

Oracle Banking Trade Finance Cloud Service

Charges and Fees User Guide



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Contents

Preface

Purpose	i
Audience	i
Documentation Accessibility	i
Critical Patches	ii
Diversity and Inclusion	ii
Organization	ii
Related Documents	ii
Conventions	ii
Screenshot Disclaimer	iii
Symbols and Icons	iii

1 Processing Charges

1.1	Introduction	1
1.2	Steps Involved in Processing Charges	2
1.3	Charge Rules	2
1.3.1	Loading ICCB Rule Availability Maintenance	2
1.3.2	Maintain Trade Finance Overrides Maintenance	5
1.3.3	Maintain ICCB Rule Master	6
1.3.4	Build Charge Rule	7
1.3.5	Sequence for Resolution of ICCB Rules	15
1.3.6	Defining Charge Rule Application Conditions	16
1.4	Charge Class	16
1.4.1	Define a Charge Class	17
1.4.2	Indicating whether Advice Processing Charges Need to be Collected	26
1.4.3	Associating a Charge Class with a Product	27
1.4.4	Associating Several Charge Classes with a Product	27
1.5	Contract Charge Details	29
1.5.1	Specifying Charge Details	29
1.5.2	Indicating whether Advice Processing Charges Need to be Collected	31
1.6	List of Glossary - Processing Charges	33

Preface

- [Purpose](#)
This manual is designed to help you get acquainted with the manner in which charges or fees are calculated in Oracle Banking Trade Finance Cloud Service.
- [Audience](#)
- [Documentation Accessibility](#)
- [Critical Patches](#)
- [Diversity and Inclusion](#)
- [Organization](#)
- [Related Documents](#)
- [Conventions](#)
- [Screenshot Disclaimer](#)
- [Symbols and Icons](#)

Purpose

This manual is designed to help you get acquainted with the manner in which charges or fees are calculated in Oracle Banking Trade Finance Cloud Service.

It takes you through the various steps involved in processing a Charge or Fee for a contract.

You can further obtain information specific to a particular field by placing the cursor on the relevant field and striking <F1> on the keyboard.

Audience

This manual is intended for the following User/User Roles:

Role	Function
Back office clerk	Input functions for contracts
Back office managers/officers	Authorization functions
Product Managers	Product definition and authorization
End of day operators	Processing during end of day/ beginning of day
Financial Controller / Product Managers	Generation of reports

Documentation Accessibility

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Diversity and Inclusion

Oracle is fully committed to diversity and inclusion. Oracle respects and values having a diverse workforce that increases thought leadership and innovation. As part of our initiative to build a more inclusive culture that positively impacts our employees, customers, and partners, we are working to remove insensitive terms from our products and documentation. We are also mindful of the necessity to maintain compatibility with our customers' existing technologies and the need to ensure continuity of service as Oracle's offerings and industry standards evolve. Because of these technical constraints, our effort to remove insensitive terms is ongoing and will take time and external cooperation.

Organization

This manual is organized as follows:

Topics	Description
Preface	This topics explains a brief introduction to the module. It also lists the various topics in the User Manual.
Processing Charges	This topics details the procedure to set up Charge or Fee details by defining Charge rules and Charge classes. It also explains the procedure for specifying charge details for a contract.
Glossary	Glossary provides a list of important terms used in the module.
Function ID Glossary	Function ID Glossary has alphabetical listing of Function/Screen ID's used in the module with page references for quick navigation.

Related Documents

For further information on procedures discussed in the manual, refer to the Oracle Banking Trade Finance manuals on:

- Common Procedures
- Products

Conventions

The following text conventions are used in this document:

Convention	Meaning
boldface	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text.
<i>italic</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
monospace	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter.

Screenshot Disclaimer

Personal information used in the interface or documents is dummy and does not exist in the real world. It is only for reference purposes.

Symbols and Icons

The list of symbols and icons available on the screens are as follows:

Table 1 Symbols and Icons - Common






















Symbol/Icon	Function
	Minimize
	Maximize
	Close
	Perform Search
	Open a list
	Date Range
	Add a new record
	Navigate to the first record
	Navigate to the last record
	Navigate to the previous record
	Navigate to the next record

Table 1 (Cont.) Symbols and Icons - Common

Symbol/Icon	Function
	Grid view
	List view
	Refresh
	Click this icon to add a new row.
	Click this icon to delete a row, which is already added.
	Calendar
	Alerts
	Unlock Option
	View Option
	Reopen Option

1

Processing Charges

1.1 Introduction

A charge or fee is a payment that you levy on your customer in exchange for advices or services rendered by your bank. Banks charge nominal fees for various services, such as courier charges, SWIFT charges. Bank charges generally constitute a major portion of revenue for the bank. These type of charges are associated with almost all the activities of the bank. For instance, when a bank accepts corporate deposits, it may also recover pre-closure charges or pre-payment penalty on the deposit.

Apart from charges, bank collects fees also. For example, if there are any legal proceedings for any reason, banks will debit the fees associated with this to the customer.

While setting up a product in Oracle Banking Trade Finance Cloud Service, attributes for charge/fees collection also have to be set up.

In Oracle Banking Trade Finance Cloud Service, you can define the different types of charges or fees that apply on a product as 'classes'. A charge class is a specific type of charge component (E.g. 'Charges for amending the terms of a contract').

A charge class is like a template, which can be associated with a product. You can modify certain parameters of the charge class while associating it with a product and also at the time of contract processing.

When defining a product, you merely have to attach the required classes. In this manner, a contract processed under a particular product acquires the classes (components) associated with the product.

However for Funds Transfer and Foreign Exchange modules, Oracle Banking Trade Finance Cloud Service will not use charge classes for calculating charges. You need to link a charge rule while defining the charge component for the product. The linking of a charge rule to a product is discussed in the subsequent sections of this chapter.

To apply a charge or fee on a Funds Transfer, you should first define attributes for each of the components. You can define these attributes by specifying a Rule for the charge or fee. These charge rules should in turn be linked to a product through a class, so that the attributes of the charge rule will be applied on all contracts linked to the product. However, while capturing the details of a contract, you can modify some of the attributes defined for a rule. Further, for a contract, you can also indicate whether the application of a specific charge component should be waived.

You cannot modify the attributes of the rule during contract input. However, you can change the charge amount.

More than one charge or fee can be applied on a product. For example, you could link two charges to an outgoing transfer product, one with 0.05% of the transfer amount as the charge and another with a flat amount of say 200 local currency units. The first one could be your commission on the transfer and the second, for the SWIFT or cable charges incurred to affect the transfer. These will be processed as two different charge components. The income accounts can be different for these components. The two charge components will be reported in all reports and in the customer correspondence regarding the transfer.

This chapter contains the following sections:

- [Steps Involved in Processing Charges](#)
- [Charge Rules](#)
- [Charge Class](#)
- [Contract Charge Details](#)

1.2 Steps Involved in Processing Charges

The following steps are involved in processing charges:

1. Defining branch restriction for ICCB rule.
2. Maintaining ICCB rule availability - Branch Specific Rules.
3. Defining charge rules and attributes - When you define a rule, you can also restrict the use of the rule for the different branches of the bank.
4. Defining charge class.
5. Link a charge class to a product.
6. Specify charge details for a contract.

1.3 Charge Rules

This section contains the following topics:

- Invoking ICCB Rule Availability Maintenance Screen
- Maintaining ICCB Rule Master
- Building Charge Rule
- Sequence for Resolution of ICCB Rules
- Defining Charge Rule Application Conditions
- [Loading ICCB Rule Availability Maintenance](#)
This topic provides systematic instructions to load ICCB rule availability maintenance.
- [Maintain Trade Finance Overrides Maintenance](#)
This topic provides systematic instructions to maintain Trade Finance Overrides Maintenance.
- [Maintain ICCB Rule Master](#)
This topic provides systematic instructions to maintain ICCB rule master.
- [Build Charge Rule](#)
This topic provides systematic instructions to build charge rule.
- [Sequence for Resolution of ICCB Rules](#)
- [Defining Charge Rule Application Conditions](#)

1.3.1 Loading ICCB Rule Availability Maintenance

This topic provides systematic instructions to load ICCB rule availability maintenance.

A charge rule is created as under:

- The rule is created at the head office branch, by giving it a unique identification and description, in the '**Trade Finance ICCB Rule Branch Availability Maintenance**' screen. In this screen, the rule is made available for use in the required branches by maintaining an allowed/disallowed list of branches.
- At the required branch, in the '**Trade Finance ICCB Rule Details**' screen, the attributes for the rule are defined. Maintaining the attributes in this screen is subject to whether maintenance of ICCB rules is allowed for the branch, and also whether the rule for which attributes are being defined, is allowed for the branch.

To recall, at the head office of your branch, you can create appropriate ICCB rules and make the rules available to the required branches.

Specify **User ID** and **Password**, and login to Homepage.

1. On Homepage, type '**CFDTFRLA**' in the text box, and click next arrow.

In the '**Trade Finance ICCB Rule Availability Maintenance**' screen, you can maintain ICCB rules, which you can make available to desired branches. You can do this by maintaining a list of branches for which the use of the rule is allowed, or disallowed.

The '**Trade Finance ICCB Rule Availability Maintenance**' screen is displayed:

2. On '**Trade Finance ICCB Rule Availability Maintenance**' screen, specify the fields.

For more information about the fields, refer to [Table 1-1](#):

Table 1-1 Trade Finance ICCB Rule Availability Maintenance - Field Description

Field	Description
Rule ID and Description	<p>You must specify a unique identification for the ICCB rule you are creating. If you are creating a charge rule, specify a unique identification for the charge rule. This is the identification that will be used as to identify for the rule, in all subsequent references to it. You must also specify a unique description for the rule.</p> <p>Every charge rule is identified by a unique ten-character code, called a Rule ID. You can link a valid Charge Rule ID to the charge classes that you maintain in your bank. Charges or fees for all products with which you associate a charge class, will be calculated on the basis of the Rule ID that is associated with the class.</p> <p>You must select the Rule ID to have all the bank branches listed in the Branch field list of options.</p> <div> <p>Note</p> <p>After the rule has been created, the attributes for the rule must be defined in the 'Trade Finance ICCB Rule Details' screen.</p> </div>
Branch Restrictions	<p>You can maintain a list of allowed branches (that is, the rule will be available for use in the allowed list of branches) or disallowed branches (the rule will not be available for use in the branches in the disallowed list).</p> <p>To recall, the attributes for the rule are defined, in the Trade Finance ICCB Rule Maintenance screen. Maintaining the attributes in this screen, for a branch, is subject to whether maintenance of ICCB rules is allowed for the branch, and also whether the rule for which attributes are being defined, is allowed for the branch.</p>
Track for AP	Check this box if the rule is eligible for receivable tracking.
Track for AR	<p>Check this box if the rule is eligible for payable tracking.</p> <div> <p>Note</p> <ul style="list-style-type: none"> When a rule is linked at the product level, the system marks the Track Receivable and Track Payable for amount tags associated with the rule based on whether 'Track for AR' and 'Track for AP' check boxes are checked. Netting is disallowed for amount tags marked for 'Track for AR' or 'Track for AP'. </div>

For details about the Common Branch Restrictions, refer the Security Management System user manual.

1.3.2 Maintain Trade Finance Overrides Maintenance

This topic provides systematic instructions to maintain Trade Finance Overrides Maintenance.

The **Trade Finance Overrides Maintenance** screen enables you to maintain override maintenance and provide error details.

Specify **User ID** and **Password**, and login to Homepage.

1. On Homepage, type **CSDTFOVM** in the text box, and click next arrow.

The **Trade Finance Overrides Maintenance** screen is displayed:

Figure 1-1 Trade Finance Overrides Maintenance

2. On **Trade Finance Overrides Maintenance** screen, specify the fields.

For more information about the fields, refer to [Table 1-2](#):

Table 1-2 Trade Finance Overrides Maintenance - Field Description

Field	Description
Language	Specify the Language .
Description	Specify the Description .
Error Details	Specify the Error Details in following fields:
Type	Select the Type from the following drop-down list: <ul style="list-style-type: none">• Ignore• Error• Override• Online Auth• Dual Authorization
Function	Specify the Function .
Message	Specify the Message .

Table 1-2 (Cont.) Trade Finance Overrides Maintenance - Field Description

Field	Description
Confirm	Select the Confirm checkbox the error details.
Maximum Sub Parameters	Specify the Maximum Sub Parameters .
Batch Type	Select the Batch Type from the following drop-down list: <ul style="list-style-type: none"> • Ignore • Error • Override
Error Code	Specify the Error Code .

Note

User can configure whether the system should display an ERROR or an OVERRIDE message when outstanding Account Receivables exist during the specific lifecycle events of the contract operations.

- If set to OVERRIDE, the system displays an override message allowing the user to proceed after acknowledgment.
- If set to ERROR, the system restricts further action until the AR is cleared.

1.3.3 Maintain ICCB Rule Master

This topic provides systematic instructions to maintain ICCB rule master.

The '**Trade Finance ICCB Rule Master**' screen enables you to define rule identification for rule types such as Interest, Charges/Fees and Brokerage.

Specify **User ID** and **Password**, and login to Homepage.

1. On Homepage, type '**CFDTFRUL**' in the text box, and click next arrow.

The '**Trade Finance ICCB Rule Master**' screen is displayed:

2. On '**Trade Finance ICCB Rule Master**' screen, specify the fields.

For more information about the fields, refer to [Table 1-3](#):

Table 1-3 Field Description

Field	Description
Rule Id	Specify the Rule Id for the ICCB rule you are creating.
Description	Specify the unique description for the Rule Id.
Rule Type	<p>Select the Rule Type from for the list. The drop-down list displays the following operators:</p> <ul style="list-style-type: none"> • Interest • Commission • Charges • Brokerage <p>To define a charge rule, choose 'Charges/Fees' from the list.</p>
Track Receivable	Check this box if the rule is eligible for receivable tracking.
Track Payable	<p>Check this box if the rule is eligible for payable tracking.</p> <div> <p>Note</p> <ul style="list-style-type: none"> • When a rule is linked at the product level, the system marks the Track Receivable and Track Payable for amount tags associated with the rule based on whether 'Track Receivable' and 'Track Payable' check boxes are checked. • Netting is disallowed for amount tags marked for 'Track Receivable' or 'Track Payable'. </div>
External Pricing	Check this box if the rule is eligible for External Pricing details.

1.3.4 Build Charge Rule

This topic provides systematic instructions to build charge rule.

To recall, after a charge rule has been created in the '**Trade Finance ICCB Rule Availability Maintenance**' screen, the attributes for the rule must be defined in the '**Trade Finance ICCB Rule Maintenance**' screen.

Specify **User ID** and **Password**, and login to Homepage.

1. On Homepage, type '**CFDTFRLM**' in the text box, and click next arrow.

A charge rule is built with the logic to calculate a specific type of charge component. You can maintain this logic in the '**Trade Finance ICCB Rule Maintenance**' screen.

The '**Trade Finance ICCB Rule Maintenance**' screen is displayed:

Trade Finance ICCB Rule Maintenance

New

Enter Query

Rule Id *

Description

Transaction currency *

Branch Code *

Rule Type

Customer Group *

Customer *

Channel Type *

Default

Rate Details

Rate Type

Rate Type

☒ Flat Amount

☐ Fixed Rate

Period in Months

☒ Amount

☐ Rate

Minimum Amount

Minimum Rate

Maximum Amount

Maximum Rate

Code

STANDARD

Rate

☒ Mid

☐ Buy

☐ Sell

Tenor Details

Tenor Basis

Tiered Amount

Tiered Tenor

External Pricing

External Pricing

Interest Basis

As per Contract Currency

Basis

Booking Currency

Charge Currency

Basis Amount Currency

Charge Currency

Cascade Amount

Rate Period

Minimum Commission Period

Fields

Audit

Exit

2. On 'Trade Finance ICCB Rule Maintenance' screen, specify the fields.
For more information about the fields, refer to [Table 1-4](#):

Table 1-4 Trade Finance ICCB Rule Maintenance - Field Description

Field	Description
Rule Type	<p>The Rule Type identifies the type of component you are defining. The attributes applicable for a component depend on the Rule Type. In this chapter, we shall discuss the procedure for setting up rules for charge components.</p> <p>For every rule that you define, you can enter a description. Specifying a description helps identify a rule.</p>

Charges and Fees User Guide
G47046-01
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November 6, 2025
Page 8 of 33

Table 1-4 (Cont.) Trade Finance ICCB Rule Maintenance - Field Description

Field	Description
Rule Identification	<p>Every charge rule is identified by a unique ten-character code, called a Rule ID. You can link a valid Charge Rule ID to the charge classes that you maintain in your bank. Charges or fees for all products with which you associate a charge class, will be calculated on the basis of the Rule ID that is associated with the class.</p> <p>To recall, the Rule ID for a charge rule is specified in the ICCB Rule Branch Availability maintenance. Accordingly, in the Rule ID field in this screen, you must select the ID of the charge rule that you wish to build by maintaining the attributes.</p> <p>The option list in the Rule ID field is populated based on the following conditions:</p> <ul style="list-style-type: none"> • Only those Rule IDs that are available for users at the current branch according to the ICCB Rule Branch Availability maintenance are displayed • The maintenance of ICCB rules must be allowed for users at the current branch, according to the restrictions maintained in the Common Branch Restrictions maintenance for the restriction type ICCBRULE. <p>If no Common Branch Restrictions have been maintained, and the restriction type ICCBRULE has not been maintained in the SMS Branch Restriction Type maintenance, the option list in the Rule ID field only displays those rules that are available for users in the current branch, according to the ICCB Rule Branch Availability maintenance.</p>

Table 1-4 (Cont.) Trade Finance ICCB Rule Maintenance - Field Description

Field	Description
<p>Rule Application Conditions</p> <p>By default, a charge rule that you define can be applied on transactions in:</p> <ul style="list-style-type: none"> • All currencies • All customers • All customer groups • All branches • Default Channel Type <p>However, to restrict the application of a rule to transactions involving a specific customer, customer group, currency, and / or channel type, you can specify the same in the respective fields.</p> <p>Thus, the most generally applied condition can be that a charge rule is applicable to contracts in any currency, involving any customer, customer group or branch and default channel type. An interim condition is that a charge rule is applied on contracts in a specific currency but involving any customer, customer group or branch.</p> <div style="border: 1px solid #ccc; padding: 10px; margin: 10px 0;"> <p>Note</p> <p>You will not be allowed to define an ICCB Rule for a specific combination unless you maintain a record for the same Rule at the generic level. For instance, while creating the Rule ID SPIWDCHGS for the very first time the system defaults the values in the Transaction Currency, Branch, Account Category, Customer, Customer Group, Branch, Account fields to 'All' and channel type to 'Default'. Only after saving this record you will be allowed to create a second record for a specific combination for the same Rule ID. Defining a rule at a generic level is mandatory. The significance of this can be understood by the following example:</p> <p>You can only define the attributes for an ICCB Rule to be applicable for all branches, from the head office branch.</p> </div> <p>You can create ICCB rules to be applicable for transactions with the following specific combinations:</p> <ul style="list-style-type: none"> • A specific branch, customer category, customer, currency and channel type 'Default' • A specific branch, customer category, customer, all currencies and channel type 'Default' • A specific branch, customer category, currency all customers and channel type 'Default' • A specific branch, currency and all customer categories and customers and channel type 'Default' • A specific branch, customer categories and all currencies and customers and channel type 'Default' • A specific branch and all customer categories, customers and currencies and channel type 'Default' • A specific customer category, customer, currency, and all branches and channel type 'Default' • A specific customer category, customer and all currencies and branches and channel type 'Default' • A specific customer category, currency and all customers and branches and channel type 'Default' 	

Table 1-4 (Cont.) Trade Finance ICCB Rule Maintenance - Field Description



Field	Description
	<ul style="list-style-type: none"> A specific currency and all customer categories, customers and branches and channel type 'Default' A specific customer category and all customers, currencies and branches and channel type 'Default' All branches, customer categories, customers and currencies and channel type 'Default' A specific branch, customer category, customer, currency and channel type 'Online' A specific branch, customer category, customer, all currencies and channel type 'Online' A specific branch, customer category, currency, all customers and channel type 'Online' A specific branch, currency and all customer categories and customers and channel type 'Online' A specific branch, customer categories and all currencies and customers and channel type 'Online' A specific branch and all customer categories, customers and currencies and channel type 'Online' A specific customer category, customer, currency, and all branches and channel type 'Online' A specific customer category, customer and all currencies and branches and channel type 'Online' A specific customer category, currency and all customers and branches and channel type 'Online' A specific currency and all customer categories, customers and branches and channel type 'Online' A specific customer category and all customers, currencies and branches and channel type 'Online' All branches, customer categories, customers and currencies and channel type 'Online' <div>  Note As mentioned earlier, the rules applicable for combinations involving all branches (the ALL option in the Branch Code field) can be maintained only from the head office branch. </div>
Transaction Currency	<p>If you wish to define the attributes for all currencies, you can select the ALL option in the Currency Code field to indicate this. If you are maintaining the attributes for the selected ICCB rule in specific currency other than the ALL, select the Transaction Currency on which the rule mapping maintenance is to be made applicable.</p>
Customer Group	<p>Select the customer group on which the rule mapping maintenance is to be made applicable.</p> <div>  Note You can create a generalized charge rule mapping record by selecting the ALL option in the Customer Group field. This specification is defaulted to the Customer and Customer Account fields. You will not be allowed to change the specification. </div>

Table 1-4 (Cont.) Trade Finance ICCB Rule Maintenance - Field Description

Field	Description
Customer	Specify the customer identification number (CIF) of the customer for whom you are maintaining the rule mapping.
Branch Code	<p>If you are maintaining the attributes for the selected ICCB rule from the head office branch, you can select the branch for which the attributes are being defined. If you wish to define the attributes for all branches, you can select the ALL option in the Branch Code field to indicate this.</p> <p>If you are maintaining the attributes for the selected ICCB rule from a branch other than the head office, you can only select those branches that are found in the allowed list of branches for:</p> <ul style="list-style-type: none"> • The ICCB rule definition Restriction Type (ICCBRULE), in the Common Branch Restrictions maintenance for the current branch • The selected rule being built, according to the ICCB Rule Availability maintenance. <p>In other words, the option list in the Branch Code field would display only those branches that are allowed both for the rule and the current branch.</p> <p>The following example illustrates how the option lists in the Rule ID and Branch Code fields are populated:</p>
Channel Type	Select the channel type from the drop down. By default, the selected channel type will be 'Default'.

Table 1-4 (Cont.) Trade Finance ICCB Rule Maintenance - Field Description

Field	Description
Rate Type	<p>The rate type indicates whether the charge or fee to be applied for the Rule ID is a flat amount or a percentage of the basis amount. Basis amount here refers to:</p> <ul style="list-style-type: none"> Principal amount or commitment Transaction amount in the case of a teller entry Transfer amount in case of a Remittance LC amount in the case of a Letter of Credit Bill amount in the case of a Bill <p>If the Charge Rule that you are defining calculates charges on a rate basis, choose the Fixed Rate option. To levy a flat amount as charge, say a postal charge on the products that are associated with the Charge Class, choose the 'Flat Amount' option.</p> <p>You can choose to indicate the Rate Code and whether the rate is Mid, Buy or Sell only when the basis amount currency and the rate currency is different from the contract currency. The rate code is used to arrive at the exchange rate if the rate currency is different from the contract currency. The system arrives at the exchange rate from the parameters specified for the currency pair in the Currency Pair Definition table.</p> <div style="border: 1px solid #ccc; padding: 10px; margin-top: 10px;"> <p>Note</p> <p>If the charge is based on the Flat Amount, 'Min Amount' and 'Max Amount' are not applicable.</p> </div> <p><i>Refer to the chapter on 'Currency Maintenance' in the Core Services User Manual for more information on parameters of currency pairs.</i></p>
Tenor Basis	You can create a charge rule that would calculate charges on the basis of Tenor slabs. Check the 'Tenor Basis' check box if the Charge is calculated based on the Tenor.
Tiered Tenor	Charges calculated on the basis of Charge Rates for different layers of the Tenor.
Booking Currency	<p>Select the booking currency from the drop-down list. You can choose one of the following options:</p> <ul style="list-style-type: none"> Contract Currency - If you select this, the system will calculate the charge in the currency specified in the field 'Contract Currency'. Charge Currency - If you select this, the system will calculate the charge in the currency specified in 'Charge Currency'. <p>Based on the booking currency specified, the system will decide the currency in which the charge needs to be calculated.</p>

Table 1-4 (Cont.) Trade Finance ICCB Rule Maintenance - Field Description

Field	Description
<u>Basis Amount and the Charge Currencies</u>	
<p>The charge currency is the currency, which will be associated with the charge that is calculated or the flat charge amount.</p> <p>When building a charge rule, if the Rate Type is a Flat Amount, you have to indicate the currency of the charge or fee. The charge or fee when applied on a transaction will be collected in this currency. The input to this field can be any currency that is maintained as part of Currency Definition in Oracle Banking Trade Finance Cloud Service.</p> <p>The amount itself is specified subsequently through this screen. This amount can be changed during contract processing.</p> <p>Charges or fees can be calculated for a transaction on the basis of tiers or slabs. When building a charge rule, you should also indicate the currency of the tiers or slabs based on which you levy the charge. This is the Basis Amount Currency. If the transaction is in a different currency, then the charge is calculated after converting it to the currency of the tiers and slabs.</p>	
<u>Maximum and Minimum Charge Amount</u>	
Specify the following details.	
Maximum Amount	If the charge is based on a fixed rate, you should specify the maximum amount that can be applied on a contract involving the Rule ID. If the charge calculated using this Rule ID exceeds this amount for a contract, the maximum amount specified in this field will be applied instead of the amount calculated using the fixed rate.
Maximum Rate	If the charge is based on a fixed rate, you should specify the maximum rate that can be applied on a contract involving the Rule ID. If the charge calculated using this Rule ID falls above the amount which is computed using the maximum rate defined in the rule, then the amount which is computed using the maximum rate will be collected.
Minimum Amount	If the charge is based on a fixed rate, you should specify the minimum amount that can be applied on a contract involving the Rule ID. If the charge calculated using this Rule ID falls below this amount for a contract, the minimum amount specified in this field will be applied instead of the amount calculated using the fixed rate.
Minimum Rate	If the charge is based on a fixed rate, you should specify the minimum rate that can be applied on a contract involving the Rule ID. If the charge calculated using this Rule ID falls below the amount which is computed using the minimum rate defined in the rule, then the amount which is computed using the minimum rate will be collected.

Table 1-4 (Cont.) Trade Finance ICCB Rule Maintenance - Field Description

Field	Description
Tiered Amount	You can create a Charge Rule that would calculate charges on the basis of an amount structure. This structure could be in tiers or in slabs. Check against 'Tiered Amount' if the Basis Amount structure will be Tiers. Leave it blank if the Basis Amount structure is Slab.
Bracket Tenor	You can create a Charge Rule which calculates charges on the basis of an amount structure. In this table you define the different attributes of amount structure based on which the charges are calculated.
Basis Amount To	You should specify the upper limit of the slab or tier to which a particular rate or amount should be applied as a charge.
Fixed Rate	If the charge is a percentage of an amount, specify the applicable rate. This rate will be applied on the Basis Amount To, depending on whether you have defined the application basis, as a slab or a tier.
Charge Unit	The Charge Unit specifies the unit for rounding up a charge basis amount or fee basis amount to the nearest amount. The charge or fee will be calculated on the rounded basis amount.
Flat (CCF) Amount	To levy a flat charge, specify the flat amount. This amount will be applied on the Basis Amount, depending on whether you have defined the application basis as a slab or a tier.
Floor Basis Amount	<p>You should specify this only if the Amount Basis is a Tier. This will be the upper limit of the previous tier limit. By default, the amount specified as the 'Basis Amount To' for the previous tier limit will be displayed. For the first limit in the tier do not specify this.</p> <p>This amount, along with the Floor CCF Amount, is used to calculate the charge.</p>
Floor CCF Amount	You should specify this only if the Rule Type is a Commission.
Tenor Details – Tenor From and Tenor To	The tenor is in days. For instance, If Tenor from and Tenor to are given as '0' and 91, the tenor slab is from '0' days to '91' days.

1.3.5 Sequence for Resolution of ICCB Rules

ICCB Rules that you maintain are resolved in the following sequence:

Rule	Branch	Customer Category	Customer	Currency	Channel Type
Specific	Specific	Specific	Specific	Specific	Default
Specific	Specific	Specific	Specific	ALL	Default
Specific	Specific	Specific	ALL	Specific	Default
Specific	Specific	ALL	ALL	Specific	Default
Specific	Specific	Specific	ALL	ALL	Default
Specific	Specific	ALL	ALL	ALL	Default
Specific	ALL	Specific	Specific	Specific	Default
Specific	ALL	Specific	Specific	ALL	Default
Specific	ALL	Specific	ALL	Specific	Default
Specific	ALL	ALL	ALL	Specific	Default
Specific	ALL	Specific	ALL	ALL	Default
Specific	ALL	ALL	ALL	ALL	Default
Specific	Specific	Specific	Specific	Specific	Online
Specific	Specific	Specific	Specific	ALL	Online
Specific	Specific	Specific	ALL	Specific	Online
Specific	Specific	ALL	ALL	Specific	Online
Specific	Specific	Specific	ALL	ALL	Online
Specific	Specific	ALL	ALL	ALL	Online
Specific	ALL	Specific	Specific	Specific	Online
Specific	ALL	Specific	Specific	ALL	Online
Specific	ALL	Specific	ALL	Specific	Online
Specific	ALL	ALL	ALL	Specific	Online
Specific	ALL	Specific	ALL	ALL	Online
Specific	ALL	ALL	ALL	ALL	Online

1.3.6 Defining Charge Rule Application Conditions

When you have built charge rules, you are ready to build Charge Classes. When creating a product, you can link it with a Charge Class you have built. Thus, the definition of charge rules should precede the definition of Charge Classes and Product Definition.

1.4 Charge Class

This section contains the following topics:

- Defining a Charge Class
- Indicating whether Advice Processing Charges Need to be Collected
- Associating a Charge Class with a Product
- Associating Several Charge Classes with a Product
- [Define a Charge Class](#)
This topic provides systematic instructions to define a charge class.
- [Indicating whether Advice Processing Charges Need to be Collected](#)
- [Associating a Charge Class with a Product](#)

- [Associating Several Charge Classes with a Product](#)

1.4.1 Define a Charge Class

This topic provides systematic instructions to define a charge class.

A class is a specific type of component that you can build with certain attributes. You can build a charge class, for instance, with the attributes of a specific type of charge, such as 'Charges for amending the terms of a transaction', or 'Charges for provision of services'. To recall, a charge rule is built to calculate a specific type of charge component.

Once such a rule is built, you can define attributes like what should be the basis amount on which the charge rule is applied, when the charge should be associated to the contract and when the charge should be calculated and collected.

When building a charge class, you define certain attributes such as:

- The module in which you would use the class
- The charge type (whether borne by the counter party or by the bank)
- The association event
- The application event
- The liquidation event
- The default settlement currency
- The default charge rule
- The basis amount on which the charge is calculated

Specify **User ID** and **Password**, and login to Homepage.

1. On Homepage, type '**CFDTFCCM**' in the text box, and click next arrow.

You can define the attributes of a charge class in the '**Trade Finance Charge Class Maintenance**' screen, loaded from the Application Browser.

The '**Trade Finance Charge Class Maintenance**' screen is displayed.

Trade Finance Charge Class Maintenance

New

Enter Query

Module List *

Class Code *

Charge Type

Third Party Type

Module Description

Description

Debit or Credit

Add/Subtract

Swift Qualifier

Association Event

Application Event

Liquidation Event

Basis Amount Tag

Default Charge Rule

Default Settlement Currency

Default Waiver

Allow Rule Amendment

Capitalize

Consider as Discount

Fields

Audit

Exit

2. On 'Trade Finance Charge Class Maintenance'screen, specify the fields.
For more information about the fields, refer [Table 1-5](#):

Table 1-5 Trade Finance Charge Class Maintenance - Field Description

Field	Description
Class Code	Before defining the attributes of a charge class, you should assign the class a unique identifier, called the Class Code and briefly describe the class. A description would help you easily identify the class.

Table 1-5 (Cont.) Trade Finance Charge Class Maintenance - Field Description


Field	Description
Module List	<p>A charge class is built for use in a specific module. As a charge component would be applied on different basis amounts, in different modules. In the Letters of Credit module, for instance, you would apply a flat processing charge or fee on all LCs. In the Securities module, you could levy a flat charge or fee on portfolios that you maintain on behalf of a customer. The basis on which the component is applied is different, in these two cases.</p> <div style="border: 1px solid #ccc; padding: 10px; margin: 10px 0;"> <p> Note</p> <p>The Basis Amount Tags available would depend on the module for which you build the class.</p> </div> <p>The charges or fee that you levy will be recovered, typically, from the counterparty involved. Therefore, when building a charge class, you may indicate the charge to be of 'Counterparty' type.</p>
Charge Type	<p>Charges can be collected from the counter party or from a third party. You can select one of the following values from the adjoining drop-down list:</p> <ul style="list-style-type: none"> Counter Party – This indicates that the customer is captured as part of the contract Third Party – This indicates that the charges are levied on another entity on behalf of customer (Example: Custodian) Their Charges – This indicates that your bank is collecting other bank's charges as in the case of LC and BC contracts.
Debit /Credit	<p>Choose the Debit option in this field, if the charge component associated with the product is to be debited to the customer. If you would bear the charge component, choose the 'Credit' option.</p> <p>The following example illustrates how a charge could be of a 'Credit' type.</p>
Propagation Required	<p>Check this option to indicate that the charge collected from the borrower must be passed on to the participants of the contract.</p>

Table 1-5 (Cont.) Trade Finance Charge Class Maintenance - Field Description


Field	Description
Net Consideration	<p>The sum of the different components of a contract determines the net value of the contract. You can indicate that a charge component should be taken into account when determining the net value of a contract by choosing the Net Consideration option.</p> <div>  Note The Net Consideration option is applicable if you are defining a charge class for Securities module. </div>
Add/Subtract	If you choose to include the charge component in the net value, you should indicate if the charge component is to be added, while calculating the net consideration amount, or subtracted.
SWIFT Qualifier	You can report the charge component of a contract in the SWIFT messages that you generate. To do this, identify the component, when building it in the ' Charge Class Maintenance ' screen, with the appropriate SWIFT code.
<p>Events A contract goes through different stages in its life cycle, such as:</p> <ul style="list-style-type: none"> • Initiation • Amendment • Rollover <p>Each of these stages is referred to as an 'Event' in Oracle Banking Trade Finance Cloud Service. At any of these events, you can choose to apply a charge or fee. When defining a charge class, you should specify:</p> <ul style="list-style-type: none"> • The association event • The application event • Liquidation event <p>The event at which you would like to <i>associate</i> a charge component to a contract is referred to as the Association Event. At this event, no accounting entry (for the charge component) is passed.</p> <p>The event at which the charge component is actually <i>calculated</i> is referred to as the Application Event. At this event, no accounting entry (for the charge component) is passed. The charge or fee is liquidated at the Liquidation event that you specify.</p> <p>If the event chosen for the liquidation of the charge component at the charge class and the event chosen for liquidating the same charge component at the 'Product Events and Accounting Entries' screen are different, the charge will not be liquidated and accounting entries will not be posted.</p>	

Table 1-5 (Cont.) Trade Finance Charge Class Maintenance - Field Description

Field	Description
Basis Amount Tag	<p>The basis on which interest, charge, fee, or tax is calculated is referred to as the Basis Amount. (A charge or fee can be on the basis of the contract amount, for instance.) The different basis amounts, available in a module, are associated with a unique 'tag'. When building a charge component, you have to specify the tag associated with the Basis Amount. When charge or fee is calculated for a contract, the basis amount corresponding to the tag will be picked up automatically.</p> <p>Basis amount refers to:</p> <ul style="list-style-type: none"> • Principal amount or commitment • Transaction amount in the case of a teller entry • Transfer amount in case of a Remittance • LC amount in the case of a Letter of Credit • Bill amount in the case of a Bill
Default Charge Rule	<p>You can link a charge rule that you have defined to the charge component that you are building. When you link a rule to a component, the attributes that you have defined for the rule will default to the component.</p> <p>To recall, a charge rule identifies the method in which charge or fee of a particular type is to be calculated. A rule is built with, amongst others, the following attributes:</p> <ul style="list-style-type: none"> • The charge currency • Whether the charge or fee is to be a flat amount or calculated on a rate basis • The minimum and maximum charge that can be applied • The tier or slab structure on which the charge is to be applied • The customer and currency restrictions, etc. <p>The charge component to which you link a rule acquires these properties. Charges for the product with which you associate a charge component will be calculated, by default, according to the rule linked to the component. However, when processing a contract, you can choose to waive the rule altogether.</p> <p>When building a charge class, you can choose to allow the amendment of the rule linked to it, in the following conditions:</p> <ul style="list-style-type: none"> • You can choose to allow amendment after the association event • You can choose to allow amendment after the application event • You can choose to allow amendment of the charge amount

Table 1-5 (Cont.) Trade Finance Charge Class Maintenance - Field Description

Field	Description
Default Settlement Currency	<p>Charges or fees levied on a contract will be settled in the Settlement Currency that you specify for the charge class associated with the product (under which the contract is processed). However, when processing a contract, you can choose to settle the charge in another currency.</p> <p>The charge currency defined for the rule is used only for booking charges. The actual settlement is done in the default settlement currency' maintained for the charge class. The final charge is computed based on preferences defined in the charge rule set-up. The amount is converted to the settlement currency in case the charge currency is different from the contract currency.</p> <div> <p>Note</p> <ul style="list-style-type: none"> For the liquidation of charge components with a charge currency not equal to the contract currency during discounting, the charge amount is calculated in the contract currency based on the exchange rate between the settlement currency and the contract currency as on the discounting date. The charge amount in contract currency is used for accounting. If the charge currency is different from the contract currency and the contract currency is same as the settlement account currency, the exchange rate maintained for the settlement account through the 'Settlement Message Details – Account Details' screen is used to convert the charge amount into the contract currency amount. </div> <p>When you associate a charge component with a product, you can choose to allow the amendment of the rule linked to it, under the following conditions:</p>
Default Waiver	The charge component to which you link a charge rule acquires the properties defined for the rule. Charges for contracts (maintained under the product with which you associate the class you are building) will be calculated, by default, according to the rule linked to the component. However, when maintaining a product, you can choose to waive the rule altogether. If you want to indicate that the charge rule must be deemed as waived by default, select this option.
Allow Rule Amendments	If you would like to allow the amendment of a rule for a charge component when linked to a contract, check this box.
Amend After Association	If you would like to allow the amendment after association of a rule for a charge component, check this box. Once checked the system will allow you to modify the rule after the association event is triggered for the linked contract.
Allow Amount Amendment	If you would like to allow amendment of the charge amount calculated by the system as per the charge rule, check this box.
Amend After Application	If you would like to allow the amendment of the charge amount after application of a rule for a charge component, check this box. Once checked the system will allow you to modify the charge amount after the application event is triggered for the linked contract.

Table 1-5 (Cont.) Trade Finance Charge Class Maintenance - Field Description

Field	Description
Capitalize	<p>You can capitalize the payment of charges and fees. If the charge is not paid on a scheduled date, the outstanding charge amount will be added to the outstanding principal and this becomes the principal for the next schedule. If a partial payment has been made, the unpaid amount will be capitalized (the unpaid charge is added to the unpaid principal and this becomes the principal for the next schedule).</p> <div> <p>Note</p> <p>If the 'Capitalize' option is not checked for the broker, deal, product and currency combination, then the option 'Consider as discount' cannot be checked for the securities module.</p> </div>
Consider as Discount	<p>While defining a charge class for either the securities or the bills module, you can indicate whether the charge component is to be considered for discount accrual on a constant yield basis.</p> <p>If you select this option the charge received against the component is used in the computation of the constant yield and subsequently amortized over the tenor of the associated contract.</p> <p>Checking this option also indicates that the component is to be used for IRR calculation.</p> <div> <p>Note</p> <p>IRR, the Internal Rate of Return is the annualized effective compounded return rate which can be earned on the invested capital, i.e. the yield on the investment.</p> </div>
Accrual Required	<p>Checking this indicates that the charges have to be accrued. Subsequently, the charges are accrued using the upfront fee system.</p> <div> <p>Note</p> <p>This option is disabled for BC contracts.</p> </div>

Table 1-5 (Cont.) Trade Finance Charge Class Maintenance - Field Description

Field	Description
Collect LC Advising Charges in Bills	<p>Check this box to indicate that the charge class used with an LC should be liquidated or transferred as a part of the bill availed against the LC. You can check this option only for LC module. If you check this box for other modules, then system will display an error message.</p> <p>This check box indicates whether the charge component needs to be transferred onto the bill or should be collected from the customer during the liquidation event of the charge component as a part of the LC. During authorization of charge component the system automatically creates liquidation amount tags for the component for LC module.</p> <p>If you select this option, then the system will allow for definition of accounting for the component as a part of Bill and/or as a part of the LC. This enables to define the accounting entries for this component and can be recovered the same as part of Bill. Accounting roles of the bills module are associated with such charges. These roles can be used to transfer the charges onto Bills.</p>
Discount Basis	<p>While defining a charge class for the bills module, you can define the discount basis for the purpose of IRR computation. You can choose either of the following as discount basis:</p> <ul style="list-style-type: none"> • Inflow – If you choose Inflow, the charge will be considered as an inflow for IRR computation • Outflow – If you choose Outflow, the charge will be treated as an outflow for IRR computation <p>You can define discount basis only if the 'Consider as Discount' option is enabled. If you have not opted for 'Consider as Discount', the Discount Basis field will be disabled. If the 'Consider as Discount' option is enabled Discount basis has to be defined. On enabling the 'Consider as Discount', the default value of Discount Basis will be 'Inflow' and you will have to change it to 'Outflow' if required.</p>

Table 1-5 (Cont.) Trade Finance Charge Class Maintenance - Field Description

Field	Description
Collect LC Charges in Bills	<p>Check this box to indicate that the charge class, when used with an LC, needs to be liquidated / transferred as a part of the bill availed against the LC .</p> <p>When selected, the system shall allow for definition of accounting for the component as a part of Bill and / or as a part of the LC. This shall enable any receivable accounting to be set up as a part of the LC, and subsequent transfer from the receivable GL as a part of the Bill.</p> <p>This flag is enabled only for LC module. For other modules, this is disabled with default value as 'No'.</p> <div> <p>Note</p> <ul style="list-style-type: none"> The charge component can be marked as 'Collect LC Charges in Bill' or 'Collect LC Advising Charges in Bill'. Either one of the selected but not both. Both can be null. Collect LC Charges in Bill' and 'Collect LC Advising Charges in Bill' cannot be selected when track receivable or payable is selected at rule level. Collect LC Charges in Bill' and 'Collect LC Advising Charges in Bill' cannot be selected along with third party charge type. </div>
Price Details	
External Pricing	Check this box to indicate that external charges can be fetched from external pricing and billing engine for contracts created under this product.
Debit Customer as part of Billing	Check this box to indicate that the configured charge will be debited from customer account as part of billing feed from external pricing and billing engine. Charge Components for a Product

- On '**Product Definition**' screen, click '**Charges**' button.

You can specify the charge components applicable to a product.

The '**Charge Details**' screen is displayed:

Charge Details ✕

Product Code		Product Description	
--------------	--	---------------------	--

Component Details

◀ 1 Of 1 ▶ + -

Component *

Description

Stop Association ☐

Charge Type		Debit/Credit	
Third Party Type		Add/Subtract	
Advice Charge	<input type="checkbox"/>	SWIFT Qualifier	

Event Details

Event For Association		Event For Application	
Description		Description	
Event For Liquidation		Basis Amount Tag	
Description		Description	

Rule Details

Settlement Currency	<input type="text"/> <input type="button" value="Q"/>	Default Walver	<input type="checkbox"/>
Rule	<input type="text"/> <input type="button" value="Q"/>	Capitalize	<input type="checkbox"/>
Description		Collect LC Advising Charges in Bills	<input type="checkbox"/>
		Collect LC Charges in Bills	<input type="checkbox"/>

Pricing Details

External Pricing ☐

Other Details

Allow Rule Amendment ☐

Amend After Application ☐

Amend After Association ☐

Consider as Discount ☐

Allow Amount Amendment ☐

Discount Basis

Accrual Required ☐

You should necessarily use a charge class to indicate the charge components applicable to a product. (A charge class is a specific type of component that you can build with certain attributes.)

1.4.2 Indicating whether Advice Processing Charges Need to be Collected

For each advice that is linked to the product you can specify whether charges incurred for sending the relevant advices to the customer through the various media should be charged to the customer account or whether they should be waived.

Your specification will be defaulted to all the contracts involving this product. However, you will be allowed to change this specification while processing individual contracts.

Note

This specification applies only to LC and Bills products.

1.4.3 Associating a Charge Class with a Product

To associate a charge class with a product, click 'Default From Class' button from the Charge Definition screen. Select the appropriate charge class from the list of classes defined specifically for the particular module of Oracle Banking Trade Finance Cloud Service.

The attributes defined for the charge class are displayed. You have the option to change the attributes defined for the charge class to suit the requirement of the product you are creating.

1.4.4 Associating Several Charge Classes with a Product

You can associate several charge classes with a product. To add to the list of classes associated with the product click on add icon. Thereafter, click 'Default From Class' button to select a class from the option list that is displayed. To navigate among the charge classes associated with a product, you can use the icons provided for the same. To disassociate a class from the product, navigate to the class, and click delete icon.

Stop Association

You can instruct the system not to calculate charge for a product by clicking this option.

The charge details specified for a product will be automatically applied on all contracts involving the product. However, while processing a contract, you can waive the application of all or specific charge rules for the contract.

Propagation Required

This option defaults from the 'Charge Class Maintenance' screen but can be modified here if required. Check this option to indicate that the Charge collected from the borrower must be passed on to the participants of the tranche or drawdown contract.

Settlement Currency

Charges or fees levied on a contract are settled in the Settlement Currency that you specify for the charge class associated with the product (under which the contract is processed). However, when processing a contract, you can choose to settle the charge in another currency.

Following points are noteworthy for bills:

- For the liquidation of charge components with a charge currency not equal to the contract currency during discounting, the charge amount is calculated in the contract currency based on the exchange rate between the settlement currency and the contract currency as on the discounting date. The charge amount in contract currency is used for accounting. This pertains to BC contracts.
- If the charge currency is different from the contract currency and the contract currency is same as the settlement account currency, the exchange rate maintained for the settlement account through the 'Settlement Message Details – Account Details' screen is used to convert the charge amount into the contract currency amount.

Collect LC Advising Charges in Bills

Check this box to indicate that the charge component defined for the product can be collected as a part of a bill availed under the LC.

You can check this box only for Export type of LC. If this option is checked in the charge class, you can modify this checkbox at product level. In case if this charge component is linked for Import LCs then this option gets defaulted as 'N'.

Checking this box ensures that the component is marked for transfer onto Bills. The LC charges due are stored in a data store, which are populated only upon checking this box at the selected product.

Collect LC Charges in Bills

Check this box to indicate that the charge class, when used with an LC, needs to be liquidated / transferred as a part of the bill availed against the LC.

When selected, the system shall allow for definition of accounting for the component as a part of Bill and / or as a part of the LC. This shall enable any receivable accounting to be set up as a part of the LC, and subsequent transfer from the receivable GL as a part of the Bill.

This flag is enabled only for LC module. For other modules, this is disabled with default value as 'No'.

Note

- The charge component can be marked as 'Collect LC Charges in Bill' or 'Collect LC Advising Charges in Bill'. Either one of the selected but not both. Both can be null.
- Collect LC Charges in Bill' and 'Collect LC Advising Charges in Bill' cannot be selected when track receivable or payable is selected at rule level.
- Collect LC Charges in Bill' and 'Collect LC Advising Charges in Bill' cannot be selected along with third party charge type.

Consider as Discount

While associating a charge class for either securities or a bills product, you can indicate whether the charge component is to be considered for discount accrual on a constant yield basis.

If you check this box the charge received against the component is used in the computation of the constant yield and subsequently amortized over the tenor of the associated contract.

Accrual Required

This option is defaulted from the 'Charge Class Maintenance' screen and cannot be modified during product association.

Note

This option is disabled for BC contracts.

Advice Charge

The system defaults the local currency as charge currency when this check box is checked. If unchecked, then the system defaults the charge currency as per the ICCB rule maintenance.

Discount Basis

While defining a charge product for the bills module, if you choose to associate a Charge Class to the Charge Product, the product will inherit all the attributes defined for the class. But you can override the value of 'Discount Basis' from what has been defined in the charge class. If you have not chosen to associate the Charge Product with a Charge Class, to define the discount basis for the purpose of IRR computation, you can choose either of the following as discount basis:

- Inflow – If you choose Inflow, the charge will be considered as an inflow for IRR computation
- Outflow – If you choose Outflow, the charge will be treated as an outflow for IRR computation

You can define discount basis only if the 'Consider as Discount' option is enabled. If you have not opted for 'Consider as Discount', the Discount Basis field will be disabled. If the 'Consider as Discount' option is enabled Discount basis has to be defined. On enabling the 'Consider as Discount', the default value of Discount Basis will be 'Inflow' and you will have to change it to 'Outflow' if required.

1.5 Contract Charge Details

This section contains the following topics:

- Specifying Charge Details
- Indicating whether Advice Processing Charges Need to be Collected
- [Specifying Charge Details](#)
This topic provides systematic instructions to specify charge details.
- [Indicating whether Advice Processing Charges Need to be Collected](#)

1.5.1 Specifying Charge Details

This topic provides systematic instructions to specify charge details.

The charge details pertaining to the contract are specified in the '**Charge Details**' screen.

1. On '**Contract Online**' screen, click '**Charge**' button.

The '**Charge Details**' screen is loaded as follows for the different modules of Oracle Banking Trade Finance Cloud Service:

Click '**Charges**' button in the '**Contract Input**' screen of any module.

When the details of a contract are captured, the charge components defined for the product will automatically apply on it. However, while processing a contract, you can change certain attributes of the charge component.

Note

In case Charge Currency and Settlement currency are different, exchange rate is handled as per rate code specified in '**Account Details**' tab in settlement button.

The **Charge Details** screen is displayed:

Charge Details

Contract Reference *

Details

Charge Association

☐

Creation ESN

☐

Component *

☐

Rule

☐

Description

☐

Consider as Discount☐☐☐☐

No data to display.

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

Charge Application

☐

Creation ESN

☐

Component *

☐

Tag Currency☐☐☐☐☐☐

No data to display.

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

Charge Liquidation

☐

Event Sequence Number

☐

Component

☐

Charge Currency☐☐☐

Exit

Save

2. On 'Charge Details'screen, specify the fields.
For more information about the fields, refer [Table 1-6](#):

Table 1-6 Charge Details - Field Description

Field	Description
Contract Reference	The contract reference number of the contract you are processing will be displayed on this screen.
Charge Association The charge components specified for the product to which you have linked the contract will be displayed in tabular columns. You can choose to waive these components for the contract you are processing.	
Event Sequence Number	This displays the event number which depends on the life cycle of the contract processing. You cannot modify this value.
Specifying Charge Details Specify the following details.	

Table 1-6 (Cont.) Charge Details - Field Description

Field	Description
Component	<p>The name given to the charge component will be displayed here. The attributes defined for this component will be displayed in the subsequent fields.</p> <p>For a charge component the following details are displayed:</p> <ul style="list-style-type: none"> • The event that triggers the application of the charge being defined • If the charge is a rate, it is defaulted from the product. You cannot the change the rate at which the charge is calculated. However, you can modify the calculated charge amount • The currency in which the charge is specified if it is a flat amount and the flat amount itself • If the charge component is to be considered for discount accrual on a constant yield basis, 'Consider as Discount' option will be checked. You cannot modify this value.
Waived	<p>The attributes of a charge or fee defined for a product will be applied on all contracts involving the product. To waive the charge or fee on a contract you are processing, choose this option. The charge or fee will be calculated but not applied.</p> <div> <p>Note</p> <ul style="list-style-type: none"> • If you waive the charge or a fee, the system will calculate the charge but does not affect the collection of charge or fee • If you opt for 'Stop Association', the system will NOT calculate the charge at all </div>
Accrual Required	<p>This option is defaulted from the product charge class maintenance and cannot be modified.</p> <div> <p>Note</p> <p>This option is disabled for BC contracts.</p> </div>

1.5.2 Indicating whether Advice Processing Charges Need to be Collected

You can choose to debit the customer account for the charges incurred for sending an advice to the customer through the various media types. You also have the option of waiving these charges. This specification is defaulted from the product to which the contract is linked. You have the option of changing this while processing an individual contract.

AR-AP Tracking

This field is defaulted based on the track receivable preference set at the rule level for the charge class. You can edit this if required. If checked, LQ contract is created for that charge

component. On unchecking, charges will be collected from the customer at the time of contract processing.

Note

This specification applies only to LC and Bills contracts.

Split

This field will be disabled by default. User can edit this if required. If checked, the charge component will be enabled for split settlement between different parties (such as applicant/beneficiary and so on.) and to be collected at contract level. Both waived and split cannot be selected together. This field is applicable for below scenarios.

- Import LC Issuance
- Import LC Amendment
- Export LC Advise
- Export LC Amendment
- Guarantee/SBLC Issuance
- Guarantee/SBLC Issuance Amendment
- Guarantee/SBLC Advice
- Guarantee/SBLC Advice Amendment

Again at the time of saving the contract the system displays the **‘Product Event Advices Maintenance’** screen wherein you will be allowed to do the following:

- Suppress an advice from being sent
- Change the Priority of the advice
- Indicate that charges need to be collected from the receiving party.

Class Code

Class Description

Event Code

BACP

Event Description

Acceptance of a Bill

Message Type

ACKNOWLEDGEMENT

Description

Acknowledgement Advice

Generation Time

Authorize

Suppress

No

Priority

Low

Page

1 of 1

(1 of 1 items)

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1

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>

Cancel

Save

Specify the following details in this screen.

Field	Description
Product Code	This indicates the Product code to which you have linked the contract.
Event Code	This indicates the Event code and is defaulted from the product to which the contract is linked.
Advices	<p>The Advices attached to the product to which you have linked the contract displays in tabular columns.</p> <p>If you indicate that the customer is the receiver of charges, the system automatically locates the relevant Receiver, Media and Country combination from the available Charge Maintenance Details records and deducts the charge amount associated with the particular combination.</p> <p>The Charge amount is deducted from the customer account in the specified currency.</p> <div style="border: 1px solid #ccc; padding: 10px; margin-top: 10px;"> <p>Note</p> <p>If you have not maintained a Charge Maintenance Details record for the particular customer, the system uses the wildcard entry type record to deduct the charge amount.</p> </div>

1.6 List of Glossary - Processing Charges

CFDTFRLA

Trade Finance ICCB Rule Availability Maintenance - [Loading ICCB Rule Availability Maintenance](#)

CFDTFRUL

Trade Finance ICCB Rule Master - [Maintain ICCB Rule Master](#)

CFDTFRLM

Trade Finance ICCB Rule Maintenance - [Build Charge Rule](#)

CFDTFCCM

Trade Finance Charge Class Maintenance - [Define a Charge Class](#)

Glossary