

Create Term Loan (W5)

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PURPOSE

This document explains how to create a new term loan transaction.

PROCEDURE

1. From the main menu, select Transaction > Term Loan. The New Term Loan screen is displayed.

New Term Loan

Settlem Bank

[Check Compliance](#)

Transaction*

Accounting Centre*

TDate*

Vdate*

Mdate*

First Coupon

Ccy*

Principal*

Reset/Fix Rate*

Cap Rate

Floor Rate

Float Basis*

Margin(%)*

Facility*

Counterparty ID

Portfolio

2. Fill out the mandatory fields. These have the asterisk (*) next to the name.
3. Select the Transaction to borrow or lend. In this example, we will book a Borrow transaction.
4. Accounting centre would have been defaulted to the user's accounting centre. If not, it would be left blank. Choose the proper Accounting Centre.
5. Fill in the Transaction Date (TDate), Value Date (VDate), and Maturity Date (MDate). The TDate and VDate are defaulted to the system date. You may change it to an earlier date.

TDate cannot be a future date. VDate must be on or after the TDate. MDate must be after the VDate.

6. You can choose to input the first interest repayment date by filling in the First Coupon field. The system will book the first interest repayment to this date, and subsequent repayment dates will be computed from this date. For example, if the first coupon is set to 15-Feb-2016 and interest is repaid every month, the next interest repayment date will be one month from 15-Feb-2016. This field is optional. If this is left blank, the first interest repayment date is computed from the VDate of the loan. For example, since the loan's VDate (start date) is on 5-Feb-2016 and interest is repaid every month, the first interest repayment date is one month from 5-Feb-2016.

7. Choose the currency in the Ccy field.

8. Fill in the principal amount.

9. Input the interest rate in the Reset/Fix rate field. The rate inputted is the All-in-Rate.

10. Choose the Float Basis. In this example, FLOAT is chosen. This is a user-definable field; to set it up, [click here](#).


11. Input the Margin. Default is 0. This is for information only.

12. Click on the Refresh Button next to the Facility field. This will populate the facility in the dropdown list.

13. Select the Facility. In this example, TFS < CITI-SG will be selected. Once chosen, the Counterparty ID will be filled. At the same time, the system calculates the available facility limit and the percentage.

New Term Loan


















← Book Import Settle'm Bank ▼ [Check Compliance](#)

Transaction*	Borrow	▼
Accounting Centre*	TFS-SG	▼
TDate*	05/02/2016	
Vdate*	05/02/2016	
Mdate*	06/07/2017	
First Coupon	dd/mm/yyyy	
Ccy*	SGD	▼
Principal*	10,000,000.00	
Reset/Fix Rate*	1.500000	
Cap Rate		
Floor Rate		
Float Basis*	FLOAT	▼
Margin(%)*	0.000000	
Facility*	CITI-SG-100M	▼ 
Counterparty ID	CITI-SG	

Available:SGD 100.00m (100.0%)

14. Click on the Advance button to continue.

New Term Loan

	<input type="button" value="Book"/>	Settle'm Bank <input type="text"/>
Transaction*	<input type="text" value="Borrow"/>	
Accounting Centre*	<input type="text" value="TFS-SG"/>	
TDate*	<input type="text" value="05/02/2016"/>	
Vdate*	<input type="text" value="05/02/2016"/>	
Mdate*	<input type="text" value="06/07/2017"/>	
First Coupon	<input type="text" value="dd/mm/yyyy"/>	
Ccy*	<input type="text" value="SGD"/>	
Principal*	<input type="text" value="10,000,000.00"/>	
Reset/Fix Rate(%)*	<input type="text" value="1.500000"/>	
Cap Rate	<input type="text"/>	
Floor Rate	<input type="text"/>	
Float Basis*	<input type="text" value="FLOAT"/>	
Margin(%)*	<input type="text" value="0.000000"/>	
Facility*	<input type="text" value="CITI-SG-100M"/>	 
Counterparty ID	<input type="text" value="CITI-SG"/>	
Portfolio	<input type="text"/>	
Frequency*	<input type="text" value="Semi-Annual"/>	
Day Convention*	<input type="text" value="No Adjustment"/>	
Settle Convention*	<input type="text" value="No Adjustment"/>	
Reset Convention*	<input type="text" value="No Adjustment"/>	
Roact Days*	<input type="text" value="0"/>	
Accruals	<input type="text"/>	
Repayment Style*	<input type="text" value="Bullet"/>	
Transaction Type	<input type="text" value="-"/>	
Project	<input type="text" value="-"/>	
Our Dealer	<input type="text" value="john"/>	
Ctpy Dealer	<input type="text"/>	
Narrative	<input type="text"/>	
Skip Holidays	<input type="checkbox"/>	

15. Fill in or change the settings for the additional fields as required. Those with an asterisk (*) are mandatory.

16. Choose the repayment frequency for the term loan. You can choose to repay semi-annually, quarterly, annually, etc., from the Frequency field dropdown.

17. Set the Day and Settle Convention to tell the system how you wish to adjust the repayment schedule dates when they fall on a non-business day. For more explanations on the convention settings, see [Day Convention for Dates Generation](#).

Field	Description
Day Convention	This setting adjusts the End Date when the End Date falls on a non-business day. End Date is used for interest computation.
Settle Convention	This setting adjusts the VDate when the VDate falls on a non-business day. VDate is the settlement date.

Note that VDate (start date), First Coupon date and Maturity date will not be adjusted.

18. Left blank, the Accruals field will follow the accruals convention in the Currency set up. You may choose to use another accruals convention here. For more explanations on accruals conventions, see [Accrual Methods](#) Definition.

19. Select the repayment style whether is bullet repayment or regular principal basis. For bullet repayment, interest is repaid periodically and principal is repaid on maturity. With the regular principal basis, the size of the principal payment is the same for every payment. It is computed by dividing the amount of the original loan by the number of payments. Interest is computed on the amount of the unpaid balance of the loan at each payment period.

20. Click Book to complete the transaction.

21. The Term Loan screen will display the newly entered term loan transaction.

Term Loan

AcctCntr* TFS-SG MDate Fr* 05/02/2016 CtpyID Lend/Borrow Ccy

TDate Fr dd/mm/yyyy TDate To dd/mm/yyyy Trade ID Narrative

Refresh New Delete Rates Reset Book Repayment

Flag	TradeID	Acct Cntr	Lend/Borrow	Ctpy	MDate	Ccy	Principal	Outstanding	Narrative
<input type="checkbox"/>	TML100001.00	TFS-SG	Borrow	DBS-SG	19 Jun 2024	SGD	300,000,000.00	300,000,000.00	#TML1001ABC1
<input type="checkbox"/>	TML100002.00	TFS-SG	Borrow	CITI-SG	15 Jun 2021	USD	50,000,000.00	50,000,000.00	#TML1004ABC4
<input type="checkbox"/>	TML100003.00	TFS-SG	Borrow	CITI-SG	22 Jun 2020	SGD	80,000,000.00	80,000,000.00	#TML1005ABC5
<input type="checkbox"/>	TML100004.00	TFS-SG	Borrow	CITI-SG	15 Jun 2021	USD	50,000,000.00	50,000,000.00	#TML1006ABC4
<input type="checkbox"/>	TML100005.00	TFS-SG	Borrow	CITI-SG	15 Jun 2021	USD	55,000,000.00	55,000,000.00	#TML1007ABC4
<input type="checkbox"/>	TML100006.00	TFS-SG	Borrow	CITI-SG	14 Jun 2019	USD	60,000,000.00	0.00	#TML1008ABC4
<input type="checkbox"/>	TML100007.00	TFS-SG	Borrow	CITI-SG	6 Feb 2017	SGD	10,000,000.00	0.00	

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Note: Principal and Outstanding column shown in the table listing above is the principal and outstanding balance as at the system date. If a new term loan's VDate is after the system date, principal will show as 0.

FREQUENTLY ASKED QUESTIONS

FAQ01. I cannot create a new term loan transaction.

Authorization is needed to create a new term loan. Contact your administrator to grant you rights 12011 Create New Term Loan (basic) and 12016 Create New Term Loan (advance).

RELATED INFORMATION

[Amend Term Loan and Repayments](#)

CHANGE HISTORY

Date	By	Changes
15-Feb-2008	-	Created
28-Jul-2015	CS	Included section for FAQ
22-Feb-2016	Clarissa	Reformatted. Rewritten.
14-Jun-2016	Douglas	Proofread.
10-Jan-2018	Anuja	Added note after step 21.
19-Nov-2019	Lyra	Updated Screenshots