What's New in

Temenos Transact

February 2022

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Release Highlights

Application Framework

System Core » COMO Log Information

In Transact , all information related to various activities happening during COB or services, are reported in a log file referred to as COMO. This log file no longer holds all information by default. It is enhanced to host details only based on the log level configured in `TAFJTrace.properties` and classification of log level for each message.

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

The topic related to this feature is given below:

COMO Log Information

Banking Framework

Cheques and Card Issue Management » Card Management

Card Management System (CMS) uses tokenisation to safeguard the sensitive data and comply with regulatory obligations. It communicates to other systems using these tokens and not the card number itself. It is also used to access, pass, transmit and retrieve customer's card information safely. Temenos Transact can be used as a card reporting service and can store the alternate card number supplied by Cards Fulfilment Service.

The `CARD.ISSUE` application is enhanced to allow the above functionality by defining *Alternate Card Identifier* field which is a universal unique ID to each of the cards issue request. The maximum length of this field can be defined by configuring the CARD.ISSUE record in the existing `EB.OBJECT` application. Masked Card Owner and Card Owner Customer ID fields are also added to capture additional details during the card life cycle.

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

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

The topic related to this feature is given below:

Card Management

Accounts » Integration of Netting to Payment Order

The `NETTING` application enables the Forex trade settlements for the

counterparty to be netted based on the agreement with the bank. This application is now integrated with Payment Order, which helps the user to process the netted payment settlement. It also aligns with the Treasury module feature to process the settlement of trades through payment order.

The topic related to this feature is given below:

Integration of Netting to Payment Order

Private Wealth

Securities » Calculating and Posting Settlement Penalties

As a part of CSDR settlement discipline, the cash penalties regime was introduced across all Eurozone CSDs (Central Securities Depository). The cash penalties are collected by the CSD from participants which cause a failed or late settlement and are re-distributed to the participants suffering from such settlement failure.

The types of cash penalties introduced as a part of the CSDR settlement regime are

- Late Matching Fail Penalty (LMFP)
- Settlement Fail Penalty (SEFP)

The Penalty (Cash/ Stock) or the settlement penalties (LMFP and SEFP) is calculated and reported for all transactions that do not pass the matching criteria or that are settled beyond the intended settlement date.

The topic related to this feature is given below:

Settlement Penalties

Regional Banking Solutions

Argentina Model Bank

Accounts » FX Blacklist Upload Process

In Argentina, Central Bank of Argentina (BCRA) has established lists of persons that are disabled to operate via Foreign Exchange (FX) in blacklist files. This blacklist also includes rehabilitations and modification on those persons that have been disabled at some time by the BCRA previously. Banks have to maintain the current blacklist information. In case of a customer is on a blacklist, the bank has to control that the FX operation (transfers or cash withdrawal) and prohibited.

This functionality allows banks to manage the functional errors that can appear once the FX blacklist is processed through the Data Formatting Engine (DFE). The functional error messages will be logged, and the files will be moved to the archive folder. The functional errors are the following:

- Incorrect file pattern name.
- Incorrect file sequence.

The topic related to this feature is given below:

Accounts

Provisioning

This functionality uploads the CENDUE and MOROS files into the system and based on the classification of the customer in the files, the corresponding customers in the bank will be re-classified.

Two new fields have been introduced to the PV.MANAGEMENT application, as

follows:

- *Min Level Up:* This field has to be configured by the bank as a one time activity during implementation. This field accepts a numeric value and indicates the minimum external classification of the customer in the CENDUE file to be eligible for the re-classification.
- *Reclass Mode:* This field accepts the following two values:
  - The *Increase Internal Classification* option indicates the current internal classification of the customer that will be increased.
  - The *Reduce Worst Classification* option indicates the worst classification of the customer, based on the internal classification and external classification will be reduced one level.

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

Taxes » Tax on Loan Penalty Interest During Payoff

This functionality provides configurations that allow the system to apply the Generic VAT, Perception VAT and Turnover Perception when a customer is charged with the penalty interest.

The system applies the VAT on interest for a 21% rate, except for the case where the customer tax condition in the *IMP IVA* field in the AFIP Padron is AC. In this case, the rate to apply is 10.5%. The system applies Perception VAT and Turnover Perception when a bank is named by the national authority to collect this tax.

> **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 Customer Details screen provides a 360-degree view of the customer's product details. The Products tab displays all the customers' accounts (across different product lines) held with the bank. It displays a list of all the customer accounts, deposits, loans and additional information such as the account type, balance, available limit, and locked amounts.

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 **Schedule Change Activities** link has been added to the Additional section to list all the system and manual activities that update the schedule.
- The **Transaction** history link has been added next to the **Activity** link.

The topic related to this feature is given below:

Australia Base

Withholding Tax and Trust Income Distributions » Pro-Rata Threshold

This functionality allows a bank to calculate the pro-rata interest income threshold for each interest period below which tax (WHT) will not be calculated and applied on the interest income. The number of days in an interest period (related to each interest capitalisation) is taken into account while calculating the pro-rata threshold.

The topic related to this feature is given below:

Withholding Tax and Trust Income Distributions

Germany Model Bank

Taxation Interface to CPB SECTRAS » Futures

This functionality allows banks to manage closeouts on derivatives Exchange Trade Derivatives (ETD) options or futures. When there is closeout on derivatives ETD options or futures, 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 » Recon Extract for Non-WM Securities

This functionality allows banks to extract additional data of all the security and derivative instruments to be reconciled with a corresponding extract from CPB SECTRAS.

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

Hong Kong Model Bank

e-Cheque Acceptance and Lodgement » e-Cheques

The Clearing House in Hong Kong, which is HKICL, sends out a file to the participant banks on a daily basis. This is basically depositing checks that are received in an electronic form.

To promote the development of retail payment services in Hong Kong and support the Hong Kong Monetary Authority (HKMA), the Hong Kong Interbank Clearing Limited (HKICL) introduced an integrated electronic cheque (e-Cheque) presentment, clearing and settlement platform. e - Cheque is designed to be a new electronic payment instrument containing similar features of paper cheques and additional benefits of replacing delivery and presentment in physical form, enhanced security features, cost reduction by removing manual processing and reduced paper usage.

This functionality allows users to confirm, accept or to reject the presented e-cheque as the payee bank.

For the accepted e-cheques, transaction bookings will be automatically posted by the system. No advice will be generated to the customer.

Based on the e-cheque rejected entries, Temenos Transact will generate the Presentment Return files to the Hong Kong Interbank Clearing Limited (HKICL) around 18:30. The overall process will be completed before 19:45.

The Clearing House requires to send the Presentment Return file to HKICL before the deadline at 19:45. Now, the sending time is around 18:30. Total 4 Presentment Return files are sent to HKICL on a normal business day.

The topic related to this feature is given below:

e-Cheques Acceptance & Lodgement

Outward Remittances and Conversions » CNH to CNY Conversion

In the greater China region, whenever a bank has to remit funds in Renminbi (RMB) can face challenges in recognising the input values from the Beneficiary Name or Address fields contained in the Society for Worldwide Interbank Financial Telecommunication (SWIFT) messages if these values are Chinese characters, as the Chinese characters are not supported by the SWIFT messages.

To overcome this issue, banks in this region started to adopt the usage of the Chinese Commercial Code (CCC), a sequence of 4 digits numbers representing a specific Chinese character. The bank initiating a payment will transmit the data in the CCC form and, the beneficiary institution will convert the CCC form from the incoming message to the equivalent Chinese character.

This functionality allows banks to handle the incoming and outgoing SWIFT messages in MT and MX formats, considering the conversion to CCC for the outward remittance, the conversion into Chinese characters for the inward remittance and the regulatory requirement of the cross-border Chinese Yuan (CNY) remittance.

The new *Remit Purpose Code*, *Remit Code Word* and *Remit sub Type* fields have been added to the `PP.ORDER.ETNRY` application to process the cross-border.

The topic related to this feature is given below:

Outward Remittances and Conversions

India Model Bank

Goods and Services Tax (GST)

Goods and Services Tax (GST) is chargeable on any supply of goods or services sold or delivered in any country - when it is a taxable supply and made by a taxable person in the course or furtherance of the business carried on by him. GST is applicable on nearly all types of goods and services.

New configurations have been released to support the calculation of the CGST, State Goods and Services Tax (SGST), and Interstate Goods and Services Tax (IGST) taxes.

> **The topic related to this feature is given below:**
>
> Goods And Services Tax (GST)

Lending Compliance » Loan Validations

This functionality allows banks to restrict the number of times a loan can be rolled over, to support straight rollover, decreased value rollover and increased value rollover.

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

- The INLEND.AA.ROLLOVER.DETAILS enquiry has been introduced to allow users to check the number of rollovers executed for a particular loan contract. The activity restriction functionality will be used to restrict the number of rollovers.
- The INLEND.AA.ARRANGEMENTS enquiry has been introduced for rollover purposes.
- The `INLEND.CLOSE.FOR.ROLLOVER` live application has been created to store the details about the closed loan, to use these values for the opening of a new loan arrangement to further perform the rollover.

The topic related to this feature is given below:

Lending Compliance

Israel Model Bank

Initial Public Offering (IPO) Allocation

This functionality allows banks to automatically manage the Israel Initial Public Offering (IPO) allocation process and the IPO allocation methods including, uniform price – fifo, uniform price – pro-rata, uniform price – fifo, pro-rata, discriminatory price and fixed price. It enables the eligible bids to be identified and the corresponding allocation of securities to be performed, once the book runner provides the final price and other allocation details.

The topic related to this feature is given below:

IPO Allocation

Saudi Model Bank

SIMAH Credit Bureau Interface » Salary Collateral and Reporting Cycle

This functionality allows banks to identify if a customer is a salaried person of the bank and automatically manage the selection of the contracts for regular reporting containing the financial information required by the Saudi Credit Bureau (SIMAH). Also, banks are able to regenerate the Saudi Credit Bureau (SIMAH) files for regular, default and monthly extracts. Banks can generate the SIMAH extract outside the Close of Business (COB).

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

- The *No. of Days* field has been added to the `SASIMA.PARAMETER` application to specify the days based on which the cycle *Id* date will be reported.
- The *Salary Customer* field has been added to the `CUSTOMER` application to identify if the customer is a salaried person of the bank.
- The *Regenerate Days* field has been added to the `SASIMA.PARAMETER` application to allow users to define the number of days before which the file regeneration will happen.
- The `SASIMA.FILE.REGENERATION` application is used for the regeneration of SIMAH files.

> **The topic related to this feature is given below:**
>
> SIMAH Credit Bureau Interface

United States Model Bank

Real Time Gross Settlement » Updates FAIM

The Fedwire feature has been enhanced to comply with THE Fedwire Service Message format requirements (FAIM v3.0.7, effective November 21, 2022).

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

ACH Framework » ACH Reversal Corporate Files

This functionality provides an ability to ODFIs to reverse File/Batch or Entries from Corporate files or Ach captures.

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

Retail

Arrangement Architecture and Retail Lending » Turning Simulation Live on Current/Future Date

Banks can now turn the simulations to live arrangements and activities on the actual booking and completion dates, retaining the original set of conditions and parameters regardless of the difference between the dates on which the simulations are captured and the dates on which they are executed.

To facilitate this, the AA.SIMULATION.RUNNER application (used to turn the simulation live) is enhanced where the user can modify the simulation execution date to be the current system date using the *Date* field (under **User Activities** tab of AA.SIMULATION.RUNNER) regardless of the effective date set in AA.SIMULATION.CAPTURE.

The topics related to this feature are given below:

Introduction to Simulations

Simulation Runner

Amending Simulation Run Date

Arrangement Architecture and Retail Accounts » Adjustment of Funds Availability Date in Notice Accounts

Banks can choose the funds availability date (*Available Start Date*) to be a business or a non-business date for notice accounts, based on the value defined in the new field in the Balance Availability Property Condition namely, *Notice Convention*. The allowed values for this field are:

- Forward – The available start date moves forward to the next working day if the resultant calculated date is a holiday.
- Backward - The available start date moves backward to the previous working day if the resultant calculated date is a holiday.
- Blank or Calendar – This is the default option, that is, the funds availability date can be a calendar date.

The topics related to this feature are given below:

Available Start Date

Notice Convention

Capturing Notices

Calculation of Funds Availability Date for Withdrawal

Arrangement Architecture » Offline Update of AA Customer Tables during Takeover

The new activity type option - Customer Arrangement Offline Update, available in the `AA.ACTIVITY` application, helps to improve the system performance during the takeover of a contract. When the takeover activity (*Type*) is set to Customer Arrangement Offline Update, the system updates an offline list file and skips updating certain customer related AA tables during the takeover process. The customer related AA tables are updated and synchronised from the list file through a background service.

The topics related to this feature are given below:

Customer Arrangement Offline Update

Configuring Customer Arrangement Offline Update - AA

Configuring Customer Arrangement Offline Update - Deposits

Technology

Data Framework

Relational Replication » Field Type Conversion in RR.OVERRIDE.PARMETER

To avoid the ‘Invalid multi value’ error in DES, RR.OVERRIDE.PARAMETER now allows the conversion of field type from single value to multi value or multi value to sub value, for the required fields of the application.

> **The topic related to this feature is given below:**
>
> Overriding STANDARD.SELECTION Values

Design Framework

Temenos Packager » Deploy API V2

Deploy API is enhanced to capture response of package deployment in both success and failure scenarios. While both V1 and V2 of the Deploy API functions in the same way, V2 provides more details about the deployment in the response.

Deploy API V2 captures the following details for both single and multi-package deployment in the response.

- Package information for every success deployment and
- Detailed error information is displayed for every failure scenario.

This feature is more helpful in failure scenarios as it captures detailed

information about the errors and traces the package with error, in case of multi-package deployment.

> **The topics related to this feature are given below:**
>
> Deploy API V2
>
> Configuring Properties for Temenos Packager Installation

Extensibility Framework

Microservices » Deploying VT in EKS and Azure Serverless Environment

Virtual Table Microservice supports the users to configure and deploy this service in Elastic Kubernetes Services (EKS) and Azure Serverless Environment.

> **The topic related to this feature is given below:**
>
> Deploying Virtual Table in EKS and Azure Serverless Environment

Integration Framework

Data Event Streaming » Validating Metrics in DES Using JMC

Data Event Streaming is enhanced to support the validation of monitoring

metrics using JMX metrics exposed by Temenos Monitoring library.

> **The topic related to this feature is given below:**
>
> Validating Metrics in DES Using JMC

Platform Framework

Infrastructure » Distributed Tracing

Infrastructure microservice framework now supports the distributed API tracing in Jaegar UI. Distributed tracing is a method to track requests that interact through distributed cloud environments using a unique transaction identifier. This identifier stays throughout the transaction journey and offers real-time visibility to user experience, from the top of the stack to the application layer and other infrastructure. This tracing method helps the user to find accurate points of failure and reasons for bad performance and provide breakdown of our operations to our database, APIs, or other microservices.

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

Installation and Configuration Notes

Banking Framework

Cheques and Card Issue Management » Card Management

The following Record is added to Temenos Transact tables:

Table	Record
EB.OBJECT	CARD.ISSUE

> **NOTE:** EB.OBJECT definition of CARD.NO is not be supported by CARD.ISSUE application and the local or client specific definition of EB.OBJECT>CARD.NO must be migrated to EB.OBJECT>CARD.ISSUE to continue to use the modified length for CARD.ISSUE application.

I Technical Notes

Application Framework

System Core » COMO Log Information

Transact now supports a new common attribute (variable) **BF$MSG.LOG.LEVEL**, which can hold one of the following values, to categorize the messages logged to COMO.

- DEBUG
- INFO
- WARN
- ERROR

The underlying mechanism to log information to COMO remains as is and all jBC codes continue to invoke the existing API (OCOMO). However, the level of the message should exclusively be defined, before the call to OCOMO failing which the default level is automatically set to DEBUG.

```
BF$MSG.LOG.LEVEL = "DEBUG"  ;* Categorize the message as DEBUG
CALL OCOMO('log Message for the DEBUG log Level')
```

The `TAFJTrace.properties` file allows to define the default logging level for COMO. By default, the level will be set to INFO.

```
################ Allowed values for COMO level are : DEBUG/INFO/WARN/ERROR only ##################
logger.COMO.name = COMO
logger.COMO.level = INFO
logger.COMO.additivity = false
logger.COMO.appenderRefs = como
logger.COMO.appenderRef.como.ref = como
#logger.COMO.appenderRef.mail.ref = mail
```

Banking Framework

Cheques and Card Issue Management » Card Management

New versions are created for the below IRIS APIs:

holdings-cards-service-v2.0.0

- createCardIssue (POST)
- updateCardIssue (PUT)
- deleteCardIssue (DELETE)
- getCardIssues (GET)

reference-cards-service-v1.0.0

- getCardTypes(GET)

Private Wealth

Derivatives » Derivatives – Start of Day Jobs for COB Efficiency

Various application-wide Derivatives (DX) jobs are merged to run as a single master job. The DX.TRADE.SOD master job selects and processes the records from `DX.TRADE`. The jobs which are merged and executed as actions under DX.TRADE.SOD are

- DX.POST.PREM.SWAP.CDS
- DX.FWD.POST.SOD

The DX.REP.POSITION.SOD master job selects and processes the records from `DX.REP.POSITION`. The jobs which are merged and executed as actions under DX.REP.POSITION.SOD are

- DX.SOD.RP.CONSOL.TXNS
- DX.SOD.RP.REBUILD
- DX.SOD.CUST.POS.REBUILD
- DX.SOD.RP.REBUILD.TOTALS
- DX.SOD.RPA.TIDY
- DX.NS.SOD.SYNCHRONISE

Repo » Repo – End of Day Jobs for COB Efficiency

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

- RP.EOD.DETERMINE.ACTIVITY
- RP.EOD.STATUS.CHANGE
- RP.EOD.MARGIN.CALL

> **NOTE:** When the criteria for the action is fulfilled, then the respective action is performed for the records.