Facility Closure User Manual

Oracle Banking Credit Facilities Process Management Cloud Service

Release 14.7.4.0.0

Part No. F99835-01

June 2024

ORACLE®
Financial Services

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Chapter 1 - Introduction

Preface

About this guide

This guide provides step-by-step instructions to close the liability / facility provided to the corporate customer.

Intended Audience

This document is intended for the banking personnel responsible for performing Liability / Facility Closure process for the corporate customer.

Conventions Used

The following table lists the conventions that are used in this document:

Convention	Description
Italic	Italic denotes a screen name
Bold	Bold indicates • Field name • Drop down options • Other UX labels
	This icon indicates a note
	This icon indicates a tip
	This icon indicates a warning

Chapter 1 - Introduction

Common Icons in OBCFPM

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

Icons	Icon Name
	Add icon
	Calendar icon
	Configuration / settings icon
	Delete icon
	Edit icon

Chapter 3 - Overview

About Closure Process

Liability / Facility closure is the process of closing / canceling a single or a group of facilities / liability offered to the corporate customer. This process can be initiated by both the bank as well as the customer under certain circumstances.

The circumstances under which the customer initiates Closure process include:

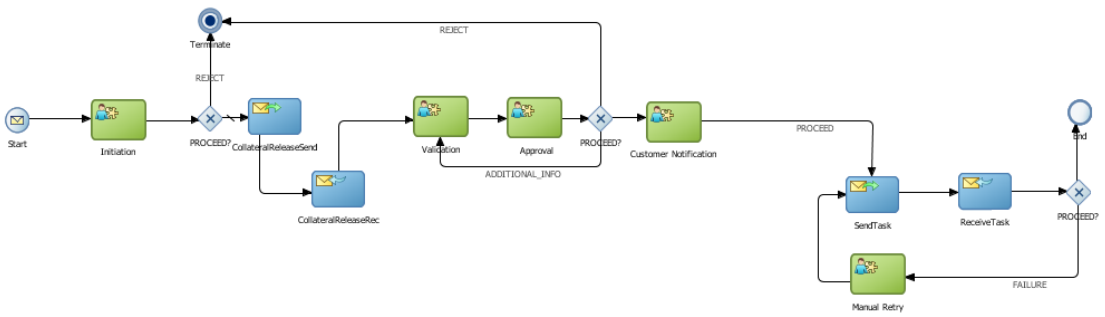
- The facility is no more required by the customer
- The customer is offered with higher amount of facilities from the competing bank
- The customer is offered with similar amount of facilities at a better rate of interest from the competing bank
- The customer is unable to repay the outstanding amount, thus decided to liquidate the collateral and close the facilities

The circumstances under which the bank initiates Closure process include:

- The customer is unable to repay the outstanding amount, thus the bank has decided to liquidate the collateral
- Worsening of the financial performance of the customer
- The customer breaches the covenant or Terms and Conditions set by the bank
- Maturity of the facility as per its natural course
- The bank has discontinued the sanctioned facilities, tenor, rates, etc.

Process Flow Diagram

The flow diagram illustrating various stages in the Closure process is provided below for reference:



Chapter 3 - Overview

The Closure process in OBCFPM has the following stages:

- Initiation
- Validation
- Approval
- Customer Notification
- Manual Retry

Refer each chapter in this book for information on the stages in Closure process.

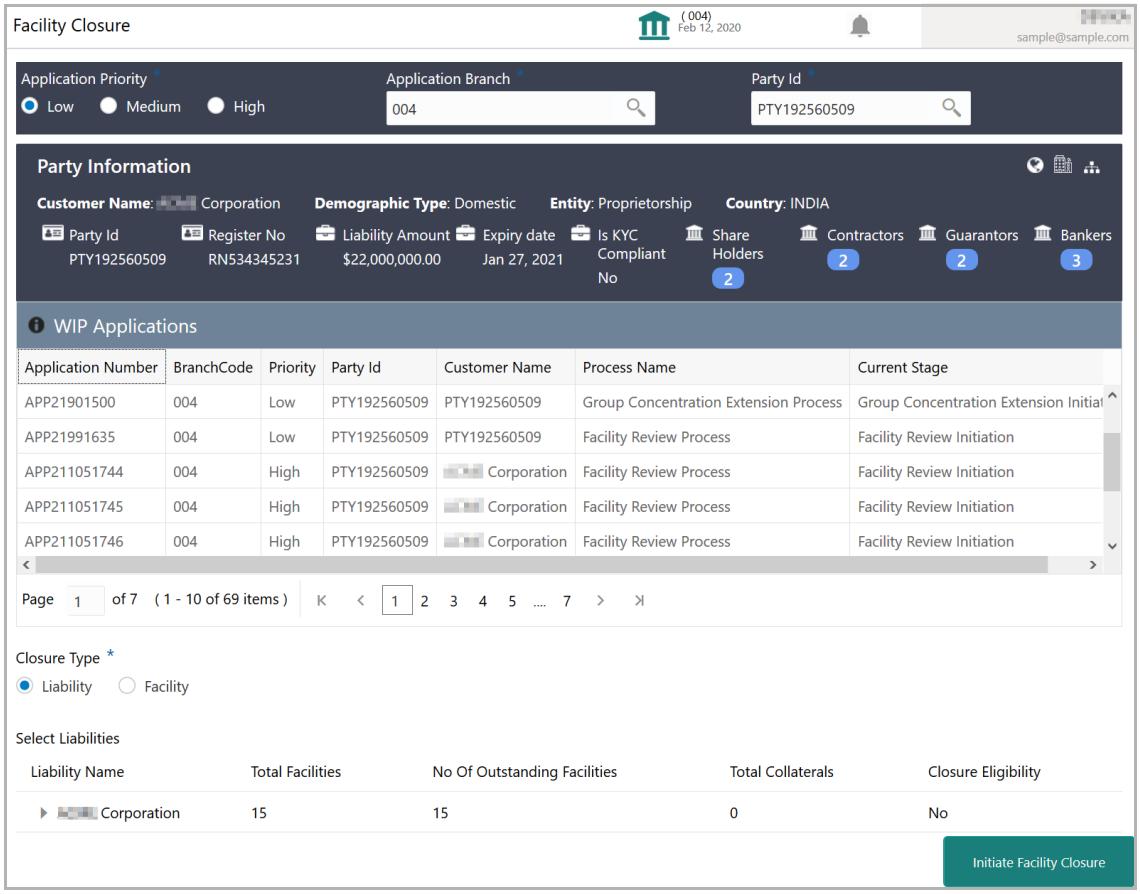
Chapter 3 - Initiation

Closure Initiation

In this stage, the user can close the liability / facilities provided to the customer as well as the collaterals provided as a security for the facility.

To initiate Liability / Facility Closure:

1. Login to OBCFPM.
2. Navigate to **Credit Facilities > Corporate > Facility Closure** from the left menu. The *Facility Closure Initiation* window appears:



3. Choose the facility closure **Application Priority**. The options available are: Low, Medium, and High.
4. Select the **Application Branch**. Bank branches maintained in the system are displayed in the LOV.
5. Click the search icon in **Party Id** field and select the required customer. The system displays basic information of the customer along with the WIP applications created for the customer, and enables the **Initiate Facility Closure** button.
6. Select the **Closure Type**. The options available are **Liability** and **Facility**.

If the **Liability** option is selected, all the liabilities available for the selected customer are displayed.

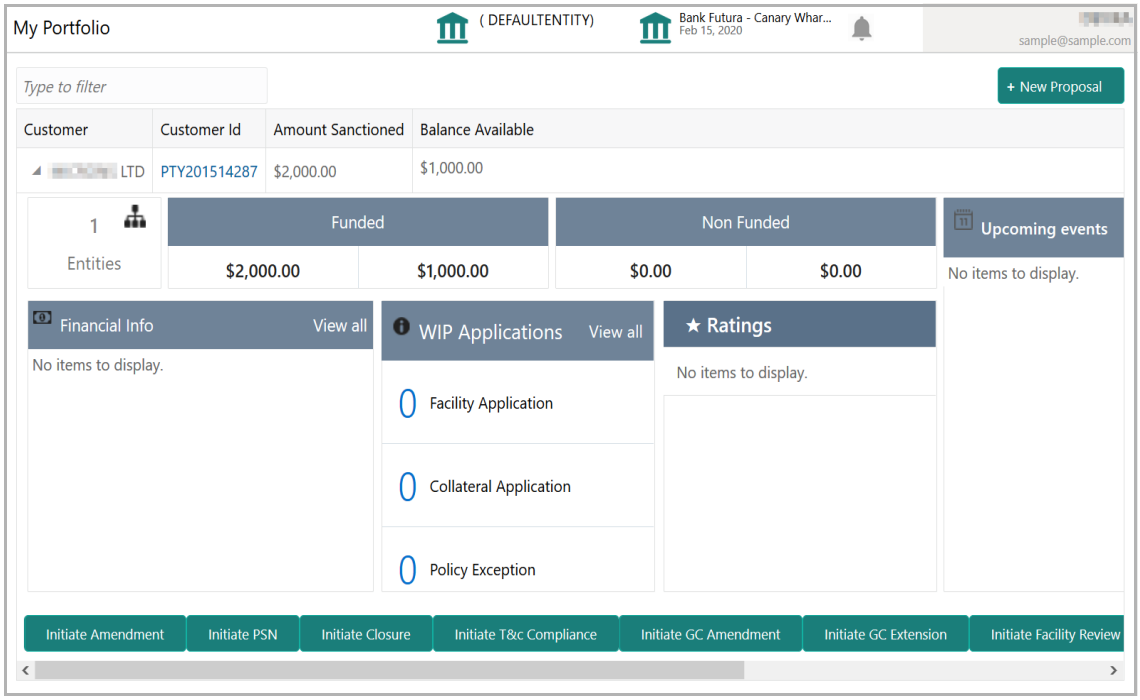
Chapter 3 - Initiation

If the **Facility** option is selected, all the facilities created for the selected customer are displayed in the **Select Facilities** drop down list.

7. Select the required liability / facility and click **Initiate Facility Closure**. The *Company Name - Closure* page appears.

Or

8. Navigate to **Credit Facilities > My Portfolio**.
9. Expand the required customer.



10. Click **Initiate Closure**. The *Company Name - Closure* page is displayed.

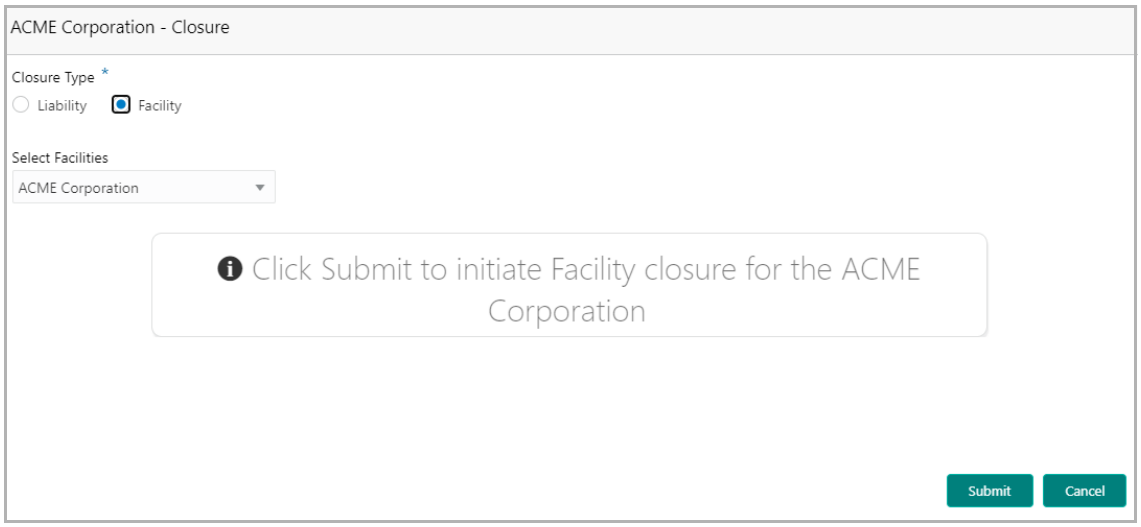
Chapter 3 - Initiation

11. Select the **Closure Type**. The options available are **Liability** and **Facility**.
12. To close the liability, select **Liability** option.

Upon selecting the Liability option, all the liabilities associated with the customer are displayed as shown below:

13. Select the liability and click **Submit**. The *Liability Closure* page is displayed.
14. To close the facility, click the **Facility** option.

Upon selecting the Facility option, all the facilities associated with the customer are displayed as shown below:

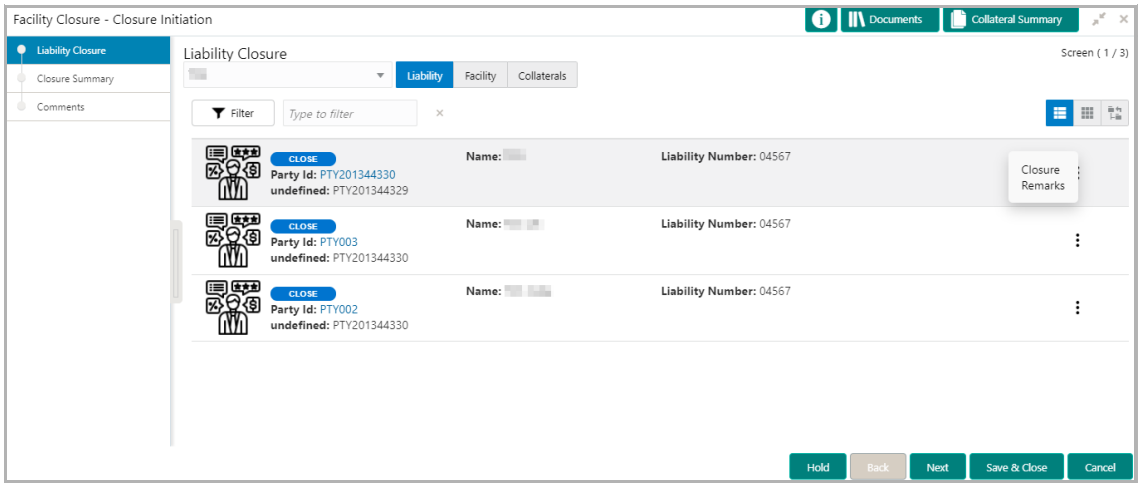


15. Select the required facility from the **Select Facilities** drop down list.
16. Click **Submit**. The *Facility Closure* page is displayed.

Chapter 3 - Initiation

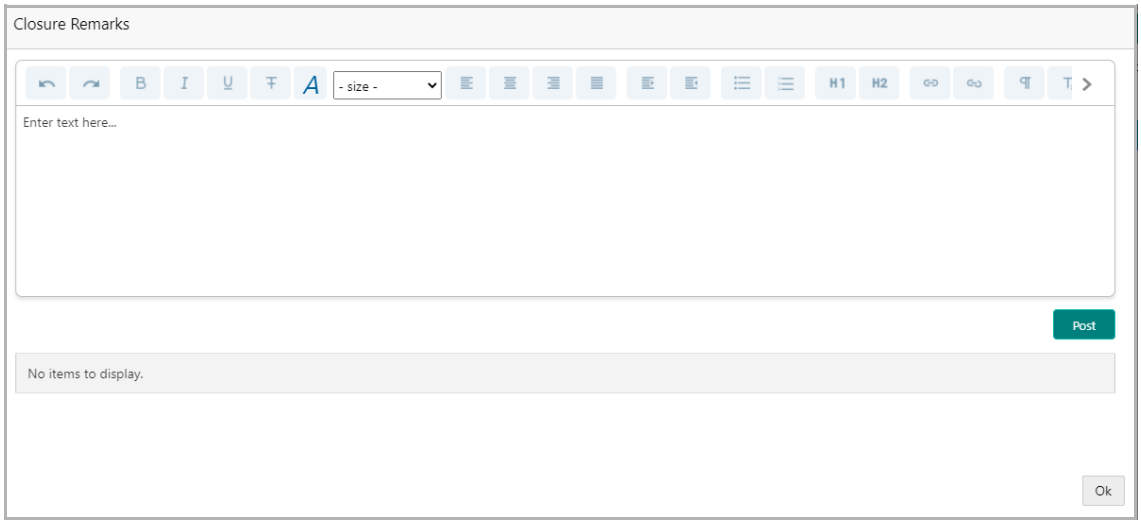
Liability / Facility Closure

This page allows the user to initiate closure for liabilities, facilities and collaterals linked to facilities.



In the **Liabilities** tab:

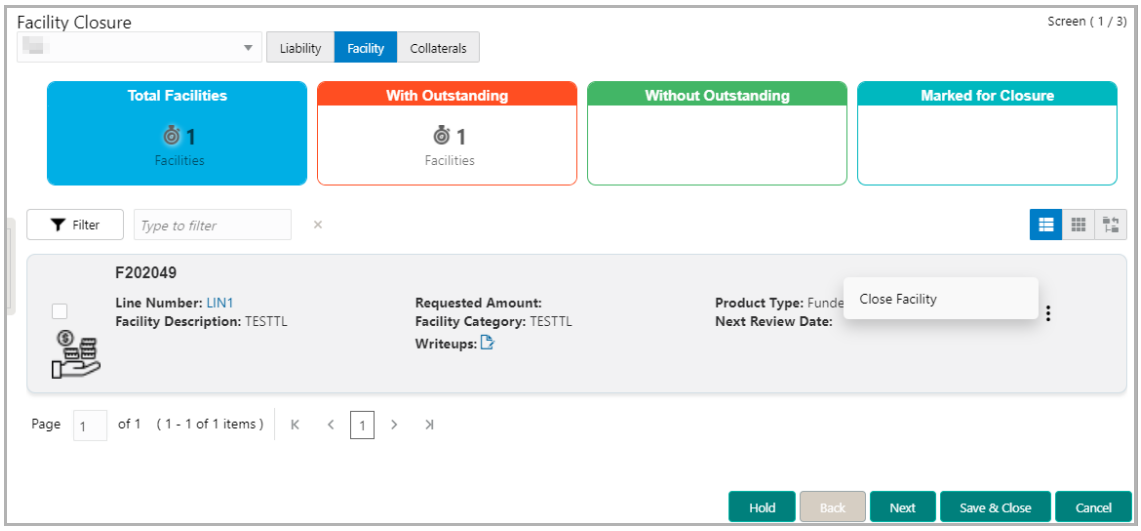
17. To filter a liability, click the **Filter** icon and specify the search parameters or directly type the liability detail in **Type to filter** text box.
18. To change the liability view to table view, click the table view icon.
19. To change the liability view to tree view, click the tree view icon.
20. To view the liability details of a party, click the corresponding **Party Id**.
21. To initiate liability closure for a party, click the Hamburger icon in corresponding record and select **Closure Remarks**.



22. Specify the comments for closure in the **Closure Remarks** text box.
23. Click **Post**. Comments are posted below the text box.

24. Click **Ok**.

In the **Facility** tab:

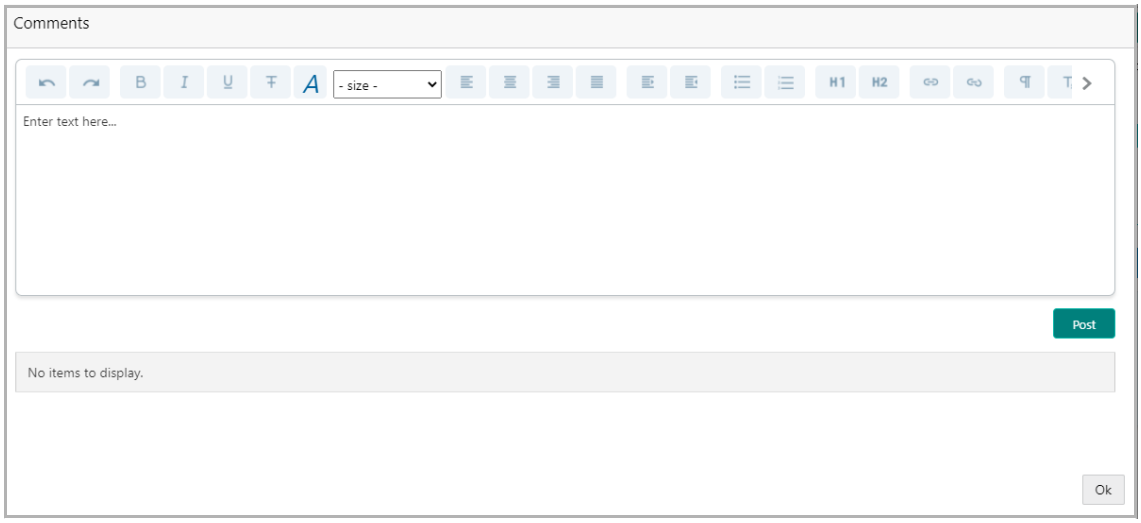


25. To filter a facility, click the **Filter** icon and specify the search parameters or directly type the facility detail in **Type to filter** text box.

26. To change the facility view to table view, click the table view icon.

27. To change the facility view to tree view, click the tree view icon.

28. To initiate closure for a facility, click the Hamburger icon in the corresponding record and select **Close Facility**. The *Comments* window appears:

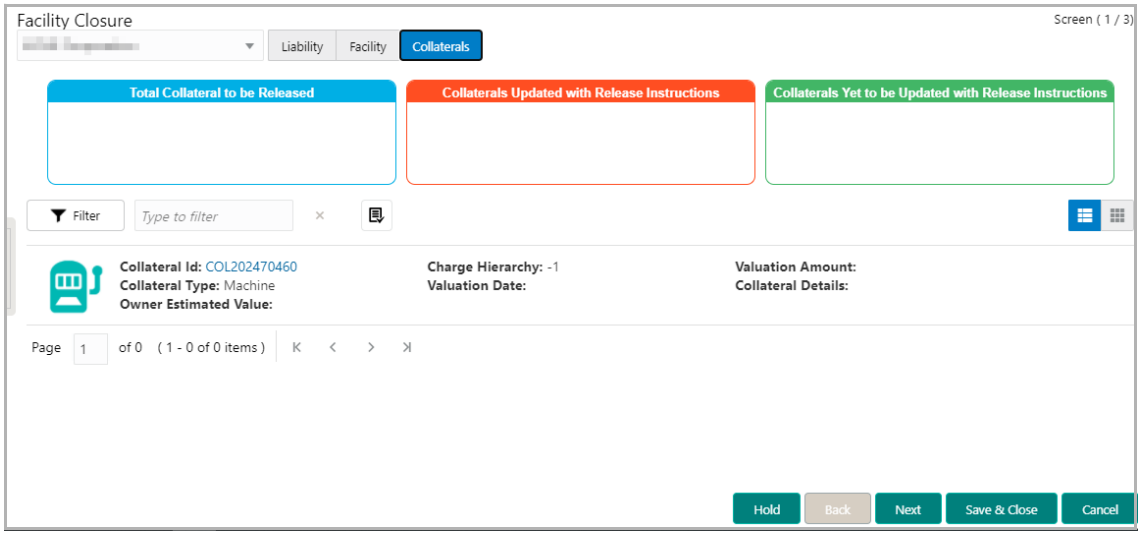


29. Type the **Comments** for facility closure in the text box.

30. Click **Post**. Comments are posted below the text box.

31. Click **Ok**.

In the **Collaterals** tab:

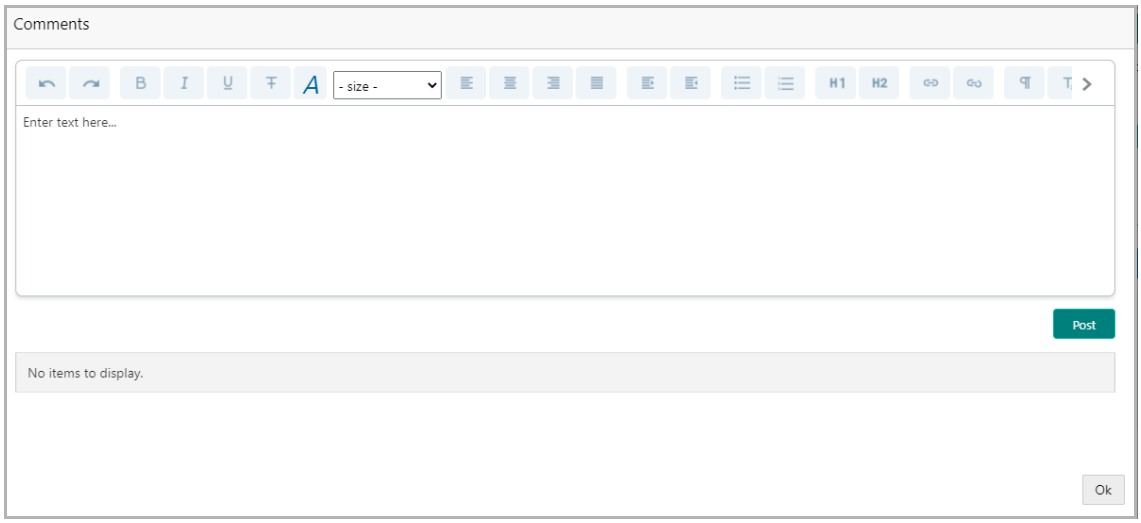


32. To filter a collateral, click the **Filter** icon and specify the search parameters or directly type the collateral detail in **Type to filter** text box.

33. To change the collateral view to table view, click the table view icon.

34. To view the details of particular collateral, click the **Collateral Id** in corresponding record.

35. To initiate closure for a collateral, select the collateral and click the Close Collateral icon. The *Comments* window appears:



36. Type the **Comments** for collateral closure in the text box.

37. Click **Post**. Comments are posted below the text box.

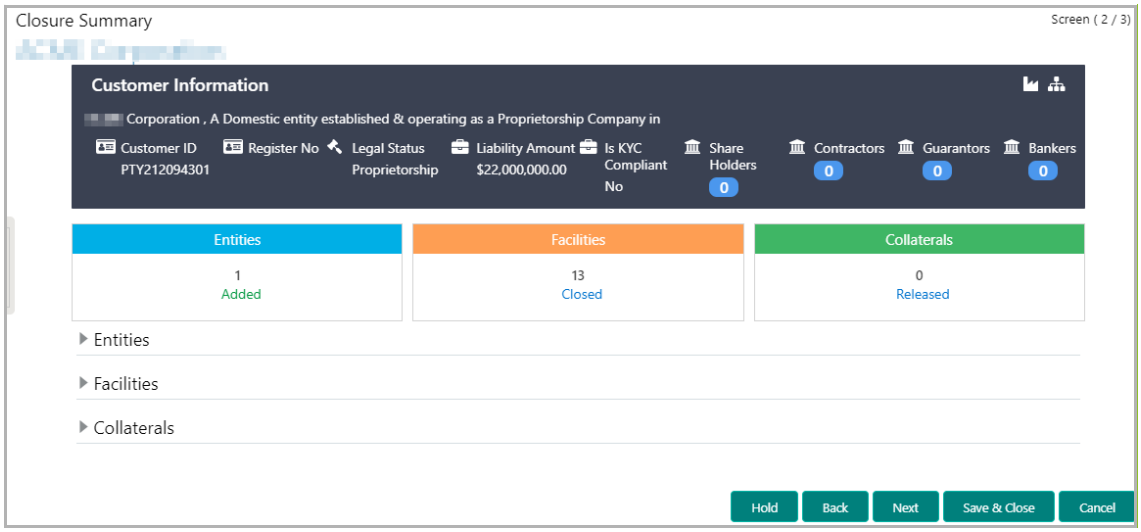
38. Click **Ok**.

39. Click **Next** to go to the next page. The *Closure Summary* page appears.

Chapter 3 - Initiation

Closure Summary

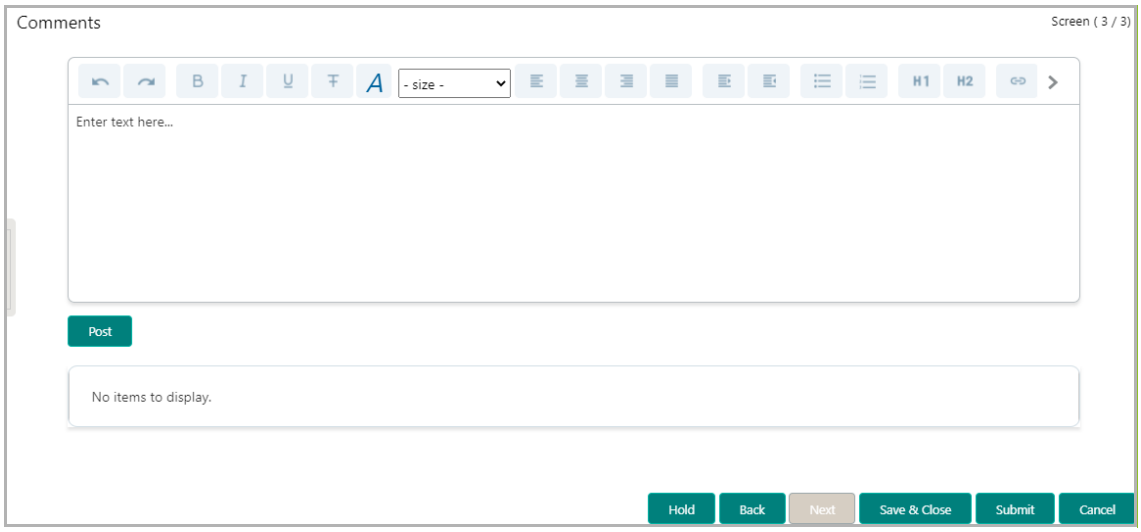
This data segment provides a preview of the actions made in the Liability / *Facility Closure* page. The user can check the facilities and collaterals detail and make necessary decision.



40. Review the Closure Summary.
41. Click **Next** to go to the *Comments* page.

Comments

This data segment allows the user to capture overall comments for the Closure Initiation stage.



42. Type the **Comments** for the Closure Initiation stage in the text box.
43. Click **Post**. Comments are posted below the text box.

44. To hold the Closure Initiation task, click **Hold**.
45. To go back to the previous page, click **Back**.
46. To save and exit the page, click **Save & Close**.
47. To go to the next stage, click **Submit**.
48. To cancel the Facility Closure operation, click **Cancel**.

Upon clicking **Submit,** the *checklist* window appears**.**

49. Select the **Outcome** as Proceed and click **Submit**. The task is moved to the Closure Validation stage.

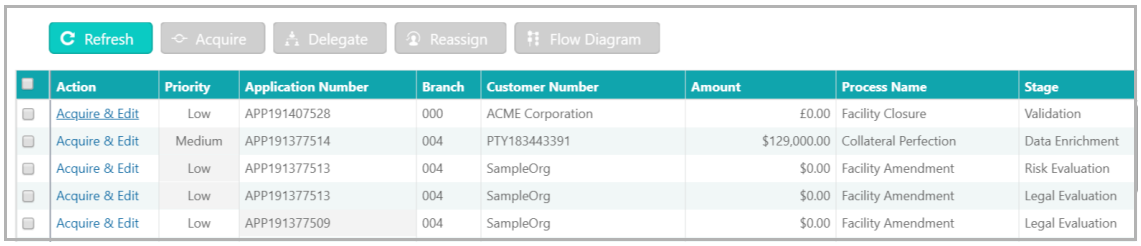
Chapter 3 - Validation

Closure Validation

In this stage, the credit officer validates the Liability / Facility Closure request and further enhance it before submitting for approval.

To validate the Closure request:

1. Navigate to **Task > Free Task** from the left menu. The *Free Task* page appears:



Action	Priority	Application Number	Branch	Customer Number	Amount	Process Name	Stage
Acquire & Edit	Low	APP191407528	000	ACME Corporation	£0.00	Facility Closure	Validation
Acquire & Edit	Medium	APP191377514	004	PTY183443391	$129,000.00	Collateral Perfection	Data Enrichment
Acquire & Edit	Low	APP191377513	004	SampleOrg	$0.00	Facility Amendment	Risk Evaluation
Acquire & Edit	Low	APP191377513	004	SampleOrg	$0.00	Facility Amendment	Legal Evaluation
Acquire & Edit	Low	APP191377509	004	SampleOrg	$0.00	Facility Amendment	Legal Evaluation

2. **Acquire & Edit** the required Validation task. The Liability / *Facility Closure* page appears.

The Closure Validation task is similar to the Closure Initiation task. Refer **Initiation** chapter for information on validating the Closure request.

Upon submitting the Closure Validation task, the task is moved to the Approval stage.

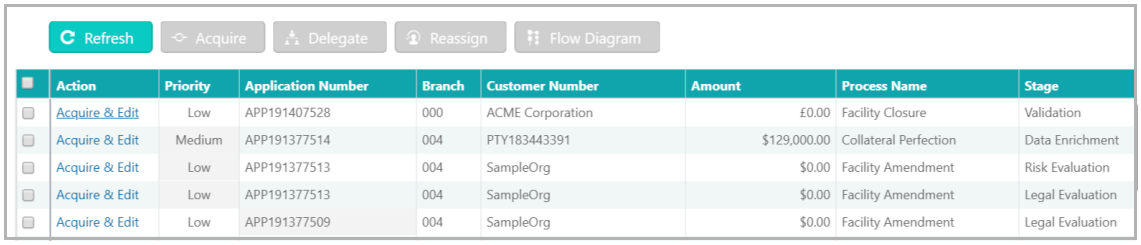
Chapter 3 - Approval

Closure Approval

In this stage, the Credit Approver reviews the Closure request and takes any of the following actions based on the available information:

- Approve
- Send Back for more info
- Reject

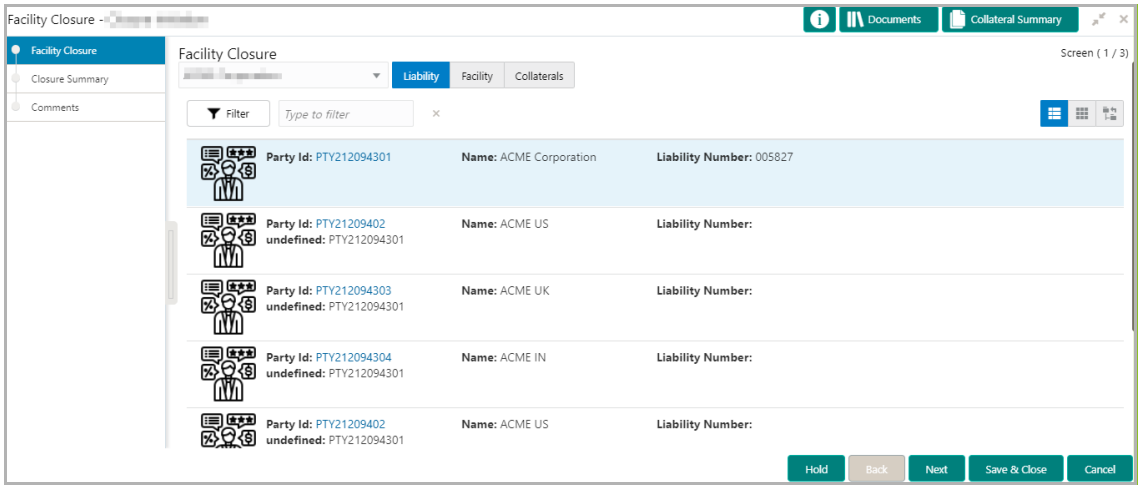
1. Navigate to **Task > Free Task** from the left menu. The *Free Task* page appears:



2. **Acquire & Edit** the required Approval task. The *Approval - Facility Closure / Liability Closure* page appears.

Facility / Liability Closure

This page allows the Approver to approve, reject or send back the facility / liability closure request, and release collaterals associated with the facility.



In the **Liability** tab:

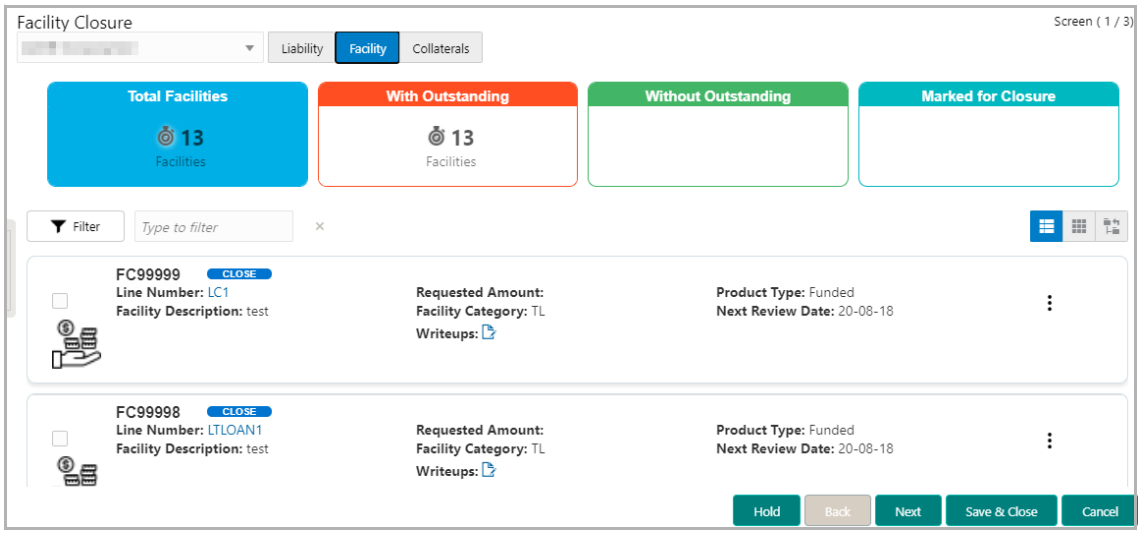
3. To filter a liability, click the **Filter** icon and specify the search parameters or directly type the liability detail in **Type to filter** text box.
4. To change the liability view to table view, click the table view icon.
5. To change the liability view to tree view, click the tree view icon.

Chapter 3 - Approval

6. To view the liability details of a party, click the corresponding **Party Id**.
7. To approve the liability closure request for a party, click the Hamburger icon in corresponding record and select **Approve**. The *Comments* window appears.
8. Post the approval comments.
9. Click **Ok**.

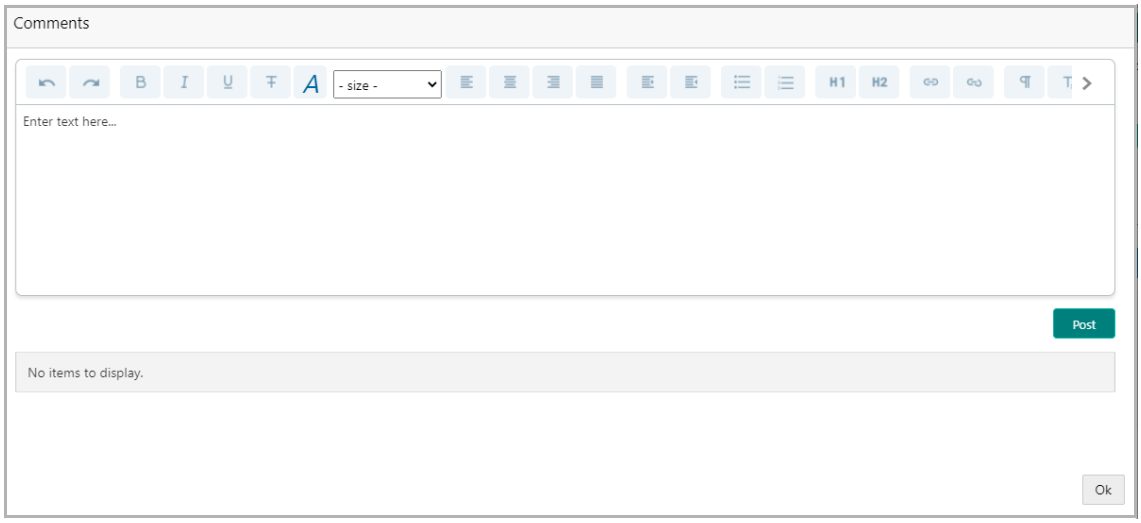
Similarly, to reject or send back the closure application for a party, click the Hamburger icon in corresponding record and select the required option.

In the **Facilities** tab:



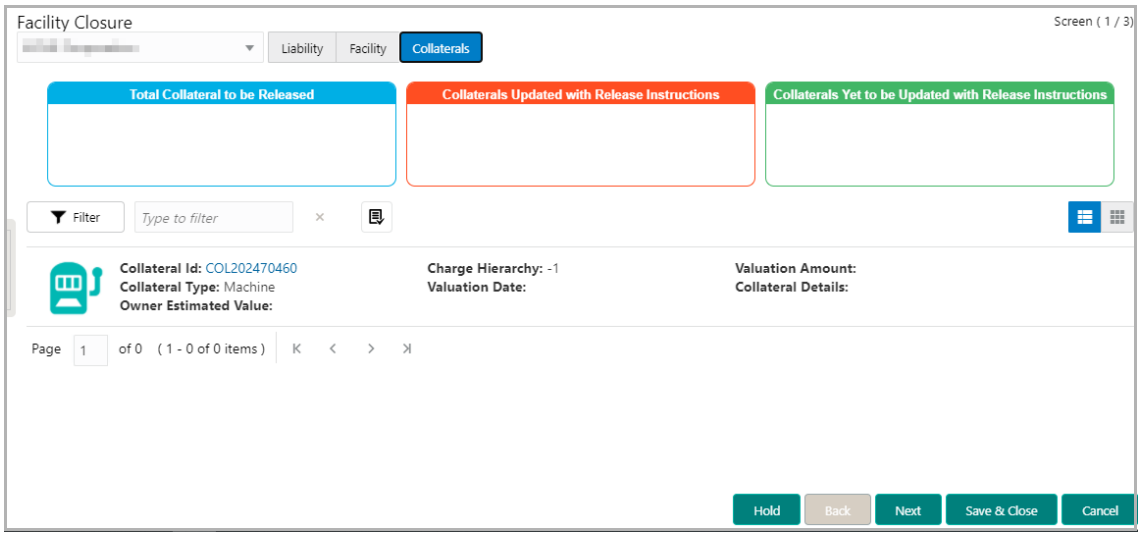
10. To filter a facility, click the **Filter** icon and specify the search parameters or directly type the facility detail in **Type to filter** text box.
11. To change the facility view to table view, click the table view icon.
12. To change the facility view to tree view, click the tree view icon.
13. To approve closure request for a party, click the Hamburger icon in the corresponding record and select **Approve**. The *Comments* window appears:

Chapter 3 - Approval



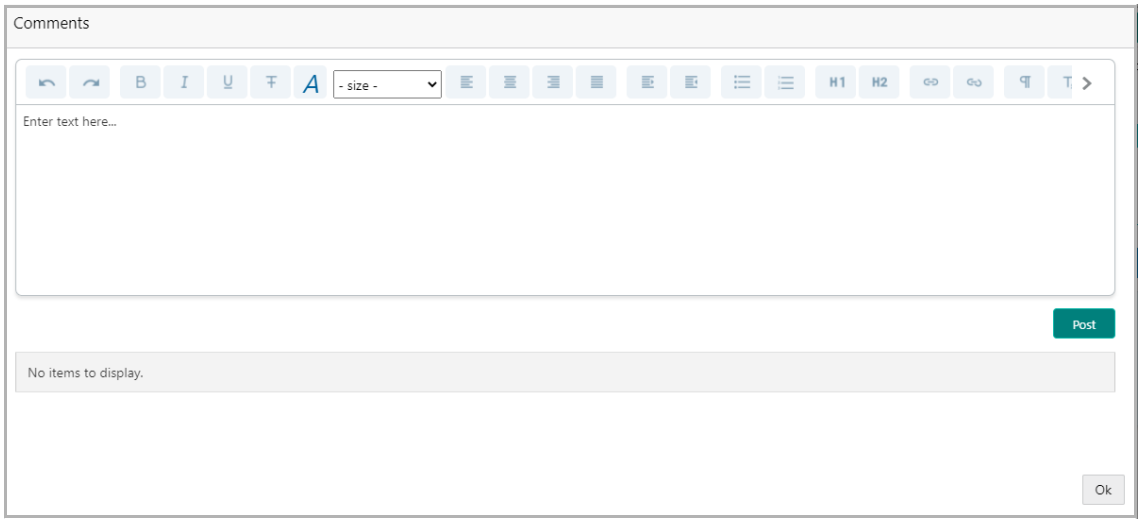
14. Type the approval **Comments** in the text box.
15. Click **Post**. Comments are posted below the text box.
16. Click **Ok**.

In the **Collaterals** tab:



17. To filter a collateral, click the **Filter** icon and specify the search parameters or directly type the collateral detail in **Type to filter** text box.
18. To change the collateral view to table view, click the table view icon.
19. To view the details of particular collateral, click the **Collateral Id** in corresponding record.
20. To close a collateral, select the collateral and click the Close Collateral icon. The *Comments* window appears:

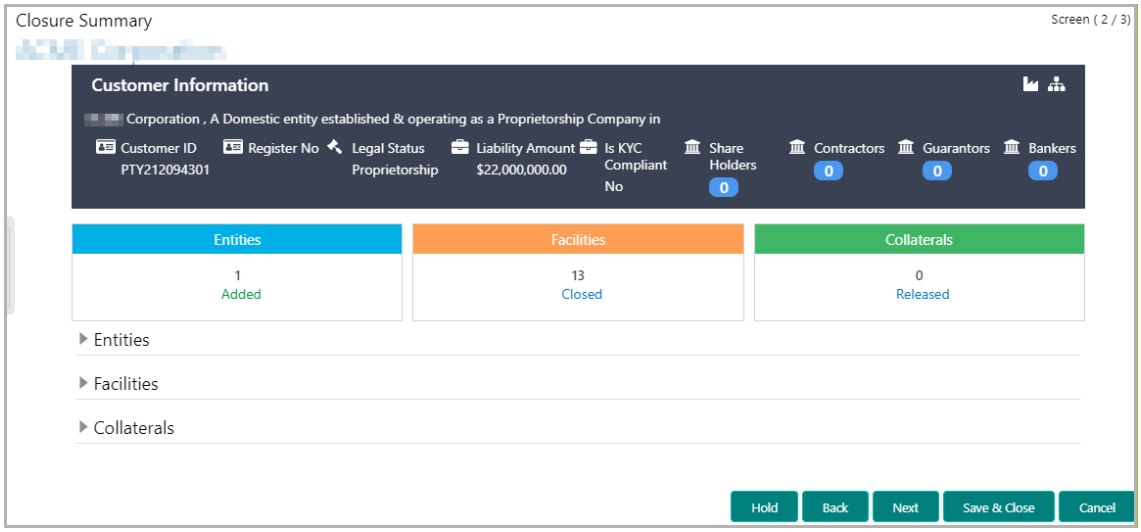
Chapter 3 - Approval



21. Type the **Comments** for collateral closure in the text box.
22. Click **Post**. Comments are posted below the text box.
23. Click **Ok**.
24. Click **Next** to go to the next page. The *Closure Summary* page appears.

Closure Summary

This data segment provides a preview of the actions made in the *Facility / Liability Closure* page. The user can check the facilities and collaterals detail and make necessary decision.

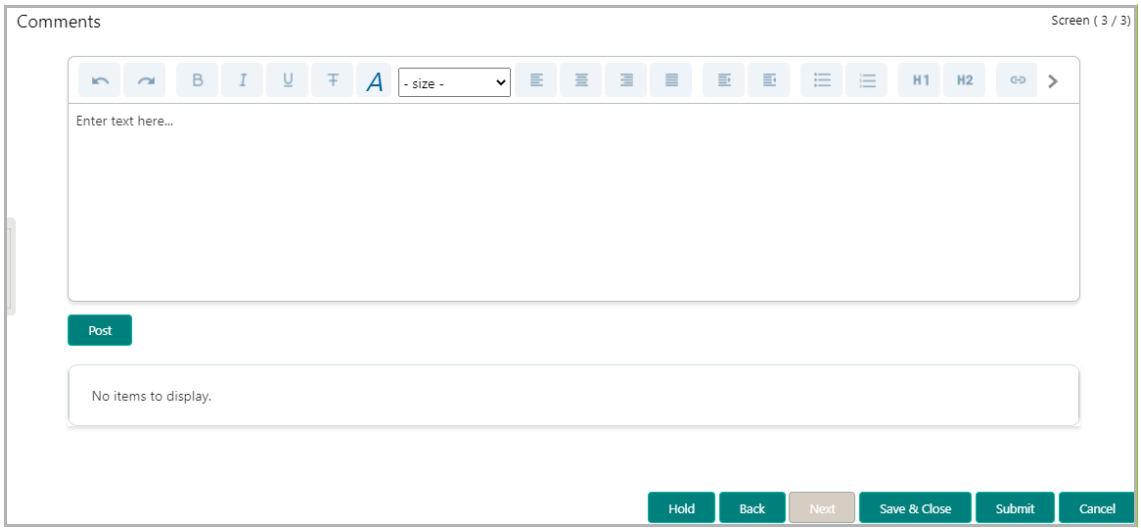


25. Review the Closure Summary.
26. Click **Next** to go to the *Comments* page.

Chapter 3 - Approval

Comments

This data segment allows the user to capture overall comments for the Closure Approval stage.



27. Type the **Comments** for the Closure Approval stage in the text box.
28. Click **Post**. Comments are posted below the text box.
29. To hold the Closure Approval task, click **Hold**.
30. To go back to the previous page, click **Back**.
31. To save and exit the page, click **Save & Close**.
32. To go to the next stage, click **Submit**.
33. To cancel the Closure operation, click **Cancel**.

Upon clicking **Submit,** the *checklist* window appears**.**

34. Select the **Outcome** as Proceed and click **Submit**. The task is moved to the Customer Notification stage.

Chapter 3 - Customer Notification

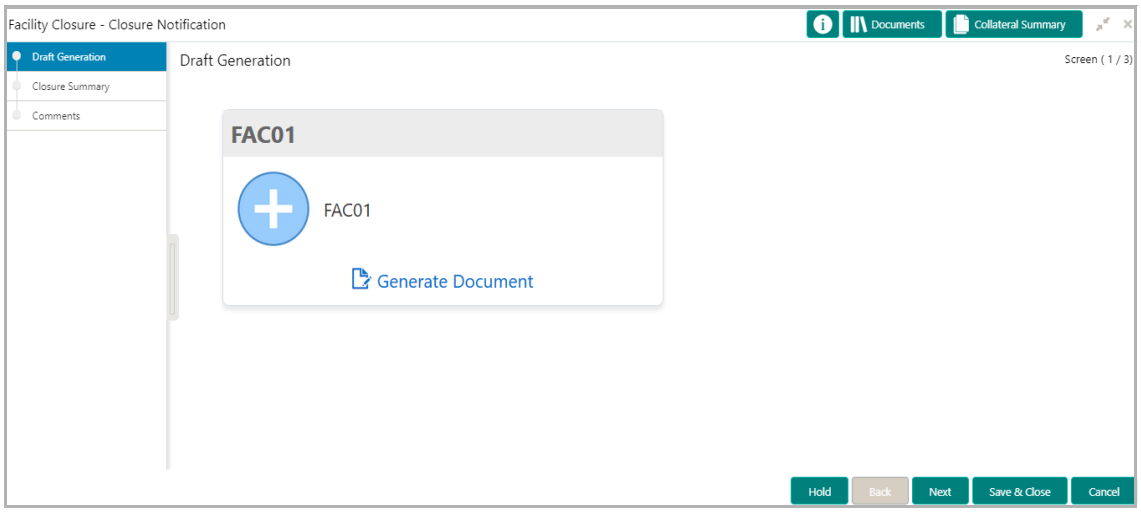
Customer Notification

In this stage, the Relationship Manager downloads the documents necessary for Facility Closure process and distributes the same to the customer for acceptance.

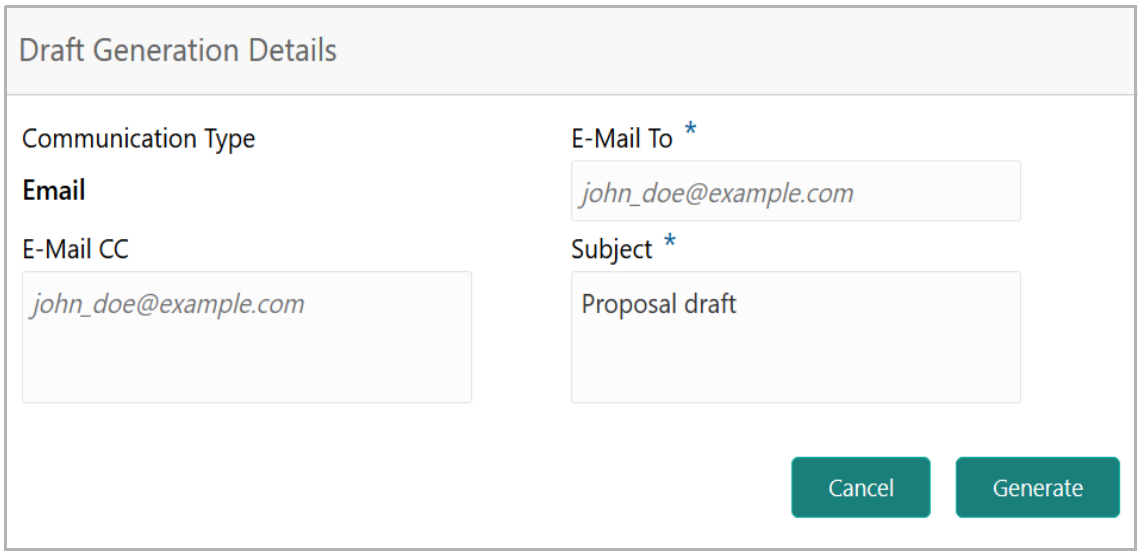
1. Navigate to **Tasks > Free Tasks** from the left menu. The *Free Tasks* page appears.
2. **Acquire & Edit** the required Customer Notification task. The *Draft Generation* page appears.

Draft Generation

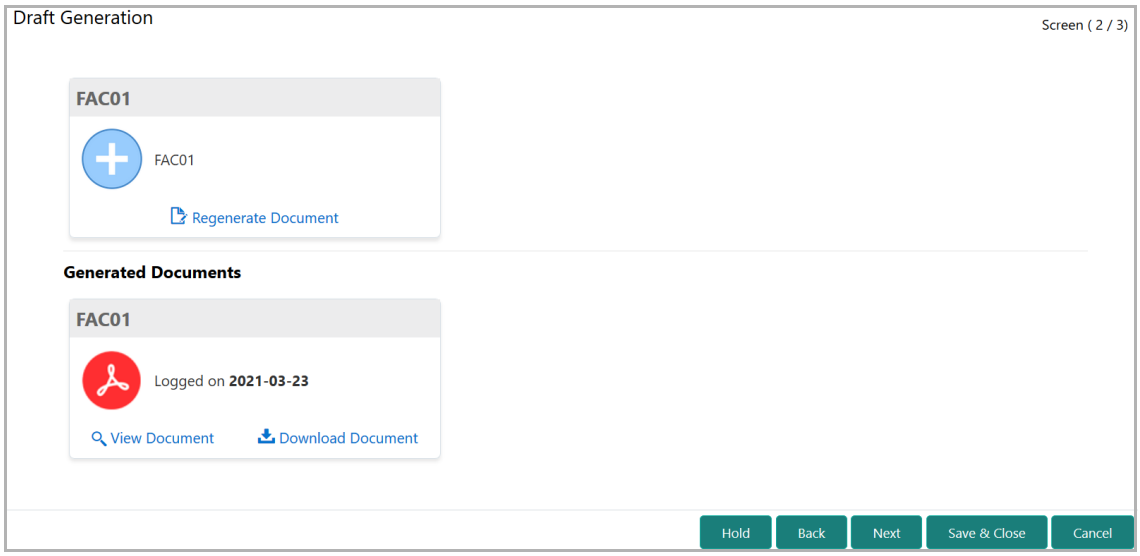
This data segment allows to configure communication details of the party for email notification.



3. Click **Generate Document**. The *Draft Generation Details* window appears.



4. In **E-mail To** field, type the E-mail address to which the closure draft has to be sent.
5. In **E-mail CC** field, type the E-mail address which has to be in CC of draft closure mail.
6. In **Subject** field, type the mail subject.
7. Click **Generate**. Closure draft configured in the system is sent to the mail ID mentioned in **E-Mail** To field.

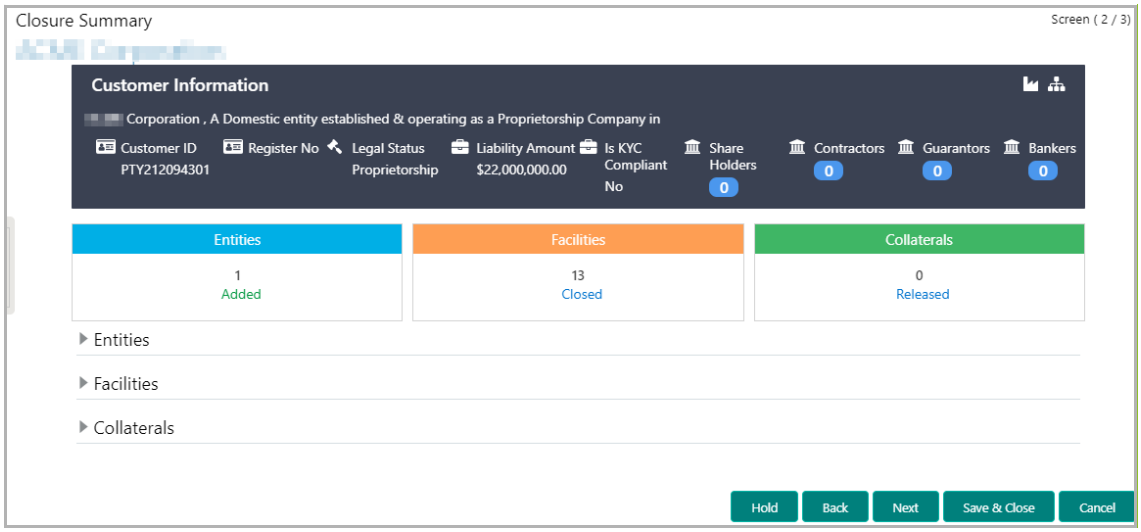


8. To view the generated draft document, click **View Document**.
9. To download the generated draft document, click **Download Document**.
10. After generating closure draft, click **Next**. The *Closure Summary* page appears.

Closure Summary

This data segment provides a preview of the actions made in the *Facility / Liability Closure* page. The user can check the facilities and collaterals detail in this page.

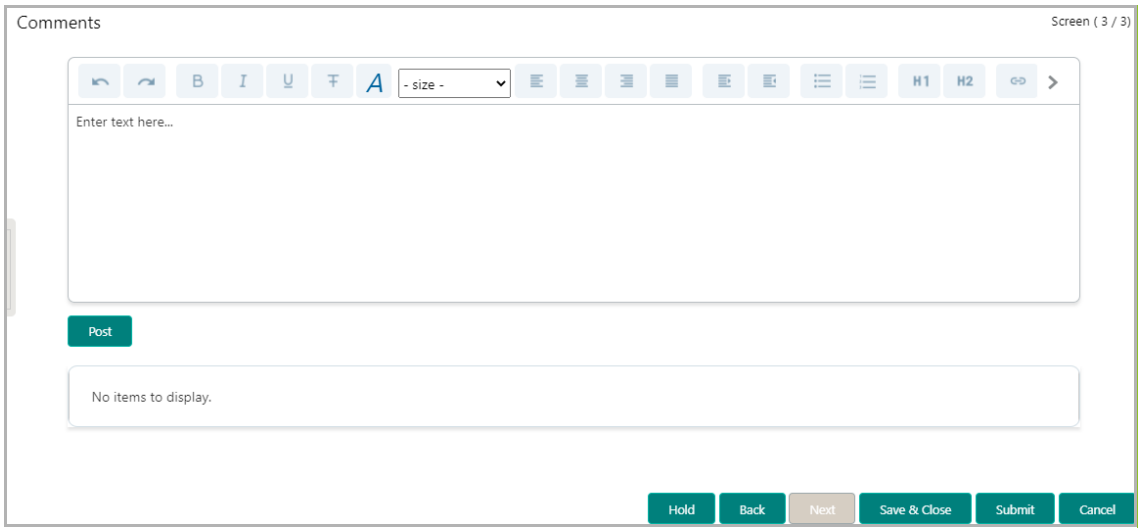
Chapter 3 - Customer Notification



11. Review the Closure Summary.
12. Click **Next** to go to the *Comments* page.

Comments

This data segment allows the user to capture overall comments for the Customer Notification stage.



13. Type the **Comments** for the Customer Notification stage in the text box.
14. Click **Post**. Comments are posted below the text box.
15. To hold the Closure Notification task, click **Hold**.
16. To go back to the previous page, click **Back**.
17. To save and exit the page, click **Save & Close**.
18. To go to the next stage, click **Submit**.

Chapter 3 - Customer Notification

19. To cancel the Facility / Liability Closure operation, click **Cancel**.

Upon clicking **Submit,** the *checklist* window appears**.**

20. Select the **Outcome** as Proceed and click **Submit**. The application will be automatically transferred to the Back Office System for closing the facility.

Chapter 3 - Manual Retry

Handoff - Manual Retry

If Handoff to the Back Office System fails in automatic Handoff stage, the credit officer can manually retry the Handoff process.

To acquire the Facility Closure - Manual Retry task, navigate to **Tasks > Free Tasks** and click **Acquire & Edit** on the required item.

Refer **Initiation** chapter for field level explanation of the data segments in Handoff - Manual Retry process.

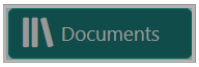
Upon submitting the Handoff - Manual Retry task, the closure application will be sent to the Back Office System.

Chapter 3 - Document Upload

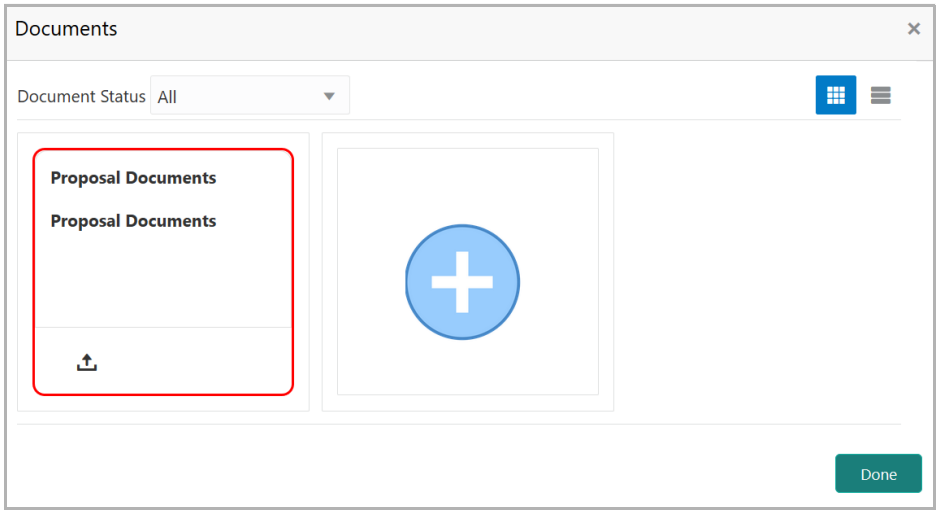
Document Upload and Checklist

In OBCFPM, closure documents can be uploaded in any stage of Facility Closure process. Uploading documents help the senior officers in bank to accurately evaluate the closure application and approve the same.

Steps to upload documents

1. Click 

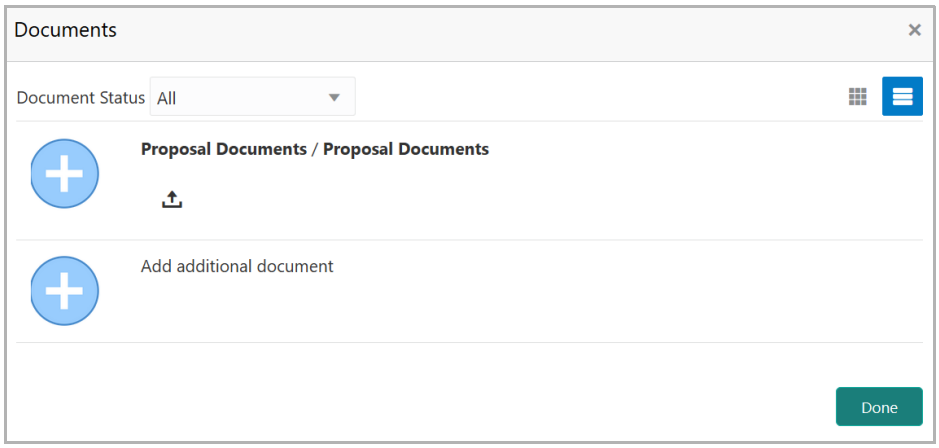
at the top right corner of any page. The *Documents* window appears.



If the document list is configured in Business Process Maintenance, the same appears in the above window. You can also click the add icon to upload other documents.

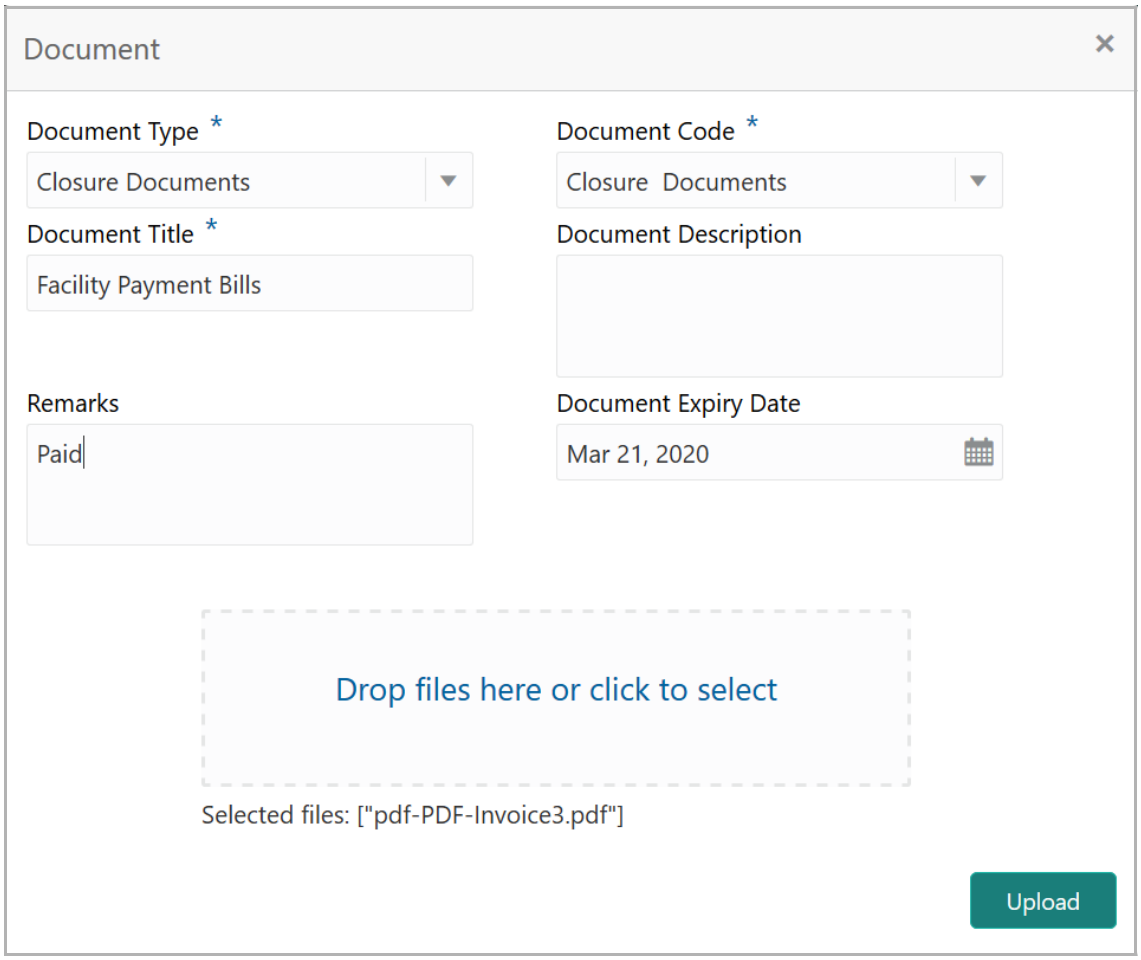
In case the mandatory document is not uploaded, the system prompts an alert. You need to upload the necessary documents and proceed further.

2. To change the table view to the list view, click the list icon at the top right corner. The *Documents* window appears as shown below.



Chapter 3 - Document Upload

3. Click the add icon. The *Document Details* window appears.

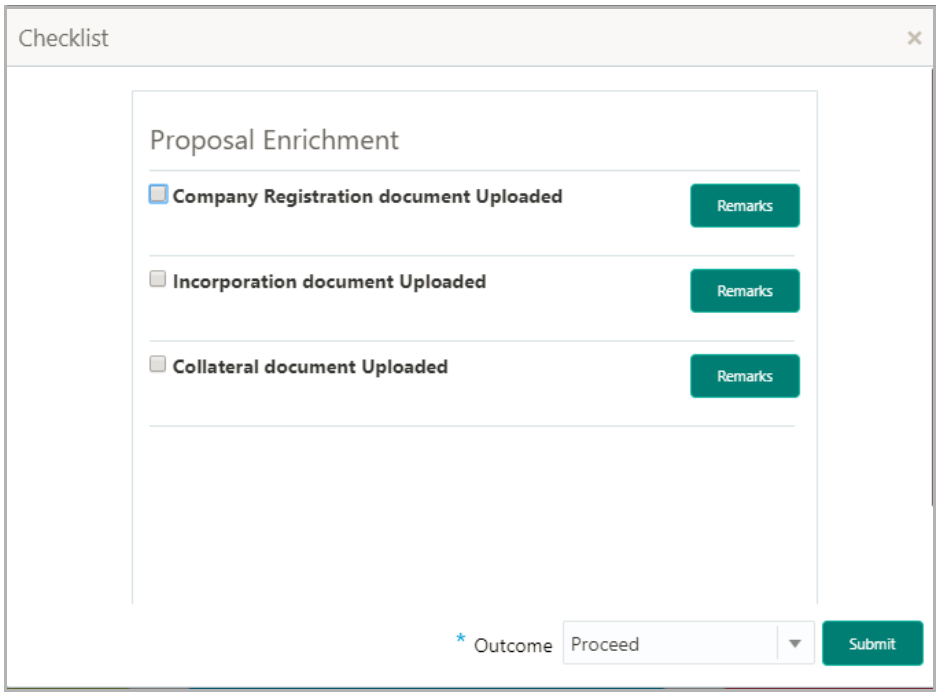


4. Select the **Document Type** and **Document Code** from the drop down list. The options available are: Amendment Documents, Proposal Documents and Closure Documents.
5. Type the **Document Title.**
6. Type a brief description about the document in the **Document Description** field.
7. Type the **Remarks**, if any.
8. Click the calendar icon and select the **Document Expiry Date**.
9. In **Drop files here or click to select** area, drag and drop the documents or click and select the documents. Selected files are displayed at the bottom.

To upload multiple supporting documents at the same time, drag and drop or click and select all the documents.

10. Click **Upload**. The *Checklist* window appears.

Chapter 3 - Document Upload



11. Manually verify all the checklist and enable the corresponding check box.
12. Select the **Outcome** as **Proceed**.
13. Click **Submit**. Document is uploaded and listed in the *Document* window.
14. To edit or delete the document, click the edit or delete icons.

Chapter 3 - Reference and Feedback

Reference and Feedback

References

For more information on any related features, you can refer to the following documents:

- Oracle Banking Getting Started User Guide
- Oracle Banking SMS User Guide
- Oracle Banking Common Core User Guide
- Oracle Banking Process Maintenance Worklist User Guide
- Oracle Banking Credit Facilities Process Management Installation Guides

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