# Oracle® Banking Credit Facilities Process Management Cloud Service

Collateral Insurance User Guide





Oracle Banking Credit Facilities Process Management Cloud Service User Guide

Oracle Financial Services Software Limited Oracle Park Off Western Express Highway Goregaon (East) Mumbai, Maharashtra 400 063 India

Worldwide Inquiries: Phone: +91 22 6718 3000 Fax: +91 22 6718 3001 www.oracle.com/financialservices/

Copyright © 2023, 2024, Oracle and/or its affiliates. All rights reserved.

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

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

This software and related documentation are provided under a license agreement containing restrictions on use and disclosure and are pro-tected by intellectual property laws. Except as expressly permitted in your license agreement or allowed by law, you may not use, copy, repro-duce, translate, broadcast, modify, license, transmit, distribute, exhibit, perform, publish or display any part, in any form, or by any means. Reverse engineering, disassembly, or decompilation of this software, unless required by law for interoperability, is prohibited.

The information contained herein is subject to change without notice and is not warranted to be error-free. If you find any errors, please report them to us in writing.

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

# Contents

Preface	
About this Guide	1-:
Audience	1-3
Common Icons in OBCFPM	1-:
Initiation	
Insurance Initiation	2-:
Basic Info	2-3
Property	2-2
Comments	2-6
Approval	
Insurance Approval	3-:
Basic Info	3-2
Property	3-2
Comments	3-3
Handoff - Manual Retry	
Handoff - Manual Retry	4-:
Collateral Summary	4-:
Collateral Handoff Errors	4-3
Basic Info	4-3
Property	4-4
Comments	4-6



## List of Figures

2-1	Free Tasks	2-1
2-2	Initiation - Basic Info	2-2
2-3	Initiation - Property	2-3
2-4	Initiation - Configure - Property	2-4
2-5	Initiation - Configure - Collateral Insurance	2-4
2-6	Collateral Details	2-5
2-7	Initiation - Comments	2-7
2-8	Checklist	2-7
3-1	Free Tasks	3-1
3-2	Approval - Basic Info	3-2
3-3	Approval - Property	3-3
3-4	Approval - Configure - Property	3-3
3-5	Approval - Comments	3-4
3-6	Checklist	3-4
4-1	Free Tasks	4-2
4-2	Manual Retry - Collateral Summary	4-2
4-3	Manual Retry - Collateral Handoff Errors	4-3
4-4	Manual Retry - Basic Info	4-4
4-5	Manual Retry - Property	4-5
4-6	Manual Retry - Configure - Property	4-6
4-7	Manual Retry - Comments	4-7
4-8	Enrichment - Checklist	4-7



#### List of Tables

1-1	Common Icons	1-1
2-1	Insurance Basic Details - Field Description	2-5
2-2	Collateral Details - Insurance Premium Details - Field Description	2-6



1

## **Preface**

### About this Guide

A brief introduction to the Collateral Insurance User Guide.

This guide helps you get familiar with the Collateral Insurance process in OBCFPM to manage insurance for the added collaterals.

## **Audience**

Audience of Collateral Insurance User Guide.

This guide is intended for the Credit Officer responsible for reviewing customer collaterals on a periodic basis.

## Common Icons in OBCFPM

List of icons commonly used in OBCFPM for quick reference.

The following table describes the icons that are commonly used in OBCFPM:

Table 1-1 Common Icons

Icons	Purpose
+	To add new record.
	To modify existing record.
	To delete a record.
	To pick start or end date.
<b>⇔</b>	To configure or change default settings.
~	To view the data in graphical format.

Table 1-1 (Cont.) Common Icons

Icons	Purpose
	To change the screen layout to list view.
<b></b>	To change the screen layout to table view.
E 4 His	To change the screen layout to tree view.
:	To view, edit, and delete a record.
Hold	To hold the process.
Back	To go back to the previous screen.
Next	To go to the next data segment.
Save & Close	To save the captured information and exit the process window.
Submit	To submit the task to next stage.
Cancel	To exit the window without saving the captured information.



## **Initiation**

#### **Insurance Initiation**

Detailed information about the Insurance Initiation stage in Collateral Insurance process.

In this stage, the user authorized to initiate the Collateral Insurance process must update or add latest insurance details for the collateral and send it for approval.

The following data segments are available in the Insurance Initiation stage:

- Basic Info
- Collateral Type (Property)
- Comments

#### **Basic Info**

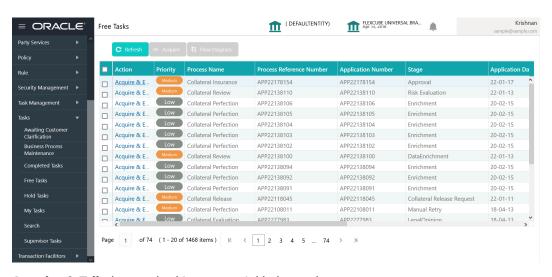
Information on the Basic Info data segment in Insurance Initiation stage.

This data segment displays basic collateral details captured as part of Collateral Perfection or Review process. You can modify the applicable details, if required.

 To launch the Initiation - Basic Info screen, navigate to Tasks > Free Tasks from the left menu.

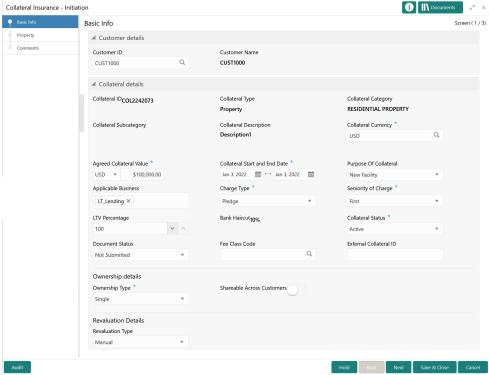
The Free Tasks screen is displayed.

Figure 2-1 Free Tasks



2. Acquire & Edit the required Insurance Initiation task.

Figure 2-2 Initiation - Basic Info



3. View / modify the necessary details.

Note:

For information on fields in the Basic Info data segment, refer **Collateral Perfection or Review User Guide**.

 After performing necessary actions in the Initiation - Basic Info screen, click Next.

## **Property**

Procedure to add or update insurance details.

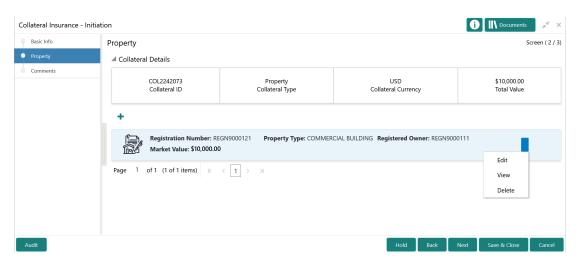
This data segment allows to modify collateral details added in the Collateral Perfection / Review process, and manage insurance details, covenants, and documents for the collateral.

Note:

In this guide, only the procedure to add and update insurance details is provided. For information on collateral specific fields, managing covenants, and uploading documents, refer **Collateral Evaluation User Guide**.

Upon clicking **Next** in the **Initiation - Basic Info** screen, the Collateral Type data segment is displayed based on the collateral selected at the time of insurance process initiation.

Figure 2-3 Initiation - Property



1. Click the action icon in the collateral record and select the Edit.

The Initiation - Configure - Collateral Type screen is displayed.

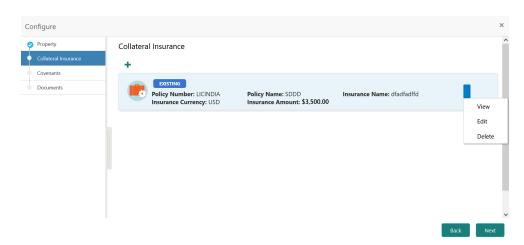


Configure Property Property Collateral Insurance ▲ Property Property Type \* Property Category Property ID Documents COMMERCIAL BUILDING Individual Property Purpose \* Description Registered Owner Personal REGN9000111 Land registry Purchase Date Zone Classification Flood Zone Flood Zone Type Seismic Zone Seismic Zone Type Income Producina Environment Assessment Required \* Restricted Property Under Construction Nature Of Property Property Status Wall Material Roof Type Select Registration Date Property Value Adverse Comments ▶ Property Location ▶ Currency Details ▶ Property Dimension ▶ Property Valuation Details ▶ Property Contact Details ▶ Residential Status

Figure 2-4 Initiation - Configure - Property

2. Click **Next** and navigate to **Collateral Insurance** menu.

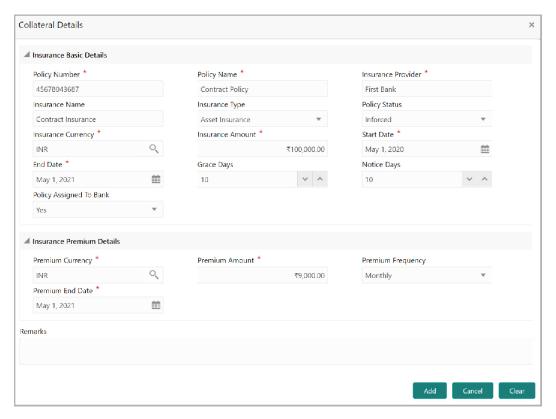
Figure 2-5 Initiation - Configure - Collateral Insurance



To add new insurance details, click + the add icon.The following window is displayed.



Figure 2-6 Collateral Details



4. Specify all the details in the **Insurance Details** screen.

For field level information, refer the following tables.

**Table 2-1** Insurance Basic Details - Field Description

Fields/ Icons	Description
Policy Number	Specify the insurance <b>Policy Number</b> .
Policy Name	Specify the insurance <b>Policy Name</b> .
Insurance Provider	Specify the name of Insurance Provider.
Insurance Name	Specify the name of insurance.
Insurance Type	Select the Insurance Type from the drop down list. The options available include but are not limited to:  Asset Insurance  Life Insurance  Corporate Insurance  Borrower Insurance  .
Policy Status	Select the <b>Policy Status</b> from the drop down list. The options available include but are not limited to:  Inforced  Lapsed  Paidup
Insurance Amount	Specify the Insurance Amount in selected insurance currency.
Start Date	Click the calendar icon and select the insurance Start Date.
End Date	Click the calendar icon and select the insurance End Date.



Table 2-1 (Cont.) Insurance Basic Details - Field Description

Fields/ Icons	Description
Grace Days	Specify the <b>Grace Days</b> for making insurance premium payment.
Notice Days	Specify the <b>Notice Days</b> for insurance premium payment.
Policy Assigned To Bank	Specify if the policy is assigned to your bank by selecting required option from the <b>Policy Assigned To Bank</b> drop down list.

Table 2-2 Collateral Details - Insurance Premium Details - Field Description

Fields/ Icons	Description
Premium Currency	Click the search icon in the <b>Premium Currency</b> field and select the currency in which insurance premium is paid.
Premium Amount	Specify the <b>Premium Amount</b> in selected premium currency.
Premium Frequency	Select the <b>Premium Frequency</b> from the drop down list.
Premium End Date.	Click the calendar icon and select the Premium End Date.
Remarks	Type <b>Remarks</b> about the insurance, if any.

- Click Add. The insurance details are added and displayed in the Initiation -Configure - Collateral Insurance screen.
- **6.** To **Edit**, **View**, or **Delete** the existing collateral insurance details, click the action icon in the innsurance record and select the required option.
- After performing necessary actions in the configuration window, click Submit.
   The Configuration screen is closed.
- 8. To go to the next data segment, click **Next** in the **Initiation Collateral Type** (**Property**) screen.

#### Comments

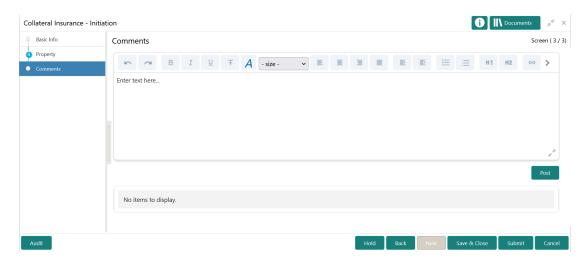
Information on the Comments data segment in the Insurance Initiation stage.

The Comments data segment allows you to post overall comments for the Insurance Initiation stage. Posting comments helps the user of next stage to better understand the application.

Upon clicking **Next** in the **Initiation - Collateral Type** screen, the Comments data segment is displayed.



Figure 2-7 Initiation - Comments



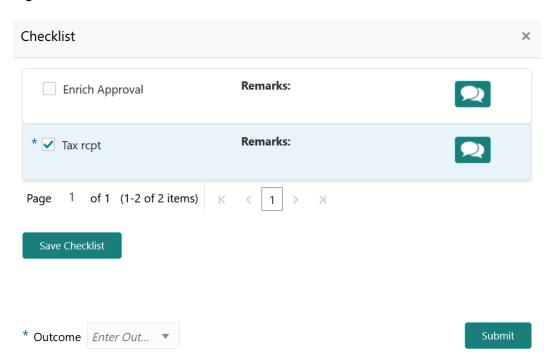
- **1.** Type your comments for the Initiation stage in the **Comments** text box.
- 2. Click Post.

Comments are posted and displayed below the **Comments** text box.

3. Click Submit.

The Checklist window is displayed.

Figure 2-8 Checklist



- 4. Manually verify all the checklist and enable the corresponding check box.
- 5. Select the Outcome as Proceed.



#### 6. Click Submit.

The application is moved to the Approval stage.



## **Approval**

## Insurance Approval

Detailed information about the Insurance Approval stage in Collateral Insurance process.

In this stage, the user authorized to edit the Insurance Approval task must review the collateral insurance details captured in the Initiation stage and take necessary action to approve or reject the application.

The following data segments are available in the Insurance Approval stage:

- Basic Info
- Collateral Type (Property)
- Comments

#### **Basic Info**

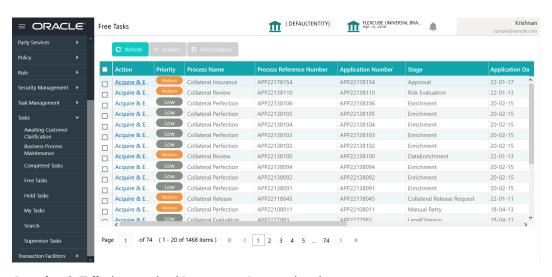
Information on the Basic Info data segment in Insurance Approval stage.

This data segment displays basic collateral details captured as part of Collateral Perfection or Review process. You can modify the applicable details, if required.

 To launch the Approval - Basic Info screen, navigate to Tasks > Free Tasks from the left menu.

The **Free Tasks** screen is displayed.

Figure 3-1 Free Tasks



2. Acquire & Edit the required Insurance Approval task.

Collateral Insurance - Approval i Documents Basic Info Screen (1/3) Customer details CUST1000 ■ Collateral details Collateral IDCOL2242073 Collateral Type Collateral Category RESIDENTIAL PROPERTY Property Collateral Subcategory Collateral Description Collateral Currency \* Description1 USD Agreed Collateral Value \* Collateral Start and End Date \* Purpose Of Collateral USD ▼ \$100,000.00 New Facility Seniority of Charge \* Charge Type \* Bank Haircut<sub>10</sub>% LTV Percentage Collateral Status \* 100 Active Fee Class Code External Collateral ID Ownership details Shareable Across Customers Ownership Type \* Single Revaluation Details Revaluation Type Revaluation Method Revaluation Frequency Revaluation Start Month Revaluation Day

Figure 3-2 Approval - Basic Info

3. View / modify the necessary details.

Note:

For information on fields in the Basic Info data segment, refer **Collateral Perfection or Review User Guide**.

 After performing necessary actions in the Approval - Basic Info screen, click Next.

## **Property**

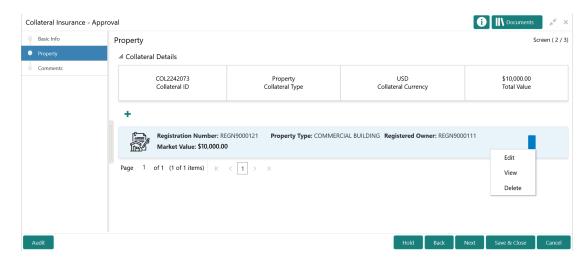
Information on the Property data segment in the Insurance Approval stage.

This data segment allows to view the collateral insurance details captured in the Insurance Initiation stage.

Upon clicking **Next** in the **Approval - Basic Info** screen, the Collateral Type data segment is displayed based on the collateral selected at the time of insurance process initiation.



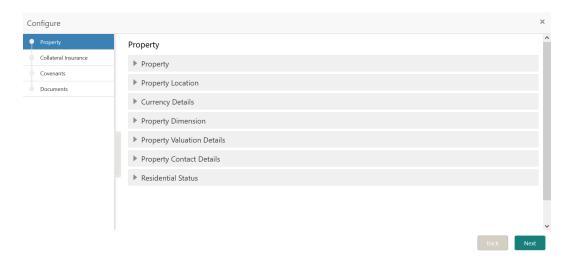
Figure 3-3 Approval - Property



1. Click the action icon in the collateral record and select View.

The Approval - Configure - Collateral Type screen is displayed in view only mode.

Figure 3-4 Approval - Configure - Property



- 2. Click **Next** and navigate to the **Collateral Insurance** menu.
- 3. View the insurance details by clicking the action icon in insurance record and selecting **View** option.
- 4. After viewing the necessary details, exit the configuration screen and click **Next** in the **Approval Collateral Type** screen.

#### Comments

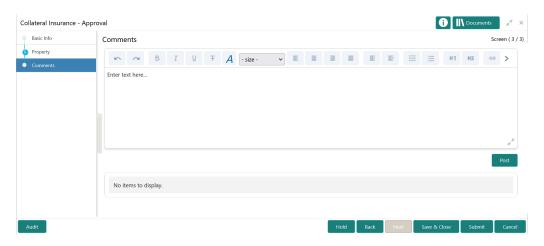
Information on the Comments data segment in the Insurance Approval stage.

The Comments data segment allows you to post overall comments for the Insurance Approval stage.



Upon clicking **Next** in the **Approval - Collateral Type** screen, the Comments data segment is displayed.

Figure 3-5 Approval - Comments



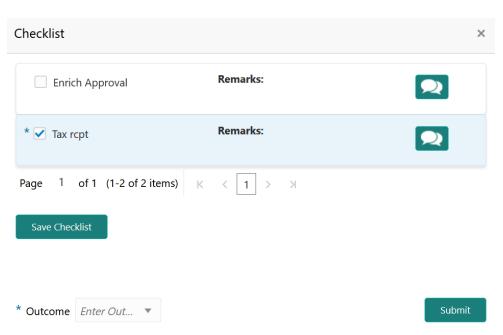
- 1. Type your comments for the Approval stage in the **Comments** text box.
- 2. Click Post.

Comments are posted and displayed below the **Comments** text box.

3. Click Submit.

The Checklist window is displayed.

Figure 3-6 Checklist



4. Manually verify all the checklist and enable the corresponding check box.



**5.** Select the required **Outcome** and click **Submit**.

The options available in the drop down list are:

- Approve
- Reject

If  $\mbox{\bf Approve}$  is selected as the  $\mbox{\bf Outcome}$ , the Collateral Insurance process is completed on clicking  $\mbox{\bf Submit}$ .

If **Reject** is selected as the **Outcome**, the insurance application is rejected on clicking **Submit**.



4

# Handoff - Manual Retry

## Handoff - Manual Retry

Detailed information about the Manual Retry stage in Collateral Insurance process.

Collateral insurance details are automatically handed off to the back office system on submitting the Insurance Approval task. In case of any failure, the system generates the Manul Retry task and lists in the Free Tasks queue. The user must edit the task and fix all the handoff errors before submitting the task.

## **Collateral Summary**

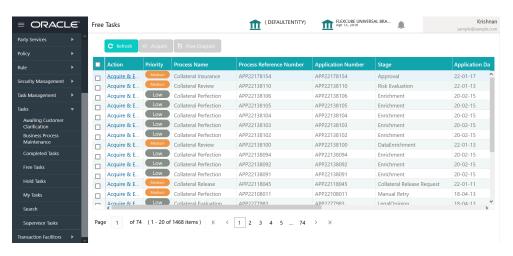
Information on the Collateral Summary data segment in Manual Retry stage.

In the Collateral Summary data segment, the following collateral details captured in the previous stages / perfection process are displayed.

- · Basic Information
- Collateral Type (Property) Details
- Linked Facilities Details
- Ownership
- Seniority of Details
- Covenants
- Insurance
- To launch the Manual Retry Collateral summary screen, navigate to Tasks > Free Tasks from the left menu.

The Free Tasks screen is displayed.

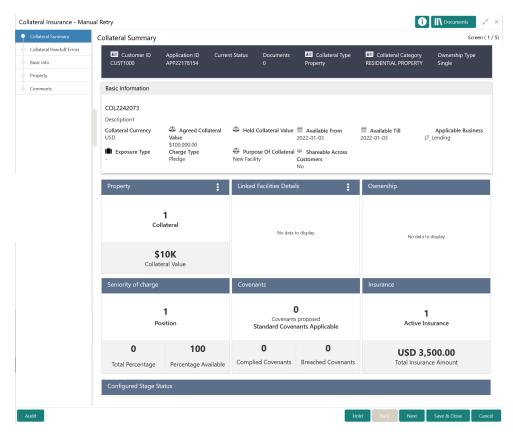
Figure 4-1 Free Tasks



2. Click Acquire & Edit in the required Manual Retry task.

The Manual Retry - Collateral Summary screen is displayed.

Figure 4-2 Manual Retry - Collateral Summary



3. View the Collateral Summary and click Next.

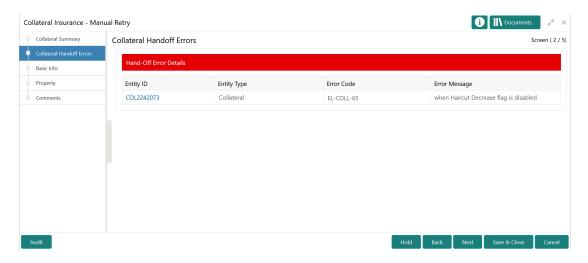
### Collateral Handoff Errors

Information on the Collateral Handoff Errors data segment in the Manual Retry stage.

This data segment displays the handoff error details such as Entity ID, Entity Type, Error Code, and Error Message for taking necessary action.

Upon clicking **Next** in the **Manual Retry - Collateral Summary** screen, the Collateral Handoff Errors data segment is displayed.

Figure 4-3 Manual Retry - Collateral Handoff Errors



- View the Hand-off Error Details.
- 2. Click Next.

### **Basic Info**

Information on the Basic Info data segment in Manual Retry stage.

This data segment displays review and basic collateral details captured as part of review initiation. In case there is handoff error in this screen, you must fix it before proceeding to the next data segment.

Upon clicking **Next** in the **Manual Retry - Collateral Handoff Errors** screen, the Basic Info data segment is displayed.



i Documents Collateral Review - Manual Retry Collateral Summary Screen ( 3 / 5) Basic Info Collateral Handoff Errors Customer ID Customer Name Property Q CUST1000 Comments ■ Collateral details Collateral IDCOL2242073 Collateral Type Collateral Category RESIDENTIAL PROPERTY Collateral Description Collateral Currency \* Collateral Subcategory Description1 USD Purpose Of Collateral Agreed Collateral Value \* Collateral Start and End Date \* USD ▼ \$100,000.00 New Facility Applicable Business Seniority of Charge \* LT\_Lending × Pledge First LTV Percentage Bank Haircut<sub>10</sub>% Collateral Status \* 100 Active Not Submitted Ownership details Ownership Type \* Shareable Across Customers Single Revaluation Details Revaluation Type Manual

Figure 4-4 Manual Retry - Basic Info

1. Modify the necessary details.

Note:

For information on fields in the Basic Info data segment, refer **Review Initiation** topic in the **Data Enrichment** chapter.

After performing necessary actions in the Manual Retry - Basic Info screen, click Next.

## **Property**

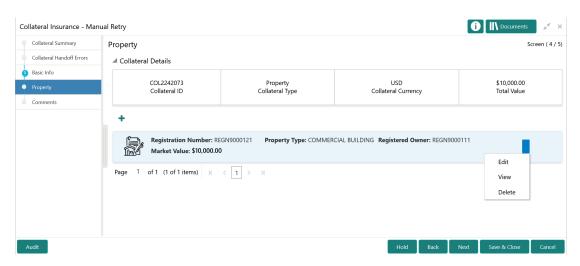
Information on the Property data segment in Manual Retry stage.

This data segment allows to modify insurance details added in the previous stages. In case there is handoff error in this screen, you must fix it before proceeding to the next data segment.

Upon clicking **Next** in the **Manual Retry - Basic Info** screen, the Collateral Type data segment is displayed based on the collateral selected at the time of Insurance process initiation.



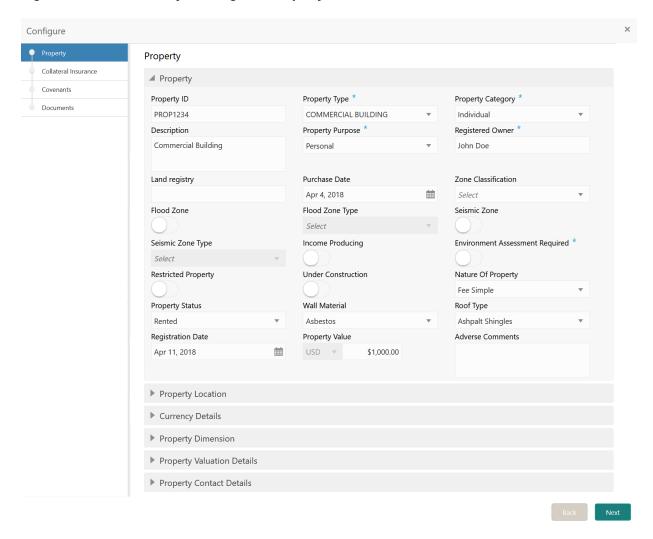
Figure 4-5 Manual Retry - Property



To modify the insurance details, click the action icon in the collateral record and select **Edit**. The **Manual Retry - Configure - Property** screen is displayed.



Figure 4-6 Manual Retry - Configure - Property



Note:

For detailed information on collateral specific fields, **Collateral Insurance**, **Covenants**, and **Documents** menus, refer **Collateral Review User Guide**.

#### Comments

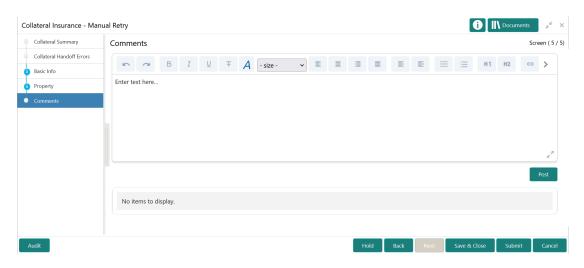
Information on the Comments data segment in the Manual Retry stage.

The Comments data segment allows you to post your overall comments for the Manual Retry stage.

Upon clicking **Next** in the **Manual Retry - Property** screen, the Comments data segment is displayed.



Figure 4-7 Manual Retry - Comments



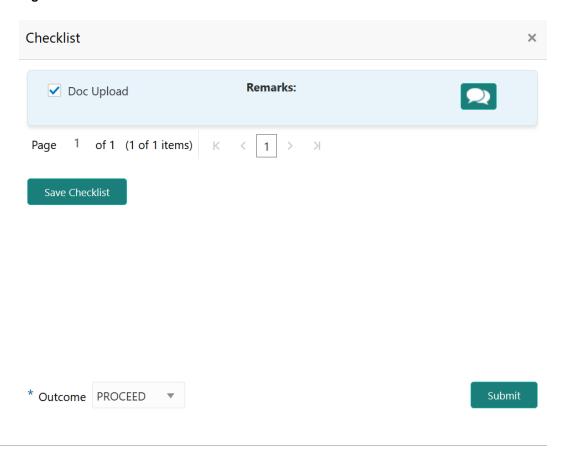
- **1.** Type your comments for the Manual Retry stage in the **Comments** text box.
- 2. Click Post.

Comments are posted below the **Comments** text box.

3. To manually handoff the review details, click **Submit**.

The **Checklist** window is displayed.

Figure 4-8 Enrichment - Checklist





#### Note:

Checklist can be configured for each stage of a process in Business Process Maintenance screen. Refer **Credit Facilities Process Maintenance User Guide** for more information.

- 4. Manually verify all the checklist and enable the corresponding check box.
- Select the Outcome as PROCEED and click Submit.
   Collateral insurance details are handed off to the back office system.

#### Note:

Manual Retry task is generated until successful hand off of review details. You must carefully view the error details and fix the handoff errors for successful hand off.

