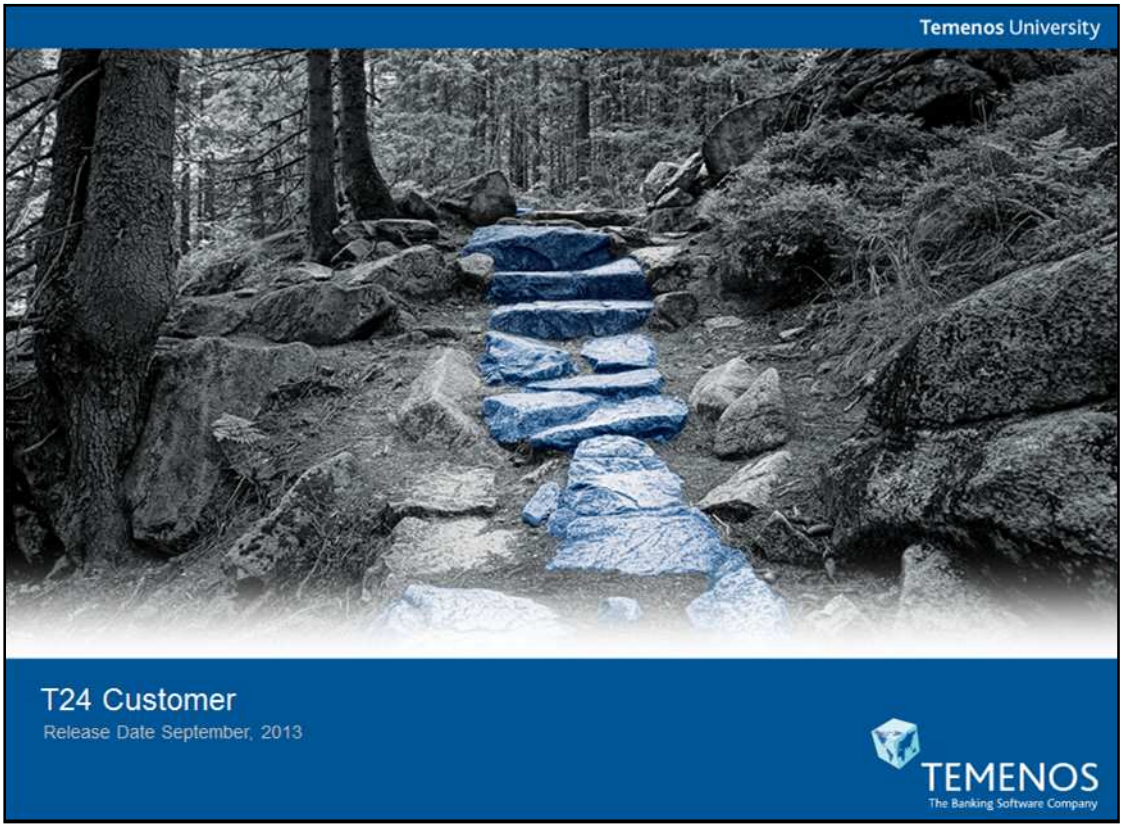


Welcome to the T24 Customer Course

Agenda

T24 Customer

01	**Learning Objectives**
02	Purpose and Importance of a Customer Record
03	Different Types of Customers
04	Static Tables
05	Mandatory Details
06	Optional Details
07	KYC
08	Duplicate checking of Customer
09	Opening a Bank Customer Record
10	Customer 360° View
11	Enquiries

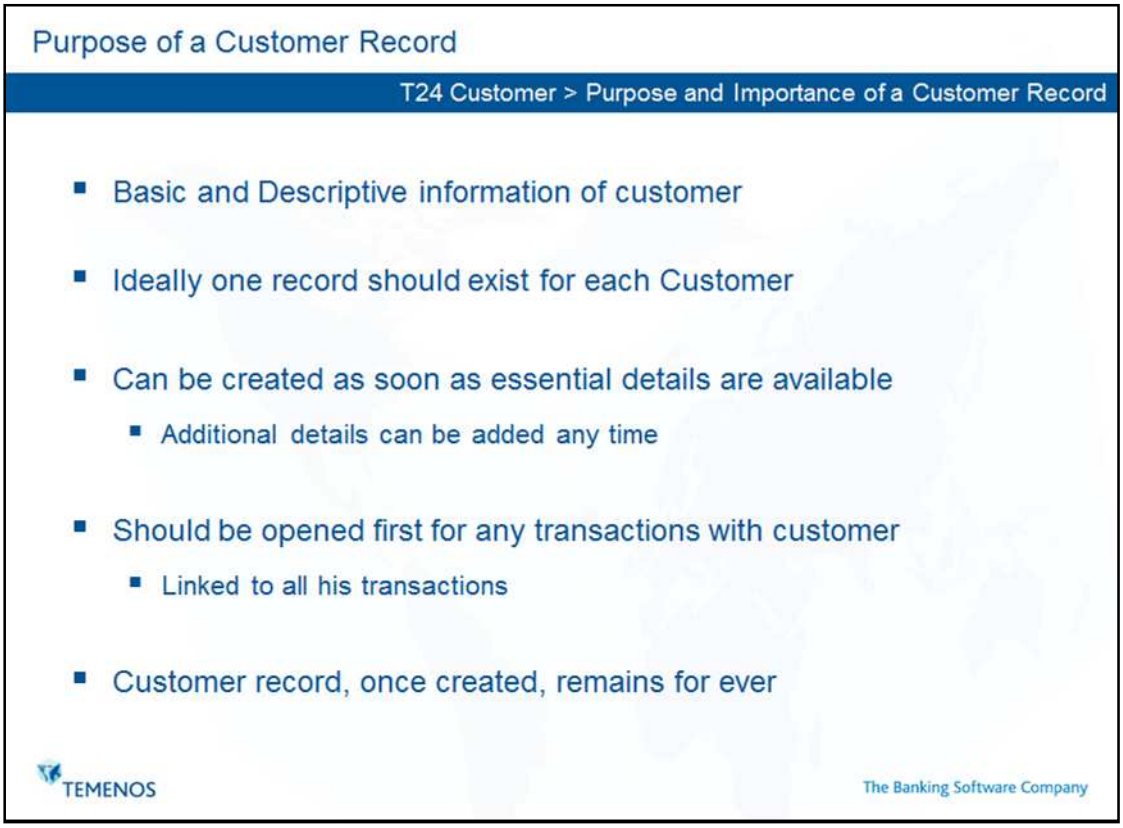
TEMENOS

The Banking Software Company

We will start by stating the Learning Objectives

These are the learning objectives of this course. We will learn the Importance of Customer record in T24, the Features of the Customer Module, the Linkage to Static Tables, the Different Types of Customers and creation of records, the Mandatory and Optional Details and finally the Enquiries.

We will now explain the Purpose and Importance of a Customer Record

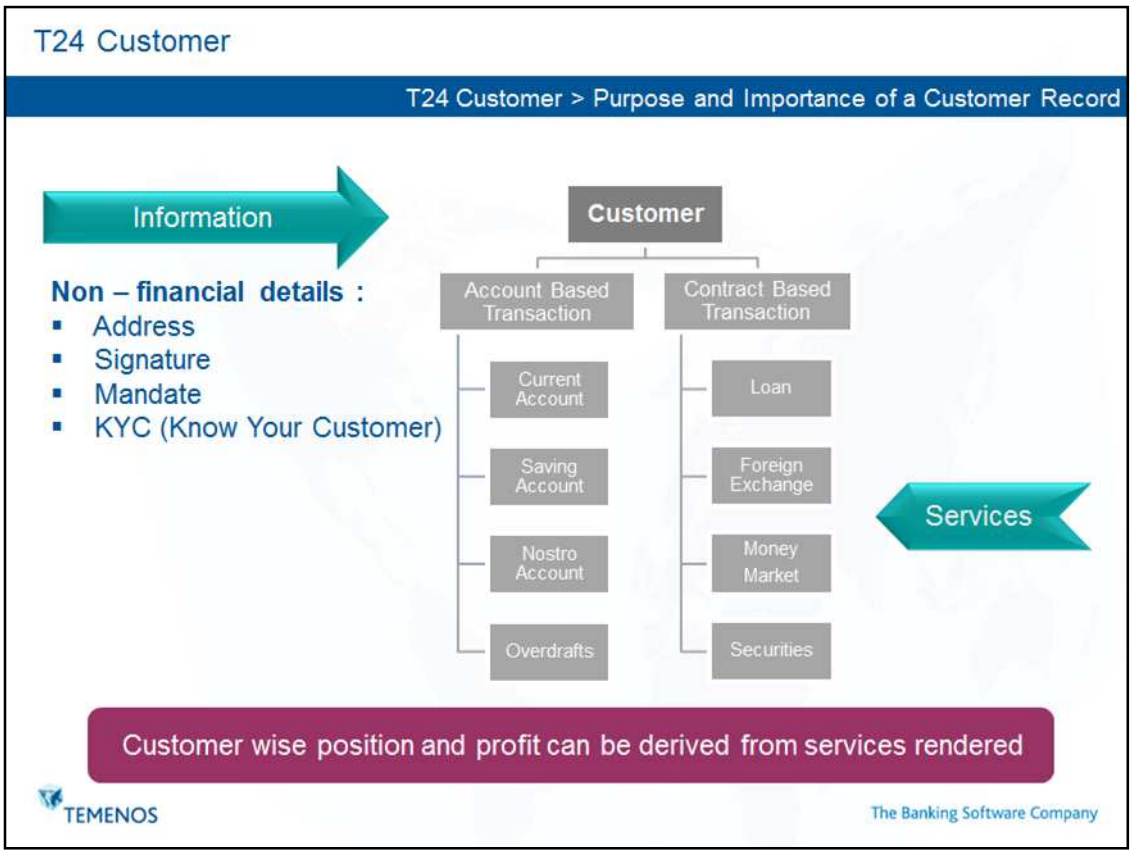


A customer record holds all the basic information about a Customer.

Ideally, only one record should exist for each Customer. This can be created whenever a name, address and other such essential information is obtained. A customer record is not dependent on the existence of an account.

As an example, a Customer record can be set up from the moment a Bank is considering having any relationship with the customer or prospect. Later, when the Bank decides to enter into any contractual obligation, like Foreign exchange or Money Market dealings, it can use the existing Customer record.
If at any later stage, the Bank proposes to open a current account, it needs not to create another Customer record, instead, the Bank can use the existing Customer Record.

Once a customer record is authorised and made active, it is not possible to reverse the record. We can however amend any customer details when needed.



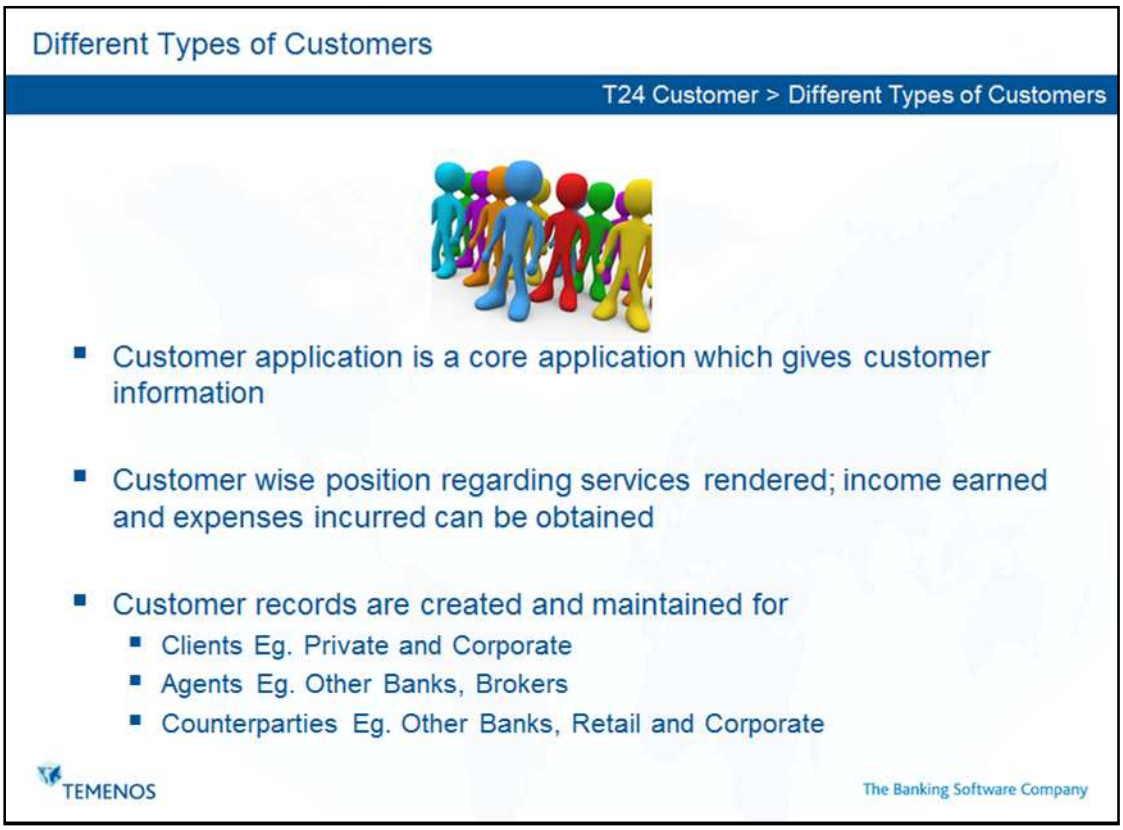
A Customer record contains descriptive details of a customer. A customer ID is assigned to each customer record. This Customer ID is used to link a customer to other business applications.

The business applications in T24 are divided into Account Applications and Contract Applications.

Account applications permit change of positive balance to negative balance and vice-versa from time to time while a contract will remain with the same balance sign throughout its term. For example, a deposit maintains a positive balance and a loan contract maintains a negative balance throughout its term.

It is mandatory to refer the Customer ID when we open an account or a contract for a customer. So the Customer Record is a pre-requisite for opening an account or a contract for any customer.

Next on our agenda, we will learn about the Different Types of Customers



CUSTOMER application is a Core Application to T24 as T24 is a Customer Centric Software. all activities revolve around a customer revolved and are rendered for customers.

All management information and services are organised around Customer records. Details found in Customer records are not repeated any where else, but used across applications.

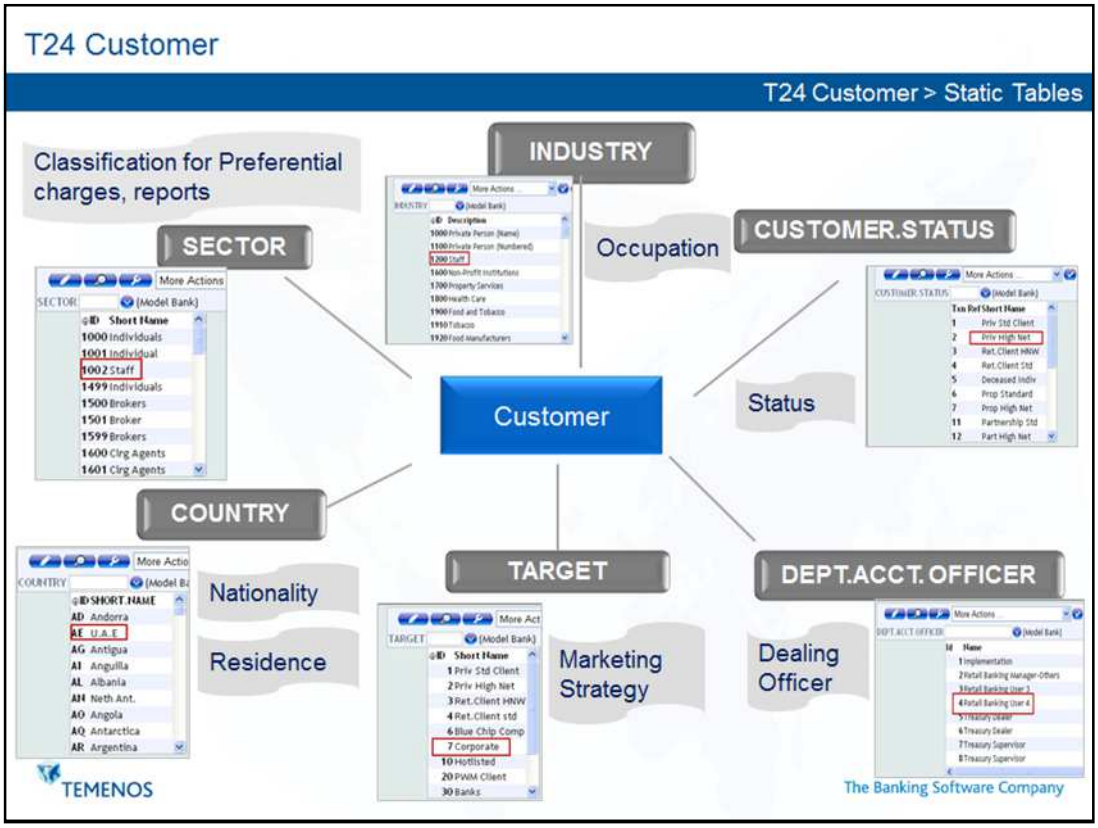
The Customer record contains all the basic information about any entity which the bank has dealings with. Unlike the conventional meaning attributed for a Customer, a Customer in T24 means the one with whom the bank deals with, in other words a customer is a counterparty of a deal with the bank irrespective of whether the bank sells its products or buys the products from the counterparty.

Examples of a customer includes parties like Account Holders, Borrowers and Depositor to whom the bank sells its services. Examples of customers with whom the Bank avails their services are Brokers, Agents, and Correspondent Banks. Hence Customer records for Banks, Correspondent Banks and Agents should also be opened. In Retail Banking, a private or corporate customer would normally have some kind of account such as a savings account and current account. Banks have Nostro Account with other Banks.

A Prospect Customer record can be opened with a minimum amount of details such as Mnemonic, Gender, Sector, and Industry. Options to allow any business transaction with the Prospective Customer can be indicated in the COMPANY Table. In addition, one can indicate in the COMPANY table as to how long the details of a prospective customer should be held before removal. These features are allowed only if the Customer Relationship Management Module is installed.

The next topic on our agenda is Static Tables of a Customer

We have seen that descriptive details of Customers are stored in Customer Record. Standard information for some fields are pre-defined in Static tables and linked to the respective fields. Values in these fields are validated with the Tables. User can create new ones. Information held in the Static tables can be amended. Customer records will get updated with new values. In Model Bank, Static tables are maintained under Admin menu.



INDUSTRY table is used to define occupation related information. This information helps to define and identify the activity or business that the Customer is involved in.

CUSTOMER.STATUS table is used to define status related information like Large Corporate, Private Standard Client, Bankrupt, and so on. This helps to identify the current status of the Customer.

DEPT.ACCT.OFFICER Table is used to identify each Department and Account Officer in the Bank. It is used to indicate the Relationship Manager of the Customer. The Department Account Officer is mandatory for business dealings and defaults to a Customer record unless indicated with a specific Department Account Officer.

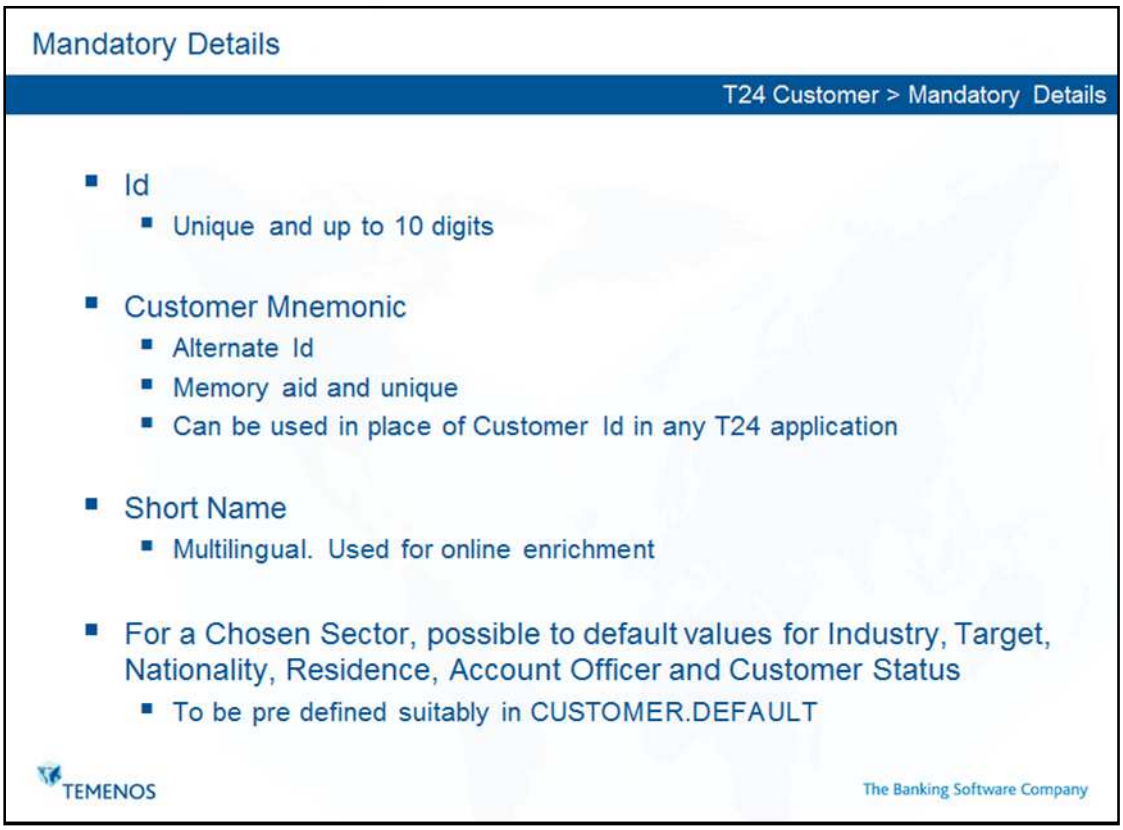
The bank can measure the business and profit contributions of each Department Account Officer.

TARGET table is used to assign codes for marketing strategy, such as High Net worth and Standard. This is useful for marketing of the bank's products.

COUNTRY table contains name and important details of countries. This is used to indicate Nationality as well as Residence of Customers.

In SECTOR Tables, user can define standard Entity Status of Customers, like Individual, Corporate, Bank and Government. This is highly useful for grouping customers for preferential treatment for interest, charges, tax and so on. SECTOR is one of the major indicators used for Reporting Purposes.

The Mandatory Details for a Customer is our next topic



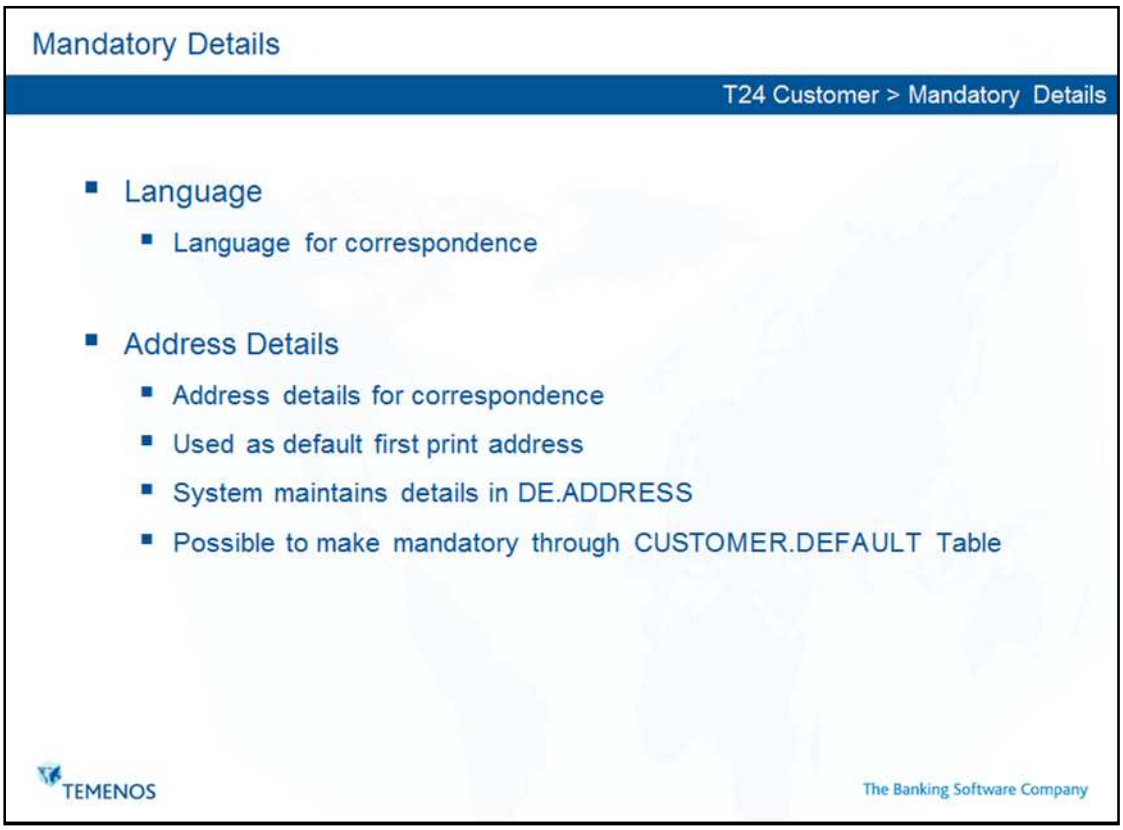
ID is the numeric identification code assigned to a Customer. Length of the ID can be from 1 to 10 digits. T24 can be set to auto-generate IDs for new records.

Customer **Mnemonic** is an alternative and easy means of referencing the Customer. A mnemonic is a memory aid. In any T24 application, it can be used instead of customer id. Mnemonic wise Customer Id is stored in an internal file called MNEMONIC.CUSTOMER.

A brief version of the name of the Customer can be defined as a short name, It is used for on-line enrichments to any field where a Customer ID or Mnemonic has been input.

SECTOR Field is a Hot validate Field. It is possible to have default values for Industry, Target, Nationality, Residence, Account Officer and Customer Status of a Customer, depending on the value input in the Sector Field. To achieve this, a record with the id of Sector should have been pre-defined in CUSTOMER.DEFAULT table.

This facility will come in handy to quickly input Customer records of select Customers, who have more or less same values in one or more of these aspects. The defaulted values can also be selectively over written at the individual record level. The defaulting of values is useful only during initial creation and not during subsequent amendments.

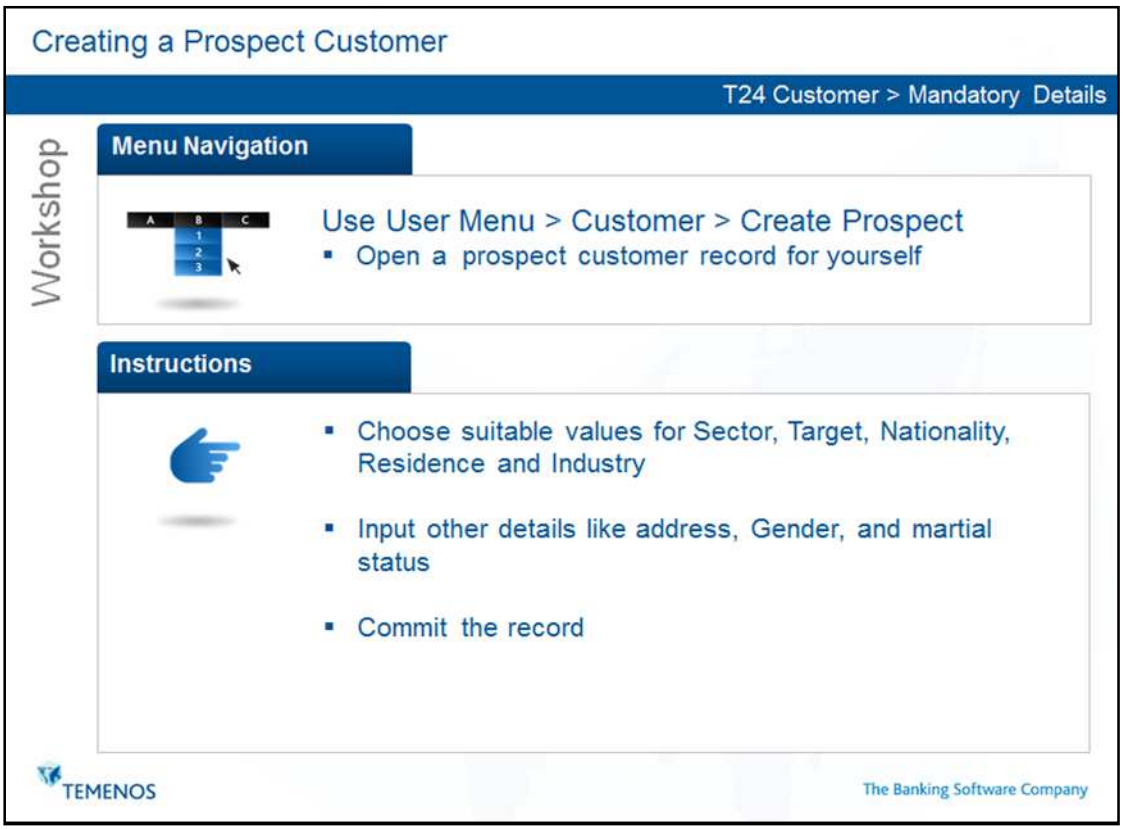


Language for correspondence with the Customer can be chosen from any of the pre-defined languages set in the LANGUAGE static table.

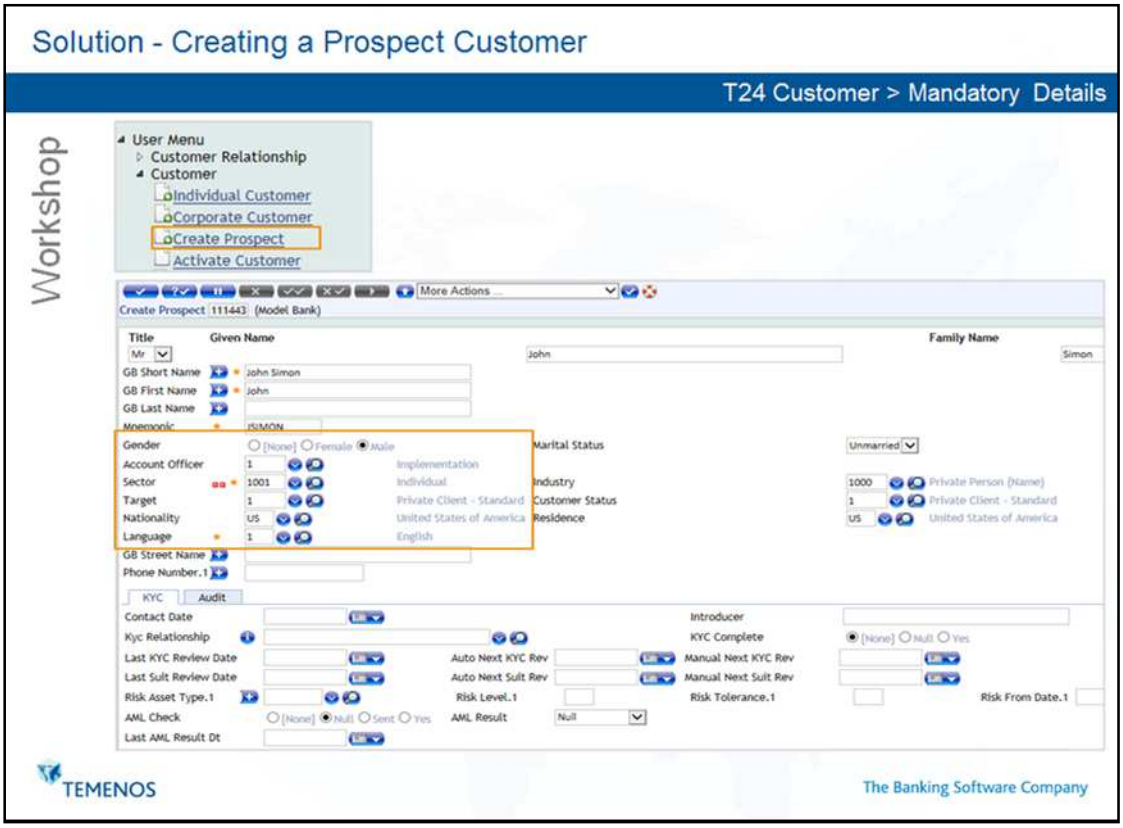
Banks generally make Customer's mailing address a mandatory field. This can be achieved by settings in the CUSTOMER.DEFAULT Table.

The System maintains the address in the STREET field as the First print address of the Customer in DE.ADDRESS. Additional mailing addresses can also be created through DE.ADDRESS. Email addresses, Telephone numbers and Fax numbers can also be recorded in the customer record.

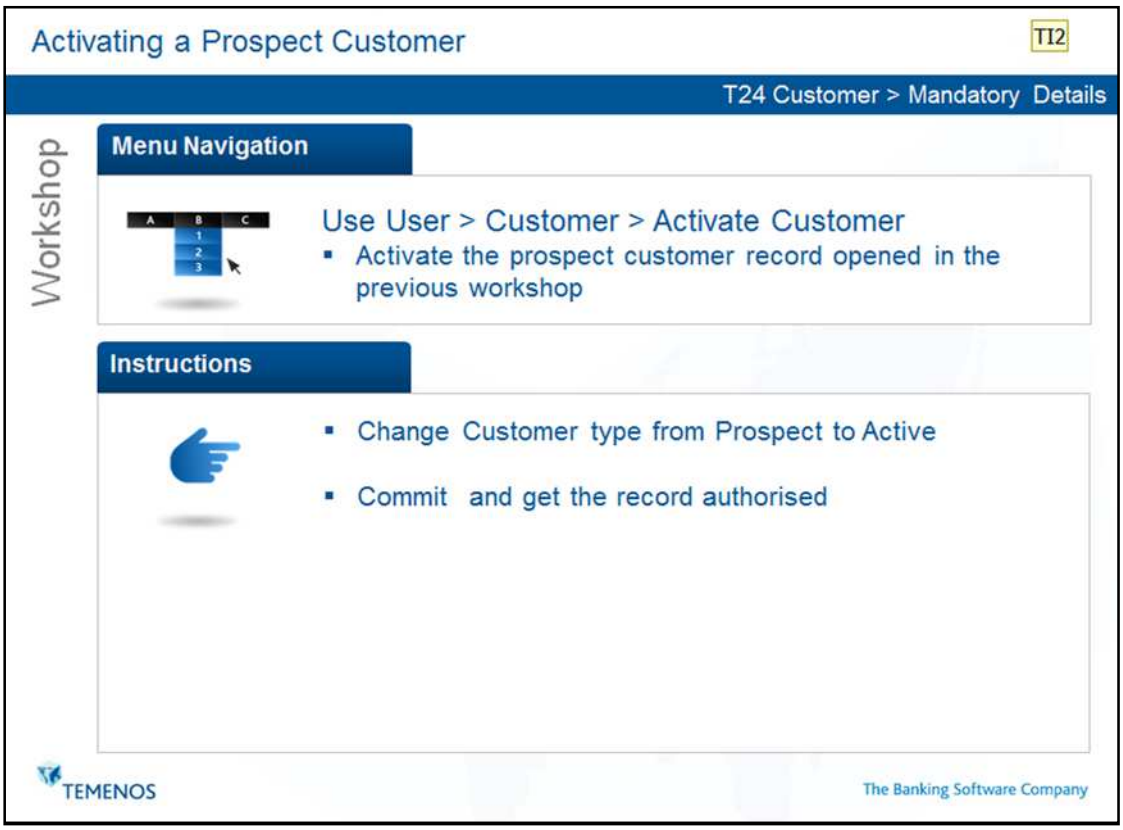
Some Banks may choose to maintain anonymity of Customer records. They would prefer not to record Customer address nor send them any correspondence. The CUSTOMER.DEFAULT table would be used to make the address field as non-mandatory and purely optional. For a chosen sector, a customer record can be created in this static table with default values in certain fields like Residence, Nationality, Industry, Account Officer and Language. Also at the sector level, It is possible to indicate whether Address Field is mandatory or not.



Let's go through some workshops on creating a Customer record. The first one is about Creating a Prospect.



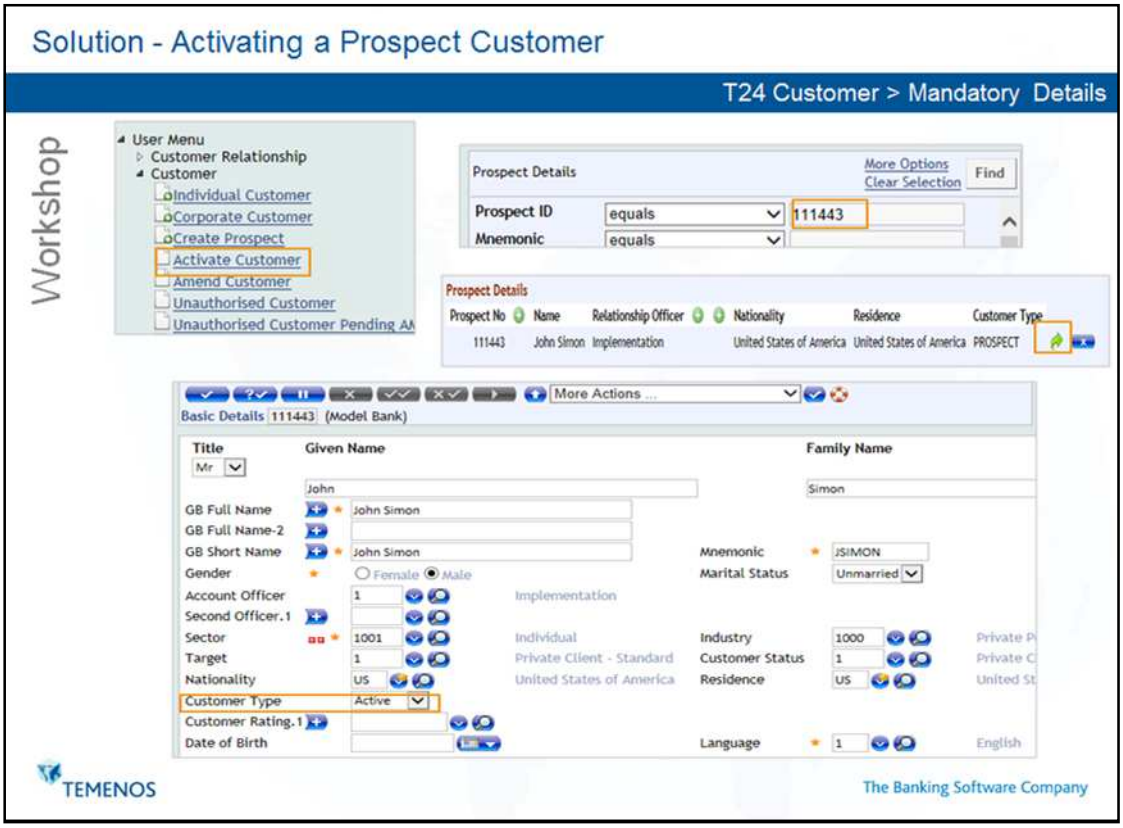
The solution is to select from under Customer menu, the sub-menu Create Prospect, then fill in the appropriate fields



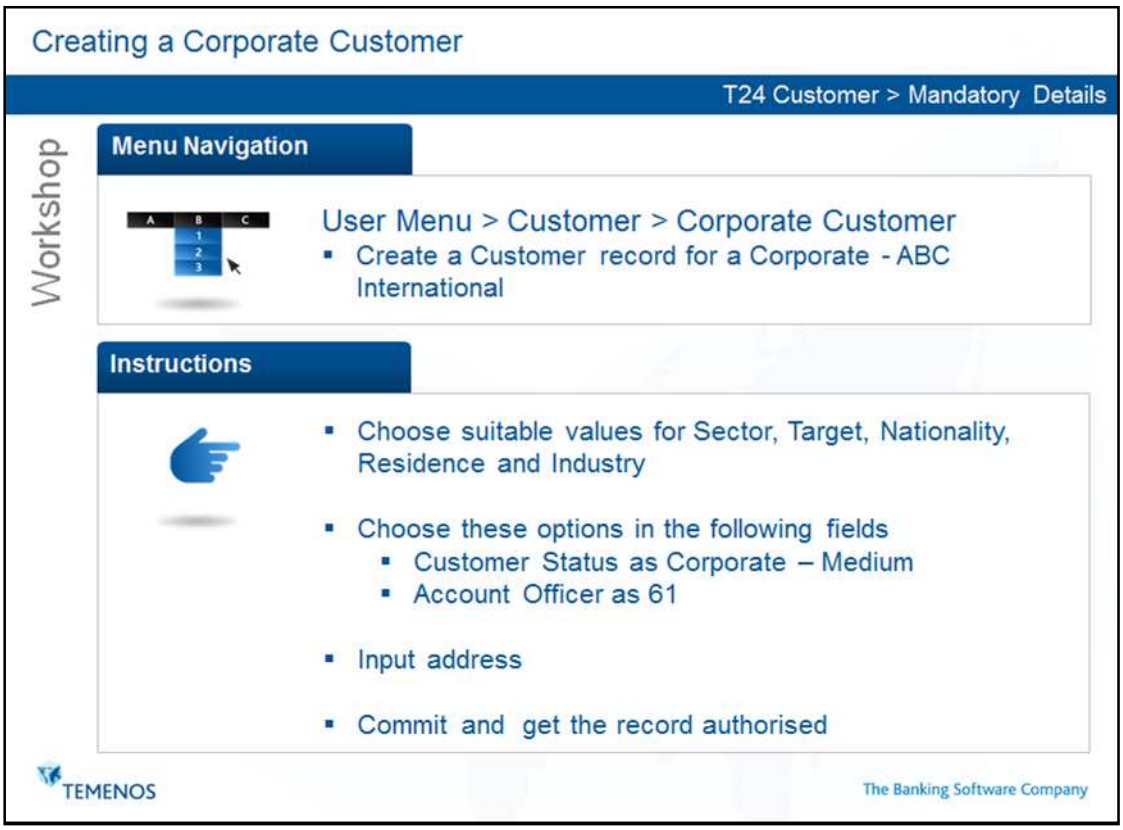
The next workshop is to activate the prospect customer record opened in the previous workshop

Slide 19

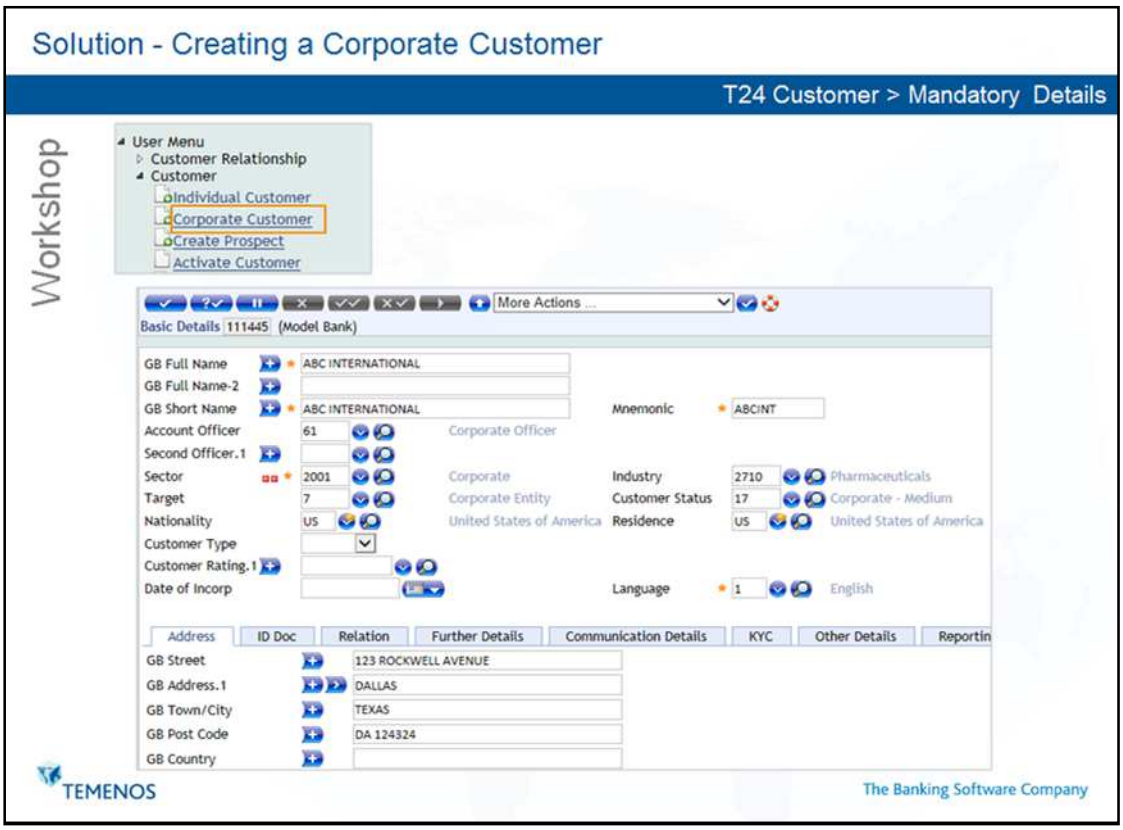
TI2 HR: Do you need to tell the participant to log out and back in as another user?
Temenos IT, 9/28/2012



The solution is to select the Customer menu, then Activate Customer from submenu, then to search for the prospect using the ID,
then from the details of the Prospect, modify the Customer Type to Active.

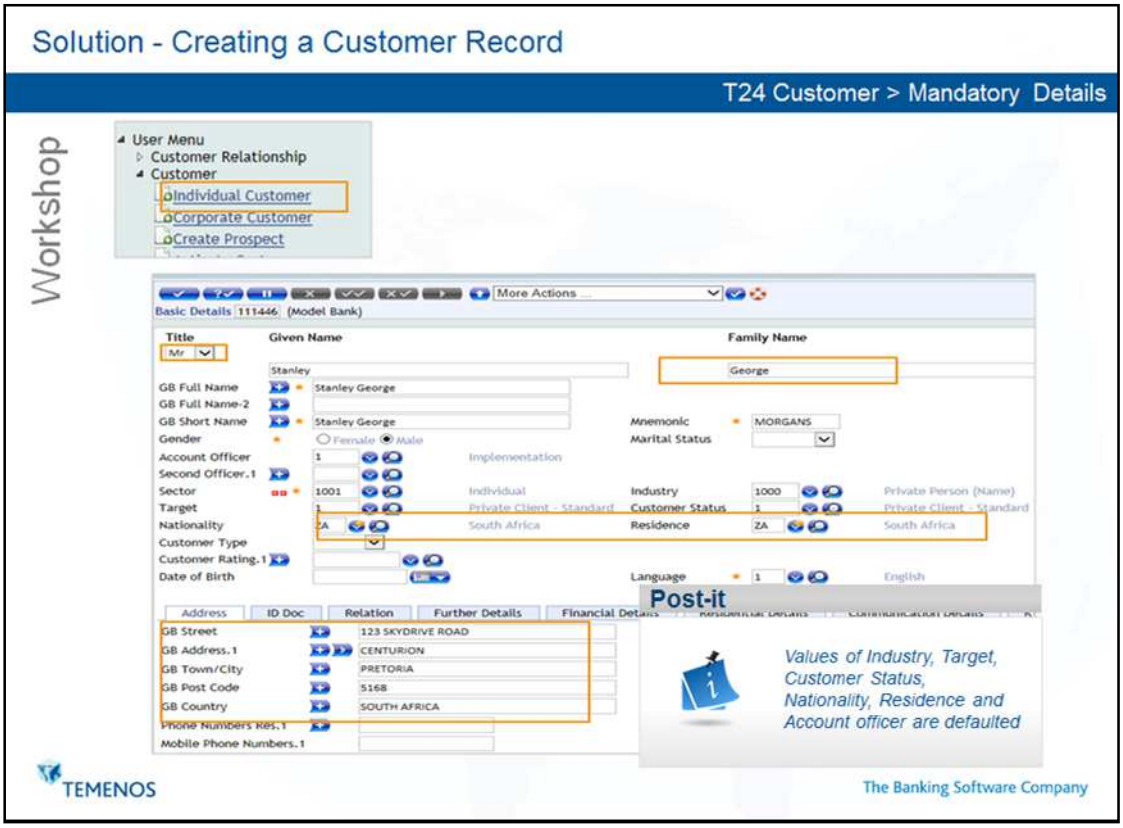


This workshop is about creating a Customer record for a Corporation.



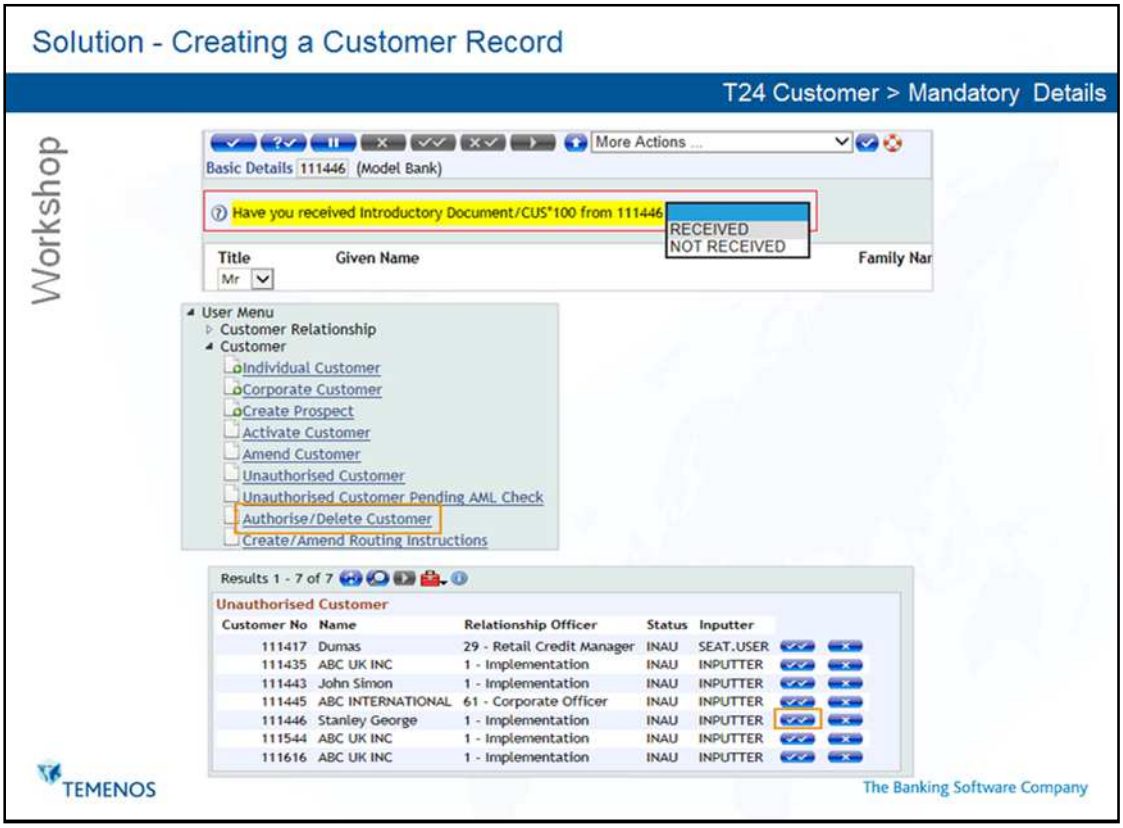
The solution is to select the Customer menu, then Corporate Customer from the submenu. Then fill in the appropriate fields

In this workshop, you will create a Customer record



The solution is to select the Customer menu, then Individual Customer from the submenu, then fill in the appropriate fields.

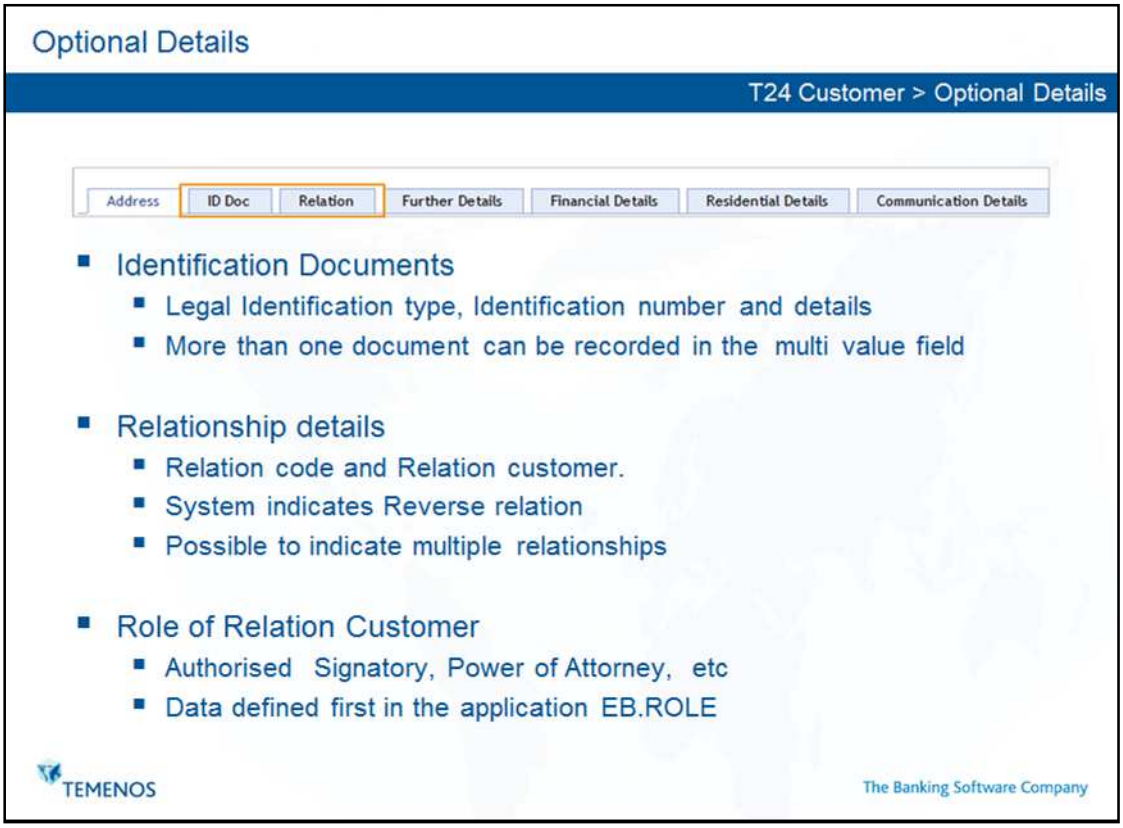
Once complete, commit the record.



Once you commit the record, you may receive a message like what is displayed here. The user is required to respond from the drop down menu before the record can be committed.

Another user would need access the sub-menu Authorise/Delete Customer, and proceed to authorise the record

The Optional Details of a Customer is the next topic on our agenda

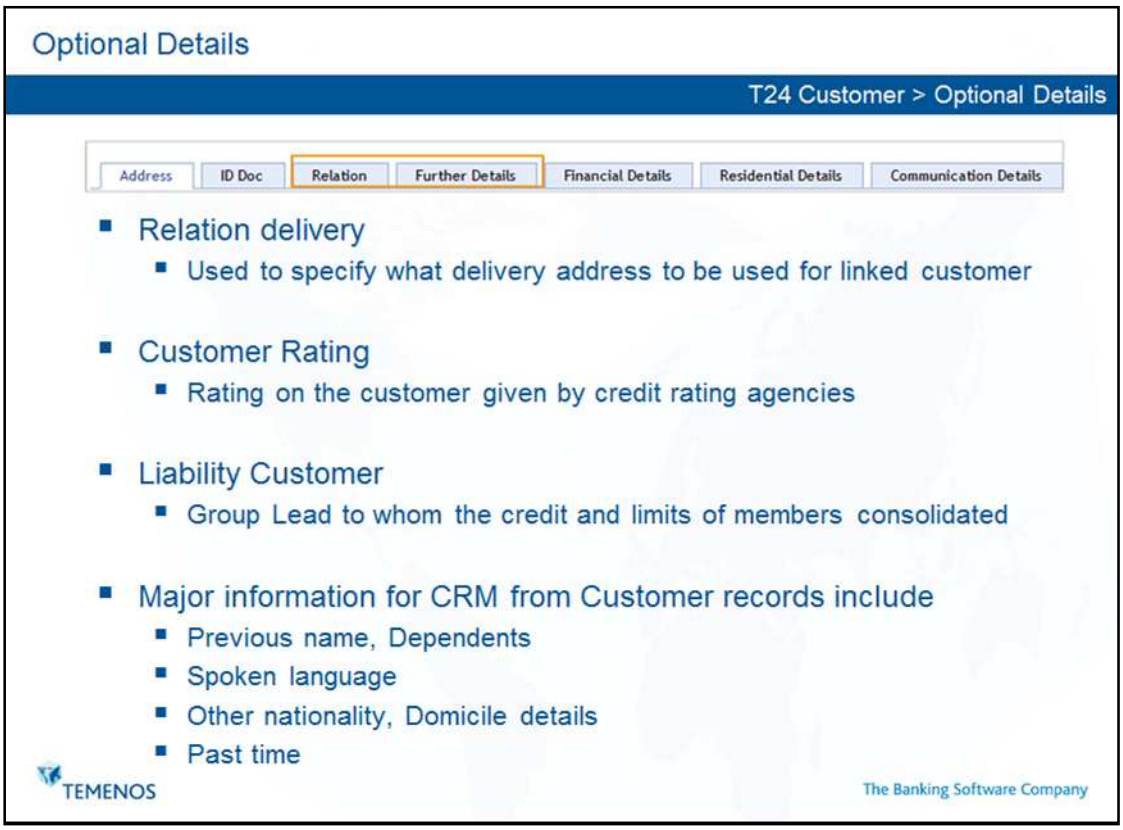


Details of multiple Identification documents like a Passport and Driver's License can be recorded.

We can indicate how another Customer is related to the current Customer. By using multi value facility, we can indicate multiple relationships. One Customer may be the Father of another customer as well as be an employee of another existing customer. Such multiple relationships can be captured.

All relationships that are required to be used are to be pre-defined in the RELATION static table. We should also define reverse relationship code while defining the first relationship. For example Relation code of 1 is Father and reverse relationship of this is Child and its proposed code is 11. The System creates a record with id 11 automatically in RELATION static table.

The Role that the customer plays with this customer, like signing authority and power of attorney, must be entered in this field and thus exist in the application EB.ROLE.

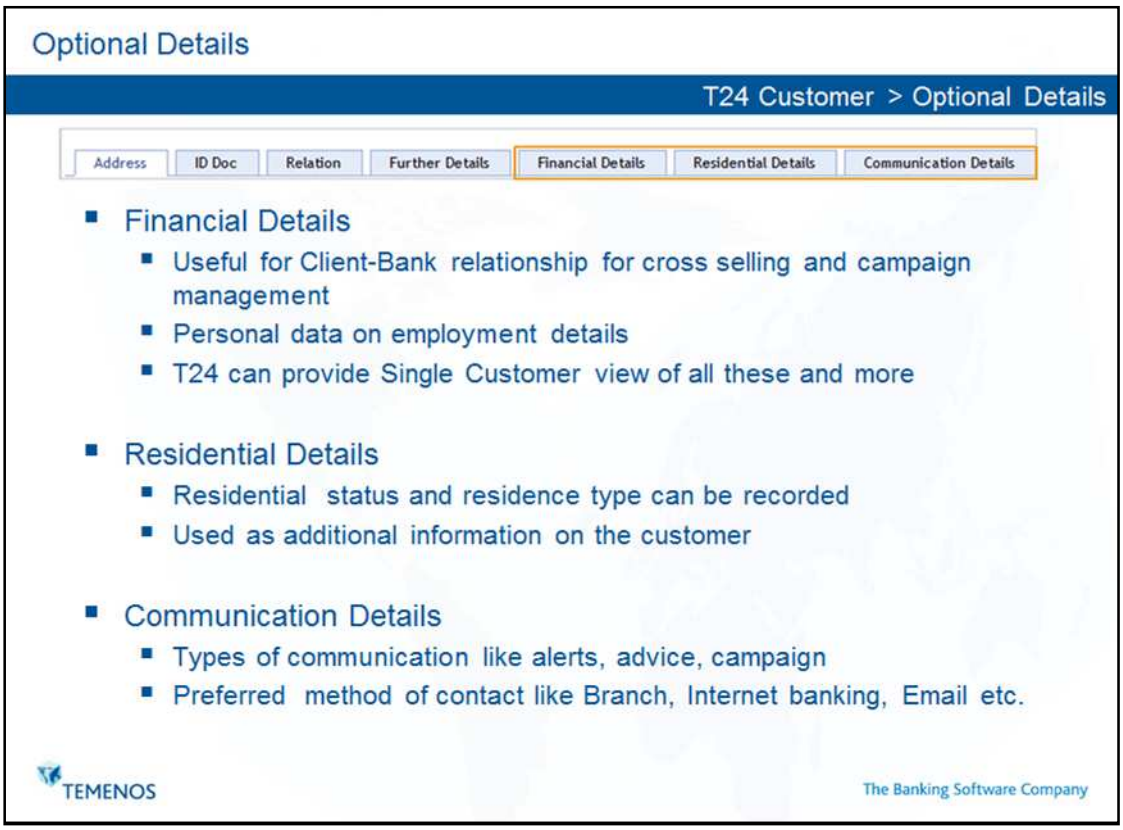


RELATION is used on select CUSTOMER records that are setup as a joint customer relationship. Each client record can be linked to the relation. This field is used to indicate the delivery address of the linked customer for addressing a copy of the message generated for the main customer.

CUSTOMER.RATING table contains various types of ratings given by various rating agencies like Standards and Poors. Sample ratings are AAA, AA+ AA- and so on.

CUSTOMER.LIABILITY field indicates the Customer number for consolidating credit and limit exposure of members and limit sharing. This field cannot be changed. Changes can be done only through LIMIT.CHANGE application.

CUSTOMER application has been built to capture some information required for CRM. Static information about the customer include Previous name, date of changing the name, Number of dependents, spoken language, other nationality, Domicile details and past time.



CRM, or Customer Relationship Management, is focused on the client-bank relationship.

It aims to bring together all customer information related to

Financial products used

Accounts held

Personal details

Contact information

Campaigns

Banking transactions and

Future scheduled events like mortgage dues

Static information can contain the Employer name, salary, salary frequency, and so on. All this, gives the Bank a more complete picture of their customer.

Based on the information available on record, the Bank may cross sell one of its car insurance products to a customer with whom it has sanctioned a car loan. This is just an example of a benefit of maintaining CRM information

CUSTOMER application has been built to capture some information required for CRM.

The type and value of a customer's residence can be recorder under Residential Details.

Communication details can capture different types of alerts, advices and campaigns involving the customer as well as the client's preferred channel of doing business with the bank. Examples of channels are branch and internet banking

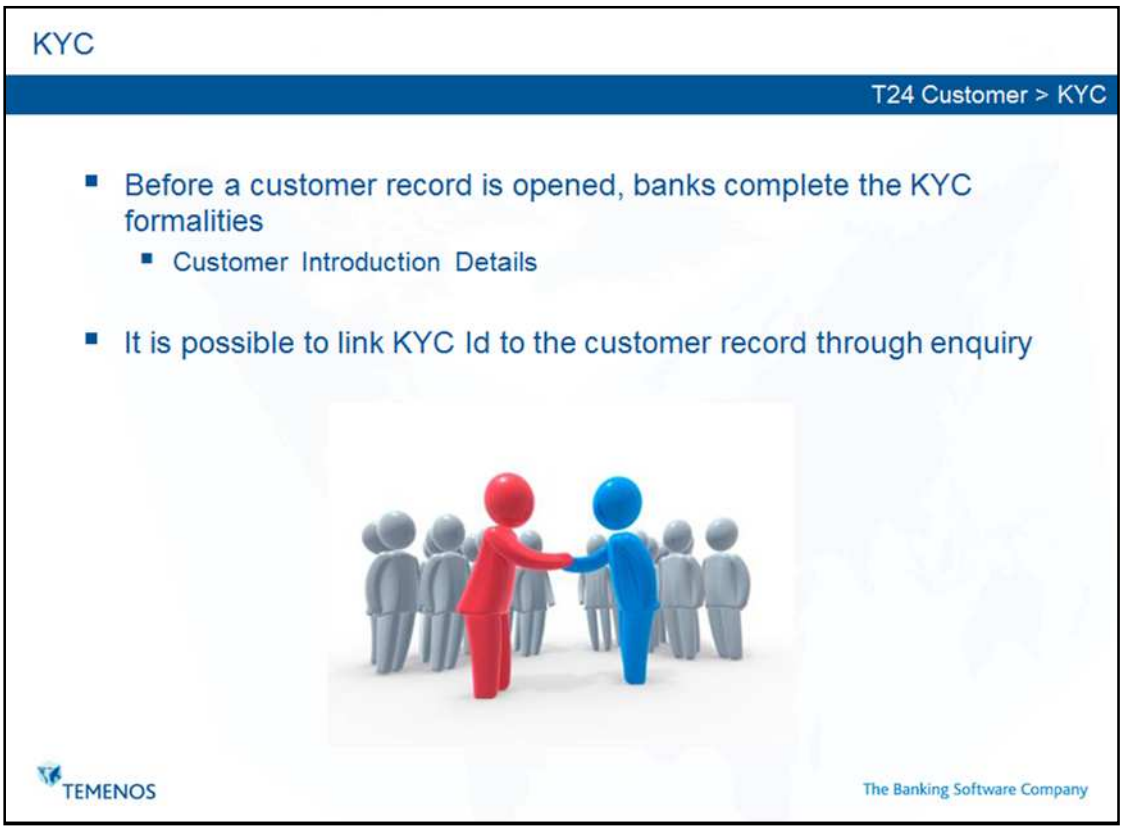
In contact details, the user can indicate the introducer name, date of first contact and the secondary officer as a point of contact.

Apart from this, banks are also subjected to Know Your Client regulations.

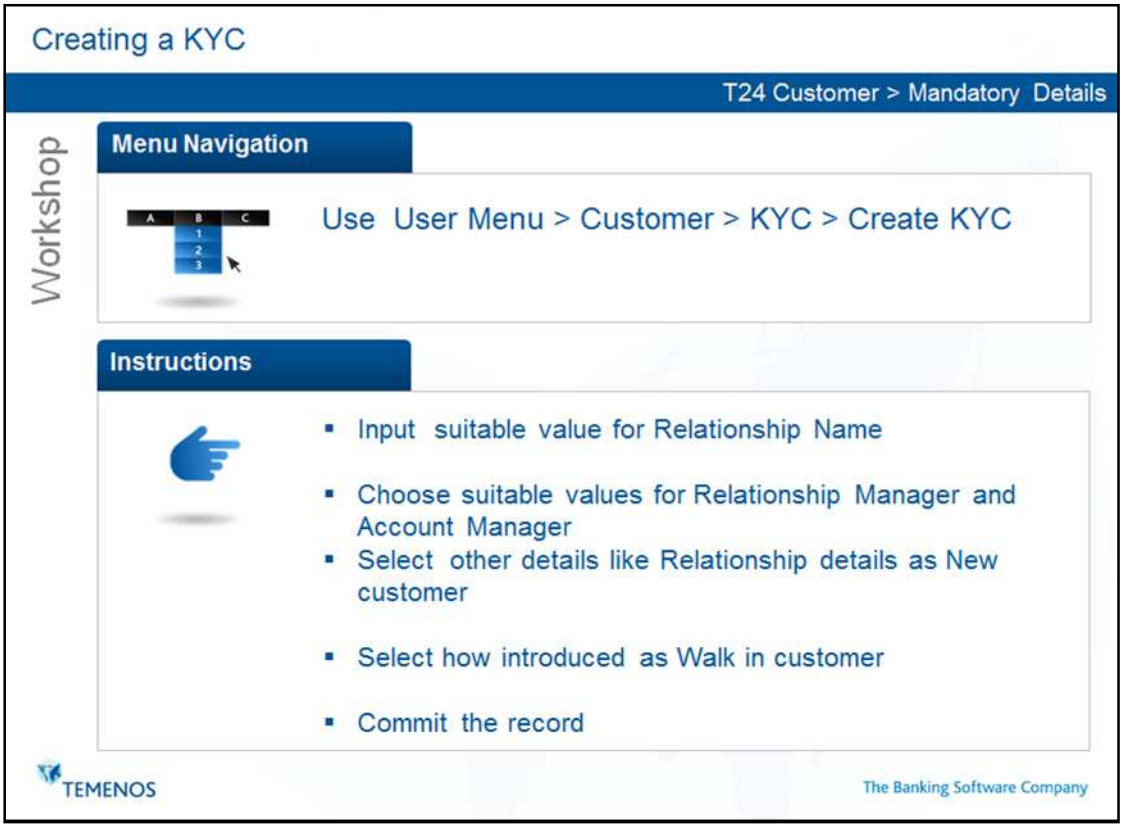
Banks are also subjected to various Anti Money Laundering checks and audit. These details can be recorded in AML.CHECK and AML.RESULT Fields. If the result is positive, it means that the customer has failed in the AML check. A negative result means that the customer has passed the AML check.

TAX Id will hold the details of customer TAX or social security number Id.

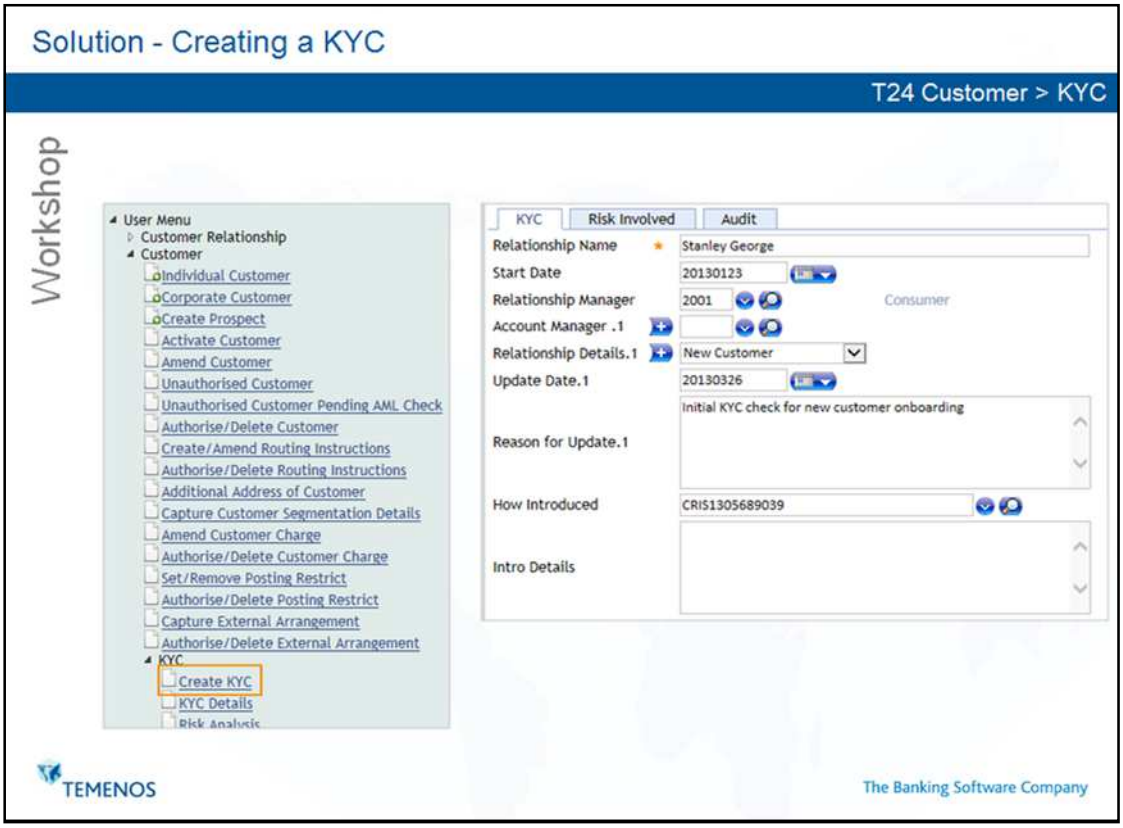
We will now discuss the Know Your Client, or rather, KYC information of a Customer



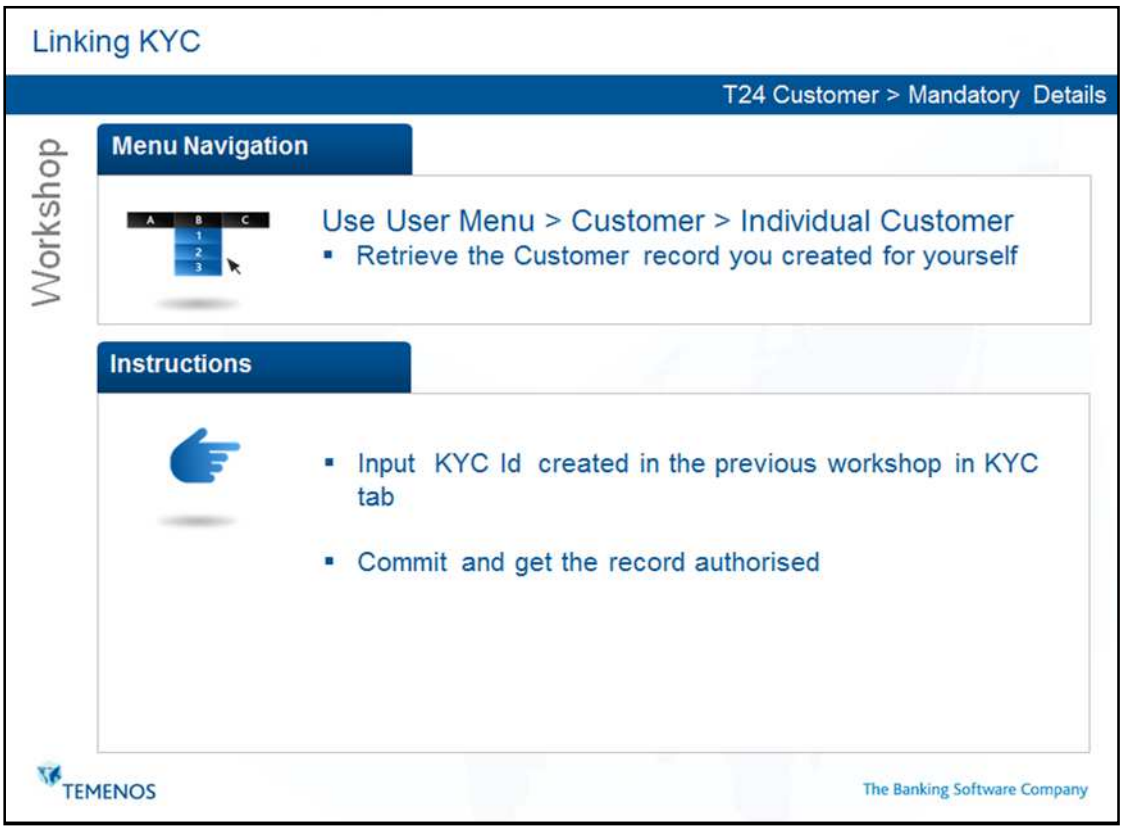
Before any customer record is opened, banks adhere to Know You Client formalities. KYC related information is first defined in user definable records in the CR.RELATIONSHIP Table. The KYC manager is the point of contact. For KYC norms, there is a mandatory field called Relationship Manager, who should be a Department Account Officer as well as the point of contact for all KYC related matters. Once all details are filled up in CR.RELATIONSHIP Table, the front end user can link the KYC record to a customer record. Each KYC record has a KYC ID which can be used to link a KYC to any one of the existing customer records.



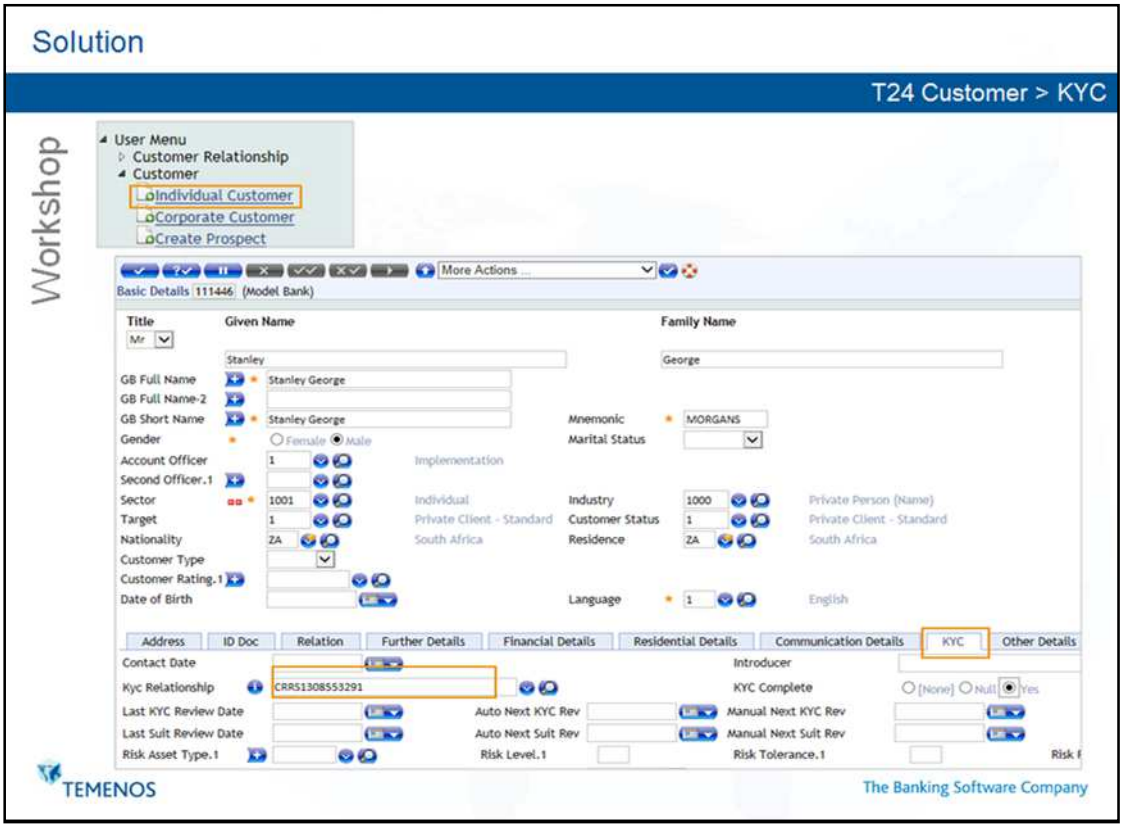
Now, let's discover workshops on Know Your Client. The first one is to create a KYC



To start, select the Customer menu and then the KYC menu. Click on Create KYC and complete the appropriate fields

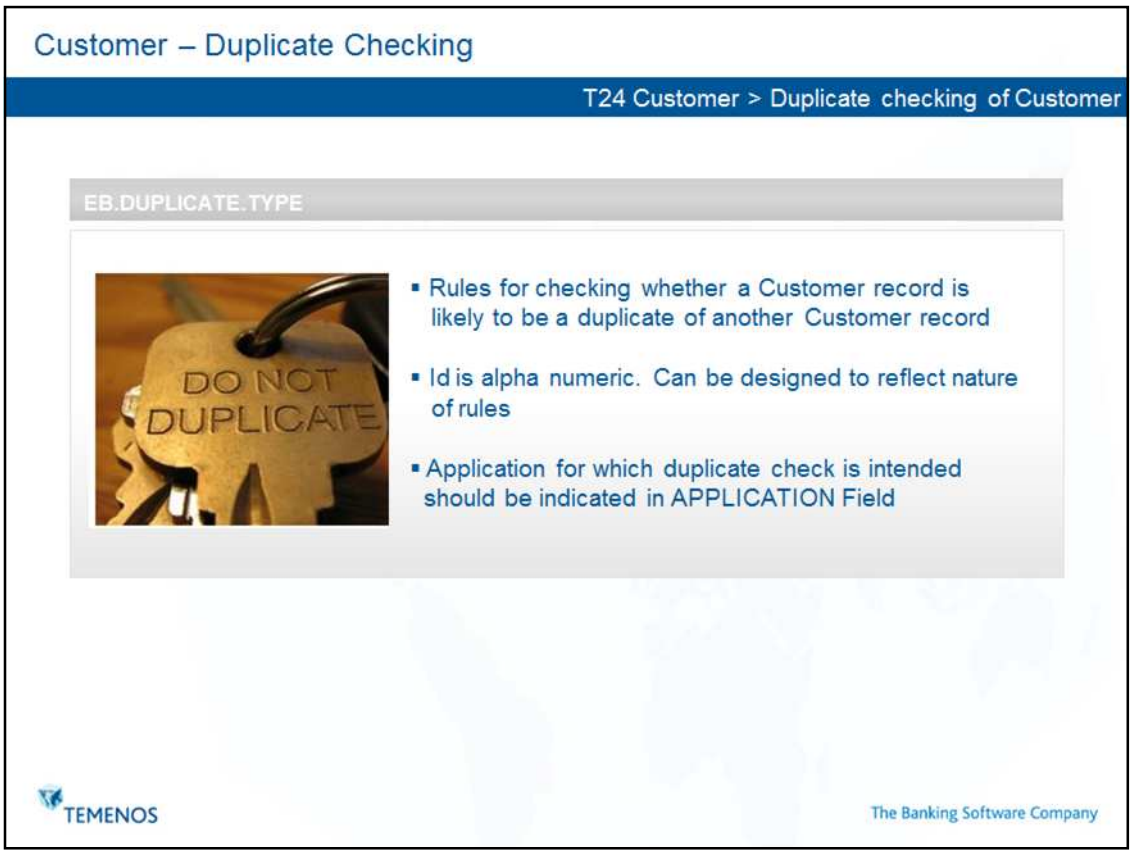


This workshop is to link KYC information to a Customer

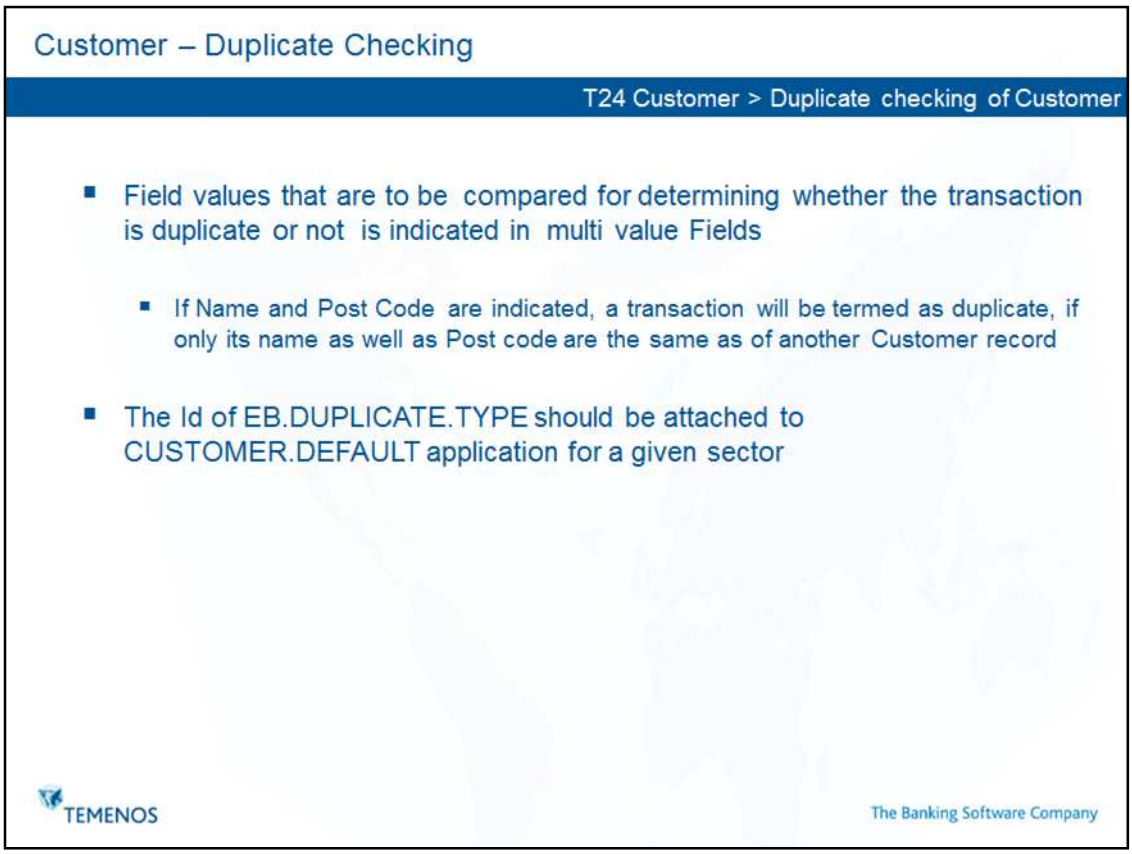


From the Customer menu, select the sub-menu Individual Customer, then select the KYC Relationship

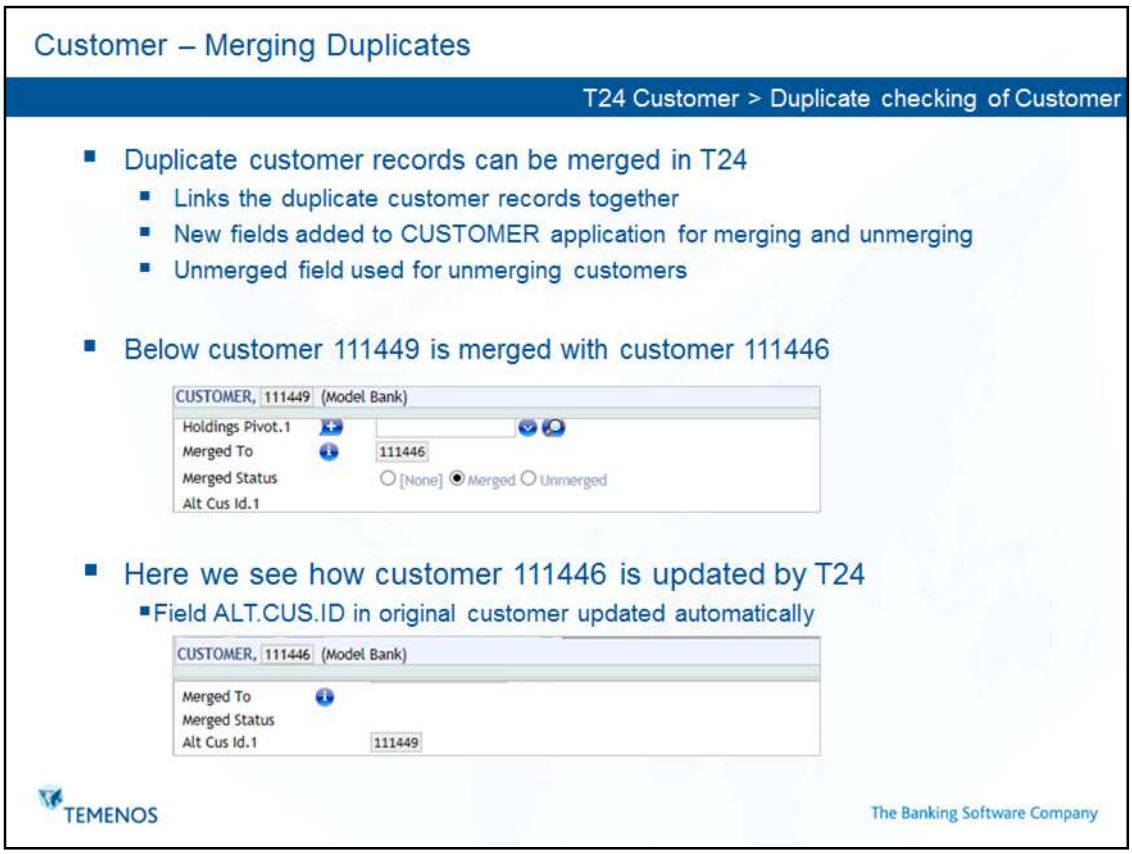
Next on the agenda is Duplicate checking of Customer



The application EB.DUPLICATE.TYPE is used to define the rules to check for the possible duplication of records. The Bank sets the rules as to which fields of a file will be used for checking purposes. The checking process occurs when a record is in the process of being committed where the system will go through the existing records in the database and check the values of those fields. An Override message will be raised to indicate the possibility of a duplicate record.



The records created in EB.DUPLICATE.TYPE are attached to CUSTOMER.DEFAULT Table.

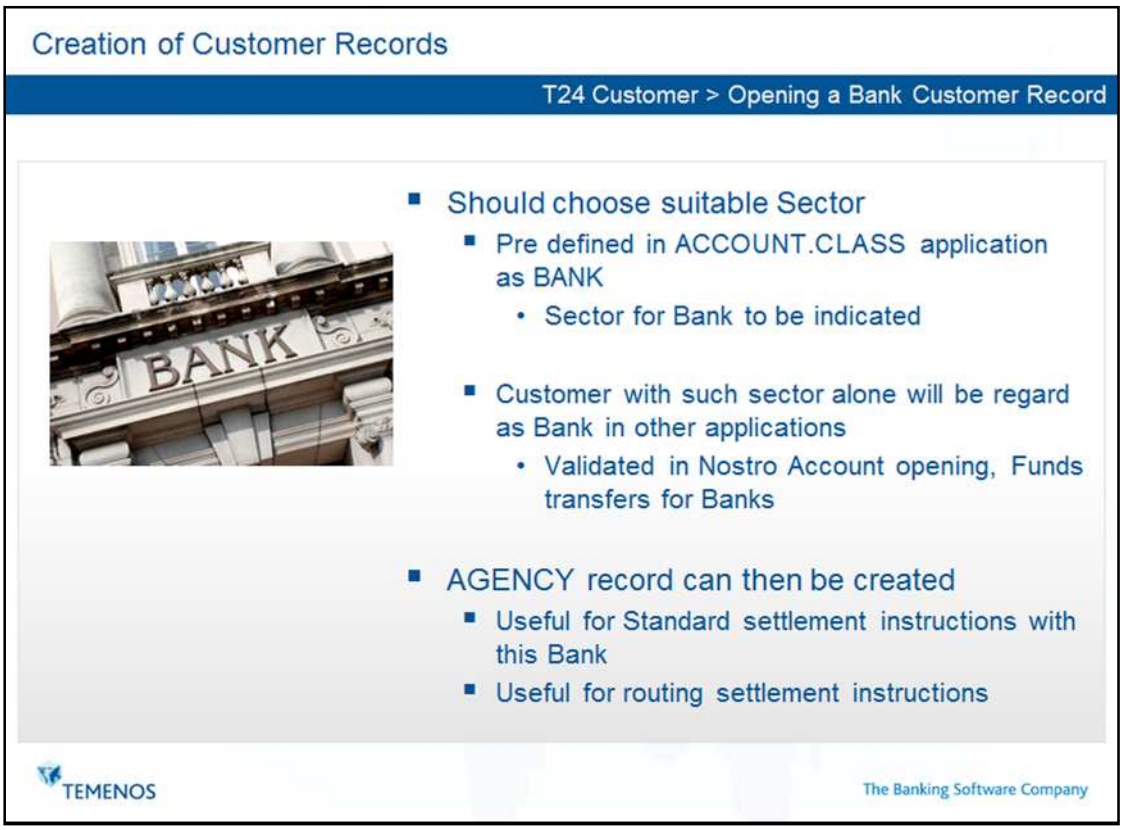


If duplicate customer records have been entered in T24 there is a facility to merge the records. The fields MERGED.TO and MERGED.STATUS are used for this purpose. You can specify the customer record you would like the current record merged with on field MERGED.TO. To merger the records you must specify Merged on MERGED.STATUS.

Once authorised T24 will automatically update the field ALT.CUS.ID in the original customer record.

To unmerge a record open the customer record and change the field MERGED.STATUS from Merged to Unmerged.

The next topic on our agenda is The Opening of a Bank Customer Record



In Model Bank, Sectors 3001 (used for Banks) and 3002 (used for Central Banks) have been pre defined in ACCOUNT.CLASS application with BANK as Id. This helps to validate whether a Customer that is used in other applications is to be treated as a BANK or not.

For example, in FUNDS.TRANSFER application, when the ordering Customer is a Bank, the SWIFT message field would be different from another message when the ordering Customer is not a Bank.

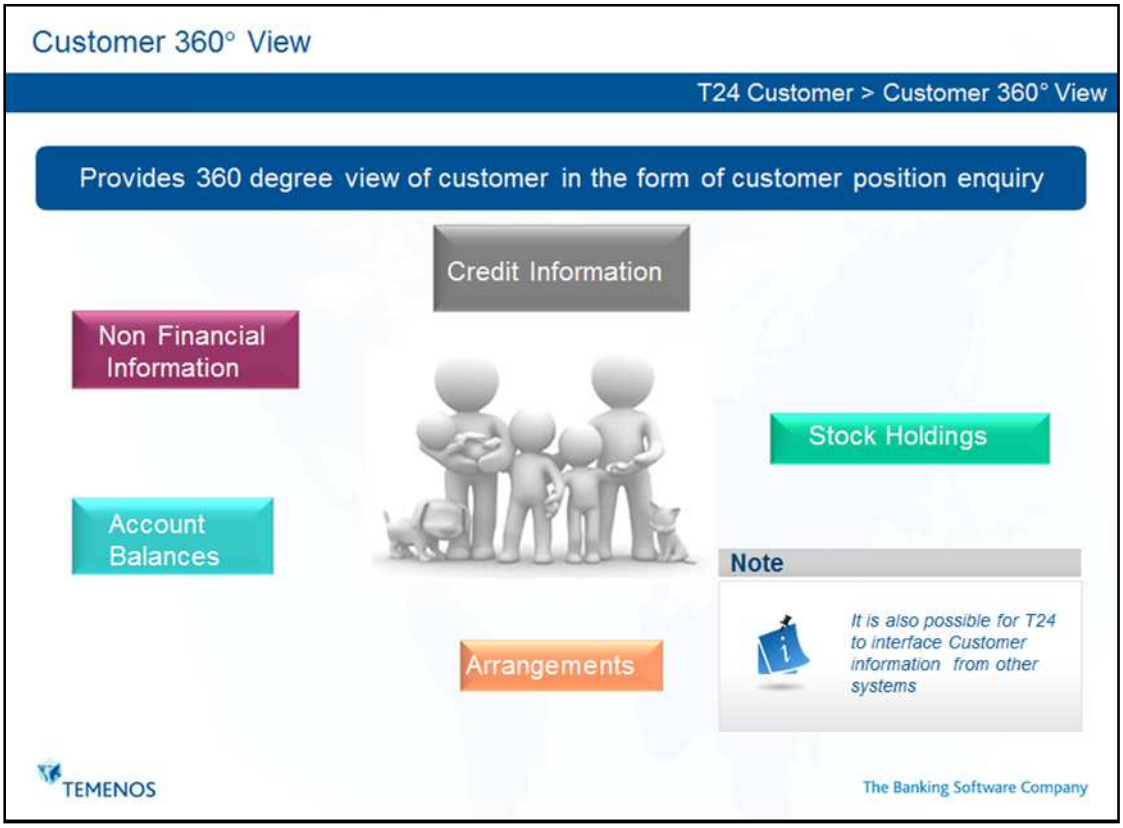
Likewise, in other applications, where it is required to differentiate whether or not a Customer is a Bank, the System will validate only on the basis of proper usage of the Sector classification conforming to ACCOUNT.CLASS record

This is another use of SECTOR classification that should be borne in mind while creating suitable records in the SECTOR static table.

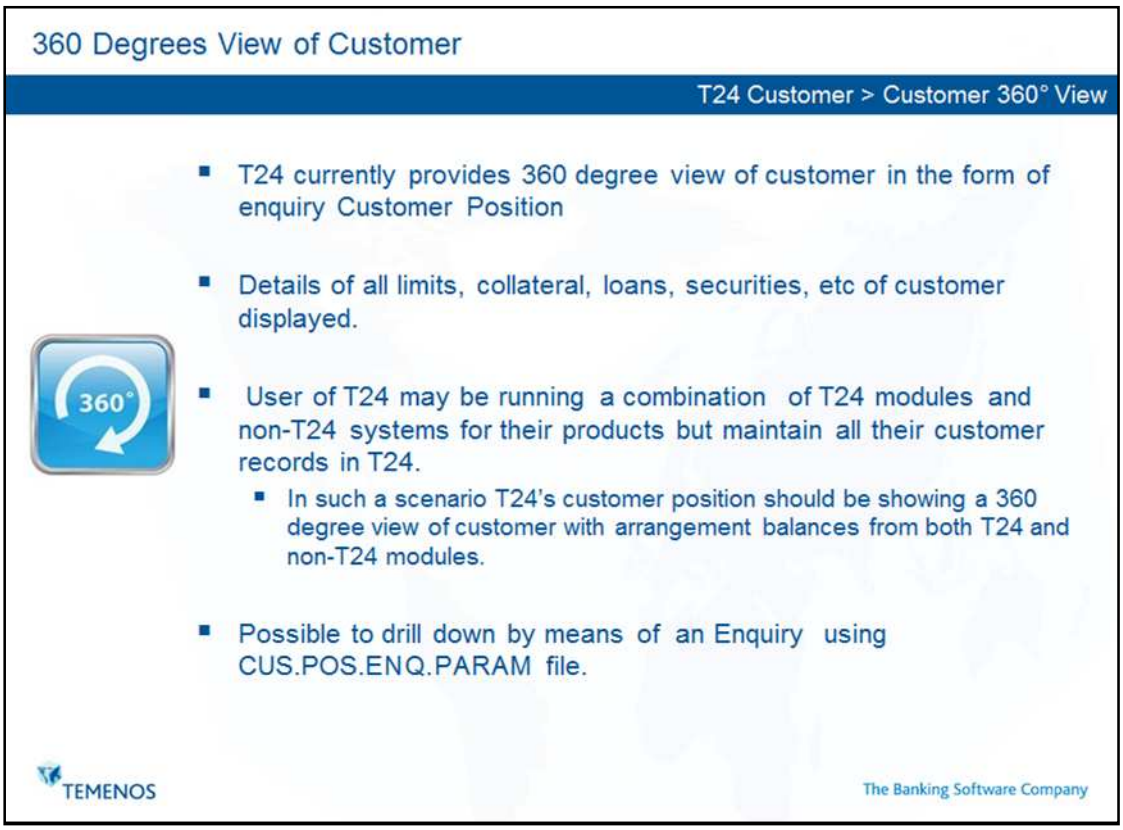
After authorisation of the Bank Customer record, a record in the AGENCY table can be set up with the ID being same as this Customer Id. This table is used to record standard settlement instructions while dealing with the concerned Bank. Auto routing of settlement instruction can also be setup for different types of transactions and currencies.

For example, all payment to this Bank should be routed through our Nostro account with them, while LC payments in GBP alone should be routed through Barclays Bank, London

Next on the agenda is the Customer 360° View

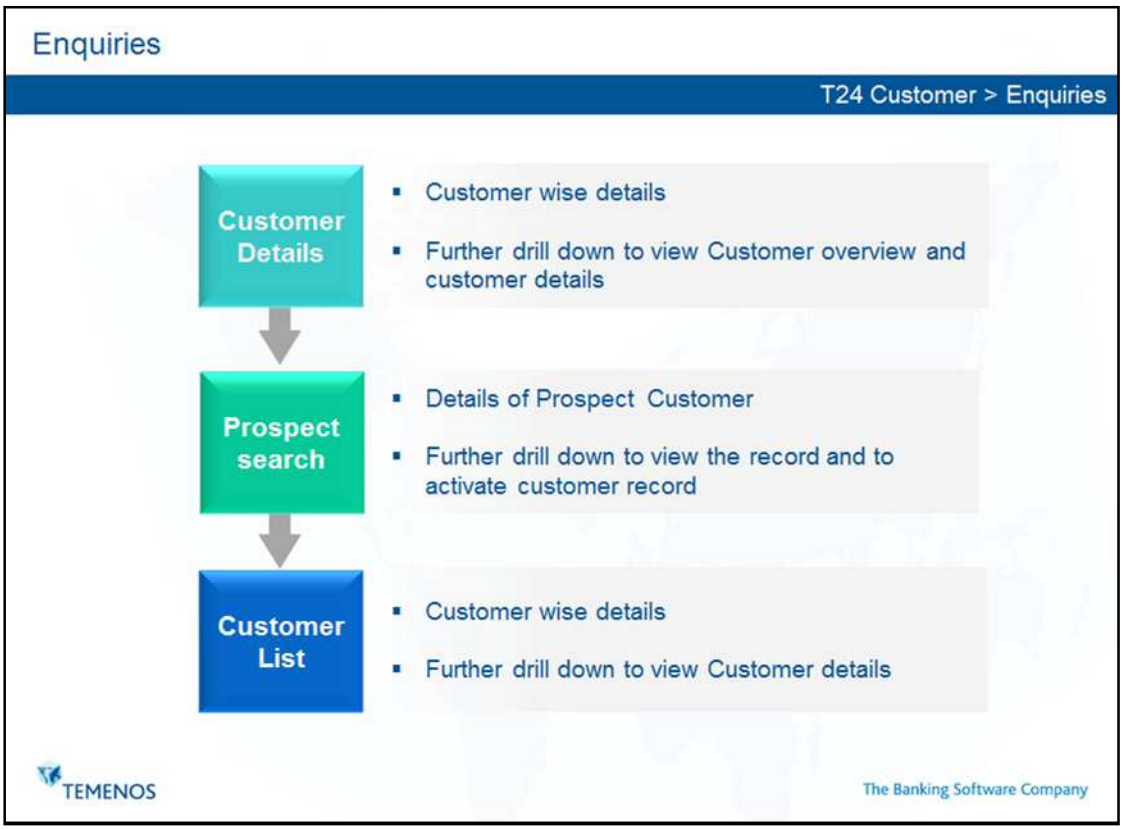


The Customer 360 degree View provides a 360 degree view of a customer in the form of customer position enquiry.



T24 currently provides 360 degree view of a customer in the form of an enquiry namely Customer Position. This enquiry displays the details of all limits, collateral, loans, securities and such that are held by the customer with the bank. This also provides an option to list the contracts that a customer jointly holds with other customers. In addition to displaying data from the T24 database, T24 can display data from non-T24- systems. . Thus, in such a scenario, T24's customer position will display a 360 degree view of a customer with arrangement balances from both T24 and non-T24 modules. For external products, T24 allows user to specify a routine that gets executed to fetch external balances and then copy into customer position file to be displayed in T24. This requires a record with Id as 'EXTERNAL' to be created in the file called CUS.POS.ENQ.PARAM with user routine attached in this record. In addition to the arrangement balances, the 360 degree view would also show some additional non-financial information about the customer which may be of interest to the bank's user. EXTERNAL.ARRANGEMENT.FILE is used for the purpose of holding external arrangement details of the customer. Manual input of data can be made into this file The basic details that any non-T24 system wants to share in CUSTOMER.POSITION will be first stored in EXTERNAL.ARRANGEMENT.FILE

Finally, the last item on the agenda, Enquiries about the Customer

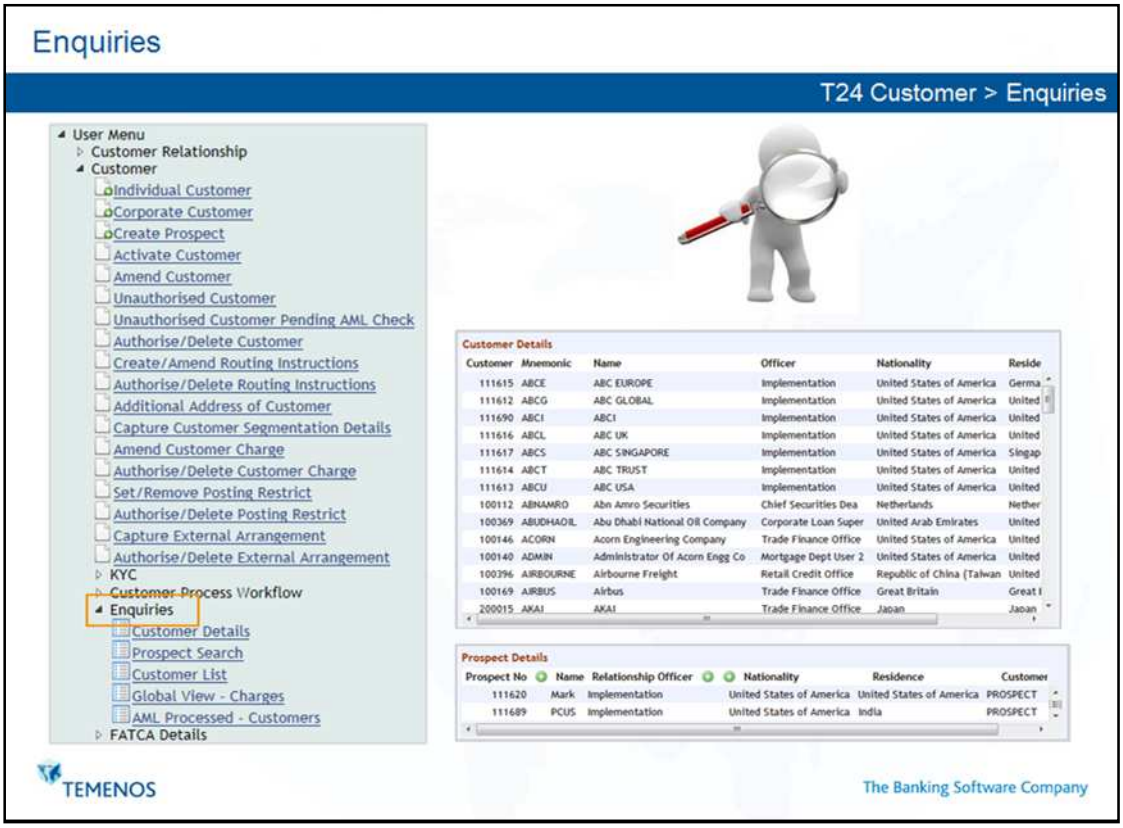


By using the menus for enquiries, we can retrieve online information regarding the Bank's Customers.

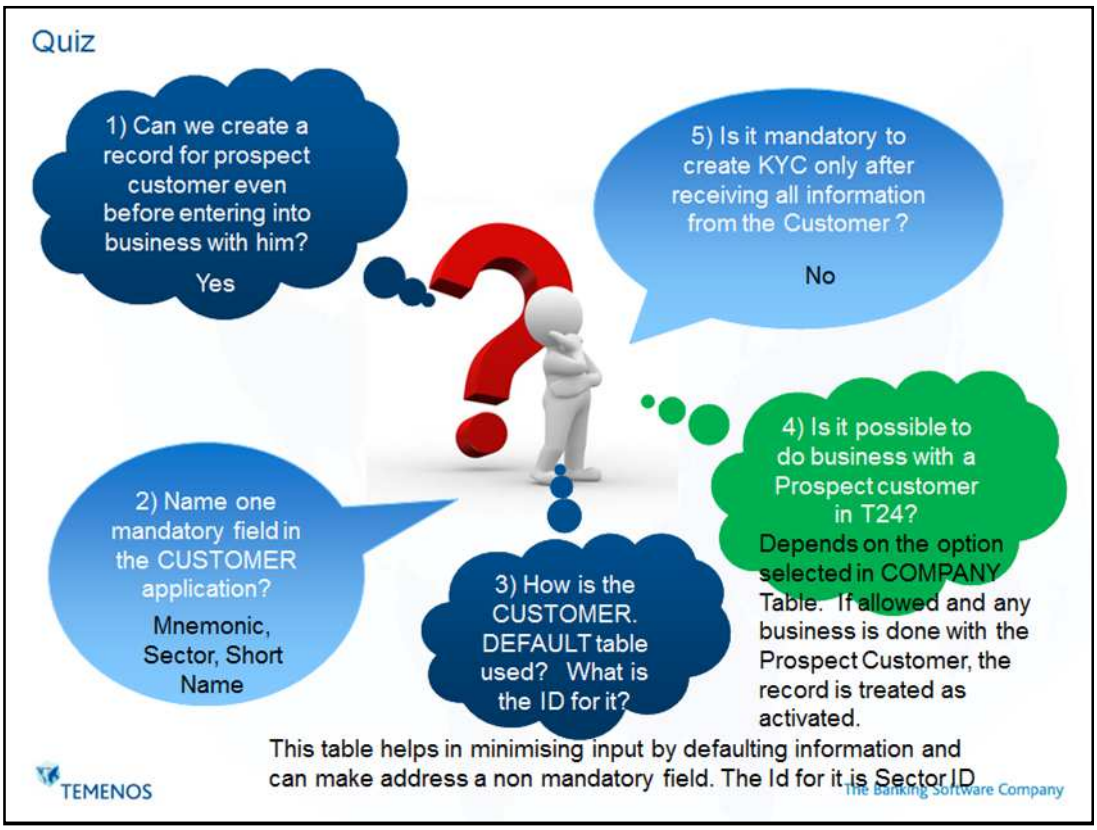
Customer details gives information like Name, Nationality, Residence, Sector, Account Officer, Mnemonic and customer Id. We can further drill down to view Customer overview and customer details.

Prospect search gives the details of a prospective customer. Details include the Prospect Number, Mnemonic, Short name, Address, Sector, Target, Nationality and Residence. We can drill down further to view the record and activate the customer.

Customer list will show the complete list of customer details, indicating Customer Number, Name, Account Officer, Nationality, Residence and Customer Type.



To run Enquiries, from the Customer menu, select the sub-menu Enquiries, you can then go in the Customer details or prospect search


Quiz
1) Can we create a record for prospect customer even before entering into business with him?
Yes
5) Is it mandatory to create KYC only after receiving all information from the Customer ?
No
2) Name one mandatory field in the CUSTOMER application?
Mnemonic, Sector, Short Name
3) How is the CUSTOMER. DEFAULT table used? What is the ID for it?
4) Is it possible to do business with a Prospect customer in T24?
Depends on the option selected in COMPANY Table. If allowed and any business is done with the Prospect Customer, the record is treated as activated.
This table helps in minimising input by defaulting information and can make address a non mandatory field. The Id for it is Sector ID
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In this course, we have learnt the features of the Customer application, its tables, how to create records and run enquiries

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