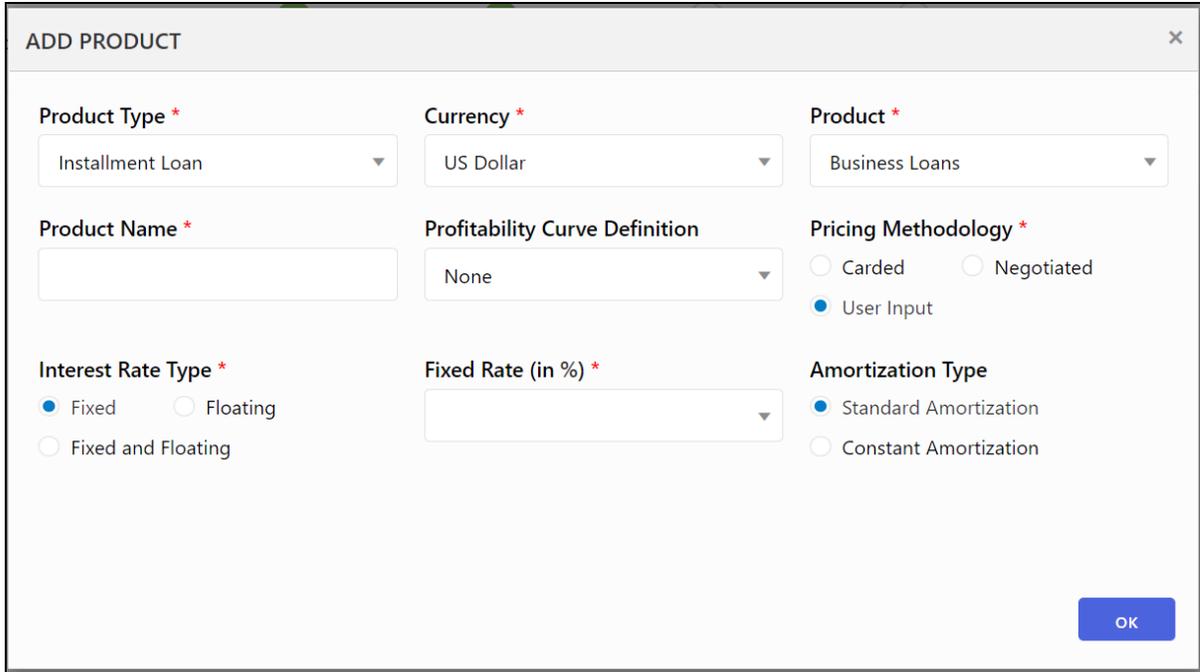
| Field | Description |
|-------------------|--|
| Information As On | Select the Date from the date lookup to indicate the date which is valid for the financial inputs. |
| First Name | Enter the First Name of the Customer. |
| Middle Name | Enter the Middle Name of the Customer. |
| Last Name | Enter the Last Name of the Customer. |
| Date of Birth | Enter the Date of Birth of the Customer from the Calendar lookup. |
| Age (in years) | Enter the Age of the Customer in years. |
| Gender | Select the Gender from the drop-down list. |
| Marital Status | Select the Marital Status of the Customer. |
| Nationality | Enter the Nationality of the Customer. |
| Industry | Select the Industry where the Customer is employed from the drop-down list. |
| Rating Source | Select the Credit Rating Source for the Customer. |
| Credit Score | Enter the Credit Score of the Customer. |
| Annual Income | Enter the Annual Income of the Customer. |
| Currency | Select the Currency from the drop-down list. |

12. Click  **Save** to add the details and open the ADD PRODUCT Screen.

6.5.3 Adding Product Details

The following illustration describes the ADD PRODUCT Screen.

Figure 21: ADD PRODUCT



The screenshot displays the 'ADD PRODUCT' dialog box with the following fields and options:

- Product Type ***: Dropdown menu with 'Installment Loan' selected.
- Currency ***: Dropdown menu with 'US Dollar' selected.
- Product ***: Dropdown menu with 'Business Loans' selected.
- Product Name ***: Empty text input field.
- Profitability Curve Definition**: Dropdown menu with 'None' selected.
- Pricing Methodology ***: Radio buttons for 'Carded', 'Negotiated', and 'User Input' (selected).
- Interest Rate Type ***: Radio buttons for 'Fixed' (selected), 'Floating', and 'Fixed and Floating'.
- Fixed Rate (in %) ***: Empty text input field.
- Amortization Type**: Radio buttons for 'Standard Amortization' (selected) and 'Constant Amortization'.

An 'OK' button is located in the bottom right corner of the dialog box.

The following sections describe the different Fields applicable for different Products.

6.5.3.1 Mortgages

The ADD PRODUCT screen for the Mortgages is common for CASA and Term Deposit Products.

Figure 22: Add Product Screen

The screenshot shows the 'ADD PRODUCT' window with the following details:

- Product Type ***: Mortgages
- Currency ***: US Dollar
- Product ***: Gold Loan
- Product Name ***: (Empty)
- Profitability Curve Definition**: None
- Pricing Methodology ***:
 - Carded
 - Negotiated
 - User Input
- Interest Rate Type ***:
 - Fixed
 - Floating
 - Fixed and Floating
- Offset Mortgage**:
 - Yes
 - No
- Fixed Rate (in %) ***: (Empty)
- Amortization Type**:
 - Standard Amortization
 - (Other options partially visible)

An 'OK' button is located at the bottom right of the window.

1. Enter or select the following details:

- Currency
- Product
- Product Name
- Profitability Curve Definition
- Pricing Methodology
 - For **Carded** Pricing Methodology, select the Card Rate Definition.
 - For **User Input** Pricing Methodology, select the relevant details based on the Interest Rate Type you select.
- Interest Rate Type
- Offset Mortgage
- Fixed Rate (in %)
- Amortization Type

Figure 23: Mortgage Product Type

Mortgages 1

- mort**
- Product Details
- Account Details
- Transfer Pricing Parameters
- Capital Charge Parameters
- Profitability Drivers

Product Details 🗑️

Product Name

mort

Interest Rate Type

Fixed Floating

Fixed and Floating

Profitability Curve Definition

None

Product

Gold Loan

Offset Mortgage

Yes No

Fixed Rate (in %)

9

Pricing Methodology

Carded Negotiated

User Input

Currency

US Dollar

Amortization Type

Standard Amortization Constant Amortization

Account Details

Start Date *

22-OCT-2021 📅

Annual Fees

100

Link Existing CASA Account

Yes No

Maturity Tenure *

1 Months ▼

Disbursement Type

Upfront Schedule

Opening Balance

100

Amount *

10

Payment Type

Periodic Schedule

Origination Fees

10

Payment Frequency *

1 Months ▼

Transfer Pricing Parameters

Funding Charge (in %) *

Specify Schedule

10

Capital Charge Parameters

Customer Sub-Type ▼

Expected Loss * Specify Schedule

10

Unexpected Loss * Specify Schedule

10

Risk Mitigants Create Mitigant

| | | | |
|---|--|---|--|
| Mitigant Name * | Mitigant ID | Mitigant Type * | Collateral Type |
| <input type="text"/> | <input type="text"/> | Collateral ▼ | Accounts Receivable and ... ▼ |
| Start Date * | Maturity Date * | Mitigant Issuer * | Issuer Type * |
| DD-MON-YYYY 📅 | DD-MON-YYYY 📅 | <input type="text"/> | African Development Bank ▼ |
| Rating Source | Issuer Rating | Mitigant Value * | Currency * |
| Brickwork(BRI) ▼ | BRI LT Rating A ▼ | <input type="text"/> | US Dollar ▼ |

✖ Cancel + Add

| Mitigant Name | Mitigant Type | Mitigant Issuer | Mitigant Rating | Issuer Rating | Mitigant Value |
|---|---------------|-----------------|-----------------|---------------|----------------|
| Initializing... | | | | | |
| Page 1 ⏪ < 1 > ⏩ | | | | | |

Profitability Drivers

Miscellaneous Fees

Specify Schedule Reset

Schedule Reset

Other Income

Specify Schedule Reset

Schedule Reset

Expenses

Specify Schedule Reset

Schedule Reset

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1. Enter the following details under Account Details:

| Field | Description |
|-----------------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Amount | Enter the deal amount. |
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |
| Annual Fees | Enter the annual amount of fees applicable for the account. |
| Payment Frequency | Enter the frequency of interest payment for the deal in either Days, Months, or Years. |
| Disbursement Type | <p>Select the Disbursement Type. Following are the options available:</p> <ul style="list-style-type: none"> • Upfront: If Upfront is selected, the entire loan amount is disbursed at the beginning of the product. Customers can link an existing CASA account for offsetting purposes or can select a new opening balance as an offsetting balance. • Schedule: If the Schedule is selected, then enter the details of the disbursement schedule. Follow these steps to enter the details: <ul style="list-style-type: none"> a. In the Disbursement Schedule Details section, enter the Date and Disbursement Amount. b. You can click  to add another Disbursement Schedule if there are multiple disbursements. c. You can click  adjacent to the Disbursement if you want to delete a schedule. |
| EMI Details | <ul style="list-style-type: none"> • A default EMI Start Date is displayed. You can pick a different EMI start Date from the calendar. • Select Enable Variable Payment to define payment details if required. |
| Payment Type | <p>Select the Payment Type. Following are the options available:</p> <ul style="list-style-type: none"> • Upfront: If Upfront is selected, then the equal payments are done periodically by the customer. • Scheduled: If scheduled is selected, then enter the details of the payment schedule. Follow these steps to enter the details: <ul style="list-style-type: none"> a. Click the Browser Button. The Payment Details Window is displayed. b. Select the Payment Schedule details. Automatic Payment Schedule and Define Payment Schedule are the options available. c. Click OK. The schedule details are entered. |
| Funding Charge (in %) | Enter a value in terms of percentage for the Funding charge. |

2. Transfer Pricing Parameters: If you want to invoke the service of the Real-Time Transfer Pricing parameters, then enter or select the following details. This is applicable for all the products where a Transfer Price component is used in Pricing.

The Real-Time Transfer Pricing service is optional as an additional service. The Relationship Manager has also the flexibility to input the values directly without the service.

Figure 24: Transfer Pricing Parameters

Transfer Pricing Parameters

Funding Charge (in %) *

Specify
 Lookup
 Real Time Calculation

7.988

Funding Charge Inclusions

Transfer Rate = 7.988

Liquidity Premium Rate = -4
 Pricing Incentive Rate = 6.5
 Basis Risk Cost Rate = 10
 Pre-payment Adjustments = 10

Additional FTP Input Parameters Compute FTP

| | | | |
|---------------------------|-----------------------------|--------------------------|--------------------------------|
| Amortization Type | Adjustable Type | Accrual Basis | Interest Payment Timing |
| Conventional Fixed ▼ | Fixed Rate ▼ | Actual/360 ▼ | Interest In Arrears ▼ |
| Rate Rounding Type | Rate Rounding Factor | Compounding Basis | FTP Product Dimension |
| No Rounding ▼ | | Monthly ▼ | Model_dimension1 ▼ |

Terms

| | | | |
|--------------------------|---------------------|---------------------|-----------------------|
| Amortization Term | Rate Set Lag | Tease Period | Tease Discount |
| 5 Years ▼ | 0 Days ▼ | 0 Days ▼ | |

User Defined Terms

| | |
|---------------------|-----------------|
| customerType | booktype |
| 50 | 100 |

- Enter the following details under Transfer Pricing Parameters:

| Field | Description |
|-----------------------|---|
| Funding Charge (in %) | <p>If you select Specify or Lookup, then enter a value in terms of percentage for the Funding charge.</p> <p>If you select Real-Time Calculation, then based on the values entered by the Relationship Manager, these values will be passed to the FTP engine. The FTP Engine computes the Base Transfer Rate and displays the Rate in OFS PCD using the Rest API. The Relationship Manager has the option to either accept the computed Base Transfer Rate or select one or more of the following additional components of FTP:</p> <ul style="list-style-type: none"> • Liquidity Premium Rate • Pricing Incentive Rate • Basis Risk Cost • Pre-payment Adjustments <p>Also, there are the following additional FTP Input Parameters which the Relationship Manager can select:</p> <ul style="list-style-type: none"> • Amortization Type • Adjustable Type • Accrual Basis • Interest Payment Timing • Rate Rounding Type • Rate Rounding Factor • Compounding Basis • FTP Product Dimension <p>Terms:</p> <ul style="list-style-type: none"> • Amortization Term • Rate Set Lag • Tease Period • Tease Discount Activated only when Tease Period is selected <p>User-Defined Terms</p> <ul style="list-style-type: none"> • customertype • booktype |

4. Capital Charge Parameters: Enter the following details under Capital Charge Parameters:

| Field | Description |
|-------------------|--|
| Customer Sub-Type | Enter a value in terms of percentage for the Funding charge. |
| Expected Loss | This is the expected loss to be generated on the account. Enter an amount. |
| Unexpected Loss | This is the unexpected loss to be generated on the account. Enter an amount. |

5. Risk Mitigants Parameters: Click [Create Mitigant](#) and enter the following details under Risk Mitigants Parameters

| Field | Description |
|-----------------|---|
| Mitigant Name | Name of the Mitigant. |
| Mitigant Type | Type of Mitigant. |
| Collateral Type | Type of the Collateral. |
| Start Date | Collateral start date. |
| Maturity Date | Collateral maturity date. |
| Mitigant Issuer | The Authority that issues the Mitigant. |
| Issuer Type | The type of Authority that issues the Mitigant. |
| Rating Source | The Source that gives the Rating to the Mitigant. |
| Issuer Rating | The Rating of the Issuer. |
| Mitigant Value | The value of the Mitigant. |
| Currency | The currency of the Mitigant. |

6. The entered Mitigant Details will be added in a row. You can perform the following actions against the Mitigant Details row:

- **Edit:** To edit the Mitigant Detail, click the  icon. This opens the Mitigant Details in Edit Mode.
- **View:** To view the Mitigant Detail, click the  icon. This opens the Mitigant Detail in View Mode.
- **Delete:** To delete the Mitigant Detail, click the  icon. This dateless Mitigant Detail.

7. Enter the following Profitability Drivers. The following three Profitability Drivers are common across all the Products. Enter these parameters for all the products.

| Field | Description |
|--------------------|--|
| Miscellaneous Fees | This is the likely fee income to be generated from the account. This can be captured by three different approaches: <ul style="list-style-type: none"> • Specify: If you select this input type, then you need to enter a value in the text field or you can define a schedule. For defining a schedule, see Scheduling a Profitability Driver. • Lookup: If you select this input type, then the system identifies the appropriate curve for the account and that is selected for rate computation. • Realtime: If you select this input type, then PCD Application will get the value from Customer Insight Application. |
| Other Income | This is any other income that is charged against the account. This can be captured by three different approaches as explained in the Miscellaneous Fees field. |
| Expenses | These are any expenses that are charged against the account. This can be captured by three different approaches as explained in the Miscellaneous Fees Field. |

6.5.3.2 Installment Loan

The ADD PRODUCT screen for the Installment Loan is common for all other Loan Products and Line of Credit Product.

Figure 25: Installment Loan Screen

The screenshot shows the 'ADD PRODUCT' window with the following fields and values:

- Product Type ***: Installment Loan
- Currency ***: (Empty)
- Product ***: Loans Against Assets
- Product Name ***: IL
- Profitability Curve Definition**: None
- Pricing Methodology ***: User Input, Carded, Negotiated
- Interest Rate Type ***: Fixed and Floating, Fixed, Floating
- Fixed Rate Duration ***: (Empty) Days
- Fixed Rate (in %) ***: 9
- Floating Rate Benchmark ***: Monthly Curve
- Spread (in bps) ***: 100
- Repricing Frequency**: 1 Months

An 'OK' button is located at the bottom right of the window.

1. Enter the following details for Installment Loan Product Type:

- Currency
- Product
- Product Name
- Profitability Curve Definition
- Pricing Methodology
- Interest Rate Type
- Fixed Rate Duration
- Fixed Rate (%)
- Floating Rate Benchmark (if Fixed and Floating is selected for Interest Rate Type)
- Spread (in BPS) (if Fixed and Floating is selected for Interest Rate Type)
- Repricing Frequency (if Fixed and Floating is selected for Interest Rate Type)
- Transfer Pricing Parameters

The Real-Time Transfer Pricing service is optional as an additional service and can be invoked as mentioned in the Mortgage product type.

The Relationship Manager has also the flexibility to input the values directly without the service.

Figure 26: Installment Loan Product Type

Installment Loan 1
Product Details 🗑️

IL
Product Details
Account Details
Transfer Pricing Parameters
Capital Charge Parameters
Profitability Drivers

Product Details

| | | |
|--|--|--|
| Product Name IL | Product Loans Against Assets | Pricing Methodology <input type="radio"/> Carded <input type="radio"/> Negotiated <input checked="" type="radio"/> User Input |
| Interest Rate Type <input type="radio"/> Fixed <input type="radio"/> Floating <input checked="" type="radio"/> Fixed and Floating | Currency | Profitability Curve Definition None |
| Fixed Rate Duration 1 Months | Fixed Rate (in %) 9 | Floating Rate Benchmark Monthly Curve |
| Spread (in bps) 100 | Repricing Frequency 1 Months | |

Account Details

| | | | |
|--|--|--|---|
| Start Date * 21-NOV-2021 📅 | Maturity Tenure * 12 Months ▼ | Amount * 100,000 | Origination Fees 1,000 |
| Annual Fees 1,000 | Disbursement Type <input checked="" type="radio"/> Upfront <input type="radio"/> Schedule | Payment Type <input type="radio"/> Periodic <input checked="" type="radio"/> Schedule | Payment Frequency * 1 Months ▼ |
| EMI Start Date 21-NOV-2021 📅 <input type="checkbox"/> Enable Variable Payment | | | |

Transfer Pricing Parameters

Funding Charge (in %) *
 Specify

Capital Charge Parameters

| | | |
|---|--|--|
| Customer Sub-Type African Development Bank ▼ | Expected Loss * <input checked="" type="radio"/> Specify 1,000 | Unexpected Loss * <input checked="" type="radio"/> Specify 1,000 |
|---|--|--|

Risk Mitigants Create Mitigant

| Mitigant Name | Mitigant Type | Mitigant Issuer | Mitigant Rating | Issuer Rating | Mitigant Value |
|-----------------|---------------|-----------------|-----------------|---------------|----------------|
| Initializing... | | | | | |

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Profitability Drivers

| | |
|---|--|
| Miscellaneous Fees <input checked="" type="radio"/> Specify | <input style="width: 100%;" type="text"/> Schedule Reset |
| Other Income <input checked="" type="radio"/> Specify | <input style="width: 100%;" type="text"/> Schedule Reset |
| Expenses <input checked="" type="radio"/> Specify | <input style="width: 100%;" type="text"/> Schedule Reset |

2. Enter the following Account Details.

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| Field | Description |
|------------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Amount | Enter the deal amount. |
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |
| Annual Fees | Enter the annual amount of fees applicable for the account. |

3. Capital Charge Parameters: Enter the following details under Capital Charge Parameters:

| Field | Description |
|-------------------|--|
| Customer Sub-Type | Enter a value in terms of percentage for the Funding charge. |
| Expected Loss | This is the expected loss to be generated on the account. Enter an amount. |
| Unexpected Loss | This is the unexpected loss to be generated on the account. Enter an amount. |

4. Risk Mitigants Parameters: Click  and enter the following details under Risk Mitigants Parameters.

| Field | Description |
|-----------------|---|
| Mitigant Name | Name of the Mitigant. |
| Mitigant Type | Type of Mitigant. |
| Collateral Type | Type of the Collateral. |
| Start Date | Collateral start date. |
| Maturity Date | Collateral maturity date. |
| Mitigant Issuer | The Authority that issues the Mitigant. |
| Issuer Type | The type of Authority that issues the Mitigant. |
| Rating Source | The Source that gives the Rating to the Mitigant. |
| Issuer Rating | The Rating of the Issuer. |
| Mitigant Value | The value of the Mitigant. |
| Currency | The currency of the Mitigant. |

5. The entered Mitigant Details will be added in a row. You can perform the following actions against the Mitigant Details row:

- **Edit:** To edit the Mitigant Detail, click the  icon. This opens the Mitigant Details in Edit Mode.
- **View:** To view the Mitigant Detail, click the  icon. This opens the Mitigant Detail in View Mode.

- **Delete:** To delete the Mitigant Detail, click the  icon. This dateless Mitigant Detail.
6. Enter the Profitability Drivers.

6.5.3.3 Personal Loan

1. Enter or select the following details:
 - Currency
 - Product
 - Product Name
 - Profitability Curve Definition
 - Pricing Methodology
 - For **Carded** Pricing Methodology, select the Card Rate Definition.
 - For **User Input** Pricing Methodology, select the relevant details based on the Interest Rate Type you select.
 - Interest Rate Type
 - Fixed Rate (in %)
 - Amortization Type

Figure 27: Personal Loan Product Type

1. Enter the following details under Account Details:

| Field | Description |
|------------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Amount | Enter the deal amount. |
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |

| Field | Description |
|-----------------------|---|
| Annual Fees | Enter the annual amount of fees applicable for the account. |
| Payment Frequency | Enter the frequency of interest payment for the deal in either Days, Months, or Years. |
| EMI Details | <ul style="list-style-type: none"> • A default EMI Start Date is displayed. You can pick a different EMI start Date from the calendar. • Select Enable Variable Payment to define payment details if required. |
| Disbursement Type | <p>Select the Disbursement Type. Following are the options available:</p> <ul style="list-style-type: none"> • Upfront: If Upfront is selected, the entire loan amount is disbursed at the beginning of the product. Customers can link an existing CASA account for offsetting purposes or can select a new opening balance as an offsetting balance. • Schedule: If the Schedule is selected, then enter the details of the disbursement schedule. Follow these steps to enter the details: <ul style="list-style-type: none"> a. In the Disbursement Schedule Details section, enter the Date and Disbursement Amount. b. You can click  to add another Disbursement Schedule if there are multiple disbursements. c. You can click  adjacent to the Disbursement if you want to delete a schedule. |
| Payment Type | <p>Select the Payment Type. Following are the options available:</p> <ul style="list-style-type: none"> • Upfront: If Upfront is selected, then the equal payments are done periodically by the customer. • Scheduled: If scheduled is selected, then enter the details of the payment schedule. Follow these steps to enter the details: <ul style="list-style-type: none"> a. Click the Browser Button. The Payment Details Window is displayed. b. Select the Payment Schedule details. Automatic Payment Schedule and Define Payment Schedule are the options available. c. Click OK. The schedule details are entered. |
| Funding Charge (in %) | Enter a value in terms of percentage for the Funding charge. |

2. Enter the Transfer Pricing Parameters.

3. Capital Charge Parameters: Enter the following details under Capital Charge Parameters:

| Field | Description |
|-------------------|--|
| Customer Sub-Type | Enter a value in terms of percentage for the Funding charge. |
| Expected Loss | This is the expected loss to be generated on the account. Enter an amount. |
| Unexpected Loss | This is the unexpected loss to be generated on the account. Enter an amount. |

4. Risk Mitigants Parameters: Click  and enter the following details under Risk Mitigants Parameters

| Field | Description |
|-----------------|---|
| Mitigant Name | Name of the Mitigant. |
| Mitigant Type | Type of Mitigant. |
| Collateral Type | Type of the Collateral. |
| Start Date | Collateral start date. |
| Maturity Date | Collateral maturity date. |
| Mitigant Issuer | The Authority that issues the Mitigant. |
| Issuer Type | The type of Authority that issues the Mitigant. |
| Rating Source | The Source that gives the Rating to the Mitigant. |
| Issuer Rating | The Rating of the Issuer. |
| Mitigant Value | The value of the Mitigant. |
| Currency | The currency of the Mitigant. |

5. The entered Mitigant Details will be added in a row. You can perform the following actions against the Mitigant Details row:

- **Edit:** To edit the Mitigant Detail, click the  icon. This opens the Mitigant Details in Edit Mode.
- **View:** To view the Mitigant Detail, click the  icon. This opens the Mitigant Detail in View Mode.
- **Delete:** To delete the Mitigant Detail, click the  icon. This deletes the Mitigant Detail.

6. Enter the Profitability Drivers.

6.5.3.4 Structured Loan

1. Enter or select the following details:

- Currency
- Product
- Product Name
- Profitability Curve Definition
- Pricing Methodology
 - For **Carded** Pricing Methodology, select the Card Rate Definition.
 - For **User Input** Pricing Methodology, select the relevant details based on the Interest Rate Type you select.
- Interest Rate Type
- Fixed Rate (in %)
- Amortization Type

Figure 28: Structured Loan Product Type

1. Enter the following details under Account Details:

| Field | Description |
|------------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Amount | Enter the deal amount. |
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |

| Field | Description |
|-------------------|---|
| Annual Fees | Enter the annual amount of fees applicable for the account. |
| Payment Frequency | Enter the frequency of interest payment for the deal in either Days, Months, or Years. |
| EMI Details | <ul style="list-style-type: none"> • A default EMI Start Date is displayed. You can pick a different EMI start Date from the calendar. • Select Enable Variable Payment to define payment details if required. |
| Disbursement Type | <p>Select the Disbursement Type. Following are the options available:</p> <ul style="list-style-type: none"> • Upfront: If Upfront is selected, the entire loan amount is disbursed at the beginning of the product. Customers can link an existing CASA account for offsetting purposes or can select a new opening balance as an offsetting balance. • Schedule: If the Schedule is selected, then enter the details of the disbursement schedule. Follow these steps to enter the details: <ul style="list-style-type: none"> d. In the Disbursement Schedule Details section, enter the Date and Disbursement Amount. e. You can click  to add another Disbursement Schedule if there are multiple disbursements. f. You can click  adjacent to the Disbursement if you want to delete a schedule. |
| Payment Type | <p>Select the Payment Type. Following are the options available:</p> <ul style="list-style-type: none"> • Upfront: If Upfront is selected, then the equal payments are done periodically by the customer. • Scheduled: If scheduled is selected, then enter the details of the payment schedule. Follow these steps to enter the details: <ul style="list-style-type: none"> g. Click the Browser Button. The Payment Details Window is displayed. h. Select the Payment Schedule details. Automatic Payment Schedule and Define Payment Schedule are the options available. i. Click OK. The schedule details are entered. |

2. Transfer Pricing Parameters: Enter the following details under Transfer Pricing Parameters:

| Field | Description |
|-----------------------|--|
| Funding Charge (in %) | Enter a value in terms of percentage for the Funding charge. |

3. Capital Charge Parameters: Enter the following details under Capital Charge Parameters:

| Field | Description |
|-------------------|--|
| Customer Sub-Type | Enter a value in terms of percentage for the Funding charge. |
| Expected Loss | This is the expected loss to be generated on the account. Enter an amount. |
| Unexpected Loss | This is the unexpected loss to be generated on the account. Enter an amount. |

4. Risk Mitigants Parameters: Click  and enter the following details under Risk Mitigants Parameters

| Field | Description |
|-----------------|---|
| Mitigant Name | Name of the Mitigant. |
| Mitigant Type | Type of Mitigant. |
| Collateral Type | Type of the Collateral. |
| Start Date | Collateral start date. |
| Maturity Date | Collateral maturity date. |
| Mitigant Issuer | The Authority that issues the Mitigant. |
| Issuer Type | The type of Authority that issues the Mitigant. |
| Rating Source | The Source that gives the Rating to the Mitigant. |
| Issuer Rating | The Rating of the Issuer. |
| Mitigant Value | The value of the Mitigant. |
| Currency | The currency of the Mitigant. |

5. The entered Mitigant Details will be added in a row. You can perform the following actions against the Mitigant Details row:

- **Edit:** To edit the Mitigant Detail, click the  icon. This opens the Mitigant Details in Edit Mode.
- **View:** To view the Mitigant Detail, click the  icon. This opens the Mitigant Detail in View Mode.
- **Delete:** To delete the Mitigant Detail, click the  icon. This deletes the Mitigant Detail.

6. Enter the Profitability Drivers.

6.5.3.5 Line of Credit

1. Enter or select the following details:

- Currency
- Product
- Product Name
- Profitability Curve Definition
- Pricing Methodology
 - For **Carded** Pricing Methodology, select the Card Rate Definition.
 - For **User Input** Pricing Methodology, select the relevant details based on the Interest Rate Type you select.
- Interest Rate Type
- Fixed Rate (in %)
- Floating Rate Benchmark
- Spread (in bps)

Figure 29: Line of Credit Product Type

Enter the following details for Line of Credit Product Type:

| Field | Description |
|-----------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Limit | Enter the credit limit. |

| Field | Description |
|-------------------------|--|
| Interest Rate Type | Select the type of Interest Rate. Following are the options available: <ul style="list-style-type: none"> • Fixed • Floating • Fixed and Floating |
| Fixed Rate (in %) | Enter the fixed rate of interest. This option is available when the Pricing Method is selected as User Input. |
| Fixed Rate Duration | Enter the Fixed Rate Duration either in Days or Months, or Years. |
| Floating Rate Benchmark | Select the Floating Rate Benchmark from the drop-down list. NOTE: Floating Rate Benchmark is an interest rate benchmark, upon which, a floating-rate security or interest rate swap is based. |
| Spread (in bps) | Enter the Spread in basis point for the deal. This option is available when the pricing method is selected as User Input. NOTE: The basis point is used commonly for calculating changes in interest rates, equity indexes, and the yield of a fixed-income security. It denotes a rate change in a financial instrument or the difference (spread) between two interest rates. |
| Payment Type | Select the Payment Type. Following are the options available: <ul style="list-style-type: none"> • Periodic: If periodic is selected, then the equal payment is done periodically by the customer. • Schedule: If scheduled is selected, then enter the details of the payment schedule. Follow these steps to enter the details: <ol style="list-style-type: none"> Click the Browser Button. The Payment Details Window is displayed. Select the payment schedule details. Automatic Payment Schedule and Define Payment Schedule are the options available. Click OK. The schedule details are entered. |
| Payment Frequency | Enter the frequency of payment for the deal in either Days, Months, or Years. |
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |
| Annual Fees | Enter the annual amount of fees applicable for the account. |

2. Line of Credit Specific Profitability Drivers Table: Enter the following Line of Credit Specific Profitability Drivers along with other Profitability Drivers.

| Field | Description |
|--------------------|--|
| Utilization Rate % | This is the utilization rate against the account. This can be captured by three different approaches as explained in the Miscellaneous Fees field. |
| Revolve Rate % | This is the Revolve Rate against the account. This can be captured by three different approaches as explained in the Miscellaneous Fees field. |

6.5.3.6 Cards

Figure 30: CARDS Product Screen

The screenshot shows a form titled "ADD PRODUCT" with a close button (X) in the top right corner. The form is organized into a grid of fields:

- Product Type ***: Dropdown menu with "Cards" selected.
- Currency ***: Empty dropdown menu.
- Product ***: Dropdown menu with "Cards" selected.
- Product Name ***: Empty text input field.
- Profitability Curve Definition**: Dropdown menu with "None" selected.
- Pricing Methodology ***: Radio buttons for "Carded" (unselected) and "User Input" (selected).
- Interest Rate Type ***: Radio buttons for "Fixed" (unselected), "Floating" (unselected), and "Fixed and Floating" (selected).
- Fixed Rate Duration ***: Dropdown menu with "Days" selected.
- Floating Rate Benchmark ***: Dropdown menu with "Monthly Curve" selected.
- Go-To Rate (%) ***: Empty text input field.
- Balance Transfer Rate (%)**: Empty text input field.
- Purchase Rate (%)**: Empty text input field.

An "OK" button is located at the bottom right of the form.

1. Enter or select the following details:

- Currency
- Product
- Product Name
- Profitability Curve Definition
- Pricing Methodology
 - For **Carded** Pricing Methodology, select the Card Rate Definition.
 - For **User Input** Pricing Methodology, select the relevant details based on the Interest Rate Type you select.
- Interest Rate Type
- Fixed Rate Duration
- Go to Rate (in %): This is the rate applied on the unpaid accumulation of the previous month's fees and interest income of the current month
- Balance Transfer Rate (%)
- Purchase Rate (%)

Figure 31: CARDS Product Type

CASA ①
Product Details 🗑️

cdf
 Product Details
 Account Details
 Transfer Pricing Parameters
 Profitability Drivers

Product Details

Product Name
cdf

Interest Rate Type
 Fixed Floating
 Fixed and Floating
 Fixed Rate (in %)
9

Product
SavingsMax Account

Currency
US Dollar

Pricing Methodology
 Carded Negotiated
 User Input

Profitability Curve Definition
None

Account Details

Start Date *
22-OCT-2021 📅

Maturity Tenure *
12 Months ▼

Amount *
10,000

Origination Fees
10

Annual Fees
100

Payment Frequency *
1 Months ▼

Transfer Pricing Parameters

Funding Charge (in %) *

Specify

Profitability Drivers

Miscellaneous Fees

Specify

Scheduled Frequency

Months ▼

| MOB1 | MOB2 | MOB3 | MOB4 | MOB5 | MOB6 | MOB7 | MOB8 |
|------|------|------|------|------|------|------|------|
| 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

Other Income

Specify

Expenses

Specify

Average Balance

Specify

2. Enter the following details for CARDS Product Type:

- Currency
- Product Name

3. Profitability Curve Definition

- Pricing Methodology
 - For **Carded** Pricing Methodology, select the Card Rate Definition.

- For **User Input** Pricing Methodology, select the relevant details based on the Interest Rate Type you select.
- The Real-Time Transfer Pricing service is optional as an additional service and can be invoked as mentioned in the Mortgage product type.

The Relationship Manager has also the flexibility to input the values directly without the service.

6.5.3.7 TD

Figure 32: Term Deposit (TD) Product Type

TD 1

- td
- Product Details
- Account Details
- Transfer Pricing Parameters
- Profitability Drivers

Product Details

| | | |
|--|---|--|
| Product Name td | Product Regular Fixed Deposit | Pricing Methodology <input type="radio"/> Carded <input type="radio"/> Negotiated <input checked="" type="radio"/> User Input |
| Interest Rate Type <input checked="" type="radio"/> Fixed <input type="radio"/> Floating <input type="radio"/> Fixed and Floating | Currency US Dollar | Profitability Curve Definition None |
| Fixed Rate (in %) 9 | | |

Account Details

| | | | |
|------------------------------------|--|-----------------------------------|-------------------------|
| Start Date * DD-MON-YYYY | Maturity Tenure * Days | Amount * | Origination Fees |
| Annual Fees | Interest Payment Type <input checked="" type="radio"/> Periodic <input type="radio"/> At Maturity | Payout Frequency * Days | |

Transfer Pricing Parameters

Funding Charge (in %) *
 Specify

Profitability Drivers

Miscellaneous Fees
 Specify Schedule Reset

Other Income
 Specify Schedule Reset

Expenses
 Specify Schedule Reset

Account Details Table

| Account Details | | | |
|--|--|--|----------------------|
| Start Date * | Maturity Tenure * | Amount * | Origination Fees |
| <input type="text" value="DD-MON-YYYY"/> | <input type="text"/> Days <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Annual Fees | Interest Payment Type | Compounding Frequency* | |
| <input type="text"/> | <input type="radio"/> Periodic <input checked="" type="radio"/> At Maturity | <input type="text" value="Monthly"/> <input type="text"/> Monthly Quarterly Half Yearly Annually | |

| Field | Description |
|-----------------------|---|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Transaction Amount | Enter the deal amount. |
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |
| Annual Fees | Enter the annual amount of fees applicable for the account. |
| Interest Payment Type | Select the relevant option for Interest Payment Type: <ul style="list-style-type: none"> • Periodic: If you select this option, then enter the Payout Frequency. • At Maturity: If you select this option, then select the Compounding Frequency. |

Transfer Pricing Parameters

- Transfer Pricing Parameters

The Real-Time Transfer Pricing service is optional as an additional service and can be invoked as has been mentioned in the Mortgage product type.

The Relationship Manager has also the flexibility to input the values directly without the service.

Enter the Profitability Drivers.

| Field | Description |
|--------------------|--|
| Miscellaneous Fees | This is the likely fee income to be generated from the account. This can be captured by three different approaches: <ul style="list-style-type: none"> • Specify: If you select this input type, then you need to enter a value in the text field or you can define a schedule. For defining a schedule, see Scheduling a Profitability Driver. • Lookup: If you select this input type, then the system identifies the appropriate curve for the account and that is selected for rate computation. • Realtime: If you select this input type, then PCD Application will get the value from Customer Insight Application. |

| Field | Description |
|--------------------|--|
| Other Income | This is any other income that is charged against the account. This can be captured by three different approaches as explained in the Miscellaneous Fees field. |
| Expenses | These are any expenses that are charged against the account. This can be captured by three different approaches as explained in the Miscellaneous Fees Field. |
| Utilization Rate % | This is the utilization rate against the account. This can be captured by three different approaches as explained in the Miscellaneous Fees field. |
| Revolve Rate % | This is the Revolve Rate against the account. This can be captured by three different approaches as explained in the Miscellaneous Fees field. |

OFS PCD supports Import and Export of Profitability Drivers. When you are defining the Schedule for the Profitability Drivers, click either  or  buttons to select the external file to import/export the Profitability Drivers.

6.5.3.8 Bank Guarantee or Letter of Credit

Figure 33: Bank Guarantee

ADD PRODUCT ✕

| | | |
|--|--|--|
| Product Type * <input type="text" value="Bank Guarantee"/> | Currency * <input type="text" value="US Dollar"/> | Product * <input type="text" value="Corporate Products"/> |
| Product Name * <input type="text" value="BG"/> | Profitability Curve Definition <input type="text" value="None"/> | Pricing Methodology * <input type="radio"/> Carded <input type="radio"/> Negotiated <input checked="" type="radio"/> User Input |

Figure 34: Bank Guarantee Product Type

4. Enter the following details for the Bank Guarantee or Letter of Credit Product Types:

| Field | Description |
|------------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Amount | Enter an Amount. |
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |
| Annual Fees | Enter the annual amount of fees applicable for the account. |
| Fees | Enter the amount of the fee. |

5. Enter the following details under Capital Charge Parameters:

| Field | Description |
|-------------------|--|
| Customer Sub-Type | Enter a value in terms of percentage for the Funding charge. |
| Expected Loss | This is the expected loss to be generated on the account. Enter an amount. |
| Unexpected Loss | This is the unexpected loss to be generated on the account. Enter an amount. |

6. Enter the Profitability Drivers Parameters.

6.5.3.9 CASA

Figure 35: CASA Product Type

CASA ①

Product Details

cdf

Product Name
cdf

Product
SavingsMax Account

Pricing Methodology
 Carded Negotiated
 User Input

Interest Rate Type
 Fixed Floating
 Fixed and Floating

Currency
US Dollar

Profitability Curve Definition
None

Fixed Rate (in %)
9

Account Details

Start Date *
22-OCT-2021

Maturity Tenure *
12 Months

Amount *
10,000

Origination Fees
10

Annual Fees
100

Payment Frequency *
1 Months

Transfer Pricing Parameters

Funding Charge (in %) *
 Specify

Profitability Drivers

Miscellaneous Fees
 Specify

Schedule
Reset

Scheduled Frequency
 Months Go

Import
Export

| MOB1 | MOB2 | MOB3 | MOB4 | MOB5 | MOB6 | MOB7 | MOB8 |
|------|------|------|------|------|------|------|------|
| 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

Other Income
 Specify

Schedule
Reset

Expenses
 Specify

Schedule
Reset

Average Balance
 Specify

Schedule
Reset

Account Details Table:

| Field | Description |
|-----------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Amount | Enter the deal amount. |

| Field | Description |
|-----------------------|--|
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |
| Annual Fees | Enter the annual amount of fees applicable for the account. |
| Payment Frequency | Enter the frequency of interest payment for the deal in either Days, Months, or Years. |
| Funding Change (in %) | Enter a value in terms of percentage for the Funding charge. |

- Transfer Pricing Parameters

The Real-Time Transfer Pricing service is optional as an additional service and can be invoked as has been mentioned in the Mortgage product type.

The Relationship Manager has also the flexibility to input the values directly without the service.

CASA Specific Profitability Drivers Table:

| Field | Description |
|-----------------|--|
| Average Balance | This is the average balance expected to be maintained in the account. This can be captured by three different approaches as explained in the Miscellaneous Fees Field. |

6.5.3.10 Payments

Figure 36: Payments ADD Product Screen

ADD PRODUCT
✕

Product Type *

Currency *

Product *

Product Name *

Profitability Curve Definition

Pricing Methodology *

Carded
 User Input

1. Enter or select the following details:

- Currency
- Product
- Product Name
- Profitability Curve Definition
- Pricing Methodology
 - For **Carded** Pricing Methodology, select the Card Rate Definition.
 - For **User Input** Pricing Methodology, select the relevant details based on the Interest Rate Type you select.

Figure 37: Payments Product Type

1. Enter the following details for Payment Product Type:

Account Details Table

| Field | Description |
|--------------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Maturity Tenure | Select the Date of Maturity for the deal either in Days or Months, or Years. |
| Transaction Amount | Enter the deal amount. |
| Origination Fees | Enter the amount of fees or activation fees that have been charged for the deal. |
| Annual Fees | Enter the annual amount of fees applicable for the account. |

| Field | Description |
|-------|---------------------------|
| Fees | Enter the amount of fees. |

2. Enter the Profitability Drivers.

6.5.3.11 Treasury Products

Figure 38: Treasury Products ADD PRODUCT Screen

Figure 39: Treasury Products Product Type

Enter the following details for TD (Term Deposit) Product Type:

| Field | Description |
|------------|--|
| Start Date | Select the Start Date of the deal from the calendar. |
| Product | The Treasury Product. |
| Unit Price | The price of the product. |
| Unit Cost | The cost of the product. |

| Field | Description |
|-----------------------------|---|
| Transaction Per Time Period | Enter a number and select the options from Per Day, Per Month, or Per Year. |
| Card Rate Definition | Select a relevant option. |
| Maturity Tenure | Enter a number and select the options from Days, Months, or Years. |

- You can click  to add another row of Treasury Details.
- You can click  to delete a row.

6.5.4 Price Optimization

The details of the target that is to be achieved through the deal are captured on this screen. The target to be achieved is specified in terms of Optimization Parameter and target value.

Optimization can be performed only by the Profitability Parameters that are applicable to all the products in the deal. Only those Profitability Parameters which are common to all the products in the deal are available for selection. To identify the Common Profitability Product only the products which are priced using the Carded and Negotiated methods are considered.

NOTE

If there are no common parameters, then the deal should be modified.

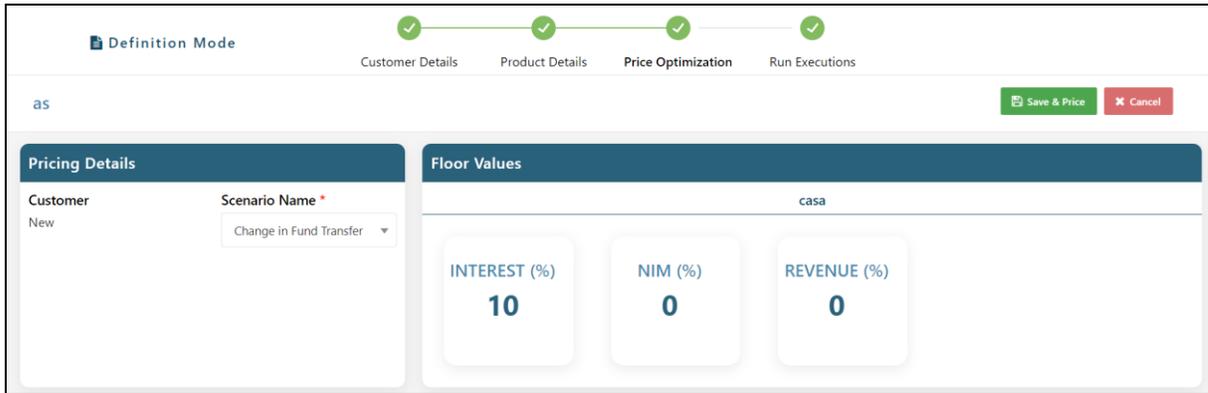
After you define the Product Details, click **Save**. The Product Details are displayed in View mode. Click **Save** to open the **Price Optimization** Screen.

After you define the above parameters, click  to save the Product and move on to the Price Optimization Screen.

NOTE

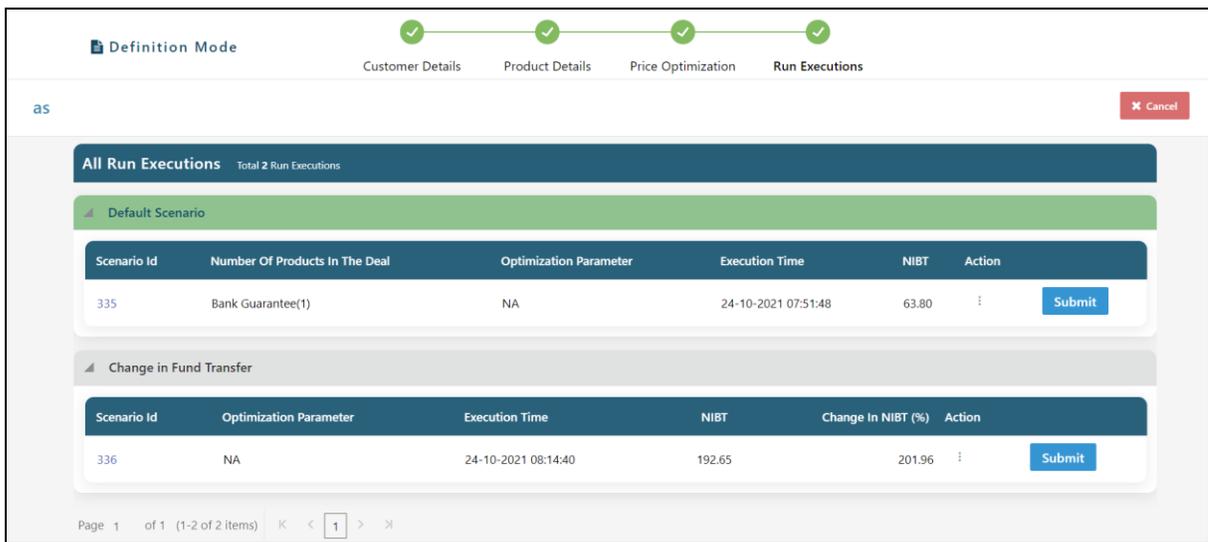
For Negotiated/Carded scenarios, the target optimization value should not be less than the Floor Value of the selected Optimization Parameter if the Target Value is less than the Floor Value. Optimization will take place based on Floor Value.

Figure 40: Price Optimization



Select an option for Scenario Name and then click  to open the Run Executions screen.

Figure 41: Run Executions





You can click on  to open the following actions that you can perform on the selected Optimization Parameter.

Figure 42: Optimization Options

Re-optimize

View P & L

Edit P & L

Change Interest Rate/Fees

Offers

6.5.4.1 Re-optimize

To Re-optimize and Scenario, follow these steps:

1. Click the **Re-optimize** option to display the Scenario in an expanded mode.

Figure 43: Re-optimize Scenario

Default Scenario

| Scenario Id | Number Of Products In The Deal | Optimization Parameter | Execution Time | NIBT | Action |
|-------------|--------------------------------|------------------------|---------------------|-------|---|
| 335 | Bank Guarantee(1) | NA | 24-10-2021 07:51:48 | 63.80 | ⋮ Submit |

Products

asd Scenario Name *

Change in Interest Rate

Re-optimize

| | Floor Rate | Asd | Reoptimize | Segment Average |
|---------------|------------|----------|------------|-----------------|
| RAROC(%) | 4 | 128.26 | | |
| ROTA(%) | 5 | 638 | | |
| Revenue(%) | 6 | 1,113.24 | | |
| SVA | 3 | 58.14 | | |
| Commission(%) | 6 | 100 | | |
| Net Income(%) | 8 | 638 | | |

2. Select the relevant Scenario Name from the following options:

- Change in Interest Rate
- Change in Annual Fee
- Change in Fund Transfer.

3. Click [Submit](#).

A confirmation window is displayed.

4. Click Yes if you want to submit, or No if you want to cancel.

The Scenario will be submitted for approval.

6.5.4.2 View P&L

To view the P&L details for the Deal, follow these steps:

1. Click View P&L to display the Deal Details in expanded mode.

Figure 44: View P&L

The screenshot displays a web interface for viewing P&L details. At the top, there is a 'Default Scenario' header. Below it is a table with columns: Scenario Id, Number Of Products In The Deal, Optimization Parameter, Execution Time, NIBT, and Action. A row shows Scenario Id 337, Letter of Credit(1), NA, 24-10-2021 08:45:20, 141.82, and a 'Submit' button. Below this is a 'Products' section with a dropdown menu showing 'sfd'. The main section is titled 'View P & L' and contains a table with columns for 2021, 2022, and TOTAL. The table lists various financial metrics.

| | 2021 | 2022 | TOTAL |
|-----------------------------|-------|-------|--------|
| Credit Limit | | | |
| Average Outstanding Balance | 10 | 10 | 10 |
| Utilization Rate | | | |
| Revolve Rate | | | |
| Unexpected Losses | 1.67 | 8.33 | 10.00 |
| Net Income Before Taxes | 58.35 | 83.47 | 141.82 |
| Total Revenue | 60 | 91.32 | 151.32 |
| Operating Expenses | 0 | | 0 |
| Expected Loss | 1.65 | 7.86 | 9.50 |

Page 1 of 1 (1 of 1 items) < 1 >

6.5.4.3 Edit P&L

To edit the P&L details for the Deal, follow these steps:

1. Click Edit P&L to display the Deal Details in expanded mode.

Figure 45: Edit P&L

| Scenario Id | Number Of Products In The Deal | Optimization Parameter | Execution Time | NIBT | Action |
|-------------|--------------------------------|------------------------|---------------------|--------|--------------------------|
| 337 | Letter of Credit(1) | NA | 24-10-2021 08:45:20 | 141.82 | ⋮ Submit |

Products: Scenario Name *: [Execute Pricing](#)

Edit P & L

| | 2021 | 2022 |
|--------------------|------|-------|
| Origination Fees | 10 | |
| Fees | 0 | 0 |
| Other Income | 0 | |
| Annual Fees | | 91.32 |
| Operating Expenses | 0 | |
| Expected Loss | 1.65 | 7.86 |

Page 1 of 1 (1 of 1 items) [K](#) [<](#) [>](#) [X](#)

- You can change the Products or Scenario Name. Scenario Name has the following options:
 - Change in Interest Rate
 - Change in Annual Fee
 - Change in Fund Transfer
 - Under Edit P&L, change the relevant details.
 - Click [Execute Pricing](#).
- A confirmation message is displayed.

6.5.4.4 Change Interest Rate/Fees

To change the Interest Rate or Fees for the Deal, follow these steps:

- Click Change Interest Rate/Fees to display the Deal Details in expanded mode.

Figure 46: Change Interest Rate/Fees

Default Scenario

| Scenario Id | Number Of Products In The Deal | Optimization Parameter | Execution Time | NIBT | Action |
|-------------|--------------------------------|------------------------|---------------------|--------|---|
| 337 | Letter of Credit(1) | NA | 24-10-2021 08:45:20 | 141.82 | ⋮ Submit |

Products **Scenario Name ***

sfd Change in Fund Transfer Execute Pricing

Change Fees

50

Change in Annual Fee

| Scenario Id | Optimization Parameter | Execution Time | NIBT | Change In NIBT (%) | Action |
|-------------|------------------------|---------------------|--------|--------------------|---|
| 339 | NA | 24-10-2021 09:24:26 | 141.81 | -0.01 | ⋮ Submit |

Change in Interest Rate

| Scenario Id | Optimization Parameter | Execution Time | NIBT | Change In NIBT (%) | Action |
|-------------|------------------------|---------------------|--------|--------------------|---|
| 338 | NA | 24-10-2021 09:23:10 | 153.81 | 8.45 | ⋮ Submit |

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2. You can change the Products or Scenario Name. Scenario Name has the following options:
 - Change in Interest Rate
 - Change in Annual Fee
 - Change in Fund Transfer
3. Enter an amount for Change Fees.
4. Click Execute Pricing.

A confirmation message is displayed.

6.5.4.5 Others

If there are any Offers available for the selected Deal, the screen displays the offers. Else, the **No Applicable Offers** message is displayed.

6.5.5 Managing Offers

The Offers tab allows you to select the appropriate offer for the customer based on the criteria that have been set.

You can view, modify, and delete the offer details from the Pricing Page.

NOTE

The **Skip** button enables you to price the deal without any offers. Click this button to indicate that no offer should be provided in the deal and you are navigated to the Price Optimization page.

This section contains the following topics:

- [Viewing Offers](#)
- [Modifying Offers](#)
- [Deleting Offers](#)
- [Audit Trail](#)
- [User Comments](#)

6.5.5.1 Viewing Offers

You can view the offer details at any given point. To view the existing offer details from the Pricing page, follow these steps:

1. Select the check box adjacent to the **Name**.
2. Click **View** in the Pricing Tool Bar.

The Pricing Definition window is displayed.

6.5.5.2 Modifying Offers

You can modify the offer details from the Pricing Page.

To modify the existing details, follow these steps:

1. Click Edit on the Pricing Toolbar.
2. Modify the following fields as required:

| Field | Description |
|------------------|---|
| Name | Displays the name of the Pricing Definition. |
| Folder Name | Displays the folder from the drop-down list. |
| Available Offers | This section enables you to see the list of the available offers for the customer according to the criteria that had been set by the Administrator. |
| Selected Offers | Select the appropriate offers for the customer amongst the available offers that have been displayed. |

3. Click **Save**.

6.5.5.3 Deleting Offers

You can delete the offer details at any given point. To delete the existing offer details from the Pricing Page, follow these steps:

1. Select the check box adjacent to the **Name**.
2. Click **Delete** in the Pricing Tool Bar.

The selected definition is deleted.

This section contains the following topics:

- **Pricing Details:** The name of the Pricing Definition is displayed.
- **Optimization Targets:** There are two Optimization Parameters as follows:
 - **Optimization Parameter:** Select an Optimization Parameter from the drop-down list.
 - **Target Value:** Enter a target in % to specify the Target Value for the Optimization Parameter.
- **Floor Values:** This section displays the floor values for the profitability parameters that are available for pricing. All the existing products of the customer (for existing customers) are also displayed along with the products added to the deal. By default, all existing products are included in the deal. However, you can exclude the existing products by deselecting the check boxes against them.

To use the floor values for a particular profitability parameter, select the corresponding check box.

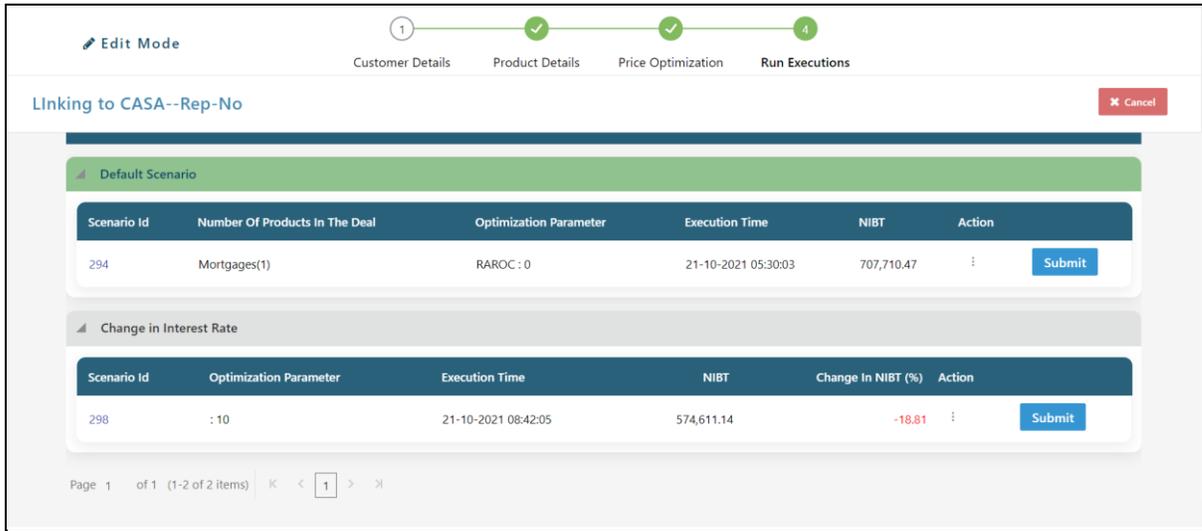
To save the values for the product, click **Save**.

To view the Recommended Price Screen for the product, click **Price**. When the pricing process is complete, you have an option to navigate to the pricing report.

- **Existing Customer:** Details of the Customer and Accounts are displayed.

After you edit the Price Optimization details, click . The **Run Execution** Screen is displayed.

Figure 47: Run Execution



Verify the Deal Details and then Click . A Confirmation Window appears and after you click Yes, the Deal will be submitted for approval. The Deal Detail Screen displays the Deal Status.

Figure 48: Deal Details

| All Deals <small>Total 7 Deals</small> | | | | | | |
|--|-------------|-----------------|----------------|---------------------|-----------|---|
| Pricing Definition | Client Name | Net Income (\$) | Date Submitted | Last Modified On | System Id | Status |
| MISC_FEES | Prestige | 493,499.73 | 21-10-2021 | 21-10-2021 09:56:08 | 202821 | Approved   |
| Linking to CASA--Rep-No | Fortis | -1,185,948.27 | 21-10-2021 | 21-10-2021 05:25:22 | 204633 | Submitted   |
| BG_CARD_3Y_NETINCOMES | Prashant | 14,990,198.19 | 21-10-2021 | 18-10-2021 08:26:52 | 200245 | Approved   |
| LOC_UI_FIX_VAR_RATE_HIGH | Oracle | 1,287,601.08 | 08-10-2021 | 08-10-2021 12:52:09 | 200153 | Approved   |
| CASA_UI_FIX_CONST_BAL_5Y | Oracle | 16,270.04 | 08-10-2021 | 08-10-2021 06:02:32 | 200162 | Submitted   |
| LC_UI_6M | Oracle | 6,000.01 | 07-10-2021 | 07-10-2021 10:52:20 | 200128 | Submitted   |
| 8075 | 8075 | 56,568.34 | 06-10-2021 | 06-10-2021 03:50:52 | 200105 | Approved   |

- You can view the Deal Details by clicking .
- You can generate a Report by clicking . The following illustration is a sample Report Summary.

Figure 49: Report Summary

Report Summary

Pricing Definition Name
CASA_UI_FIX_CONST_BAL_5Y

Pricing Report Id
4116

Scenario Name
Default Scenario

Submitted

p1

OVERALL DEAL

Product Details

| | |
|--------------------------------------|------------------------------|
| Product p1 | Product Type CASA |
| Currency US Dollar | Pricing Method User Input |
| Selected Curve Definition Default | |

Price Optimization

Optimization Parameter

NA

Target (%)

NA

Interest Rate

Offered Interest Rate(%)

4

P & L Graph

Input Parameter View

DRIVERS

Non-Interest Income

| Metrics | P & L Statement | | | | | | Recent Deals |
|-----------------------------|-----------------|----------|----------|----------|----------|----------|--------------|
| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | TOTAL |
| Credit Limit | | | | | | | |
| Average Outstanding Balance | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Utilization Rate | | | | | | | |
| Revolve Rate | | | | | | | |
| Unexpected Losses | | | | | | | |
| ▶ Net Income Before Taxes | 1,625.89 | 3,881.97 | 3,250.30 | 2,956.99 | 2,690.15 | 1,864.74 | 16,270.04 |

6.5.6 Recommended Price

The Recommended Price Tab allows you to compute the interest rate for the customer which would benefit both the customer and the bank.

NOTE

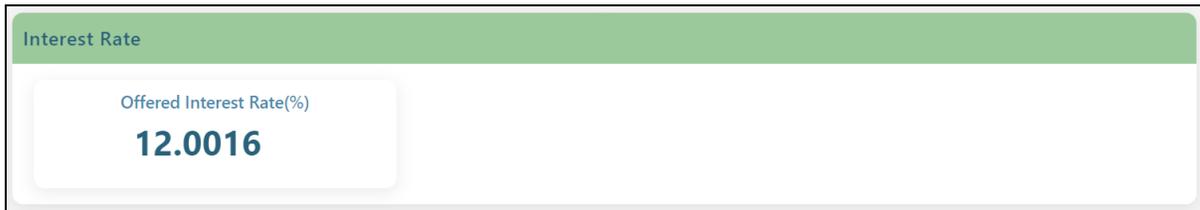
This screen displays the Pricing Report for a deal at account and deal levels. This report includes the rate generated by the application and the Profit & Loss statement.

To view the Recommended Price screen, click the Execution ID link in the Pricing Run Execution ID column.

PCD supports Import/ Export of profit and loss statement.

6.5.6.1 Offered Rate

Figure 50: Offered Rate



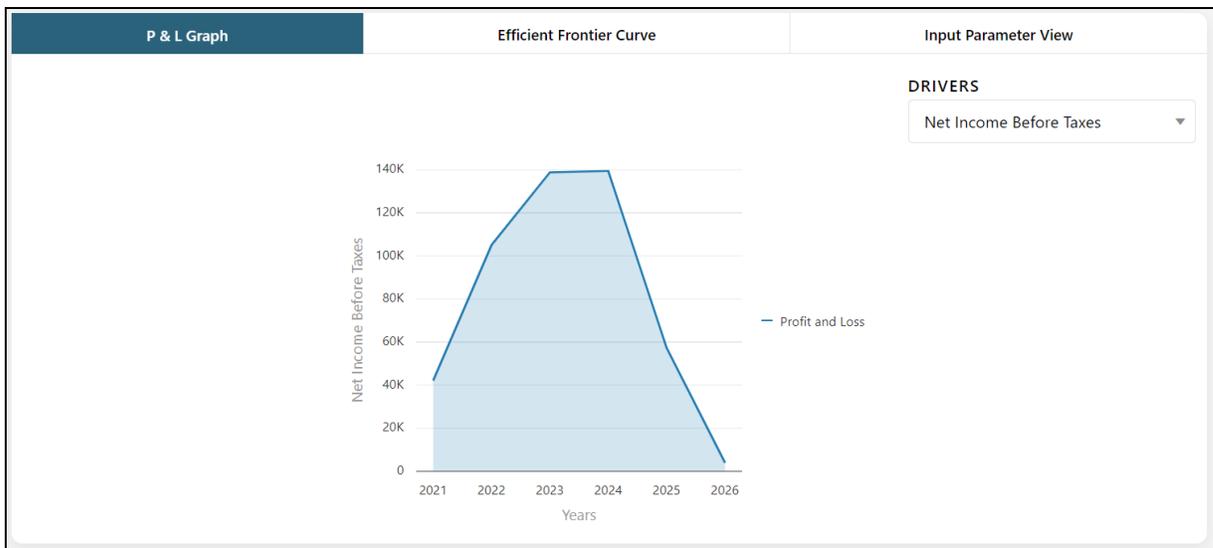
This section displays the offered rate post computation for all the products for the customer. This is the rate that has been generated by the system for the product.

This field is displayed only when the report is being viewed at a product level.

6.5.6.2 Customer Profit and Loss Account

This section displays the graphs of P & L Graph, Efficient Frontier Curve, and Input Parameter View of the Deal.

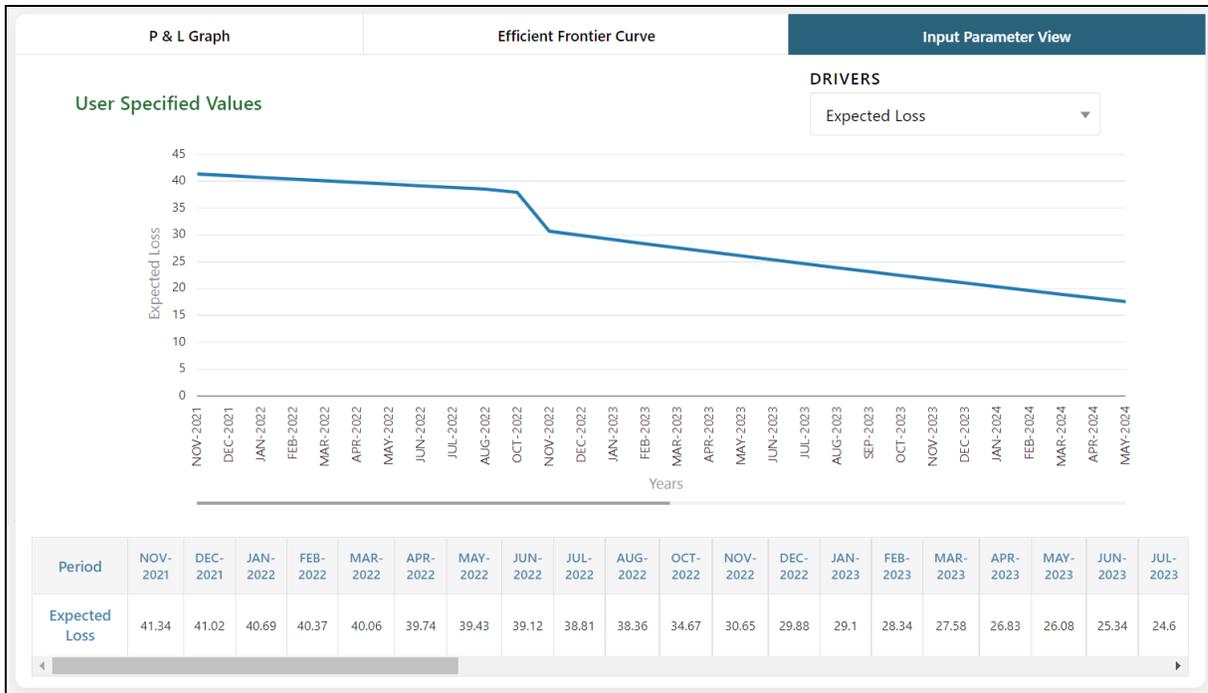
Figure 51: P&L Graph Tab



You can see different P & L Graphs for the selected DRIVER from the following options:

- Net Income Before Taxes
- Total Revenue
- Net Interest Income
- Non-Interest Income

Figure 52: Input Parameter View



You can see different Input Parameter Views for the selected DRIVER from the following options:

- Expected Loss
- Expenses
- Miscellaneous Fees
- Other Income
- Transfer Price
- Unexpected Loss

6.5.6.3 Metrics

This section displays the Metrics P & L Statement, and Recent Deals.

Figure 53: Metrics

| Metrics | P & L Statement | | Recent Deals |
|------------|-----------------|------------|-----------------|
| | Floor Rate | OBIB1C13A4 | Reoptimize |
| RAROC(%) | 0 | 2,331.25 | Segment Average |
| ROTA(%) | 0 | 9.87 | |
| NIM(%) | 0 | 9.81 | |
| Revenue(%) | 0 | 10.04 | |
| SVA | 0 | 491,099.89 | |

The Metrics display the computed values for RAROC (%), ROTA (%), NIM (%), Revenue (%), Commission (%), and SVA for the Deal (as applicable).

Figure 54: P & L Statement

| Metrics | P & L Statement | | | | | | Recent Deals |
|---|-----------------|--------------|--------------|--------------|--------------|------------|--------------|
| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | |
| Credit Limit | | | | | | | |
| Average Outstanding Balance | 1,962,871.69 | 1,754,639.52 | 3,037,625.83 | 3,031,373.92 | 1,493,645.74 | 369,409.11 | 1,941,594.30 |
| Utilization Rate | | | | | | | |
| Revolve Rate | | | | | | | |
| Unexpected Losses | 2,666.67 | 6,211.35 | 4,860.08 | 4,850.08 | 2,389.77 | 197.01 | 21,174.96 |
| <input checked="" type="checkbox"/> Net Income Before Taxes | 38,917.57 | 96,925.99 | 151,665.57 | 139,490.40 | 62,632.64 | 3,867.57 | 493,499.73 |
| ▶ Total Revenue | 39,658.45 | 98,743.03 | 154,186.78 | 141,809.14 | 63,676.98 | 3,948.01 | 502,022.39 |
| Operating Expenses | 577.46 | 1,456.32 | 2,269.19 | 2,086.96 | 939.95 | 72.39 | 7,402.27 |
| Expected Loss | 163.42 | 360.72 | 252.03 | 231.79 | 104.40 | 8.04 | 1,120.40 |

This P & L Statement displays a detailed yearly picture of the Profitability of the Deal spanning across the tenure of the product.

Figure 55: Recent Deals

| Metrics | P & L Statement | | | | | | Recent Deals | | |
|---------|--------------------|-------------------|-------|----------|-------|-------------|--------------|---------------|----------------------|
| | Account Number ... | Interest Rate ... | RAROC | ROTA ... | NIM | Revenue ... | SVA | Account Limit | Origination Date ... |
| | 12 | 2,331.25 | 9.87 | 9.81 | 10.04 | 491,099.89 | 5,000,000 | 01-09-2021 | |

This section displays the details of the last five approved deals of the product that have been created. The deals are sorted based on date and time to identify the latest deals. The details of the deals that are displayed are as follows:

- Account Number
- Interest Rate
- Profitability Parameter Values (ROTA, RAROC, NIM, Revenue%, and SVA – whichever is applicable)
- Amount/Limit
- Origination Date
- Maturity Date

To create a scenario, click **Create Scenario**. Based on the values in the editable fields, the P&L statement grid changes accordingly.

To save the created scenario, click **Save Scenario** and enter a name for the scenario. After you click **Ok**, the Pricing Definition Page is displayed. Click the Execution ID link in the Pricing Run Execution ID Column to again view the Recommended Price Screen. you can now view the saved scenario in the Scenarios drop-down.

To go back to the Pricing Definition Page, click **Finish**.

6.5.7 Recommended Price Screen - Overall Deal Tab

The Overall Deal Tab shows the aggregated income statement with the transactions for all the accounts within the deal aggregated into a single income statement. It also shows the profitability of each product and the aggregated profitability of the deal.

6.5.8 Re-optimization Functionality

Re-optimization Functionality helps to overcome some of the profitability parameters violating the floor rates set for the product and adjusts the rates accordingly.

The pricing engine optimizes against the optimization parameter and the value that has been provided, and the profitability values are computed against this rate. Some of the profitability parameters may be violating the floor rates that have been set for the product. The re-optimization functionality helps you to overcome this violation and adjust the rate accordingly. The Re-optimization button is provided next to the profitability parameters that have not been met.

To optimize the floor rate, click Re-optimized against the profitability parameters that are violating the floor rate. On clicking the Re-optimization button, the system triggers the pricing engine and initiates optimization against the floor rate of the profitability parameter. New Floor Rate is generated and the profitability parameter changes according to the new rate. The Re-optimization option is also provided to the profitability parameters that are not met even after it is re-optimized. The last five deals are displayed in the Pricing Report. The Re-optimization scenario can be saved and you can re-access the saved scenarios.

6.5.9 What-If Analysis

What-if analysis enables the user to generate a scenario and check the profitability of the account or the product at the rate that is obtained for that scenario. Scenario Analysis is made available to the user where the rates can be adjusted and the profitability metrics corresponding to each scenario will be returned, or vice versa. For an account priced using the Carded Methodology, the user can choose different rates that the customer is eligible for from the drop-down and get the profitability metrics corresponding to that rate. By default, the system generates the rates that the user is eligible for and the user can only select a value from the drop-down rates.

Using What-if analysis, the user can edit the values of the parameters in the P&L statement. The values that are changed affect the dependent variables accordingly and a new scenario is created. Along with the variables in the P&L statement, the user can edit the offered interest rate at the product level.

Following are the editable parameters in the Customer P&L Statement:

- Interest Rate
- Transfer Pricing Credit

- Transfer Pricing Charge
- Origination Fees
- Fees
- Annual Fees
- Other Income
- Operating Expenses
- Expected Loss

When a new scenario is generated through the What-if analysis, the target parameters for that scenario also change accordingly. The new values of target parameters should be displayed. When a scenario is created, the effect of the scenario is represented through a graph to indicate the net difference brought about in net income. The change in net income owing to the change that has been made is represented in a graphical format, thus highlighting the difference from the previous scenario.

6.5.10 Prepayment Analysis for Mortgages

Prepayment for mortgage loans occurs often as they are generally very long tenured. When a prepayment is made for a mortgage loan before the stipulated tenure, it affects the profitability of the bank. The probability of this occurring must be identified during pricing the mortgage product, along with the effects on profitability and loss. This must be done to help the banker identify what offers and rates can be offered to the customer considering the effect of prepayment on net income being generated by the bank.

Prepayment Analysis for mortgage products is supported in PCD only when the bank also has CI (IPA/RPA). The prepayment information is available in CI. It is derived using Historical Data of existing accounts. PCD can consume this information and use it to analyze the prepayment tendency of an account. This prepayment tendency affects the profitability of an account. The modified profitability is represented in an alternate report.

The following tabs are available in the Recommended Price Report:

1. **Product Pricing Details Tab:** This tab contains details about the product, such as the product type, offered rate, P & L statement, and the recent mortgage deals.
2. **Overall Deal Tab:** This tab contains details of the overall deal inclusive of all the products which have pricing deals.

NOTE

In the aggregated report, the prepayment information is considered. This Prepayment Report is available as a reference to the probable change in profitability.

Recommended Price

Name: GoldDeal1 Pricing Report ID: 42

Scenarios: Default Scenario Offers Applied: Choose the offers Offers

DEal1 Overall Deal

> Product Details

▼ Offered Rate

| | DEal1 | Total |
|------------|------------|------------|
| RAROC(%) | 4.247 | 4.247 |
| ROTA(%) | 6.22 | 6.22 |
| NIM(%) | 9.495 | 9.495 |
| Revenue(%) | 10.487 | 10.487 |
| SVA | -34479.762 | -34479.762 |

Customer P&L Statement:

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Total |
|---------------------------|------------|------------|-----------|------------|-----------|----------|------------|
| Credit Limit | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Average Account Balance | 1908083.31 | 2446741.24 | 1902011.9 | 1300241.52 | 635457.58 | 52260.77 | 1374132.72 |
| Utilization Rate | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revolve Rate | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unexpected Losses | 100000 | 134897 | 102593 | 70134 | 34276 | 2819 | 444719 |
| ▼ Net Income Before Taxes | 4924 | 4903 | 3882 | 2670 | 1332 | 156 | 17867 |
| ▼ Total Revenue | 7705 | 8647 | 6732 | 4618 | 2284 | 234 | 30220 |
| ▼ Net Interest Income | 6361 | 8156 | 6340 | 4334 | 2119 | 175 | 27485 |
| Interest Income | 15901 | 20390 | 15850 | 10835 | 5296 | 436 | 68708 |
| Transfer Pricing Credit | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer Pricing Charge | 9540 | 12234 | 9510 | 6501 | 3177 | 261 | 41223 |
| ▼ Non-Interest Income | 1344 | 491 | 392 | 284 | 165 | 59 | 2735 |
| Origination Fees | 1000 | 0 | 0 | 0 | 0 | 0 | 1000 |
| Fees | 191 | 245 | 190 | 130 | 64 | 5 | 825 |
| Other Income | 153 | 196 | 152 | 104 | 51 | 4 | 660 |
| Annual Fees | 0 | 50 | 50 | 50 | 50 | 50 | 250 |
| Operating Expenses | 114 | 147 | 114 | 78 | 38 | 3 | 494 |
| Expected Loss | 2667 | 3597 | 2736 | 1870 | 914 | 75 | 11859 |

6.5.11 Mortgage Offset

You can hold an Offset Account against a Mortgage Account. The Offset Account can be held in the form of a CASA Account. Even though the CASA Account and the Mortgage Account are two distinct

accounts, a rate is generated only for the Mortgage Account during pricing. No rate is generated for the CASA Account. The balance that is held in the CASA Account is used as an offset to the Mortgage Account, thereby reducing the tenure and payments for the Mortgage Account. Profitability parameters are also calculated only for the Mortgage Account and they are inclusive of the effect of the Offset Account.

If you have both CASA and Mortgage Accounts as part of the deal, then you can use the CASA Account as an offset against the Mortgage Account. You can select the Mortgage Account against which the CASA Account can be used as an offset through the Deal Pricing Section.

6.6 Pricing Web Service

OFSAA Price Creation and Discovery are designed to determine the Profitability and Price of deals for new or existing customers. Pricing Engine can be accessed through a user interface that captures the deal details or through the web service. This document details the web-service mode of invocation of the Pricing Engine.

There are two ways to use Price Creation and Discovery Application:

1. **User Interface:** For more details, see [Getting Started](#).
2. **Web Service:** User provides information in XML format and receives profitability measures, offered interest rate, profit, and loss statement, and last five approved deals for each product as output.

This web service works in three modes and the customer can be of the following types:

- New Customer
- Existing Customer and New Account
- Existing Customer and Existing Account

For more details on deploying and using the web service, see [Appendix B: Deploying the Web Service](#).

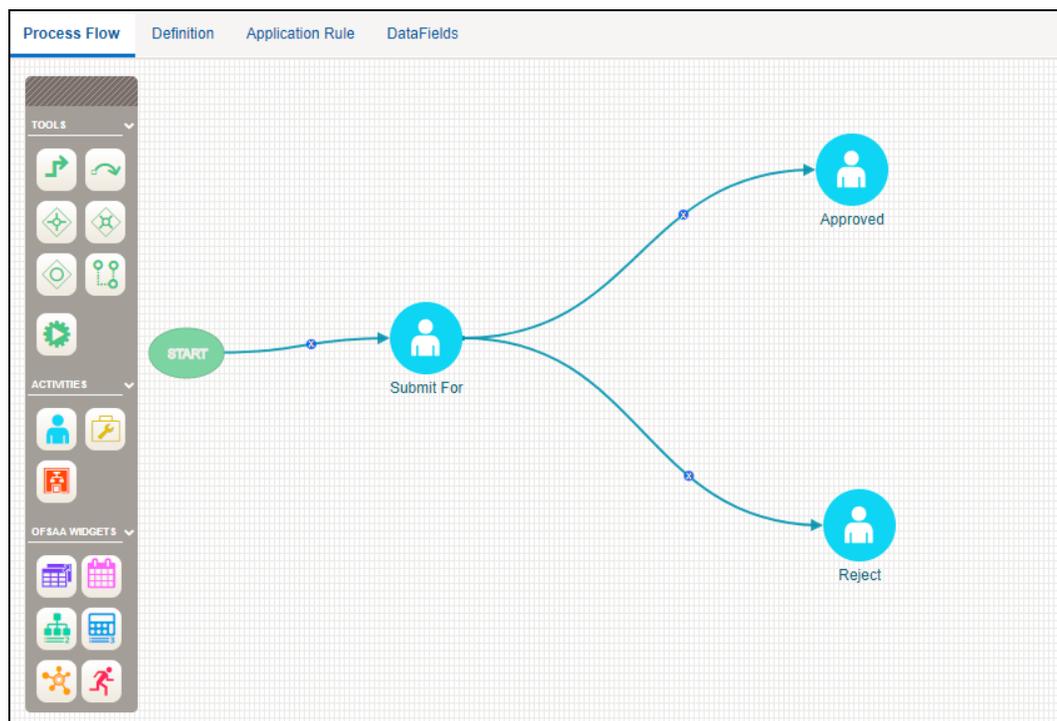
7 Workflow

This feature enables the user to implement a workflow that should be followed for approval of a deal.

7.1 Creating a Workflow

Follow these steps to create a workflow:

1. In the Deal Pricing Page, select the definition of which scenario you wish to submit.
2. Open the report from Recommended Price Section present under the Deal Page.
3. In the Report Page, select the scenario from the scenario drop-down.
4. Click on submit button, present at the bottom of the Report Page.
5. Close the report.
6. Navigate to Common Tasks -> Inbox to see all the submitted scenarios.
7. Open the one, you wish to either approve or reject.
8. Click Approve or Reject. If rejected, enter the comments in the comments box.
9. In the System Configuration and Identity Management Tab, click Workflow and Process Orchestration.
10. Select the Process ID and click Workflow Monitor.
A window is displayed.
11. Select any of the object instances related to the submitted scenario ID from the drop-down list.
12. Click Refresh Workflow to display the workflow.



7.2 Editing a Workflow

In the Workflow and Process Orchestration Page, click Edit to modify the workflow.

7.3 Deleting a Workflow

In the Workflow and Process Orchestration Page, click Delete to delete the workflow.

8 Overview of Reports

The Price Creation and Discovery Application offers a dashboard to users that organize different kinds of a report by key domain and subject area.

8.1 Dashboard

The following tabs are present in the Price Creation and Discovery Dashboard:

- [RM Performance](#)
- [Product Performance](#)
- [Offers](#)
- [Deal Performance](#)
- [Accounts Reviewed](#)

8.1.1 RM Performance

The following reports are present in the RM Performance Tab:

8.1.1.1 RM - Deal Details

This report provides an overview of the number of deals that have been converted by an RM (including his subordinates) and the expected income from these deals.

| RM - Deal Details | | | | | |
|--------------------------------|--------------|-------------------|---------------------|-----------------------|-------------------------|
| Time run: 8/15/2015 9:09:46 PM | | | | | |
| Relationship Manager Name | No of Quotes | No of Conversions | Average Deal Amount | Average Estimated NPV | No. of Accounts Flagged |
| RM 1 | 13 | 13 | 250,000 | -384.62 | |
| RM 2 | 301 | 301 | 243,928 | 0.00 | |
| RM 3 | 60 | 60 | 2,150,005 | 0.00 | |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.1.2 Top 5 RM's

This report list the top 5 RMs analyzed by either NPV, Balance, Conversion Rate, or a number of accounts. Only the Relationship Managers who have created the deal are considered for the ranking.

Analyze by **Estimated NPV** ▼

Top 5 RM's
Time run: 8/15/2015 9:09:46 PM

| Relationship Manager Name | Estimated NPV |
|---------------------------|---------------|
| RM 2 | 0.00 |
| RM 3 | 0.00 |
| RM 1 | -5,000.00 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.1.3 Bottom 5 RM's

This report list the bottom 5 RMs analyzed by either NPV, Balance, Conversion Rate, or a number of accounts. Only the Relationship Managers who have created the deal are considered for the ranking.

Bottom 5 RM's
Time run: 8/15/2015 9:09:46 PM

| Relationship Manager Name | Estimated NPV |
|---------------------------|---------------|
| RM 1 | -5,000.00 |
| RM 2 | 0.00 |
| RM 3 | 0.00 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.1.4 Top 5 RM's violating threshold

This report lists the RMs with the highest number of accounts or deals where the minimum requirements are not met.

Analyze By **Deals where any of** ▼

Top 5 RMs violating threshold
Time run: 8/15/2015 9:09:46 PM

| Relationship Manager Name | Deals Profitability Parameter Violation |
|---------------------------|---|
| RM 2 | 97 |
| RM 3 | 34 |
| RM 1 | 11 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.1.5 RM - Flagged Accounts Details

This report provides the list of accounts of an RM that have been flagged and the details of flagging.

RM - Flagged Accounts Details
Time run: 11/3/2016 10:59:49 AM

Relationship Manager --Select Value--

| Relationship Manager | Account Number | Last Flagged Date | Days since first flagging |
|----------------------|----------------|------------------------|---------------------------|
| FINO | OBIB1C1A1 | 10/24/2016 11:33:20 AM | 25 |
| JILNA | OBIB4C6A3 | 10/24/2016 3:06:07 PM | 25 |
| MELVIN | RBIB2C51A3 | 10/24/2016 2:19:04 PM | 24 |
| MELVIN | RBIB3C44A1 | 10/24/2016 2:19:04 PM | 24 |
| MELVIN | RBIB4C41A1 | 10/21/2016 6:29:19 PM | 24 |
| FINO | OBIB1C1A2 | 10/24/2016 2:19:04 PM | 10 |
| FINO | OBIB1C42A1 | 10/24/2016 2:19:04 PM | 10 |
| FINO | RBIB1C2A2 | 10/24/2016 2:19:04 PM | 10 |
| JILNA | RBIB4C6A1 | 10/24/2016 2:19:04 PM | 10 |
| VINAY | OBIB3C4A2 | 10/24/2016 2:19:04 PM | 10 |

Rows 1 - 10

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.2 Product Performance

The following reports are present in the Product Performance Tab:

8.1.2.1 Product Deal Size

This report provides details of the deals or accounts that have been created for a product including the size of the deal and the expected income.

* Time Line of Business --Select Value-- Region --Select Value--

Product Deal Size
Time run: 8/15/2015 10:57:06 PM

| Product Type | Product | No. of Quotes | No. of Accounts | Average size of deal | Average Estimated NPV of deal |
|------------------|-------------------------|---------------|-----------------|----------------------|-------------------------------|
| Bank Guarantee | Savings(Ret) | 8 | 0 | 2500000.00 | 0.00 |
| Bank Guarantee | pft prod2 | 29 | 0 | 250000.00 | -172.41 |
| CASA | Regular Savings Account | 17 | 0 | 2235294.12 | 0.00 |
| CASA | Retail Loan | 9 | 0 | 166700.00 | 0.00 |
| Cards | Cards | 8 | 0 | | 0.00 |
| Installment Loan | Corp Loans | 28 | 0 | 2500000.00 | 0.00 |
| Installment Loan | Senior Citizens Account | 34 | 0 | 250000.00 | 0.00 |
| Line of Credit | Supreme Current Account | 1 | 0 | | 0.00 |
| Mortgages | Car Loan | 2 | 0 | 1000.00 | 0.00 |
| Mortgages | Retail Products | 98 | 0 | 250000.00 | 0.00 |
| Structured Loan | Business Loans | 15 | 0 | 250000.00 | 0.00 |
| Structured Loan | Government Loans | 1 | 0 | 25000.00 | 0.00 |
| TD | Annuity Plus | 53 | 0 | 250000.00 | 0.00 |
| TD | Institutional Savings | 2 | 0 | 100000.00 | 0.00 |
| TD | SavingsMax Account | 69 | 0 | 239130.43 | 0.00 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.2.2 Review Details for Product

This report provides details of flagging and re-pricing of accounts for a particular product within a specified time.

Review Details for Product
Time run: 8/15/2015 10:57:06 PM

| PM Product Type | Product Name | No. of Accounts Fla | No. of Accounts Re-priced | No. of Accounts with postponed review |
|-----------------|-------------------------|---------------------|---------------------------|---------------------------------------|
| Line of Credit | Supreme Current Account | 1 | 1 | 0 |

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8.1.3 Offers

In the reports, accounts with an offer are being reported. The accounts being reported may have one or multiple offers applicable and the count indicates the number of accounts only and not the offers applied against those accounts.

The following reports are present in the Offers tab:

8.1.3.1 Number of Deals with Offer - Analyze by RM

This report provides details of the number of deals that have an offer for each RM.

Number of Deals with Offer - Analyze by RM
Time run: 8/15/2015 11:36:12 PM

Relationship Manager

| Relationship Manager | Total Active Deals | Number of deals with offers |
|----------------------|--------------------|-----------------------------|
| RM 2 | 301 | 56 |
| RM 3 | 60 | 20 |
| RM 1 | 13 | 0 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.3.2 Number of Deals with Offer - Analyze by Product

This report provides details of the number of deals that have an offer for each product.

Number of Deals with Offer - Analyze by Product
Time run: 8/15/2015 11:36:12 PM

Product

| Product | Total Active Deals | Number of deals with offers |
|-------------------------|--------------------|-----------------------------|
| SavingsMax Account | 69 | 45 |
| Corp Loans | 28 | 12 |
| Cards | 8 | 7 |
| Regular Savings Account | 17 | 5 |
| Retail Loan | 9 | 5 |
| Car Loan | 2 | 2 |
| Annuity Plus | 53 | 0 |
| Business Loans | 15 | 0 |
| Government Loans | 1 | 0 |
| Institutional Savings | 2 | 0 |
| Retail Products | 98 | 0 |
| Savings(Ret) | 8 | 0 |
| Senior Citizens Account | 34 | 0 |
| Supreme Current Account | 1 | 0 |
| pft prod2 | 29 | 0 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.4 Deal Performance

The following reports are present in the Deal Performance Tab:

8.1.4.1 Top 5 Deals

This report lists the top 5 deals in terms of estimated NPV or balance across Relationship Managers.

Analyze by **Estimated NPV** ▼

Top 5 Deals
Time run: 8/16/2015 12:32:47 AM

| Relationship Manager | Deal Name | Estimated NPV |
|----------------------|---------------|---------------|
| RM 1 | LNFIXUISPEAVG | 0.00 |
| RM 2 | BG | 0.00 |
| RM 2 | CASA | 0.00 |
| RM 2 | CC | 0.00 |
| RM 2 | Cards | 0.00 |
| RM 2 | IL | 0.00 |
| RM 2 | Mort | 0.00 |
| RM 2 | PL | 0.00 |
| RM 2 | Personal Loan | 0.00 |
| RM 2 | Prod Card | 0.00 |
| RM 2 | Prod Mort | 0.00 |
| RM 2 | Prod1 | 0.00 |
| RM 2 | Product1 | 0.00 |
| RM 2 | SL | 0.00 |
| RM 2 | TD | 0.00 |
| RM 2 | TEST2 | 0.00 |
| RM 2 | test | 0.00 |
| RM 3 | BG | 0.00 |
| RM 3 | CASA | 0.00 |
| RM 3 | IL | 0.00 |
| RM 3 | Loan | 0.00 |
| RM 3 | PL | 0.00 |
| RM 2 | TESTED | 0.00 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.4.2 Bottom 5 Deals

This report lists the bottom 5 deals in terms of estimated NPV or balance across Relationship Managers.

Bottom 5 Deals
Time run: 8/16/2015 12:32:47 AM

| Relationship Manager | Deal Name | Estimated NPV |
|----------------------|---------------|---------------|
| RM 1 | Prod1 | -5,000.00 |
| RM 1 | LNFIXUISPEAVG | 0.00 |
| RM 2 | BG | 0.00 |
| RM 2 | CASA | 0.00 |
| RM 2 | CC | 0.00 |
| RM 2 | Cards | 0.00 |
| RM 2 | IL | 0.00 |
| RM 2 | Mort | 0.00 |
| RM 2 | PL | 0.00 |
| RM 2 | Personal Loan | 0.00 |
| RM 2 | Prod Card | 0.00 |
| RM 2 | Prod Mort | 0.00 |
| RM 2 | Prod1 | 0.00 |
| RM 2 | Product1 | 0.00 |
| RM 2 | SL | 0.00 |
| RM 2 | TD | 0.00 |
| RM 2 | TEST2 | 0.00 |
| RM 2 | test | 0.00 |
| RM 3 | BG | 0.00 |
| RM 3 | CASA | 0.00 |
| RM 3 | IL | 0.00 |
| RM 3 | Loan | 0.00 |
| RM 2 | pt | 0.00 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Print](#) - [Export](#) - [Copy](#)

8.1.5 Accounts Reviewed

The following reports are present in the Accounts Reviewed Tab:

8.1.5.1 Number of Accounts Flagged

This report provides details of the accounts that have been reviewed in a specified time including the result of the review and the action that has been taken for flagged accounts.

NOTE The latest action that is taken against an account in the selected time period gets reported.

Number of Accounts Flagged
Time run: 8/16/2015 12:38:10 AM

| Time Period | No. of Accounts Reviewed | No. of Accounts Flagged | No of Accounts Flagged with 6 months | No. of Accounts with postponed review | No. of Accounts Re-priced |
|-------------|--------------------------|-------------------------|--------------------------------------|---------------------------------------|---------------------------|
| > 2015 | 1 | 1 | 1 | 0 | 1 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Export](#)

8.1.5.2 Review Execution Details

This report provides details of the price review executions that have been carried out which includes the number of accounts that have been reviewed and the no. of accounts that have been flagged for each review.

Analyze By

Review Execution Details
Time run: 8/16/2015 12:38:10 AM

| Price Review ID | Last Flagged Date | No. of Accounts Flagged |
|-----------------|-------------------|-------------------------|
| 200578 | 27-07-2015 | 1 |

[Analyze](#) - [Edit](#) - [Refresh](#) - [Export](#)

8.1.5.3 Account Re-price Details

This report provides details of re-priced accounts in terms of the rate, NPV, and Balance before and after the re-price occurs.

Product **(All Column Values)**

Account Re-price Details

Time run: 8/16/2015 12:38:10 AM

Analyze By **Interest Rate**

| Product Name | Product Deal Name | Product ID | Interest Rate | Previous Interest Rate |
|-------------------------|-------------------|------------|---------------|------------------------|
| Annuity Plus | BG | | | 0.00 |
| | CASA | | | 0.00 |
| | IL | | | 0.00 |
| | LNFIXUISPEAVG | | | 0.00 |
| | Personal Loan | | | 0.00 |
| | Prod1 | | | 0.00 |
| | Product1 | | | 0.00 |
| Business Loans | IL | | | 0.00 |
| | Mort | | | 0.00 |
| | PL | | | 0.00 |
| Car Loan | TEST2 | | | 0.00 |
| | test | | | 0.00 |
| Cards | CC | | | 0.00 |
| | Cards | | | 0.00 |
| | Prod Card | | | 0.00 |
| Corp Loans | IL | | | 0.00 |
| Government Loans | SL | | | 0.00 |
| Institutional Savings | TD | | | 0.00 |
| Regular Savings Account | CASA | | | 0.00 |
| | PL | | | 0.00 |
| Retail Loan | CASA | | | 0.00 |
| | IL | | | 0.00 |

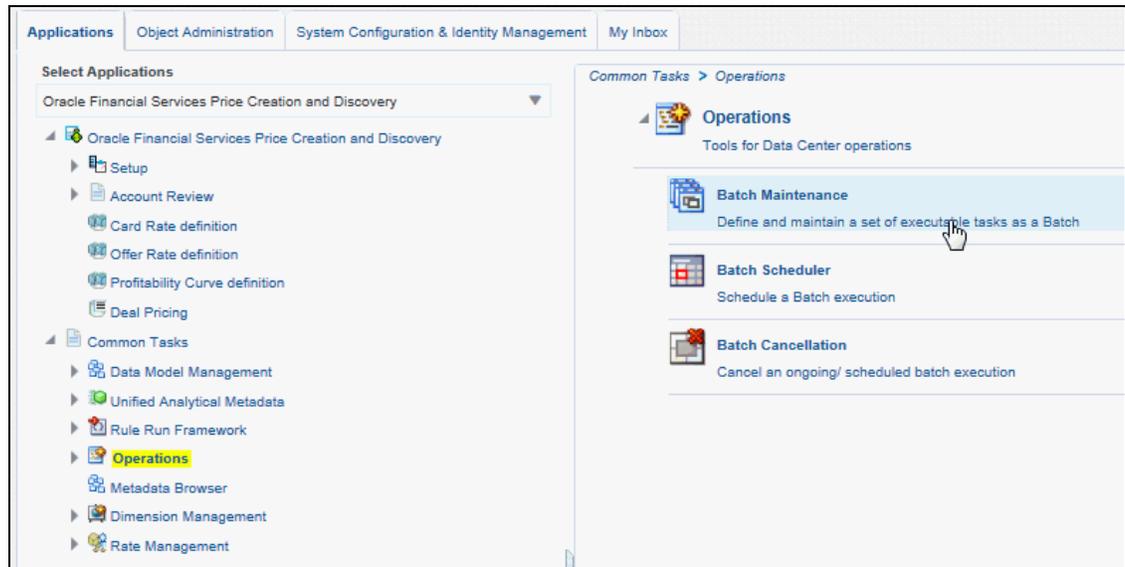
[Analyze](#) - [Edit](#) - [Refresh](#) - [Export](#)

9 Appendix A: Parameters for Batch Maintenance

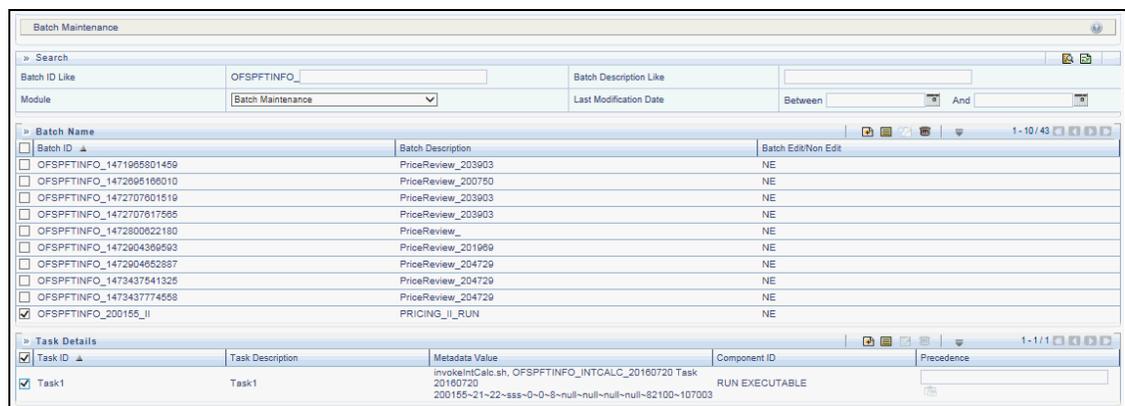
This appendix describes how to define the parameter list for a batch.

To define the parameter list for Batch Maintenance, follow these steps:

1. Click **Operations** in the LHS Menu.
2. Click **Batch Maintenance** in the RHS Menu.



3. Select **Batch Maintenance** in the Module drop-down list.
4. Select the check box corresponding to the batch name for which you want to define the parameters. The related task ID details are populated in the Task Details Section.



5. Select the check box corresponding to the task name for which you want to define the parameters and click the **Add** button. The Task Definition page appears.
6. Provide the parameter list in the **Dynamic Parameters List** and click **Close**.

| Task Definition | |
|---------------------------|----------------------------|
| » Task Definition | |
| Task ID | Task1 |
| Description | STG_PRODUCT_MASTER TO AMHM |
| Components | TRANSFORM DATA |
| » Dynamic Parameters List | |
| Property | Value |
| Datastore Type | EDW |
| Datastore Name | OFSPTINFO |
| IP Address | 10.184.148.118 |
| Rule Name | fn_STGDimDataLoader |
| Parameter List | 4,"Y" |

The parameter list is now defined for the batch.

10 Appendix B: Deploying the Web Service

This appendix describes the procedure to deploy the web services.

10.1 Deployment of REST Web Service

REST web service is automatically available after the successful installation of the application. The REST API contract is available at https://docs.oracle.com/cd/E88860_01/pcdotherguides.htm.

The name of the contract is `PricingAPI.json`. We recommend to go through the contract thoroughly before accessing the web service.

To create the client stub, visit the below website:

<https://editor.swagger.io/>

Users can paste the contract JSON into the swagger editor and can generate the client stub in any technology available on the above website.

Edit the parameter "**host**": "**ip:port**" and enter the IP Address and the Port Number where the application is installed.

Additionally, replace the **context** in the parameter "**basePath**": "**/context/rest-api/pcd**" with the application context.

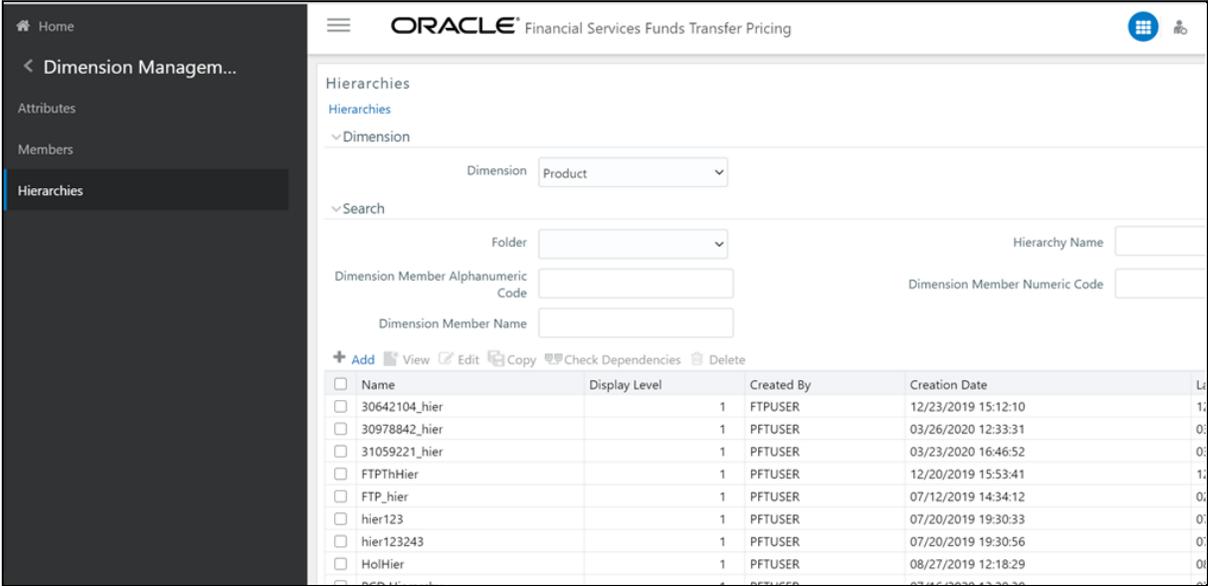
11 Appendix C: Integrating OFS PCD with OFS FTP

This appendix describes the procedure to integrate OFS PCD with OFS FTP Product.

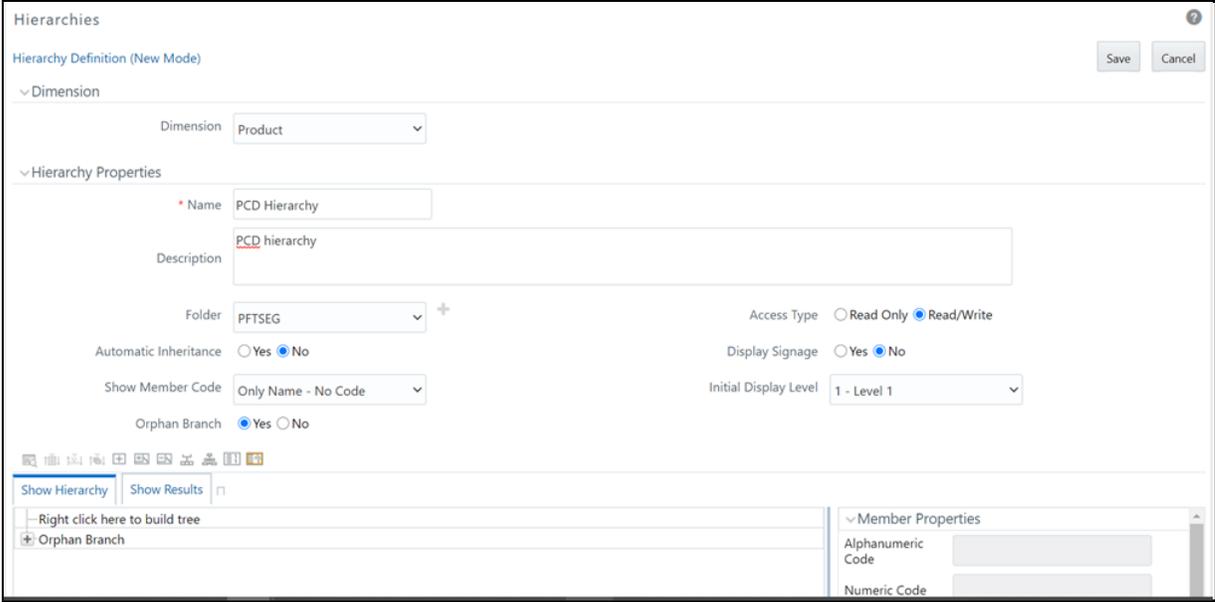
11.1 Creating Product Hierarchy in FTP Setup

To create the Product Hierarchy, follow these steps:

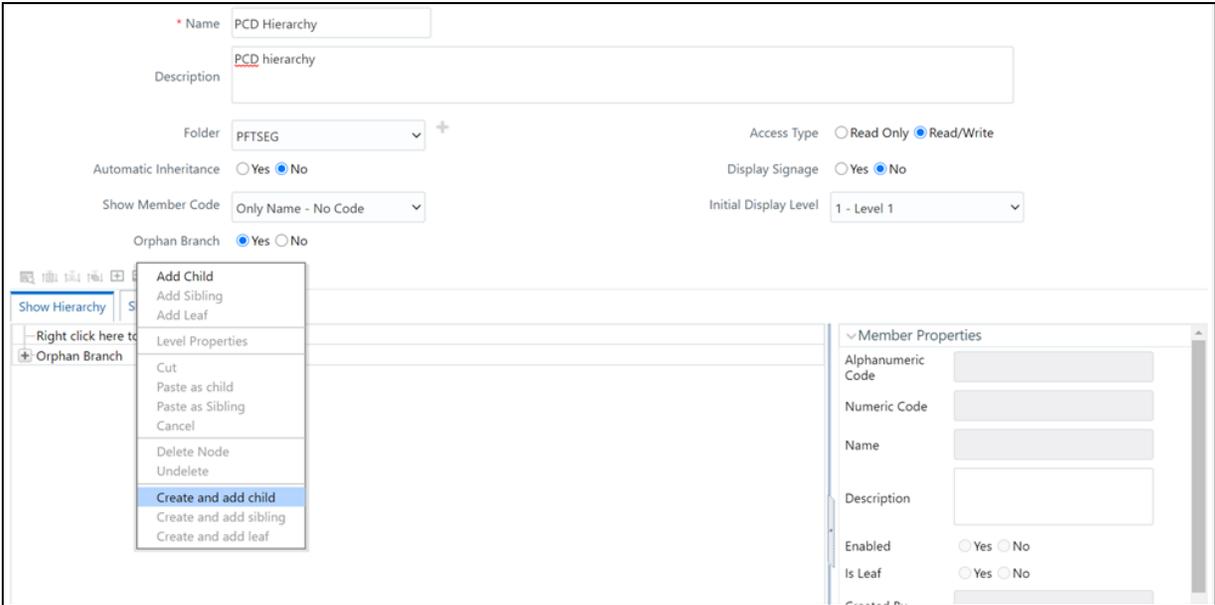
- 1. Log into the FTP Application with New User credentials (like FTPUSER).
- 2. Navigate to **Common Object Maintenance**, select **Dimension Management**, and then select **Hierarchies**.
 - a. Select the **Product** from the **Dimension** drop-down list.



- b. Click **Add**.
- c. Enter the **Name** like PCD Hierarchy, enter a description and select the folder.



d. Right-click in the **Show Hierarchy** Section and click **Create and Add Child**.



e. Enter the mandatory fields like **Numeric Code** and **Name** like Default Parent. Click on generate numeric code icon for Numeric code to generate and click **Save**.

| Attribute | Value |
|---------------------------|--------------|
| Common Chart of Account * | CCA_Leaf |
| Rollup Signage * | + |
| Accrual Basis | -- Select -- |
| Product | |
| PRODUCT TYPE DESC | |

f. The Parent Hierarchy will be displayed like Default Parent. Right-click on that and select **Add Leaf**.

Member Properties

Alphanumeric Code

Numeric Code

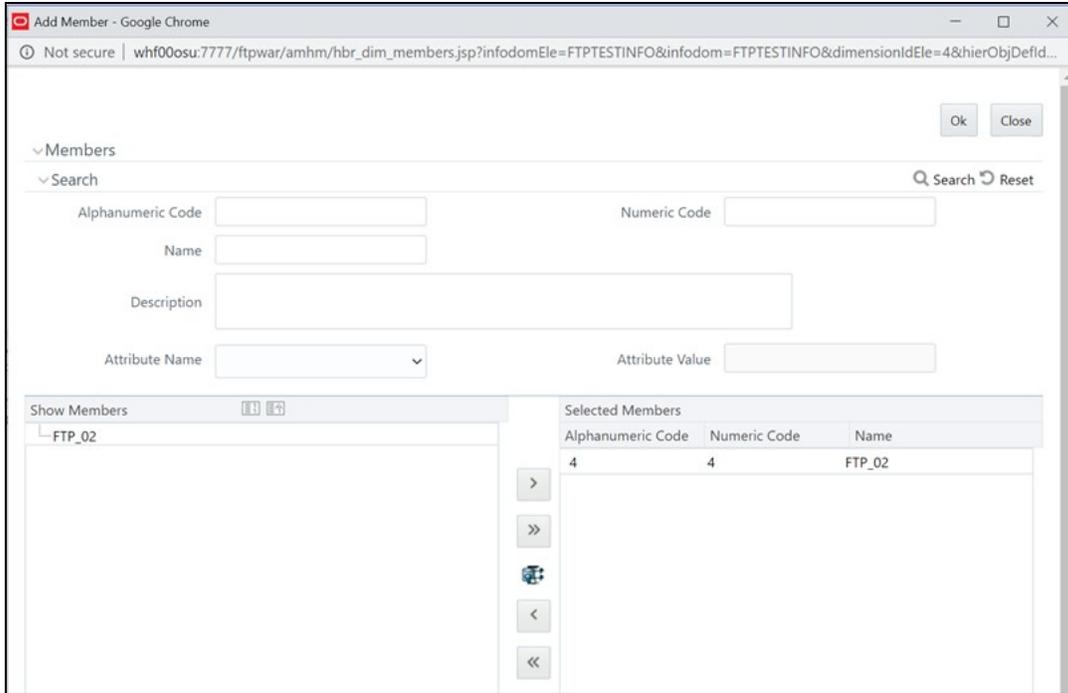
Name

Description

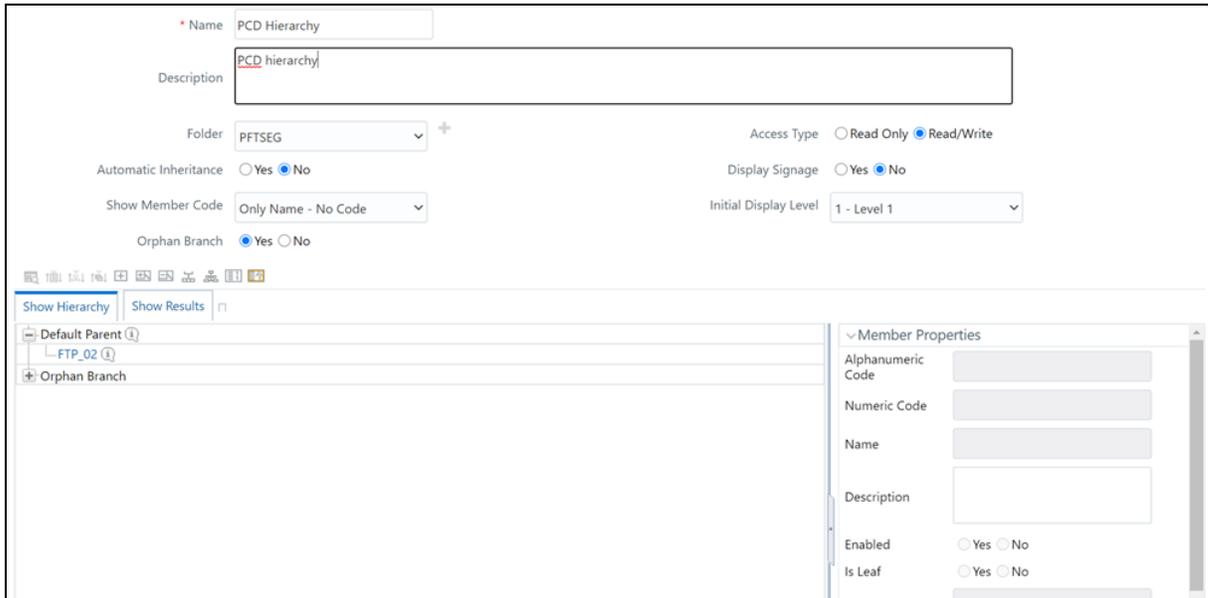
Enabled Yes No

Is Leaf Yes No

g. Move the products from LHS to RHS and click on **Ok**.



h. The mapped products will be listed under the newly created hierarchy. Then click **Save**.



11.2 Configuring Default Hierarchy in FTP Setup

To define a Default Hierarchy, follow these steps:

1. From the LHS Menu, select **Funds Transfer Pricing** and then select **Application Preferences**.
2. Select the newly created hierarchy as default hierarchy and click **Apply**. In the following example, PCD Hierarchy is the default Hierarchy.

| | | |
|---|---|-------------------------------------|
| Random Number Generation Seed Method | Fixed Seed | <input checked="" type="checkbox"/> |
| Initial Seed Value | 0 | |
| Enable Holiday Calendar Adjustments | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Assumption Management Defaults | | |
| Property Name | Property Value | Is Editable |
| Folder Name | AUTOSEG | <input checked="" type="checkbox"/> |
| Access Type | <input type="radio"/> Read Only <input checked="" type="radio"/> Read/Write | <input checked="" type="checkbox"/> |
| Initial Currency Selection ["Business Rule Currency"] | US Dollar | <input checked="" type="checkbox"/> |
| Dimensions and Hierarchies | | |
| Property Name | Property Value | Is Editable |
| Product Dimension | Product | <input checked="" type="checkbox"/> |
| Default Product Hierarchy | PCD Hierarchy | <input checked="" type="checkbox"/> |
| Organizational Unit Dimension | Organizational Unit | <input type="checkbox"/> |
| Hierarchy Members Navigation Size | 100 | <input checked="" type="checkbox"/> |
| Transfer Pricing Options | | |
| Property Name | Property Value | Is Editable |
| Ledger Migration - Rate Weighting Element | Average Book Balance | <input checked="" type="checkbox"/> |
| TP Charge/Credit Balance | | |

| | | |
|--|-------------------------------------|---|
| Select Preferences For | | |
| Show Preferences For | PFTUSER | |
| Active for Master Maintenance | <input type="checkbox"/> | |
| Parameters - General | | |
| Property Name | Property Value | Is Editable |
| Security Map | None | |
| As of Date | 01/01/1985 | <input checked="" type="checkbox"/> |
| Show Execution Parameters | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Runtime Parameters | Leaf Description | |
| Legal Entity | Default Member | <input type="checkbox"/> Disable Legal Entity |
| Processing - General | | |
| Property Name | Property Value | Is Editable |
| Default Total Error Message Limit | 250 | <input checked="" type="checkbox"/> |
| Default Error Message Limit Per Item | 25 | <input checked="" type="checkbox"/> |
| Debugging Output Level | Show All SQL | <input checked="" type="checkbox"/> |
| Processing - Application Specific | | |
| Property Name | Property Value | Is Editable |
| Maximum Number of Instrument records to include in detail cash flow output | 10 | <input checked="" type="checkbox"/> |

3. Select Debugging Output Level drop-down as **Show All SQL** and select **Legal Entity** as default member and click **Apply**.

11.3 Create Transfer Pricing Rules (TP Rule) in FTP Setup

To create a TP Rule, follow these steps:

1. From the LHS Menu, select **Funds Transfer Pricing**, select **FTP Assumption Specification**, and then select **Transfer Pricing Rules**. Click **Add**.

Transfer Pricing Rules As of Date: 01/01/1985

Search

Name Folder AUTOSEG

Dimension Product

| <input type="checkbox"/> | Name | Created Date | Created By | Last Modified Date | Add | Last Modified By | Access Type | Folder |
|--------------------------|---------------------|---------------------|------------|---------------------|-----|------------------|-------------|---------|
| <input type="checkbox"/> | CA_Test_IDnum | 12/24/2019 14:17:40 | PFTUSER | 12/26/2019 16:42:25 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | CS TP Rule 11 | 03/11/2020 00:22:20 | PFTUSER | 03/11/2020 00:57:30 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | issue1 | 10/14/2019 17:03:32 | PFTUSER | 10/14/2019 17:04:01 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | issue2 | 10/14/2019 17:05:41 | PFTUSER | 10/14/2019 17:05:41 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | NonCA TP method scn | 12/24/2019 14:46:29 | PFTUSER | 12/24/2019 15:54:21 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | PCD TP Rule | 07/16/2020 13:32:31 | PFTUSER | 07/16/2020 17:41:54 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | Perf01 | 08/30/2019 15:05:06 | PFTUSER | 08/30/2019 15:05:10 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | prepaymentbug1 | 09/26/2019 12:26:07 | PFTUSER | 09/26/2019 12:26:33 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | pric10172 | 10/17/2019 18:52:52 | PFTUSER | 10/17/2019 18:53:38 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | princ10171 | 10/17/2019 18:25:56 | PFTUSER | 10/17/2019 18:26:26 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | ratetest | 07/26/2019 14:44:10 | PFTUSER | 07/26/2019 14:44:12 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | retew | 01/27/2020 18:07:57 | PFTUSER | 01/27/2020 18:07:57 | | PFTUSER | Read/Write | AUTOSEG |
| <input type="checkbox"/> | sales_1007 | 10/07/2019 12:35:31 | PFTUSER | 10/07/2019 12:35:34 | | PFTUSER | Read/Write | AUTOSEG |

2. Enter the Mandatory fields. Select **PCD Hierarchy** as Product Hierarchy.

Transfer Pricing Rules ?

Assumption Specification > Transfer Pricing Rules Definition (Edit Mode)

Transfer Pricing Rule

Name* PCD TP Rule

Description

Folder* AUTOSEG Access Type* Read/Write Read Only

Product Hierarchy Selection

Folder* AUTOSEG Product Hierarchy* PCD Hierarchy

Currency Selection

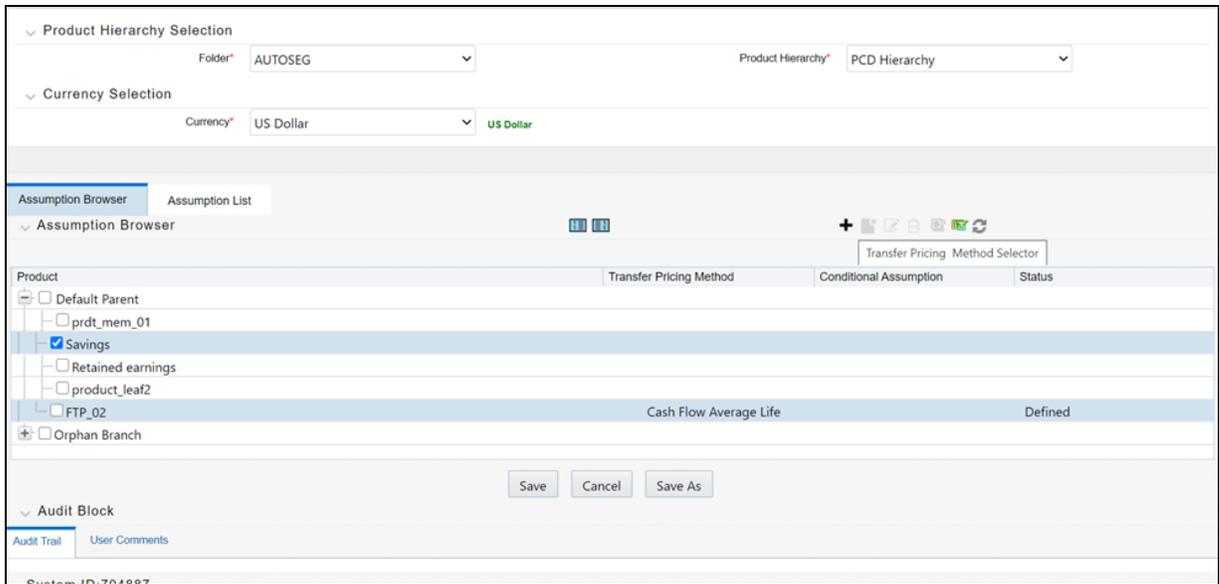
Currency* US Dollar US Dollar

Assumption Browser Assumption List

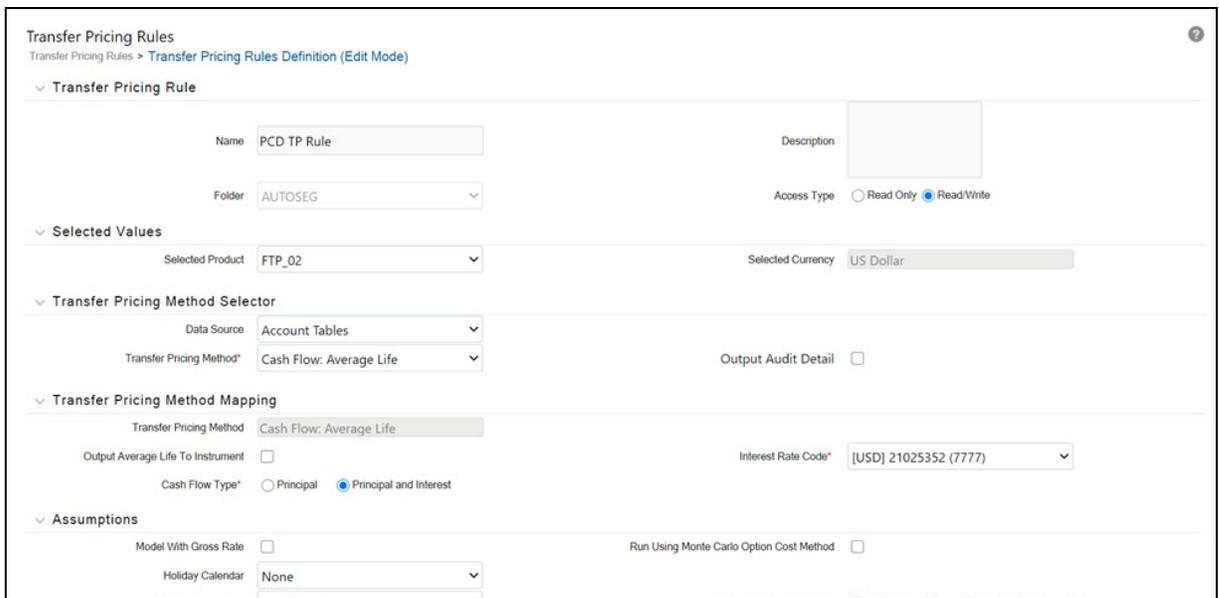
Assumption Browser

| Product | Transfer Pricing Method | Conditional Assumption | Status |
|---|-------------------------|------------------------|--------|
| <input type="checkbox"/> Default Parent | | | |
| <input type="checkbox"/> Orphan Branch | | | |

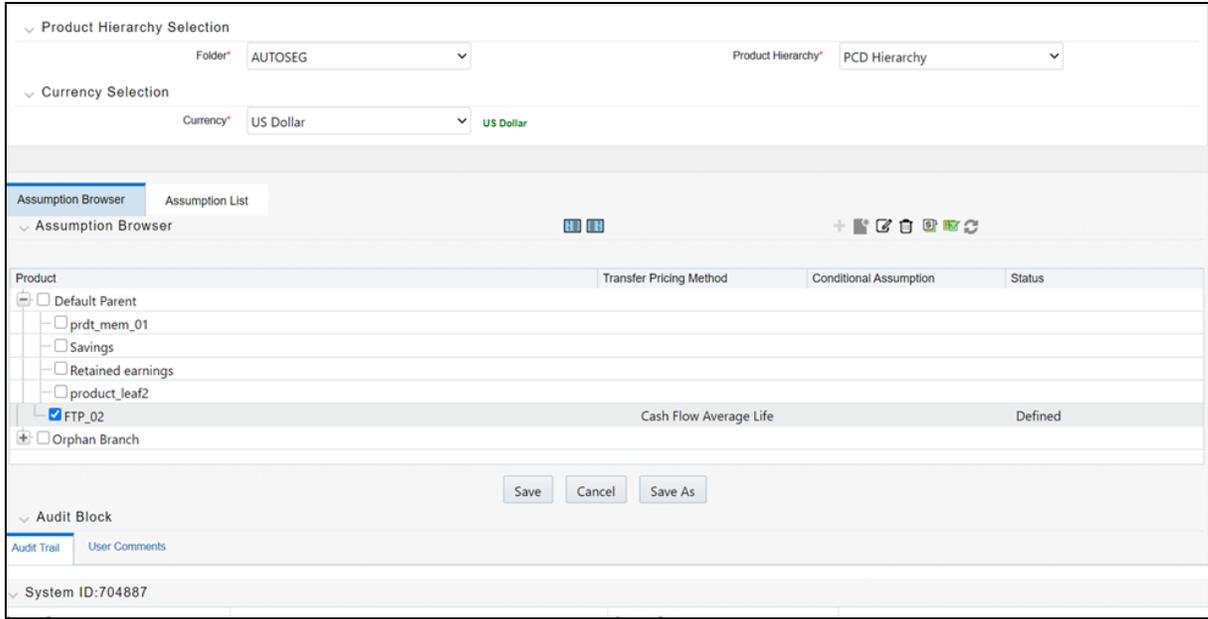
3. Expand the Product Parent and select any product to which you want to add the Transfer Pricing Rule.



4. Add the Transfer Pricing Rule as shown in the following screenshot. Select any Transfer Pricing Method example Cash: Average Life and select the IRC Code.



5. The selected Transfer Pricing Method will be displayed for that product as follows, then save the Transfer Pricing Rule.



11.4 Create Adjustment Rules in FTP Setup

To create an adjustment rule, follow these steps:

1. From the LHS Menu, select **Funds Transfer Pricing**, select **FTP Assumption Specification**, and then select **Adjustment Rules**. Click **Add**.

The screenshot shows the 'Adjustment Rules' table in the system. The table has columns: Name, Created Date, Created By, Last Modified Date, Add, Last Modified By, Access Type, and Folder. The 'As of Date' is set to 01/01/1985. The table contains 15 rows of adjustment rules. The first row is highlighted in yellow.

| Name | Created Date | Created By | Last Modified Date | Add | Last Modified By | Access Type | Folder |
|------------------|---------------------|------------|---------------------|-----|------------------|-------------|---------|
| ADJ CA 30595959 | 12/23/2019 15:10:32 | PFTUSER | 12/23/2019 16:38:26 | | PFTUSER | Read/Write | AUTOSEG |
| Adj_Auto_01 | 07/15/2019 11:30:40 | PFTUSER | 11/12/2019 15:13:30 | | PFTUSER | Read/Write | AUTOSEG |
| Adjoel6test | 12/30/2019 12:10:49 | PFTUSER | 12/30/2019 12:10:54 | | PFTUSER | Read/Write | AUTOSEG |
| Adjperf01 | 08/30/2019 15:07:39 | PFTUSER | 08/30/2019 15:07:42 | | PFTUSER | Read/Write | AUTOSEG |
| Adjrule_OCT_01 | 10/21/2019 15:27:31 | PFTUSER | 10/21/2019 15:27:52 | | PFTUSER | Read/Write | AUTOSEG |
| Adj_rule_000 | 01/28/2020 14:47:37 | PFTUSER | 01/28/2020 14:55:21 | | PFTUSER | Read/Write | AUTOSEG |
| Adj_rule_02 | 01/07/2020 14:43:33 | PFTUSER | 01/21/2020 12:07:03 | | PFTUSER | Read/Write | AUTOSEG |
| adj_03101 | 03/10/2020 18:16:54 | PFTUSER | 03/10/2020 18:17:05 | | PFTUSER | Read/Write | AUTOSEG |
| adj1220 | 12/20/2019 15:39:18 | FTPUSER | 12/20/2019 15:39:22 | | FTPUSER | Read/Write | AUTOSEG |
| asd | 07/26/2019 09:40:01 | PFTUSER | 07/26/2019 09:40:05 | | PFTUSER | Read/Write | AUTOSEG |
| CA test ADJldnum | 12/24/2019 14:18:07 | PFTUSER | 12/26/2019 16:41:49 | | PFTUSER | Read/Write | AUTOSEG |
| fggtt | 12/30/2019 15:26:20 | PFTUSER | 12/30/2019 15:26:40 | | PFTUSER | Read/Write | AUTOSEG |
| nonCA Adj test | 12/24/2019 14:46:56 | PFTUSER | 12/27/2019 16:53:23 | | PFTUSER | Read/Write | AUTOSEG |

2. Enter all the Mandatory fields.

Adjustment Rule
Assumption Specification > Adjustment Rule (Edit Mode)

Adjustment Rule

Name * PCD Adj Rule
Description
Folder * AUTOSEG
Access Type * Read/Write Read Only

Product Hierarchy Selection
Folder * AUTOSEG
Product Hierarchy * PCD Hierarchy

Currency Selection
Currency * US Dollar US Dollar

Adjustment Type Selection

| Adjustment Type * | Folder | Transfer Pricing Rule |
|--|---------|-----------------------|
| <input checked="" type="checkbox"/> Liquidity Adjustment | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Basis Risk Costs | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Pricing Incentives | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Other Adjustments | AUTOSEG | PCD TP Rule |

3. Click on **Adjustment Type Hierarchy** and select the below Adjustment Types by moving from LHS to RHS and clicking on **Ok**.

Adjustment Type

| Available Adjustment Types | Selected Members |
|--|--|
| <input checked="" type="checkbox"/> Basis Risk Costs | <input checked="" type="checkbox"/> Liquidity Adjustment |
| <input checked="" type="checkbox"/> Breakage Charges | <input checked="" type="checkbox"/> Basis Risk Costs |
| <input checked="" type="checkbox"/> Liquidity Adjustment | <input checked="" type="checkbox"/> Pricing Incentives |
| <input checked="" type="checkbox"/> Other Adjustments | <input checked="" type="checkbox"/> Other Adjustments |
| <input checked="" type="checkbox"/> Pricing Incentives | |

Navigation buttons: >, >>, <, <<

Buttons: Ok, Close

4. Adjustment types will be displayed as below. Select Transfer Pricing Rule for each Adjustment type.

The screenshot shows the 'Adjustment Type Selection' section with the following configuration:

| Adjustment Type | Folder | Transfer Pricing Rule |
|--|---------|-----------------------|
| <input checked="" type="checkbox"/> Liquidity Adjustment | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Basis Risk Costs | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Pricing Incentives | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Other Adjustments | AUTOSEG | PCD TP Rule |

The 'Assumption Browser' section shows a tree view with the following structure:

- [-] Default Parent
 - [-] prdt_mem_01
 - [-] Savings
 - [-] Retained earnings
 - [-] product_leaf2
 - [-] FTP_02

The 'FTP_02' node is selected, and the 'Adjustment Method' is set to 'Formula Based Rate' and the 'Status' is 'Defined'.

5. Adjustment Method has to be added for each Adjustment Types:

- Select any one **Adjustment Type**, for example, Liquidity Adjustment. In the Assumption Browser, expand the Product Hierarchy and then select the same product for which the TP Rule is created.

The screenshot shows the 'Adjustment Type Selection' section with the following configuration:

| Adjustment Type | Folder | Transfer Pricing Rule |
|--|---------|-----------------------|
| <input checked="" type="checkbox"/> Liquidity Adjustment | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Basis Risk Costs | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Pricing Incentives | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Other Adjustments | AUTOSEG | PCD TP Rule |

The 'Assumption Browser' section shows a tree view with the following structure:

- [-] Default Parent
 - [-] prdt_mem_01
 - Savings
 - [-] Retained earnings
 - [-] product_leaf2
 - [-] FTP_02
 - [-] Orphan Branch

The 'Savings' node is selected, and the 'Adjustment Method Selector' is visible. The 'Adjustment Method' is set to 'Formula Based Rate' and the 'Status' is 'Defined'.

- Click **Add** to select the Adjustment Method.
- Select any Adjustment Method from the drop-down list, for example, Formula Based Rate.

- Populate all the mandatory fields. Under **Parameters** Pane define the Formula by selecting the row as shown in the following screenshot. Then click the icon which is displayed next to the delete icon on the right side of the Parameters grid.

- Formula Window is displayed as below. Fill in all the fields and click **Apply**.

- If the Adjustment Method is Fixed Rate, then see the following screenshot.

Adjustment Rule
 Adjustment Rules > Adjustment Rule (Edit Mode) > Adjustment Rule Details

Adjustment Type Selection

- Basis Risk Costs

Define Adjustment Rule

Selected Product: FTP_02
 Adjustment Method: Fixed Rate
 Term: [Dropdown]
 Output Audit Detail:

Fixed Rate

Reference Term: Average Life
 Lookup Method: Range Interpolation

Parameters

| Term | Multiplier | Rate |
|-------------------------------------|------------|--------------|
| <input type="checkbox"/> [Dropdown] | 1 Months | [Dropdown] 9 |

Apply Cancel

6. Now the defined Adjustment Method will be displayed for the product as follows.

Currency: US Dollar

Adjustment Type Selection

| Adjustment Type | Folder | Transfer Pricing Rule |
|--|---------|-----------------------|
| <input checked="" type="checkbox"/> Liquidity Adjustment | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Basis Risk Costs | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Pricing Incentives | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Other Adjustments | AUTOSEG | PCD TP Rule |

Assumption Browser | Assumption List

Assumption Browser

| Product | Adjustment Method | Conditional Assumption | Status |
|--|--------------------|------------------------|---------|
| <input type="checkbox"/> Default Parent | | | |
| <input type="checkbox"/> prdt_mem_01 | | | |
| <input type="checkbox"/> Savings | | | |
| <input type="checkbox"/> Retained earnings | | | |
| <input type="checkbox"/> product_leaf2 | | | |
| <input type="checkbox"/> FTP_02 | Formula Based Rate | | Defined |
| <input type="checkbox"/> Orphan Branch | | | |

Save Cancel Save As

7. Repeat adding Adjustment Method for each adjustment Types: Basic Risk Costs, Pricing Incentives, Other Adjustments. Then click **Save**.

Currency: US Dollar

Adjustment Type Selection

| Adjustment Type | Folder | Transfer Pricing Rule |
|--|---------|-----------------------|
| <input type="checkbox"/> Liquidity Adjustment | AUTOSEG | PCD TP Rule |
| <input checked="" type="checkbox"/> Basis Risk Costs | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Pricing Incentives | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Other Adjustments | AUTOSEG | PCD TP Rule |

Assumption Browser | Assumption List

Assumption Browser

| Product | Adjustment Method | Conditional Assumption | Status |
|--|-------------------|------------------------|---------|
| <input type="checkbox"/> Default Parent | | | |
| <input type="checkbox"/> prdt_mem_01 | | | |
| <input type="checkbox"/> Savings | | | |
| <input type="checkbox"/> Retained earnings | | | |
| <input type="checkbox"/> product_leaf2 | | | |
| <input checked="" type="checkbox"/> FTP_02 | Fixed Rate | | Defined |
| <input type="checkbox"/> Orphan Branch | | | |

Save Cancel Save As

Currency: US Dollar

Adjustment Type Selection

| Adjustment Type | Folder | Transfer Pricing Rule |
|--|---------|-----------------------|
| <input type="checkbox"/> Liquidity Adjustment | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Basis Risk Costs | AUTOSEG | PCD TP Rule |
| <input checked="" type="checkbox"/> Pricing Incentives | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Other Adjustments | AUTOSEG | PCD TP Rule |

Assumption Browser | Assumption List

Assumption Browser

| Product | Adjustment Method | Conditional Assumption | Status |
|--|-------------------|------------------------|---------|
| <input type="checkbox"/> Default Parent | | | |
| <input type="checkbox"/> prdt_mem_01 | | | |
| <input type="checkbox"/> Savings | | | |
| <input type="checkbox"/> Retained earnings | | | |
| <input type="checkbox"/> product_leaf2 | | | |
| <input checked="" type="checkbox"/> FTP_02 | Fixed Rate | | Defined |
| <input type="checkbox"/> Orphan Branch | | | |

Save Cancel Save As

Currency: US Dollar

Adjustment Type Selection

| Adjustment Type | Folder | Transfer Pricing Rule |
|---|---------|-----------------------|
| <input type="checkbox"/> Liquidity Adjustment | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Basis Risk Costs | AUTOSEG | PCD TP Rule |
| <input type="checkbox"/> Pricing Incentives | AUTOSEG | PCD TP Rule |
| <input checked="" type="checkbox"/> Other Adjustments | AUTOSEG | PCD TP Rule |

Assumption Browser

| Product | Adjustment Method | Conditional Assumption | Status |
|--|-------------------|------------------------|---------|
| <input type="checkbox"/> Default Parent | | | |
| <input type="checkbox"/> prdt_mem_01 | | | |
| <input type="checkbox"/> Savings | | | |
| <input type="checkbox"/> Retained earnings | | | |
| <input type="checkbox"/> product_leaf2 | | | |
| <input checked="" type="checkbox"/> FTP_02 | Fixed Rate | | Defined |
| <input type="checkbox"/> Orphan Branch | | | |

11.5 Create the Standard Process in FTP Setup

To create a standard process, follow these steps:

1. From the LHS Menu, select **Funds Transfer Pricing**, select **FTP Processing**, and then select **Standard Process**. Click **Add**.

Standard Process

As of Date: 01/01/1985

Search: Name: Folder: AUTOSEG

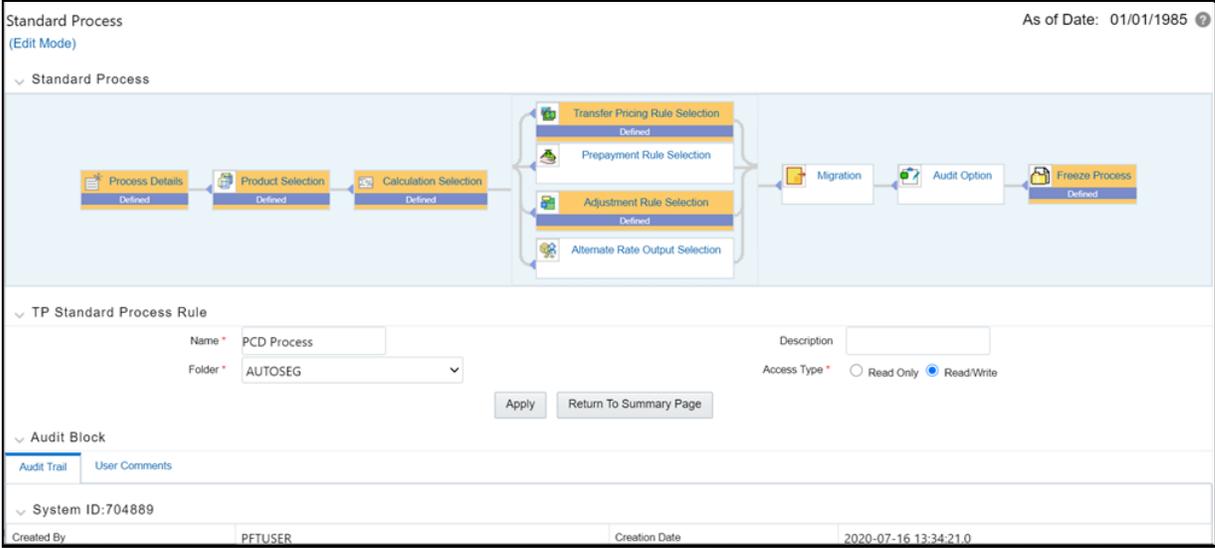
Product Dimension: Product

Standard Process

TP Standard Process Rules

| Name | Creation Date | Created By | Last Run Date | Last Run By | Access Type | Folder | Status |
|----------------|---------------|------------|---------------|-------------|-------------|---------|------------|
| Bugfest | 04/03/2020 | PFTUSER | | | Read/Write | AUTOSEG | Incomplete |
| CA Proc TP ADJ | 12/26/2019 | PFTUSER | 12/26/2019 | PFTUSER | Read/Write | AUTOSEG | Success |
| CA Proc 02 | 12/23/2019 | PFTUSER | 01/14/2020 | PFTUSER | Read/Write | AUTOSEG | Complete |
| CA Proc 3 | 12/30/2019 | PFTUSER | 12/30/2019 | PFTUSER | Read/Write | AUTOSEG | Complete |

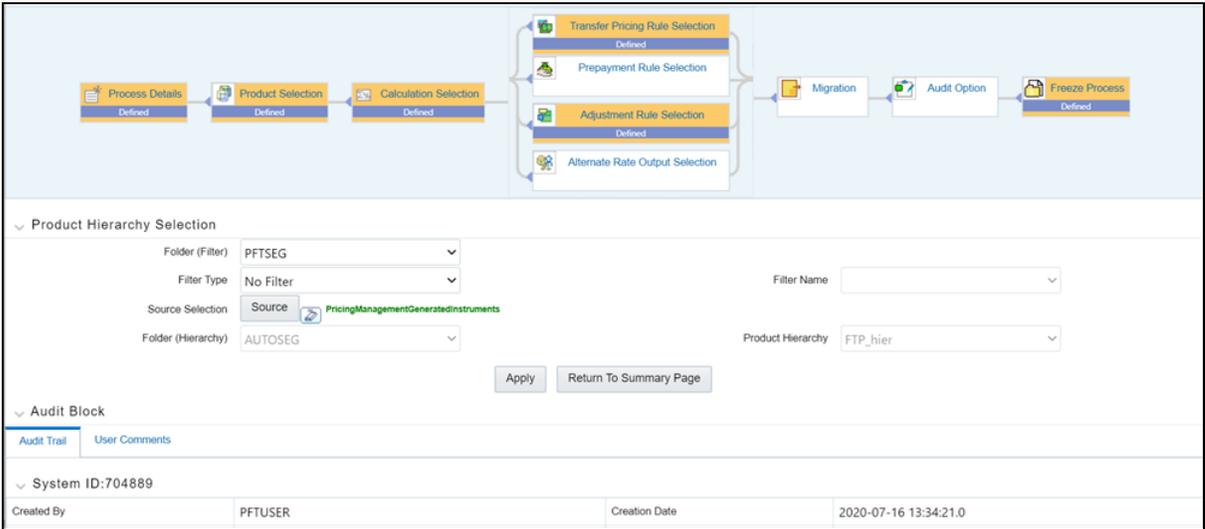
2. Enter the Process details and click **Apply**.

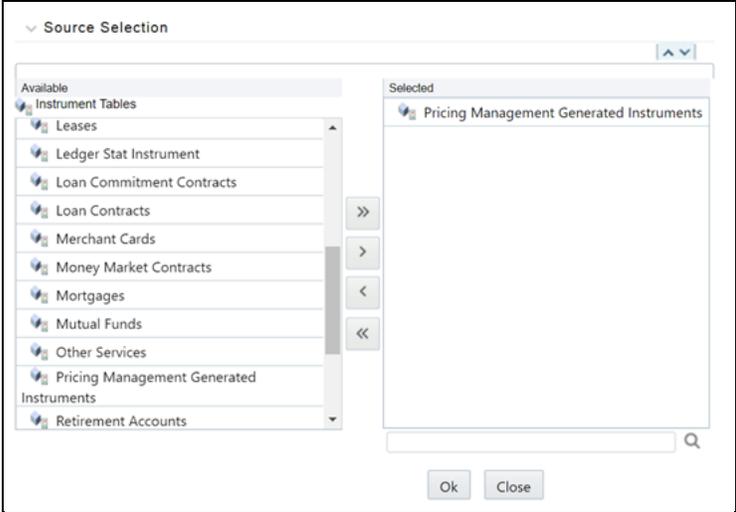


3. Under the Product Selection Section, click on the source and select the Source Hierarchy as **PricingManagementGeneratedInstruments** as shown in the following screenshot.

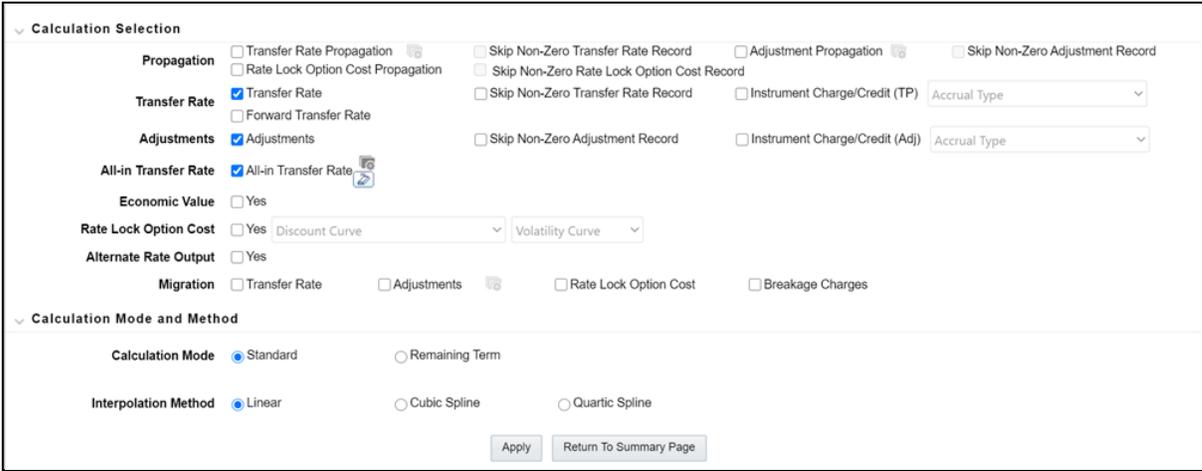
NOTE If Source Hierarchy has no data then for Source Hierarchy to load data in the Standard Process Screen, execute the below update query in Atomic Schema.

```
update REV_TABLE_CLASS_ASSIGNMENT set
validated_flag = 'Y' ;
commit;
```

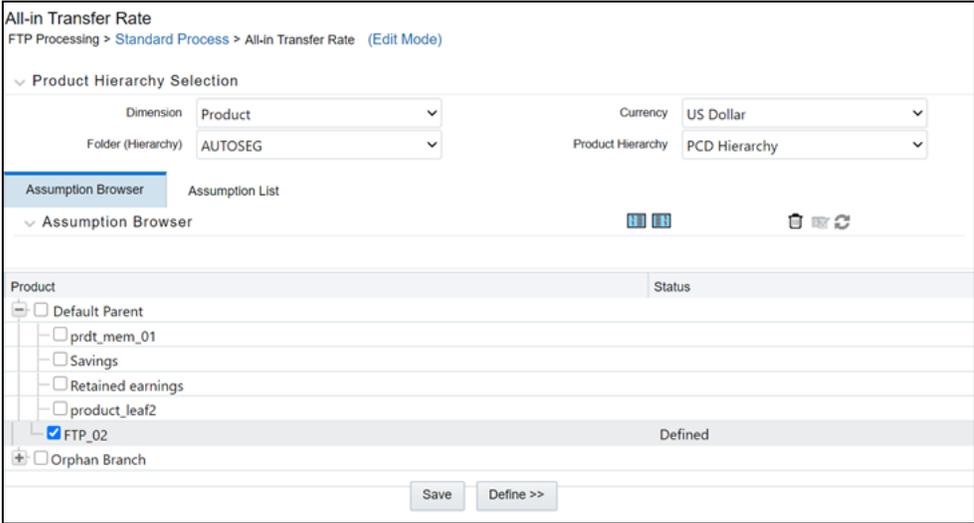




4. Click **Apply** and it navigates to the Calculation Section. Enter the details as follows:



5. Select **All in Transfer Rate Hierarchy**. Then select a product and click on **Define**.



6. All in Transfer Rate Mapping Window will be displayed as follows. Select Plus for each Adjustment Types and click **Apply**.

All-In Transfer Pricing Rate Mapping
FTP Processing > Standard Process > All-In Transfer Rate > All-In Transfer Pricing Rate Mapping (Edit Mode)

Product Hierarchy Selection

Dimension Product Currency US Dollar
Folder (Hierarchy) AUTOSEG Product Hierarchy PCD Hierarchy
Selected Product FTP_02 Output Audit Detail

Summation Logic

| Summation Logic | All-In Transfer Pricing Rate |
|-----------------|------------------------------|
| Plus (+) | Base Transfer Rate |
| Plus (+) | Liquidity Adjustment |
| Plus (+) | Pricing Incentives |
| Plus (+) | Basis Risk Cost |
| Plus (+) | Other Adjustments |
| | Option Cost |

Close Apply

7. Click **Apply**. It navigates to the Transfer Pricing Rule list. Select the TP rule and then select Adjustment Rule.

Rate Lock Option Cost Propagation Skip Non-Zero Rate Lock Option Cost Record
Transfer Rate Skip Non-Zero Transfer Rate Record Instrument Charge/Credit (TP)
Forward Transfer Rate Skip Non-Zero Adjustment Record Instrument Charge/Credit (Adj)
Adjustments
All-in Transfer Rate
Economic Value Yes
Rate Lock Option Cost Discount Curve
Alternate Rate Output Yes
Migration Transfer Rate Adjustments Rate Lock Option Cost Breakage Charges

Calculation Mode and Method

Calculation Mode Standard Remaining Term
Interpolation Method Linear Cubic Spline Quartic Spline

Apply Return To Summary Page

Audit Block

Audit Trail User Comments

System ID:704889

| | | | |
|------------|---------|---------------|-----------------------|
| Created By | PFTUSER | Creation Date | 2020-07-16 13:34:21.0 |
|------------|---------|---------------|-----------------------|

Transfer Pricing Rules List

Search

Name: PCD
Folder: AUTOSEG
Product Dimension: Product

| Name | Creation Date | Created By | Last Modified Date | Last Modified By | Access Type | Folder |
|---|---------------|------------|--------------------|------------------|-------------|---------|
| <input checked="" type="checkbox"/> PCD TP Rule | 07/16/2020 | PFTUSER | 07/16/2020 | PFTUSER | Read/Write | AUTOSEG |

System ID: 704889

| Created By | Creation Date |
|------------|-----------------------|
| PFTUSER | 2020-07-16 13:34:21.0 |

Adjustment Rules List

Search

Name: PCD
Folder: AUTOSEG
Product Dimension: Product

| Name | Creation Date | Created By | Last Modified Date | Last Modified By | Access Type | Folder |
|--|---------------|------------|--------------------|------------------|-------------|---------|
| <input checked="" type="checkbox"/> PCD Adj Rule | 07/16/2020 | PFTUSER | 07/16/2020 | PFTUSER | Read/Write | AUTOSEG |

System ID: 704889

| Created By | Creation Date |
|------------|-----------------------|
| PFTUSER | 2020-07-16 13:34:21.0 |

8. In the Last Section select Freeze and then confirm. This created Standard Process and displayed in the summary as shown in the screenshot.

Standard Process

Freeze Process

Freeze

Reset

[Confirm](#) [Return To Summary Page](#)

Audit Block

[Audit Trail](#) [User Comments](#)

System ID: 704889

| | | | |
|------------|---------|---------------|-----------------------|
| Created By | PFTUSER | Creation Date | 2020-07-16 13:34:21.0 |
|------------|---------|---------------|-----------------------|

Standard Process As of Date: 01/01/1985

Search

Name: Folder:

Product Dimension:

Standard Process

TP Standard Process Rules

| Name | Creation Date | Created By | Last Run Date | Last Run By | Access Type | Folder | Status |
|--------------------------------------|---------------|------------|---------------|-------------|-------------|---------|---------|
| <input type="checkbox"/> PCD Process | 07/16/2020 | PFTUSER | 07/17/2020 | PFTUSER | Read/Write | AUTOSEG | Success |

11.6 Execute the Standard Process in FTP Setup

1. Select the Process and click on the **Run** icon.

The screenshot shows the 'Standard Process' window. At the top right, it says 'As of Date: 01/01/1985'. Below the search bar, 'Name' is set to 'PCD' and 'Product Dimension' is set to 'Product'. The 'Folder' dropdown is set to 'AUTOSEG'. The process flow diagram shows steps: Process Details, Product Selection, Calculation Selection, followed by a group of four rule selection steps (Transfer Pricing Rule Selection, Prepayment Rule Selection, Adjustment Rule Selection, and Alternate Rate Output Selection), then Migration, Audit Option, and Freeze Process. At the bottom, there is a table for 'TP Standard Process Rules'.

| Name | Creation Date | Created By | Last Run Date | Last Run By | Access Type | Folder | Status |
|--------------------------------------|---------------|------------|---------------|-------------|-------------|---------|---------|
| <input type="checkbox"/> PCD Process | 07/16/2020 | PFTUSER | 07/17/2020 | PFTUSER | Read/Write | AUTOSEG | Success |

2. Select As of Date as Today's Date and click on **OK**.

The 'Run Execution Parameters' dialog box is shown. It contains the following fields: 'Process Name' with the value 'PCD Process', 'As of Date' with a calendar icon and the value '07/19/2020', and 'Legal Entity' with the value 'Default Member' and a refresh icon. At the bottom are 'OK' and 'Cancel' buttons.

3. Refresh the Summary Screen and verify the status of the process. It should show success. If it is failed to verify the logs.

Log path: ../ftpsare/logs

This screenshot is similar to the first one but shows the 'As of Date' as '01/01/1985'. The 'TP Standard Process Rules' table at the bottom has been updated. The 'Last Run Date' is now '07/17/2020' and the 'Status' is 'Success'. A 'Refresh Data' button is visible in the table header.

| Name | Creation Date | Created By | Last Run Date | Refresh Data | Last Run By | Access Type | Folder | Status |
|--------------------------------------|---------------|------------|---------------|--------------|-------------|-------------|---------|---------|
| <input type="checkbox"/> PCD Process | 07/16/2020 | PFTUSER | 07/17/2020 | | PFTUSER | Read/Write | AUTOSEG | Success |

11.7 Enabling FTP from PCD UI

1. Login to PCD Config Schema:
2. Execute the following update query to enable FTP:

```
update configuration set PARAMVALUE ='Y' where paramname
='FTP_ENABLED';

commit;
```

Default parameters when FTP is not enabled:

The screenshot shows the 'Default Parameters' configuration page. Under 'Default Parameters', 'Cost of Capital' is 12 and 'Discount (%)' is 9.5. Under 'Customer Insight Parameters', 'Institutional' is selected for Customer Type and 'Corporate Tracker Segment' for Default Segmentation Type. Under 'Global Default Parameters', a table lists parameters with 'Specify' and 'Lookup' columns checked for all items.

| Parameter | Specify | Lookup | Real-time Calculation |
|--------------------|-------------------------------------|-------------------------------------|--------------------------|
| Transfer Price | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Expected Loss | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Unexpected Loss | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Average Balance | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Miscellaneous Fees | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Other Income | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Default parameters when FTP enabled:

The screenshot shows the 'Default Parameters' configuration page with 'Transfer Pricing Parameters' expanded. The 'Folder' is set to 'PFTSEG' and the 'Transfer Pricing Process' is set to 'PCD Process3'. The 'Global Default Parameters' table is identical to the previous screenshot.

| Parameter | Specify | Lookup | Real-time Calculation |
|--------------------|-------------------------------------|-------------------------------------|--------------------------|
| Transfer Price | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Expected Loss | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Unexpected Loss | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Average Balance | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Miscellaneous Fees | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Other Income | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

3. Login to PCD Atomic Schema and execute below queries:
 - a. To update Standard Process API:


```
update API_DETAILS set
URI='<ftp_host:port/context>/restapi/ftpPcdRestservice/v1/getStandar
dProcessList'
where endpoint='FTP_1';
```

```
commit;
```

Example URL: <http://whf00osu:7777/ftpwar/rest-api/ftpPcdRestservice/v1/getStandardProcessList>

b. To update Pricing API:

```
update API_DETAILS
set URI='<ftp_host:port/context>/rest-
api/ftpPcdRestservice/v1/getPricing'
where endpoint='FTP_2';
commit;
```

Example URL: <http://whf00osu:7777/ftpwar/rest-api/ftpPcdRestservice/v1/getPricing>

c. Timed out url:

```
update API_DETAILS
set URI='<ftp_host:port/context>/rest-
api/ftpPcdRestservice/v1/getPricingData'
where endpoint='FTP_3';
commit;
```

Example:

```
update API_DETAILS set URI='http://whf00osu:7777/ftpwar/rest-
api/ftpPcdRestservice/v1/getPricingData' where endpoint='FTP_3';
commit;
```

d. In API_DYNAMIC_HEADERS table set headers_values with FTP login username and base64 encoded password

```
update API_DYNAMIC_HEADERS set headers_values='FTPUSER' where
headers='userid';
commit;
update API_DYNAMIC_HEADERS
set headers_values='Basic RlRQVVNFUjpwYXNzd29yZDE='
where headers='authorization';
commit;
```

NOTE

The following step must be executed only when PCD 8074 is installed and RM Summary is enabled:

4. Grants to execute from sysdba:

```
grant execute on utl_http to <pcd_atomic_schema>;
grant execute on dbms_lock to <pcd_atomic_schema>;
grant execute on DBMS_NETWORK_ACL_ADMIN to <pcd_atomic_schema>;
```

5. After executing above grants From PCD Atomic schema: execute following blocks.

Enter unique acl name in below block like ex: 'pcd_acl_file.xml'

```
BEGIN
    DBMS_NETWORK_ACL_ADMIN.drop_acl (
        acl          => 'pcd_acl_file.xml');
end;
/

BEGIN
    DBMS_NETWORK_ACL_ADMIN.create_acl (
        acl          => 'pcd_acl_file.xml',
        description => 'A test of the ACL functionality',
        principal   => 'PCD18CATOMIC', -- pcd atomic schema name
        is_grant    => TRUE,
        privilege    => 'connect',
        start_date  => SYSTIMESTAMP,
        end_date     => NULL);

end;
/

begin
    DBMS_NETWORK_ACL_ADMIN.assign_acl (
        acl          => 'pcd_acl_file.xml',
        host         => 'whf00osu', -- ftp hostname
        lower_port   => 7777,      -- ftp port
        upper_port   => NULL);

end;
/
```

6. Login to PCD Application: Navigate to the Default Parameters and select the standard process under the Transfer Pricing parameters section.

Default Parameters
Price Creation And Discovery > Setup > Default Parameters

Save Cancel

▼ Default Parameters

Cost of Capital Risk Free Rate
Discount (%)

▼ Customer Insight Parameters +

| Customer Type | Default Segmentation Type | Folder | Rule ID |
|--|-----------------------------|--------|---------|
| <input type="checkbox"/> Institutional ▼ | Corporate Tracker Segment ▼ | ▼ | ▼ |

▼ Transfer Pricing Parameters

Folder Transfer Pricing Process

11.8 Testing the Web Services using Postman

11.8.1 Standard Process Web Service

Request Type: GET

Header: UserID : <FTP Client Login Username>

GET http://whf00osu:7777/ftpwar/rest-api/ftpPcdRestservice/v1/getStandardProcessList Send

Params **Authorization** Headers (11) Body Pre-request Script Tests Settings

TYPE
Basic Auth

The authorization header will be automatically generated when you send the request. [Learn more about authorization](#)

Username: FTPUSER
Password:

Show Password

Authorization:

Type: Basic Auth

Username : <FTP Client Login Username>

password: <FTP Client Login Password>

GET http://whf00osu:7777/ftpwar/rest-api/ftpPcdRestservice/v1/getStandardProcessList Send

Params Authorization Headers (11) Body Pre-request Script Tests Settings

Headers 10 hidden

| KEY | VALUE | DESCRIPTION |
|--|---------|-------------|
| <input checked="" type="checkbox"/> USERID | ftpuser | |
| Key | Value | Description |

URL: http://whf00osu:7777/ftpwar/rest-api/ftpPcdRestservice/v1/getStandardProcessList

Response:

```
{
  "status": "success",
  "data": {
    "processList": [
      {
        "processName": "PCD Process",
        "folderName": "PFTSEG",
```

```

        "folderId": "PFTSEG",
        "processId": "200044"
    },
    {
        "processName": "PCD Process2",
        "folderName": "PFTSEG",
        "folderId": "PFTSEG",
        "processId": "200063"
    }
]
},
"messages": null
}

```

11.8.2 Pricing Web Service

Request Type: POST

URL: <http://whf00osu:7777/ftpwar/rest-api/ftpPcdRestservice/v1/getPricing>

Payload Request:

```

{
    "resultParameters": "customerType",
    "instrumentParameters": [
        {
            "orgPaymentAmt": 0,
            "amortizationTermMultiplier": "M",
            "nextRepricingDate": "20260511",
            "paymentFrequencyMultiplier": "M",
            "accrualBasisCode": 1,
            "paymentFrequency": 1,
            "amortizationTerm": 0,
            "originalTermToMaturity": 0,
            "interestRateCode": 0,
            "maturityDate": "20260511",
            "lastPaymentDate": "20201117",
            "currency": "USD",
            "issueDate": "20201117",
            "nextPaymentDate": "20201217",

```

```

    "originalTermMultiplier":"","
    "currentGrosBookBalance":2500000,
    "additionalParams":{
        },
        "originalGrossparBanalce":2500000,
        "amortizationTypeCode":600,
        "currentNetRate":10,
        "originationDate":"20210511",
        "accountNumber":"10",
        "compoundingBasisCode":160,
        "lastRepricingDate":"20201117",
        "repricingFrequency":0,
        "currentGrossParBalance":2500000,
        "repricingFrequencyMultiplier":"","
        "currentPaymentAmount":0,
        "productCode":"1",
        "interestTypeCode":2,
        "adjustableTypeCode":0,
        "remainingNoOfPayments":0,
        "asOfDate":"20201117"
    }
  ],
  "processId":200015
}

```

Response:

```

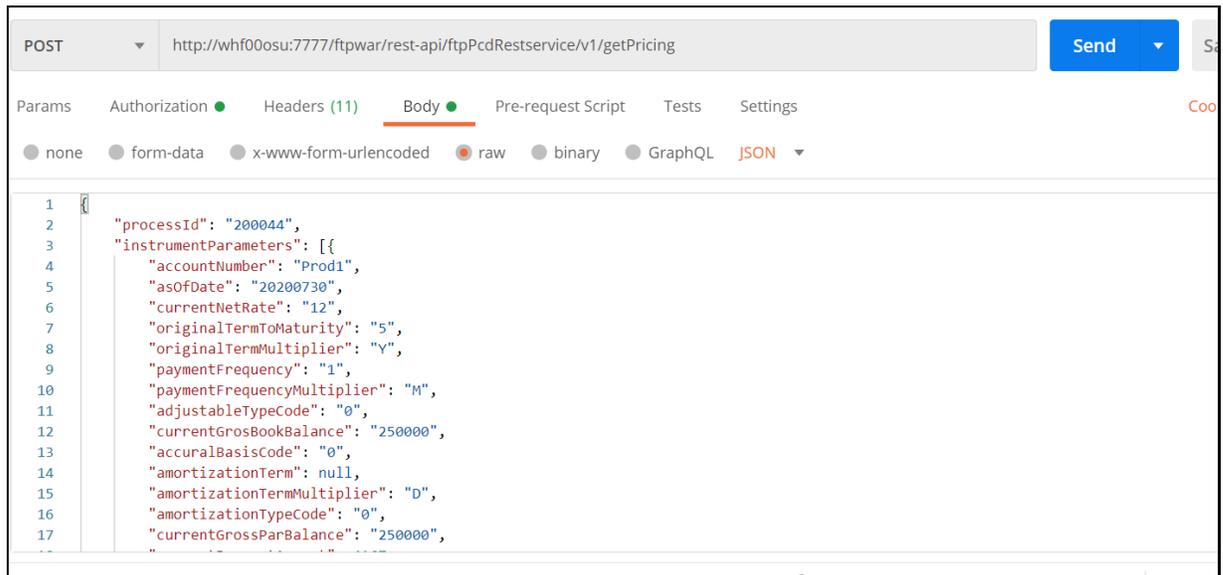
{
  "status": "success",
  "data": {
    "requestId": 361,
    "calculatedData": [
      {
        "requestId": "361",
        "accountNumber": "10",
        "transferRate": "7.988",
        "liquidityPremiumRate": "-4",
        "pricingIncentiveRate": "6.5",

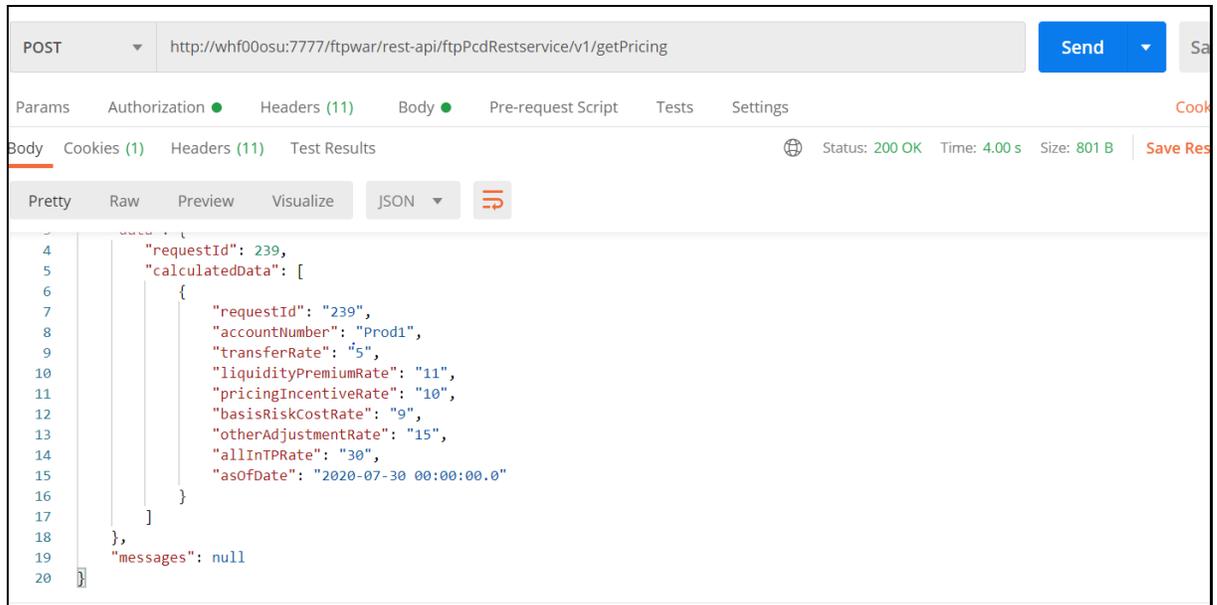
```

```

    "basisRiskCostRate": "10",
    "otherAdjustmentRate": "10",
    "allInTPRate": "30.488",
    "asOfDate": "2020-11-17 00:00:00.0",
    "additionalReturnParameters": {
      "customerType": "null"
    }
  }
]
},
"messages": null
}

```





POST http://whf00osu:7777/ftpwar/rest-api/ftpPcdRestservice/v1/getPricing

Status: 200 OK Time: 4.00 s Size: 801 B Save Res

```
4     "requestId": 239,
5     "calculatedData": [
6       {
7         "requestId": "239",
8         "accountNumber": "Prod1",
9         "transferRate": "5",
10        "liquidityPremiumRate": "11",
11        "pricingIncentiveRate": "10",
12        "basisRiskCostRate": "9",
13        "otherAdjustmentRate": "15",
14        "allInTPRate": "30",
15        "asOfDate": "2020-07-30 00:00:00.0"
16      }
17    ]
18  },
19  "messages": null
20 }
```

11.9 Creating a Custom Dimension for Product

To create a Custom Dimension for a Product, follow these steps:

1. Custom Product Dimension Creation is a customized step that has to be done from the AMHM Screen on FTP Setup.
2. After the Custom Dimension is created, update the `AMHMConfig.properties` file in the FTP Setup with the `dimension_id` in the Members and Hierarchy Reverse population headings with Y as below:

```
# Attribute Default Date Format - DB_DATE_FORMAT:MM/DD/YYYY

# Members Reverse population - VALUE- Y/N
MEMBER_REVERSE_POP-OFSPFTINFO-0=Y
MEMBER_REVERSE_POP-OFSPFTINFO-1=Y
MEMBER_REVERSE_POP-OFSPFTINFO-2=Y
MEMBER_REVERSE_POP-OFSPFTINFO-3=Y
MEMBER_REVERSE_POP-OFSPFTINFO-4=Y
MEMBER_REVERSE_POP-OFSPFTINFO-5=Y
MEMBER_REVERSE_POP-OFSPFTINFO-6770=Y

#Hierarchy Reverse population - VALUE- Y/N
HIERARCHY_REVERSE_POP-OFSPFTINFO-0=Y
HIERARCHY_REVERSE_POP-OFSPFTINFO-1=Y
HIERARCHY_REVERSE_POP-OFSPFTINFO-2=Y
HIERARCHY_REVERSE_POP-OFSPFTINFO-3=Y
HIERARCHY_REVERSE_POP-OFSPFTINFO-4=Y
HIERARCHY_REVERSE_POP-OFSPFTINFO-5=Y
HIERARCHY_REVERSE_POP-OFSPFTINFO-6770=Y
```

Here, 6770 is the `dimension_id` for Custom Dimension

- Restart the services.
- Log in to the application and Navigate to the AMHM Screen.
- Navigate to the Members screen and then select Custom Product Dimension.
- Resave all the members from the Listing Screen.
- Navigate to the Hierarchy Screen and then select Custom Product Dimension.
- Resave all the Hierarchies from the screen.

NOTE

If FTP Setup is hosted on a different server, then the Custom Product Dimension should be created on the PCD setup as well with the same `dimension_id`.

3. Execute the following query to map the Custom Product Dimension with the FTP Product Field available in the FTP Model Dimension Screen.

```
update rev_dim_attributes_b set attribute_dimension_id=( select
dimension_id from rev_dimensions_tl where
dimension_name='<custom_product_dimension_name>') where dimension_id
=6778 and attribute_id=1;
```

11.10 Configure FTP Setup with Custom Product Dimension

To configure the FTP Setup with the Custom Product Dimension, follow these steps:

1. Create a new Hierarchy in the FTP Setup using the Custom Product Dimension from AMHM -> Hierarchy Screen.
2. Update the Product Dimension and Product Hierarchy in the Application Preference Screen with respect to the newly created Custom Product Dimension in the FTP Setup.
3. Create Transfer Pricing Rule, Adjustment Rule, and Standard Process with the newly created Custom Product Dimension in the FTP Setup.
4. Select the newly created Standard Process on top of the Customer Dimension in the Setup-> Default Parameters Screen -> Transfer Pricing Parameters Section.

11.11 Configure FTP Model Dimension from PCD

To configure the FTP Model Dimension from PCD, follow these steps:

1. Navigate to the Member Screen and configure the FTP Model Dimension.

Figure 56: FTP Member Screen

| Alphanumeric Code | Numeric Code | Name | Is Leaf |
|-------------------|--------------|-------------------------|---------|
| 4 | 4 | dimension business loan | Yes |
| 3 | 3 | dimension car loan | Yes |
| 1 | 1 | dimension1 | Yes |
| 2 | 2 | dimension2 | Yes |

2. Click Add and configure the Model Definition by selecting the appropriate product values in the FTP PRODUCT field and PRODUCT CODE along with the UDFs.

Figure 57: Member Definition Screen

Members
[Member Definition \(New Mode\)](#) Save Cancel

Dimension: FTP Model Dimension

Member Details

Alphanumeric Code: 3

* Numeric Code: 3

* Name: Model Definition for Auto Loan

Description:

Enabled: Yes No

Is Leaf: Yes No

Copy Attribute Assignment From:

Member Attributes

| Attribute | Value |
|----------------|-----------------------|
| FTP PRODUCT * | FTP PROD 1 |
| PRODUCT CODE * | Auto Loan |
| FTP_UDF | customerType,bookType |

NOTE

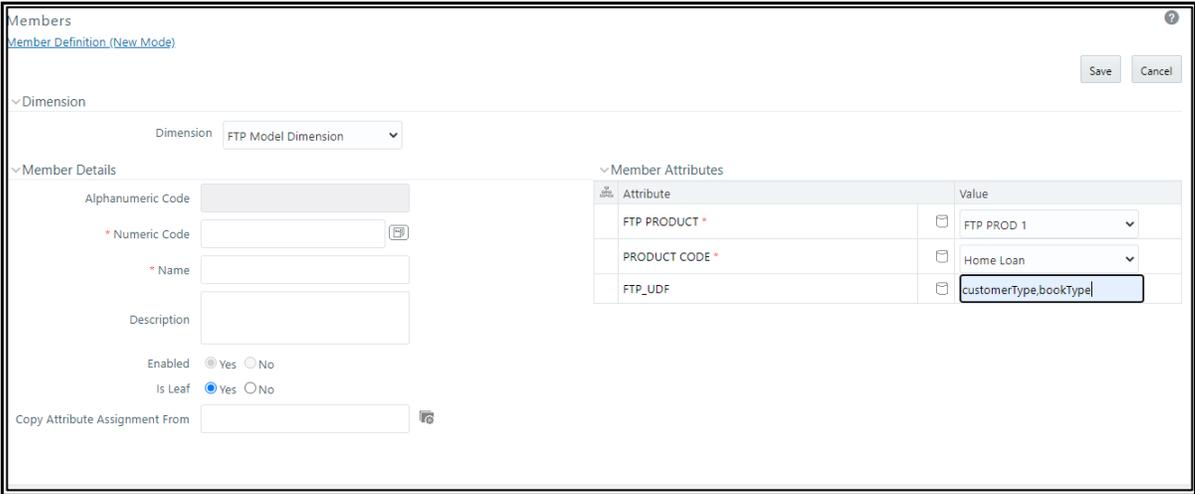
The FTP_UDF columns should be configured in the ofsaaws.properties file as follows:

```
columns_mapping=customerType~CUSTOMER_TYPE;bookType~BOOK_TYPE
```

Here, you can provide any logical name for FTP_UDF. However, the logical name given for each FTP_UDF should be mapped to the physical column in the fsi_pm_generated_instrmts

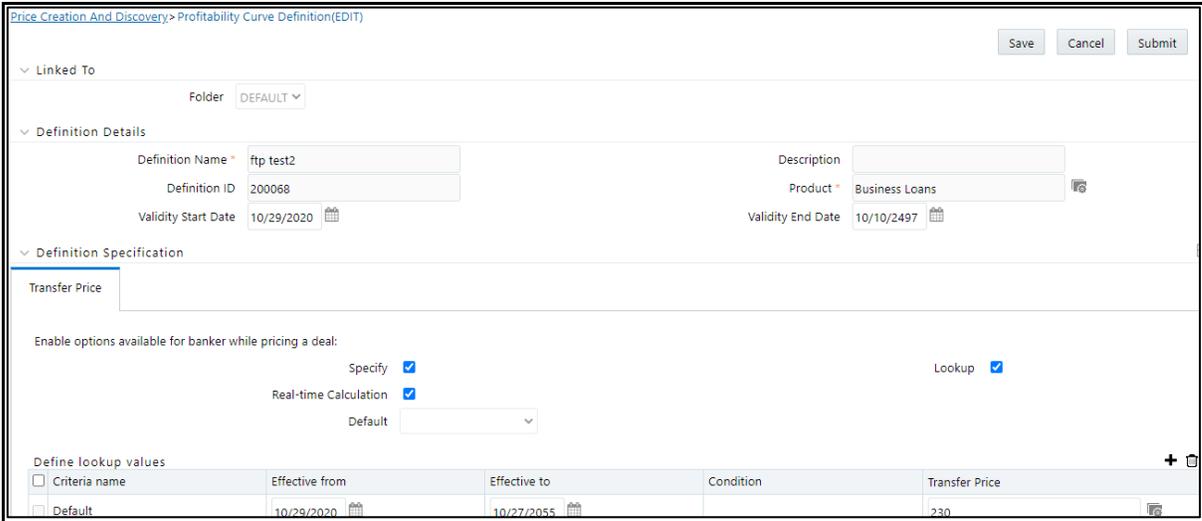
Additional columns are not processed if not configured in the ofsaaws.properties file.

Figure 58: Member Definition Screen



- 3. Create a Profitability curve with Transfer Price Driver as Real Time Calculation enabled. Submit and approve the Curve.

Figure 59: Profitability Curve Definition Screen



- 4. Navigate to RM Summary Screen and create a New Deal for the same Product for which the Profitability Curve with Real Time option for Transfer Price is created.

Figure 60: Profitability Curve Definition Screen

5. The Transfer Pricing Screen has an FTP Product Dimension drop-down. The entries entered in the Member Screen according to the product will be visible in the drop-down list.
6. After selecting the drop-down, the User-Defined Term Section gets enabled with the UDF's given in the Member Screen.
7. You can configure the values for the available as required.

Figure 61: Transfer Pricing Parameters Screen

8. When you click Compute FTP button, the FTP Pricing gets invoked and Transfer FTP Rate is calculated.

9. Parallely, the table FSI_PM_GENERATED_INSTRMETS in the FTP Atomic Schema gets populated with the calculated values and user-provided values for the UDFs.

NOTE

The following entry is seeded with the FTP Model Dimension information. If you modify the FTP Model Dimension ID or name, then this entry should be updated to the respective Dimension ID.

```
select * from setup_master where v_component_value =  
'6778'
```

12 Appendix D: Implementing GDPR Compliance for OFS PCD

This appendix describes the procedures to implement the General Data Protection Compliance for the OFS PCD Application.

12.1 Implementing Right to Forget

Follow these steps to implement Right to Forget:

1. Transfer the Batch Username ownership to PMUSER (or any common user) from sysadmn as below:

```
begin
AAI_OBJECT_ADMIN.TRANSFER_BATCH_OWNERSHIP ('SYSADMN', 'PMUSER');
end;
```

2. Go to Batch Maintenance Screen and Edit the Right to forget and data redaction batch usernames under param values to common usernames like PMUSER.
3. Give an entry of v_d_cust_ref_code by selecting the existing v_d_cust_ref_code from dim_customer for which Right to Forget has to be applied in the FSI_PARTY_RIGHT_TO_FORGET table.
4. Execute the Righttoforget batch and then verify the V_D_Cust_First_Name should get randomized.

Verify Right to forget for Processing Table:

Create the existing customer deal for the same v_d_cust_ref_code and verify the Right To Forget only for existing customers in fsi_m_customer_details.

Get the List of processing column names which has to get randomized from the AAI_DRF_QUERY_METADATA table.

NOTE

Right to Forget will not work for New Customers. It works only for existing customers.

5. Execute the DataRedaction batch and then verify the v_d_cust_first_name should be empty. Get the List of PI columns for Data Redaction from the AAI_DRF_FUNCTION_COLUMN_MAP table.

12.2 Impact of GDPR on Pricing UI

The users mapped to the Data Security role have access to PII fields. Those users can see the PII fields in the Deal Pricing User Interface in their original form.

The users who are not mapped to the required role cannot see the original data of PII fields.

NOTE

When GDPR is enabled and the user wishes to map the *CRUD operations functions to the OFSAA user, then ensure that the user must have the access to PII fields.

The product users are solely responsible to maintain these mappings by using OFSAA Security Model.

By default, all the user groups present in OFS PCD except UGPRMGRINBOXADMIN have access to PII fields and only the Relationship Manager Group has CRUD access. Rest are having VIEW access only, on the Deal Pricing UI.

Example: If a user has access to PII fields, he/she can perform all operations like ADD, EDIT, DELETE and VIEW on a deal definition, and in another case, if the user does not have the access to PII fields, he should only perform VIEW operations. This behavior can be achieved by *functions based masking at Summary Page.

Functions for CRUD operations on Deal Pricing UI

| Operations | Functions |
|------------|-----------|
| ADD | PRCADD |
| EDIT | PRCEDIT |
| DELETE | PRCDEL |
| VIEW | PRCVW |
| REPORT | PRCREP |

***CRUD**: Create, Read, Update and Delete

***Functions based masking**: A process by which action items on Summary Page can be enabled or disabled. It can be done using the Functions to Roles Mapping Screen under SYSADMN Account.

12.3 Consent Page in Deal Pricing UI

12.3.1 New Customers

When creating a new deal for a new customer, the deal pricing UI will ask for the consent of the customer with an optional field to capture Consent Form ID, if available.

Not secure | whf00bfq11102/ofsaaf/sapps/common/CreatePricing.action?&idType=PRICING_MGR&method=openPricingCreate&pageMode=NEW&appId=PRMGR&menuItem=new&isAcctFlagged=no&appId=PRMGR&header=Deal%20Pricing

Pricing Definition
Price Creation And Discovery > Pricing Definition(Definition Mode)

Customer Details Deal Details Offers Price Optimization Recommended Price

*The customer has signed the Consent Form agreeing to Data Capture
Consent Form ID: Cancel

Prising Definition
Name: TestDeal Folder Name: DEFAULT

Prising Details
Customer: New Existing
Customer ID:
Relationship Manager: VINAY
Account Number:
Customer Type: Institutional
Customer Name:
Account: New Existing

Business Information
Organization Name: ORG_NAME
Country of Incorporation:
Status of Listing: Yes No
Number of Employees: 45
Rating Source: Internal
Organization Address: ORG_ADDRESS
Date of Incorporation: 04/24/2018
Industry: Finance
Obligor Rating: INT LT Rating CCC

Financial Information
Information As On: 04/24/2018
Currency: US Dollar
Earnings After Tax: 5555
Turnover: 5555
Debt Coverage Ratio: 5.0000

12.3.2 Existing Customers

Only when Relationship Managers update any of the existing PII information present on the Customer Detail Section of Deal Pricing UI, they will be asked to take consent.

Not secure | whf00bfq11102/ofsaaf/sapps/common/CreatePricing.action?&idType=PRICING_MGR&method=openPricingCreate&pageMode=NEW&appId=PRMGR&menuItem=new&isAcctFlagged=no&appId=PRMGR&header=Deal%20Pricing

Pricing Definition
Price Creation And Discovery > Pricing Definition(Definition Mode)

Customer Details Deal Details Offers Price Optimization Recommended Price

*The customer has signed the Consent Form agreeing to Data Capture
Consent Form ID: Save Cancel

Prising Definition
Name: TestDeal Folder Name: DEFAULT

Prising Details
Customer: New Existing
Customer ID:
Relationship Manager: VINAY
Account Number:
Customer Type: Institutional
Customer Name:
Account: New Existing

Business Information
Organization Name: ORG_NAME
Country of Incorporation:
Status of Listing: Yes No
Number of Employees: 45
Rating Source: Internal
Organization Address: ORG_ADDRESS
Date of Incorporation: 04/24/2018
Industry: Finance
Obligor Rating: INT LT Rating CCC

Financial Information
Information As On: 04/24/2018
Currency: US Dollar
Earnings After Tax: 5555
Turnover: 5555
Debt Coverage Ratio: 5.0000

13 Appendix E: Engine Configuration Changes for Better Performance

13.1 Improving OFS FTP Engine Performance

For improving the OFS FTP Engine performance, follow the steps given below:

1. Add CursorSharingMode entry in respective ofstpol.ini file as shown below to take advantage of setting cursor sharing parameter at session-level.

```
[debug]
FileName=ofstpol
CALC_LOG=3
ACCESS_LOG=3
ERROR_LOG=3
ComponentName=RUN EXECUTABLE
CursorSharingMode=EXACT
```

2. Engine reads value against Key CursorSharingMode and sets CURSOR_SHARE at DB Session level accordingly.
3. The engine executes the below statement if the value is set against CursorSharingMode Key.
ALTER SESSION SET CURSOR_SHARING = <Input Value> in upper case
<Input Values>: EXACT, FORCE, SIMILAR
4. If NO value is supplied, the Engine does not set any altered statement.
5. ofstpol.ini file is present in \$FIC_DB_HOME/conf folder.
6. To comment on this cursor sharing parameter setting, comment as shown below in the ofstpol.ini file:

```
[debug]
FileName=ofstpol
CALC_LOG=3
ACCESS_LOG=3
ERROR_LOG=3
ComponentName=RUN EXECUTABLE
;CursorSharingMode=EXACT
```

13.2 Improving OFS PCD Engine Performance

For improving the OFS PCD Engine performance, follow the steps given below:

1. Add CursorSharingMode entry in respective ofslrc.ini file as shown below to take advantage of setting cursor sharing parameter at session level.

```
; CursorSharingMode can be enabled and set to SIMILAR or EXACT or FORCE
[debug]
CursorSharingMode=EXACT
```

2. Engine reads value against Key CursorSharingMode and sets CURSOR_SHARE at DB Session level accordingly.

3. The engine executes the following statement if the value is set against CursorSharingMode Key.

```
ALTER SESSION SET CURSOR_SHARING = <Input Value> in upper case  
<Input Values>: EXACT, FORCE, SIMILAR
```

4. If NO value is supplied, the Engine does not set any alter statement.
5. ofsIRC.ini file is present in \$FIC_DB_HOME/conf folder.
6. To comment on this cursor sharing parameter setting, comment as shown below in the ofsIRC.ini file:

```
; CursorSharingMode can be enabled and set to SIMILAR or EXACT or FORCE  
[debug]  
;CursorSharingMode=EXACT
```

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