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1. About this Manual

1.1 Introduction

This manual is designed to help you quickly get acquainted with the Clearing module of Oracle FLEXCUBE.

It provides an overview to the module, and provides information on using the clearing module of Oracle FLEXCUBE.

Besides this User Manual, you can find answers to specific features and procedures in the Online Help, which can be invoked, by choosing 'Help Contents' from the *Help* Menu of the software. You can further obtain information specific to a particular field by placing the cursor on the relevant field and striking <F1> on the keyboard.

1.2 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.

1.3 Organization

This manual is organized into the following chapters:

Chapter 1	<i>About this Manual</i> gives information on the intended audience. It also lists the various chapters covered in this User Manual.
Chapter 2	<i>An Overview</i> - is a snapshot of the features that the module provides.
Chapter 3	<i>Maintaining Reference Information</i> gives information on basic information that needs to be maintained in the system before beginning operations in the clearing module.
Chapter 4	<i>Maintaining Clearing Products</i> describes how you can create a clearing product.
Chapter 5	<i>Maintaining Account, Rate and Charge Details</i> -described in this chapter is the procedure to set up accounting, rates and charges details for a clearing product.
Chapter 6	<i>Viewing Clearing Transactions</i> gives details about maintaining settlement, resolving customer credits for check clearance,charges for dishonoured checks and querying clearing information.

Chapter 7	<i>Annexure I</i> -gives information regarding order of replacement of parameters with wild card entries
Chapter 8	<i>Annexure II</i> -gives information regarding different currency combinations used for rate code and rate type pickup
Chapter 9	<i>Annexure III</i> - gives information regarding the file format for inward and outward clearing
Chapter 10	<i>Reports</i> - gives information regarding the reports available for Clearing module

1.4 Related Documents

- Procedures User Manual
- Settlements User Manual
- Products User Manual
- Charges and Fees User Manual
- Tax User Manual
- Settlements User Manual
- User Defined Fields User Manual

1.5 Glossary of Icons

Icons	Function
	New
	Copy
	Save
	Delete
	Unlock
	Print
	Close
	Re-open
	Reverse
	Template
	Roll-over
	Hold
	Authorize

	Liquidate
	Exit
	Sign-off
	Help
	Add
	Delete

2. An Overview

2.1 Introduction

The Clearing module of Oracle FLEXCUBE offers you the facility to process checks, DDs and other instruments that are presented by your customers or clearing houses. Clearing transactions, in Oracle FLEXCUBE, can be classified into two categories:

- Inward Clearing transactions
- Outward Clearing transactions

A third-party presenting an instrument drawn on your bank, through a clearing house, is an example of an inward clearing transaction. Your customer presenting an instrument drawn on another bank is an example of an outward clearing transaction.

3. Maintaining Reference Information

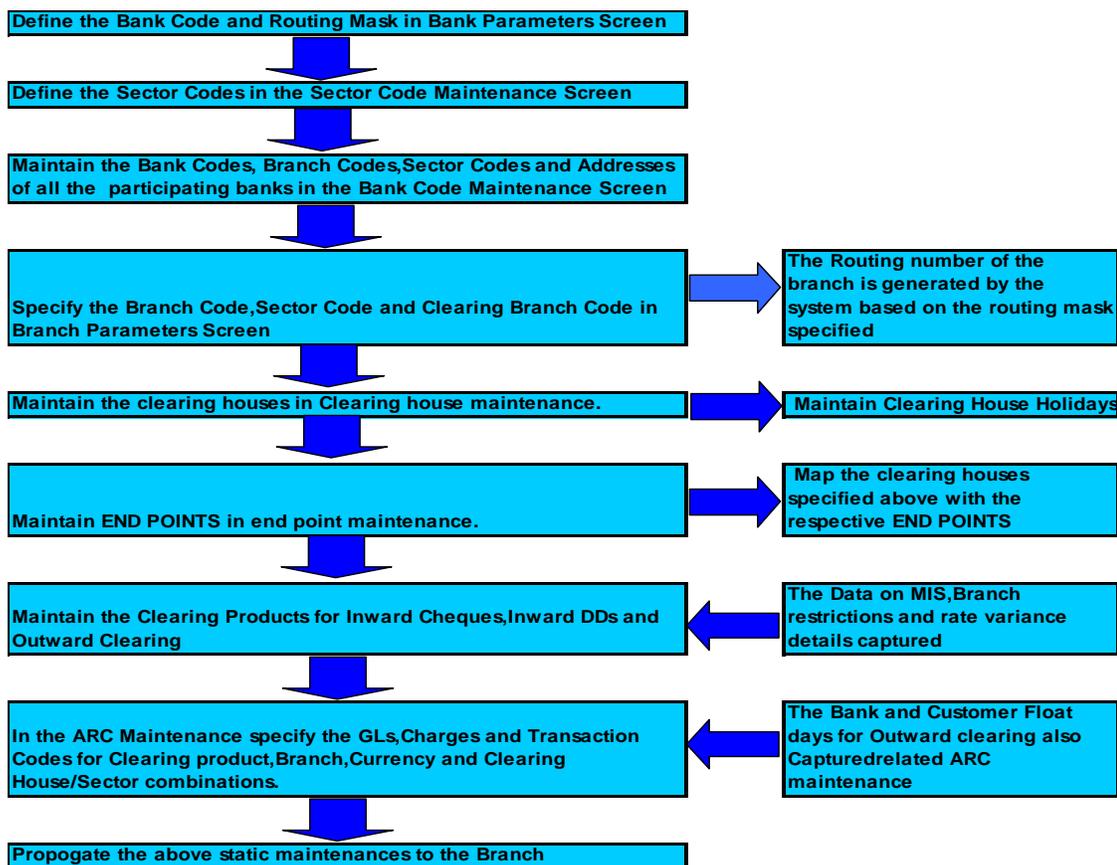
3.1 Introduction

In order to process clearing transactions automatically, you need to maintain some information in Oracle FLEXCUBE:

- Specify the code by which your bank is identified in the Clearing House and define a Routing Mask for generation of routing numbers (as part of Bank-wide Parameters)
- Maintain Sectors
- Maintain details of banks participating in the Clearing House
- Maintain clearing information for the branches of your bank (Branch Parameters)
- Maintain Clearing Houses and Clearing House Holidays
- Identify End Points and map them to the clearing houses maintained
- Setup Outward and Inward Clearing Products
- Specify account, rates, and charge details (ARC Maintenance)

Once you set up this information, the appropriate customer and clearing accounts maintained in your bank will automatically be credited or debited, depending on the nature of the transaction.

The sequence is represented diagrammatically as follows:



3.1.1 Maintaining Clearing Details of your Bank

For Oracle FLEXCUBE to handle clearing transactions, you have to capture clearing information at the Head Office of your bank. This information would apply to all the branches of your bank.

You can maintain clearing-related information for your bank in the 'Bank-wide Parameters' screen, invoked from the Application Browser.

In the Clearing Bank Code field, specify the code by which your bank is identified in the Clearing Network you participate in. The code you specify for your bank in this screen has to be the same as that specified for your bank in the Clearing Bank Code Maintenance screen.

In addition to specifying the clearing code that identifies your bank, you have to specify a "Routing Mask" for your bank. A mask defines the manner in which a Routing Number is generated for your bank. It is on the basis of the routing number that Oracle FLEXCUBE processes inward clearing transactions.

The following is a typical mask format: 'BBBbbbSSS', wherein, 'BBB' indicates the bank code, 'bbb' indicates the branch, and 'SSS' indicates the sector to which the branch belongs. On the basis of the routing number, inward clearing transactions are routed to the appropriate branch of your bank.

For more details about the Bank-wide Parameters screen, refer the Core Services user manual.

3.1.2 Defining Sectors

In Oracle FLEXCUBE, you can identify specific geographical areas as 'sectors'. A sector encompasses the branches of the various banks in the geographical area.

As part of the maintenance required to process clearing transactions in Oracle FLEXCUBE, you need to identify various sectors. You can do this in the 'Sector Code Maintenance' screen. You can invoke this screen by typing 'STDSECMT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Fields						
Input By	ELIZA1	Date Time	Modification Number	<input checked="" type="checkbox"/>	Open	
Authorized By		Date Time		<input type="checkbox"/>	Authorized	

Identify a sector with a unique code. In the Description field, briefly describe the sector that you are maintaining. With the sector code and description that you enter, you should be able to identify the sector.



The sectors are typically maintained at the Head Office.

3.1.3 Maintaining Clearing Details of Banks

You have to capture clearing details of every bank participating in the Clearing Network in the 'Clearing Bank Codes Maintenance' screen. You can invoke this screen by typing 'DEDBNKCD' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Customer Float Days	Bank Float Days	Branch Address1	Branch Address2	Branch Address3	Branch Address4	Speed Clearing
0	1	WEB BRN3	NEW	WEB BRN3	ADD4	<input type="checkbox"/>
0	0	INVE	IN11	IN22	IN33	<input type="checkbox"/>
0	1	INV BR	IV11	AD1	AD2	<input type="checkbox"/>
1	0	COM BRN1	CM1	Speed Clearing		<input type="checkbox"/>
1	0	WEB BRN1	TN	UK		<input type="checkbox"/>
1	0	WEB BRN2	NGM	UK		<input type="checkbox"/>
1	0	COM BRN1	CM1	UK		<input type="checkbox"/>
2	0	COM BRN2	CM2	UK		<input type="checkbox"/>
0	1	wcn br	ss1	ss2	ss3	<input type="checkbox"/>
1	0	WEB BRN3	NEW	ADD1	ADD4	<input type="checkbox"/>

The information you capture in this screen is required to route outward clearing transactions to the appropriate clearing house.

Every bank participating in the Clearing network is identified with a unique code. In this screen, capture the code of the participating bank, and enter a brief description that will help you easily identify the bank. You also have to capture the following information for every branch of a participating bank:

- The Branch Code (as identified in the network)
- A brief description of the branch
- The sector to which it belongs
- The customer float days
- The float days for bank and sector code combination
- The branch address

Country

Specify the country of the bank code. This adjoining option list displays all valid country codes maintained in the system. You can choose the appropriate one.

 The country information is captured to enable Mantas to analyze the transactions for possible money laundering activities.

For more details on Mantas, refer 'Mantas' interface document.

You can maintain different Float days for each bank and sector code combination. Subsequently, you can also maintain float days for customers of each bank and sector combination. The float days you define here will be defaulted in the Customer Float Days maintenances screen.

Refer to the Core Entities user manual under section 'Maintaining Float Days for Outward Clearing Customer Transactions' for further details.

The system calculates the value date for the clearing transaction in the following manner:

- Firstly, the system checks for the branch code for the clearing transaction, clearing product, sector code, currency of the instrument and the float days for bank and customer maintained in ARC maintenance.
- Secondly, the system checks the maintenance for clearing bank, and if the details for the destination sector code, bank code and branch code and float days (for both customer and bank) is maintained, these values take precedence over the details in ARC maintenance.
- Finally, system verifies the details maintained in the Customer level float maintenance for the clearing transaction, branch code, currency, sector code, clearing product code and the customer group to which the customer belongs to and arrives at the float days to calculate the value date.

After you maintain the above details for a branch, click 'Add' button to capture the details of the next branch.

3.1.3.1 Maintaining Details of Branches of Your Bank

In this screen, in addition to capturing information relating to other banks, you have to maintain clearing information for your bank and the branches of your bank.

Capture the code that identifies your bank in the Clearing Network. To every branch of your bank (the Branch Codes maintained in Oracle FLEXCUBE), assign the code that identifies it at the Clearing Network.

 The clearing bank code that identifies your bank at the Clearing Network should be the same as that specified in the Bank Wide Parameters screen. Also, the branch code and sector that identifies a branch at the Clearing Network should be the same as that specified for the branch in the Branch Parameters screen.

3.1.3.2 Maintaining Clearing Details of Branch

To facilitate automatic clearing of instruments that involve your branch, you need to specify clearing-related options for your branch. To do this, you can invoke the 'Branch Parameters' screen from the Application Browser.

In the Branch Code for Clearing field, indicate the *code that identifies your branch in the Clearing Network*. The code you specify for your branch should be the same as that defined in the Clearing Bank Code Maintenance screen. For your branch, you must *also specify the Sector Code*, as specified in the Clearing Bank Code Maintenance screen. Finally, if clearing transactions involving your branch must be routed through another branch, specify the Oracle FLEXCUBE branch code of that branch in the Clearing through Branch field.

On the basis of the Routing Number Mask defined for your bank, and your specifications in this screen, Oracle FLEXCUBE automatically generates the Routing Number for clearing transactions involving your branch in the Routing Number field. This routing number is used to resolve outward clearing transactions.

For example, if you (Westside Bank, Seattle branch) issue a Demand Draft (DD) that is payable at an outstation branch of, say, Friendly Neighborhood Bank, Nashville, based on the routing number, the DD, if presented at any other bank in Nashville, will be sent to Friendly Neighborhood Bank for clearing and *not* your bank and branch.

For more details about the Branch Parameters screen, refer the Core Services user manual.

3.1.3.3 Identifying Speed Clearing Banks and Branches

Check the 'Speed Clearing' box to indicate that speed clearing is enabled for the bank and its branches. If you check this box, then, during outward clearing process, the beneficiary bank and branch are validated against the speed clearing. If the clearing branch is not enabled with speed clearing, then system gives an error message.

3.1.4 Maintaining Instrument Pneumonic Codes for Clearing Instruments

You can maintain pneumonic codes for clearing instruments in the 'Clearing Instrument Pneumonic Code Maintenance' screen. You can invoke this screen by typing 'CGDTRNCD' in the field at the top-right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a web-based dialog box titled "Clearing Instrument Pneumonic Code Maintenance -- Webpage Dialog". The main content area contains three input fields: "Instrument Pneumonic Code", "Description", and "Instrument Type". The bottom of the dialog features a dark blue footer with several fields: "Maker", "Checker", "Date Time:", "Mod No", "Authorized" (with an unchecked checkbox), "Open" (with a checked checkbox), and a "Cancel" button.

Specify the following:

Instrument Pneumonic Code

Specify the numeric transaction pneumonic code of the instrument type.

Description

Specify a brief description of the transaction code maintained.

Instrument Type

Select the type of the instrument from the adjoining drop-down list. This list contains the following values:

- Cheque
- DD
- BC

During inward clearing file upload process, the instrument type is derived based on the transaction mnemonic from the file.

The list of transaction mnemonic codes is given below:

Transaction Code	Nature of transaction/instruments represented by the code
9	Codes reserved for clearing house control documents representing debit instruments.
10	Savings Bank Account Cheque
11	Current Account cheque
12	Banker's cheque
13	Cash credit account cheque
14	Dividend warrant
15	Traveler's cheque
16	Demand Draft
17	Cheques which will be issued in lieu of existing payment order
18	Gift cheque
19	Interest warrant
20	State government transactions @
21	Central Government transactions @
22	Railway transactions @
23	Posts & Telegraphs transactions @
24	Defense transactions @
25	Telecommunication transactions @
26	Reserved
27	Departmentalized ministries (UMALO) transactions
28	Refund warrant
29	At Par Current Account Cheques

Transaction Code	Nature of transaction/instruments represented by the code
30	Stock Invest
31-49	Reserved

3.1.5 **Maintaining Clearing Houses and Clearing House Holidays**

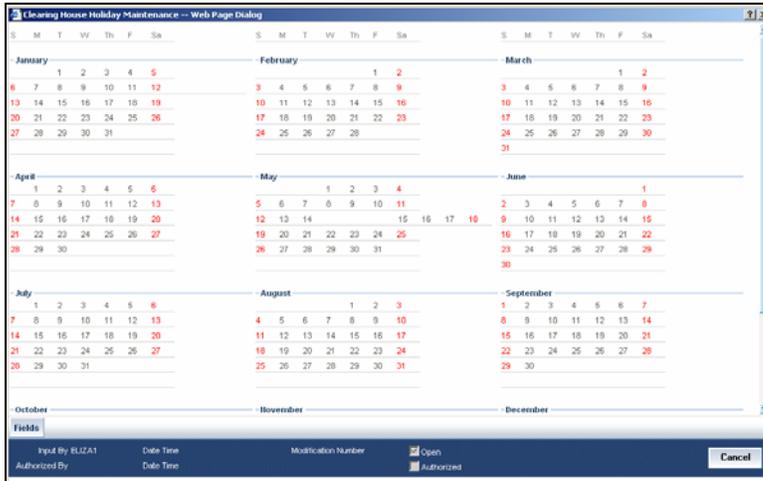
In the 'Clearing House Maintenance' screen, invoked from the Application Browser, you have to maintain the clearing houses your bank participates in. You can invoke this screen by typing 'STDCLMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Identify every Clearing House you participate in with a unique code. In the Description field, briefly capture the details of the Clearing House. The Clearing House Code and Description you enter should help you easily identify a clearing house. Additionally, specify a SWIFT code for the clearing house. In order to process MT306, MT340, MT 360 and MT361 you need to maintain the following codes as SWIFT Codes for the field 29H, 29E and 22B:

- EUTA - Target
- LKCO – Colombo
- PKKA - Karachi
- ROBU - Bucharest
- TRIS - Istanbul
- VNHA - Hanoi

3.1.6 Maintaining Clearing House Holidays

In the Clearing House Holidays Calendar Maintenance screen, invoked from the Application Browser, you can identify the holidays for the various clearing houses maintained at your bank. You can invoke this screen by typing 'STDCLHOL' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.



In the Clearing House field, specify the clearing house for which you are maintaining holiday details.

The dates on the calendar are marked in black and red. The dates you mark in black are “working days” and dates you mark in red are “holidays”. Click on a date to change its color.



Clearing Houses and Clearing House Holidays are typically maintained at the Head Office.

3.1.7 Identifying End Point Details

In Oracle FLEXCUBE, clearing houses are also referred to as end points. To facilitate error-free processing of clearing transactions, you need to maintain end point details and map an end point to a clearing house. Invoke the End Point Details screen from the Application Browser to maintain end point details. You can invoke this screen by typing 'STDENDPT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a web browser window titled "Clearing House End Point Maintenance -- Webpage Dialog". The main content area contains several input fields: "End Point *", "End Point Description *", "End Point Literal *", and "Clearing House". Below these is a section titled "Clearing Batch Extract" which includes a checkbox for "Accounting Required" (which is unchecked) and four more input fields: "Clearing Suspense GL", "Clearing Bridge GL", "Main Transaction Code", and "Reject Transaction Code". At the bottom of the window, there is a "Fields" tab and a status bar with fields for "Input By", "Date Time", "Modification Number", "Authorized", "Open", and an "Exit" button.

In this screen, you achieve two things:

- Identify an end point with a unique code and description
- “Map” every End Point you are maintaining with a Clearing House

Enter a unique code and a brief description to identify an end point (in other words, a clearing house).

 In Oracle FLEXCUBE, a nine-digit number identifies end points and a three-digit number identifies clearing houses. By mapping an end point to a clearing house, you identify the end point captured at the branch as a valid clearing house maintained in Oracle FLEXCUBE.

Clearing Batch Extract

Accounting Required

Check this box to indicate that accounting has to be posted during the processing of clearing extraction batch. By default, this option is unchecked.

Clearing Bridge GL

Select the clearing bridge GL that should be used as the bridge GL for posting the accounting entry during the processing of clearing extract batch. The adjoining option list displays a list of all the valid clearing bridge GLs maintained in the system. You can choose the appropriate one.

Clearing Suspense GL

Specify the clearing bridge GL that should be used as the suspense account for posting the accounting entry during the processing of clearing extract batch. The adjoining option list displays a list of all the valid clearing suspense GLs maintained in the system. You can choose the appropriate one.

Main Transaction Code

Specify the transaction code that should be used for the accounting entry posted during the inward/ outward clearing batch extract process.

Reject Transaction Code

Specify the transaction code that should be used for the accounting entry posted during the processing of the inward/ outward clearing reject extract process.

3.1.8 Processing the Clearing Extraction Batch

The processing of the clearing batch is provided at the end point level (clearing house). The outward clearing extract process generates the clearing files for the clearing transactions of the current branch for each end point (Clearing house). Similarly, the inward clearing extract process generates the clearing file for each end point (Clearing house).

During each extraction and upload process, the following details are saved:

- File ID – name of the file processed or generated
- Processed Time
- No. of Entries
- Total Instrument Amount
- Reference Number

The following process code is processed to generate the reference number:

- ZCTI – For inward clearing file processing
- ZCTO – Outward clearing extract
- ZCTR – Reject extract

3.1.9 Accounting for Clearing Extract

Accounting for clearing extract is posted only if you have checked 'Accounting Required' in the 'Clearing House End Point Maintenance' screen. The 'Accounting Required' option invokes a journal entry for the sum of the transaction amounts of a file. If this option is checked, the accounting entries will be posted as given below:

3.1.9.1 Inward Clearing Extract

During inward clearing batch extract process, the following accounting entries are posted for the total instrument amount of the clearing file:

Dr/Cr	Account	Amount
CR	Clearing Suspense GL	Total Instrument amount of the batch file
DR	Clearing Bridge GL	Total Instrument amount of the batch file

Resolution of the clearing suspense/ bridge GL will be the suspense GL/ Bridge GL maintained at the clearing house level. 'Main Transaction Code' maintained at clearing branch parameters is used for the accounting entry. However, the offset entry of the clearing transaction will continue to use the Offset GL configured at the ARC maintenance.

You can maintain the same Clearing Bridge GL as the offset account in the ARC maintenance. The accounting entry of the transaction will be as follows:

Dr/Cr	Account	Amount
CR	Clearing Bridge GL (Offset account maintained in ARC)	Transaction amount
DR	Rem Customer account	Transaction amount

During inward clearing reject extract process, the following accounting is posted for the total instrument amount of the reject transactions:

Dr/Cr	Account	Amount
DR	Clearing Suspense GL	Total Instrument amount of the batch file
CR	Clearing Bridge GL	Total Instrument amount of the batch file

Resolution of the clearing suspense/ bridge GL will be the Suspense GL/ Bridge GL maintained at the clearing house level. 'Reject Transaction Code' maintained at the clearing branch parameters will be used for the accounting entry.

3.1.9.2 Outward Clearing Extract

During outward clearing batch extract process, the following accounting is posted for the total instrument amount of the clearing transactions:

Dr/Cr	Account	Amount
DR	Clearing Suspense GL	Total Instrument amount of the batch file

Dr/Cr	Account	Amount
CR	Clearing Bridge GL	Total Instrument amount of the batch file

Resolution of the clearing suspense/ bridge GL will be the Suspense GL/ Bridge GL maintained at the clearing house level. 'Main Transaction Code' maintained at the clearing branch parameters will be used for the accounting entry. However, the offset entry of the clearing transaction will continue to use the Offset GL configured at the ARC maintenance.

You can maintain the same Clearing Bridge GL as the offset account in the ARC maintenance. The accounting entry of the transaction will be as follows:

Dr/Cr	Account	Amount
DR	Clearing Bridge GL (Offset account maintained in ARC)	Transaction amount
CR	Ben Customer account	Transaction amount

During outward clearing reject process, the following accounting is posted for the total instrument amount of the clearing file:

Dr/Cr	Account	Amount
CR	Clearing Suspense GL	Total Instrument amount of the batch file
DR	Clearing Bridge GL	Total Instrument amount of the batch file

Resolution of the clearing suspense/ bridge GL will be the Suspense GL/ Bridge GL maintained at the clearing house level. 'Reject Transaction Code' maintained at the clearing branch parameters will be used for the accounting entry.



Note the following:

- Accounting entries are posted during the processing of the clearing batch, based on the parameters maintained in the 'Clearing House End Point Maintenance' screen.
- Accounting is done for the total instrument amount of the batch file, during inward/ outward clearing batch process.
- Reversal entries are posted during inward/ outward reject, for the total instrument amount of the rejected entries in the batch.

3.2 Maintaining Outward Clearing Float Extension Details

You can extend the value date of outward cheque transactions from the 'Float extension of a cheque transaction' screen. You can invoke this screen by typing 'CGDCFLEX' in the field at the top-right corner of the Application toolbar and clicking the adjoining arrow button.

In this screen, the float can be extended for a particular outward clearing transaction.

The screenshot shows a web page dialog titled "Float Extension of a cheque transaction -- Web Page Dialog". The dialog contains the following fields and controls:

- Branch Code: ACH
- Reference Number: ACHFLTX07337000B
- Account Number: [Field with dropdown arrow]
- Clearing Type: [Field with dropdown arrow]
- Customer Value Date: [Field]
- Flexcube Reference: [Field]
- Cheque Number: [Field with red asterisk]
- Routing Number: [Field with red asterisk and dropdown arrow]
- Float Extension: [Field with red asterisk and value 1]
- New Customer Value Date: [Field]
- Populate: [Button]
- Maker ID: [Field]
- Maker Dt Stamp: [Field]
- Checker ID: [Field]
- Checker Date Stamp: [Field]
- Authorisation Status: [Checkbox]
- Status: [Checkbox]
- Ok: [Button]
- Cancel: [Button]

Specify the following:

Branch Code

System displays the branch code of the current branch.

Reference Number

System displays a reference number for the outward clearing transaction.

Account Number

Specify the account number for the transaction which needs to be extended, from the adjoining option list.

Clearing Type

Specify the clearing type for the transaction from the adjoining option list.

Cheque Number

Specify the check number for the transaction.

Routing Number

Specify the routing number for the transaction from the adjoining option list.

Float Extension Days

Specify the number of days by which the value date of the transaction should get extended. By default, system displays as 1 day. However, you can change this value.

Click the 'Populate' button to populate the 'Customer Value Date', 'New Customer Value Date'. System populates these values based on the float extension days and the clearing house maintenance. Also, system displays a reference number for the transaction in 'Flexcube Reference'.

During authorization, system triggers the float extension for a given instrument and the following takes place:

- The value date of the transaction is updated to the new value date
- Accounting entries are reversed for the transaction
- New value date is assigned to the post accounting entries
- The available dated of the fund is updated with the new value date



The outward clearing transactions that have been sent earlier and have the customer / bank value date as a future date only can be extended. If the fund has already been received for an outgoing clearing transaction, it cannot be extended.

3.3 Maintaining Outward Clearing Bank Float Extension Details

You can extend the value date of outward clearing transactions from the 'Float Extension Maintenance' screen. The criterions on which you can extend the value date of outward clearing transactions are sector code, bank, code, branch code and routing number.

You can invoke this screen by typing 'CGDBFLEX' at the top-right corner of the Application toolbar and clicking the adjoining arrow button. In this screen, the float can be extended for a set of outward clearing transactions.

The screenshot shows a web browser window titled "Float Extension Maintenance -- Web Page Dialog". The form contains the following fields and values:

Transaction Branch Code *	ACH	Clearing Type *	
Reference No *	ACHFLTX07337000C	Float Extension *	
Sector Code *		Status	Unprocessed
Bank Code *		Transaction Date	12/3/2007
Clearing Branch Code *			

At the bottom of the form, there are several fields and a button:

Maker	Date Time:	Mod No	<input type="checkbox"/> Authorized	Cancel
Checker	Date Time:		<input checked="" type="checkbox"/> Open	

Specify the following:

Transaction Branch

System displays branch code of the outward clearing transaction here.

Reference Number

System displays the auto-generated unique reference number of the float extension maintenance.

Sector Code

Specify the code for the end point or clearing house. The adjoining options list contains all the valid sector codes maintained in the system. You can select the appropriate one.

Bank Code

Specify the bank code for the outward clearing transaction. The adjoining option list contains all the valid bank codes maintained in the system. You can select the appropriate one.

Clearing Branch Code

Specify the clearing branch code. The adjoining option list contains all the valid clearing branch codes maintained in the system. You can select the appropriate one.

Clearing Type

Specify the clearing type/ product for the transaction. The adjoining option list contains all the valid clearing types maintained in the system. You can select the appropriate one.

Float Extension

Specify the number of days by which the float days has to be extended for the clearing the instrument.

Transaction Date

System displays the current date here.

Status

System displays the status of the maintenance here.

An Intra-Day batch triggers the float extension of the cheque transactions based on the float extension maintenance. System processes the intra-day batch by fetching the bank float extension maintenance and based on the criterion for the current branch, system triggers the value date extension for the transaction, matching the specified criteria. The value date of the transaction is updated to the new value date and the accounting entries are reversed for the transaction. System also assigns a new value date to the post accounting entries.



The outward clearing transactions that have been sent earlier and have the customer / bank value date as a future date only can be extended. If the fund has already been received for an outgoing clearing transaction, it cannot be extended.

3.3.1 Processing the Float Extension Batch

An intra-day batch triggers the float extension of the cheque transactions based on the float extension maintenance.

Processing of the float extension intra-day batch is as follows:

System fetches the bank float extension maintenance and triggers the value date extension for the transactions identified, based on the criterion for the current branch. System does the following:

- Updates the value date of the transaction to the new value date
- System will pass the reversal of the accounting entries for the transaction
- System will post the accounting entries with new value date

The batch executes only those maintenances where the transaction date is the current date. System executes the maintenance made on the previous days. All the outstanding outward clearing transactions are updated, including the transactions booked on the current date.

In case multiple maintenances are maintained in the system, the batch executes them in the order they are maintained (which can be identified by the maker time-stamp). As the system executes all maintenances, you need to ensure that no redundant maintenances are made.

For more details on batch execution and mandatory batch program maintenance, refer the chapter 'Setting- up Mandatory Programs for EOD' in the AEOD User Manual.

Example

This example explains the float extension of a cheque transaction. Consider the following cheques deposited in various accounts of a branch as on 5th September, 2004:

Account Number	Cheque Number	Value Date	Routing Number	End Point
Account 1	100	September 6, 2004	800651123	1000 E1
Account 2	200	September 5, 2004	800651123	1000 E1
Account 3	300	September 5, 2004	600502457	6000 E2

Due to some unexpected event, all instruments sent for clearing to the sector 600 have been delayed by 2 days. In this situation the float extension is maintained with the following details:

Sector Code – 600

Bank Code – 502

Date of execution – 5th September, 2004

Float days to be extended – 2

During the intra-day batch, system checks for all the instruments posted to the bank 502 with sector code 600.

Therefore, the instrument affected by the value date extension is cheque number 300 and the new value date of the instrument is 7th September, 2004.

3.4 Maintaining Interface Clearing Details

You can correct the records that are in error status through the 'Interface Clearing Details' screen. This screen will display the records of all status including success, reject and error. To invoke this screen type 'IFDCLGDT' in the field at the top-right corner of the application toolbar and click the adjoining arrow button.

The screenshot shows a software dialog box titled "Interface Clearing Details -- Webpage Dialog". It contains several sections of data entry fields. On the left side, there are fields for "Remittance Branch" (TDT), "Inward/Outward Clearing" (I), "Scode" (CLRH), "External Reference No" (TDTZCTS082840014), "File Id" (Incoming_che_clearing_100_Char_2.txt), "Payee Details", "Remitter A/C No" (111114), "Instrument Type" (CHQ), "Product" (ICLR), "Instrument Currency" (INR), "Instrument Amount" (4002.00), "Instrument Date", "Transaction Date" (10/10/2008), "End Point" (TDENDS), "Old Instrument Amount", and "Error Codes". On the right side, there are fields for "Status" (Success), "Instrument Number" (2005), "Remittance Bank", "Beneficiary Bank", "Value Date", "Customer Value Date", "Serial Number", "Contract Reference Number" (TDTICLR082840013), "DIN", "DIN Date", "Remarks", "Beneficiary Account", "Beneficiary Branch", and "Entry Number" (1). At the bottom, there are checkboxes for "Late Clearing", "Adjustment Amount Flag", "Override Stale Days", "Override Stop Pay", and "Force Posting". The footer of the dialog box contains "Input By TDTNB1", "Date Time 10/10/2008", "Modification number 1", "Open" and "Authorized" checkboxes, and an "Exit" button.

Specify the following details:

When you invoke the above screen, all the MICR exceptions are displayed. You can select a record from the grid to view the details for the same, in the lower section of the screen.

To correct you have to first unlock the record. You are allowed to edit one record at a time and can perform following functions:

- To override stale days and stop pay exceptions check the appropriate checkbox.
- To perform an amount adjustments click on the 'Adjustment Amount Flag' check box.
- To do a bulk authorization for all the queried records, click on the button.
- To dishonor any warrants, change the status of the record to either Dishonor-Return or Dishonor-Adjustment. A Cheque Return Advice would be generated for this status. The bank code and address of the bank will also be included in the advice.

- Select the 'Advice Required' option to generate a Cheque Return Advice while rejecting a record in the MICR file. A Cheque Return Advice will be generated only if this option is enabled.
- In the 'Rejection' queue, you will be allowed to modify the routing number.

Instrument Type

Select the type of instrument from the drop-down list. You have the following options:

- Cheque
- DD
- BC

Routing Number

Specify the routing number for the transaction. Alternatively, you can choose a routing number from the adjoining option list, by specifying the bank or the branch code.

3.5 Viewing the Interface Clearing Details

You can view the corrected records with error status in the 'Interface Clearing Summary' screen. You can invoke this screen by typing 'IFSCLGDT' in the field at the top-right corner of the Application toolbar and clicking the adjoining arrow button.

In the screen, you can perform a search based on any combination of the following:

- Authorization Status

- Scode
- Remitter Account
- Instrument Number
- Entry Number
- File Id
- Payee Details
- Maker ID
- Record Status
- Batch Number
- Beneficiary Account
- Status
- Rejected Code
- Inward/Outward Clearing
- Pneumonic Code
- Instrument Type
- Pneumonic Code

After specifying the parameters for the query, click the 'Search' button. System displays all the records that match the specified parameters.

3.6 Querying the Clearing Transaction Details

You can view, authorize/ reject multiple clearing transactions in bulk from the 'Query Clearing Upload' screen. You can access this screen only if you have rights to modify clearing data. However, you if want to view the clearing data, you can access the 'Interface Clearing Summary' screen.

You can invoke the 'Query Clearing Upload' screen by typing 'CGDCLGDT' in the field at the top-right corner of the Application toolbar and clicking the adjoining arrow button.

Specify the following:

External Reference No

Specify the system-generated external reference number. The adjoining option list displays a list of all the valid external reference number maintained in the system. You can select the appropriate one.

Currency

Select the currency for the transaction from the adjoining option list.

End Point

Specify the clearing house for the transaction. This adjoining option list displays all the clearing house codes maintained in the system. You can choose the appropriate one.

Remitter Branch

Specify the branch where the remitter account is maintained. Alternately, you can choose the remitter branch from the adjoining option list.

Remitter Account Number

Specify the remitter account number. Alternately, you can choose the remitter account number from the adjoining option list.

Remitter Account Currency

Specify the currency of the remitter account. Alternately, you can choose the remitter account number from the adjoining option list.

Product

Specify the clearing product. Alternately, you can choose the product from the adjoining option list.

Instrument No

Specify the instrument number for the transaction.

In case of unsuccessful outward clearing transactions, if duplication of instrument number is found, system gives an override message. In this case, you have to modify the values of Instrument No, Instrument Date and Amount.

Instrument Currency

System displays the instrument currency.

Beneficiary Account

Specify the beneficiary account. Alternately, you can choose the beneficiary account from the adjoining option list.

Amount

Specify the instrument amount.

Transaction Date

Specify the transaction date. Alternatively, you can choose a date from the adjoining calendar button.

Instrument Type

Select the instrument type from the adjoining drop-down list. You can select one of the following options:

- Cheque
- BC
- DD

Short Account Number

Specify the short clearing account number. Alternatively, you can choose the short account number from the adjoining option list.

Direction

Specify the direction, either incoming or outgoing, of the clearing transaction. Alternatively, you can choose the direction from the adjoining option list.

File Id

Specify the name of the file to which the instrument belongs. The adjoining option list displays all the valid file ids maintained in the system. You can select the appropriate one.

Reject Code

Specify the reject code for changing the status of successful transactions to reject. Alternatively, you can choose reject code from the adjoining option list. For both successful and unsuccessful incoming transactions, you can modify this field. For unsuccessful outward clearing transactions, specify the reject code while changing the status of successful transactions to reject.

Batch Reference Number

Specify the unique external reference number.

Routing Number

Specify the routing number for cheque clearing. Alternately, you can choose a routing number from the adjoining list, by specifying the bank or branch code. You can modify this field for unsuccessful inward and outward clearing transactions. However, in case of outward clearing transactions, after modifying the routing number, you should set the status to unprocessed so that the transaction gets processed again.

User Id

Specify the user id for the transactions.

Auth Status

Select the authorization status from the adjoining drop-down list. This list displays the following values:

- Authorized
- Unauthorized

Status

Select the status of the instrument from the adjoining drop-down list. This list displays the following values:

- Override
- Unprocessed
- Success
- Dishonour Return
- Error

For unsuccessful inward clearing transactions, the following status changes are possible:

- From Override to Unprocessed – in case Force Posting is checked
- From Error to Unprocessed – in case of different remitting account or branch
- From Success to Dishonour Return – in case of Rejects
- From Override to Dishonour Return – in case of insufficient funds

For unsuccessful outward clearing transactions, the following status changes are possible:

- From Success to Dishonour Return – in case the check is returned by the remitting bank
- From Error to Unprocessed – in case Force Posting is checked. Also, you have to change Routing Number, Instrument Number, Date and Amount.

Force Posting

Check this box to indicate that transactions have to be processed even in case of insufficient funds.

For unsuccessful inward clearing transactions, you can check this box only if the transaction status is 'Override'. Also, if you check this box, you cannot change the values of 'Remit Account', 'Remit Branch' and 'Reject Code'.

For unsuccessful inward clearing transactions, the upload of incoming clearing transactions may fail if system does not resolve the account number. This is applicable when 'Short Clearing Account Number' is not available in the cheque and the cheque number is not unique across accounts. In this case, you need to manually arrive at the remitting account and branch based on other details and/ or keyed-in details.

For processing the incoming clearing transactions, system checks the availability of the 'short account number'. If it is available, then system automatically locates the corresponding customer account. If the 'short clearing account' is not available, then system tries to arrive at the account with the cheque number. If the cheque number is unique across customer accounts in all the branches that have the same clearing branch, then system will resolve the customer account. Else, you have to manually resolve by specifying the customer account.



If you change the value of 'Remitting Account', then, 'Status' can only be modified to 'Unprocessed'.

3.7 Reversing Liquidation of BC and DD

You can reverse the liquidation of BC & DD in the 'Reversal of BC/DD Liquidation' screen. To invoke this screen type '8304' in the field at the top-right corner of the application toolbar and click the adjoining arrow button.

External Reference Number	Instrument Number	1000
Instrument Type	Clearing Bank Code	CHO
Branch	Cheque Currency	USD
LiquidationDate	Cheque Amount	10.000
Issue Branch	Total Charges	0.000
Transaction Currency	ISSUE DATE	09/01/2008
Amount in Account Currency	Total Amount	10.000
Account Number		
Beneficiary Name	Payable Branch	001
Beneficiary Address	Cheque Number	1234
	Cheque Status	LIQD
	Passport/IC Number	1223556

Specify the following details:

External Reference Number

Unique external reference number is displayed.

Instrument Type

Specify the instrument type. This adjoining option list displays all the instrument types maintained in the system. You can choose the appropriate one.

Branch

Specify Branch code.

Liquidation Date

Specify a valid liquidation date. This adjoining option list displays all the liquidation dates maintained in the system. You can choose the appropriate one.

Issue Branch

Specify the Branch code issuing the liquidation. This adjoining option list displays all the Branch code maintained in the system. You can choose the appropriate one.

Transaction Currency

Specify the currency of the transaction. This adjoining option list displays all the currencies of the transaction maintained in the system. You can choose the appropriate one.

Amount in Account Currency

Specify amount in account currency.

Account Number

Specify a valid account number. This adjoining option list displays all the valid account numbers maintained in the system. You can choose the appropriate one.

Beneficiary Name

Specify name of the beneficiary.

Beneficiary Address

Specify address of the beneficiary.

Instrument Number

Specify Instrument Number.

Clearing Bank

Specify a valid Clearing Bank Code. This adjoining option list displays all the valid Clearing Bank Code maintained in the system. You can choose the appropriate one.

Cheque Currency

Specify a valid currency of the instrument. This adjoining option list displays all the valid currencies of the instrument maintained in the system. You can choose the appropriate one.

Cheque Amount

Specify Cheque Amount.

Total Charges

Specify the total charges.

Issue Date

Specify the issuing date.

Total Amount

Specify the total amount.

Payable Branch

Specify a valid branch code of the payable branch. This adjoining option list displays all the valid branch code of the payable branch maintained in the system. You can choose the appropriate one.

Cheque Number

Specify cheque number.

Cheque Status

Specify status of the cheque.

Passport/IC Number

Specify passport number.

4. Maintaining Clearing Products

4.1 Introduction

In this chapter, we shall discuss the manner in which you can define attributes specific to a Clearing (CG) product.

You can create a clearing product in the 'CG Product Definition' screen, invoked from the Application Browser. You can invoke this screen by typing 'CLDFNPRD' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

In this screen, you can enter basic information relating to a clearing product such as the Product Code, the Description, etc.

The advantages of defining a product

Let us consider the steps involved in processing an outward clearing transaction (for example, your customer presents a check drawn on another bank) at your bank. Your specifications would include the following:

- The Code of the bank on which the instrument is drawn (as identified in the Clearing Network)
- The Code of the branch on which the instrument is drawn (as identified in the Clearing Network)
- The Clearing Network through which the instrument has been routed
- The Floating Days to calculate the booking date for the bank leg of the transaction
- The Floating Days to calculate the booking date for the customer leg
- The Exchange Rate applicable, etc.

If you process a thousand such outward clearing transactions in a day, you would need to repeat these operations as many times. By defining outward clearing transactions as a product in Oracle FLEXCUBE, and defining standard attributes for it, you can simplify the task of processing clearing transactions.

Every time you process a clearing transaction under a product, Oracle FLEXCUBE automatically applies the attributes defined for the product. However, if required, you can change the inherited attributes at the time of processing.

For any product you create in Oracle FLEXCUBE, you can define generic attributes, such as branch, currency, and customer restrictions, interest details, tax details, etc., by clicking on the appropriate icon in this screen. For a loans product, in addition to these generic attributes, you can specifically define other attributes. These attributes are discussed in detail in this chapter.

You can define the attributes specific to a loans product in the CG Product Definition Main screen and the CG Product Preferences screen. In these screens, you can specify the product type and set the product preferences respectively.

For further information on the generic attributes that you can define for a product, please refer to the Products User Manual.

Product Type

A product you are creating can belong to either of the following categories:

- 'IC' for inward clearing of checks
- 'ID' for inward clearing of DDs
- 'OC' for Outward Clearing

These product categories are referred to as product types. When you create a product, you must specify its 'type'.

4.1.1.1 Specifying Exchange Rate Variance

A clearing transaction may involve a currency conversion. For such transactions, the rate corresponding to the Rate Type that you specify for the product will be picked up. (Cash rate, Standard Rate, Spot Rate, etc., are examples of Rate Types). When processing a transaction, the rate *value* that is picked up can be changed. You can define the limits within which this change can be made, as follows:

Normal variance

The rate variance can exceed the rate maintained for the Rate Type by the value you specify here (normal variance). In such a case, the system prompts the user with an override message before the contract is saved.

Maximum variance

For transactions involving the product, the exchange rate variance *cannot* exceed the rate corresponding to the Rate type by this value (Maximum Variance). If the rate that is input exceeds the maximum variance defined, the system will not allow storing of the contract.

Example

You have specified the normal variance as 3% and the maximum variance as 6% for a product.

If an exchange rate input for a transaction involving the product varies from the applicable rate maintained for the day by less than 3%, the system will NOT display an override message.

If the exchange rate input for a transaction involving the product varies from the Standard Rate by 3% to 6%, Oracle FLEXCUBE will display an override message. On confirmation, the transaction will be saved. The override message will be recorded.

If the exchange rate input for a transaction involving the product varies from the day's rate by more than 6%, Oracle FLEXCUBE will not store the transaction.

4.1.1.2 Maintaining Preferences for Clearing

You can maintain preferences for clearing through the Preferences screen. To invoke this screen, click 'Preferences' button in the 'Clearing Product Definition' screen. The screen appears as shown below:

The screenshot shows a software dialog box titled "Clearing Product Definition -- Webpage Dialog". The dialog contains a form with the following fields:

- Product Code *
- Product Description *
- Product Type
- Description
- Slogan
- Product Group
- Product Group Description
- Start Date *
- End Date
- Remarks
- Exchange Rate Variance(in %)
- Override Limit *
- Stop Limit *
- Rate Code *
- Rate Type Preferred *

At the bottom of the dialog, there are tabs for "Branch Currency", "Preferences", "Mis", "Fields", and "Transaction Code". Below the tabs, there are fields for "Maker", "Checker", "Date Time", and "Mod No". There are also checkboxes for "Authorized" and "Open", and an "Exit" button.

Referral Required

Referral refers to the process of handling customer transactions, which force the accounts involved in such a transaction to exceed the overdraft limit. Clearing transactions can force an account to move into overdraft. While maintaining the details of a Clearing product you can indicate whether transactions involving the product need to be considered for referral checks. Enabling this option indicates whether the product needs to be considered for referral.

If a product is marked for referral, the details of transactions resulting in the account (involved in the transaction) moving into Overdraft will be sent to the Referral Queue.

 If a clearing transaction breaches the limits, the details of all transactions processed during the day will also be moved to the Posted Entries section in the Referral Queue. You can choose to accept or reject the transactions. The details of the transaction which has breached the limits will be displayed in the Unposted Entries section of the queue.

For further details on Referrals refer to the Processing Referrals in Oracle FLEXCUBE chapter of the Core Entities manual.

Indicating requirement for Referral

Clearing transactions can force an account to move into overdraft. You can indicate whether inward clearing transactions involving the product need to be considered for referral checks for exceeding their overdraft limit. Check this option to indicate that referral is required.

Consolidation Required

This field is enabled only for inward clearing products. Check this option to indicate consolidation for all transactions for a customer in an inward clearing batch, is required. Any inward clearing product which has Consolidation Required enabled, cannot be selected for a manual clearing entry.

Speed Clearing

Check this box to indicate that speed clearing products are enabled for the bank and its branches. However, you can check this box, only if the product type is either OC (Outward Clearing) or IC (Inward Clearing).

Insufficient Funds Reversal

This field is enabled only for inward clearing products. The Transaction Code is used to reverse the accounting entry if an individual clearing transaction is reversed from the Referral Queue due to insufficient funds. Specify a Transaction Code for reversal. If the Transaction Code is left blank, the Transaction Code of the original clearing entry will be used for reversal.

CASA Reversal

This field is enabled only for inward clearing products. The Transaction Code is used to reverse the accounting entry if an individual clearing transaction is reversed due to any CASA error. Specify a Transaction Code for CASA reversal. If the Transaction Code is left blank, the Transaction Code of the original clearing entry will be used for reversal.

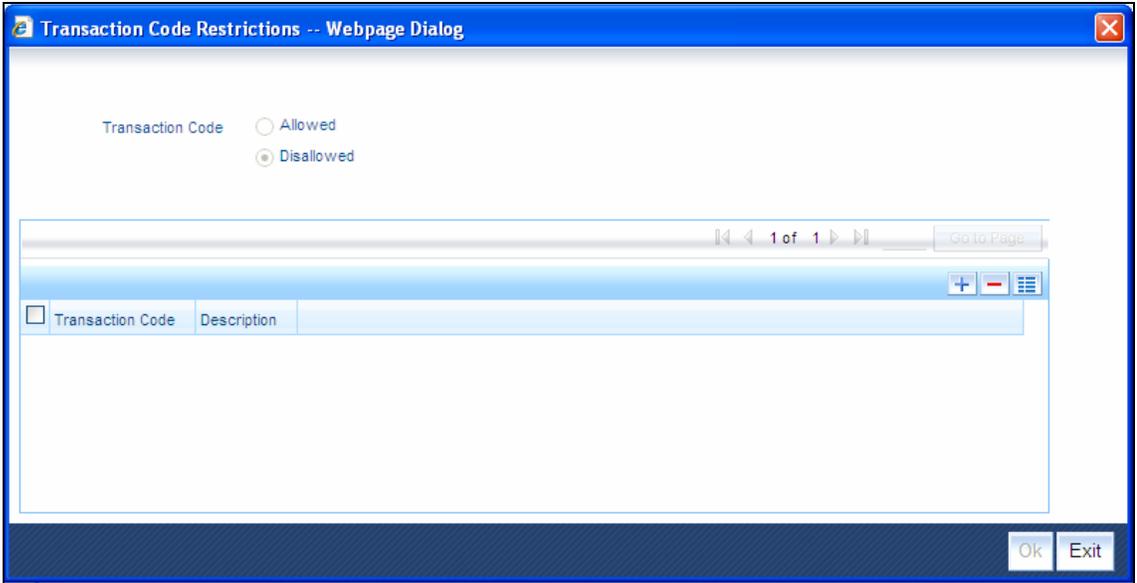
Only those Transaction Codes which have Cheque Mandatory set as 'NO' in the Transaction Code Maintenance screen, will appear for selection.

Consolidation Transaction Code

You need to specify the Transaction Code required for passing a consolidated clearing entry. The same Transaction Code should be maintained with Cheque Mandatory option as 'No', in the Transaction Code Maintenance screen.

4.1.2 Maintaining Transaction Code Restrictions

You can define the instrument transaction code restrictions in the 'transaction Code Restrictions' screen. To invoke this screen, click 'Transaction Code' button in the 'Clearing Product Definition' screen. The screen appears as shown below:



Specify the following:

Transaction Code

Indicate the transaction code restriction for a product. You can select one of the following options:

- Allowed – indicates the transaction code is allowed for the product
- Disallowed – indicates the transaction code is disallowed for the product

Transaction Code

Specify the transaction code for the product. The adjoining option list displays all the valid transaction codes maintained for the system. You can select the appropriate one.

Description

System displays a brief description of the transaction code.

4.1.3 Maintaining Late Clearing Details

You can advance or extend late clearing for a day through the 'Late Clearing' screen. You can invoke this screen by typing 'CGDLTCLG' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a web-based dialog box titled "Late Clearing -- Webpage Dialog". It is divided into two main sections: "Branch Details" and "Clearing".

- Branch Details:** Contains three fields: "Branch Code *" with a dropdown arrow, "Branch Name" (text input), and "Current Date *" displaying "4/15/2008".
- Clearing:** Contains two fields: "Late Clearing Hour *" and "Late Clearing Min *" (both text inputs).

At the bottom of the dialog, there is a dark blue footer area with the following elements:

- Fields for "Maker" and "Checker".
- Fields for "Date Time:".
- A "Mod No" field.
- Checkboxes for "Authorized" and "Open".
- A "Cancel" button.

Specify the following:

Branch Details

Branch Code

Specify the branch code for the customer. The adjoining option list displays a list of all the valid branch codes maintained in the system. You can select the appropriate one.

Branch Name

Specify a brief description for the branch code you have maintained.

Current Date

System displays the current date.

Clearing

Late Clearing Hour

Specify the hours of the clearing cut-off time for late clearing.

Late Clearing Min

Specify the minutes of the clearing cut-off for late clearing.

System checks if clearing cut-off time is maintained for a specific date in the 'Late Clearing' screen. If it has been maintained, system takes the cut-off time maintained here; else, system takes that cut-off time maintained at the branch level, in the 'Clearing- Branch Parameter' screen.

The transactions that entered after the late clearing cut-off time are sent for clearing on the same day. The outward clearing extract batch does not pick the late clearing transactions that are entered on the current date. Instead, these transactions are sent the next day when the same batch is run as the batch picks up the late clearing transactions that are entered before the current day.

4.2 Processing Reversals

Reversal of individual clearing entries will be processed automatically by the system in case of any CASA related errors or any other error while processing the individual instruments. The CASA Reversal Transaction Code specified in the Clearing Product Preferences screen will be used for reversal due to CASA errors. If this Transaction Code is not maintained, the Transaction Code used for passing the consolidated clearing entry (of which this instrument was a part) will be used for reversal. The individual transaction will be marked as rejected in this case.

In case the Force Posting option has been checked in the Interface Clearing Details screen, and an individual transaction is posted to a referral queue because of insufficient funds (if the Referral option is checked in the Clearing Product Definition screen and the Customer Account Maintenance screen), you will have to manually reverse or accept the clearing transaction. In such a case, the individual clearing transaction will be marked as success.

In case a reversal needs to be done for a transaction which was part of the consolidated clearing process, the transaction will be reversed using the Insufficient Funds Reversal Transaction Code maintained in the Clearing Product Preference screen. In case the Transaction Code is not maintained, the Transaction Code used for passing the consolidated clearing entry (of which this instrument was a part) will be used for reversal. Charge entries, if any, will also be reversed using the Transaction Code of the individual clearing transaction.

In case of any other error the individual clearing transaction will be marked as rejected and the transaction will be reversed using Transaction Code used for passing the Consolidated Clearing Entry of which this instrument was a part.

Rejected transactions can be reprocessed as usual. Consolidated Clearing Entry will not be passed while reprocessing rejected transactions.

The values of Insufficient Funds Reversal Transaction Code and the CASA Reversal Transaction Code can be specified in the Clearing Product Preference screen. These fields are applicable only for Inward Clearing products only.

Each individual transaction (Upload table) will be marked with the Reference Number generated for passing the Consolidated Clearing Entry and an option indicating whether reversal has been done or not.

5. Maintaining Account, Rate, and Charge Details

5.1 Introduction

Once you have captured the basic information required for processing clearing transactions in Oracle FLEXCUBE, you have to maintain information that would be required to process clearing transactions involving a specific product. In the Account, Rate, and Charge (ARC) Maintenance screen, you have to maintain information that will be used to:

- Route transactions belonging to a specific product, branch and currency combination to a specific Clearing House/Sector Code
- Post accounting entries generated by clearing transactions involving a specific product to specific accounts
- Calculate and apply the specified charges

The ARC Maintenance screen can be accessed from the Application Browser. You can invoke this screen by typing 'IFDATMMN' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows the 'ARC Maintenance -- Webpage Dialog' window. It contains several sections for data entry:

- Branch Information:** Fields for Branch, Branch Name, Transaction Type, and Description.
- Account Class/Product:** Radio buttons for Account Class and Product Type, with associated fields for Description and Float Days Basis (Calendar or Working).
- Currency:** Field for Currency.
- Offset Details:** Fields for Branch and Account.
- Transaction Details:** Fields for Branch and Account.
- Transaction Code:** Fields for Offset Transaction Code and Main Transaction Code.
- Main Leg for the transaction:** Dropdown for Transaction Leg.
- Management Information System:** Field for Management Information System.
- Debit Account:** Dropdown for Transaction Account.
- Charge From Account:** Dropdown for Transaction Account.
- End Point:** Field for End Point.
- Description:** Field for Description.
- Bank Float Days:** Field for Bank Float Days.
- Customer Float Days:** Field for Customer Float Days.
- Checkboxes:** Liquidation Product for Demand Draft, Netting Charges, Generate Transaction Advice, and Generate MT101.

Below these sections are tabs for CHARGE1 through CHARGE5. The CHARGE1 tab is active, showing fields for Basis, Charge Account, Transaction Code, Charge Type, Currency, Rate Code, Slab Type, Rate, Minimum Charge, Maximum Charge, Rate Type, Amount, Description, MIS Head, and Interest Basis. There is also a Netting checkbox.

At the bottom, there are tabs for Fields and Regulation. The Fields tab is active, showing input and authorized user information, date and time, modification number, and checkboxes for Authorized and Open. A Cancel button is located at the bottom right.

In the ARC Maintenance screen, you primarily define parameters for processing clearing transactions involving a specific product, currency, and branch combination, and involving a specific Clearing House (in case of an inward clearing transaction) or a Sector (in case of an outward transaction). Towards this, you must specify the following details:

- The details of accounts or GL's to which offset accounting entries should be posted. (Typically, you would post the accounting entries generated by transactions involving a specific clearing house to an account or GL maintained for the purpose.)
- The details of any charges that your bank would need to collect or levy, for the clearing service.

If you are maintaining ARC details for a product and a specific clearing house/sector, the details maintained in this screen will be used for posting entries generated by clearing transactions involving the product, clearing house/sector, branch and currency code combination.



You must maintain ARC details for all possible combinations of products, currencies, branches, and clearing houses/sectors.

Product Type

In the ARC Maintenance screen, you have to first of all indicate the clearing product for which you are maintaining ARC details.

Currency

ARC details are maintained for a product, branch, currency, and clearing house combination. Indicate the currency of the combination in the currency field.

Branch

The ARC record is maintained for a Branch + Product + Type + Ccy.

Account Class/Product

ARC record can be maintained for a Module specific Product Combination or for a specific Account Class level.



The ARC pickup is based on Customer Group code in addition to branch- product-customer-transaction currency and customer. If an ARC record is not maintained at a branch-product-customer-currency level, system checks the ARC record for branch-product-customer group-currency before doing a wild card search.

The order of replacement of the parameters with wild card entries will be done based on the following order:

- Branch
- Product
- Transaction Currency
- Allowed Value

5.1.1.1 Indicating Offset Details

You can indicate the offset currency to be used for processing FX contracts involving different currency combinations. Exchange rate for the contract is based on the rate code and type defined for the currency combination in the Retail Teller product definition, Product preference screen. Based on the transaction currencies chosen and the exchange rate defined for the currency combination, the system will pass the relevant accounting entries.



The Offset currency field will be enabled for all products and not for account classes.

The ARC pickup in branch and host will be based on offset currency in addition to branch, product, transaction currency, customer and customer group. The order of replacement of the parameters with wild card entries is done in the following order:

- Branch
- Product

- Offset currency
- Transaction Currency
- Allowed Value

For FX transactions, the second currency from FX screens is used as offset currency for ARC pickup. For RT transactions, offset currency will also be used for ARC pickup.

The order of replacement of the parameters with the wild card entries will be as per the matrix given in the Annexure I.

The Rate code and type pickup in branch and host for the Retail transactions will be from the product preferences for the currencies involved in the transaction. If a record is not maintained for the given product and specific currency combination, the system will check for the currency combinations given in Annexure II. If no record is found for all the given combinations, the system will pickup the rate code and type from the product definition.

Indicating the Offset Details

You can specify the branch and the offset account or GL into which offset entries are to be booked. In case of an inward clearing transaction, this would typically be the Liability GL for Inward Checks to which the credit entries would be posted. (The customer account would be debited.) In case of an outward clearing transaction, this would be the Liability GL maintained for Outward Checks to which the debit entries would be posted. (The customer, in this case, would be credited.)

5.1.1.2 Indicating Transaction Details

You can specify the branch and the account number in which the transaction is taking place. The account in this field is the customer account. In case of inward clearing transactions, this account number would be available on upload of clearing transactions.

5.1.1.3 Indicating Transaction Codes

A unique Transaction Code identifies all transactions in Oracle FLEXCUBE. As part of ARC maintenance, you can indicate the offset transaction code and the main transaction code. You have to choose a transaction code for which the status of the option 'Cheque Mandatory' is checked at the definition. By this, the system can track the used cheques.

End Point

If you are maintaining ARC details for an outward clearing type product, you should specify the branch, the currency, and the sector code that are part of the combination. In addition, you should specify the end point (or clearing house) to which branches in this sector report to and the bank and customer float days.

If you are maintaining ARC details for an inward clearing type product, you should specify the branch, currency, and end points that form part of the combination.

From the pick list available in the Clearing House field, specify the Clearing House for which you are maintaining ARC details.

Clearing Houses are also referred to as End Point Codes in Oracle FLEXCUBE. Select the End Point Code of the Clearing House in the End Point field.

Bank and the Customer Float Days

“Float days,” indicate the number of days that are added to the booking date of an outward clearing transaction to arrive at its value date (that is, the day on which an account is actually debited or credited with funds). As part of the ARC Maintenance for a transaction type, you have to indicate the Bank and Customer Float days.

The term “bank float days” refers to the days that will be used to calculate the value date of the bank leg of a transaction. The term “customer float days” refers to the days that will be used to calculate the value date of the customer leg of a transaction. The following example illustrates the implications.

If you have maintained float days, the system will validate the Clearing House Holiday Maintenance also.

Example

You have specified the Bank Float Days as ‘1’ and the Customer Float Days as ‘2’.

Assume your customer presents a cheque on 15 May 2002. The cheque is cleared on the same day. This means that you would credit your Incoming Check GL (bank leg) on 16 May 2002, but credit the customer account with the funds only on 17 May 2002 (the customer leg).



You can choose to maintain an ARC Wildcard record for a Branch, Currency and Customer combination or for any one or more of these entities. Ensure that the wildcard symbol that you are using is a *.

Float Days Basis

Float days applicable for outward clearing customer transactions are defined through the Customer Float Days Maintenance screen. The float days can either be considered as:

- Calendar days – indicating that the float days will not be dependent on any holiday maintenance.
- Working days - indicating that the float days will be based on the clearing house calendar and they will be working days on the basis of clearing house calendar.

You can select the appropriate option, which will be used to arrive at the value date for outward clearing customer transactions.

For details about defining float days for a customer or customer group, refer the Core Entities user manual.

Netting Charge

You have the option to net the accounting entries for the debit leg of the charges along with the main transaction entries.

Check this box to indicate that the debit leg of the charges is to be netted before passing the accounting entries. Leave the box unchecked to pass the entries without netting the charges of the debit leg.

Generate Transaction Advice

Whether an Advice needs to be generated for the Transaction (redundant for J2EEBranch, might still be used for other Interfaces).

5.1.1.4 Defining Charge Details

You can define a maximum of five charges. A charge can be computed based either on the transaction amount or on an earlier charge amount

As part of defining the Charge details for each charge, you need to capture the following details:

Charge Type

The Charge Type that should be applied on the transaction. It could either be a Percentage of the transaction amount or a Flat Charge.

Slab Type

Whether the Charge computation has to be over different Amount Slabs or Tiers (0-100 @ 10, 101-500 @ 15 etc.).

Basis

You can indicate the basis amount on which the charge is to be computed.

Since you can maintain five different charge amounts, the basis amount that you enter could either be the transaction amount or any of the earlier charge amounts. For example, let us assume you are maintaining Charge 1. The only basis for charge 1 can be the transaction amount. While defining Charge 2 you can choose either the transaction amount or Charge 1 as the basis. Similarly while defining Charge 3, you can choose the transaction amount or Charge 1 or Charge 2 as the basis.

Currency

You can indicate the currency in which the charge amount would be expressed. If the transaction currency is different from the charge currency, a conversion would be done, using the rate code and rate type that you specify for each charge.

Their Charges

For outward clearing checks, you can indicate whether the charge is being collected on behalf of the collecting bank. If you set this option, you need not specify the charge account. Since the charge amount would not known upfront, you need not specify the amount either

Charge Account

You can specify the charge account (typically, the Income GL) into which charge related entries are to be posted in the Charge Account field.

Netting Charge

If two or more accounting entries, for the same event, are to be passed to the same account, on the same Transaction Date, these entries can be netted. You can choose to net charges by choosing this option.

Transaction Code

You can indicate the code using which the accounting entries would be booked, for each charge.

Rate Code and Rate Type

While settling charges for cross currency transactions, you can choose to debit the customer by applying the mid rate, buy rate or by using the buy/sell spread over the mid-rate. Therefore, you need to specify the Exchange Rate details for each ARC definition record that you maintain in the system.

Firstly, indicate the Rate Code for which different rates can be maintained. A list of all the rate codes maintained in the Floating Rates Maintenance screen is displayed in the list. You can choose the appropriate code.

In addition to specifying the Rate Code, you have to indicate the Rate Type which should be picked up for exchange rate conversions involving settlement of charges for cross currency transactions. You can maintain any one of the following as the Rate Type:

- Buy
- Mid
- Sell

After identifying the Rate Code and Rate Type you can indicate the basis amount on which charges are to be computed.

Amount

You have to specify the flat amount only when the charge type is a Flat Amount.

The flat amount will be collected in the currency that you have specified in the Charge Currency field.

Rate

If you have indicated that the charge should be a percentage of the transaction amount, you have to necessarily capture the rate that is to be applied on the transaction amount. The rate that you specify will be applied after converting the amount into the Account Currency.

Interest Basis

Interest Computation basis (360 days, 365 days etc.).

Minimum and Maximum Charge Amount

When the charge type applicable on the transaction is a percentage of the transaction amount you have to capture the minimum and maximum charge amounts that should be applied on the transaction.

If the charge percentage involving a particular transaction is less than the minimum charge, the system will, by default, debit the customer account with the minimum charge amount. If the charge percentage exceeds the maximum amount, the system will debit the customer account with the maximum charge amount.



The charge amount will be deducted in the currency that you specified in the Charge Currency field.

MIS Head

Specify the MIS Head that is applicable for the charge-related accounting entry.

Description

You can indicate a short description for the charge. If you have provided a charge, it is mandatory to enter the description.

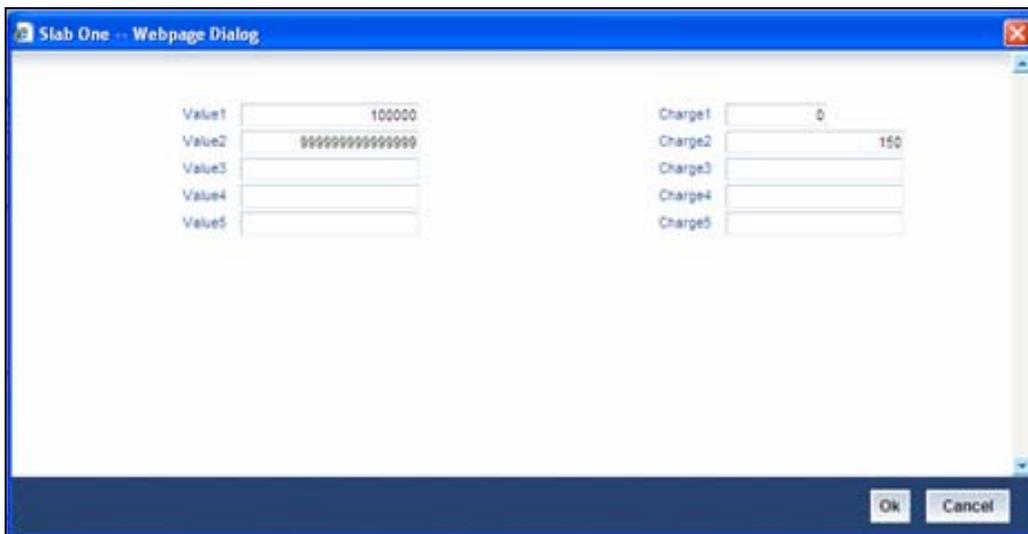
5.1.1.5 Maintaining ARC Details for Speed Clearing Products

For a clearing product, you can maintain the ARC details with the following combination:

- Product/Transaction type (Sector Code) – for outward clearing products
- Product/Transaction type(End Point) – for inward clearing products

 For a speed clearing product, it is mandatory to specify the customer float days and bank float days.

For a speed clearing product, you have to configure the charge in the ARC maintenance. If the transaction amount is greater than INR 100000, then you can configure a charge of INR 150 for the transaction by specifying the transaction amount (basis) as 0. Then, select the charge type as 'Flat Rate', slab type as 'Slab' and click the 'S' button in the 'ARC maintenance' screen, to configure the slab charge. The following screen is displayed:



In this screen, specify the following:

- Value 1 - 100000
- Charge 1 – 0
- Value 2 – 9999999999 (maximum amount)
- Charge 2 - 150

5.1.1.6 Specifying Regulation CC Availability for Clearing Products

In addition to the accounting entry and charge definition you will also have to maintain the following ARC details to incorporate the Regulation CC requirements:

- Indicate whether Regulation CC rules apply to the product that you are defining

- Each check deposited will have a nine digit routing number or a four digit routing code associated with it, which determines the clearing float days for the check and the funds availability schedule .You will have to indicate the Float Days for the product for large deposits (>5000). (For deposits falling within the 5000 range you can specify the float days in the existing Customer Float Days screen.
- Float days for new accounts
- Indicate that Special Checks that are given the next day availability should not be included in the next day availability calculation and are also not considered for large deposit exception. Checks given such special availability will not be governed by the Reg CC schedules.



Note the following:

- In case of cash deposits, electronic payments and transactions through proprietary/non-proprietary ATM, the next day availability can be enabled through the appropriate transaction code, and these transactions must not be considered for Regulation CC.
- Checks for which collection is doubtful and re-deposited checks should be posted using separate products that are not considered for Regulation CC, with the desired float for the products being defined in the ARC Maintenance.

Availability depends upon the specifications in the Clearing House Holiday Maintenance and the Branch Holiday Maintenance. The value date is first arrived at using the clearinghouse calendar, and if it happens to be a branch holiday, it is moved to the next working day.

During transaction processing the value date for Reg CC availability for the check deposit gets defaulted based on the Credit Account and the ARC Maintenance for the Clearing Product.

To specify the Reg CC details, click 'Regulation' button in the ARC Maintenance screen. The Reg Details screen is opened, where you can specify the details.

The schedule for the availability of funds for check deposits under Reg CC will be calculated in the following manner:

For local and non local checks when the aggregate deposit amount in a day < 5000

Sch1	Transaction day + 1	100
Sch2	Available day – 1	400

Sch3	Available day	Balance
-------------	---------------	---------

For local and non local checks when the aggregate deposit amount in a day > 5000

Sch1	Transaction day + 1	100
Sch2	Available day – 2	400
Sch3	Available day - 1	4500
Sch4	Available day	Balance

For federal or special checks the funds are made available only on the next business day irrespective of the amount deposited, and the checks are not considered for Regulation CC scheduling.

Examples of processing Checks for Reg CC in Oracle FLEXCUBE

Let us assume that you have maintained an ARC product with the following parameters:

P1 – For Special Checks

Normal Float Days – 1

Float Days for Large Deposits – 1

Float Days for New Accounts – 9

P2 – For Local Checks (e.g. Routing code 1000)

Normal Float Days – 2

Float Days for Large Deposits – 3

Float Days for New Accounts - 11

P3 For Non Local Checks (e.g. Routing code 1200)

Normal Float Days – 5

Float Days for Large Deposits – 6

Float Days for New Accounts – 11

Scenario I

If on a given day only a special check is deposited for \$9000

Day 1 (next business day) availability	\$9000
---	--------

Scenario II

If on a given day only a special check is deposited for \$4500

Day 1 (next business day) availability	\$4500
---	--------

Scenario III

If on a given day a special check of \$6000 is deposited along with a local check of \$1000

Day 1 (next business day) availability	\$6000 + 500
Day2	500

Scenario IV

If on a given day a special check of \$4000 is deposited along with a local check of \$3000

Day 1 (next business day) availability	\$4500
Day2	\$2500

Scenario V

If on a given day a special check of \$1000 is deposited along with a local check of \$6000

Day 1 (next business day) availability	\$1500
Day2	\$4500
Day3	\$1000

Scenario VI

If on a given day only a local check of \$4000 is deposited

Day 1 (next business day) availability	\$100
Day1	\$400
Day2	\$3500

Scenario VII

If on a given day only a local check of \$9000 is deposited

Day 1 (next business day) availability	\$100
Day1	\$400
Day2	\$4500
Day3	\$4000

Scenario VIII

If on a given day a special check of \$3000 is deposited along with a local check of \$1000

Day 1 (next business day) availability	\$3500
Day2	\$500

Scenario IX

If on a given day a special check of \$300 is deposited along with a local check of \$3000

Day 1 (next business day) availability	\$800
Day2	\$2500

Scenario X

If on a given day a special check of \$300 is deposited along with a local check of \$4800

Day 1 (next business day) availability	\$800
Day2	\$4300

Account Statements

All the details of the checks deposited on a given day and the funds cleared as per the schedule will be displayed in the account statement.

For Example let us assume the list of transactions in the month of January

- Cash Deposit of \$ 10000 on Jan 1st 2002
- Cash withdrawal of \$ 5000 on Jan 3rd 2002
- Check Issued of \$ 15000 on Jan 10th 2002
- Checks Deposited on 15th of Jan 2002

Check No.	Routing Code	Check Amount
1	1000	500
2	1000	1000
3	1000	1500
4	1000	1750
5	1100	5000

- Checks Deposited on 16th of Jan 2002

Check No.	Routing Code	Check Amount
1	1000	1500
2	1000	1000
3	1000	1500
4	1000	1750
5	1100	5000

- Cash Deposit of \$30050 on Jan 25th 2002.

Transaction Date	Transaction Details	Transaction amount	Book Balance	Available balance
01-Jan-02	Opening Balance		\$0	\$0
	Cash Deposit	\$10000 (Cr)		

Transaction Date	Transaction Details	Transaction amount	Book Balance	Available balance
	Closing Balance		\$10000(Cr)	\$10000 (Cr)
03-Jan-02	Cash Withdrawal	\$ 5000 (Dr)		
	Closing Balance		\$ 5000 (Cr)	\$ 5000 (Cr)
10-Jan-02	Check Withdrawal (Inward Clearing)	\$ 15000(Dr)		
	Closing Balance		\$10000 (Dr)	\$10000 (Dr)
15-Jan-02	Check Deposit (Outward Clearing Chq1)	\$ 500(Cr)		
15-Jan-02	Check Deposit (Outward Clearing Chq 2)	\$ 1000(Cr)		
15-Jan-02	Check Deposit (Outward Clearing Chq 3)	\$ 1500(Cr)		
15-Jan-02	Check Deposit (Outward Clearing Chq 4)	\$ 1750(Cr)		
15-Jan-02	Check Deposit (Outward Clearing Chq 5)	\$ 5000(Cr)		
	Closing Balance		\$ 250(Dr)	\$10000 (Dr)
16-Jan-02	Check Deposit (Outward Clearing Chq 1)	\$ 1500(Cr)		
	Check Deposit (Outward Clearing Chq 2)	\$ 1000(Cr)		
	Check Deposit (Outward Clearing Chq 3)	\$ 1500(Cr)		
	Check Deposit (Outward Clearing Chq 4)	\$ 1750(Cr)		
	Check Deposit (Outward Clearing Chq 5)	\$ 5000(Cr)		
	Hold Funds Cleared	\$ 500(Cr)		
	Closing Balance		\$10500(Cr)	\$ 9500(Dr)

Transaction Date	Transaction Details	Transaction amount	Book Balance	Available balance
17-Jan-02	Hold Funds Cleared	\$ 4750(Cr)		
	Closing Balance		\$10500(Cr)	\$ 4750(Dr)
18-Jan-02	Hold Funds Cleared	\$ 4500(Cr)		
	Closing Balance		\$10500(Cr)	\$ 250(Dr)
19-Jan-02	Hold Funds Cleared	\$ 750(Cr)		
	Closing Balance		\$10500(Cr)	\$ 500(Cr)
20-Jan-02	Hold Funds Cleared	\$ 250(Cr)		
	Closing Balance		\$10500(Cr)	\$ 750(Cr)
21-Jan-02	Hold Funds Cleared	\$ 4750(Cr)		
	Closing Balance		\$10500(Cr)	\$ 5500(Cr)
22-Jan-02	Hold Funds Cleared	\$ 5000(Cr)		
	Closing Balance		\$10500(Cr)	\$10500(Cr)
25-Jan-02	Cash Deposit	\$ 30050(Cr)		
	Closing Balance		\$40550(Cr)	\$40550(Cr)

6. Viewing Clearing Transactions

6.1 Introduction

You can view clearing transactions in the 'Clearing Transaction Query' screen, where you provide the details of the check instruments as well as the clearing details. You can invoke this screen by typing 'CGDQUERY' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

The screenshot shows a web-based application window titled "Clearing Transaction Query -- Webpage Dialog". The interface is organized into several sections for data entry:

- Header Section:** Includes fields for Branch, Product Code, Direction (a dropdown menu), Reference Number (marked with an asterisk), Entry Number, End Point, External Reference, and a checkbox for "Transaction Tanked".
- Remitter Details:** Fields for Customer, Account, and Country.
- Beneficiary Details:** Fields for Customer, Account, and Country.
- Instrument Details:** Fields for Draft Serial Number, Instrument, Routing Number, Bank Code, Branch Code, Sector Code, and a checkbox for "Late Clearing".
- Account Details:** Fields for Currency, Instrument Currency, Instrument Amount, Account Currency Amount, Exchange Rate, Document Identification Number, and Date.
- Date Details:** A section header for date-related information.
- Module Details:** A section header for module-related information.
- Accounting Entries:** A section at the bottom with fields for Input By, Date Time, Authorized By, Date Time, Contract Status, and a checkbox for "Authorized".
- Footer:** An "Exit" button is located in the bottom right corner.

In the Clearing Transaction Input screen, you can view the following:

- Remitter Details
- Beneficiary Details
- Instrument Details
- Date Details
- Instrument Amount
- Viewing Document Identification Number (DIN) details
- DIN
- DIN Date
- Remarks
- Regulation CC Availability for Check Deposits
- Tanked Transaction

- Country of the remitter
- Country of the beneficiary

For more information on Tanked Transaction, refer Branch Parameters chapter under Core Services module.

6.1.1 Maintaining Settlement Details

You can maintain settlement details for Inward and Outward Direct Credit transactions.

For details on Inward and Outward Direct Credit transactions, refer to the Retail Teller and Retail Branch user manuals.

Invoke the 'Settlement Details' screen from the Application Browser. You can invoke this screen by typing 'FTDRCST' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

This screen contains fields that explore possible routes of the transfer. Depending on the type of transfer you are initiating and on the number of banks involved in the transfer, you can enter details of the parties involved in the transfer route.

STOP The country information is captured to enable Mantas to analyze the transactions for possible money laundering activities.

For more details on Mantas, refer 'Mantas' interface document.

Route Code

This is an identifier for the transfer route that you are creating. During a retail teller transaction input, you can use this route code to call up the settlement and messaging details that you maintain in this screen.

Intermediary Reimbursement Institution

An 'Intermediary Reimbursement Institution' is the financial institution between the Sender's Correspondent and the Receiver's Correspondent, through which the reimbursement of the transfer will take place.

Intermediary

The 'Intermediary' in a transfer refers to the financial institution, between the 'Sender' and the 'Account With Institution', through which the transfer must pass.

The Intermediary may be a branch or affiliate of the Sender or the account with Institution, or an entirely different financial institution. This field corresponds to field 56a of S.W.I.F.T.

Here you can enter either the:

- ISO Bank Identifier Code of the bank or the
- Name and address of the Bank.
- Local Clearing Code of the bank

Receiver's Correspondent

The 'Receiver's Correspondent' is the branch of the Receiver or another financial institution at which the funds will be made available to the Receiver. This field corresponds to field 54a of S.W.I.F.T. You can enter one of the following:

- ISO Bank Identifier Code of the bank
- The branch of the Receiver's Correspondent
- Name and address of the Receiver's Correspondent.

Account With Institution

An 'Account With Institution' refers to the financial institution, at which the ordering party requests the Beneficiary to be paid. The Account With Institution may be a branch or affiliate of the Receiver, or of the Intermediary, or of the Beneficiary Institution, or an entirely different financial institution.

This field corresponds to Field 57A of S.W.I.F.T. You can enter one of the following:

- ISO Bank Identifier Code of the bank
- The branch of the Receiver's Correspondent
- Name and address of the Receiver's Correspondent
- Other identification codes (for example, account number)
- Local Clearing Code of the bank

Sender to Receiver Information

You can include any message that the Sender wishes to pass on to the Receiver as part of the funds transfer.

Receiver Intermediary

The 'Receiver Intermediary' in a transfer refers to the financial institution, between the 'Receiver' and the 'Account With Institution', through which the transfer must pass.

The Intermediary may be a branch or affiliate of the Receiver or the account with Institution, or an entirely different financial institution. This field corresponds to field 56a of S.W.I.F.T.

Here you can enter either the:

- ISO Bank Identifier Code of the bank
- Name and address of the Bank
- Local Clearing Code of the bank

Beneficiary Institution

Here, you can enter details of the institution in favor of which the payment is made. It is in reality the bank that services the account of the Ultimate Beneficiary. This field corresponds to Field 58A of S.W.I.F.T.

You will be allowed to make entries into this field only for Bank Transfers (when the remitter and beneficiary of the transfer are financial institutions — MT 100 or MT 202). Here you can enter either:

- The ISO Bank Identifier Code of the Beneficiary Institution
- The Name and Address of the Beneficiary Institution
- The Local Clearing Code of the bank. If the receiver of funds is the same as the Beneficiary Institution, you can specify the bank's own local clearing code.

6.1.2 Resolving Customer Credits for Clearing Checks

For processing outward clearing checks, you need to ensure that:

- You have maintained the clearing products that would be used for processing the Registration (INIT) and Liquidation (LIQD) events.
- In the Demand Drafts Details screen, you must associate the statuses used for registration and liquidation with the appropriate product codes. Assume, you have maintained the products CGOC (Registration of Outward Clearing checks) and DDLQ (Liquidation of Outward Clearing checks). You need to associate the status INIT (Registration) with the product CGOC and LIQD (Liquidation) with the product DDLQ.
- The Clearing Required option has not be enabled for the product maintained for the liquidation event, in the Demand Draft Details screen.

Charges in respect of an outward clearing check transaction could be collected either upfront or after the credit to the customer account. The manner in which accounting is done in both cases, along with the appropriate ARC maintenance, is illustrated below:

When charges are collected upfront

Step 1 This is the registration event (INIT), for which you can define the following entries:

Debit/Credit Indicator	Accounting Role	Amount Tag
------------------------	-----------------	------------

Debit/Credit Indicator	Accounting Role	Amount Tag
Debit	Nostro with the collecting bank	Check amount
Credit	Clearing Suspense account	Check amount
Debit	Clearing Suspense account	Our charges
Credit	Income -	Our charges

Step 2 This is the liquidation event, for which you can define the following entries:

Debit/Credit Indicator	Accounting Role	Amount Tag
Debit	Clearing Suspense account	Check amount
Credit	Customer	Check amount
Debit	Customer	Our charges
Credit	Clearing Suspense account	Our charges
Debit	Customer	Collecting bank charges
Credit	Collecting Bank charge Account	Collecting bank charges

When clearing charges are collected from the customer after credit

Step 1 This is the registration event. The following entries can be defined for this event:

Debit/Credit Indicator	Accounting Role	Amount Tag
Debit	Nostro with the collecting bank	Check amount
Credit	Clearing Suspense account	Check amount

Step 2 This is the liquidation event. The following entries can be defined for this event.

Debit/Credit Indicator	Accounting Role	Amount Tag
Debit	Clearing Suspense account	Check amount
Credit	Customer	Check amount
Debit	Customer	Our charges
Credit	Clearing Suspense account	Our charges
Debit	Customer	Collecting bank charges
Credit	Collecting Bank charge Account (Nostro of collecting bank with your bank)	Collecting bank charges

For the registration product, when the charge is collected upfront, the ARC Maintenance must be as follows:

Txn Account	Offset Account	Charge Account	Charge From Account
Suspense	Nostro	Income	Transaction Account

For the registration product, when clearing charges are collected from the customer after credit, the ARC Maintenance must be as follows:

Txn Account	Offset Account	Charge Account	Charge From Account
Suspense	Nostro	-	-

For the liquidation product, when clearing charges are collected from the customer after credit, the ARC Maintenance must be as follows:

Charge Type	Txn Account	Offset Account	Charge Account	Charge From Account
Our charges	Customer	Suspense	Income	Transaction Account
Collecting Bank charges	Customer	Suspense	Income	Transaction Account

6.1.3 Levying Charges on Dishonored Cheque

You can levy charges on dishonored cheques based on the reason for rejection.

Invoke the 'Clearing Rejection Reason' screen from the application browser. You can invoke this screen by typing 'CGDREMNT' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

In this screen, you have to specify a reject code and give a description of the same. A reject code has to be assigned to every check that you reject.

Select 'CHQ' as the instrument used and check the Charge Applicable box. You can also mention a reason for application of charge.

For all reject codes where charge is applicable a charge basis is automatically created by the system. You have to link the charge basis to a charge product in the IC module.

Refer to the Interest and Charges user manual to find out how to create a charge basis.

If you wish to levy charge for a dishonored check, then, when marking the check as dishonored, specify a reject code that has a charge basis linked to it. You can do this in the Interface Clearing Details screen, which is explained in the next section.

On authorization of dishonored checks, the system will validate if the reject code associated with a dishonored check has a charge basis linked to it and process charges accordingly.

6.1.4 Querying information relating to Clearing

You can view the processed clearing records through the Clearing transaction screen. You can also reverse a transaction or input a transaction through this screen.

Refer to Utility Payments Manual for further details on this screen.

7. Annexure I

7.1 Order of Replacement of Parameters with Wild Card Entries

Branch	Product	Offset Currency	Txn Currency	Customer/Customer Group
Txn Brn	Product	Ofs CCY	Txn CCY	Customer
Txn Brn	Product	Ofs CCY	Txn CCY	Customer Group
.	Product	Ofs CCY	Txn CCY	Customer
.	Product	Ofs CCY	Txn CCY	Customer Group
Txn Brn	Product	*.*	Txn CCY	Customer
Txn Brn	Product	*.*	Txn CCY	Customer Group
Txn Brn	Product	Ofs CCY	*.*	Customer
Txn Brn	Product	Ofs CCY	*.*	Customer Group
Txn Brn	Product	Ofs CCY	Txn CCY	*.*
.	Product	*.*	Txn CCY	Customer
.	Product	*.*	Txn CCY	Customer Group
.	Product	Ofs CCY	*.*	Customer
.	Product	Ofs CCY	*.*	Customer Group
.	Product	Ofs CCY	Txn CCY	*.*
Txn Brn	Product	*.*	*.*	Customer
Txn Brn	Product	*.*	*.*	Customer Group
Txn Brn	Product	*.*	Txn CCY	*.*
Txn Brn	Product	Ofs CCY	*.*	*.*
.	Product	*.*	*.*	Customer
.	Product	*.*	*.*	Customer Group
.	Product	*.*	Txn CCY	*.*
.	Product	Ofs CCY	*.*	*.*

Branch	Product	Offset Currency	Txn Currency	Customer/Customer Group
Txn Brn	Product	*.*	*.*	*.*
.	Product	*.*	*.*	*.*

8. Annexure II

8.1 Different Currency Combinations used for Rate Code and Rate Type Pickup

Currency 1	Currency 2
Specific Main Currency	Specific Offset Currency
Specific Offset Currency	Specific Main Currency
Specific Main Currency	*.*
.	Specific Main Currency
.	Specific Offset Currency
Specific Offset Currency	*.*
.	*.*

9. Annexure III – File Formats

9.1 Introduction

This section lists out the upload file formats

9.2 Clearing File Formats

This section gives the file formats for the following:

- Inward clearing file format
- Outward clearing file extract
- Outward clearing reject upload
- Inward clearing reject extract



You cannot update the clearing file upload path in the system.

9.2.1 Inward Clearing File Format

The inward clearing file format is as follows:

Field	Description	Start Position	End Position	Length
Routing Number of the Presenting Bank	Routing Number of the Beneficiary bank	1	9	9
Routing Number of the Receiving Bank	Routing Number of the Remitter bank	10	18	9
Instrument date	Instrument date	19	26	8
Amount	Instrument amount	27	39	13
Instrument Number	Instrument number	40	45	6
Sequence Number	Sequence number	46	55	10
Transaction mnemonic	Transaction mnemonic	56	57	2
Account Number	Small account number	58	67	10
Blank	This would be blank This field is reserved for future use	68	80	13

9.2.2 Outward Clearing File Extract

The file format for outward clearing is as follows:

Field	Description	Start Position	End Position	Length
Routing Number of the Presenting Bank	Routing Number of the Beneficiary bank	1	9	9
Routing Number of the Receiving Bank	Routing Number of the Remitter bank	10	18	9
Instrument date	Instrument date	19	26	8
Amount	Instrument amount	27	39	13
Instrument Number	Instrument number	40	45	6
Sequence Number	Sequence number	46	55	10
Transaction mnemonic	Transaction mnemonic	56	57	2
Account Number	Small account number	58	67	10
Blank	This would be blank This field is reserved for future use	68	80	13

9.2.3 Outward Clearing Reject Upload

The file format for outward clearing reject files is as follows:

Field	Description	Start Position	End Position	Length
Routing Number of the Presenting Bank	Routing Number of the Beneficiary bank	1	9	9
Routing Number of the Receiving Bank	Routing Number of the Remitter bank	10	18	9
Instrument date	Instrument date	19	26	8
Amount	Instrument amount	27	39	13
Instrument	Instrument number	40	45	6

Field	Description	Start Position	End Position	Length
Number				
Sequence Number	Sequence number	46	55	10
Transaction mnemonic	Transaction mnemonic	56	57	2
Account Number	Small account number	58	67	10
Blank	This would be blank This field is reserved for future use	68	80	13
Reject Reason	Reason for Rejection	81	120	40

9.2.4 Inward Clearing Reject Extract

The file format for inward clearing extract files is as follows:

Field	Description	Start Position	End Position	Length
Routing Number of the Presenting Bank	Routing Number of the Beneficiary bank	1	9	9
Routing Number of the Receiving Bank	Routing Number of the Remitter bank	10	18	9
Instrument date	Instrument date	19	26	8
Amount	Instrument amount	27	39	13
Instrument Number	Instrument number	40	45	6
Sequence Number	Sequence number	46	55	10
Transaction mnemonic	Transaction mnemonic	56	57	2
Account Number	Small account number	58	67	10
Blank	This would be blank This field is reserved for future use	68	80	13
Reject Reason	Reason for Rejection	81	120	40

10. Reports

10.1 Introduction

The report programs available for Clearing module are explained in this chapter. All the activities that are performed by the Clearing module are recorded. The inputs you have made at different stages of the contract are pieced together and can be extracted in the form of meaningful reports as and when you may require them.

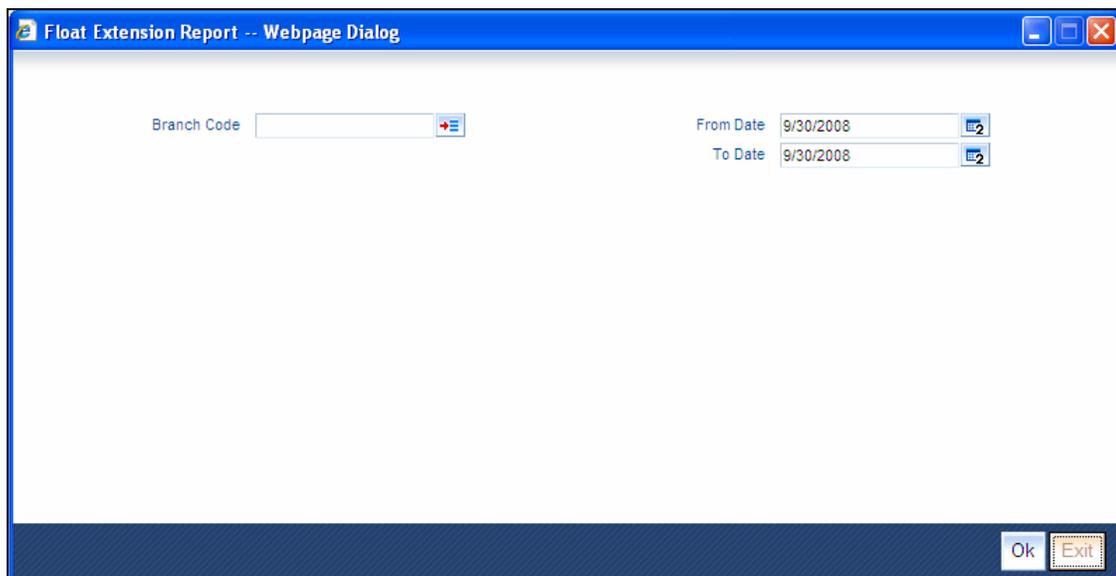
The reports that can be generated for the Clearing Module are as follows:

- Float Extension Reports
- Outward Speed Clearing Reports
- Inward Speed Clearing Reports

10.2 Float Extension Reports

You can view the list of cheque transactions processed in float extension batch in the 'Float Extension Report' screen. You can invoke this screen by typing 'CGRFLTEX' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Click 'OK' button to generate the Float Extension report, click 'Exit' to return to the Reports Browser.



You can specify the following preferences for the report:

Branch Code

Select the transaction branch code of the float extension from the adjoining option list.

From Date

Specify the date from which you want to view the transaction list. Alternatively, you can select the date from the adjoining calendar button. From date should be lesser than or equal to the 'To date'. By default, system displays the current date.

To Date

Specify the date to which you want to view the transaction list. Alternatively, you can select the date from the adjoining calendar button. To date should be lesser than or greater to the 'From date'. By default, system displays the current date.

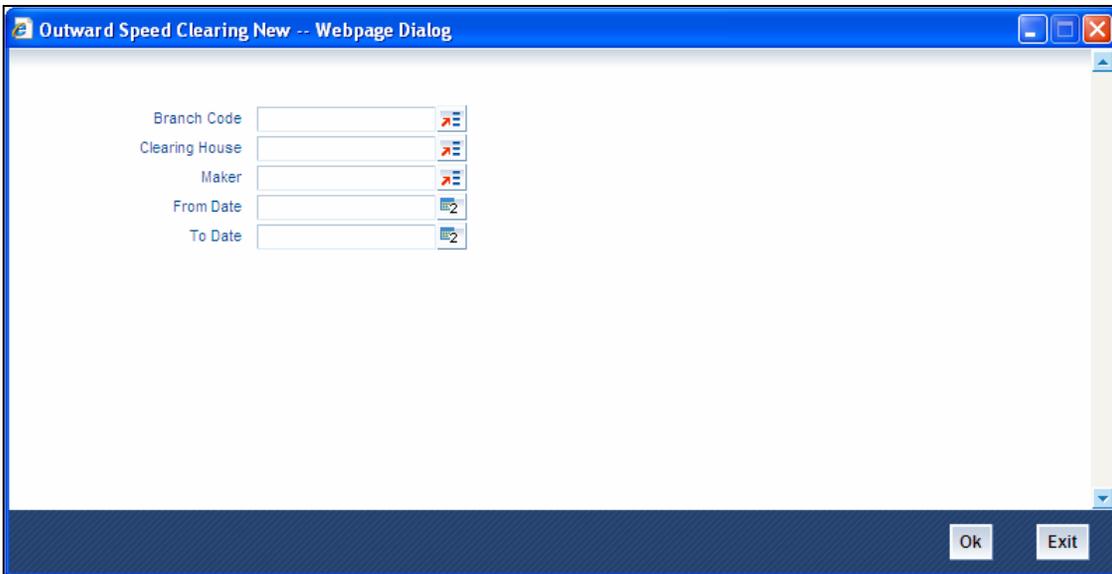
The generated BIP report contains the following parameters:

- Sector Code
- Clearing Type
- Clearing Branch Code
- Clearing Bank Code
- Remitter Account
- Beneficiary Account
- Cheque Number
- Entry Number
- Payee
- Instrument Date
- Currency
- Cheque Amount
- Status
- Old value date
- New Value date
- Float days extended
- Float extension Status
- Float Extension Reference Number
- Execution date

10.3 Outward Speed Clearing Report

You can you the list of outward speed clearing transactions of a branch, for a given period, in the 'Outward Speed Clearing Report' screen. You can invoke this screen by typing 'CGROWSPC' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Click 'OK' button to generate the Float Extension report, click 'Exit' to return to the Reports Browser.



You can specify the following preferences for the report:

Branch Code

Select the transaction branch code of the outward clearing from the adjoining option list.

Clearing House

Select the end point/ clearing house for the outward clearing transaction, from the adjoining option list.

Maker

Select the maker id from the adjoining option list.

From Date

Specify the date from which you want to view the transaction list. Alternatively, you can select the date from the adjoining calendar button. From date should be lesser than or equal to the 'To date'. By default, system displays the current date.

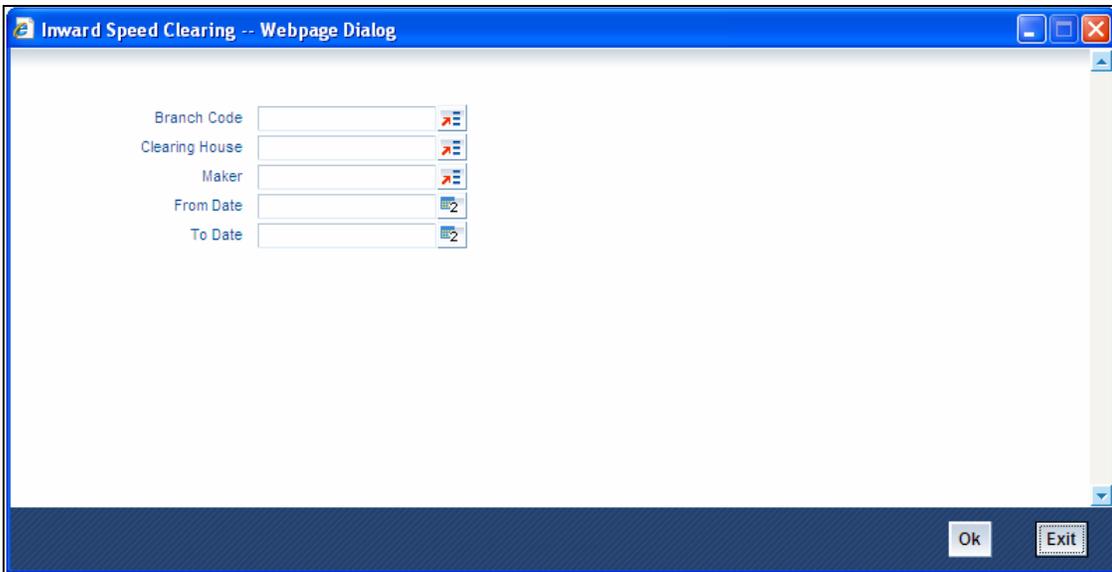
To Date

Specify the date to which you want to view the transaction list. Alternatively, you can select the date from the adjoining calendar button. To date should be lesser than or greater to the 'From date'. By default, system displays the current date.

10.4 Inward Speed Clearing Report

You can view the list of inward speed clearing transactions of a branch, for a given period, in the 'Inward Speed Clearing Report' screen. You can invoke this screen by typing 'CGRINSPC' in the field at the top right corner of the Application tool bar and clicking on the adjoining arrow button.

Click 'OK' button to generate the Float Extension report, click 'Exit' to return to the Reports Browser.



You can specify the following preferences for the report:

Branch Code

Select the transaction branch code of inward clearing from the adjoining option list.

Clearing House

Select the end point/ clearing house for the inward clearing transaction, from the adjoining option list.

Maker

Select the maker id from the adjoining option list.

From Date

Specify the date from which you want to view the transaction list. Alternatively, you can select the date from the adjoining calendar button. From date should be lesser than or equal to the 'To date'. By default, system displays the current date.

To Date

Specify the date to which you want to view the transaction list. Alternatively, you can select the date from the adjoining calendar button. To date should be lesser than or greater to the 'From date'. By default, system displays the current date.



Clearing
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