What's New in

Temenos Transact

December 2021

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Release Highlights

Application Framework

Security Management System » Forwarding JWT Token through Keycloak to PAP UI

PAP UI supports single sign-on. This is achieved using the JWT token-based authentication; if the login is successful, PAP UI is launched, and all the PAP UI operations are accessed.

> **The topic related to this feature is given below:**
>
> Forwarding JWT Token through Keycloak to PAP UI

Security Management System » Fetching Transact Resources and Attributes through System Call

In PAP UI, from the **Product** drop-down list, all the available products including Transact were fetching data (such as resources and attributes) from the papRuntime folder using meta API call. PAP UI now supports system API call if Transact is selected from the **Product** drop-down list to fetch data.

> **The topic related to this feature is given below:**
>
> Fetching Transact Resources and Attributes through System Call

Banking Framework

Limits » Temporary Overdraft Limit

The `LIMIT.SUB.ALLOC` application in Temenos Transact has been enhanced with the following:

- The *Effective Date* field now accepts a future date, where funds from the source limit are booked instantly to ensure their availability when the sub-allocation becomes effective.
- The *Auto Restore Limit* field now has a value 'Maximum'; in case of either revolving or non-revolving limits, when the sub-allocation expires, funds returned to source limit will always be capped with the target limit's available amount; if the available amount is less than the sub-allocated amount, only what is left of the available amount will be reverted.

In addition to the existing two limit tiers (one for limit amount and one for excess overdraft), the system is enhanced to maintain an additional third interest tier for the temporary limit increase. The *Temp Limit* field has been added to the `ACCOUNT.DEBIT.LIMIT` application that displays the Temporary Limit amount. This field is used to derive the interest threshold in the AA arrangement for temporary limit amount.

The functionality allows the user to:

- Reserve funds under the source limit.
- Perform future-dated sub-allocations.
- When the sub-allocation expires, funds returned can be capped with the available amount of the target limit.
- Set up different charges and interest conditions for sub-allocated amounts.

The topics related to this feature are given below:

Temporary Overdraft Limit

Configuring Reservation Limit

Limit Sub-allocation

Temporary Limits

Banking Framework » Backdated Attribute Changes for Tax Related Tables

System considers the latest static attributes for the backdated transactions to calculate taxes and charges. However, certain backdated business transactions require considering the tax attributes based on the backdated effective date.

This enhancement enables the `CUSTOMER.CHARGE.HISTORY` and `TAX.TYPE.COND.HISTORY` cross-reference tables to store the effective date of change in tax related attributes for the `CUSTOMER.CHARGE` and `TAX.TYPE.CONDITION` tables. The tax-processing engine is modified to calculate the taxes and charges for the effective date, which is supplied by the business application, with the prevalent tax related static data attributes. It provides the ability to,

- Process the taxes and charges of the backdated transaction with the prevalent static data attributes.
- Maintain the history of changes when tax related attributes impacts the `CUSTOMER.CHARGE and TAX.TYPE.CONDITION` tables.

The topic related to this feature is given below:

Working with Tax Related Tables

Direct Debit » SEDA E-mandates – Outbound Flow

Temenos Transact is enhanced to allow the debtor bank initiate and process the Direct Debit mandate amendment (pain.010) and cancellation (pain.011) requests. These requests can be applied for DD mandates registered manually or through TPH and through the E-mandate flow. For DD mandates that are not registered through an E-mandate flow, the requests can be immediately applied to the DD mandate and are considered when the next Direct Debit collection is processed against the respective mandate.

In case of Direct Debit E-mandates, these requests cannot be immediately applied. The amendment (pain.010) and cancellation (pain.011) requests are sent to the creditor, considering its current creditor bank (the creditor can change their banks during the lifetime of the DD mandate). After the pain.010 and pain.011 requests are sent to the Centralised Mandate Service, Temenos Transact receives a pain.012S2 file with the file acceptance confirmation from the Centralised Mandate Service.

The Centralised Mandate Service passes the valid amendment and cancellation requests to the instructed agents. After creditor banks process these requests, they send back pain.012 messages through the Centralised Mandate Service – E-Mandates flow, with the acceptance or rejection confirmation. Based on the received acceptance report, the Direct Debit mandate is amended or cancelled automatically, or no action is performed.

This functionality allows to:

- Register Direct Debit Mandate amendment and cancellation request for a DD mandate that is registered either manually or through TPH, or through an E-mandate flow by a creditor bank.
- Send to the Centralised Mandate Service files containing ISO 20022 pain.010 and pain.011 messages based on which the system amends or cancels DD mandates.
- Receive pain.012 acceptance reports from the Centralised Mandate Service confirming the acceptance of the DD mandates amendment and cancellation requests.

The topics related to this feature are given below:

SEDA E-mandates –Outbound Flow

Amending a DD Mandate

E-mandates Support

Parametrisation for Outward Files

Working with E-mandates

Corporate

Risk Participation » Share Transfer in Risk Participants

A loan always has a credit risk associated with it as the borrower may default on his repayments. The banks need to ensure that the loans are paid back by the borrower without fail. They mitigate the risk exposure in a loan by selling the risk exposure to other banks that help them to diversify the risk portfolio.

It is not mandatory for the banks to add the risk participants in a contract while sanctioning the loan. It can be added to the contract and risk exposure can be transferred even after the loan is sanctioned. The Share Transfer Transaction Class is now enhanced to allow Risk Share Transfer between the owning banks and risk participants in bilateral as well as club loan contracts. The owning banks can make changes to their existing risk portfolio by selling or buying risk exposures from other risk participant banks during the life term of the loan. They can also cancel the risk participation of other banks in the contract through share transfer buy back.

The topics related to this feature are given below:

Share Transfer in Risk Participants – Club loans

Share Transfer in Risk Participants – Bilateral loans

Islamic Banking

Islamic Financing » Direct Purchase of Asset from Seller – Ad hoc Vendor

Currently, an asset can only be purchased from the pre-configured vendor list. There was no option available to handle the purchase of an existing asset from the seller and make payment directly to the seller.

To overcome this, the new feature provides an option to the bank for purchasing the asset directly from an ad hoc vendor. It is not mandatory anymore to create a Vendor ID to initiate asset purchase using the `IS.CONTRACT` application.

- New fields introduced in `IS.CONTRACT` help to capture the *Seller Customer Number, Seller Name* and *Seller Account Number*.
- New Accounting status introduced helps to handle the accounting entries for purchasing the asset directly from the seller.

Click here to understand the installation and configuration updates for this enhancement.

The topics related to this feature are given below:

Islamic Deposits and PDS » Payment of Special HIBA Profit Amount for Mudaraba Deposits/Accounts

The profit amount for Mudaraba Deposits and Accounts is calculated and paid, based upon the profit rate calculated by the Profit Distribution System (PDS). If the bank decides to share an additional profit amount for special customers, then an option is required.

Special HIBA, is the new profit property introduced in the Mudaraba Deposits/ Accounts product. This additional profit amount can be paid to Mudaraba Deposits/ Account on and above the profit rate declared by PDS.

The user can capture this Special HIBA profit rate agreed with the customer. The Special HIBA profit amount is paid along with the principal profit amount to the customer. If the Mudaraba deposit is pre-closed, then the paid Special HIBA profit amount is adjusted in the principal amount.

Click here to understand the installation and configuration updates for this enhancement.

The topics related to this feature are given below:

Working with Islamic Deposit Products

Working with PDS – Distribution

Islamic Deposits and PDS » Mudaraba Savings Plan and Profit Capitalization for Mudaraba Deposits

The following are the new features introduced in Mudaraba Deposits:

- It is now possible to capitalize the profit amount for Mudaraba deposits. Once the PDS profit rate is declared, it is applied to the underlying Mudaraba deposits during PDS distribution. The profit amount is capitalized to the principal amount based upon the *Profit Pay Method*. During early maturity, the principal amount of the deposit (without capitalized capitalised profit amount) is used as base amount for profit amount re-calculation.
- A new Mudaraba savings plan product is available to create recurring deposits for desired a funding frequency. It provides a long-term low risk and high return avenue for savings with flexible payment options and affordable denominations to the depositors. These deposits participate in the PDS calculation and profit amount calculated can be capitalized into the Principal amount. During pre-closure of the Mudaraba savings plan the redemption fee can be collected from the maturity principal amount.

> **The topics related to this feature are given below:**
>
> Introduction to Islamic Accounts
>
> Working with Islamic Accounts

Islamic Deposits and PDS » Advance Profit Fixed Type Deposits

To enable paying the deposit profit amount in advance on the deposit booking date itself, a new deposit product called Advance Profit Fixed Type Deposit is introduced. Here, the profit amount on the Term deposit is calculated and paid upfront to the customer settlement account based on the selected tenor.

The deposit principal is funded by the customer and the profit amount for entire tenor of the deposit is calculated upfront on the deposit booking date and paid to customer account. While running the simulation using the Profit distribution system (PDS) for the period, these deposits are included in the PDS calculation. The PDS profit amount calculated for these deposits is accumulated till the deposit maturity date. On the maturity date, the difference between the profit

amount paid in advance and profit amount calculated by using PDS for this deposit, is subtracted from the Maturity principal amount and the remaining amount is paid to the customer account.

In case of break of deposit, the profit amount is re-calculated based on the actual completed tenure. Also new options are available to setup and automatically recalculate the profit amount during early maturity of Mudaraba deposits.

The topics related to this feature are given below:

Introduction to PDS – Simulation

Working with PDS – Simulation

Working with Islamic Deposit Products

Islamic Deposits and PDS » Tier-balance based Profit Calculation

Tier based balance calculation method using band/ level profit rate calculation is now available along with the daily, average, minimum methods to calculate profit amount for Mudaraba accounts.

Apply as Tier rate, Band or *Level* fields are introduced in the weightage parameter table (`ID.PDS.WEIGHT`) to complete the tier profit rate setup by using band/ level options.

While opening a Mudaraba account, the tier-based profit rate is populated from weightage parameter table. Daily profit accruals are posted by considering the end of the day balance in the Mudaraba account with tier-based profit rate setup. This account is included in the PDS profit calculation and profit rate/ profit amount is calculated for each tier balance. During PDS distribution, the calculated tier balance profit rate is applied to the underlying Mudaraba accounts.

The topics related to this feature are given below:

Introduction to Profit Distribution System

Working with Islamic Accounts

Islamic Deposits and PDS » Reversal of PDS Distribution

The user can now initiate the reversal of PDS distribution on the same day or on the subsequent day(s) from the PDS distribution stage. It is possible to reverse only the last PDS distribution.

It is mandatory to complete the PDS distribution for the reversed PDS calculation before running PDS calculation for subsequent periods. PDS simulation can be run for the reversed period. After updating the target rate the PDS distribution can be triggered for new PDS simulation. Since the PDS calculation is triggered for the reversed PDS distribution, it processes the reversal of old PDS distribution accounting entries. It is possible to trigger the reversal of PDS distribution on Day 1 and initiate the PDS distribution for new PDS simulation on subsequent days.

Click here to understand the technical impact of this enhancement for customisation and upgrades.

The topics related to this feature are given below:

Introduction to PDS – Distribution

Working with PDS – Distribution

Private Wealth

Securities » Support for Pre-Trade Compliance Checks as MiFID II

As per the MIFID II regulation, the banks must perform certain Pre-Trade Compliance Checks (PTCC) before executing any orders or trades to bring more transparency in the system.

The Securities module in Temenos Transact is now enhanced to perform the required PTCC checks and raise overrides and errors whenever the criteria are not acknowledged. This feature helps the banks to adhere to the MIFID II regulation and perform the required PTCC checks to safeguard the customer interest.

> **The topic related to this feature is given below:**
>
> Adhering to MiFID Regulation

Safe Custody Fees » Safekeep Charges during Disposal of Securities

Banks charge safe custody or safekeep fees at a defined frequency to keep the customer's holdings. During this period, there can be reduction of customer's security positions for various reasons, such as:

- Sale of the security
- Corporate action events such as redemption, exchange offer etc.,
- Transfer out of securities

Banks can now deduct the safekeep fees at transaction level whenever there is a reduction of security positions rather than waiting till the cut-off date. The fees charged is proportional to the nominal disposed. To provide this functionality,

the *Post Fee on Sale* field in `SAFECUSTODY.VALUES` is set to Sc option.

The topic related to this feature is given below:

Calculating and Posting Safekeep charges during disposal of securities

Regional Banking Solutions

Argentina Model Bank

Accounts » Adapt BCRA Customer Monthly Limit API

Central Bank of Argentina (BCRA) provides daily a list of customers that are not allowed to operate in the FX change, called blacklist.

This functionality allows banks to manage blacklisted customers which are stored in the `ARACCT.FX.BLACKLIST` application. After the blacklist validation succeeded, Temenos Transact will call Operation API to validate the eligibility of the customer to perform FX transactions. If the API response returns true, then the user will be able to authorise the payment. If the API response returns false, then the user won't be able to authorise the payment.

> **The topic related to this feature is given below:**
>
> Accounts

Taxes » Refund Codes for Tax Returns

Argentinian regulation includes tax returns, the returning of money to the customers, based on the information received via the Padron file from the Federal Administration of Public Revenues (AFIP) and jurisdictional tax regulators in Argentina. Additionally, a certificate can be given to be presented by the customer to the bank.

This functionality enables banks to find out if a refund was performed by a client request or by a bank request and to check if an account is blocked then update the status of the record accordingly. Also, banks can identify blocked accounts

through the automatic process.

The *Register Type* field has been added to the `PAYMENT.ORDER,TAX.RETURN.ACCOUNT.CREDIT` and `PAYMENT.ORDER,TAX.RETURN.ACCOUNT.DEBIT` versions to indicate if the refund was done by a client request or by a bank request.

The topic related to this feature is given below:

Taxes

Australia Model Bank

Address Interface

There is an existing functionality where the customer's address is fetched from the Equifax interface.

This functionality allows banks to capture the collateral address details and get it validated using the Equifax interface.

The following items have been introduced for this functionality:

- The `ASSET.REG.PROPERTY,INPUT.AU` version has been created to capture the collateral address which can be fetched through an interface with Equifax, a third party vendor. The `ASSET.REG.PROPERTY,AUTH.AU` version is used to authorise the records.
- The *Address Type*, *Address Lookup*, *Street Type* and *State* fields have been added to the `ASSET.REG.PROPERTY` application to capture the collateral address.

> **The topic related to this feature is given below:**
>
> Address Interface

Ethiopia Model Bank

Branch Operations » Cheque Date Validations

The functionality allows banks to enter the cheque dates using the Gregorian calendar. The system will validate the cheque date to identify stale dated and post-dated cheques and reject the transaction.

The *Cheque Date* field has been added to the `TELLER` application to store the Gregorian calendar date. A routine has been developed to verify the *Cheque Date* and check if it is stale dated or post-dated.

The `ETBROP.PARAMETER,STALE.CHQ.VALIDITY.INPUT` parameter version is used to configure the validity period for stale cheques.

The topic related to this feature is given below:

Branch Operations

Germany Model Bank

Taxation Interface to CPB SECTRAS » Derivatives Corporate Actions

This functionality allows banks to manage closeouts on derivatives Exchange Trade Derivatives (ETD) options. When there is a closeout on derivatives ETD options, the respective closeout details will be sent to CPB SECTRAS. In return CPB SECTRAS responds with the tax amount if applicable and the closeout transaction is authorised in Temenos Transact.

> **The topic related to this feature is given below:**
>
> Taxation Interface to CPB SECTRAS

Taxation Interface to CPB SECTRAS » Fraction Handling for Corporate Actions

This functionality allows banks to share the fraction details for the fractions resulting out of an entitlement to CPB SECTRAS using the BNK/DESCTX.CHILD.SEC.TRADE.AUTHORISE service. When the tax response is received from CPB SECTRAS, the child trade will be updated with the tax amount and STP authorised. If any error is received, then the details are rectified from the `DESCTX.SECTRAS.SCDX.TRANSACTIONS` staging application and the trade is resent to CPB SECTRAS.

> **The topic related to this feature is given below:**
>
> Taxation Interface to CPB SECTRAS

Taxation Interface to CPB SECTRAS » Taxation on Corporate Actions

The module supports the processing of worthless transactions, pool factor transactions, technical transfer out and transfer in transactions. The module also supports the processing of entitlements that have both cash and stock components. For events that have an underline cash and stock component as part of the entitlement, the *Cash or Stock Events* field has been added to the `DESCTX.SECTRAS.PARAMETER` application, where the bank needs to configure all the events where there are possibilities of both cash and stock based processed in the same entitlement.

The *Exclude Sat Ca* field has been added to the `DESCTX.SECTRAS.PARAMETER` parameter application to configure the sub asset types. Temenos Transact will exclude such diaries from sending them to CPB SECTRAS.

The topic related to this feature is given below:

Taxation Interface to CPB SECTRAS

Israel Model Bank

Matrix Tax Server Interface

This functionality allows banks to send the Ex Event Ratio, Index Rate, Security Trust Fund and the Foreign Currency files to the Matrix Tax Server during the Close of Business (COB).

The following items have been introduced with this functionality:

- The `ILMATX.DIARY.TYPE.PARAM` application has been introduced to configure the various applicable Matrix transaction types along with other features.
- The *Tase Tax Event Code* field has been added to the `SC.PRE.DIARY` and `DIARY` applications to store the TASE event code associated with the corporate action event.
- The *Tase Adhoc Tax* field has been added to the `DIARY` application to flag if the ad hoc tax ruling is applicable for the event.
- The *Tase Disc Rate* field has been added to the `SECURITY.MASTER` application to store the discount rates quoted by TASE exchange for a particular bond.
- The *Acct Entry Method* field has been added to the `ILMATX.PARAMETER` application to indicate how the accounting entries for the calculated taxes will be executed, based on the response file from the Matrix Tax server. The I/O option indicates that the original tax transaction initiated will be reversed and rebooked for the updated tax amount returned by Matrix. The ADJ option indicates that the total amount is charged from or refunded to the customer.
- The *New Sec Num* field has been added to the `SC.POST.EVENT.ADJUST` application to store the new security as a result of this corporate action for which the tax price is provided.
- The *Tax Price* field has been added to the `SC.POST.EVENT.ADJUST` application to store the applicable tax price.

Supplementary applications have been introduced to store other data from the Matrix Response File. This data can potentially be useful at later stages for

building reports.

- The `REPO,INPUT.FILE` version has been introduced to perform security borrowing and lending transactions.
- The `DX.TRADE,INPUT.FILE` version has been introduced to perform derivative transactions, for example, options and futures.
- The `DX.CLOSEOUT,INPUT.FILE` version has been introduced to close derivative transactions.

> **The topic related to this feature is given below:**
>
> Matrix Tax Server Interface

Fees Optimisation » Order Level Fees Optimisation

This functionality allows users to reverse security trades so that the order execution is updated with the correct nominal (quantity). The trade reversal and the execution update, in most cases, will happen before the fees service runs at Close of Business Day (COB). Hence, this will not have any impact on the fees calculations. In case of an order, which didn't have any execution and a new trade is being entered, the system will calculate the minimum and maximum fees. In case modifications need to be done on a different date, there could be a trade that is being directly inputted and the corresponding *Original Order Id* is entered along with the other details (this is the case of rebooking a trade directly).

> **The topic related to this feature is given below:**
>
> Fees Optimisation

Tunisia Model Bank

Foreign Exchange Operations » AVA Allocation APIs

This functionality allows banks to read and automatically update the information from an allocation file. New provider APIs have been introduced for querying and managing the AVA files.

The following items have been introduced with this functionality:

- The TNFCOP.API.AVA.DETAILS 1.0.0 enquiry is used to obtain the details of all the AVA allowances that are linked to a customer or to an AVA Id or to a transaction that happened on a particular date.
- The `TNFCOP.AVA.ALLOWANCE,TNFCOP.API.AMEND.ALLOCATION.1.0.0` version is used to increase or decrease the available limit as and when the allowance amount is utilized or supplied.

> **The topic related to this feature is given below:**
>
> Foreign Currency Operations

United States Model Bank

US Regulations » Dormancy and Escheatment

This functionality allows banks to track specific activities posted on dormant accounts. A new fast path inquiry allowing users to re-activate selected dormant accounts. The tracking mechanism updates certificates of deposits and individual retirement accounts.

> **The topic related to this feature is given below:**
>
> US Regulations

ACH Framework » ACH Reversal Processing

This functionality enables financial institutions (ODFIs) to initiate the reversal of an ACH file, batch and entry within five business days of origination.

> **The topic related to this feature is given below:**
>
> ACH Framework

Retail

Retail Accounts » Live Account Closure and Settlement Using Payment Order

During the live closure of accounts (closure without simulation), the user can now use payment order to settle the closure proceeds to a beneficiary.

The topics related to this feature are given below:

Live Payoff (Settlement Through Payment Order)

Live Payoff (Through Settlement Account and Payment Order)

Retail Accounts » Temporary Limits

Banks can now offer a Temporary limit to accounts along with the existing main limit. An additional third tier Interest condition can be configured for the temporary limit amount for debit interest accrual calculation different from the utilisation and the overdraft limits.

The topics related to this feature are given below:

Refer Limit Attribute

Temporary Limits

Arrangement Architecture » Direct Live Closure of MCY Accounts using Payment Order

During the live closure of a MCY account (without simulation), it is now possible

to configure Transact to settle the closure proceeds to a beneficiary using the PAYMENT.ORDER application, on the current date or a forward system date.

> **The topics related to this feature are given below:**
>
> Direct Live Closure of MCY Account using Payment Order
>
> Live MCY Payoff(Settlement Through Payment order)

Retail Lending » Schedules based on Rule of 78 in Loans

The Rule of 78 is a method used by lenders to calculate interest on a loan. It gives greater weight to months in the earlier part of a borrower's loan cycle when calculating interest, which increases the profit for the lender and the agreed interest is paid throughout the tenure of the loan.

The following routines are introduced to facilitate this functionality and can be used as the Calculation Routine in the corresponding AA.PAYMENT.TYPE.

- AA.CALCULATE.RULE78.PRIN.AMOUNT
- AA.CALCULATE.RULE78.INTEREST.AMOUNT

> **The topic related to this feature is given below:**
>
> Rule of 78 in Loans

Retail Securitisation

Loan Securitisation helps to create an investor pool and the Loans can be sold to the investor , partially or fully to the investors to perform loan securitisation.

- The AA.SECURITISATION.POOLS (Securitisation Pool Definition) application allows the user to create a securitisation pool and record an

investor details with his beneficiary information.

- The Participant Property Class can be added to an arrangement in AL product line.
- The *Balance Treatment* field can be set to Participation for a lending arrangement.
- The Share Transfer Activity is used to sell the assets to the investors partially or fully thereby perform a loan securitisation.
- For securitised loans, the accounting books change from the bank's owning book to the investor's book.

The topic related to this feature is given below:

Retail Securitisation

Technology

Data Framework

Relational Replication » Enabling Tables in TDH

The `RR.PARAM` application is now enhanced to enable applications with a valid STANDARD.SELECTION record. This allows tables that do not have PGM.FILE record and template routine to be enabled from TDH.

> **The topic related to this feature is given below:**
>
> `RR.PARAM` Configuration

Integration Framework

Inflow » Posting Inflow Requests to Topics

Inflow was only supporting incoming data or requests through API or queue. Topics are another mechanism to accept incoming data or request hence Inflow is now enhanced to support topics such as Azure Eventhub and Kafka.

> **The topic related to this feature is given below:**
>
> Posting Inflow Requests to Topics

Interaction Framework

Interaction Framework » IRIS Logger - Metrics on Grafana Dashboard

IRIS must integrate the common component - TemnMeter to push the captured metrics into the Pushgateway. Additionally, the Pushgateway data can be transferred to Prometheus based on the predefined configuration, and finally the same can be projected in the Grafana dashboard.

Now, the new functionality supports the capture of various IRIS metrics and transfers the same into the Grafana dashboard. This also enables the user to view the IRIS metrics directly in a more organized way in the Grafana dashboard.

> **The topic related to this feature is given below:**
>
> IRIS Logger - Metrics on Grafana Dashboard

Platform Framework

Generic Configuration » Enabling Cache Service

The Generic Configuration microservice is enhanced with a cache service that stores and updates the configuration data for applications. This feature allows other microservices to retrieve the application configuration data using the ConfigClient library and helps to reduce the HTTP API calls.

> **The topic related to this feature is given below:**
>
> Enabling Cache Service

Observability » Metrics

All kinds of Microservices consist of API, INGESTER, Scheduler & DB services. Separate metrics are added to each service.

Temenos Transact is now enhanced to provide a support for metrics. This enhancement enables the metrics in eight infra microservices (adapter, callbackregister, traceability, serviceorchestrator, metering, eventstore, genericconfig, entitlement) and sample microservices for verifying the application in metrics in Grafana IU.

The topic related to this feature is given below:

Enabling Observability using Metrics

Trade Finance

Trade Finance » CSN Currency in Letter of Credit

A trade finance transaction in the LETTER.OF.CREDIT application can be made in any currency. The commission and charges are calculated in this transaction currency and debited from an account of any currency. Subsequently, amortization and accruals are generated in this currency. However, when CSN currency is specified, the commission is waived, the refund amount is calculated in deal currency and returned to the credit account currency.

The Letter of Credit (LC) module is enhanced to support the commission calculation and collecting of commission in local currency other than that of currency specified in the *LC Currency* field of LETTER.OF.CREDIT. A set of associated fields is introduced in LETTER.OF.CREDIT, which can accept values as deal currency or local currency to allow an option to take commission, raise accounting entries and subsequent amortization to be generated in local currency and deal currency.

This new functionality supports the commission calculation and collection in local currency other than that of currency in LETTER.OF.CREDIT. Thus, it enables the bank in countries where cross currencies are highly regulated and local currency is not freely traded, to avoid positional entries and exchange rates during accounting and balancing of general ledger books.

The topics related to this feature are given below:

Charges and Commission

Defining Commission

Waiving Default Charges

Letters of Guarantees » Release of Margin/Provision

The bank has a practice of collecting certain percentage as a cash margin of the total amount of the guarantee while issuing the guarantee of any form to the applicant. The `MD.DEAL` application supports the user to enter the guarantee percentage, guarantee debit account, guarantee credit account and exchange rate while collecting the cash margin. The collected margin can be amended or settled during the amendment and release of margin for the guarantee, during which the settlement of the provision collected is selected in the guarantee currency and not in provision collected currency.

The `MD.DEAL` application is enhanced to release the provision in the provision currency and to have an option to enter the exchange rate in case the provision release account is in a currency other than provision currency. The following fields are added in the `MD.DEAL` application to enhance the amendment and release margin events.

- *Prov Ccy Rel*
- *Rel Amt Prov Ccy*
- *Prov Rel Ex Rt*
- *Exch Prft Cat*

The topic related to this feature is given below:

Understanding Release of Provision

Installation and Configuration Notes

Banking Framework

Enquiries and Investigation

Temenos clients upgrading from a release prior to 202112 who already have the DE license code will automatically receive the QA license code. New Temenos clients will automatically receive this module when they license Temenos Payments (PP) or SWIFT module (SF).

Islamic Banking

Islamic Financing » Direct Purchase of Asset from Seller – Ad hoc Vendor

The following installation should be performed to initiate the direct purchase of an asset from a seller:

- The *Resale Settle Cat* field in the `IS.PARAMETER` table has to be configured with the Resale Wash Account Category (Valid Internal account category).
- A Resale Wash Account is formed based on the category parameterised in this field and gets populated in `IS.CONTRACT`, when there is no Transact account available for the seller.

Islamic Deposits and PDS » Payment of Special HIBA Profit Amount for Mudaraba Deposits/Accounts

The following tables should be configured for Special Hiba Payments:

`ID.SYSTEM.PARAMETER`

- The FT.TXN.TYPE.CONDITION (FTTC) record mentioned in the `ID.SYSTEM.PARAMETER` in the *Spl Hiba Txn Type* field has to be used. This record is also used while raising adjustment entries for fixed profit deposits.
- The *Txn Code Dr* configured in the FTTC record mentioned above, has to be mapped in the Activity Mapping product condition record for the related AA Product. (Already provided as part of model bank setup).

`ID.POOL.PARAMETER`

- Configure the *Spl Hiba Adj Pl Categ, Spl Hiba Income Categ and Spl Hiba Expense Categ* fields in the `ID.POOL.PARAMETER` table, to raise profit adjustment entries for fixed profit deposits. These field values should hold valid PL categories related to the income/expense/adjustments of Special Hiba.

I Technical Notes

Banking Framework

Enquiries and Investigation

L3 routines accessing the `EB.QUERIES.ANSWERS` application in an incorporated way should be changed to access from QA instead of DE.

Islamic Banking

Islamic Deposits and PDS » Reversal of PDS Distribution

During reversal of PDS distribution,

- On triggering the reverse action in the `ID.PDS.ACTION` table (*Action* set as Reverse Distribution), a REVERSE record gets created in the `ID.PDS.ACTION.STATUS` table to track the status of reversal.
- The status of the reversed record is marked as COMPLETE in `ID.PDS.ACTION.STATUS` once redistribution gets over. This record moves to the `ID.REVERSE.DISTRIB.HIST` history table post a COB after completing the redistribution. This table has the history of all reversed PDS distributions.
- Upon re-distribution, the records of `ID.DEPOSIT.BALANCES` and `ID.ACCOUNT.BALANCES` (for the reversed distribution) move to the `ID.DEPOSIT.BALANCES.HIST` and `ID.ACCOUNT.BALANCES.HIST` history tables respectively.

Private Wealth

Repo » Repo– Start of Day Jobs for COB Efficiency

Various application-wide Repo (RP) jobs have been merged to run as a single master job. The REPO.SOD.MASTER master job selects and processes the records from `REPO`. The following jobs are merged and executed as actions under the REPO.SOD.MASTER job.

- RP.SOD.DETERMINE.ACTIVITY
- RP.SOD.STATUS.CHANGE
- RP.SOD.MARGIN.CALL
- RP.SOD.UPDATE.POSITIONS
- RP.SOD.MATURITY
- RP.EOD.SOD.DELIVERY
- RP.SOD.LIQ.TO.HIS

NOTE: Each action is performed for the records, only when the criteria for the respective action is fulfilled.

Extensibility APIs

Java Extensibility

Category: New Enhanced Existing Deprecated

Package	Class	Method name	Description	Hook*/ API
system	Delivery	**getBankRmaStatus**	Validates whether the bank can receive a given message type according to the SWIFT Relationship Management Application (RMA).	API
system	Delivery	**getMessageRmaStatus**	Validates whether the given message type requires a receiving organization to have RMA capability in order to process the message.	API
system	Delivery	**getSwiftRmaStatus**	Validates whether the given message type can be sent to the bank.	API

**Hooks are placeholders in Transact where routines can be attached to an application. For example, version, enquiry, delivery and so on.*