What's New in

Temenos Transact

January 2022

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|Release Highlights

Banking Framework

Delivery MX Translation » Translating MT210, 900, 910 Messages to ISO20022 CBPR+ Messages

Most of the Temenos contract-based financial applications are designed to generate MT900/910 (debit and credit advice) messages. Some of the Temenos business applications also have the ability to send MT210 (notice to receive) messages to their counterparties.

The Delivery MX Translation module enables the bank to send to their counterparties ISO20022 CBPR compliant camt.054 and camt.057 messages based on the MT210/900/910 messages generated by the business modules.

This functionality provides banks the ability to align with SWIFT CBPR+ project timelines and send notice to receive, debit and credit ISO20022 CBPR+ compliant messages to their counterparties.

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

The topic related to this feature is given below:

Translating MT210,900,910 Messages to ISO20022 CBPR+ Messages

Corporate

Contingent Liability » Guarantee

Guarantees or SBLCs are an integral part of the Corporate Lending product in Transact's AA module which supports registering the issuance of Guarantee or SBLC with basic details of the undertaking, the amendment of the Guarantee or SBLC and expiry of the Guarantee or SBLC (that is increase or decrease of the Guarantee or SBLC amount, extension or advancing the expiry date).

Contingent Liability module is now available with Guarantees Product Line in AA to support Guarantees and SBLC. The Guarantee Product Line allows banks or financial institutions to create different types of Guarantee and SBLC products. These products can be used to,

- Register the issuance of Guarantee or SBLC
- Amend the Guarantee or SBLC (increase or decrease to the initial Guarantee or SBLC amount and extend/curtail the expiry date).
- Expire or proceed further with the Guarantee or SBLC either automatically or manually.
- Collect various types of fees and commissions from the applicant.

> **The topic related to this feature is given below:**
>
> Guarantees – Contingent Liability

Private Wealth

Securities » Rounding off Prices during Conversion of Yield to Price

In adherence to regulations, Transact is now enhanced to allow the user to round off the calculated price to 'n' decimal places (up to four) during yield to price conversion, based on the *YLD Price Rounding* field setup in `PRICE.TYPE`.

> **The topic related to this feature is given below:**
>
> Rounding off Prices during Conversion of Yield to Price

Securities » Unblocking Elections Based on MT567

The Securities module in Temenos Transact is now enhanced to perform blocking and unblocking of elected holdings based on MT567 received from the custodian. When the event is parameterised for multi-election, the unblocking of elected holdings is based on the acceptance/rejection of the election by the custodian via MT 567

If the elected quantity is cancelled, the system unblocks the cancelled or the rejected quantity immediately. The unblocking of holdings is based on MT567 to prevent the contradiction between the customer's blocked quantity and the elected quantity when the custodian rejects the instruction.

MT567 is used to advise or change in status of a corporate action-related transaction which is instructed by or executed on behalf of the account owner. This includes the acknowledgement or rejection of a Corporate Action instruction or a request to cancel an outstanding instruction.

> **The topic related to this feature is given below:**
>
> Unblocking Elections Based on MT567

Securities » Safekeep Fees Setup for DX Option Contracts

The Securities module in Transact is now enhanced to:

- Allow the banks to setup and calculate the safekeep fees for option contracts.
- Deduct the safekeep fees at transaction level when there is a closeout of positions before the cut-off date.

The key features of the new functionality are:

- The system supports the computation and posting of safekeep fees for option contracts, if the *Safekeep Fees Calc* field in `DX.PARAMETER` is set to ETD, OTC or both.
- The method of computation of safekeeping fees such as average, monthly average, closing and previous month closing are now extended to DX option contract. The system includes the DX fees along with SC fees and create a single portfolio level fees in `SAFEKEEP.HOLDING` on the cut-off date.
- Banks can deduct the safekeep fees at transaction level when there is a reduction in positions due to exercise, expire or assignment of an option contract by setting the *Post Fee on Sale* field to Dx in `SAFECUSTODY.VALUES`. The fees charged is proportional to the nominal disposed. The calculated fees are charged from the customer when the record in `DX.CLOSEOUT` is authorised.

> **The topics related to this feature are given below:**

Safekeep Fees Setup for DX Option Contracts

Safekeep Fees Setup for DX Option Contracts - Working with

Safekeep Fee Posted on DX Sale Transaction

Regional Banking Solutions

Argentina Model Bank

Accounts » Multi Holders Accounts - FX Customer Transactions

Complying with the BCRA's Comunicación A 7125, the savings accounts in foreign currency with more than one holder can only have credits for the purchase of foreign currency for a portfolio (generation of external assets) by one of them in each calendar month. The FX transactions where the customer buys USD from the Central Bank of Argentina (BCRA) are identified as transactions made for a portfolio (generation of external assets).

This functionality enables banks to handle the savings accounts in a foreign currency, with more than one holder, which cannot have a credit transaction of multiple holders, when the customer performs an FX transaction (buying USD from BCRA) in the same calendar month.

The following items have been introduced as part of this functionality:

- The *Customer Initiating FX Purchase* field has been added to the `PAYMENT.ORDER` application to allow the user to select one of the displayed holders (the holder who is initiating the transaction) of the credit account before processing the payment order transaction.
- The `ARACCT.FX.ACCOUNT.TXN.DETAILS` application has been introduced to store the credit customer that is originating the FX transaction and the related `PAYMENT.ORDER` *Id*.

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

Taxes » Turnover Tax Reporting

Complying with the Argentinian regulation, it is necessary to periodically present the report named 'Reporte de Rendición' or Turnover tax report.

This functionality enables banks to handle the information required for generating the Turnover tax report. Based on the information provided by Temenos Transact, the report will be generated using an external platform.

The Turnover tax report will contain all the transactions on which the tax was applied or exempted and the executed tax returns.

The following items have been introduced as part of this functionality:

- The `ARTAXS.REPORTING.PARAMETER` application has been introduced to store the configuration per tax type of the *Legal Id* priorities, the currency markets and exchange rates that will be used for a specific tax in reporting.

- The `ARTAXS.REPORTING.PARAMETER,INPUT` version has been introduced to create new records and to edit, reverse, review, authorise or delete existing records in the `ARTAXS.REPORTING.PARAMETER` application.

- The `ARTAXS.REPORTING.DETAILS` application has been introduced to store the necessary data for the report when a transaction is raised no matter if the tax is applied or exempted.

- The ARTAXS.REPORTING.PARAMETER.AMEND enquiry has been introduced to view, edit, or reverse the `ARTAXS.REPORTING.PARAMETER` records.

- The ARTAXS.REPORTING.PARAMETER.AUTHORISE enquiry has been introduced to authorise or delete the `ARTAXS.REPORTING.PARAMETER` records.

- The ARTAXS.REPORTING.DETAILS.LIST enquiry has been introduced to display the details of the `ARTAXS.REPORTING.DETAILS` records.

- The *Exemption Code Holders* and *Field Exemption Code* fields have been introduced to the `ARTAXS.EXEMPTION.PARAMETER` application, to store the exemption code for holders combination and the exemption code for a specific value in a field.

The topic related to this feature is given below:

Taxes

Australia Model Bank

Australia Base » Role Based Home Pages for Lending and Deposits

This functionality allows users to access the home pages to view or perform manual operations on loans and deposits custom-made for Australian banking operations.

The following items have been modified in the Arrangement overview screen as part of this functionality:

- The alternate account number - *Customer Account No* is displayed prominently on top of the screen as this is the number that is used for customer correspondence in Australia.
- The *Account* field label has been renamed as *Core Account* and displayed below the *Customer Account No*.
- Alternate account *Id's* other than *Cust Ac No*, are displayed under the Alternate Id section in the Arrangement overview screen.
- The *Status* field has been removed from the header section.
- The *Currency* that was previously displayed along with the account number in the header section has been removed.
- The **Evaluation** link has been removed from the Additional Details tab.

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

Lending » Auto-Repayment of a Loan from the Redraw Balance

One of the widely offered functions across banks in Australia for its customers is

to have offset accounts and redraw functions for mortgage contracts. In Temenos Transact, it is the UNCACCOUNT (UNC) balance that is used for the redraw function. Any balance in UNC will be net with the loan outstanding (CURACCOUNT) for the purpose of principal interest calculation.

This functionality allows banks to utilise the redraw balance for repayment of the loan when the redraw available is off and when the direct debit claim is failed and again failed after being re-tried two times additionally or when the repayment from the bank's internal account is failed.

The `DD.RETURN,AULEND.POST.RETURN.DD` version has been introduced as part of this functionality to allow users to process the returns received and do resubmissions for collection.

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

CEMAC Model Bank

Trade Declaration

This functionality allows banks to record the trade declarations provided by customers. This declaration will act as a limit for the trade transactions like issuance of letter of credits, documentary collections and payments or draft issues done in Temenos Transact. When the declaration is used during trade transactions, the available balance in the declaration record will be automatically updated.

The *Declaration Id* field has been added to the `LETTER.OF.CREDIT,` `PAYMENT.ORDER` and `PP.ORDER.ENTRY` applications to capture the trade declaration number based on which the trade transaction will be performed.

The AFRTRD.DECLARATION.DETAILS enquiry allows users to view the list of transactions that are linked to a declaration.

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

India Model Bank

Structured Financial Message System (SFMS) » SWIFT 2021 Changes

The SWIFT Release 2021 changes have an impact on IFN messaging that comes out of Temenos Transact.

This functionality allows users to suppress or include tags in the outgoing IFN messages by using the *Tags Suppressed* and *Tags Included* fields that have been added to the `INLEND.SFMS.HEADER.DETAILS` application.

> **The topic related to this feature is given below:**
>
> Structured Financial Message System (SFMS)

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.OPTIMISATION.DETAILS` application has been introduced to hold the details of the response output file from the Matrix Tax Server, which debits or credits the customer account. This application holds the details of the Tax Optimisation response file from the Matrix Tax Server.

- The `ILMATX.ADHOC.TAX.SPLIT` application has been introduced to hold the generated details once a `DIARY` record is authorised. This is applicable only for those events that have the *Tax Adhoc Ruling* set to Yes in the `DIARY` record.

- The `ILMATX.ADHOC.TAX.DETS` application has been introduced to hold the details of the ILMATX.ADHOC.TAX.SPLIT record once the `ENTITLEMENT` record for the diary is authorised. This is applicable only for those events that have the *Tax Adhoc Ruling* set to Yes in the `DIARY` record.

- The `ILMATX.FWD.REPO.TXNS` application has been introduced to store the REPO Ids whose value date is greater than today.

- The *Acct Entry Ref Status*, *Response Date* and *Total Amount Raised* fields have been added to the `ILMATX.TXN.DETAILS` application to hold the status of the accounting entry, the date on which the response is received from the Matrix Tax Server and the aggregate amount to be raised.

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

Matrix Tax Server Interface

Netherlands Model Bank

Beneficiary Account Bank Switching Service » Bank Transfer Services

The Bank Switching Service (BSS) is a Dutch service for customers to switch payment accounts seamlessly from one bank to another without disruptions. This is in line with the obligations under the Payment Account Directive (PAD). The Bank Switching Service ensures continuity of payments for a customer within a prescribed switching period of 13 months.

This functionality enables banks to use the Bank Switching Service for customers to make it easier to switch to a new bank. Banks will be able to reroute the payments messages and generate the rerouted payments messages (PACS) with the switch account details in the specific tag.

The following items have been introduced as part of this functionality.

- The `PAYMENT.ORDER,NN.SEPA.INPUT` version allows banks to initiate the Single Euro Payments Area (SEPA) credit transfer for equensWorldline (EWL) clearing.
- The `PAYMENT.ORDER,NN.INSTPAY` version allows banks to initiate the SEPA credit transfer instant payments.
- The `ACSWIT.SWITCH.DIRECTORY` application is used to store the switch instructions of all banks extracted from the EWL file.

> **The topic related to this feature is given below:**
>
> Beneficiary Account Bank Switching Service

Singapore Model Bank

Withholding Tax

The Withholding Tax (WHT) on Real Estate Investment Trusts (REITs) in Singapore is deducted only in case a customer has not submitted the declaration. In case the customer submits the WHT declaration form, he or she is exempt from WHT. Further, the taxes are dependent on the customer status. For example, an individual REIT holder under a single or joint holding structure is not liable to pay any WHT, whereas a non-individual REIT holder who is a non-resident is liable to pay some WHT.

This functionality allows banks to calculate the withholding tax at the entitlement level, on cash distributions of Real Estate Investment Trusts (REITs).

New configuration records have been released as part of this functionality so that the applicable withholding tax will be calculated at the entitlement level.

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

Tunisia Model Bank

Clearing » Inward Cheques Collection (Day 5 to Payment Day)

This functionality allows banks to process the incoming cheque collections when funds are not available in the payer account after D+4, where D is the clearing date.

On D+4, banks will appoint an officer to contact the customers and inform them to fund the account in order to clear the cheque.

The following items have been introduced as part of this functionality:

- The `PPTNCL.CLEAR.PENDING.CHEQUE` application is used to approve the cheque once the customer funds the full cheque amount along with the interest (if any).
- New fields have been added to the `PPTNCL.CHEQUE.ADDNL.DETAILS` application to capture the Aclkreference2 and Is31received details.
- The `PPTNCL.BAILIFF.CHARGE.PARAM` application is used to configure the bailiff interest and charges according to the legal period.

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

United Kingdom Model Bank

Financial Services Compensation Scheme (FSCS)

The United Kingdom's Financial Services Authority (FSA) introduced the Financial Services Compensation Scheme (FSCS) to ensure the speedy pay out of funds for depositors within a set period when a financial institution becomes insolvent. FSCS regulation is the UK implementation of the European Deposit Guarantor Scheme (DGS). As part of the monitoring mechanism for financial institutions, which fall within the ambit of the FSCS scheme, financial institutions are required to submit reports on deposit products, balances, and other data, as required by the prudential authority, from time to time.

This functionality allows banks to generate the Fit for Straight through Processing (FFSTP) and Not Fit for Straight through Processing (NFFSTP) extracts from Temenos Transact based on the UK FSCS regulations act.

The following items have been introduced as part of this functionality:

- New changes have been done to the data formatting of the FSCS extracts and to specific fields extracted in the SCV reports to incorporate the data as per the UKFSCS 2021 regulations.
- The *Balance in Original Ccy With Interest* field has been added to the `FSCS.PARAMETER` application to allow users to capture the balance type to be used to fetch the current outstanding amount along with the accrued interest.

> **The topic related to this feature is given below:**
>
> Financial Services Compensation Scheme (FSCS)

United States Model Bank

US Regulations » Dormancy and Escheatment

This functionality allows banks to exclude linked activity classes and activities from re-activation of dormant accounts. A new fast path inquiry has been introduced to allow users to manually re-activate dormant accounts. The inquiry only lists accounts with activities linked to a new override routine. The tracking mechanism has been updated to re-reschedule escheatment evaluations based on related escheatment period changes.

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

Retail

Arrangement Architecture » Sub Arrangement Rule Changes for MCY Products

In a Multi-Currency (MCY) product, only one product can be defined as the allowed product for sub-account creation. The base currency product of the MCY should be same as the allowed product in the Sub-Arrangement Rules product condition.

> **The topics related to this feature are given below:**
>
> Configuring Sub Arrangement Rules
>
> Sub Arrangement Rules Property Class

Arrangement Architecture » Change Product in a MCY Structure

It is now possible to upgrade or downgrade a multi-currency structure directly. When the user initiates a change product in the multi-currency arrangement, the system triggers another activity for the sub-accounts to also undergo a product change to the sub-account product specified in sub-arrangement rules of the new multi-currency product.

> **The topics related to this feature are given below:**
>
> Change Product in MCY Structure
>
> Tasks for Change Product

Technology

Extensibility Framework

Extending APIs » Defaulting Value in Request Payload for UXP Browser

UXPB supports rule decision through IRIS Resource Provider (RP) services, which is now extended to default the value for a field in the request payload based on the decision logic rules defined by the user. This facilitates the user to modify or default a value in the UXPB request before it reaches Transact.

The topics related to this feature are given below:

Regex Validation for Version Fields

Rules Validation for Version Fields

Rules Validation for UXPB Fields

Microservices » Virtual Table

Virtual Table Microservice also referred to as Data Add-on microservice allows users to define data models and services to support any new custom data additions. Once these data are made available, they can be made accessible through an API-based interface for Temenos product solutions. This microservice is designed to allow users to access any data collections through rest APIs.

The topic related to this feature is given below:

> | Virtual Table

Interaction Framework

IRIS R18 » Auto-defaulting of Field Values

The Generic Config microservice now allows the user to define and store a default value for a field. When any of those defined fields have empty values in the request payload, the system automatically defaults the corresponding mapped values during runtime before proceeding with the Regex or rules validation.

This feature helps the user to avoid inputting the same value repeatedly for every API request.

If the field defined for auto defaulting has a value in the request payload, then defaulting is avoided.

> | **The topic related to this feature is given below:**
>
> Auto-defaulting of Field Values

IRIS R18 » Elimination of Inherited Fields in Child API Response

IRIS now supports the deletion of the inherited fields from the child API response. The user can replicate the fields from a parent API version to a child API version by defining the name of the parent API in the **Inherit Source Version** field in the child version. The user can now decide whether to retain a particular field that is inherited by defining the **Display Type** field in the child

version. The inherited fields with **Display Type** set to Nodisplay will be eliminated from the child API response.

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

Platform Framework

Infrastructure » Database Auto-upgrade

Microservices Database can now be upgraded without any manual intervention. This is achieved by allowing application to become database-agnostic and creating a tooling, which generates the database-specific installation scripts from the database models (JPA entity classes /.entity). This feature allows the infrastructure services to upgrade with no downtime of the microservice database and restricts any backward compatibility changes in the database model during development.

To manage the deployment and upgrade of Microservices without any manual intervention at the first instance, database auto upgrade infrastructure needs the following infrastructures, which aids for seamless auto upgrade.

- First Time deployment - DDL script generation and execution
- Upgrade- Incremental DDL scripts generation and execution
- Data Model Validator – Supports backward compatibility

> **The topic related to this feature is given below:**
>
> Database Auto-upgrade

Treasury

Forex » Continuous Linked Settlement for Forex Transactions

The foreign exchange transactions involve a settlement risk as the exchange of two currencies involved is not simultaneous. The party that sells a currency is exposed to certain risk before receiving the currency purchased from the counterparty. Continuous Linked Settlement (CLS) eliminates this settlement risk through a Payment vs Payment (PvP) mechanism.

Transact Forex module supports CLS functionality for third party members which is limited to trade capture for third-party participant banks. Therefore, trade-booking, amendment and post-trade settlement functionalities for direct and indirect participants of CLS are now available.

The topics related to this feature are given below:

Configuring Continuous Linked Settlement

Installation and Configuration Notes

Banking Framework

Delivery MX Translation » Translating MT210, 900, 910 Messages to ISO20022 CBPR+ Messages

Following are the configurations required:

- The latest TAFJ should be consumed for the new t24XmlOfsQueue.
- The name of the ESB component is DEMXTR_MTMXOutward-0.0.1-SNAPSHOT.war, which must be deployed in the Temenos\jboss\standalone\deployments path.

The technical characteristics for the Delivery MX Translation processing are defined in the DEMXTR_MTMXOutward property file, for example, the queue mechanism connectivity, ip, max connections and number of concurrent consumers.

| Technical Notes

Private Wealth

Derivatives » Derivatives– Start of Day Jobs for COB Efficiency

The following list of jobs have been defined as COB Scheduler (TSA.SERVICES.COB) under DX.COB.ORD.ARCHIVE batch.

- DX.COB.ORD.ARCHIVE
- DX.NS.POST.SYNCHRONISE
- DX.COB.TRANS.ARCHIVE
- DX.CLEAR.FILES

Mutual Funds » Mutual Funds– Start of Day Jobs for COB Efficiency

The following list of jobs have been defined as COB Scheduler (TSA.SERVICES.COB) under MF.START.OF.DAY batch.

- MF.EXECUTE.PLAN
- MF.PURGE.ORDERS
- MF.CALC.TRAIL.FEE

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