

User Guide

# Trade Finance Global

Middle office

October 2015



## Table of Contents

<b>1</b>	<b>Introduction.....</b>	<b>3</b>
1.1	General.....	3
<b>2</b>	<b>Middle Office Customer User View .....</b>	<b>3</b>
<b>3</b>	<b>Pre-Guarantee .....</b>	<b>4</b>
<b>4</b>	<b>Optional Middle Office Submission .....</b>	<b>4</b>

## 1 Introduction

The Middle Office module is an intermediate bank approval facility which is invoked after the customer's signature of the transaction and before arrival at Nordea. It allows Nordea to review the application from various aspects.

- Example 1: the Deal amount of a new Import Documentary Credit application does not correspond with the quantity and price stated in the goods description. After reviewing the content of the application for a Documentary Credit Nordea returns the application to the customer adding the relevant comments. Now the customer can rectify the application and submit the correct version.
- Example 2: the customer submits an application for a new Import Documentary Credit but the amount exceeds the customer's current credit line. When rejecting the application, the Middle Office credit officer can enter in the comment the maximum possible D/C amount or the conditions under which the requested amount will be granted.

The approval by the Middle Office stations ensures that all applications that arrive at Nordea can be processed immediately.

### 1.1 General

The Middle Office module of TFG is an intermediate processing functionality. Applications are sent to the Middle Office after the customer's signing process and before the application arrives at Nordea. Nordea can review and then approve or reject the customer application during the Middle Office reviewing process. In the case of approval, the application is transmitted to the Nordea; in case of a rejection, the customer receives the rejection details through the MO Transactions section in the TFG inbox.

Incoming Correspondence   Approval/Rejection   Signature Required   Transaction/Event in Process <b>MO Transactions</b> Reminders										
Transaction name	Amount	Counterparty	Reference number	Draw	Date	Edit	Delete	Print	Deal Note	
Pre Guarantee	EUR 10.000,00		dt test 2610-002	0	26/10/15 12:58:02					
Pre Guarantee	USD 3.000,00		ulf test 01	0	26/10/15 12:05:18					
Pre Guarantee	USD 5.000,00		ULF TEST 1	0	26/10/15 11:16:59					

TFG Inbox with MO Transactions Section

## 2 Middle Office Customer User View

When Middle Office is available to the customer, a fifth section, MO Transactions, is displayed in the TFG Inbox, detailing the applications that were rejected by Nordea.

When a customer user's application is rejected in the Middle Office flow, the customer is advised of the rejection. Therefore, any entry in the MO Transaction section has a corresponding entry in the Incoming Correspondence section.

To View the Details of a Rejected Transaction:

- In the Incoming Correspondence section, click the name of the rejected transaction. The rejection comments pop up in a separate window.

Cancel

**Incoming Correspondence Text**  
Deal Number : 146077  
Arrival Date/Time : 22/10/15 13:32:09  
Document Name :  
Sent To : Customer  
Status : Viewed  
**Middle Office Rejection:**  
Type: Pre Guarantee  
Reference Number: 221015124418EFIG  
Rejected Reason: Comment given by the user UFFE:  
TEXT FINALLY APPROVED

Incoming Correspondence: Middle Office Rejection Text

Or

- In the MO Transactions section, click the name of the rejected transaction. The rejection comments are displayed with transaction details (in the Texts tab).

Guarantee: Pre guarantee

General Details

General details
Text

Reference No: dt-001  
Amount: 51,000.00  
Currency: Euro  
Guarantee Type: ADVANCE PMNT GUARANTEE  
Expiry Date:  
Send Guarantee By: MAIL  
Applicable Rules: DEMAND URDG 758  
☒ Domestic ☐ International

Text

General details
Text

Guarantee text  
111  
222  
333  
444  
Customer instructions  
Comments to Nordea  
**Middle Office Reject Reason:**  
Reject reason given by the user THOMAS:  
WE APPROVED IF 444 IS ADDED  
Bank Guarantee Text

Track Changes

Cancel

Inbox: MO Transactions: Details page: Texts tab

Customer users can resubmit transaction requests after making the changes suggested by Nordea. This process can have multiple iterations.

**Note:** The rejection of a transaction by the Middle Office is not the same as the rejection of a transaction by the Nordea Back Office Trade System. A transaction which was not reviewed in the Middle Office may be rejected by Nordea, for example due to compliance issues, credit issues or other technical issues. These rejections will not be found in the MO Transactions Section of the Inbox. They can be seen under the Transaction Status Inquiry (search for items in Rejected status). Under this inquiry, there is a new function – by clicking on the Status description, TFG will display the reason entered by the Nordea user for rejecting the transaction.

### 3 Pre-Guarantee

The TFG Pre-Guarantee module handles the negotiation process between the Customer and Nordea on the Guarantee text. It is based on the Middle Office Station logic and allows the discussion of the guarantee text between the customer and Nordea prior to the creation of the Outgoing Guarantee application. After having concluded the final draft of the guarantee, the customer user creates the Outgoing Guarantee application, which may also undergo the regular approval process from the Middle Office.

### 4 Optional Middle Office Submission

Nordea has defined in TFG the cases where transactions will always flow to the Middle Office for approval prior to forwarding to Nordea's Back Office system. These cases include (for customers authorized for these transactions):

1. Pre-Guarantees
2. Export D/C Negotiation

In addition, Nordea may define that for specific customers, specific transactions will always flow to the Middle Office.

There may be cases where a specific transaction type is not defined as being sent to the Middle Office, but the customer wishes to send the transaction to the Middle Office for review. For example, the customer is requesting to issue a complex Import D/C or Guarantee and wishes to send it to the Middle Office.

In these cases, the customer may do the following:

- a. Indicate in the comments window that Nordea are requested to review the transaction as well as any specific review requests
- b. When the transaction is signed, indicate that it should be routed to the Middle Office by indicating Yes in the signature screen:

Transaction Details:	
Transaction Type:	Import D/C Issuance
Deal Number:	00101010404660
CCY / Amount:	USD 10.000,00
Beneficiary	FOREIGN COMPANY PLC
L/C Type :	Normal Import D/C
Expiry Date:	27/11/15
Payment:	Sight
Date:	11/11/15 14:55:19
Our Reference:	111115145443RFHX

  

Payment Item	Account No.
All	EUR 15723000332932

Shall this transaction be transmitted to the bank's Middle Office?

☒ No    ☐ Yes