

# Create Term Loan

[See previous W5 version guide](#)

## **PURPOSE**

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

## **PROCEDURE**



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

## New Term Loan

✕ Cancel

📁 Book

📄 Import

Settle'm Bank



[Check Compliance](#)

Transaction\*



Accounting Centre\*

TFS-SG



TDate\*

02/05/2023

Vdate\*

02/05/2023

Mdate\*

dd/mm/yyyy

First Coupon

dd/mm/yyyy

Ccy\*

SGD



Principal\*

Reset/Fix Rate\*

Cap Rate

Floor Rate

Float Basis\*



Margin(%)\*

0.000000

Facility\*



Counterparty ID

Portfolio



Show Advance

☐

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, CITI-SG < TFS-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

✕ Cancel

📁 Book

📄 Import

Settle'm Bank



[Check Compliance](#)

Transaction\*

Borrow



Accounting Centre\*

TFS-SG



TDate\*

05/02/2016

Vdate\*

05/02/2016

Mdate\*

06/07/2018

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 < TFS-SG



Available:SGD 200.00m ( 100.0%)

Counterparty ID

CITI-SG

Portfolio



Show Advance

☐

14. To on Show Advance checkbox to continue.

Show Advance	<input checked="" type="checkbox"/>
Frequency*	<div>Semi-Annual</div>
Day Convention*	<div>No Adjustment</div>
Settle Convention*	<div>No Adjustment</div>
Reset Convention*	<div>No Adjustment</div>
Reset Days*	<div>0</div>
Accruals	<div></div>
Repayment Style*	<div>Bullet</div>
Transaction Type	<div>-</div>
Project	<div>-</div>
Our Dealer	<div>admin@devent1.com</div>
Ctpy Dealer	<div></div>
Narrative	<div></div>
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

Lend/Borrow

TDate Fr

dd/mm/yyyy

MDate Fr\*

01/07/2017

Ccy

Narrative

CtpyID

Portfolio

TDate To

dd/mm/yyyy

MDate To

dd/mm/yyyy

Trade ID

Project

Refresh















Action

Rates Reset

Book Repayment

Search

Columns

	Flag	TradeID T↓	Acct Cntr T↓	Lend/Borrow T↓	Ctpy T↓	Portfolio T↓	MDate T↓	Ccy T↓	Principal T↓	Outstanding T↓	Project T↓	Narrative T↓
<input type="checkbox"/>	 	TML100001.00	TFS-SG	Borrow	DBS-SG	DEFAULT	19 Jun 2024	SGD	300,000,000.00	300,000,000.00		#TML1001ABC1
<input type="checkbox"/>	 	TML100002.00	TFS-SG	Borrow	CITI-SG	DEFAULT	15 Jun 2021	USD	50,000,000.00	0.00		#TML1004ABC4
<input type="checkbox"/>	 	TML100003.00	TFS-SG	Borrow	CITI-SG	DEFAULT	22 Jun 2020	SGD	80,000,000.00	0.00		#TML1005ABC5
<input type="checkbox"/>	 	TML100004.00	TFS-SG	Borrow	CITI-SG	TL-HEDGE	15 Jun 2021	USD	50,000,000.00	0.00		#TML1006ABC4
<input type="checkbox"/>	 	TML100005.00	TFS-SG	Borrow	CITI-SG	TL-HEDGE	15 Jun 2021	USD	55,000,000.00	0.00		#TML1007ABC4
<input type="checkbox"/>	 	TML100006.00	TFS-SG	Borrow	CITI-SG	TL-HEDGE	14 Jun 2019	USD	60,000,000.00	0.00		#TML1008ABC4
<input type="checkbox"/>	 	TML100014.00	TFS-SG	Borrow	CITI-SG		6 Jul 2018	SGD	10,000,000.00	0.00	-	

1-7 of 7 records

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<

1

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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	Rewritten. Reformatted.
14-Jun-2016	Douglas	Proofread.
10-Jan-2018	Anuja	Added note after step 21.
19-Nov-2019	Lyra	Updated screenshots.
2-May-2023	TS	Updated to W6 instructions and screenshots.