Product Release Note
Oracle Banking Trade Finance
Release 14.7.0.0.0
November 2022

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FINANCIAL SERVICES

Product Release Note
November 2022
Version 14.7.0.0.0

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1. Release Notes

1.1 <u>Background</u>

Oracle Financial Services Software Ltd has developed Oracle Banking Trade Finance (OBTF), which is a comprehensive solution for managing Trade Finance operations for Banks.

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

OBTF offers financial institutions, the flexibility to adapt to changing regulatory reforms in Trade Finance markets and enable banks to improve their overall operational efficiency. OBTF provides end-to-end capabilities for diverse range of Trade Finance Instruments in Documentary Credits, Documentary Collections, Guarantees and Stand-by-LCs products.

1.2 <u>Purpose</u>

The purpose of this Release Note is to propagate the enhancements in Oracle Banking Trade Finance 14.7.0.0.0.

1.3 <u>Abbreviations</u>

Abbreviation	Description
BC	Bills and Collections
IB	Islamic Bills and Collections
LC	Letters of Credit
LI	Islamic Letters of Credit
GL	General Ledger
MT	Message Type
OBDX – TF	Oracle Banking Digital Experience – Trade Finance
OBTF	Oracle Banking Trade Finance
OBTFPM	Oracle Banking Trade Finance Process Management
OBCL	Oracle Banking Corporate Lending
SBLC	Stand By Letter of Credit
ELCM	Enterprise Limits and Collateral Management
ECA	External Credit Approval
JV	Joint Venture
FX	Foreign Exchange
STP	Straight Through Processing

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1.4   <u>Release Highlights</u>

The rationale for the product release of Oracle Banking Trade Finance version 14.7.0.0.0 is to support regulatory requirements and enhance features that are essential in competitive market.

Following are the features included in the release along with forward porting of applicable fixes related to the incidences reported in previous versions and technical qualification to comply with approved Tech Stack.

- Documentary Credits
  - o Split Settlement for Charges and Commission
  - o Separate Product Type for Export LC Transfer
  - o JV Customer

- Documentary Collections
  - o Auto Closure of Bills
  - o Support incoming MT750 STP upload

- Guarantees / Stand-by-LCs
  - o FX Linkages – Guarantee/SBLC Claim
  - o JV Customer
  - o Claim lodgement for Guarantees/SBLCs not Advised by Bank

- Trade – Common Feature
  - o JV Customer
  - o Movement of Transaction Accounting to History Table
  - o Introduction of Asynchronous Processing for EA Handoff to DDA System
  - o Single Customer Multiple Liabilities
  - o Limit Contribution Percentage in decimals
  - o Provision to maintain custom sequences for User reference number
  - o User Authorization Limit
  - o Product Transaction Limit

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1.5   Release Enhancements

1.5.1   Documentary Credit

1.   Split Settlement for Charges and Commission

   ➢ System enhanced to support split settlement for Charges and Commission during LC and Guarantee issuance and amendment.

   ➢ Split flag is introduced in Charges and Commission subsystems to capture components applicable for split. AR-AP tracking flag is introduced in Commission subsystem and the same will be defaulted to split settlement with provision to disable if required. LQ contracts will be created for components with AR-AP tracking enabled.

   ➢ Above functionality extended to Islamic LCs and Guarantees.

2.   Separate Product Type for Transfer

   ➢ System enhanced to create export child LCs with separate product code. 'Use Transfer Product' flag is introduced in Trade Finance Bank Preference maintenance. New Transfer product type is supported. LC Transfer screen is enhanced to capture new product code for transfer and create export child LC with a separate product code. Above functionality extended to Islamic export child LCs.

3.   JV Customer

   ➢ Enabled JV parent field in parties limits tab in LC and LI Contract online screens (LCDTRONL/LIDTRONL), it will get defaulted while defaulting the limits for a JV customer. Limit utilization will happen for the linked JV customer.

1.5.2   Documentary Collections

1.   Auto Closure of Bills

   ➢ As part of Bills processing, part of the bill amount may remain outstanding even after the Bill is paid. System enhanced to close those bills during batch processing.
      o Bill Product maintenance Screen enhanced to set the parameters for auto closure of bills.
      o Auto Closure batch validates if the bill is eligible for Auto Closure by comparing the bill outstanding amount with the Auto closure details maintained during the product definition.
      o Eligible bills will be closed with event CLOS.

2.   STP processing of MT750

   ➢ System enhanced to support STP processing of MT750 to create a Bill under LC in Initial stage.

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1.5.3   Guarantees/Standby LCs

1.   FX Linkages – Guarantee/SBLC Claim

> System supports linkage of forward FX contracts for Guarantee/SBLC Claim Lodgement and Claim Settlement.

2.   JV Customer

> Enabled JV parent field in parties limits tab in Guarantee and Islamic Guarantee Contract online screens (LCDGUONL/LIDGUONL), it will get defaulted while defaulting the limits for a JV customer. Limit utilization will happen for the linked JV customer.

3.   Claim lodgement for Guarantees/SBLCs not Advised by the Bank

> System enhanced to lodge claims for Guarantees not advised by Bank. New Guarantee Not Advised products introduced for the same.

> Claim lodgement screens enhanced to lodge claims for Guarantees and Standby LCs not advised by the bank.

> Further life cycle for Guarantees not advised transactions will be restricted from Guarantee issuance, amendment and transfer screens.

> Above functionality extended to Islamic Advice of Guarantees and SBLCs

1.5.4   Trade – Common Feature

1. JV Customer

> Trade Finance Customer Maintenance enhanced to capture joint venture details. New checkbox and sub screen introduced for the same.

2. Movement of Transaction Accounting to History table

> Currently transaction data completely resides in transaction accounting table, now during post EOD, data from Transaction Accounting table will get moved to Transaction Accounting History table.

3. Introduction of Asynchronous Processing for EA Handoff

> Currently, the EA handoff during EOD from Trade Finance to external system is a synchronous process which is processed by the TF_EA_CALL quartz job which runs simultaneously during the EOD process. Also by default the above will be followed.

> New Quartz Job TF_EA_GL_CALL is introduced which will be asynchronous process for processing the accounting entries which are for batches containing Events which has accounting entries for GL Only. The batches containing Events which has accounting entries other than GL will be processed by the existing TF_EA_CALL. Both will work simultaneously. A new parameter to enable TF_EA_GL_CALL is introduced

> System will support either synchronous or asynchronous process to handoff the accounting entries during EOD to external system, by enabling or not enabling TF_EA_GL_CALL parameter.

4. Single Customer Multiple Liabilities

   ➢ System enhanced to support multiple liabilities for a customer in a transaction. Default liability is provided in ELCM utilization request. Liability number is provided in OBCL loan creation request.

5. Limit Contribution Percentage changes

   ➢ Limit Contribution percentage is enhanced to support 3 decimals

6. Provision to maintain custom sequences for User Reference Number

   ➢ A new screen CSDTFSQG (Trade Finance Sequence Generation Input Screen) introduced to maintain a custom sequence for User Reference Number.

   ➢ User can maintain a reference number as a combination of User components, Flexcube components, Separators and Running numbers

7. User Authorization Limit

   ➢ User level authorization limit is maintained in Trade Finance User Limit Maintenance
   ➢ If the authorization amount value exceeds the user limit amount, then system displays appropriate error message

8. Product Transaction Limit

   ➢ A new screen, 'Product Transaction Limits Maintenance' (CSDTFPLM) is introduced. Transaction limits for a Module, Product code and Currency combination, Level of authorizations required for the transaction amounts and minimum user authorization limit required for a transaction can be maintained.

   ➢ Each time when a particular transaction is processed and exceeds a certain limit based on maintenance, an override will be generated by the system.

   ➢ This override should be authorized in Dual Authorization detailed screen (OVDTFAUD) before authorizing in the contract screen.

2. Deprecated Functionality

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3. Components of the Software

3.1   Documents Accompanying the Software

The various documents accompanying the software are as follows:

- Product Release Note and Installer Kit
- User and Installation manuals – https://docs.oracle.com/cd/F74393_01/index.htm
- Online Help Files

3.2   Software Components

Software Components of Oracle Banking Trade Finance 14.7.0.0.0 that form part of this release are as follows:

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

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4. Tech Stack

4.1 <u>Tech Stack – Oracle</u>

Component	Deployment option	Machine	Operating System	Software	Version Number
Oracle Banking Trade Finance	UI-Host	Application Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	Oracle WebLogic	14.1.1.0.0
				Java HotSpot (TM) JDK (with WebLogic Application Server)	8 Update 341
				Open Symphony Quartz	2.3.2
		Database Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	Oracle RDBMS Enterprise Edition	19.16.0.0.0
		Client Systems	Windows 10	Mozilla Firefox	87+
				Google Chrome	88+
				Safari	14+
				Microsoft Edge	89+
Oracle Banking Trade Finance Integration Gateway	Web services (incoming)	Integration Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	Oracle WebLogic Server	14.1.1.0.0
	HTTP Servlet (incoming)				
	EJB (incoming)				
	MDB (incoming)				
	Notifications (outgoing)				
Oracle Banking Trade Finance REST	Web services	Integration Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	JDK	8 Update 341
				Oracle WebLogic Server	14.1.1.0.0
				Oracle Toplink	14.1.1.0.0

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

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5. Third Party Software Details

For information on the Third Party software details, refer Oracle Banking Trade Finance 14.7.0.0.0 License Guide.