



LOAN SERVICE SYSTEM CRITERIA

The following features should be minimum requirements when considering the purchase of a new loan package for tracking payment streams and generating reports.

1. **Be able to calculate interest using multiple methods.**
 - actual days with 365 base
 - actual days with 360 base
 - every month has 30 days with 365 base
 - every month has 30 days with 360 base
2. **Ability to accept partial payments.**

Operator should be able to dictate what to satisfy first; interest, principal, late charges, etc. Or be able to accumulate moneys in an un-applied funds account until you wish to apply it. Also maintain proper reporting for un-applied funds account.
3. **Transaction Reversals.**

Automatic roll-back of all account balances is a must in today's business world. (ie. Returned checks)
4. **Correct Interest Calculations.**

Be able to calculate interest accounting for odd payments or disbursement amounts, which occurred between regular payments. (Not just on current balance)
5. **Settlement Screen.**

Customers frequently inquire, "What If ?"
Settlement screen should include the following with the correct interest calculation for any " as of " date requested:

 - Flexible payment dates
 - Breakout of principal and interest amounts
 - Summation of escrow and late charges due
 - Interest per day
 - Pay-off amount with interest computed
6. **Several payment frequencies should be provided.**

2, 4, 12, 24, 26, or 52 per year
7. **Customer statements.**

Statements of next payment broken down to principal and interest as well as a history of transactions at the customers' request.
8. **Late Charges**

Late charges must be user definable and NOT be global. User must also be able to define parameters such as grace period, window size between notices, percentage of late charge, cap for maximum charge permitted by state law, and floor.
9. **Security**

Multiple levels of password protection which allow or deny entry into certain options.
10. **Accrual Reports**

Interest paid and unearned or interest earned and unpaid should be calculated to any " as of " date requested to properly close out any accounting period (ie. daily, weekly, monthly, quarterly, etc.).



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11. **Payments**
 - Regular payments should encompass:
 - Interest plus principal for fixed amount
 - Interest only
 - Level principal plus interest
 - Principal only
12. **Indexing**

Ability to locate records through the use of indexing to significantly reduce sorting time of software.
13. **Storage**

Must have the ability to store any number of loans, and store them for any given period of time (ie. Some cases 40 years).
14. **Categories**

Ability to divide customers and loans by date, class, and type, and the ability to track loan officers as well.
15. **Portability**

Software should run on almost any type of hardware configuration and be able to upgrade to different operating systems as the user needs.
16. **Printer Controls**

In a multi-user environment the system should allow for each station to maintain it's own printer controls.
17. **Options**

The software should allow the user to expand and offer as many options as would be needed for the future. Typical options would include:

 - Handling pre-computed interest with R78
 - 1098 Production - Electronic media for IRS
 - 1099 Production - Electronic media for IRS
 - Amortization
 - Prime Rate
 - Escrow Accounting
 - Payment Coupon Maker
 - ARM (Adjustable Rate Mortgage)
 - Calendar for Irregular Payments
 - Client/Server Capabilities (ODBC)
 - Report Writer
18. **Service**

Service both before and after the sale should be on a first name basis with both the marketers and the technical support personnel. Phone calls and questions should be returned and answered within hours. In addition custom programming for unique features should be available to compliment any system. Consulting Services should be available from finding the right system and configuration of options to implementation and training.

FAS has devoted its resources to the finance market since 1980. Currently over 3 years of programming talent has been invested into the Loan Service System and we now use Version 5.

We will gladly assist you every step of the way to ensure the proper software system is achieved, and we will back it up with the finest, most responsive technical support team in the industry.