



Variable Loan System

“The Variable Loan system makes the management of our interest only loans really simple with 100% accurate interest calculations.”

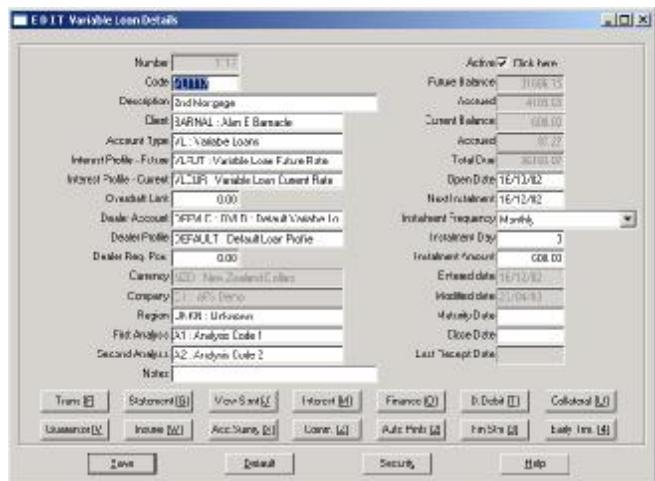
This system is designed to cater for any sort of loan where the interest rate is known, but the amount of interest cannot be ascertained because the interest rate may vary over the life of the loan. Typical examples of variable loans are:

- Table Mortgages
- Interest Only Mortgages
- Floor Plan Loans
- Revolving Credit Facilities

The system has been designed so that repayments can be for the interest charged on the loan, or instalments that are a combination of interest and principal, so the amount advanced decreases over time.

Two Separate Ledgers

The Variable Loans System is run as two ledgers. The first is the future ledger. This is where the amount advanced plus any financed fees are loaded to.



This screen shows the future and current ledger balances along with the accrued interest on each.

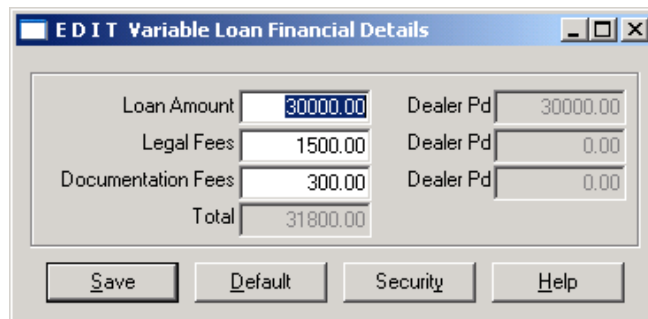
If this is an interest only loan, the balance in the future ledger will not change. Interest due on that amount will post to the current ledger, where the offsetting repayment is expected.

If this were an instalment based loan, where an amount of principal decreases each payment, then the instalment amount posts to the current ledger. Interest is charged to the future ledger, but on the decreasing amount.

The current ledger holds the amount that is due to be repaid on the loan, be it the interest or instalment amount due. If unpaid, this will become the arrears amount, and penalty interest can be charged separately to this ledger.

Flexibility

The Finance screen is user definable so it will represent the charges you use to process a Variable Loan



Early Termination

A Variable Loan can be early terminated. This can be done for a date in the future. Once that date has been entered, the system will calculate interest on both the current and future ledgers to that date to provide the termination amount. An amount can be written off, or extra fees charged for the loan not going full term.

Minimum Hardware Requirements
 IBM compatible PC with a minimum of 128Mb RAM
 Pentium II processor 350MHz
 Laser Printer
 CD Writer for Backup

Software Requirements
 Microsoft Windows 98, NT, 2000 or XP
 Microsoft Office 97, 2000 or XP

Networking
 Windows NT4, 2000 or 2003
 Terminal Services supported
 If more than 5 users then we recommend MSSQL Server, otherwise MSDE will be used as the database.
 File Sever with 256Mb RAM minimum, preferably 512 Mb
 Pentium III 500Mhz processor