

Country Limit Setting User Guide

Oracle Banking Credit Facilities Process Management Cloud Service

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Oracle Banking Credit Facilities Process Management Cloud Service User Guide
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Chapter 1 - Preface

Preface

About this guide




This guide walks you through the Country Limit Setting Initiation process in OBCFPM to set limit for the countries for which your bank provides products and services.

Intended Audience

This document is intended for the banking personnel responsible for setting country level credit limit.

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 <ul style="list-style-type: none">• 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 - Preface

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 4 - Overview

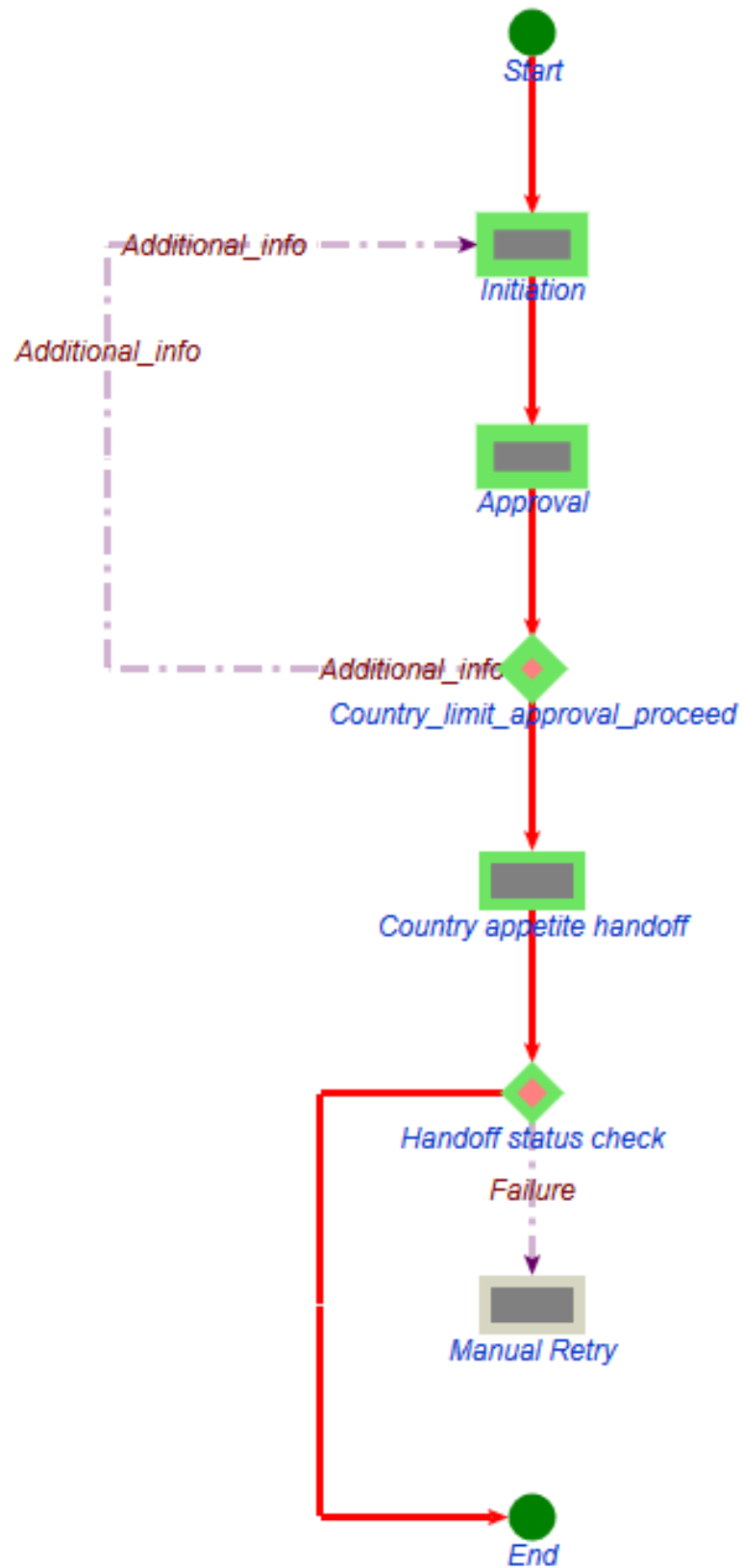
About Country Limit Setting

Multinational banks providing lending services in multiple countries set country limit for all the countries they cater to reduce the concentration risk. If the country limit set for a particular country is reached, the bank will not allow lending in that country irrespective of the borrower's creditworthiness.

In OBCFPM, Country Limit Setting Initiation process is a simple two-stage workflow for setting and approving country limit for the countries. The limit set in this process for a particular country will be used for validating the overall limit set for a sector in that country.

The flow diagram illustrating the Country Limit Setting Initiation process is shown below for reference:

Chapter 4 - Overview



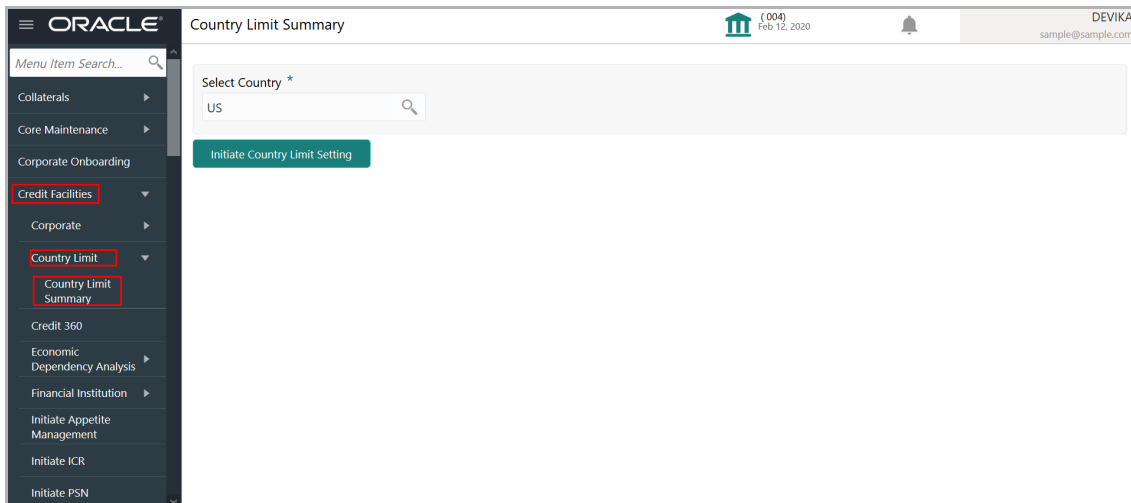
Chapter 4 - Initiation

Country Limit Initiation

In this stage, the Credit Officer in bank must set the overall country limit and the department level limit for all the departments in the country based on the country's performance.

To initiate the Country Limit Setting process:

1. Login to OBCFPM.



2. Navigate to **Credit Facilities > Country Limit > Country Limit Summary**. The *Country Limit Summary* page appears.
3. Search and **Select Country** for which the Country Limit Setting process has to be initiated.
4. Click **Initiate Country Limit Setting**. The *Country Limit Initiation - Basic Info* page appears.

Basic Info

This page allows you to set overall limit for a country along with its validity and review dates.

Chapter 4 - Initiation

Country Limit Setting Init - Country Limit Initiation

Screen (1 / 4)

Basic Info

Country Code
US

Country Name
United States

Currency
USD

Next Review Date
Feb 28, 2021

Annual Review Date
Feb 28, 2022

Effective Date
Mar 1, 2021

Valid Till Date
Feb 28, 2023

Overall Approved Limit
\$50,000,000.00

Back Next Save & Close Cancel

In the above page, **Country Code** and **Country Name** get defaulted based on the **Country Code** maintenance in the **Core Maintenance** module.

5. Search and select the **Currency** of the country. Currencies maintained in the Core Maintenance module are displayed in the LOV.
6. Specify the following dates for country limit in respective fields:
 - Next Review Date - Due date for next review of the country limit
 - Annual Review Date - Due date for annual review of the country limit
 - Effective Date - Date on which the country limit will become effective
 - Valid Till Date - Date on which the country limit will become ineffective
7. Specify the **Overall Approved Limit** for the country.
8. Click **Next**. The *Department Limit* page appears.

Department Limit

In this page, you can set department level limit for all the departments in selected country based on the department performance.



The sum of limits set for each department should not exceed the overall limit set for the country.

Chapter 4 - Initiation

Country Limit Setting Init - Country Limit Initiation

Basic Info
● Department Limit
Rating
Comments

Department Limit

+

No items to display.

Page 1 of 0 (1 - 0 of 0 items) | K < > >|

Back Next Save & Close Cancel

9. To set department limit, click the add icon. The *Department Detail* window appears.

Department Detail

Select Department *
FIG

Department Limit *
\$25,000,000.00

Remark

Add Cancel Clear

10. **Select Department** from the drop down list.
11. Specify limit for the selected department in **Department Limit** field.
12. Capture **Remarks** for the department, if any.
13. Click **Add**. The department limit is added and displayed in the *Department Limit* page as shown below.

Chapter 4 - Initiation

Country Limit Setting Init - Country Limit Initiation

Basic Info

Department Limit

Rating

Comments

Department Limit

Department Name: FIG Overall Limit: \$25,000,000.00

Page 1 of 1 (1 - 1 of 1 items)

Edit View Delete

Back Next Save & Close Cancel

14. To **Edit**, **View**, or **Delete** the added department limit, click the hamburger icon in corresponding record and select the required option.

15. Click **Next**. The *Rating* page appears.

Rating

If the country is rated by one or more rating organizations, you can capture all the rating details in this page.

Country Limit Setting Init - Country Limit Initiation

Basic Info

Department Limit

Rating

Comments

Rating

Customer Rating

Year

All

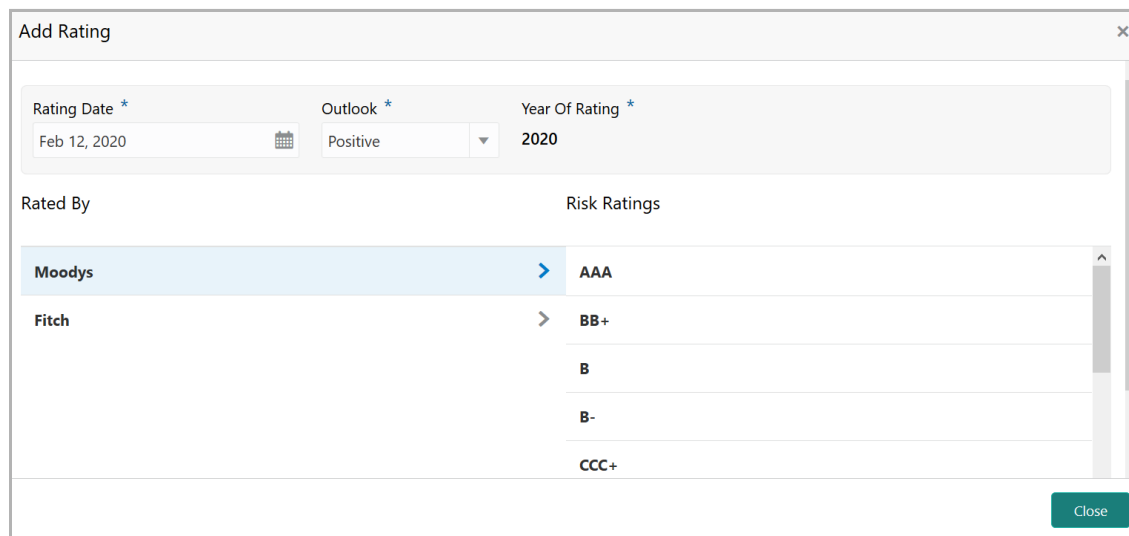
No Ratings Added

+Add ratings

Back Next Save & Close Cancel

16. Click **Add Ratings** at the top right corner. The *Add Rating* window appears.

Chapter 4 - Initiation



The 'Add Rating' dialog box contains the following fields and options:

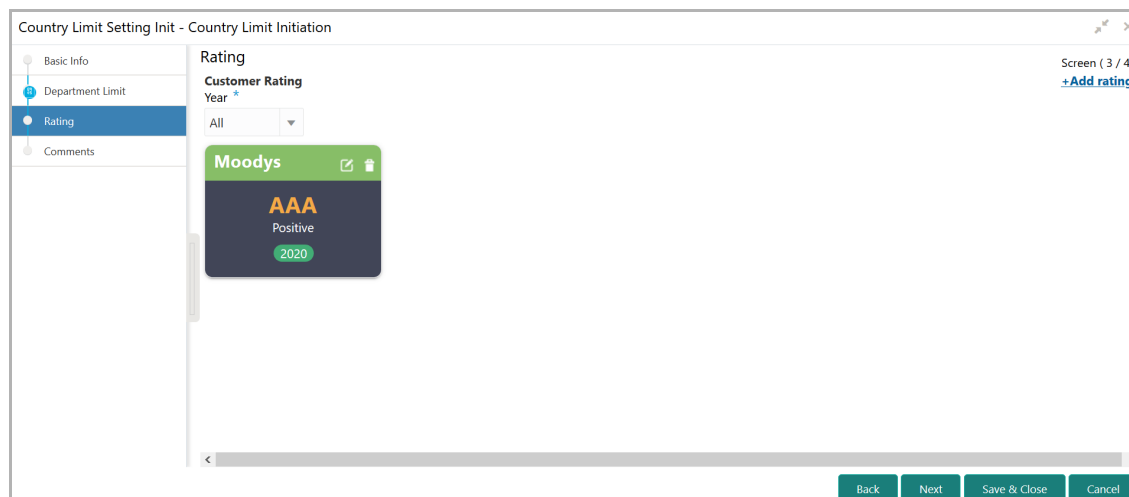
- Rating Date ***: A date field showing 'Feb 12, 2020' with a calendar icon.
- Outlook ***: A dropdown menu showing 'Positive'.
- Year Of Rating ***: A text field showing '2020'.
- Rated By**: A list with 'Moody's' and 'Fitch'. 'Moody's' is selected and highlighted in blue.
- Risk Ratings**: A list of ratings: 'AAA', 'BB+', 'B', 'B-', and 'CCC+'. 'AAA' is selected and highlighted in blue.
- Close**: A green button at the bottom right.

17. Click the calendar icon in **Rating Date** field and select the date on which rating is provided for the country.

18. Select the **Outlook** of rating from the drop down list. The options available are Positive, Negative, and Neutral.

Year of Rating gets defaulted based on the selected Rating Date. You cannot modify the same.

19. Select the **Rated By** agency and **Risk Ratings**. The rating is added and displayed as shown below.



The 'Country Limit Setting Init - Country Limit Initiation' screen shows the following:

- Left Navigation Panel**: Contains 'Basic Info', 'Department Limit', 'Rating' (selected), and 'Comments'.
- Rating Section**:
 - Customer Rating**: A dropdown menu showing 'All'.
 - Year ***: A dropdown menu showing '2020'.
 - Moody's**: A green tile with 'AAA' in orange, 'Positive' in white, and '2020' in a green circle. It has an edit icon (pencil) and a delete icon (trash).
- Bottom Bar**: Contains 'Back', 'Next', 'Save & Close', and 'Cancel' buttons.
- Top Right**: Shows 'Screen (3 / 4)' and a '+ Add ratings' link.

20. To edit or delete the added rating, click the required icon in the rating tile.

21. To add another rating, click **Add Ratings** again and perform the above steps.

22. After adding all the rating information, click **Next**. The *Comments* page appears.

Chapter 4 - Initiation

Comments

In this page, you can mention anything like how the country is performing in terms of politics, economy and currency, or why the overall limit is set so. Posting comments help the approver to make better decision.

Country Limit Setting Init - Country Limit Initiation

Basic Info
Department Limit
Rating
Comments

Comments

Screen (4 / 4)

Enter text here...

Post

No items to display.

Back Next Save & Close Submit Cancel

23. Type the necessary comments and click **Post**. The comment is posted below the Comments text box.

24. To hold the Country Limit Setting Initiation task, click **Hold**.

25. To go back to the previous page, click **Back**.

26. To save the captured information and exit the page, click **Save & Close**.

27. To submit the task for approval, click **Submit**.

28. To exit the process without saving the information, click **Cancel**.

Upon clicking the **Submit** button, the *Checklist* window appears.

Checklist

No items to display.

* Outcome Proceed

Submit

Chapter 4 - Initiation

In case any checklist is configured in the **Business Process** Maintenance, the same appears in the above window. You need to confirm that the checklist are manually verified by enabling the corresponding check box.

29. Select the **Outcome** as **Proceed**.
30. Click **Submit**. The task is moved to the Approval stage.

Chapter 4 - Approval

Country Limit Approval

In this stage, the Credit Approver in bank must approve / send back the country limit setting application based on the country's performance.

1. To acquire and edit the approval task, navigate to **Tasks > Free Tasks**. The *Free Tasks* page appears.

The screenshot shows the Oracle Free Tasks page. The table lists tasks with columns: Action, Priority, Process Name, Process Reference Number, Application Number, Stage, and Application Date. The first task is 'Acquire & Edit' for 'Country Limit Initiation' with a priority of 'Low' and stage of 'Approval'. The page also includes a sidebar with navigation options like 'Retail Amendment', 'Task Management', and 'Free Tasks'.

2. **Acquire & Edit** the required approval task. The *Approval - Summary* page appears.

Summary

This page displays the country limit and the ratings added in Initiation stage in graphical format.

The screenshot shows the 'Country Limit Initiation - Approval' page. The 'Summary' tab is selected. It displays the 'United States' country limit with the following details:

Country Code	Currency	Overall Approved Limit	Next Review Date	Annual Review Date	Effective Date	Valid Till Date
US	USD	50,000,000.00	2021-02-28	2022-02-28	2021-03-01	2023-02-28

The 'Amount' section shows a bar chart for the 'Overall Approved Limit' of 50,000,000.00 USD. The 'Rating Analysis' section shows a '2020' rating of 'AAA' from 'Moody's' with a 'Positive Outlook'.

3. View the information and click **Next**. The *Comments* page appears.

Chapter 4 - Approval

Comments

In this page, you can provide justification for the action to be taken in this stage.

4. Type the necessary comments and click **Post**. The comment is posted below the Comments text box.
5. To hold the Country Limit Setting Approval task, click **Hold**.
6. To go back to the previous page, click **Back**.
7. To save the captured information and exit the page, click **Save & Close**.
8. To hand off the country limit to ELCM / send back the application to the Initiation stage, click **Submit**.
9. To exit the process without saving the information, click **Cancel**.

Upon clicking the **Submit** button, the *Checklist* window appears.

Chapter 4 - Approval

Checklist

No items to display.

Approval Comment

Approved

* Outcome

Approve

Submit

10. Specify the **Approval Comment**.

11. Select the required **Outcome**. The options available are Approve and Additional Info.

12. Click **Submit**.

If the **Outcome** is selected as **Approve**, the Country Limit Setting task will get completed and the country limit details will be handed off to the back office system (ELCM) on clicking **Submit**.

If the **Outcome** is selected as **Additional Info**, the Country Limit Setting task will be moved back to the Initiation stage on clicking **Submit**. The user of the Initiation stage must modify the requested details and send the application for approval again.

Chapter 4 - Reference and Feedback

Reference and Feedback

References

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

- Oracle Banking Procedure User Guide
- Oracle Banking SMS User Guide
- Oracle Banking Common Core
- Oracle Banking Credit Facilities Process Management Installation Guides

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