

Loan Coverage in FpML 5.11 (Working Draft 2)

1. Changes in 5.11 WD2 (compared to 5.11 WD1)
2. Non backward compatible changes in 5.11 WD2 (compared to 5.11 WD1)

1. Syndicated Loan (Confirmation View) (additions in 5.11 WD2) Changes compared to FpML 5.11 WD1 (Published 16 October 2018)

For Working Draft 2, there are a number of important changes that have been made to the Loan FpML schema. These changes are based on further conversations with working group members, and have been made to support uniformity and consistency of design, extensibility, and simplification across the loan schema. These changes include:

Abstract Types

- AbstractFacilityNonRecurringFeePayment
 - Changed the name of this to AbstractFacilityContractPaymentEvent to more accurately represent the function of this structure in relation to the inheritance, as well as to avoid utilizing the ‘nonrecurring’ language in the schema.
- AbstractLoanAllocationSummary
 - Corrected the type for the attribute ‘id’ to xsd:ID (previously missing a type).
 - **Changed ‘amount’ element to NonNegativeMoney type.**
- AbstractLoanTradeSummary
 - Corrected the type for the attribute ‘id’ to xsd:ID (previously missing a type).
- AbstractLoanNonRecurringFeeEvent
 - Change the name to AbstractLoanContractPaymentEvent to more accurately represent the function of this structure in relation to the inheritance, as well as to avoid utilizing the ‘nonrecurring’ language in the schema.

Complex Types

- ApplicableAssets
 - Added LoanAllAssetsEnum to a choice block to all for the explicit declaration of the applicability of all assets.
- ApplicableTransactions
 - Added LoanAllTransactionsEnum to a choice block to all for the explicit declaration of the applicability of all assets.
- ApplicableCommunicationDetails
 - **ApplicableAssets minimum occurrences allowed changed from 0 to 1.**
 - **ApplicableTransactions minimum occurrences allowed changed from 0 to 1.**
- CashPayable
 - **Replaced PayerReceiver.model with SimplePayerReceiver.model to eliminate the account references that are not used.**
- EventPayment
 - Optional SettlementInstructions included in the structure to meet specific business use cases.



- Inheritance changed to LoanSimplePayment (which inherits SimplePayment)) to remove elements that are not used by the syndicated loan market.
- LoanAllocation
 - Replaced BuyerSeller.model with SimpleBuyerSeller.model to facilitate the syndicated loan asset class.
- LoanAllocationNotification
 - Added LetterOfCreditDetails.model and LoanContractDetails.model on an optional choice block (0..n) to allow reference structure optionality.
- LetterOfCredit
 - Added a missing 'id' attribute to facilitate reference by other objects
- LetterOfCreditSummary
 - Added a missing 'id' attribute to facilitate reference by other objects.
- LoanContract
 - Added a missing 'id' attribute to facilitate reference by other objects.
- LoanContractAdjustment
 - Changed the element name from 'adjustment' to 'loanContractAdjustment' for clarity.
- LoanContractNotification
 - LoanContractDetails.model changed from 1 to 1..n to support the idea of multiple existing contracts rolling into multiple new contracts (i.e. one to many, many to one, many to many) within the Rollover event.
- LoanContractSummary
 - Added a missing 'id' attribute to facilitate reference by other objects.
- LoanSimplePayment
 - The paymentDate element was changed to inherit AdjustableDate complex type (rather than AdjustableOrRelativeDate) since the concept of 'relative date' was not applicable to a payment event in the loan asset class.
- LoanTradingDelayedCompensation
 - Changed 'amount' element to type 'Money' in order to account for potential all-in negative values.
- LoanTradingPayment
 - Optional SettlementInstructions object included in the structure to meet specific business use cases.
 - Inheritance changed to LoanSimplePayment (which inherits SimplePayment) to remove elements that are not used by the syndicated loan market.
- ParentEventIdentifier
 - Created a structure which inherits the BusinessEventIdentifier structure and extends by adding an optional number count element ('childEventCount' with type=xsd:integer) and an optional 0..n element 'childEventIdentifier' (based on BusinessEventIdentifier) to describe all the underlying child event identifiers. This provides the ability to reconcile when related event notifications may be missing, or events within the same LoanBulkServicingNotification structure may be missing (a business validation point).
 - As described in WD2, this inherits BusinessEventIdentifier and extends it with an array ('childEventIdentifier') of BusinessEventIdentifier complex types. Previously, this array was considered optional, but upon further consideration it became clear that a parent overarching event must have at least two child events, and so the cardinality was changed to 2..n. This change creates non-backward compatibility with 5.11 WD1 and



WD2. At time of WD2, the ParentEventIdentifier also contained childEventCount object used to ‘count’ the number of child events related to the overarching parent, but this was deemed redundant.

Enumerations

- LoanAllAssetsEnum
 - Created this enum with a single value of ‘All.’
- LoanAllTransactionsEnum
 - Created this enum with a single value of ‘All.’
 - **The above two new enumerations support the much-needed ability to explicitly indicate within the LoanPartyProfileStatement that a set of contact details and settlement instructions applies to all assets and/or all transactions.
- LoanTradingLetterOfCreditFeeTypeEnum – added to support revisions to the LoanTradingSettlementAccruals.model, with values of ‘LetterOfCreditFronting,’ and ‘LetterOfCreditIssuance.’
- LoanTradingNonRecurringFeeTypeEnum
 - Changed the name of this enum to LoanTradingNonAccruingFeeTypeEnum. All list items were found to be nonaccruing items, though the list was originally named “...nonRecurring...” Since ‘accruing’ and ‘nonrecurring’ are not necessarily mutually exclusive concepts, this was found to be a problematic distinction in the loan schema.

Models

- LoanTradingSettlementAccruals.model
 - LoanTradingAccruingFeeAccrual
 - i. Changed name to LoanTradingFacilityFeeAccrual (element changed from ‘accruingFee’ to ‘facilityAccrual’)
 - ii. Changed name of ‘accrualTypeId’ element to ‘accruingFeeTypeId’ (still complex type ‘AccrualTypeId.’)
 - iii. Changed name of ‘type’ element to ‘accruingFeeType’ (still based on the LoanTradingAccruingFeeTypeEnum).
 - iv. Added a ‘facilityReference’ (href) into this structure.
 - LoanTradingNonRecurringFee
 - i. Change the name of the complex type to LoanTradingNonAccruingFee (changed the element name from ‘nonRecurringFee’ to ‘nonAccruingFee’).
 - ii. Moved *outside* of the model since this item did not contain any accruing fees.
 - iii. Created and added a NonAccruingFeeTypeId (element ‘nonAccruingFeeType’) for consistency with the LoanTradingFacilityFeeAccrual structure.
 - iv. Change name of ‘feeType’ element to ‘nonAccruingFeeType’ and placed it within an optional choice block with MiscFeeType. That optional choice block relates to the newly created NonAccruingFeeTypeId in a way consistent with the relationship between type and ID type within the LoanTradingFacilityFeeAccrual structure.
 - LoanTradingOutstandingAccrual
 - i. Changed name of the complex type to LoanTradingLoanContractAccrual (element name changed to ‘interest’ to ‘loanContractAccrual’).
 - LoanTradingLetterOfCreditAccrual



- i. Changed element name from 'letterOfCreditFee' to 'letterOfCreditAccrual'
 - ii. Created LcFeeTypeId (based on 'lcFeeTypeIdScheme') and placed it in sequence with the new LoanTradingLetterOfCreditFeeType (based on the LoanTradingLetterOfCreditFeeTypeEnum). The new LoanTradingLetterOfCreditFeeType was made optional on the sequence in keeping with the design for LoanTradingFacilityFeeAccrual and LoanTradingNonAccruingFee
- PeriodWithDays.model
 - 'numberOfDays' element changed from type xsd:decimal to type xsd:integer.
 - SimpleBuyerSeller.model
 - Created a 'simple' version of BuyerSeller.model to eliminate the account references that are not applicable to the syndicated loan market.

Schemes

- NonRecurringMiscFeeType
 - Changed to 'MiscFeeType.' Since this more accurately is intended to represent 'one-off' fee types and is a scheme, this change is appropriate to make.

2. Incompatible changes compared to FpML 5.11 WD1 Recommendations

Note that the changes above in red text are NOT backward compatible to 5.11.