Term Loan Periodic Reset Rates

See previous W5 version guide

PURPOSE

This document explains how to maintain term loan periodic reset rates.

BACKGROUND

The reset rates functionality within the Term Loan is designed to manage loans in China with the PBOC rate.

WHY IS THIS IMPORTANT?

Periodic reset rates enable the maintenance and application of a set of periodic reset rates for interest computation during the term loan period. This functionality is commonly utilised for loans, such as the China PBOC loan, where the rate undergoes a monthly reset. This simplifies the rate update process for all loans using the PBOC rate when the reset occurs.

Limitation: This feature is not supported when the term loan includes interest capitalisation items.

PRE-REQUISITE

To use the reset rates functionality, refrain from making any amendments to the term loan repayment schedule. Any updates to the current repayment schedule will be disregarded once the reset rate is applied.

Reset rates should be maintained from the start ("VDate") to the maturity date ("MDate") of the term loan transaction. The system will apply the reset rates and calculate interest based on the dates specified in the Maintain Periodic Reset Rates screen and beyond. Otherwise, the interest rate used for booking the loan drawdown will be applied.

PROCEDURE

1. To maintain periodic reset rates, go to the amend term loan repayment page. From the Term Loan launch screen, click on the Trade ID to be amended.

2. The Amend Term Loan screen will be displayed.

Amend Term Loan

[✕ Cancel] [🖫 Update] [⚙ Repayment] [📂 File/Note]

Trade ID	TML100023.00
Transaction+	Borrow ▾
Accounting Centre+	TFS-SG ▾
TDate+	04/10/2016
Vdate+	04/10/2016
Mdate*	04/10/2017
Ccy+	SGD ▾
Principal*	1,000,000.00
Reset/Fix Rate(%)*	3.260000
Cap Rate	
Floor Rate	
Float Basis*	FLOAT ▾
Margin(%)*	0.000000
Facility+	DBS-SG < TFS-SG ▾
Counterparty ID+	DBS-SG
Frequency+	Monthly ▾
Day Convention*	No Adjustment ▾
Settle Convention*	No Adjustment ▾
Reset Convention*	No Adjustment ▾
Reset Days*	0
Accruals*	Act/365 (fixed) ▾
Repayment Style+	Bullet ▾
Portfolio	▾
Transaction Type	- ▾
Project	- ▾
Our Dealer	admin@devent1.com ▾
Ctpy Dealer	
Ctpy Reference	
Broker	▾
Brokerage	
Narrative	
Skip Holidays	☐

Trade Change History

TradeID:TML100023.00 By:admin@devent1.com At:4 May 2023 06.40.48
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3. Click on Repayment, and the Amend Term Loan Repayment screen displays.

Amend Term Loan Repayment

	Start Date	End Date	TradeID	VDate	Principal	Rate	Reset Date	Int. Cap.	Interest	Locked?	Outstanding	Total Cashflow	Cum. Int. Cap.	Primary
✎	4 Oct 2016	4 Oct 2016	Book	4 Oct 2016	1,000,000.00	3.260000	4 Oct 2016	0.00	0.00	Y	1,000,000.00	1,000,000.00	0.00	
✎	4 Oct 2016	4 Nov 2016		4 Nov 2016	0.00	3.260000	4 Oct 2016	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
✎	4 Nov 2016	4 Dec 2016		4 Dec 2016	0.00	3.260000	4 Nov 2016	0.00	2,679.45		1,000,000.00	2,679.45	0.00	
✎	4 Dec 2016	4 Jan 2017		4 Jan 2017	0.00	3.260000	4 Dec 2016	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
✎	4 Jan 2017	4 Feb 2017		4 Feb 2017	0.00	3.260000	4 Jan 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
✎	4 Feb 2017	4 Mar 2017		4 Mar 2017	0.00	3.260000	4 Feb 2017	0.00	2,500.82		1,000,000.00	2,500.82	0.00	
✎	4 Mar 2017	4 Apr 2017		4 Apr 2017	0.00	3.260000	4 Mar 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
✎	4 Apr 2017	4 May 2017		4 May 2017	0.00	3.260000	4 Apr 2017	0.00	2,679.45		1,000,000.00	2,679.45	0.00	
✎	4 May 2017	4 Jun 2017		4 Jun 2017	0.00	3.260000	4 May 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
✎	4 Jun 2017	4 Jul 2017		4 Jul 2017	0.00	3.260000	4 Jun 2017	0.00	2,679.45		1,000,000.00	2,679.45	0.00	
✎	4 Jul 2017	4 Aug 2017		4 Aug 2017	0.00	3.260000	4 Jul 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
✎	4 Aug 2017	4 Sep 2017		4 Sep 2017	0.00	3.260000	4 Aug 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
✎	4 Sep 2017	4 Oct 2017		4 Oct 2017	1,000,000.00	3.260000	4 Sep 2017	0.00	2,679.45		0.00	1,002,679.45	0.00	

1-13 of 13 records « ‹ 1 › » 50 ▾

4. Click on Reset Rates button.

Maintain Periodic Reset Rates

TML100023.00

✕ Cancel   💾 Update   ⬇ Template   💾 Clear Reset   ∨ Action   Read file ☐

Reset Date*	Rate Percent	➕

No records found.

5. Click Add button to add new row.

Maintain Periodic Reset Rates

TML100023.00

[✕ Cancel] [💾 Update] [⬇ Template] [💾 Clear Reset] [⌄ Action] Read file ☐

Errors found

> 4: Mandatory Value missing

ID	Errors	Reset Date*	Rate Percent	➕
1		15/10/2016	3.348000	➖
2		15/11/2016		➖
3		15/12/2016		➖
4		15/01/2017		➖

6. Enter the Reset Date and Rate Percent. You can manage a series of periodic reset dates and save them. Rate Percent is optional; you may leave it blank.

See [Term Loan Rates Reset Management](#) on how to update reset rates for all loans using the PBOC rate when the reset occurs.

7. Click Update.

8. At the prompt, click Yes to confirm.

Maintain Periodic Reset Rates

TML100023.00

✕ Cancel	💾 Update	⬇ Template	💾 Clear Reset	⌄ Action	Read file ☐

Reset rates has been successfully updated.

Reset Date*	Rate Percent	+
15/10/2016	3.348000	—
15/11/2016		—
15/12/2016		—
15/01/2017		—

9. Interest will be recomputed based on the reset rates once it is successfully updated. Interest rate will not be displayed in the repayment schedule once the reset rates are maintained.

Amend Term Loan Repayment

	Start Date	End Date	TradeID	VDate	Principal	Reset Date	Int. Cap.	Interest	Locked?	Outstanding	Total Cashflow	Cum. Int. Cap.	Primary
✎	4 Oct 2016	4 Oct 2016	Book	4 Oct 2016	1,000,000.00	4 Oct 2016	0.00	0.00	Y	1,000,000.00	1,000,000.00	0.00	
✎	4 Oct 2016	4 Nov 2016		4 Nov 2016	0.00	4 Oct 2016	0.00	2,816.99		1,000,000.00	2,816.99	0.00	
✎	4 Nov 2016	4 Dec 2016		4 Dec 2016	0.00	4 Nov 2016	0.00	2,751.78		1,000,000.00	2,751.78	0.00	
✎	4 Dec 2016	4 Jan 2017		4 Jan 2017	0.00	4 Dec 2016	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
✎	4 Jan 2017	4 Feb 2017		4 Feb 2017	0.00	4 Jan 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
✎	4 Feb 2017	4 Mar 2017		4 Mar 2017	0.00	4 Feb 2017	0.00	2,568.33		1,000,000.00	2,568.33	0.00	
✎	4 Mar 2017	4 Apr 2017		4 Apr 2017	0.00	4 Mar 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
✎	4 Apr 2017	4 May 2017		4 May 2017	0.00	4 Apr 2017	0.00	2,751.78		1,000,000.00	2,751.78	0.00	
✎	4 May 2017	4 Jun 2017		4 Jun 2017	0.00	4 May 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
✎	4 Jun 2017	4 Jul 2017		4 Jul 2017	0.00	4 Jun 2017	0.00	2,751.78		1,000,000.00	2,751.78	0.00	
✎	4 Jul 2017	4 Aug 2017		4 Aug 2017	0.00	4 Jul 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
✎	4 Aug 2017	4 Sep 2017		4 Sep 2017	0.00	4 Aug 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
✎	4 Sep 2017	4 Oct 2017		4 Oct 2017	1,000,000.00	4 Sep 2017	0.00	2,751.78		0.00	1,002,751.78	0.00	

Cancel   Reset Rates   Unlock All   Import   File/Note   Action   Amortise Fee? ✓

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10. Click the Edit button of the periodic End Date to view the detailed breakdown of the reset rate analysis at the bottom of the page.

Amend Term Loan Repayment

	Start Date	End Date	TradeID	VDate	Principal	Reset Date	Int. Cap.	Interest	Locked?	Outstanding	Total Cashflow	Cum. Int. Cap.	Primary
🖉	4 Oct 2016	4 Oct 2016	Book	4 Oct 2016	1,000,000.00	4 Oct 2016	0.00	0.00	Y	1,000,000.00	1,000,000.00	0.00	
🖉	4 Oct 2016	4 Nov 2016		4 Nov 2016	0.00	4 Oct 2016	0.00	2,816.99		1,000,000.00	2,816.99	0.00	
🖉	4 Nov 2016	4 Dec 2016		4 Dec 2016	0.00	4 Nov 2016	0.00	2,751.78		1,000,000.00	2,751.78	0.00	
🖉	4 Dec 2016	4 Jan 2017		4 Jan 2017	0.00	4 Dec 2016	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
🖉	4 Jan 2017	4 Feb 2017		4 Feb 2017	0.00	4 Jan 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
🖉	4 Feb 2017	4 Mar 2017		4 Mar 2017	0.00	4 Feb 2017	0.00	2,568.33		1,000,000.00	2,568.33	0.00	
🖉	4 Mar 2017	4 Apr 2017		4 Apr 2017	0.00	4 Mar 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
🖉	4 Apr 2017	4 May 2017		4 May 2017	0.00	4 Apr 2017	0.00	2,751.78		1,000,000.00	2,751.78	0.00	
🖉	4 May 2017	4 Jun 2017		4 Jun 2017	0.00	4 May 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
🖉	4 Jun 2017	4 Jul 2017		4 Jul 2017	0.00	4 Jun 2017	0.00	2,751.78		1,000,000.00	2,751.78	0.00	
🖉	4 Jul 2017	4 Aug 2017		4 Aug 2017	0.00	4 Jul 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
🖉	4 Aug 2017	4 Sep 2017		4 Sep 2017	0.00	4 Aug 2017	0.00	2,843.51		1,000,000.00	2,843.51	0.00	
🖉	4 Sep 2017	4 Oct 2017		4 Oct 2017	1,000,000.00	4 Sep 2017	0.00	2,751.78		0.00	1,002,751.78	0.00	

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End Date* 04/11/2016 ☐ Apply Annuity Repayment

Principal Type Repayment ▾

Amount 0.00

Lock Interest Amt? ☐

Accrual Method Act/365 (fixed) ▾

Capitalise Interest? ☐

VDate 04/11/2016

Skip Holidays ☐

Show WHT Fields ☐

Reset Rate Analysis

From Date	To Date	Days	Outstanding Amt	Reset (%)	Interest: 2,816.99
4 Oct 2016	15 Oct 2016	11	1,000,000.00	3.260000	982.47
15 Oct 2016	4 Nov 2016	20	1,000,000.00	3.348000	1,834.52

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11. To remove periodic reset rates, click on Clear Reset from the Maintain Periodic Reset Rates screen.

12. At the prompt, click Yes to confirm.

13. The periodic reset dates and rates will be deleted.

14. Click the Cancel button to return to the Amend Term Loan Repayment screen. The term loan's drawdown interest rate will be applied to the repayment schedule.

Amend Term Loan Repayment

	Start Date	End Date	TradeID	VDate	Principal	Rate	Reset Date	Int. Cap.	Interest	Locked?	Outstanding	Total Cashflow	Cum. Int. Cap.	Primary
	4 Oct 2016	4 Oct 2016	Book	4 Oct 2016	1,000,000.00	3.260000	4 Oct 2016	0.00	0.00	Y	1,000,000.00	1,000,000.00	0.00	
	4 Oct 2016	4 Nov 2016		4 Nov 2016	0.00	3.260000	4 Oct 2016	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
	4 Nov 2016	4 Dec 2016		4 Dec 2016	0.00	3.260000	4 Nov 2016	0.00	2,679.45		1,000,000.00	2,679.45	0.00	
	4 Dec 2016	4 Jan 2017		4 Jan 2017	0.00	3.260000	4 Dec 2016	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
	4 Jan 2017	4 Feb 2017		4 Feb 2017	0.00	3.260000	4 Jan 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
	4 Feb 2017	4 Mar 2017		4 Mar 2017	0.00	3.260000	4 Feb 2017	0.00	2,500.82		1,000,000.00	2,500.82	0.00	
	4 Mar 2017	4 Apr 2017		4 Apr 2017	0.00	3.260000	4 Mar 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
	4 Apr 2017	4 May 2017		4 May 2017	0.00	3.260000	4 Apr 2017	0.00	2,679.45		1,000,000.00	2,679.45	0.00	
	4 May 2017	4 Jun 2017		4 Jun 2017	0.00	3.260000	4 May 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
	4 Jun 2017	4 Jul 2017		4 Jul 2017	0.00	3.260000	4 Jun 2017	0.00	2,679.45		1,000,000.00	2,679.45	0.00	
	4 Jul 2017	4 Aug 2017		4 Aug 2017	0.00	3.260000	4 Jul 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
	4 Aug 2017	4 Sep 2017		4 Sep 2017	0.00	3.260000	4 Aug 2017	0.00	2,768.77		1,000,000.00	2,768.77	0.00	
	4 Sep 2017	4 Oct 2017		4 Oct 2017	1,000,000.00	3.260000	4 Sep 2017	0.00	2,679.45		0.00	1,002,679.45	0.00	

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RELATED INFORMATION

[Launching Term Loan](#)

[Create Term Loan](#)

[Term Loan Rates Reset Management](#)

CHANGE HISTORY

Date	By	Changes
15-Jun-2016	V	Created.
19-Nov-2019	Lyra	Updated screenshots.
16-Jan-2024	TS	Updated instructions and screenshots.
29-Jan-2024	TS	Updated to W6 instructions and screenshots.