

Loan FpML Working Group – XML Examples – Loan Contract Notification (Rollover)

A rollover event provides a means for agent banks to communicate floating rate margin resets and/or re-definitions of the way in which outstanding contracts are structured. For example:

- Borrowers can allocate principal balance across various contract types.
- Certain contracts periodically reset (rate-wise).
- Underlying balances may shift.

In FpML version 5.11, rollover notifications are sent through a substitution group within the Loan Contract Notification. This is a change from previous versions of FpML, as now all substitution groups are consistently organized by the level of structure and embedded events are removed. Rollover notifications no longer need embedded events, as the event identifier can connect these events with others within the substitution group.

Multiple examples may be applicable for the same rollover event. As such, the messages within each scenario share the same parentEventIdentifier, detailed in the descriptions below.

The parties involved in each of the following examples are:

Agent	US2A432121	(attribute id=BANKOFAGENTSNA)
Borrower	US3B789454	(attribute id=BORROWERINC)
Co-Borrower	US4C147258	(attribute id=COBORROWERINC)
Lender	US5L567878	(attribute id=LENDERCORP)
Guarantor	US6G852363	(attribute id=GUARANTORPARTNERSLLC)
Loan	CONT123	(attribute id=LNC12345)
Facility	F123452TLA	(attribute ID=FAC12345)
Rev. Fac.	F123999REV	(attribute ID=FAC54321)

Scenario 1 (Loan_Roll_ex1, Loan_Roll_ex1a)

These messages communicate a rollover of a maturing contract with a base rate set for the new contract. Both messages are sent from the agent to the lender, with a parentEventIdentifier of 'RolloverGroup1.'

A Term Loan A contract in the amount of \$209MM is maturing and will roll over into a new contract for the same amount with a new base rate. Details for both the current and new contract are described in 'Loan_Roll_ex1.' The base rate set event for the new contract is described in 'Loan_Roll_ex1a.'

Contract Details:

Maturing Contract Identifier: CONT12345 (contract id=CC1234)

New Contract Identifier: CONT67890 (contract id=NC5678)

Effective Date: 10/23/2013

Amount: \$209,000,000

Share Amount: \$59,714,285.71

Rate Fixing Date: 10/21/2013

Base Rate: 0.017

Scenario 2 (Loan_Roll_ex2, Loan_Roll_ex2a)

These messages communicate a single maturing contract, a single interest payment, and a single new contract definition (for which the rate has not yet been fixed). There are two messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup2.' The example does not provide details of the original contract – it is assumed that it is the same notional as the new contract.

A maturing Term Loan A contract in the amount of \$209MM is being rolled over into a new loan contract. Both the maturing and new contracts are described in 'Loan_Roll_ex2.' An interest payment toward 'loan_contract_maturing' in the amount of \$94,655.85 is applied in 'Loan_Roll_ex2a.' Two new accrual schedules are defined in this example.

Maturing Contract Details:

Maturing Contract Identifier: CONT12345 (contract id=CC1234)

Effective Date: 10/23/2013

Amount: \$209,000,000

Share Amount: \$59,714,285.71

New Contract Details:

Contract Identifier: CONT67890 (contract id=NC5678)

Effective Date: 10/23/2013

Amount: \$209,000,000 Term Loan A

Share Amount: \$59,714,285.71

Interest Payment Details:

Payer Party: Agent

Receiver Party: Lender

Amount: \$94,655.85

Tax Withholding: \$0.00

Scenario 3 (Loan_Roll_ex3, Loan_Roll_ex3a)

These messages communicate a conversion of a single PRIME contract into a single LIBOR contract, for which there is a new LIBOR contract definition (and the rate has not yet been fixed). Both the maturing and new contracts are detailed in 'Loan_Roll_ex3.' However, the example does not provide details of the original PRIME contract – it is assumed that it is the same notional as the new contract.

Maturing Contract Details:

Maturing Contract Identifier: CONT12345 (contract id=CC1234)

Effective Date: 10/23/2013

Amount: \$1,147,700.00

Share Amount: \$327,914.29

New Contract Details:

New Contract Identifier: CONT67890 (contract id=NC5678)

Effective Date: 10/23/2013

Amount: \$1,147,700.00

Share Amount: \$327,914.29

Scenario 4 (Loan_Roll_ex4, Loan_Roll_ex4a)

These messages communicate a single ABR contract rolling over. The maturing and new contract summaries are detailed in 'Loan_Roll_ex4.' An interest payment toward the maturing contract is detailed in 'Loan_Roll_ex4a.' There are two messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup4.'

Contract Details:

Maturing Contract Identifier: CONT12345 (contract id=CC1234)

New Contract Identifier: CONT67890 (contract id=NC5678)

Effective Date: 9/30/13

Amount: \$4,000,000.00

Share Amount: \$1,085,714.29

An interest payment for \$10,849.32 toward the maturing contract is detailed in 'Loan_Roll_ex4a,' and 3 accrual schedules are stated.

Interest Payment Details:

Payer Party: Bank of Agents NA

Receiver Party: Lender Corp

Amount: \$10,489.32

Tax Withholding: \$0.00

Accrual Schedule 1: 08/15/13-08/31/13 (16 days)

Amount: \$500,000,000.00

Share Amount: \$1,200,000.00

Rate: 0.075

Accrual Amount: \$500,000.00

Accrual Share Amount: \$2,219.18

Accrual Schedule 2: 08/31/13-09/09/13

Amount: \$500,000,000.00

Share Amount: \$1,200,000.00

Rate: 0.075

Accrual Amount: \$500,000.00

Accrual Share Amount: \$3,945.21

Accrual Schedule 3: 09/09/13-09/30/13

Amount: \$500,000,000.00

Share Amount: \$1,085,714.29

Accrual Amount: \$500,000.00

Accrual Share Amount: \$4,684.93

Rate: 0.075

Scenario 5 (Loan_Roll_ex5, Loan_Roll_ex5a, Loan_Roll_ex5b)

These messages communicate the consolidation of two LIBOR contracts into a single LIBOR contract, and interest payments against each existing contract. There are three messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup5.'

The two current LIBOR contracts and the new single LIBOR contract are detailed in 'Loan_Roll_ex5.'

Maturing Contract 1 Identifier: CONT12345 (contract id=CC1234)

Amount: \$5,225,000.00

Share Amount: \$1,294,117.64

Effective Date: 06/15/09

Maturing Contract 2 Identifier: CONT54321 (contract id=CC4321)

Amount: \$475,000.00

Share Amount: \$117,647.06

Effective Date: 06/15/09

New Contract Identifier: CONT67890 (contract id=NC5678)

Effective Date: 7/15/09

Maturity Date: 8/17/09

Amount: \$5,700,000.00

Share Amount: \$1,411,764.70

New Contract Identifier: CONT67890 (contract id=NC5678)

Effective Date: 7/15/09

Maturity Date: 8/17/09

Amount: \$5,700,000.00

Share Amount: \$1,411,764.70

Interest payments from the agent to the lender against the two maturing contracts are represented in 'Loan_Roll_ex5a' and 'Loan_Roll_ex5b.'

Interest Payment Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Payer Party: Bank of Agents NA

Receiver Party: Lender Corp

Amount: \$722.55

Tax Withholding: \$0.00

Effective Date: 07/15/09

Rate: 0.0067

Contract Identifier: CONT54321 (contract id=CC4321)

Payer Party: Bank of Agents NA

Receiver Party: Lender Corp

Amount: \$65.69

Tax Withholding: \$0.00

Effective Date: 07/15/09

Rate: 0.0067

Scenario 6 (Loan_Roll_ex6, Loan_Roll_ex6a)

These messages communicate a LIBOR contract maturing, a loan interest payment, and a contract renewal with a split into two LIBOR contracts. There are two messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup6.' The maturing LIBOR contract and the two new LIBOR contracts are detailed in 'Loan_Roll_ex6.'

Contract Details:

Maturing Contract Identifier: CONT12345 (contract id=CC1234)

Amount/Share Amount: \$5,000,000.00

Effective Date: 06/09/14

New Contract 1 Identifier: CONT67890 (contract id=NC5678)

Amount/Share Amount: \$2,500,000.00

Effective Date: 09/05/14

Maturity Date: 09/30/14

New Contract 2 Identifier: CONT09876 (contract id=NC8765)

Amount/Share Amount: \$2,500,000.00

Effective Date: 09/05/14

Maturity Date: 09/30/14

'Loan_Roll_ex6a' describes the loan interest payment paid by the agent to the lender.

Interest Payment Details:

Payer Party: Bank of Agents NA

Receiver Party: Lender Corp

Amount: \$14,972.22

Tax Withholding: \$0.00

Accrual Schedule: 06/09/14-09/05/14

Amount: \$5,000,000.00

Share Amount: \$5,000,000.00

Rate: 0.01225

Accrual Amount: \$14,972.22

Accrual Share Amount: \$14,972.22

Scenario 7 (Loan_Roll_ex7, Loan_Roll_ex7a)

These messages communicate a LIBOR contract maturing (CC1234), a loan interest payment, and a contract renewal with a conversion to PRIME. There are two messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup7.' The maturing LIBOR contract and new PRIME contract are detailed in 'Loan_Roll_ex7.'

Contract Details:

Maturing Contract Identifier: CONT12345 (contract id=CC1234)

Effective Date: 06/09/14

Amount/Share Amount: \$5,000,000.00

New Contract Identifier: CONT67890 (contract id=NC5678)

Effective Date: 09/05/14

Amount/Share Amount: \$ 5,000,000.00

Maturity Date: 09/30/14

Floating Rate Accrual Spread: 0.01

Floating Rate Accrual Start Date: 09/05/14

Floating Rate Accrual End Date: 09/30/14

Rate Fixing Date: 09/03/14 (rate is not yet fixed..should this be 9/30/14?)

Agent: Bank of Agents N.A.

Borrower: Borrower Inc.

Co-Borrower: Co-Borrower Inc.

Lender: Lender Corp.

'Loan_Roll_ex7a' describes the interest payment paid by the agent to the lender toward the maturing loan contract.

Interest Payment Details:

Payer Party: Bank of Agents NA

Receiver Party: Lender Corp

Amount: \$14,972.22

Tax Withholding: \$0.00

Effective Date: 09/05/14

Accrual Schedule: 06/09/14-09/05/14

Amount: \$5,000,000.00

Share Amount: \$5,000,000.00

Rate: 0.01225

Accrual Amount: \$14,972.22

Accrual Share Amount: \$14,972.22

Scenario 8 (Loan Roll ex8)

These messages communicate a PRIME contract maturing (CC1234) and a contract renewal with a conversion to LIBOR (NC5678).

Maturing Contract Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Effective Date: 05/29/13

Amount: \$4,500,000.00

Share Amount: \$24,937.50

Agent: Bank of Agents N.A.

Borrower: Borrower Inc.

Co-Borrower: Co-Borrower Inc.

Lender: Lender Corp.

New Contract Details:

Contract Identifier: CONT67890 (contract id=NC5678)

Effective Date: 08/29/13

Scenario 9 (Loan_Roll_ex9, Loan_Roll_ex9a, Loan_Roll_ex9b)

These messages communicate a LIBOR contract maturing, a LIBOR loan interest payment, a partial LIBOR repayment, and a contract renewal of the remaining portion with a conversion to PRIME.

'Loan_Roll_ex9' contains contract details for the maturing and new contract. A \$5,000,000.00 LIBOR loan (CC1234) matures and an interest payment of \$14,972.22 is applied. A partial repayment of \$1,000,000.00 toward the maturing loan is detailed in Loan_Roll_Ex9b. The remaining \$4,000,000.00 commitment is renewed (NC5678) and converted to PRIME' There are three messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup9.'

Maturing Contract Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Amount: \$5,000,000.00

Effective Date: 06/09/2014

New Contract Details:

Contract Identifier: CONT67890 (contract id=NC5678)

Amount: \$4,000,000.00

Effective Date: 09/05/2014

Maturity Date: 09/30/2014

Floating Rate Accrual: 0.01 spread

Rate Fixing Date: 09/03/2014 (Rate is not yet fixed...should this be 9/30/14?)

Interest Payment Details:

Amount: \$14,972.22

Tax Withholding: 0.00

Effective Date: 09/05/2014

Repayment Details:

Amount: \$1,000,000.00

Tax Withholding: 0.00

Effective Date: 09/05/2014

Refusal Allowed: False

Scenario 10 (Loan_Roll_ex10, Loan_Roll_ex10a, Loan_Roll_ex10b, Loan_Roll_ex10c)

This example represents 2 LIBOR contracts repricing (maturing) and an interest payment on each maturing LIBOR loan. Additionally, the 2 maturing contracts roll over, and one of the maturing LIBOR contracts splits into 2 new loan contracts. There are four messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup10.'

'Loan_Roll_ex10' is sent from the agent to the lender regarding a \$1,110,000,000.00 revolver. The commitment is currently divided between two contracts (CC1234 and CC4321), for \$768MM and \$324MM, and will be divided into 3 loan contracts as of the maturity date. The three new contracts (NC5678, NC8765, and NC7654) are borrowed at \$768MM, \$314MM and \$10MM. 'Loan_Roll_ex10a' and 'Loan_Roll_ex10b' shows the interest payments toward each of the maturing loan contracts. 'Loan_Roll_ex10c' shows the new LIBOR contract for the \$10mm commitment.

Maturing Contract Details:

Contract Identifier 1: CONT12345 (contract id=CC1234)

Amount: \$786,000,000.00

Share Amount: \$17,649,301.81

Effective Date: 08/30/2013

Contract Identifier 2: CONT54321 (contract id=CC4321)

Amount: \$324,000,000.00

Share Amount: \$7,275,284.72

Effective Date: 08/30/2013

Interest Payment Details:

Contract Identifier 1: CONT12345 (contract id=CC1234)

Payment Amount: \$1,820,681.67

Share Amount: \$40,882.65

Tax Withholding Amount: 0.00

Effective Date: 09/30/2013

Contract Identifier 2: CONT54321 (contract id=CC4321)

Payment Amount: \$750,510.00

Share Amount: \$16,852.39

Tax Withholding Amount: 0.00

Effective Date: 09/30/2013

New Contract Details:

Contract Identifier 1: CONT67890 (contract id=NC5678)

Amount: \$786,000,000.00

Share Amount: \$17,649,301.81

Effective Date: 09/30/2013

Contract Identifier 2: CONT09876 (contract id=NC8765)

Amount: \$314,000,000.00

Share Amount: \$7,050,738.89

Effective Date: 09/05/2013

Contract Identifier 3: CONT76543 (contract id=NC7654)

Amount: \$10,000,000.00

Share Amount: \$224,545.83

Effective Date: 09/05/2013

Scenario 11 (Loan_Roll_ex11, Loan_Roll_ex11a)

These messages communicate a single LIBOR contract maturing, a LIBOR loan interest payment, and an increase in outstanding amount against a LIBOR contract which establishes a new LIBOR contract. There are two messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup11.'

'Loan_Roll_ex11' is sent by the agent to the lender with details about the maturing and new contracts. The maturing contract (CC1234) for \$2,000,000.00 is being rolled over with a commitment increase to \$4,000,000.00 effective as of 01/14/2014. Along with the rollover, there is an interest payment for \$828.16 toward the maturing contract, which is detailed in 'Loan_Roll_ex11a.'

Maturing Contract Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Amount: \$2,000,000.00

Share Amount: \$115,384.62

Effective Date: 01/07/2014

Interest Payment Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Payment Amount: \$826.18

Share Amount: \$47.66

Tax Withholding Amount: 0.00

Effective Date: 01/14/2014

New Contract Details:

Contract Identifier: CONT67890 (contract id=NC5678)

Amount: \$4,000,000.00

Share Amount: \$230,769.23

Effective Date: 01/14/2014

Scenario 12 (Loan_Roll_ex12, Loan_Roll_ex12a, Loan_Roll_ex12b)

These messages communicate a LIBOR contract repricing, a LIBOR contract interest payment, a partial repayment of the LIBOR loan, and a rollover of the remaining LIBOR contract. There are four messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup2.'

A maturing contract (CC1234) in the amount of \$29,210,000.00 is partially repaid and rolled into a new LIBOR contract (CC5678) in the amount of \$28,660,000.00. The current and new LIBOR contracts are detailed in 'Loan_Roll_ex12.' An interest payment for \$74,355.86 is also made toward the maturing contract in 'Loan_Roll_ex12a.' A partial repayment for \$550,000.00 is detailed in 'Loan_Roll_ex12b.'

Maturing Contract Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Amount: \$29,210,000.00

Effective Date: 07/31/2014

Interest Payment Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Payment Amount: \$74,355.68

Tax Withholding Amount: 0.00

Effective Date: 08/29/2014

Repayment Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Payment Amount: \$550,000.00

Tax Withholding Amount: 0.00

Effective Date: 08/29/2014

Refusal Allowed: No

New Contract Details:

Contract Identifier: CONT67890 (contract id=CC5678)

Amount: \$28,660,000.00

Effective Date: 09/05/2014

Scenario 13 (Loan_Roll_ex13, Loan_Roll_ex13a)

These messages communicate a LIBOR F/X contract repricing and a LIBOR F/X contract interest payment. A maturing contract (CC1234) for \$8,100,000.00 is rolled over into a new contract (NC5678) for the same amount with an interest payment for \$13,647.95 paid toward the maturing contract. The current and new contracts are detailed in 'Loan_Roll_ex13.' The new contract is converted from USD to GBP at an exchange rate of 1.6448. There are two messages within this example, sent from the agent to the lender with the parentEventIdentifier 'RolloverGroup13.'

The interest payment toward the maturing contract is detailed in 'Loan_Roll_ex13a.'

Maturing Contract Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Amount: \$8,100,000.00

Share Amount: \$1,139,062.50

Effective Date: 12/16/2013

Interest Payment Details:

Contract Identifier: CONT12345 (contract id=CC1234)

Payment Amount: \$13,647.95

Share Amount: \$1919.24

Effective Date: 01/15/2014

New Contract Details:

Contract Identifier: CONT67890 (contract id=NC5678)

Amount: \$8,100,000.00

Share Amount: \$1,139,062.50

Effective Date: 01/15/2014

Currency 1: USD

Currency 2: GBP

Rate: 1.6448