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Fusion Knowledge Services

**Fusion Loan IQ v7.5.1 Functional LIBOR
Replacement Alternate Reference Rate
Training Agenda**

July 27, 2020

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Fusion Loan IQ ARR Module Training Agenda

Fusion Loan IQ ARR Module		
Duration: 2 Day(s)		
Aim	<p>The aim of this course is to provide an overview of the Finastra Fusion Loan IQ Alternative Reference Rates (ARR) Module</p> <p>Upon successful completion of the course, delegates will be able to:</p> <ul style="list-style-type: none"> • Understand the concepts related to ARR replacing LIBOR • Configure related Pricing Options • Use new ARR parameters for loan processing 	
Pre-requisites	<p>Pre-Requisite Courses</p> <ul style="list-style-type: none"> • Knowledge of the Fusion Loan IQ application <p>Pre-Requisite Knowledge/Skills:</p> <ul style="list-style-type: none"> • Fusion Loan IQ Core Business • Fusion Loan IQ Advanced Servicing 	
Day	Audience	Module/Topics
1	<p>Project Implementation teams</p> <p>End Users</p>	<p>Overview:</p> <ul style="list-style-type: none"> • Transition from LIBOR to RFR and why it's required • Regional Versions of ARR Rates • Immediate Challenges with Daily Compounding T+1 • Proposed Ways to Address the Challenge <ul style="list-style-type: none"> ○ Pricing Lag Days ○ Lookback Back ○ Lock Out ○ Automatic Lockout ○ Payment Lag Days / Payment Delay ○ Benchmark Adjustment • ARR Rates in Loan IQ v 7.5.1.0: Computation Methods and Calculation Samples <ul style="list-style-type: none"> ○ Simple Average ○ Compounded in Arrears ○ Daily Rate with Compounding
2	<ul style="list-style-type: none"> • Project Implementation teams • End Users 	<p>Impact on Loan IQ ARR Module – Loan IQ v 7.5.1.0</p> <ul style="list-style-type: none"> • Technical Setup and Configuration <ul style="list-style-type: none"> ○ License ○ Supported Rate Basis ○ Pricing Option Name Table Maintenance ○ Funding Desk and Funding Rates Table Maintenance ○ Branch and Currency Calendar Table Maintenance ○ Batch Job Changes • Loan IQ User Interface Changes <ul style="list-style-type: none"> ○ Deal Level – Pricing Options ○ Facility Level – Pricing Options ○ Loan Level ○ Rates Tab <ul style="list-style-type: none"> ▪ New Fields to Capture Benchmark Adjustment and Base Rate Floor, ARR Parameters ▪ Changes to Base Rate History Button – Raw Rate History ○ Accrual Tab <ul style="list-style-type: none"> ▪ Base Rate Details Button

		<ul style="list-style-type: none">○ Base Rate Details in Text Bill and XML Bill<ul style="list-style-type: none">▪ Sample Text Bill: Compounded in Arrears▪ Sample Text Bill: Daily Rate with Compounding Rate Setting Notice and Interest Payment Notice to capture ARR Parameters○ Use Cases<ul style="list-style-type: none">▪ Scenario 1: Creating a loan Using Compounded in Arrears ARR Calculation Method▪ Scenario 2: Entering Benchmar Adjustment Rate for a Non ARR Loan▪ Scenario 3: Managing Holiday in Branch and Currency Calendar▪ Scenario 4: Managing Principal Payment▪ Scenario 5: Creating a Loan with Repayment Schedule▪ Scenario 6: Converging Loan with LIBOR to Loan with ARR
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About Finastra

Finastra unlocks the potential of people and businesses in finance, creating a platform for open innovation. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today—spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location—from global financial institutions, to community banks and credit unions. Through our open, secure and reliable solutions, customers are empowered to accelerate growth, optimize cost, mitigate risk and continually evolve to meet the changing needs of their customers. 90 of the world's top 100 banks use Finastra technology. Please visit finastra.com

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