Margill Loan Manager



User Guide

Version 5.5 / 5.6

(November 7, 2023)

Help the environment, don't print this...

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New User Guide 5.6

Welcome to the new Margill Loan Manager User Guide. Our last official release was for version 5.1 of the software.

The User Guide for version 5.6 (with some new features that remain to be documented in the August 2023 version since Margill Loan Manager 5.6 remains in Beta at this time), now over 1200 pages, is drafted in both English and French and so take, literally, years to update. We have a difficult time keeping up with our great programmers who constantly add new features that you the users have asked for!

We have tried to update most (maybe 80%) of the thousands of images that have been updated as of version 5.0 but you will notice many are still from our version 4.x. Not a huge thing - we prefer to focus on more important things. We continue to update these over time....

So welcome to the new 5.6 User Guide and thanks to Sophie and Kim for their hard work!

Marc Gelinas, CEO

Introduction

Introduction Contents

What is Margill Loan Manager (MLM)

Fundamental Principles of operation

System Requirements

WARNING

Technical and Application support

Contact information

License

Purchase additional licenses/Upgrade loan level

What is Margill Loan Manager (MLM)

Margill Loan Manager (MLM) is designed for small and medium-sized lenders (personal, commercial, and car loans, mortgages), medium and large corporations (inter-company loans, client finance) lessors, investors, law firms, collection agencies and accountants who manage anywhere from 10 to 25,000 Records.

MLM offers its users a simple, precise and powerful tool to manage their:

- Loans
- Mortgages
- Lines of credit
- Accounts receivable
- Leases

Due judgments

MLM can perform simple and complex calculations using a fixed interest rate or variable rates (bank rates, preferential rates, legal interest rates, variable rates + or - x%, etc.) whether the payment schedule is uniform or not.

Any type of payment or "event" such as interest-only, fixed principal, irregular lump sum payments, step payments, missed, partial or late payments, additional principal, fees, insurance, penalties, taxes or any combination of these may make up a payment schedule. The payments or additional principal can even be named as desired to reflect their nature.

The calculation results appear rapidly and detailed results for each loan, or consolidated reports, may be printed or easily exported to formats such as Excel, Word, HTML, PDF, CSV or TXT.

Furthermore, MLM produces custom portfolio reports using any of 900+ data fields (see the very important Reporting Fields section) as well as contracts, letters, invoices and statements and accounting data (debits and credits) exported directly to the General Ledger of various accounting packages.

MLM allows:

payments are made payments are late loans payments are unpaid creditors mortgages payments are only partial lenders leases payments are paid in various modes collection agencies (cash, check, credit card, EFT, etc.) lines of credit financial planners to and to track these • checks bounced (NSF) receivables financial analysts manage when invoices are made and paid investments investors withdrawals are made from an legal fees accountants account unpaid judgments law firms additional principal is added other financial government agencies late fees are charged instruments insurance, taxes etc.

In addition, MLM allows <u>pre-authorized payments</u> by debit or credit card, and to produce <u>Credit reports</u> to be submitted to credit reporting agencies (Equifax, Experian or other). In case of payments that <u>bounce</u>, <u>fees_can_be_added automatically</u> based on rules set by the user.

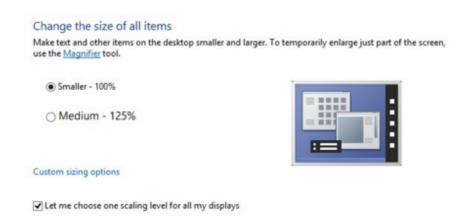
Its <u>Alerts</u> module is a powerful feature that reminds users when certain tasks must be accomplished or to be warned when certain conditions are met.

System Requirements

Recommended Configuration:

- A Windows-based personal computer or server with a minimum Intel i3 (or equivalent) type microprocessor with a minimum of 4 GB RAM, available 250 MB of drive space for installation and between 100 MB and 2GB is required for data;
- Microsoft Windows: 7, 8.x, 10, Server 20XX;
- MLM Uses its own internal database, Hyperfile, a high performance, highly stable database, so no other database system is required;

- Monitor with a minimal resolution of 1280 x 1024;
 - It is strongly recommended to keep the "Size of all items" at Smaller (or 100%), otherwise Margill icons and buttons will not be displayed properly (Windows Control Panel > Appearance and Personalization > Display).



• Internet access and a browser (optional but highly recommended in order to have access to updates and to activate the software);

Environments:

Margill Loan Manager (MLM) was developed for Windows environments.

On **Mac**, MLM has been tested with the Windows emulator **Parallels** (<u>www.parallels.com</u>) that provides flawless compatibility.

The software can also be used with **Remote Desktop** technologies, **Remote Apps** and Microsoft **Terminal services**, for example.

Citrix, that enables virtualization of the Desktop, can also be used as a platform.

CAUTION:

Depending on the number of loans in a portfolio, the speed of the computer used and the network access speed (in a networked environment) will greatly affect MLM's operational speed. If the user's computer is too slow, processing time between operations (data access, table generation, report generation) may become quite long. For portfolios over 5000 loans, latest generation computers and high speed networks should be used and a dedicated server may be wise.

Considering the quantity of data that flows in a network installation:

- It is strongly recommended to be on a fast Ethernet connection (wired) as opposed to wireless;
- MLM is not recommended on Virtual Private Networks (VPN) unless connected with a high bandwidth connection.

See: Installation, Networking capabilities and Database.

Installation, Networking capabilities and Database

The installation process is very simple and can be performed on a single workstation (on one computer) or more commonly, on a network.

Download the "MLM_Install_5.6.23xxx.x_DEMO.EXE" file at www.margill.com/get (MLM meaning Margill Loan Manager and .23 xxxx indicating the year, month and day and .x the version of minor update). Save the installation file, preferably on the Desktop to easily find the file afterwards.

Double click to install and select the language.



Single User Installation:

Margill Loan Manager (MLM) is most often used in a network environment, but can be used on a desktop computer or on a laptop. Backups are ESSENTIAL in case of destruction, loss, theft, etc.

MLM is installed by default in the following folders:

Software: C:\Program Files (x86)\MLM Data: C:\ProgramData\MLM_Data

Users must have the rights to read and write on the "MLM_Data". The <u>data can also be saved in a location other than the default (suggested) folder.</u>

Once the installation is completed, run MLM and press "Activate by Internet" (once a license is purchased), or use in Demo mode.

Network Installation:

Install on a server (shared drive) at the desired location while making sure to give the read and write rights on the data older: either the MLM_Data" folder or the "DB" subfolder (located in the MLM installation folder).

If the data is located elsewhere than in the MLM installation folder, make sure that the Network path is entered as opposed to the local server path. For example, MLM could be installed on the C:\ drive on the server, but for the Network, this is the Z:\ drive (or directly the server's name). Always use the Network path, otherwise the client stations will not be able to find the data.

Create on each workstation, a shortcut to MLM.exe (that points to the server installation) giving read and write rights to each user on the "MLM_Data" folder.

Next, launch MLM from one of the client workstations and press on "Activate by Internet" (once a license is purchased), or use in Demo mode.

Version 3.1 and less

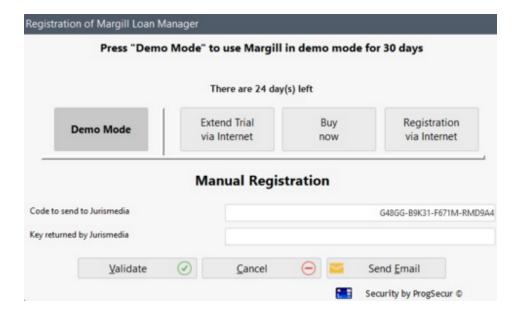
In version 3.1 and less, the data (database and other data) are located in the "DB" sub-folder of the MLM installation folder. Users must have read and write rights on the "DB" sub-folder.

See also:

- Environments sub-section in the System Requirements chapter;
- Administrator and Users to add or modify users;
- Location (Path) of System Data.

Registration:

Once the installation done, launch the Margill Loan Manager. Press on "Activate by Internet" for software activation. Follow the instructions.



Database:

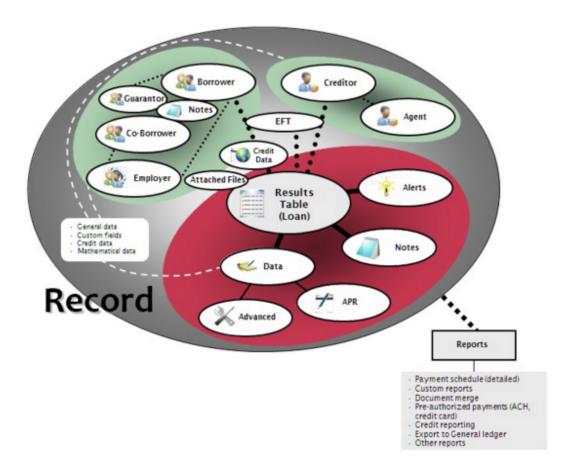
MLM uses its internal database, "Hyperfile" and therefore, no external database is required. The database is known to be highly efficient and very stable. Furthermore, as of version 5.3, the database files are now encrypted for greater security.

See also Setting the Records' Unique Identifiers.

Fundamental Principles of Operation

With Margill Loan Manager (MLM), a user can be up and running within only a few minutes. This page contains the fundamental operating principles. Once these are understood, MLM offers extraordinary flexibility all the while being very user friendly.

A Record includes many components which can be associated together to form a complete Record.



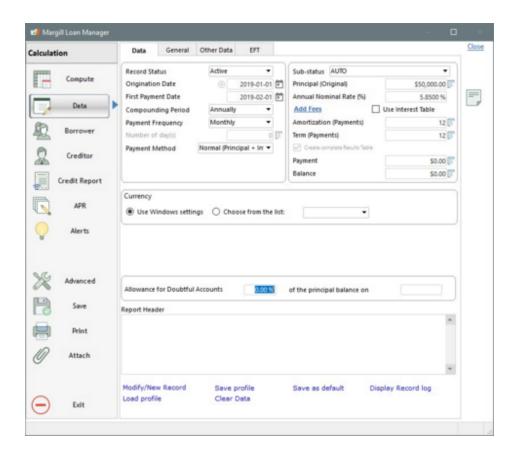
A Borrower or a Creditor can be created in the database without having to create (calculate) the Payment schedule (sometimes referred to as Payment schedule).

To create a Borrower, Creditor or Employer, press the appropriate tab in the Main MLM window (under File) and click the "New" button New . You can enter the data for each.



To create a new Record, which, as shown in the diagram above, includes the Payment schedule (loan, mortgage, line of credit, etc.), its Borrower, Co-Borrower(s) and Creditor(s), press on "File" and the "New Record" button.





Record Data and Preliminary payment schedule creation

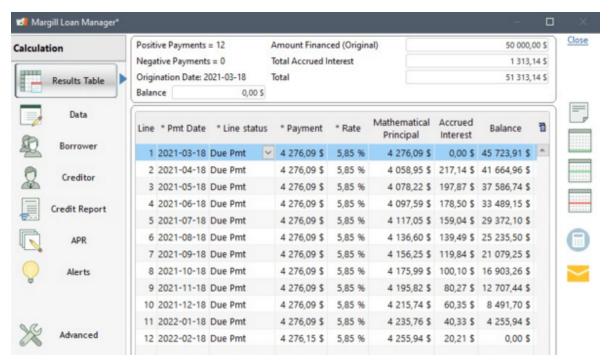
The window that opens up should contain all the data that pertains to that Record:

• Data: preliminary mathematical data ("Data" tab), identification data for the loan (General tab), unlimited custom fields ("Other Data" tab), option to attach documents to a Record ("General" tab). A field can be left blank and will be calculated automatically. Column Fees can also be included as a percentage of the balance or as an amount.

This is only the preliminary mathematical data since the schedule may be completely edited to include irregular payment scenarios (<u>interest-only</u> for a while, no payment, lump sum payments, no interest, irregular payments, <u>principal</u>, fees, insurance or taxes, and <u>multiple other possibilities</u>).

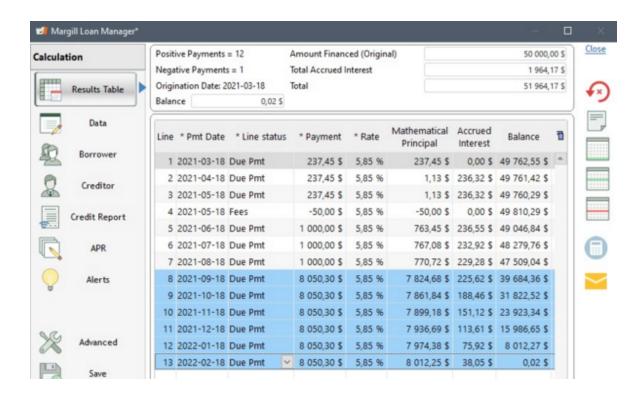
- Borrower: all data relating to the Borrower as well as unlimited custom fields ("Other Data" tab), as well as all data regarding a possible Co-Borrower and data pertaining to the Employer.
- Creditor: all data relating to the Record's Creditor (lender) or the fund, unlimited custom fields ("Other Data" tab), as well as data relating to its Loan Officer.
- Credit Report: all relevant data in order to submit the <u>credit history to the credit bureaus</u>.
- APR: all Compulsory fees charged to the Borrower by the Creditor (if APR must be provided).
- Alerts: allows you to create an alert specifically for this Record.
- Advanced: various other settings (day count, simple or compound interest, etc.).





• The preliminary schedule will be created and will include all future payments (or historical payments if entering historical data). These lines will be tagged by default as "Due Pmt".





- The payment schedule should then be adapted to reflect the proposed payment plan over time. If regular payments
 are to be paid on different dates or if the payments are to be different than those entered in the preliminary
 schedule, change these while <u>Line status</u> is "Due Pmt".
- For reporting purposes, the "Due Pmt" status allows MLM to keep in mind the payment amount that **SHOULD** have been made as well as the date at which it **SHOULD** have been made.
- In this example, the first three (3) lines are interest-only, fees (50.00) are charged on the 4th line (which was inserted), followed by three (3) 1000.00 payments and the last six (6) payments are recomputed to yield a balance = 0.00.
- For an APR calculation, the APR should be provided before any payments (or other events) are actually made, thus based on the theoretical payment schedule at the time when the loan contract is signed.
- It is suggested to keep this theoretical Payment schedule, by either printing (using the "Print"

 Attach

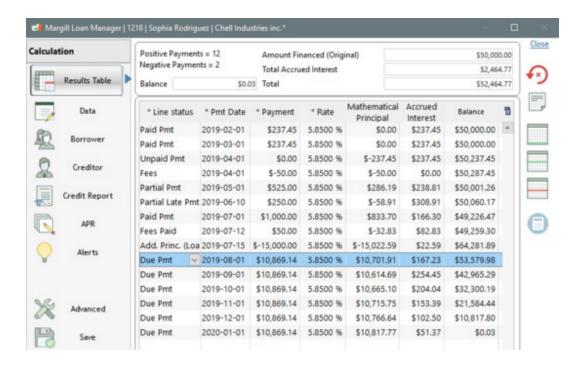
button), or joining a PDF file the to the Record (using the

Attached Documents

link of the "General" tab in the "Data" window. The "Attach" also offers the option to attach this PDF to an email.

button). It will appear in the



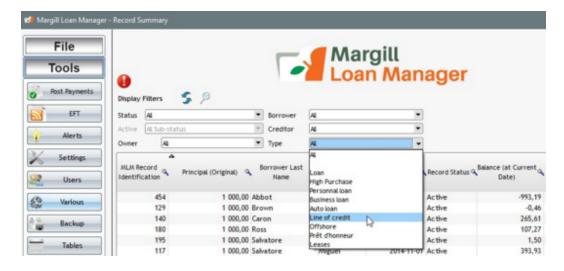


- The payment schedule works somewhat on a what you see is what you have (WYSIWYG) principle. Only change a
 Line status from the "Due Pmt" to the new Line status when a payment or other event is actually made. Dates,
 amounts and of course Line statuses may/must be changed to reflect reality.
- Thus, the data that appears in a payment schedule along with the Line status should reflect what has, what is, and in the future, what should truly happen over time. Choose the most appropriate Line status among 70 <u>Line statuses</u>.
- MLM attempts to minimize illogical payment scenarios. For example, a "Due Payment" cannot precede a "Paid Payment". See <u>Data Integrity</u>.
- In this example (see image above), the first two (2) payments are Paid, the 3rd Unpaid. The 06/01 payment is actually paid on 06/10 and only 250.00 instead of 1000.00, thus becomes a Partial Late payment. The 50.00 in fees are eventually paid (07/12). A second loan of 15,000 is made on 07/15. Finally, the last six (6) payments are recomputed to give a balance of 0.00. These are not yet due though. The Line status will change as the payments become due.

Main MLM window - Record Summary



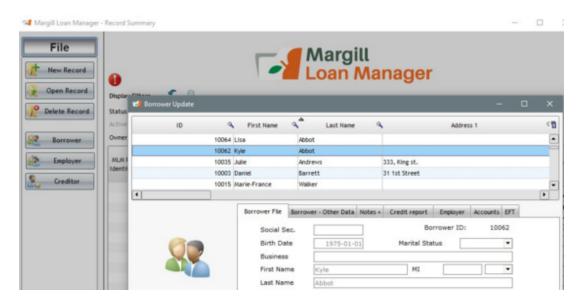
- All Records (loans, mortgages, lines of credit or other financial instrument) are contained in the Main MLM window called <u>Record Summary window</u>.
- The Records may be sorted as desired (by name, number, type of loan, phone number, balances, any custom fields, etc). Each user can display the desired columns from over 900 fields, <u>custom fields</u> and <u>mathematical equations</u>. See <u>Displayed column selection and order</u>. Sorting is also possible with 2 to 3 columns (Ctrl + column headers).
- Thanks to the Borrower, Creditor and Type <u>Display Filters</u> in the Main window, as well as the three Custom fields filters, it is possible to display only the Records relating to certain Borrowers, Creditors, Record types, custom fields, or a combination of any of these.
 - O Please note that the "Type" filter will only appear if a <u>Scroll menu</u> is defined for this field. The Administrator can create this scroll menu in Tools > Settings.



• You can view the complete list of Borrowers, Employers or Creditors, as well as data associated with them, by clicking

on the Borrower, Employer or Creditor in the left menu under File.

O All data relating to the Borrowers, Employers or Creditors, including custom fields are displayed in columns and can be sorted by clicking the header of a column.

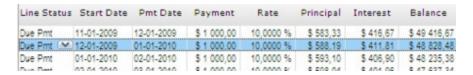


• For **reporting**, sort the Records, select the desired Records (the lines will become blue) and the report will only contain data relating to the selected Records.

Interest, Payments and Balance and Record termination date

Another fundamental element to understand is when interest is computed, when a payment is made in a day and when a balance is computed.

In the example below, a partial payment schedule is shown including the usually hidden "Start Date" column. Let's take line 2 as our example:



The interest amount of 411.81 is accrued interest from 12-01-2009 at 0:00 in the morning until 01-01-2010 at 0:00 in the morning. Thus, interest up to 01-01-2010 but excluding the interest for that day.

The payment of 1000.00 is considered made on "Pmt Date" on 01-01-2010 at 0:00:01 (so at 0:00 in the morning plus a fraction of a second).

The balance on "Pmt Date" 01-01-2010 of 48,828.48 is at 0:00:02 (so at 0:00 in the morning plus a fraction of a second after the payment is made). The day's interest is not included but the day's payment is included to yield the balance.

Finally, a Record is considered to be completely terminated on the "Pmt Date" at 0:00:02 (so at 0:00 in the morning plus a fraction of a second to allow the last payment to be made). No interest is included for that last day. For reports, if the report end date entered is after the Record's termination date, data will be provided only up to that termination date, thus at 0:00:02.

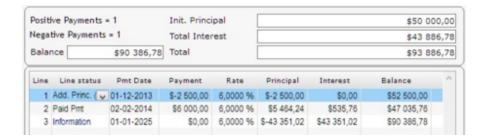
See also the distinction between accrued interest and paid interest (Accounting data section).

Important suggestion for loans with unknown payments dates (Irregular payments, lines of credit)

If a loan or line of credit was to contain only one payment (or only a few payments), MLM would consider it terminated on the last line of the Payment schedule and thus, data after this last date would not be obtained.

For such loans or lines of credit (the Borrower pays when he/she is able to or when events such as sales occur), in order to obtain the loan balance and other financial data over time, even if no payments are made, it is suggested to create dummy monthly payments of 0.00 for the next x years or one dummy payment (Line status "Information") of 0.00 a few years later (as in example below).

This will allow you to obtain the true balance due, the accrued interest, etc., at any point in time until the last line of the schedule. The number of years is based on your evaluation of the typical duration of the loan in ordinary circumstances.



WARNING

Before using Margill Loan Manager (MLM), you should be sure to fully understand the context of the calculations. For this, we advise you to consult the appropriate lending legislations, the lending or leasing contractual clauses and a finance manual in order to apply the appropriate advanced calculation method.

It is extremely important to differentiate between the nominal interest rate, the <u>effective (real) interest rate</u>, the compounding period, the <u>Day count</u>, as well as whether a loan is <u>normal compound</u>, <u>simple interest</u> or <u>simple interest</u> (<u>capitalized</u>) and to specify clearly if a <u>date is to be included or excluded</u> at the beginning or the end of the calculation.

Furthermore, it is also important to consult the <u>User License</u>, the <u>Limited Warranty</u>, and the <u>Acceptance</u> that comes with MLM.

Data Backup

It is up to the user to create data backups regularly. See the **Backup** section.

Technical and Application support

 $Technical or\ application related\ questions? Please\ callor\ email\ us:$

Jurismedia inc.

Toll free: 1-877-683-1815 Direct: 001-450-621-8283 Direct: 001-514-683-1815 Fax: 001-450-621-4452 E-mail: support@margill.com

More **Contact information**

Specific interest questions

A service (with fees) is also available to clients in order to:

- solve very specific interest calculation questions or problems;
- create <u>special custom reports</u>.

Please contact Jurismedia by email at support@margill.com.

See also: Support, maintenance and update contract.

Contact information

Jurismedia Inc.:

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75 des Chateaux Blvd, Suite 102 Blainville (greater Montreal region), Quebec, J7B 2A4 Canada

US office

2915 Ogletown Road Newark, Delaware, 19713 USA

Phone, Fax, E-mail, Web:

Toll free: 1-877-683-1815 (North America) Telephone: (001) 450-621-8283 Telephone: (001) 514-683-1815 Fax: (001) 450-621-4452

Sales

sales@margill.com

Support

support@margill.com

Web

www.margill.com www.jurismedia.com

License

Margill Loan Manager (MLM) license is available in single-user or network versions as well as on the Cloud as a service (SAAS).

The MLM license takes into account two (2) factors:

- Number of <u>Seats (computers)</u> that can access MLM
- Number of **Records** for that license

The number of Records and seats allowed is indicated in Other > About:



When a license is acquired for a certain number of Records (loans), the number of Borrowers (and less importantly, Creditors and Employers) can be triple that number. So a 1000 loan license can include up to 3000 Borrowers.

The key returned by Jurismedia will limit the software's use to the appropriate number of loans and users (seats) indicated in the license.

If more stations are required or if the number of Records allowed by the current license becomes insufficient, please contact Jurismedia to upgrade. See Contact information

Margill Loan Manager (MLM)_© End User License Agreement

Montreal, Quebec, Canada March 1, 2022

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Purchase additional licenses / Upgrade loan level

If additional Margill Loan Manager (MLM) stations are required or if the number of Records allowed by the current license becomes insufficient, please <u>contact</u> Jurismedia to upgrade.

Very often, the price of an upgrade will be determined by subtracting the smaller license retail price from the upgrade retail price plus an administrative fee.

Once the purchase is complete, go in the "Other" tab and press "License Update"

. The following window will appear, allowing you to update via the Internet (you must then enter the email address on file or the email with which the MLM licence was purchased). A manual registration is also possible by e-mail (Send E-mail button) or by phone.



Personal Logo Display

As of version 4.0 of Margill Loan Manager (MLM), it is now possible to personalize your main page by adding your corporate logo and by removing MLM's logo.

In order to have access to this option and for additional information, please contact us by e-mail at assistance@margill.com. Additional fees will apply.

Once you get the activation code from Margill's customer service team, click on "Tools", then on "System Settings".

In the Modules section, click on "Personal Logo Display".



Finally, insert the activation code in the window that will open.



Versions

Version 5.6

Version 5.6.2312XX.1

To be released December x, 2023

What's new:

- Main window:
 - Significantly optimized data loading time in the Main window ("Instant mode" not documented November 7, 2023)
- Borrower selection window:
 - Significantly optimized data loading time
- Attached documents: option allowing to name the document type that is attached to the Record or the Borrower (not documented November 7, 2023)
- An interest payment can pay capitalized interest before the current interest accrued (for that line or lines)
 - Corresponding fields
 - Capitalized Interest (for period)
 - Capitalized Interest (entire Loan)
 - Capitalized Interest Paid (for period)
 - Balance Capitalized Interest due at Report Start date at 0:00
 - Balance Capitalized Interest due at Report End Date
- <u>User Management</u>:
 - Option allowing access to the designated user only to the Records of certain Creditors
 - Special option for participation loans with multiple Creditors (access, or not, to the Record if not authorized Creditor)
 - Apply a <u>Template for users for the Main window and/or Payment schedule setup</u> based on ADMIN settings (compulsory or not)(only the ADMIN user can do this)
- Accounting entry Report:
 - Option to include closed Records
 - O When an Advanced Query is used, elimination of the constraint of including only Active Records
- <u>Document Merge</u>: (not documented November 7, 2023)
 - Option to select report dates from the Record's Origination date up to date X
 - O Column added in the merge fields showing the short merge code
- Automatic reports (Overnight) option to save produced files to a FTP or SFTP folder
- Automated import via Windows service (Borrower data and/of Records / loan data):
 - O Alert in the Main window when a file is in the import folder (folders should always be empty except temporarily (less than 2 minutes) when the file is sent there)
- Automated existing "Due Pmt" update to "Paid Pmt", "Unpaid Pmt", "Partial Pmt", "Late Pmt", etc. (payment update via Excel sheet API)(documented in separate document available on-line)
- New variables added for the Employer linked to Co-Borrower 1
- New reporting fields:
 - Next Due Pmt even if Pmt = 0 (amount and date) (not documented November 7, 2023)
 - In version 5.5 and below, if the payment amount was 0.00, then this Due Pmt was ignored
 - Borrower Business and if empty, then First Name Last Name of the Borrower
- Payment schedule Global changes to change the data for multiple lines at once. Columns included:
 - Comment
 - Expected Payment

- Expected Principal (if option is activated in Settings)
- True Pmt Date (Grace/EFT)
- Minimum Payment
- 3 custom columns Money
- 3 custom columns Numerical
- O 3 custom columns Text
- <u>Column fees can be added when adding new payments</u> directly in the Payment schedule
- Post payment tool change "True Pmt (Grace-EFT)" date for many lines at once
- City can now be a <u>scroll menu</u> (for Borrower, Creditor and Employer)
- <u>Electronic Funds Transfers (EFT)</u> If number of consecutive Unpaid Payments is greater than x, then advise user or do not allow to submit this next payment as EFT
- For <u>Custom fields</u>, elimination of numbering the field order presentation. You can now move them up or down with the arrows without the need to number them
- If your default <u>PDF reader</u> cannot open PDFs directly in MLM, there is an option to use MLM's internal PDF reader (Tools > User Settings)
- The "Modify / New Record" option in the Data tab will be grayed out if the Origination Date precedes the current date by more than X days if the option blocking the edit of historical transactions is activated
- <u>Data_confidentiality: bank_account_number_can_now_be_"redacted" (hidden)</u> for all users except those specifically authorized to see the data (Sensitive data module)
- If interest is negative and capitalized, the amount of interest that will be capitalized will be zero (0.00) instead of a negative amount. The Balance Due Interest will thus remain unchanged instead of increasing negatively (so decreasing). In previous versions, negative interest amounts continued to capitalize negatively (rare cases)
- History of changes by line in a Payment schedule
- Bank account number included in the Sensitive data module
- Borrower Social security number (SSN) can now be forced to follow a specific format
- The "Country" for Borrower and Creditor in Advanced Queries (also in October 2023 version 5.5)
- Force various Record and Borrower identifiers to be unique or not
- Automatic import of new transactions (API) option for same date transactions and column K (for Fixed Principal Due payments, added)
- Total Borrower credit, amount can be up to 999 billion
- Behind the scenes Borrower window redesign (not documented November 7, 2023)
 - EFT banking data can be entered in the Borrower window directly accessible from the Record window without needing to go through File > Borrower (not documented November 7, 2023)
- 64 bit version (previous versions were 32 bit)

Version 5.5

Version 5.5.230810.1

Released August 10, 2023

- Shortcut (Ctrl Alt Shift C) in the Main window to <u>bulk add or change Creditors</u> (only for Creditor in first position)
- Shortcut (Ctrl Alt Shift Z) in the Main window to bulk check the "Balance = 0 (or other amount)" box in the selected Payment schedules to adjust the latest "Due Pmt" amount. Only for Records whose last line is of "Due Pmt" type.
- Borrower Email now accepts 300 characters to allow the entry of multiple emails for a Borrower
- Fixed a recent error introduced (in 5.5) of payment dates in Payment schedule when the unknown variable was Amortization (Payment dates were set to last day of month)

Released June 27, 2023

- Borrower Merge (Special options in Settings) issue fixed when Borrowers had EFT payments linked to them. Software
 froze. Now a message appears requesting a confirmation of the special operation.
- Creditor Invoices and Statements (Document Merge). Issue fixed with Mathematical Equations in the data presented to the Creditor in table format. Only the total appeared, not amounts by loan.
- Documents Merge: new Table 25
- Revised calculation for "Interest Paid" line especially when interest is prepaid as simple interest or simple compound interest
- Accounting entry Report (General Ledger) if the "Actual Pmt Date Grace/EFT" date was greater than the Payment Date on the last line of the Payment schedule, this transaction was excluded. It is not included.
- Various minor adjustments to previous versions 5.5

Version 5.5.230510.1

Released May 10, 2023

- New reporting field:
 - First Payment Date (Original)
- Main window:
 - O Fix to all the "Tally" type fields (for example, number of Unpaid Pmts)

Version 5.5.230406.1

Released April 6, 2023

What's new:

- Main window:
 - New search, filter and other options including the "Contains" search
 - O Three extra Custom fields Display filters (total of six now)

Version 5.5.230322.1

Released March 22, 2023

What's new:

- Add Column Fees on the first line of the Payment schedule only (on the Origination Date), when creating a Record. A new line will be inserted automatically with the desired Line status "Other x". The often seen fees at Origination can thus be added without the need to do it manually in the Payment schedule.
- New "Expected Principal" concept (similar to "Expected Payment" but for the principal portion upon loan amortization schedule creation)
- New refund order (Order 2)(in Advanced)(limited accessibility):
 - O Interest > Expected principal (no interest) > Expected principal (with interest) > Column Fees 1 > Column Fees 2 > Column Fees 3 > Column Fees 4 > Column Fees 5 > Column Fees 6 > Principal (no interest) > All

other Line status amounts (no interest) > All other Line status amounts (with interest) > Principal (with interest)

- Number of events (Line statuses) now in Mathematical equations and Advanced equations
- Added Borrower and Creditor IDs in Document Merge
- Added of unique IDs 1 and 2 when selecting the Borrower (Co-Borrower and Guarantor) in the Record
- Drop-down menus available for the nine custom in the Payment schedule
- Added Borrower's bank accounts fields in the automatic import
- Bulk import of file attachments for Borrowers and Records (based on a unique identifier)
- Payment schedule templates 23, 24 and 24 in Document Merge
- Import of new payments in the Payment schedule in bulk via an Excel sheet
 - In order to quickly find import errors, sorting by "Message" column is now possible
 - O When there are more than 15 lines in an import, button "Find next red issue"
- Choose Record color directly in the Record with the right mouse click (as opposed to only through the Main window)
- Social Insurance Number, Record and Record number can be unique
- Possibility to add a mandatory SIN format during import via Excel
- Added the "Bad Debt" field in Global changes
- Credit Report:
 - Allows adding the Date of first delinquency when the Consumer indicator is other than empty
 - Added in Global changes: "Report on the same Borrower (Consumer) as that of the current Record"
- New Report field: Original final balance entered in the Data window when creating the Record
- Pre-authorized payments:
 - VoPay (Canada): Windows Scheduled tasks (Margill Overnight tasks) "argument" to enable only preliminary validation of payments
 - For NACHA files (electronic debits in the United States), added "filler" lines for files with less than 10 lines
- Variable interest rates: Option to include a negative spread for import via Excel
- Record List (personalized): Subtotals by Borrower ID and Unique ID 1 and 2 in order to be able to sort by first name, last name, company.
- Correction in the sending of emails in bulk via Main window by SMTP (corrected in the January version)
- Complex participation loan module:
 - O Delete multiple transactions in bulk
 - Enter multiple uniform payments in bulk
 - Enter Line Comment
- Various fixes to the previous 5.5 version

Version 5.5.221104.1

Released November 4, 2022

What's new:

- Variable interest rate module:
 - Payment schedule can now be linked to an Interest rate table and updated as new rates are entered in Margill
 - Rates can follow all Rate table changes, or
 - Rates can follow set dates at set frequencies (every x months)
 - O Option to enter new interest rates in bulk via Excel sheet
 - O Mass change from old variable interest rate method to new high-performance method via Global changes
- E-signature in the Document Merge in partnership with Xodo Sign (subscription with XoDo Sign / formerly Eversign)
- Electronic Funds Transfer (EFT) integrated into Margill, new provider in Canada: VoPay

- Includes e-Transfers in order to credit the loan amount to the Borrower instantly (service contract with VoPay)
- Preliminary banking data error analysis
- New <u>Line statuses</u>:
 - Interest paid (3 new) with names that can be personalized
 - O Principal paid (3 new) with names that can be personalized
- For "Due Pmt" Line statuses the "Expected Pmt" may be forced to must = 0
- Email and SMS
 - Main window option to send an email to the Guarantors (bcc) and by SMS
 - Document Merge option to send email to Co-borrowers (cc) and to Guarantors (bcc)
- Accounting (GL) Report participation loan data extraction based on Creditor participation as an amount (as
 opposed to participation percentage only)
- User rights:
 - Option that allows user access only to some Record Types
- Main window:
 - "Unmanaged Records" tab appears in red (more like pink actually) if there are unmanaged Records (so Payment schedule lines still in "Due Pmt" as opposed to Paid / Unpaid / etc. when past current date)
 - O Critical (red) system Warning now flashes slowly to better warn users of critical fixes required
- IMPORTANT for the Mathematical Equations: for Monetary results, change of method from up to six (6) decimal places to the monetary method of only two (2) decimals. Instead of rounding the amount up or down to two decimal places, the 3rd decimal is truncated since fractions of pennies cannot exist. This may affect the results if you compare an Equation result in 5.4 (or earlier) with the same calculation in version 5.5. The difference could be a penny.
- Send invoices or statements (Documents Merge module) via the Alerts window. For example, alert created 30 days before next Due Pmt. User can select these Records and send invoices in seconds
- New automatic import field Line Behavior (payment amount automatically recalculated)
 - Interest-only and Fixed Principal Option 1 only
- Advanced queries (for report production) Compounding frequency added as a query field
- In a Record window header, option to add the Record Type
- In the Master and Affiliate loans module (in EFT), option to only see Records for the active Borrower
- "Do not show again" checkbox added in the error message when "Due Pmt" or "Additional principal" Line statuses are at 0.00
- Payment schedule button name changed to Payment Schedule
- Various corrections for version 5.4

Version 5.4

Version 5.4.2209XX.1

Released September X, 2022

- Document Merge:
 - New Payment schedule templates 19, 20, 21
- Various fixes

Version 5.4.220830.1

Released August 30, 2022

Document Merge:

- New Payment schedule template 18
- Email and SMS templates Custom fields added to the merge fields available
- Automatic reports production in Excel format, ISO type date format option (YYYYMMDD) or other without the / or between year, month and day. This allows the import of data when the importing system only accepts an ISO date (such as Margill with third-party software imports or from Margill itself to update data in other loans)
- Change Payments dates for multiple loans at once (in bulk) via the Post Payment tool
- New field in the reports (and elsewhere): Date of change to "Closed" Record Status
- New variables to extract the last Paid payment which is more than five (5) days before the current date in order to obtain, with near certainty, that this payment has really been paid and will not be refused by the bank (especially for collection by electronic payments):
 - O Last Paid Payment (>5 days of current date) Date
 - Last Paid Payment (>5 days of current date) Amount
 - Last Paid Payment (>5 days of current date) Balance
 - O Last Paid Payment (>5 days of current date) Line status
- In the Master and Affiliate loans module (in EFT), Record Type added and now possible to sort be other fields in the table

Version 5.4.220622.1

Released June 22, 2022

Alerts:

Option allowing User type users to view, modify and delete all Alerts (Note: Administrator and Power type users had access to these alerts automatically. Now this right must be specifically granted).

Version 5.4.220601.1

Released June 1, 2022

- Added fields for reports and other:
 - O Borrower: First name and Last name in a single field (concatenated)
 - Methods used for Interest-only payment (1 or 2) or Fixed principal payment (1, 2 or 3) when "Due Pmt" lines
 include the automatic payment recalculation with the "Line Behavior" option (2 fields). Mainly used to
 ensure that loans all follow the same method
- Fixed: Interest-only or Fixed principal payment amount calculated automatically with the "Line Behavior" when the Column Fee method was based on the pure Principal balance and the number of days
- Document Merge: CA bank account data added in merge fields (fix)

Version 5.4.220519.1

Released May 19, 2022

• Fixed in the EFT module: Line status "Due Pmt" was not changed to "Paid Pmt" (only the Paid Pmt, not the other Paid Pmt (X))

Version 5.4.220407.1

Released May 12, 2022

What's new:

- Added Payment schedule template 17 in Document Merge (exactly template 10 but based on the user's date format)
- Correction of the date format in Statements to Creditors
- Various minor adjustments

Version 5.4.220407.1

Released April 7, 2022

What's new:

- Import new loans via Excel: for Simple interest capitalized loans, the date of first capitalization can be inserted and
 used to create the Record
- New payment import:
 - Added "Interest Charged" 1 and 2 Line status
 - If the same date already exists in the payment schedule, option to insert a new transaction on the same date after the existing line instead of before (default method)
 - Sort the import analysis by the rejection reason column

Version 5.4.220314.1

Released March 14, 2022

What's new:

- Transactional report new report date options:
 - Report based on "Pmt date", ignoring "True Payment Date (Grace/ EFT)" if a date is included in the column
 - Report based on "True Payment Date (Grace/ EFT)"
- Ctrl Alt Shift F12 shortcut in the Payment schedule now allows to change the selected "Due Pmt" Line statuses to "Unpaid"
- Semi-monthly payments can now be added in the Payment schedule at other dates than the 1st and 15th of the
 month
- Elimination of the constraint to force the payment to zero (0.00) on the Other 1 to 9 Line statuses in the new payment import module. This adds flexibility.
- Fixed automatic recalculation of Interest-only or Fixed Principal payment amounts when other Line statuses are added upstream. Only affected Simple interest calculations.

Version 5.4.220226.1

Released February 26, 2022

What's new:

- Multi-factor authentication (MFA) for connection to the software
- New Right click in the Payment schedule will now export to Excel only the columns that are displayed and will reflect
 the column order
- Various fixes to previous version 5.4 (including FolioMedian's SMS service configuration)

Version 5.4.220214.1

Released February 14, 2022

What's new:

 New sub-version update message: When a minor update is available a message will be given stating the current version and date as well as the new version available and date. Message will also state whether this is a critical update or not.

Version 5.4.220210.1

Released February 10, 2022

What's new:

• Important fix: "Expected Pmt" column when payment recomputation to give balance = 0 or X was made (Expected payments were reset in all lines above)

Version 5.4.220204.1

Released February 4, 2022

What's new:

- Filters in the Main Window
 - New Color filters
 - Option to rename Color to a more descriptive name (color label) such as Urgent for red, etc.
 - Color names (label) available in reports
 - New "Select all" option to easily exclude choices (deselection instead of selection which can be long when a menu has several choices)
- New transactions import via an Excel sheet: possible import of up to 9.9 billion instead of 999.9 million in the 3 information columns (numerical) of the Payment schedule
- Fixed the erroneous 5.3 New version update notice

Version 5.4

Version 5.4.220127.1

Released January 27, 2022

- Automatic Import and Update of Borrowers and Loans via an Excel or JSON file
- <u>Automated Import of new Transactions</u> to the Payment schedule (via Excel file)
- Payments (principal, interest, fees, etc.) automatically recomputed to give a final balance = 0.00 or X (after an interest rate change or other upstream transactions). This is a new "Line Behavior"
- Accounting entry report option to extract the Participation of each of the creditors (%)
- Master and Affiliated Records EFT automatic update of "Affiliate" loans from "Due Pmt" to "Paid Pmt" (or other) when "Master" loan is updated via EFT (Perceptech)

- Automated "overnight" (produced any time in fact) Reports: new option to send the documents produced by Email.
- Salesforce (API) (Beta in 5.4)
 - Option to update only data for existing Borrowers in Margill (as opposed to all Salesforce data)
 - Option to include up to five (5) Salesforce Conditions (in order to obtain only a subset of Salesforce data)
- <u>Sub-creditor</u> module (Participation loan)(advanced feature)
- Sensitive data module
- In <u>Advanced queries</u>, new option to include Records with upcoming payments for next week, next month, etc. This allows, among other things, to easily select the Records to send invoices to (Document merge)
- Two (2) additional <u>Column fees</u> (Column fee 5 and 6) including the 47 new corresponding variables (totals, paid amounts, etc.)
- Alerts:
 - O Send alerts to Borrowers via <u>SMS</u> without the need to use Email-to-SMS method. In collaboration with FolioMedian (subscription basis)
 - Send SMS via the Main MLM window
 - O Record Alerts new option that allows sending Emails from a template to the Borrower(s), the Co-Borrower(s) and/or to another Email address (such as a Margill user, for example, for internal alerts)
- New <u>custom Record Statuses</u> (as opposed to only Active, Closed, etc.)
- Advanced Mathematical Equations using "IF" and other special conditions
- Full database search engine (Beta in 5.4)
- Multi currency module: can now be updated with an Excel sheet
- Notes: default font size increased to 9 pts (from 7 pts that was too small) and preferred font size memorized
- Security: Maximum of five (5) password attempts to access the software (present in some recent versions of 5.3 as well)
- Improved Undo function and activity Logs improved in the Payment schedule
- Option never to display the "What's New" window (was an irritant in certain situations)
- Various corrections from version 5.3

Version 5.3

Version 5.3.220113.1

Released January 13, 2022

Corrections:

- When creating a Payment schedule with irregular payments up to a specific date and using an interest table with unchanged rates between dates in the table, rate changes could be shifted. This has been fixed (exceptional situation rarely used)
- Other adjustments with variable interest rates (rate insertions and additions at the end of the Calendar)

Version 5.3.21206.1

Released December 6, 2021

What's new and corrections:

- Option to delete many Borrowers in bulk (as opposed to one by one) if the Borrower does not have any Loans
- For EFT payments (ACH) for the US (via NACHA file):

- Option to exclude some "Due Pmt" Line statuses when submitting the payments to your bank
- Option to automatically update "Due Pmt" to "Paid Pmt" (as renamed) taking into account the precise Line status
- Fixed this issue in the Main window: "Dashboard" was no longer displaying when MLM was moved to another screen (multi screen)

Version 5.3.21119.1

Released November 19, 2021

Corrections:

- Document Merge short merge code for Equations had been deactivated (fixed on Nov. 2, 2021)
- Correction in the EFT module for the "Include the description of the rejection..." option which could not be checked (error had been introduced earlier in 2021)

Version 5.3.211028.1

Released October 28, 2021

Corrections:

• When sending emails via Gmail (OAut) in version 5.2, emails to Co-Borrowers were changed from Blind carbon copy (bcc) to Carbon copy (cc). In this version we have restored the bcc.

Version 5.3.210922.1

Released September 22, 2021

What's new:

- Bulk data import of banking data (bank accounts for EFT)
- Various corrections from previous version

Version 5.3.210602.1

Released June 2, 2021

- For <u>Creditor participation</u> as a percentage, addition of 2 decimals (total of 8) for increased precision in Equations
- In Mathematical Equations, calculations using 8 decimals instead of 4 for increased precision
 - O NOTE: In some situations, some results for existing Equations could be slightly affected because of this additional precision
- <u>Personalized Standard Fields</u>: Administrator can customize the names of certain standard fields and gray out fields for them not to be used (Record identifiers in Data > General and four Borrower fields)
- Custom fields with scroll menus: option that allows the change the presentation order of the scroll data content
- In Document merge, new payment table 14 template (for DOCX)
- Correction of the Outstanding amount (fraction of a cent in some situations)

Version 5.3.210520.1

Released May 20, 2021

- Automatic import and update of the Borrower's data via Excel or JSON with a Windows service.
- Automatic import/export of Salesforce data via a Windows service and Overnight tasks, so no more manual process when the tool was in Beta mode in version 5.2
- USA Create a NACHA file for preauthorized payments (EFT / ACH)
- ACH payments (Canada)
 - O Cannot submit an ACH payment if the balance is negative at the time or submitting the payment or if the payment leads to a negative balance
- Last payment calculated even if the Payment amount is entered (to yield a 0.00 or X final balance)(before all payments were the same amount, no matter the final balance)
- Automatic fees based on Record Type or a Custom field scroll menu
- Column fees can now be imported with the Bulk payment import tool via Excel file
- Record List report:
 - Subtotals and sorting based on report fields
- Administrator can rename certain fields and grey them out in order to prevent them from being filled in:
 - Data window > General tab
 - File, File number (Numerical), Date, Accounting ID, Unique ID 1, Unique ID 2
 - Borrower window
 - Social Sec., Birth Date, Unique ID 1, Unique ID 2
- Mandatory fields not required for Records in Draft mode
- The ADMIN user exclusively can activate additional security and privacy measures:
 - $\bigcirc \quad \text{Activity logs saved in text format} \\$
 - O Increased data protection (ban on bulk copying and exporting, ban on capturing images of the data)
 - O ADMIN password can be modified by ADMIN user only
 - O Can give or withdraw the rights for other administrators to change passwords
 - Can give or withdraw the rights for other users to import Records/Borrowers/Employers/Creditor via Excel
 - O Can give or withdraw the rights for other users to import and update bulk data:
 - "Post Payment" tool
 - "Bulk Payment Import" in Tools > Post Payments
 - "Import / update data in bulk in the Record Summary (Tools > Various)
 - Change interest rate in bulk
 - Option prohibiting users to access Internet from Margill
- New logs of changes and extraction to a JSON file to be retrieved by a third-party activity management system:
 - Loan activities
 - User management (new log)
 - "Overnight" tasks and reports
 - Activity reports (new log)
 - User activity sessions (new log)
- In the "Data" window, when creating a loan, advanced option to specify, for interest-only or fixed-principal payments, that the payment amount must be recalculated automatically based on the previous transactions (Line behavior)
- Advanced queries (for reports):
 - Currency added to query options (if multi-currency module is activated)
- 2 new variables:
 - Last Unpaid payment Amount
 - Last Unpaid payment Date

• Elimination of the "Special events" report but it remains available under Custom reports (password required)

Version 5.2

Version 5.2.210408.1

Released on April 8, 2021

What's new:

- Additional fields for reports
 - Next Due Pmt (Line status = Next Due Pmt)(Entire loan)
- Correction of the Term and Amortization variables in certain situations (corrected in March version)

Version 5.2.2101xx.1

Released February 17, 2021

What's new:

- Notes extraction in PDF format (as opposed to RTF which made a partial extraction only excluded images for example)
- Correction of various irritants in the Statements to Creditors/Investors (adjustable column width, name of merge codes, etc.)
- Document Merge with Euro currency correction in the formatting
- Interest rate tables now with 6 decimals

Version 5.2.201214.1

Released December 14, 2020

What's new:

- Improvement of the visual "Dashboard" in the Main window: much faster data loading and window can remain open while working normally with the software
- Correction of the MLM software update tool in previous versions: some files had to be removed manually

Version 5.2.201201.1

Released December 1, 2020

- Main window visual "Dashboard" using widgets
- Automatically produce the "Record List" (Customized) report or "Transaction" report (every day, every week, as required) with Overnight tasks.

- Salesforce (CRM) integration (Beta mode):
 - Export various data from Margill (balances, outstanding amounts, next due payment date and amount, etc.)
 to Salesforce
 - Import data from Salesforce to Margill via API
- Column fees based on the pure Principal balance as well as number of days (calculated using a very similar method
 as Simple interest)
- Batch email sending via Main window: Send payment schedule (PDF) to Borrowers
- Record (loan) and Borrower Notes are now time stamped and by user. Cannot be changed after 24 hours.
- Record Notes can now be extracted in one operation
- "Payment" amount for "Other" 1 to 10 Line statuses can be set on a compulsory basis to 0.00 (Admin's decision)(to
 allow the entry of data in other columns of the payment schedule without the risk that a Payment amount be
 entered by accident)
- "Expected Pmt" column can be set on a compulsory basis to 0.00 (Admin's decision) for Due Pmts, Paid Pmts and Unpaid Pmts. Simplifies the calculation of the Outstanding payment amount.
- Email sent via "OAut" more secure method (particularly for Gmail)(as opposed to SMTP)
- Global changes for Borrower import data via Excel sheet
- Important improvement in the <u>Column fees default settings</u> and in their insertion via the right mouse click
- User Management:
 - O Administrator can decide that a "Strong" password is required for all users
 - O Administrator can decide that a user does not have the right to create a new Record
- In Alerts, right click of the mouse to open the Record
- Mathematical Equations: a variable can now be multiplied by a negative number
- Advanced Queries: option to sort data based on various fields
- Custom fields setup: import scroll menu data via Excel spreadsheet
- All database files are now encrypted
- Elimination of 001, 002 files when software updates are done (so database takes up less space)

Version 5.1

Version 5.1.201030.1

Released October 30, 2020

What's new:

Social security number now in the reports for the 9 Co-borrowers

Version 5.1.201015.1

Released October 15, 2020

What's new:

 EFT (Canada) - considerable improvement in the time required to submit EFT payments (no longer recomputes the APR thus saving time)

Version 5.1.200715.1

Released July 15, 2020

What's new:

- <u>Bulk_data_import / update_in_the_Payment_schedule</u> of Payment amount, Column fees, Custom Columns (9) and Comment for Due Payments
- Post payment tool (Import new payments via Excel):
 - O Data in the 3 Monetary Custom columns can now be imported
 - "Other" Line statuses can now be imported (with compulsory Payment of 0.00)
- Email mass sending test tool
- Fixed loan import via Excel sheet to include variable interest rate table
- Added version 13 of the Payment schedule for Merged documents

Version 5.1.200528.1

Released May 28, 2020

What's new:

- "Anniversary" capitalization date in Simple interest capitalized at a date other that the Origination date
- <u>User cannot change Record Status</u> (for example, only one designated user could change a Record from Draft to Active or some other Status - part of Workflow)
- Line statuses: <u>Hide_obsolete_Line_statuses_from_the_Payment_schedule_menu</u> even if they are still used in older Records for example
- Transaction (payment) import in bulk via Excel
 - "Expected Pmt" data (spreadsheet column L)
 - Allowed to import new payments via Excel (Bulk Payment import) with "True Payment Date Grace / EFT" after the last date of the payment schedule

Version 5.1.200404.1

Released April 4, 2020

What's new:

- Creditor Email field now 200 spaces (was 75 before) so that multiple emails may be entered in the field (separated by semicolon ";", no spaces)
- In Mathematical equations, it is now allowed to multiply by a negative number
- Social Security Number (SSN) field for Guarantors now available in Reports
- When sending emails (document merge, automatic emails), multiple email addresses can be added to receive a carbon copy (cc). CC emails must be separated by a semicolon ";" and no space between each email (260 spaces)

Version 5.1.200325.1

Released March 23, 2020

- Read-only users with the right to produce reports can now also create report templates
- Grace date (entered in column) may be after the date of the last line of the payment schedule
- Tool to change the interest rate between two dates (set them to 0% for example) for multiple loans at once in order to allow an interest holiday (relief) to be given to borrowers (and deferral of payments during the COVID 19 crisis)
- Payment update tool:
 - O Nine (9) complementary information columns of the payment schedule now added so that data can be posted in these directly with the Post payment tool
 - New column displaying the last date of the payment schedule (amount > 0.00)
- Option to hide or display the "Term" and the default "Due Pmt" Record's Data window

Version 5.1.200210.1

Released February 10, 2020

- Refund order by type of money (Fees, Interest, Principal):
 - O Column Fees 2, 3, 4 can be paid according to a priority other than the normal refund order: Fees 1, followed by Fees 2 and so forth...
 - Pure accounting principal can be paid without being paid along with the APR Fees Financed on a pro-rated basis
 - APR Fees Financed can be paid before pure accounting principal
- Column Fees added automatically when a payment is made by borrower after an allowed number of days late
- Document Merge:
 - Option to include only Records that have at least one transaction during the reporting period. You can also view Records and transactions included before producing the report
- Option to specify the default "Due Pmt" type (Due Pmt 1 to 5) when creating the payment schedule
- Payment schedule:
 - Option to change "Due Pmt" Line status to any of the 1 to 20 "Paid Pmt" via the shortcut "Ctrl Alt Shift F12"
 - Option to change lines from one of the "Due Pmt" Line statuses to another "Due Pmt" type ("Due Pmt 2-5") via the shortcut "Ctrl Alt Shift F11"
 - Select (highlight) "Due Pmt" Line statuses of your choice via the shortcut "Alt X"
- New reporting fields and for the Main window:
 - O Four fields used to obtain at current date or at Date X, the amount that is really past due (including fees, interest, principal and others) and required for the Borrower to be up to date in his payments:
 - Amount due at Current Date (final balance = 0.00)
 - Amount due at Current Date (final balance = original balance or new balance entered)
 - Amount due report End Date (final balance = 0.00)
 - Amount due report End Date (final balance = original balance or new balance entered)
 - O Creditor Total participation (Amount) of all Creditors in the Record
 - Tally (count) of number of various Line statuses (for example, number of "Unpaid Pmt").
- Improvement of the interest-only payment amount calculation tool in complex and specific situations
- 15 new Record colors in the Main window (+ button)
- Column Fees now allowed on the "Principal Paid" Line status
- Sum in Main Window of whole number type Custom fields
- For larger databases, option in the Main Window that does not refresh the data when closing a Record (a time saver)
- Optimization of the payment recomputation tool to yield a balance = 0.00 or X in the Payment schedule

Optional additional modules:

- Irregular participation loans / investments: Investor / Fund module allowing multiple investors or funds to invest in a loan and divest in whole or in part at various times (or reallocation to another fund). Module calculates interest due and principal balances at any time taking into account the investment dates and partial or full divestments.
- For large databases (minimum 5000 loans) option to <u>Archive Records</u>. These Records are then removed from the usual database and can no longer be modified or be included in reports.

Version 5.0

Version 5.0.1.191213.1

Released December 13, 2019

What's new:

- Two new fields for Document Merge:
 - Interest rate in text (in capital letters, text rounded to two decimal points)
 - Total loan interest (in capital letters)
- Margill User name is now stored by computer
- Option not to refresh the data in the Main window (for larger databases or networks that are a little slow)
- Merged documents preferred suffix for file names remembered
- With the launch of Credit Manager 5 (report to credit agencies Metro 2) update of the Vendor Template
- Correction of the payment amount calculated automatically with the Interest-only and Fixed principal *labels* in special situations (when interest paid in advance in previous lines for example)

Version 5.0.1.191111.1

Released November 11, 2019

What's new:

- 15 new Record colors in the Main window
- Quick_links in the Main window to launch a website, a document (PDF, Word, Excel, etc.) and even third-party software. Not available in SAAS version (Cloud service)
- Correction of some exceptions in the Merged documents (Payment schedules added to a Merged document)
- Correction of date problem (depending on format) when sending automatic emails

Version 5.0.1.191022.1

Released October 22, 2019

- Global database changes bulk data import via spreadsheet (Excel) for Record data
- Option to hide totals displayed in the Main window (bottom of each column and summary)

- Electronic Funds Transfers:
 - Two new "Due Pmt" Line statuses
 - Option not to submit some "Due pmt" to EFT provider
 - Option to automatically change to an Unpaid-type Line status based on the Paid-type Line status thus allowing, for example, not to charge automatic fees on certain Unpaid-type Line statuses
 - O Perceptech (Canada) Reason for payment rejection added to Comment column in Payment schedule
 - Perceptech (Canada) Payment rejection date added to Payment schedule (existing column called "Date of returned Check" - and renamed to "Date of returned Check/EFT") allowing you to create <u>payment rejection</u> date reports with the <u>Transaction report</u>
- Document merge tool:
 - O Improved wording for the "Principal (Original) Text" merge field
 - O This same field can now be added in all CAPITAL letters
- Option to send emails with templates in bulk from the Alerts window
- Correction of the automatic email test based on Line status
- Fixed possible issue when saving merged documents indicating that the specified path cannot be found

Version 5.0190916.1

Released September 16, 2019

What's new:

- Default column display and order configuration for the Payment schedule
- Emails sent in bulk will now have the Co-borrower in "Carbon copy" (cc) versus "Blind carbon copy" (bcc)(in first release of version 5.0) in order for the Margill user to see all emails sent.

Version 5.0190905.1

Released September 5, 2019

- Modernized look and feel, keeping the same navigation you are used to
- Graphics optimization for very high definition monitors (4K)
- Powerful <u>Advanced gueries</u> module that can be used in most reports
- Main (Record Summary) window:
 - Multiple Records can now be opened at once
 - Fast Display mode for the Main window optimized and Custom fields can now be displayed
 - O Total at the bottom of each money/numerical column
 - Improved sorting of names entered in CAPITAL letters versus small letters
- Payment schedule:
 - Easier and quicker to hide/show/order columns in the Payment schedule (bottom right icon)
 - O When the "Returned checks" module is activated, now allowed to hide the corresponding columns
 - O Day of week shown when scrolling over the Pmt Date in Payment schedule
- <u>Lead/Prospect approval and Record (loan) import via Excel or JSON</u> (mostly used for Web loan applications)
- User customized Creditor reports (statements and others)
- First Payment Date initially entered can now be changed and line deleted (only for new loans created as of this version, 5.0)

- First Payment Date can now automatically be entered as one period after the Origination Date (Data window press on to the right of the Origination Date)
- Column Fees:
 - New "Column Fees" added (total 4 Column Fees)
 - O Automatic Column fees based on the percentage of paid payment amount (for example, for payments that are simply 3 or more days late, charge 8% of the payment amount)
- For some irregular calculations: <u>Effective Rate Method calculation improvements</u> for new loans only. Old loans are not updated to the new method
- Improved <u>refund order</u> for new calculations only (existing calculations maintain the pre-version 5.0 order)
- Short_period special calculation method (Advanced calculation settings): In version 5.0 we have limited the short method impact to the short period at start of loan. When new short periods are inserted in the regular payment schedule, the normal method will apply. Users can always manually designate a special short period calculation method for any line(s) with the right mouse click.
 - If a line is inserted between Simple capitalized lines (blue interest rate), inserted line will be Simple interest (green interest rate) so as not to capitalize if not desired. This can be changed manually to capitalized line that was inserted.
- New powerful behind-the-scenes report generation "black box" for improved report production speeds and harmonized results throughout the reports
- Sending batch or individual emails with templates:
 - 1. when loans are imported in batch via spreadsheet
 - 2. in the Main window (right mouse click)
 - 3. individually in the Record as such
 - Added: "Last Paid/Unpaid Payment (only Paid and Unpaid Line statuses)(in period) Expected Pmt Amount" (code 814.1) for automatic emails
- New Line statuses
 - Paid Principal (pays only accounting principal)
 - Compensatory payment (name may be changed, Expected pmt = 0.00)
 - "Information No impact" Line status that, even in special calculations, has no impact on any number when inserted (exception being 30/360 Day count in very special situations)
- New <u>reporting fields</u>:
 - O Date of the first negative payment in a Payment schedule
 - Amount of the first negative payment
 - O Balance at the first negative payment date
 - O Line status for the first negative payment
 - Employer data (added to the Borrower theme very end of section)
 - Internal Rate of Return (IRR)
- For "Record List with period breaks" (Customized), new fields added that can be split by sub period:
 - 14 fields including Ageing fields, balances at 0:00, year-to-date fields
- Spreadsheet application now available directly in these reports: "Record List" (Personalized), "Record List with Period Breaks", "Transaction Report and Accounting Entries"
- <u>Creditor (or Investor) participation in loans</u> total participation amount and total participation percentage now added in table
- Interest rates in variable Interest tables now can include up to six (6) decimal places
- <u>Document Merge</u>:
 - O User can now partially adjust Detailed Line templates (Payment Schedules templates 1 to 11): header names, column width and portrait/landscape layout can be edited
 - New template 11 for the Payment schedule in the Document Merge module
 - Merge fields by theme now on the right
 - O Elimination of the old RTF document merge interface in order to incite users to use the new interface. The old interface remains accessible with Ctrl+Alt+Shift+R
 - Template owners or creators added to prevent another user from modifying another user's templates
- Borrower Email field: now allowed to enter up to 175 characters (to enter numerous emails)

- When saving a Record, optional elimination of the pop-up asking whether to update or create a new Record
- Basic Tutorial from the Main Window it can even be partially adapted by you to train your new users
- Harmonization of <u>reporting fields</u>:
 - "Interest accrued from the last Paid/Unpaid Payment" type fields:
 - Modification of merge fields 721 and 727 so they are harmonized with other similar fields:
 - If the payment is after the report end date, the result is 0.00 (did not give 0.00 before)
 - Modification of the descriptions of many of these fields in order to better describe their behavior
 - Balance at 0:00 type fields (thus before the day's transaction):
 - Modification of the fields Principal Balance, True Balance, Computational Balance (412, 705, 833 et 4900, 7900, 8900) to include the logical exception in which a user does not differentiate between an Original Principal and "Additional Principal" type Line statuses when this "Add. Princ." is entered on the Origination date. Both are thus deemed inserted at 0:00, not at 0:00+. This exception did not exist before version 5.0
 - For the three variables Outstanding at the Report start date (thus at 0:00)(variables 415, 420, 424), the balance reported is that before payments that would have reduced the outstanding amount. Before version 4.5, the balance was that after the day's transactions (thus 0:00+, not 0:00)
 - Principal, whether included as Original Principal or as any of the "Additional principal" Line statuses specifically added at the Origination Date, will now generate the same amounts for these reporting fields (RTF codes 412, 705, 822, 823, 833, 4900, 7900)(management of exceptions)
 - Variables 707 and 708 "Balance updated for Interest Due" eliminated from version 5.0
- Minor correction of the interest on outstanding amount when interest is capitalized
- Correction in the <u>Accounting entries</u> report of the variables APR Fees 4 and 5 which did not take into account the transaction date
 - O Variable must be deleted from report and reselected
- Database Reindexation now in Overnight tasks

Version 4.4

Version 4.4.190501.1

Released May 1, 2019

What's new:

- New option that allows the user, before updating the software, to compare the difference between the current live version with the update for these three essential components: total accrued interest, final balance and last payment amount (sometimes referred to as a Sandbox). Other components can also be tested before updating the live version.
- Graphics optimization for small, very high definition monitors (>1080p)
- Import of loans via spreadsheet:
 - Twice monthly payments default payment date now used instead of 1st and 15th of month
 - o Improved mapping memory (will remember mapping even if spreadsheet columns are ignored)

Version 4.4.190225.1

Released February 25, 2019

What's new:

• New reporting field: "Next Due Pmt - Amount (all same day)". This reports the total due payment amount if more

than one "Due Pmt" type Line status is included at the same payment date

- "Add. Pmt" Line statuses can now be imported in bulk via Excel
- For many personalized reports, option that includes all Records selected even if the Record dates (Origination date and loan end date) are not within the report start date and end date range
- <u>EFT payments activated with the Global changes</u> (US and Canada)
- In the EFT window (payments to be submitted), number of days specified in the "True Pmt Date (Grace/EFT)" can now be greater than 9 days
- <u>Borrower bank account data can be bulk imported with Global changes</u> (feature available since March 2018 but was not included in "What's new")
- Minor language issue fixed

Version 4.4.190118.1

Released January 18, 2019

What's new:

General Ledger report: correction of double reporting in very specific "Additional principal" Line status situations

Version 4.4.190110.1

Released January 10, 2019

What's new:

- Record List customized:
 - New option to include all selected Records even if Record is outside the chosen reporting dates (Record end date is before Report start date or Record start date is after the Report end date)
- Document Merge module:
 - o Fix where in certain situations Equations with Line fees did not work properly (inversed negatives)
 - New Detailed Lines template 10
 - In the DOCX module new option to create PDF via Word

Version 4.4.181214.1

Released December 14, 2018

What's new:

- Interest Adjustment Date option now available for all Payment Methods (Data tab)(was only available for Normal (Principal and Interest) method in earlier 4.4 versions)
- Automatic deletion of older backups (automatic overnight tasks)
- Borrower import via Excel banking information can now be included for selected borrowers only

Version 4.4.181031.1

Released October 31, 2018

What's new:

• In printed Payment schedule, new Line statuses "Interest charged" taken out of the "Other increases" section (totals at end of page) and Column fees added.

Version 4.4.181025.1

Released October 25, 2018

What's new:

- <u>Blocking of historical transaction changes</u> by the Administrator of all Payment schedules for Active, Closed and Archived Records as of a chosen date
- Document merge module:
 - For the DOCX report, a single file may now be created for the batch of Records as opposed to a separate file for each
 - O When individual DOCX, RTF or PDF files are saved, choice of different identifiers in the file name (as opposed to the single option using the MLM ID)
- <u>Interest Adjustment Date</u> can now be added at the start of a loan (usually for short periods between the Origination date and the First payment date in a mortgage)
- Main (Record Summary) window:
 - O User may change the column heading names
- New Line status:
 - O Due Pmt Unpaid (for Due payments that the user knows will not be paid before their due date)
- New reporting fields:
 - O Balance Due Interest (at Current Date)
 - New document merge Payment schedules (numbers 8 and 9)
- Twice monthly payments can not be set to desired, less usual, frequencies (2nd and 22nd day of the month, 5th and 24 day of the month, etc.)
- For <u>EFT</u> transmissions (Intrix and Perceptech), number of days to add to the "True Pmt Date (EFT/Grace)" (as well as Saturday and Sunday payments) now remembered. Nevertheless, the user must Submit the request at each EFT transmission.
- Step payments percentage increase or decrease automatically calculated to yield a balance = 0 or other amount (when lines are added at the end of a Payment schedule).
- Lines in a Payment schedule can now be assigned a <u>special color</u> (right mouse click)
- Loan import via Excel sheet:
 - O A Co-borrower and a Guarantor can now be added
 - O Column fees can now be 0.00 for some loans
 - Other adjustments offering more import flexibility
- Copy of the payment amount to one of the extra information columns (with shortcut)
- Reset Expected Pmt to 0.00 for all "Add. Pmt" Line statuses (with shortcut)

Version 4.4.180613.1

Released June 13, 2018

Day count:

- O The 30/360 Day count method used so far was temporarily taken out of version 4.4 (replaced by 30U/360) and added back in this version 4.4
- 30U/360 Day count method added. This method adds a condition for February 28/29 end of month payments. See Calculation methods > <u>Day count</u>
- EFT (US and Canada) payment selection window sorting now allowed with Borrower name and other columns
- EFT (Canada) module improved to reduce possibility of human error and operations tracking mechanism added

Version 4.4.180320.1

Released March 20, 2018 (Beta released February 21, 2018)

What's new:

<u>Electronic Funds transfer</u> (EFT):

- O ACH payments for the United States with our partner Intrix
- With Perceptech (Canada), import and update rejected payments (changes Paid payments to Unpaid payments along with the automatic fees if required)
- Automatically change the "Paid pmt" type based on the "Due Pmt" type (3 choices)
- O New field which indicates if EFT is enabled or not (Yes / No) ("EFT enabled" under "General"). Useful in the Main window allowing you to see which Records have not been submitted as EFT
- O New field to identify the Perceptech account number
- O To reduce the risk that upcoming EFT payments will be forgotten, Margill no longer allows users to submit EFT transactions if the option "Access to your own Files" is checked
- Major evolution in the <u>Document Merge</u> tool:
 - New sophisticated text editor to create Word documents (DOCX)(Beta mode for now)
 - New Invoices and statements module to include data for multiple periods in one statement/invoice:
 - Current (or upcoming payments) reporting period
 - Previous reporting period
 - Year-to-date to start of current reporting period
 - Start of loan to start of current reporting period

• New Line statuses:

- "Paid interest". Allows interest to be paid in advance without the need for there to be an interest balance
 - "Balance Due Interest" can now become negative (minimum 0.00 in previous versions)
- o "Interest Charged" and "Interest Charged (2)", which can be renamed. Allows the user to add interest without needing to increase the interest rate
- O <u>10_new_Payment-type_lines</u> (Paid Pmt 11x to 20x). These payments do not include their "Unpaid" counterparts and only include, for the reports, the amounts per se. The reporting fields that subdivide Interest, Principal, Column fees and APR Fees financed portions are not included.
- The MLM Administrator may now define <u>Mandatory fields</u> so they must be filled by the user before saving the Record, the Borrower, the Creditor and/or the Employer. Custom fields are also included
- Alerts module:
 - Automatic emails to notify Borrowers, Co-Borrowers and / or other e-mail addresses (blind carbon copy, BCC) that a payment is due, late, unpaid, etc. (<u>Line status-type Alerts</u>)
 - O <u>Data merge templates</u> (subject and body message) for these automatic emails
- Post payment tool via Excel:
 - O New option that allows updating Due pmts via an Excel sheet simply with one of the Record's unique identifiers and the precise payment Date and Amount
- Creditor participation:
 - O Return (in percentage) given to each creditor in a loan. Can then be used in Mathematical Equations to report Creditor's monthly interest revenue share.

- New <u>reporting fields</u>:
 - O Principal amount converted to words ("115" becomes "one hundred fifteen"). To be used in the <u>templates</u> for the <u>Document merge</u> (Letters, Invoices and Statements).
 - O Last Paid payment (all Paid Line statuses)(in period) Expected Pmt Amount
 - Last Paid payment (all Paid Line statuses)(in period) True Pmt Date (Grace)
 - o Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) Expected Pmt Amount
 - Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) True Pmt Date (Grace)
- Changes in the accounting Principal
 - O "Paid Principal" can now be greater than the Principal balance
 - O "Balance Due Principal" can now become negative (minimum 0.00 in previous versions)
- Accounting (GL report). New optional notes that accompany the transactions:
 - Record, Borrower and Creditor Unique ID 1 and 2
 - Record Type
- Find <u>Unmanaged Records</u> (those that remain as "Due Pmt" on the current date or x days before) directly in the Main window
- <u>Automatic / Overnight Tasks</u> using Windows "Task scheduler" to compute the new balances in the Main window and to generate Alerts this saves considerable time when MLM is first run in the morning.
- Log of EFT transactions and extra confirmation when EFT file may or may not have been properly received by Perceptech.
- Creditor First and Last names in Record window header (optional)
- New print interface offering more options
- Direct scan from the <u>Attached documents</u> module (Record and Borrower) scan your documents at the touch of the button
- Handy Calculator now added in the Payment schedule window

Version 4.3

Versions 4.3.170201.4

Released October 6, 2017

What's new:

- New and highly specialized field allowing you to obtain the amount of capitalized interest: Line status Other 3 (Mathematical Principal column (for period) + 1 day) (see more in Reporting Fields Principal section)
- Fixed the report fields "Interest accrued since last payment (paid or unpaid)"
- Fixed the report fields "Balance Column Fees (1 to 3) at end date". Problem when there were no transactions in the reporting period
- Changed the term "Balance" to "For period" for the fields that report the "unpaid portions" of the expected payment amount. These various fields (merge codes 704, 791 to 799, 800, 818, 828) do not show the balances at the end of report period date but rather a periodic total, not a cumulative total.

Versions 4.3.170201.3

Released May 18, 2017

What's new:

Posting payments through an Excel sheet (with unique line identifier) now allows for Grace date

- Issue with Payment schedule column user preferences fixed
- Right mouse click menu in Payment schedule modified

Version 4.3.170201.2

Released February 21, 2017

What's new:

- Read-only user can now be allowed (by Administrator) to post payments with any of these tools:
 - Post payment module Post payment tool
 - O Post payment module Existing (Due) payment update through a spreadsheet
 - O Post payment module New payment import through a spreadsheet

Version 4.3.170201.1

Released February 1, 2017

- New calculation method that can be used automatically: Simple interest capitalized
- In the Main window, <u>display filters</u> now allow to choose multiple data elements and multiple fields to display desired Records (example: display Active and Draft Records)
- Interest rate now computed with six (6) decimal places and displayed with 0 to 6 decimals.
- Nine (9) new columns (<u>Custom Columns</u>) that may be named as desired in the Payment schedule, allowing the entry
 of Monetary, Numerical or Text data. This is useful for <u>Escrow</u> (insurance and property taxes) by allowing the
 Creditor to specify when he pays the insurance company and/or the city (<u>Escrow Report</u>).
 - 18 new <u>fields</u> for various reports:
 - Total amount entered in the Columns (by period) Money and Numerical (6 fields)
 - Total amount entered in the Columns from the Origination Date to the Report end date Monetary and Numerical (6 fields)
 - Total amount entered in the Column Fees (1, 2 or 3) (Accrued) from the Origination Date to the Report end date (3 fields)
 - Total of amounts entered in the Column Fees (1,2 or 3) (Paid) from the Origination Date to the Report end date (3 fields)
 - In the Transaction Report, transactions resulting from these new Columns
- Irregular Payments may be entered in a window before producing the Payment schedule
- <u>Record List (Customized)</u> report can now be divided by Year, Quarter and Month
- Record <u>Alerts</u> may now be created in the Alerts display module (under Tools)
- Alerts module: if multiple email addresses are included under the Borrower, email now sent to all of these in (carbon copy)
- Automatic Column Fees are now available for the Line statuses "Paid Pmt 2" to "Paid Pmt 10"
- <u>Automatic Column Fees</u> may now be configured to generate an amount of 0,00 (for example, tax or insurance invoiced that becomes 0,00 if payment is unpaid)
- For <u>pre-authorized payments</u> (EFT) with Perceptech (Canada), older unpaid payments (less than 173 days) may be submitted
- Unique Line ID for each line in a Payment schedule (available in the Transactions report and in the Accounting entries report)
- In the new payments import via an Excel sheet, new options:
 - O Import one or multiple transaction types (Due payment, Paid payment, Additional Principal, Information (Payment = 0.00), etc.) in one operation

- O Additional data imported in the Payment schedule columns:
 - Line Comment, Check number, Grace date, Custom columns (3 text type columns)
 - Import of fixed principal payments without first needing to refund all accrued and outstanding interest
- Payment update tool via an Excel sheet and Unique Line ID
- New reporting <u>fields</u>:
 - "Payment Method" (entered in the Record's "Data" tab)
 - o Balance at 0:00 at report Start Date (excluding any transaction on that day and Principal (Original))
 - O Balance computational at 0:00 at report Start Date (excluding any transaction on that day and Principal (Original))
 - O Balance Due Principal at 0:00 at report Start Date (excluding any transaction on that day and Principal (Original))
 - O APR Balance Due Fees Financed at 0:00 at report Start Date (excluding these fees and any transaction on that day)
 - Active EFT Account Number for the Record
- 78 new fields for the PAID Principal, Interest, APR Fees Financed and Column Fees (3 types) according to "Payment" type Line statuses now included in the Mathematical Equations
- Global changes to the database (batch changes) new added fields for the Borrower
- In the <u>pre-authorized payments</u> (EFT) submission window, new Column containing the Line status (Due Pmt, Due Payment 1 or 2 renamed)
- Printing the Payment schedule:
 - When the Origination date is before the current date, the interest rate displayed will be that at the Origination date, not 0.00%
 - New option allows to print the lines contained in the Payment schedule without including the accrued interest when annual or quarterly totals are requested
- In the <u>Record window header</u>:
 - O Choice of data to be displayed in the window header among: Borrower First and Last names, Borrower Company, File number, etc.
 - Display by Record Unique ID (1 and 2)
- Sort by Record Color in the Main window (with the Record Color field)
- Record import via an Excel sheet:
 - "Fixed principal" method now allowed
 - "Payments set to 0.00" now allowed
- Post payment tool:
 - O Font size can now be increased with
- In the Data window, the "New Record" link renamed to "Modify/New Record".

Version 4.2

Version 4.2.160627.1

Released June 27, 2016

- Great increase in system speed
- <u>Column Fees</u> can now be added automatically taking into account special criteria (Unpaid payment, Late payment, etc.). The Margill Administrator can create his/her own rules (fee amount or percentage).
- Major improvements in the <u>Post-payment tool</u>:
 - Change "Due Pmt" not only to Paid or Unpaid but also to Late or Partial or both with the option to add Column Fees and make other changes

- Easily update Records by displaying not only "Due Pmts" but all payment types (Paid, Unpaid, etc.). Most useful when
 multiple payments were posted as paid but had bounced afterwards.
- Display only those payments that the user wishes to update as opposed to system default. This can be done manually or though an Excel sheet.
- Record Unique Identifier 1 and 2 as well as the Electronic Funds Transfer (EFT) Account Number now displayed in the payments table.
- Special color assigned to a Record via this window
- <u>Bulk Import of Payments</u> (Due Pmt, Paid Pmt, Additional principal, etc.) via an Excel sheet in an existing Record.
- New tool to perform global changes in the database (batches changes). The following fields can now be modified
 without having to open each Record or Borrower individually:
 - O Record:
 - Record Status and Sub-status
 - For example, it is now possible to change 136 Record statuses from Draft to Active
 - Record Type
 - Record Owner (was already available)
 - Activation of Automatic Column Fees
 - Add or remove Borrowers from credit reporting
 - Currency
 - File Number, File Number (Numerical), Record Date, Accounting ID, Unique Record IDs 1 and 2
 - Credit Limit for a Record
 - 9 Custom fields
 - Unlimited Custom fields
 - Borrowers:
 - Borrower Owner (was already available)
 - Unique ID 1 and 2
 - 9 Custom fields
 - Unlimited Custom fields
 - Many more coming in future versions
- New <u>Lines statuses</u>: "Due Pmt (2)" and "Due Pmt (3)" (that can be renamed). For example, "Due Pmt Cash"
- New <u>reporting fields</u>:
 - 78 new fields for the PAID Principal, Interest, APR Fees Financed and Column Fees (3 types) according to "Payment" type
 Line statuses:
 - Paid Pmt
 - Paid Pmt 2 to 10 (as renamed)(54 fields!)
 - Paid Pmt Returned Check
 - Add. Pmt
 - Partial Pmt, Partial Late Pmt, Late Pmt
 - O 205 new fields to identify up to 9 Co-Borrowers and 9 Guarantors
 - O Balance Due Principal (at Current Date)
 - APR Balance Fees Financed (at Current Date)
 - O Record Creation Date
 - Other 3 (Principal)(Line status)(for period)
 - O Template 6 for the Payment schedule (detailed lines) (Document merge)
- Maximum credit by Borrower (for Active Records only) based on one of these four criteria:
 - Total original Principal
 - O Total original Principal and all Additional Principal Line statuses
 - O True Balance (Principal, Interest, Fees, etc.) at the current date
 - O Balance of the Principal and the Fees Financed (APR) at the current date
- New option to add a <u>Guarantor</u> to a Loan
- Record Notes are now accessible and can be changed from the Alerts display module
- Conditional <u>Alerts</u> can now be applied to future Active Records (in order to create particular data entry rules)
- <u>Executive Summary report</u> option to exclude empty fields from the report

- New special payment method, "Simple Interest" (and no longer only Simple Interest Capitalized), for specific payment lines (usually for Short periods)
- Correction of some totals and balances in reports when special short methods are used in a payment schedule (mix
 of simple interest capitalized and other lines compound interest payments)
- Management of the zip/postal code and telephone number format import for the Borrowers (via Excel)
- Option allowing special Records to be highlighted by <u>Color</u> in the <u>Main MLM window</u>
- Improved email connection settings for sending batch emails
- Records become "Read-only" when the <u>Payment Update</u> tool is used
- Display issues fixed when Windows display (size of text, apps, and other items) is at 125%, 150%, etc.

Version 4.1

Version 4.1.150525.7

Released March 3, 2016

What's new:

- Four new <u>fields</u> that factor in the "True Pmt Date" (Grace/EFT)" as the date of transaction for the Record List (Customized) and Document merge reports:
 - Interest Paid (for period)(using Grace/EFT Date)
 - Principal Paid (for period)(using Grace/EFT Date)
 - Interest Paid Year-to-date (from January 1 to report End Date)(using Grace/EFT Date)
 - Principal Paid Year-to-date (from January 1 to report End Date)(using Grace/EFT Date)
- The "Expected Pmt" column amount can now be changed for Line statuses "Other 1 to 10"

Version 4.1.150525.6

Released October 29, 2015

Corrections:

- In the <u>Accounting report</u> (export to General Ledger) correction of the following variables to factor in the "True Pmt Date (Grace/EFT)" when a payment is made. Previously, even if a date was entered in the "True Pmt Date (Grace/EFT)" column, the Payment Date was used:
 - Interest Paid (for period)
 - Principal Paid (for period)
 - O APR Fees Financed Paid (for period)(for all APR Fees Financed)
 - O The five (5) individually segmented "Paid Fees Financed (APR)"
- In the <u>Accounting report</u> (export to General Ledger):
 - O Correction of the three (3) "Paid Column Fees" variables. Now report the "Payment Date" or the "True Pmt Date (Grace/EFT)" as opposed to report end date.
 - O Various adjustments to the report.
 - O Warning no longer shows when the Grace date precedes the payment date.
 - O Warnings not related to the report's time period no longer show.

Version 4.1.150525.5

Released September 21, 2015

Changes and improvements:

- Participation percentage of each of the Borrowers and Co-Borrowers
- New option to tag a Borrower as a "bad payer" (or other) in order for a warning to be given to the user if this person or entity is selected as a <u>Borrower</u> or as a Co-Borrower in a loan. The warning message may be adapted for each Borrower. For example: "Do not lend to this person."
- All loans are now saved as a text file that can be imported back into MLM in case of accidental deletion voir avec Mario quelle date car en 4.1, pas 4.2

Version 4.1.150525.3

Released July 31, 2015

Changes and improvements:

- Import of multiple Records at once (regular payment schedule portion) from an Excel sheet (support is required from the Margill team - fees are involved)
- <u>Detailed report (Payment schedule)</u> now with the option to include interest and transactions of the report end date
- New templates of the Payment schedule in the <u>document merge</u> report
- New fields:
 - Computational Balance of the last Transaction (in period)
 - O Computational Balance of the last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period)
 - True Balance of the last Transaction (in period)
- Various fixes to version 4.1

Version 4.1.150525.1

Released May 25, 2015

- New report: Custom <u>Executive Dashboard</u> including amounts and number of Records by categories, averages and pie chart
- New report: Custom <u>Transactions</u> report by Line status, data from Payment schedule columns (payment amount, accrued interest, paid interest, fees, comment, check number, etc.) and option to include hundreds of other fields
- New module to manage <u>returned Checks</u> (NSF)
 - New data columns in the Payment schedule:
 - Check number
 - Date of returned check
 - Date at which the NSF check was compensated
- Search now possible for most of the columns of the Post payment tool
- New <u>fields</u>:
 - Interest rate at the report end date
 - Interest rate at the current date
 - Proportion, as a percentage, of each the Fees Financed (APR) in relation to the total of all Fees Financed (APR)
 - O Paid Financed Fees (1 to 5) (APR)(based on the proportion of each to the total of the paid Financed Fees (APR)
 - Number of days of delinquency

- Options via Tools > <u>Users</u> allowing the Margill Administrator to prohibit certain users from deleting Records, Borrowers, Creditors or Employers
- Multi-Creditor module:
 - For loans with multiple Creditors, possibility of extracting Creditor data according to the name of these Creditors (as opposed to their position in the Creditor loan table Creditor 1, 2, 3)
 - Extraction of the following data:
 - Company name
 - Name and First Name (if Creditor is an individual)
 - Participation in percentage
 - Participation in currency
 - Possibility of using Mathematical Equations to extract hundreds of other data elements.
- <u>Search tool</u> for loans from the Main window now allows a search using multiple criteria. For example, First Name AND Family Name (or multiple other criteria) can be used as opposed to a search with only one field at a time in version 4.0.
- Significant increase in the refresh time of Records in the Main window (Record Summary) with the new "Fast Search Mode" (Tools > Settings > User Settings > Record Summary window). Particularly useful for the larger databases (over 1000 loans)
- In the <u>printed Detailed Schedule</u> will be displayed in the heading, the nominal and effective interest rates in effect, either at the date at which the report is produced or at the end date of the report (if the loan is terminated at the current date or if the report is produced up to this date). In the previous versions, the rate was that originally entered in the Data window.
- Tool that extracts all the files Attached to the loans (Tools > Various)
- In the Main window and in the Results table, new icons in order to enlarge or reduce the size of the text (previously done by the "Ctrl Arrow up or down" shortcut)
- Correction of the refund sequence of Fees Financed (APR) for a particular scenario
- Adjustments to the <u>credit reporting module</u>
- Change in the <u>APR</u> calculation method when the balance is positive
- Files can now be attached directly in to a Record using the "Attach" button
- Unique identifiers for the **Employer**

Version 4.0

Version 4.0.141212.1

Released December 12, 2014

Four most important developments:

- 1. Fees by column (offering a host of new powerful possibilities)
- 2. Documents merge now creating PDF documents that can be sent in bulk by email
- 3. APR module completely redone with new powerful fee options (for easy add-on interest calculations)
- 4. Search tool that displays, in the Main window, the desired Records based on various search criteria

Changes and improvements (in detail):

- Fees module which allows the user to add fees, insurance or taxes in column format as opposed to lines in the Payment schedule. These fees (or other) can then be isolated more easily from an accounting perspective. Up to three (3) types of fees can be added as column fees. Corresponding fields for the reports.
- Significant improvement of <u>APR calculations</u> (Annual Percentage Rate)
 - Possibility of including financed, prepaid or subsequently paid fees in the loan.

- O New columns in the Payment Schedule:
 - Paid fees (when financed fees added in the APR tab)
 - APR financed fees balance
- Corresponding fields for the reports.
- For the <u>Document Merge tool</u> (Letters, Contracts, Invoices and Statements):
 - Export and print in PDF format (direct PDF or though Word 2007 and up to obtain a more sophisticated visual).
 - In one operation, it is now possible to:
 - save as PDF or RTF
 - print
 - send the document(s) in batch by e-mail
 - attach the document(s) to the Record
 - o For the Dates fields, new date format options (short, medium or long format) are now available
 - O New Payment schedules that can be integrated to the merged document:
 - Summary format (2 columns with payment amount and date)
 - Schedule from the loan's Origination date to report end date (even if the report start start date is after the Origination date)
 - Schedule that includes PAID (as opposed to accrued) interest, principal, fees financed (APR) and the 3 Column Fees, as well as the Principal balance
- In the Main window, search tool that displays the desired Records based on various search criteria related to the Borrower, Creditor or Record.
- In the the accounting report (export to General Ledger), a new tab displays the total of Debits and Credits by account.
- For Draft users, option that allows these users to enter Notes and to Attach files to all Records as opposed to only Draft Records.
- Change of certain terms in the software for better differentiation between interest and principal Accrued/Mathematical vs Paid.
 - "Interest" becomes "Accrued Interest"
 - "Principal" becomes "Mathematical Principal"
- In the Payment schedule, the columns whose data may be changed are now indicated with an asterisk: *.
- Option in the Settings allowing the "Expected Pmt" to be changed to another amount when the Line status is 'Due Pmt".
- In the Electronic Funds Transfer (EFT) module, new option allowing the user to change the "Expected Payment" amount for easy Outstanding amount calculation.
- New option which allows the user to enter a payment of 0,00 instead of the automatic calculation
- For Mathematical Equations, many current date fields now included
- In the Record list (Customized) report, fields calculated on current date were added
- New features for <u>Interest-only</u> and <u>Fixed principal</u> calculations using Compound interest (these options were already available for Simple interest):
 - Automatic calculation of the required payment amount to pay any accrued interest and column fees first (new default method)
 - Other options for:
 - Payment of line's current interest and column fees (previous default method)
 - Payment of a defined amount of the principal before paying the interest and column fees (not conventional method)
- New <u>fields</u> in the Record List (Customized) report, Document Merge tool and in the Accounting Entries report, that can be displayed in the Main window:
 - Payments frequency that includes the frequency when payments are made every X days. Exemple:
 Weekly, Twice weekly, etc.
 - Data relating to Co-Borrowers 1, 2 and 3
 - Multiple fields relating to APR and US Truth in Lending Act

- Original principal reported only if origination date is within the reporting dates
- Original principal plus APR Fees Financed reported only if origination date is within the reporting dates
- Attached files (Number) for the Record and the Borrower
- Attached files (Size) for the Record and the Borrower
- For the United States, <u>Electronic funds transfers</u> (ACH) with Wells Fargo Bank (NACHA file)
- Displays column totals in the Payment schedule
- Numerical sorting (as oppose to text) in the Main MLM window of the text fields that only contain only numerals
- Option to add a corporate logo on the Main MLM window
- Improvement of the interest adjustment for the last line of a Payment schedule (Balance = x)
- As of version 4.0 of Margill Loan Manager, the "Computational Balance" of the last line of the Payment schedule will
 always display the balance used to compute the interest, and not, as in earlier versions for simple interest
 calculations, the true balance. Non-interest bearing principal, fees or others had been excluded in earlier versions
 and continue to be in versions 4.0 and beyond.
- Interruption of the majority of calculations and reports by pressing Ctrl + C keys
- Multiple other adjustments and fixes to earlier versions

Version 3.2

Version 3.2.140212.2

Released February 20, 2014

- For reporting, ability for users to create their own <u>Mathematical Equations</u> with all of MLM's numerical (as well as monetary and percentage) fields. For example, adding or subtracting several fields to give a total.
- <u>Conditional Alerts</u>. Alerts based on mathematical conditions that are fulfilled over time. For example, a user could create an alert that would advise him when the total of the principal + interest becomes greater than the amount entered in the Maximum Credit field.
- Ability to view <u>upcoming Alerts</u> as opposed to only present and historical alerts.
- <u>RTF_Merge_Fields</u> can be inserted in abbreviated format making it easier to create documents (e.g. &&CAPinit&AddPrinc&& becomes |23|)
- <u>Location (Path) of system data</u> (database and others) may now be located in a folder other than the Margill Loan Manager installation folder.
- Location of the <u>backup copy</u> defined by the Administrator.
- In the Post payment tool, new column to enter the "Expected payment" amount
- New fields:
 - Maximum Credit (Amount)
 - O Interest to be paid at the next Due Pmt (as if Paid)(entire loan)
 - O Principal to be paid at the next Due Pmt (as if Paid) (entire loan)
 - O Outstanding Interest portion at Report End Date
 - Outstanding Principal portion at Report End Date
 - O Computational Balance at report End Date
 - O Computational Balance at 0:00 at report Start Date (excluding any transaction on that day)
- For each <u>reporting field</u> (more than 900), descriptive text now included in the software (previously available in the User Guide only).
- The Borrower, Creditor and Employer import tool by batch (from an Excel sheet) allows the user to save an Import in order to reimport data at any time without the need to reconfigure the import tool.

- Tool to find specific Line statuses (for example, find all Records with the "Not set" Line status and fix this).
- Major User Guide update to version 3.2.
- Calculator added in the Payment schedule.
- Various adjustments to version 3.1.
- Updated License Agreement.

Version 3.1

Version 3.1.131119.1

Released November 19, 2013

- <u>Electronic_Funds_Transfer</u>: Module to automatically perform regular and direct bank account debits (ACH,
 Pre-authorized payments) or credit card debits (in collaboration with partners in the United States and Canada).

 Please note: The US EFT module has been delayed after our EFT partner was acquired and the new entity could not
 honor the contract.
- The <u>Post Payment</u> tool now allows to post Unpaid payments (thus payment = 0.00) and to post payments to any of the ten (10) custom payment types.
- The Post Payment tool now allows you to find all "Due Pmt" between two specific dates.
- All Borrower, Employer and Creditor fields are now displayed in the table listing each (Main MLM window under File). Sorting is thus possible (by clicking on header) based on criteria other than name, first name and company.
- Basic data may be extracted (in reports) for the Co-Borrowers (Borrowers 2 and 3).
- Borrower, Creditor and Employer data may be imported in batch from a spreadsheet (Excel format) to Margill Loan Manager.
- Quick Print for Invoices/Statements/Contracts (RTF document merge) and for some Custom reports (directly with the "Print" button in the Record window).
- Five (5) new "Additional Principal" <u>Line statuses</u> that may be named as desired.
- Three (3) new "Paid Pmt" Line statuses that may be named as desired (so a total of 10 Paid-type Line statuses).
- Option to <u>attach</u> a PDF Payment schedule in a Record with one click and to send this payment schedule by email
 - Attach
- For document merges (RTF format) it is now possible to specify the margins, paper orientation and page numbering.
- Add up to three (3) additional <u>Record Display filters</u> in the Main window (Record Summary). Choose among the Record's Unlimited custom fields (Table format).
- Unlimited (Table format) <u>custom_fields</u> default values are now automatically entered in the loan, Borrower or Creditor (no need to specifically check to enter the default values).
- <u>Field</u> name harmonization.
- New fields in Record List (Customized) report, RTF reports (merges) that can be displayed in the Main window:
 - Loan Number of Days
 - Loan Origination Date + 12 months
 - Additional Principal (multiple new Line statuses)
 - Record Unique ID 1 and 2
 - Creditor Unique ID 1 and 2
 - Borrower Unique ID 1 and 2
 - Co-Borrower 1 and 2 data (identification data)

- Creditor 2 and 3 data (identification data and participation)
- Interest paid since last Paid or Unpaid payment (multiple new fields and options)
- Last payment (various options: date, balance, amount, etc.)
- Balance of line for the last Paid or Unpaid payment (whole loan or period chosen)
- Improved unlimited Custom fields (Table format). Text and text scroll menus can now take up to 1000 characters (before maximum 100). Carriage returns (paragraphs) are now also possible.
- Log (History) of changes can now be seen for multiple Records at a time and for the selected dates. New fields added
 in the log.
- Two optional rights for a Read-only <u>user</u>: write and delete Notes
 Attached Documents



and add and delete Attached Documents

- Notes and Attachments for Borrowers.
- List of Record associated to Borrowers and Creditors.
- Special calculation method for <u>short periods</u> (or other), "Simple interest capitalized" over 366 days.
- Only a user with Administrator rights may delete or copy more than one Record at a time in the Main MLM window.
- When producing <u>reports</u>, in order to avoid missing Records, the number of Records selected and displayed in the
 Main window is provided and compared to the total number of Records that can be accessed by this user and the
 total Records in the system.
- The default Windows <u>currency's</u> 3 to 5 letter Abbreviation can now be set.
- Two new "Unique ID" fields under the loan itself, for bridging with a third-party software.
- Transfer of multiple Borrowers, Employers or Creditors from one user to another in one operation (right mouse click, Administrator only).
- Abnormal software shutdown by a user no longer needs to be reset by the Administrator for login.

Version 3.0

Version 3.0.150513.1

Released May 15, 2013

Changes and improvements:

- Option in a payment schedule to insert Fees, Insurance or Tax lines automatically based on the balance of the previous line (as a percentage) or as a fixed amount. The Fees (or other) based on a percentage of the balance, are automatically recomputed as the balance changes.
- Shortcut allowing to change the majority of Line statuses to Due Pmt.

Version 3.0.130213.2

Released February 13, 2013

- Database restructured allowing to create a list of Borrowers (and Co-Borrowers), Creditors and Employers (Borrower's Employer):
 - O Tabs on the Main window to quickly view the Borrowers, Creditors and Employers registered in the system;

- O Add Borrowers, Creditors and Employers without the need to create and calculate a loan;
- A loan may include one or many Co-Borrowers;
- A Borrower's Employer may be added;
- Ability to create syndicated (participating) loans (multiple Creditors for a loan based on a proportion);
- A Creditor may now have several agents;
- O See Merge Borrowers and Creditors (version 2.x to 3.x).
- Module for sending reports to credit agencies (additional software required for the Metro 2 format)
 - Many standardized new fields for production of this report.
- Aging report by industry-standard periods such as Current for < 30 days, 30-59 days, etc.
- Change the interest rates for multiple Records at once.
- Size of the attachments can be adjusted up to 99 MB by the Administrator.
- Reporting fields now classified and based on themes.
- New fields:
 - Next Due Payment Balance (as if paid)
 - Next Due Payment receivable Principal Balance (as if paid)
- For the Invoices and statements, new option to select only Active AND Records displayed (or specifically selected) in the Main window (as opposed to all Active Records in previous versions).
- Option to allow monthly payments at the end of month or on the 28, 29, 30 or 31 of the month.
- Two new "Unique ID" fields under Borrower and Creditor, for bridging with a third-party software.
- Remembers the previous dates entered when producing reports.
- Optimization of the Undo function and the transaction history.

History:

Version 2.4

Version 2.4.121127.1

Released November 27, 2012

Changes and improvements:

- For the * "Power User" may now create Alerts for all users.
- In the "Record List (Customized)" report, the fields "Balance Due Interest at Start Date entered" and "Balance Due Principal at Start Date entered" now EXCLUDE any transactions on that Start date entered. Fields renamed to:
 - Balance Due Interest at 0.00 at Start Date entered (report excluding any transaction on the Start Date entered)
 - Balance Due Principal at 0.00 at Start Date entered (report excluding any transaction on the Start Date entered)
- In the "Record List (Customized)" report, "Report up to (Date)", the following fields were fixed to include the amounts when the loan's last payment precedes the report End date entered:
 - O Interest Accrued Year to date
 - Interest Paid Year to date
 - Principal Paid Year to date
- Various other minor adjustments to previous version.

Version 2.4.120517.1

Released May 17, 2012

Changes and improvements:

- For the Export accounting transactions to the General ledger module, new option to first select the desired Active Records in the Main window (Record Summary) and export only the transactions among these.
- For accounting, new field added:
 - "Due Interest between Expected Payments (Period)" that computes the due interest (thus interest that should have been paid) between the previous period's payment and the current payment if the latter is insufficient to pay off the interest due.
- For accounting, change in reporting for the "Interest Accrued from last Payment "Paid" (for the period)" field. The field takes into account only the accrued interest during the report period all the while reporting the accrued interest even if no payment is made in this period.
- For the six (6) custom Line statuses "Paid Pmt (X)", new option to enter the amount expected and date at which the payment should have been paid, thus allowing partial, late or partial late payments with these Line statuses.
- Various other fixes of the previous version 2.4 release.

Version 2.4.120214.1

Released February 14, 2012

- New module to <u>Export accounting transactions</u> (credits and debits) to the General ledger of various accounting packages:
 - Intuit QuickBooks Pro (.IIF)
 - Sage Simply Accounting Pro
 - Acomba
 - Excel (.XLS)
 - Text format (.TXT)
 - CSV format (.CSV)
- In the Main window (Record Summary) optional new field:
 - O Total of the Outstanding amount (including interest) at the current date
- Major developments with the Line statuses (in the Payment schedule):
 - New Line status that may be named as desired (for example, Payment by Visa, Payment by check, Fees Annual, etc.):
 - Paid payment (2 to 6)
 - Unpaid payments (2 to 6)
 - Fees (4 to 6)
 - Fees Paid (4 to 6)
 - Other (6 to 10)
 - Existing Line statuses may be renamed:
 - "Fees" (all)
 - "Fees Paid" (all)
 - "Other" (all)
 - The display order of all Line statuses can be modified
 - The Line statuses that are not used in your particular circumstances may be eliminated
- Three columns added in the Payment schedule:
 - Interest on Outstanding Balance
 - Balance of Interest on Outstanding Balance
 - Total Outstanding Balance
- New <u>fields</u> in Record List (Customized) report, RTF reports (merge), Accounting Export module, and Main window:

- Interest Accrued from last Payment "Paid" but for the period only
- Interest on Outstanding Balance (for the period)
- Outstanding Total (Variation for the period)
- Interest Balance on Outstanding Balance (Balance) at Start Date entered
- Interest Balance on Outstanding Balance (Balance) at End Date entered
- Outstanding Total (Balance) at Start Date entered
- Outstanding Total (Balance) at End Date entered
- Sort data with up to three columns in the Main window (Ctrl key).
- Transfer the "ownership" of Records to a different user directly through the Main window (Record Summary window) with the right mouse clic.
- Corrections to version 2.3:
 - O Standard reports adjusted for additional principal, negative payments, end date transactions and interest included or not in computation
 - Calculated fields for reports:
 - Balance Due Principal at Start Date entered
 - Balance of line of last Paid payment (all "Paid" Line statuses)
 - Negative payments
 - Outstanding variation for the period has been inversed (more logical this way)
- Multiple behind the scenes adjustments.

Version 2.3

Version 2.3.11111.1

Released November 11, 2011

- New <u>user privilege level</u>: create and edit Records that are in "Draft" state only.
- New "Notes" section allowing the user to add and view general notes in a Record.
- In the Main window, new field can be configured to provide the "Interest Accrued from the last paid payment to the current date".
- In the Payment schedule, new option to instantly <u>recompute (adjust) the interest rate for a line</u> in order to obtain a known interest amount for that line (or period) only.
- In the <u>Detailed payment schedule</u> report, the following elements can now be excluded from the printed report:
 - "Start Date" column
 - "Interest Rate" column
 - O Header: Data window "Description"
 - Header: Borrower window "Other info"
- In the <u>Detailed payment schedule</u> report the Record numbers now appear in the printed report's footer.
- New <u>fields</u> in Record List (Customized) report, RTF reports (merge)(and Main window):
- Balance Due Interest at Start Date entered
- Balance Due Principal at Start Date entered
- Display of the date and time at which the Record was last updated.

Main window refresh speed optimized.

Version 2.3.110914.1

Released September 14, 2011

Changes and improvements:

- New option allowing to add <u>Principal</u>, Fees (Fees, Fees 1, Fees 2), Insurance, Taxes, Penalties and Invoices <u>without charging interest</u> on these.
- <u>Scroll menus</u> may be created for the following fields:
 - O Borrower window: Type, State/Prov., Country and the nine (9) custom fields
 - Custom fields (unlimited): All fields
 - Advanced window: Grace period (in days)
- Most fields available in MLM can now appear in the <u>Main window (Record Summary)</u> thus allowing to view and sort with the data contained in these.
- In the Main window, new field can be configured to provide <u>balance on current date</u>.
- New <u>fields</u> in Record List (Customized) report, RTF reports (merge)(and Main window):
- File Number (as a number, not text)

Today's date - long format

- Computation method (Simple, Compound, etc.)
- Day count
- Short period computation method
- Year base (anniversary or civil year) for simple interest computations
- Balance of line of last Paid payment (all "Paid" Line statuses)
- Amount of last Paid pmt (all "Paid" Line statuses)
- Total of Fees 1 + Fees 2 + Fees 3
- Total of Fees 1 Paid + Fees 2 Paid + Fees 3 Paid

- Principal Total
- Principal Total (interest bearing portion)
- Principal Total (no interest portion)
- Additional Principal (Line status = Add. Princ.) (interest bearing portion)
- Additional Principal (Line status = Add. Princ.) (no interest portion)
- Principal Total (for the period)
- Principal Total (interest bearing portion) (for the period)
- Principal Total (no interest portion) (for the period)

- Portfolio analysis (our first analysis element)
 - O Repayment ratio (total of Paid payments divided by total expected Payments for the period)
- The 9 Custom fields contained in the "Borrower" window now appear in the Payment Update tool (Post payments).
- The Custom fields (unlimited) can now be used in the RTF Report Editor as document merge fields.
- New data merge module allowing the creation of very precise (PDF) custom reports.
- Line numbering in the Payment schedule.
- "File" field entered by the user ("Borrower" window) now appears in active Record's header.
- In the "Payment schedule", 100 spaces (characters) now allowed in the "Comment" column.
- In the "<u>Data</u>" window, unlimited number of spaces in the "Description" box (though the Detailed schedule report can become messy if this field is used as a header).
- "Mobile" phone field added for Borrower and Creditor.
- New Record status: "On hold".
- "File Number" (as a number not text) added for Borrower (in order to sort by numerical order).
- The file number or numbers entered by the user will now appear in the Record window header.
- For new installations, option to start each <u>Record's unique identifier</u> at a specific number other than 1 or 100

("Record no." field).

- In the Record List (Customized) report, the 9 Custom fields contained in the "Borrower" window have been moved from the "Special" column to the "Borrower" column.
- Various "behind the scenes" improvements and corrections.
- registration via Internet.
- Knowledge base added on the Margill website: <u>www.margill.com/knowledge</u>.
- Updated User Guide.

Version 2.2

Version 2.2.101203.5

Released December 3, 2010

Changes and improvements:

- Major new Alert module that includes four (4) types of alerts:
 - O System Alerts: General alerts for one or all users.
 - O Line status Alerts: Alerts based on the Line status conditions. Most useful for due payments.
 - O Record Alerts: General alerts but specific to each Record.
 - O Record Line-specific Alerts: In the Payment schedule of each Record, on each payment line.
- New sub-statuses for Active Records as well as the corresponding Metro 2 code (for credit reporting agencies).
 Option to show only certain sub categories in the Main window. These fields have also been added in the Custom Record List report and in RTF (merge) reports:

0	Current		(0)
0	Deferred payment		-
0	Late payment	-	
0	Late payment 30-59 days	(1)	
0	Late payment 60-89 days	(2)	
0	Late payment 90-119 days	(3)	
0	Late payment 120-149 days		(4)
0	Late payment 150-179 days		(5)
0	Late payment 180 days or more	(6)	
0	Collection		(G)
0	Foreclosure completed	(H)	
0	Voluntary surrender		(J)
0	Repossession	(K)	

- Option allowing for a grace period for late payments. Thus, even if a payment is late by x days, no extra interest is charged to the Borrower. However, the feature is not automated but a new column was created in the Payment schedule in which to insert the true payment date if a grace period is given. See Advanced settings to set the Grace period for each Record.
- Bi-monthly payment frequencies no longer limited to the 1st and 15th of the month.
- Annual interest rate up to 999%.
- New Line status "Paid Returned Check".
- Option to add the actual Payment schedule (with various data elements) in the RTF (merge) reports.
- Multiple new fields in Record List (Customized) report and RTF reports (merge):

•	Grace period (days)	•	Balance Total Unpaid portions (Unpaid, Partial, Returned checks)

Sub-status (for Active Records)

Outstanding (balance) Start Date entered

- Sub-status (for Active Records) Metro 2 code
 - -----
- Paid Pmt (Line status = Paid Pmt)
- Paid Late Pmt (Line status = Paid Late Pmt)
- Partial Pmt (Line status = Partial Pmt)
- Partial Late Pmt (Line status = Partial Late Pmt)
- Add. Pmt (Line status = Add. Pmt)
- Returned Checks Paid (Line status = Paid Pmt Returned Check)

- Outstanding (balance) End Date entered
- Outstanding Paid (for the period)
- Principal paid Year to date
- Detailed lines (for the period)(RTF report only)
- New columns in the Payment schedule allowing you to determine the outstanding payments balance. The
 "Outstanding (Balance)" column factors in the payment that should have been paid less the true payment amount as
 well as the extra payment that compensates the unpaid or partial payments.
- New columns in the Payment schedule:
 - O True Pmt Date (Grace)
 - Outstanding (Balance)
 - Alert to accomplish
 - O Alert Days Before / After +
- New columns in the Invoices and Statements module:
 - O Phone
 - Creditor
 - Expected payment
 - O True payment date (Grace)
 - O Outstanding (Balance)
- Maximum file size attached to a Record now up to 2 Meg (was 1 Meg in version 2.1)
- Backup of the software and the database now in Tools.
- Shortcut summaries with F2.
- Link to check Internet connection (Tools, Settings)
- Menu button changes and optimization.
- Various other fixes and process optimization.

Version 2.1

Version 2.1.100412.1

Released April 12, 2010

Changes and improvements:

- Improved Line status navigation (simplified constraints)
- Various adjustments of version 2.0 which was a major update

Version 2.0

Version 2.0.100126.5

Released February 9, 2010

Changes and improvements:

- New custom data fields (unlimited number) that may be included in Record List (Customized) report.
- Multiple currencies within the same portfolio.
- In Record List Customized, conversion of various currencies based on exchange rate to selected base currency or to any other.
- Record access blocked to one user. Other users in read-only.
- Unique log on by the same user name.

Penalty paid

Fees 3 (Line status = Fees 3)

Multiple new Line statuses:

•	Fees paid	•	Insurance	•	Deposit
•	Fees 2	•	Insurance paid	•	Other 4
•	Fees 2 paid	•	Taxes	•	Other 5
•	Fees 3	•	Taxes Paid	•	Adjustment
•	Fees 3 paid	•	Investment	•	Information
•	Penalty	•	Investment withdrawal	•	Not set

Invoice paid

- New data integrity constraints (takes into account Line status and the amounts indicated for these payments as well
 as logical parameters).
- Actual paid interest, due interest, refunded principal, due principal (if Line status = Paid Pmt, Partial Pmt, Partial Late Pmt, Late Pmt, Add. Pmt) can now be obtained easily.
- Over 10 new columns in the Payment schedule offering additional information (for example: balance prior to payment, interest paid, principal paid, scheduled payment date, different balances, etc.)
- Column identifying the minimum payment to be paid.
- Adjustment on Payment as opposed to preset Fixed principal amount or interest portion for an Interest-only payment. Various new refunding options particularly for Simple interest.
- Multiple (over 40) new data elements in Record List (Customized) report and RTF reports (merge):

•	Current date	•	Princ. (original) + Add. Princ. (Line status) up to End Date entered	
		•	Accrued interest from last Payment	
•	Amortization period less 1 payment	•	Date of last Pmt tagged as "Paid" (Line status = Paid Pmt, Paid Late	
•	Amortization period less 2 payments		Pmt, Partial Pmt, Partial Paid Pmt or Add. Pmt)	
•	Interest rate (nominal end effective) quoted on a monthly basis	•	Accrued interest - Year to date	
		•	Paid interest - Year to date	
•	First Payment Amount (> 0.00)	•	Minimum Payments (Total for the period)	
•	First Payment Date (Pmt > 0.00)	•	Next Due Minimum Payment	
•	Last Payment Amount (> 0.00)			
•	Last Payment Date (Pmt > 0.00)	•	Paid Interest (for the period)	
		•	Paid Principal (for the period)	
• Cur	Currency - Symbol	•	Balance Due Principal	
•	Currency - Abbreviation	•	Balance Due Interest	
•	Fees Paid (Line status = Fees Paid)	•	Balance all other	
•	Fees 2 (Line status = Fees 2)	•	Doubtful Accounts (%)	
•	Fees 2 Paid (Line status = Fees 2 Paid)	•	Doubtful Accounts (76) Doubtful Accounts (Date from Record))	

Doubtful Accounts (Date from Record))

- Fees 3 Paid (Line status = Fees 3 Paid)
- Adjustment (Line status = Adjustment)
- Invoices Paid (Line status = Invoice Paid)
- Insurance (Line status = Insurance)
- Insurance Paid (Line status = Insurance Paid)
- Tax (Line status = Tax)
- Tax Paid (Line status = Tax Paid)
- Penalty (Line status = Penalty)
- Penalty Paid (Line status = Penalty Paid)
- Investment (Line status = Investment)
- Investment Withdrawal (Line status = Investment Withdrawal)
- Other 4 (Line status Other 4)
- Other 5 (Line status Other 5)

- Doubtful Accounts (Balance from Record date)
- Doubtful Accounts (Balance from Report date)
- Bad Debt (Date)
- Bad Debt (Balance)
- -----
- APR Total Principal + Total Cost (Interest + Fees)

- Comment may be added for each payment line directly in the Payment update tool.
- Record Attachment notification (paper clip image).
- Doubtful accounts report improved.
- In Record List (Customized) report, multiple CSV "pure" date formats and export of amounts to Excel with or without currency.
- Telephone number now in the Loan Summary window (Main window) in order to sort by phone number.
- Major database optimization for larger loan portfolios (1000-5000 Records).
- Borrower first and last names and company name in Record window header (for easier identification)
- One less step when saving and replacing a Record.
- Multiple other "behind the scenes" improvements and adjustments.

Version 1.4

Version 1.4.090316.2

Released March 16, 2009

- <u>Read-only</u> user
- Record access limited to own Records if desired
- Nine (9) new customizable fields in Borrower (fields may be text, monetary, percentage, numerical or date)
- Document management <u>attach documents</u> to a specific Record
- Data integrity tool that checks to see if Line status is appropriate for a positive, negative or 0.00 payment
- Forced "Additional Principal" Line status to be negative
- Custom <u>invoices and statements</u> (including tax reports IRS 1098 for example)
- Reports:
 - O Reports for a user-defined period (monthly, quarterly, yearly, etc.) using start and end dates
 - User-created <u>custom Record lists</u> that may be saved to Excel, CSV or TXT formats and then exported to third party software (accounting, pre authorized payment system, etc.)
 - O For detailed reports, system number now on each page for quick identification
 - For invoices and statements and other data merges (RTF Editor), option to <u>save as one RTF file</u>, <u>one RTF file</u> with x number of Records per page or multiple files (including system numbering)

- Balance = 0.00 not checked unless specifically checked by user
- In the payments schedule, Alt-2 <u>shortcut</u> to select one line out of every two lines (to have payments only every second month for example)
- In the Main MLM window (Record Summary window) and in the payments schedule, Alt-size and Alt to reduce the size
- Selection of <u>User Guide</u> format according to your system's compatibility
- Change of name from Actuarial Method to Effective Rate Method
- Multiple changes and adjustments from version 1.3

Version 1.3

Version 1.3.071219.2

Released December 19, 2007

Changes and improvements:

- <u>Update payment tool</u> that allows the update of payment status (lines in a Payment schedule) from "Unpaid Pmt" to "Paid Pmt" in a snap for multiple Records at once on or before a set date.
- Portfolio unpaid payments printed report.
- In the Record Summary Window, selected User Records displayed only.
- Doubtful accounts report only for selected Records in which a percentage for doubtful accounts has been set.
- Check for MLM software updates activated.
- Origination date and first payment date short period reference set permanently.

Version 1.2.071004

Released October 4, 2007

Changes and improvements:

- Simple interest "Short period" method limited to "Same as calculation".
- Reports correction when two or more entries (lines) on same day as report date indicated.

Version 1.2.070914.4

Released September 14, 2007

- Change of the calculation reference period (date) from the loan start date to the first payment date. This allows for equal interest for each uniform payment period.
- For the reports, consolidation of report choices allowing for the printing up to a chosen date from a unique interface.
- For the reports, correction of some totals (principal and others) for certain global reports.
- For the reports, new option to include or exclude the interest for the chosen final date.
- Installation correction in Vista.

Version 1.1

Version 1.1.070604

Released June 4, 2007

Changes and improvements:

- Minor corrections to version 1.1.070525
- New Record Type column added to the <u>Record Summary window</u>. It is thus possible to sort the Records according to the Record Type indicated in the <u>Borrower (client) information window</u>.

Version 1.1.070525

First version of the Margill Loan Manager (MLM).

Released May 25, 2007.

Beta version

Beta version released March 2007.

Help & Support

Help & Support Contents

Help file in Margill

Live support

Knowledge Base (Web)

Support, maintenance and update contract

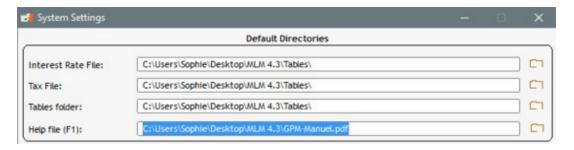
User Guide

A very detailed User Guide with many examples is accessible through the "Tools" button. Press on "F1 - Help".

On order to have a lighter Margill Loan Manager installation file, the User Guide is not included automatically. You must download the User Guide in one of three formats (CHM, HLP or PDF) on this page: www.margill.com/mlm/user.

This page also contains tools and the required Windows settings if the User Guide in CHM or HLP formats are not displayed properly on your computer. Windows often blocks these formats.

The default Help file may be changed in "Tools", "Settings":



Live support

Technicalor application related questions? Please callor email us:

Jurismedia inc.

Toll free: 1-877-683-1815
Direct: 001-450-621-8283
Fax: 001-450-621-4452
E-mail: support@margill.com

More **Contact information**

Specific interest questions

A service (with fees) is also available to help clients with very specific interest calculation questions or problems. Please

contact Jurismediaby email at support@margill.com

See also: Support, maintenance and update contract.

Knowledge Base (Web)

The Margill Knowledge Base, our Blog, is a constantly evolving ressource allowing us to respond to clients' questions and potential clients who wish to discover the possibilities offered by Margill Loan Manager and other products.

It includes questions and answers as to what Margill can do and how certain needs may be answered.

Accessible at: www.margill.com/knowledge

See also: How to do...

Support, maintenance and update contract

Updates and support are available at no cost for a period of one (1) year following the purchase date. Afterwards, the user may subscribe to the update and maintenance and support services for a certain fee.

The service includes access to the latest Margill Loan Manager (MLM) versions as well as support for MLM - both application-related questions (how to do...) and technical (installation, problems...) questions.

An invoice is sent by email to the purchaser before the renewal date. To receive an invoice by regular mail, please <u>contact</u> <u>Jurismedia</u>.

Getting started

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Creating and modifying a Borrower, Creditor, Employer and Agent

Creating the first Record

Deleting a Record, a Borrower, a Creditor, an Employer or an Agent

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Start and Exit the software



Once Margill Loan Manager (MLM) is installed, to start the software, click on the "MLM.exe" file

See Installation, Networking capabilities and Database and Location (Path) of System Data.

First use

Upon the first use of MLM, the software will prompt you to enter the password for the Administrator (ADMIN User Name).

The password is sent by email by Jurismedia. This <u>password</u> may be changed subsequently. MLM contains a few Records, Borrowers, Creditors, and Custom fields as examples. These may be deleted.

You will now enter Margill Loan Manager.

To exit MLM, press on "Exit" . A confirmation will be required.

WARNING: It is highly recommended to exit MLM when the software is not in use for a certain lapse of time or before putting your computer in sleep, hibernate or stand by mode. This is particularly important for network users because the network connection could interrupt, closing the software suddenly.

See also: Administrator and Users

Demo mode

Upon purchase of the full license or the Demo version, a start-up window invites you to use Margill Loan Manager (MLM) in Demo mode or to enter an activation key.



Demo mode is a full version of MLM but valid for a 30-day period.

If a full license has been acquired, you may nevertheless use MLM in Demo mode until the <u>activation_key</u> has been received and entered in MLM.

The "Buy now!" button will bring you to the MLM purchase page on line at the margill.com web site. You may also contact Jurismedia by email or phone.

See Registration code and Key

If MLM is used as a new installation the User name is "ADMIN" and the password is provided by email. It also includes a few Records as example.

A trial period may be extended by first contacting <u>Jurismedia by email or phone</u>. Jurismedia staff can then extend the demo via Internet or by providing you a new key. Either press on "Extend Trial via Internet" or enter the key provided.

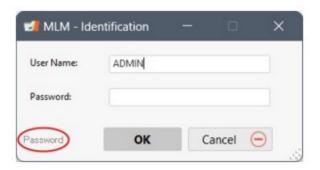
ADMIN Password Lost

The ADMIN user is the only software user who cannot be deleted and whose name cannot be changed. This is also the only user, unless these rights are granted to other administrators, who can create and modify users and grant them rights

or restrict them.

If the ADMIN password is lost, the only way to restore it is to contact Margill Customer Service. Margill staff have no access to your software but may, with the permission of your primary contact, create a temporary password and provide it to you.

Once the password has been received, launch Margill Loan Manager (MLM). In this window, press Password:



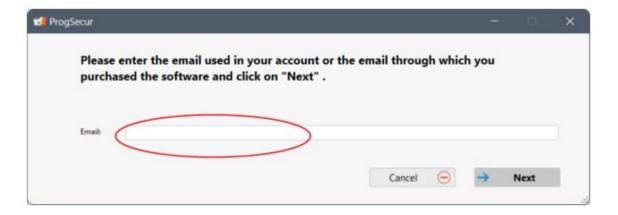
This window explains the simple process. Click on Continue:



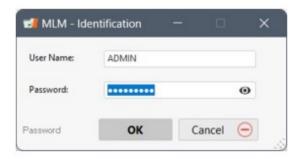
The next window will allow MLM, after clicking on "Update via Internet" button, to communicate with your file on margill.com in order to retrieve the temporary ADMIN password.



You will need to enter the email of the authorized person at your location and the next window (not shown here) will confirm your license settings.



You can then, in the very first window upon opening MLM, enter the temporary password provided by the Margill team for the ADMIN user.



You will then be asked to change the password and the process will be complete. You will have access to MLM with the ADMIN user.

See also Administrator and Users.

Registration code and Key

After the purchase of one or multiple licenses of Margill Loan Manager (MLM), press on the "Registration via Internet" button .

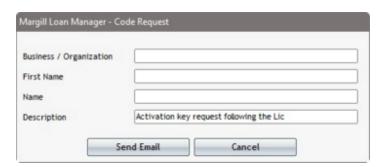


You must accept the Software <u>License Agreement</u>. Then enter the email in your MLM account or the email used to purchase the software. Press on "Next". The software will then be activated and the number of Records and stations will be shown. Please make sure this corresponds to your purchase.

If the connection cannot be established, your network administrator should run MLM in Demo mode, go to "Tools", "Settings" and "Internet connection" to change the Port 80 default Internet setting.

If MLM cannot connect properly to the Internet, press on the "Send Email" button on the bottom right of the window.

This will open up a new window in which to enter the registration information:



The "Description" field is optional and should be used when you wish to provide extra information to Jurismedia.

By pressing once again on "Send Email", the email program will open with the appropriate subject and information to be sent to Jurismedia. The user must then send the email with his email program. Upon reception of the email, Jurismedia will return, the appropriate activation key. This operation is done manually by Jurismedia and thus you may not receive the key immediately.

If the station with MLM does not have email or Internet access, the code may be copied and sent by email to Jurismedia

or contact Jurismedia by phone.

Contact information

Number of computers with access to MLM

The number of computers with access to Margill Loan Manager (MLM) is determined according to the license acquired.

When a user logs on from a specific computer, MLM registers that computer in the system.

If the number of computers that try to access MLM exceeds the number allowed by the license, a message appears indicating that the maximum number of users allowed has been reached.

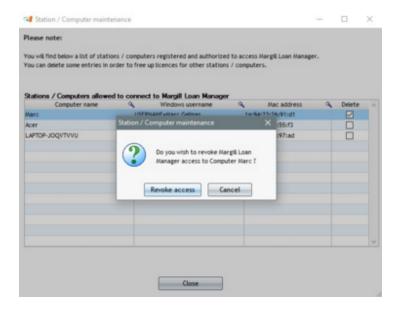


Two options are possible:

- 1) Add one or additional workstations. See Purchase additional licenses / Upgrade loan level.
- 2) In some cases, there may have been computer replacements or MLM users changed. The system memorizes these old computers as active even if they are no longer.

MLM allows the Administrator to purge these old computers by going to Tools > <u>Settings</u> followed by the keyboard shortcut "Ctrl Alt Shift W". The following window will appear allowing to remove computers that no longer use MLM.

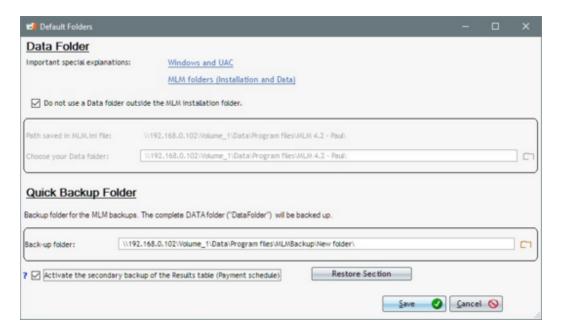
In case of doubt as to which workstations are active or not, delete ALL computers in the list. This can be done without fear even if users are currently logged in the software. They will be simply be registered the next time they run MLM.



Location (Path) of System Data

Before version 3.2, the database and folders used for exporting to a third-party systems such as the <u>Credit Report</u> and <u>Electronic Funds Transfer</u> were and had to be included in the Margill Loan Manager (MLM) installation folder. Now, the MLM Administrator can define the location for all system data.

The Administrator can set this location through Tools > Settings > System Settings (Administrators) > Backups and Data > "Data Folder" section. Simply specify the folder.



Problems encountered by Windows users since Windows Vista

As of Windows Vista, the "UAC" or User Account Control has been changed and strengthened. This change has important yet annoying repercussions as per where the Margill Loan Manager (MLM) data is stored.

Software should normally be installed in "C:/Program Files" or in "C:/Program Files (x86)". However, if MLM is run as a simple Windows user (without full administrator rights), Windows (Vista, 7, 8, etc.) could automatically and without warning "virtualized" the data. This happens when access to these folders is forbidden for the user. The MLM data files would then be saved in "C:\Users\LoginNAME\AppData\Local\VirtualStore\MLM" although they would appear to be located in the normal MLM folder (DB subfolder).

In order to avoid this situation that confuses users in regards to the data path, if you do not have full rights on your machine, it is strongly suggested not to install MLM in "C:/Program Files" or "C:/Program Files (x86)", nor in the "Windows" folder, but rather, for local (non networked) installations, in a MLM folder that would be created directly on the C drive.

If MLM is not installed in one of the "Program files" folders, then the data folder may remain in the MLM install folder (\MLM as default). You must then choose the option "Do not use a Data folder outside the MLM installation folder" so that MLM detects that the data is in the same location as the software.

☑ Do not use a Data folder outside the MLM installation folder.

It is nevertheless recommended and safer to save the MLM data in a proper data folder on the computer which is backed up regularly.

Location of the new Data folder

For new installations directly on the user's computer, the installer suggests (names may vary depending on the Windows language):

Software location: C:\Program Files (x86)\MLM
Data location: C:\ProgramData\MLM_DATA

For a Network installation, the Administrator can define its usual location, separating the data and the software.

If the data is located elsewhere than in the MLM installation folder, make sure that the Network path is entered as opposed to the local server path. For example, MLM could be installed on the C:\ drive on the server, but for the Network, this is the Z:\ drive (or directly the server's name). Always use the Network path, otherwise the client stations will not be able to find the data.

Always make sure, especially for the data, that backups are performed regularly. See also Backup (Data).

In some cases, the "ProgramData" folder may not be visible in Windows. To display the default data folder (MLM_Data) in the Windows folder, go to View and then select or check to show "Hidden files and folders".

Folders to include in the new data folders

The most critical MLM data is contained in the DB subfolder.

The DB (for Database) subfolder is the largest folder since it contains the database. The database and folders used for export to a third-party systems such as <u>Credit reporting</u> and <u>Electronic Funds Transfer</u> should also be included in the data folder. **Do NOT move the "Update" subfolder**. This subfolder should remain in the installation folder (the same location as MLM.exe).

Ensure that all users are granted the rights to read and write on the MLM_DATA folder (suggested name) which contains all the data. Also ensure that all sub-folders in the MLM_DATA folder also have these rights.

Also make sure that if the Credit reporting and / or Electronic Funds Transfer modules are used, that these folders are accessible to users.

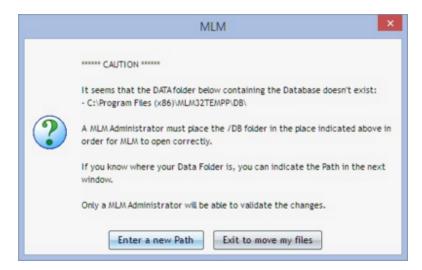
Changing the Data location (advanced users only)

Here are the steps to follow to change the Data location:

- MLM should be closed by all users.
- 2) Create a new Data folder in the desired location. Suggested name: MLM_DATA. The folder will be empty for now.
- 3) Manually move the following folders to the new Data location. Some folders must be moved while for others, this is only strongly suggested in order to have all the data in one place:
 - O DB folder containing the database (MANDATORY)
 - O Tables folder containing interest and sales tax tables (Suggested))
 - Metro2 folder for the credit reports (Required if module is used)
 - O Folder for the <u>Electronic Funds Transfer</u> (containing the names of Margill partners):
 - Perceptech partners for Canada (Mandatory if module is used)
 - Others (coming soon)
 - o RTF-Examples folder containing sample documents (RTF Merge documents) (Suggested)

Do NOT move the "Update" subfolder. This subfolder should remain in the installation folder (the same location as MLM.exe).

4) Start MLM. The following message will appear asking you to specify the new data path:



By pressing "Enter a new Path" a window for specifying the path (location) will appear.



Specify the path by pressing the folder icon , then press Save

Once saved, a file named MLM.ini will be created. This important file identifies users and the data location. When returning to the window (Tools > Settings > System Settings (Administrators) > Backups and Data > "Data Folder" section), we find that the two paths are (should be) identical.

Save

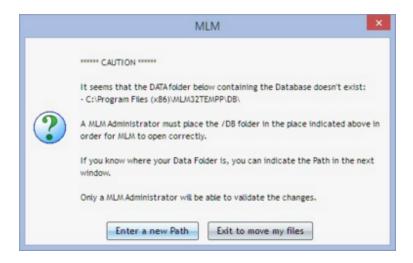


Non-compliant paths

The location (Path) of the data files is contained in two places and each time a user launches MLM it verifies that the path is the same at these two locations:

- 1) in the database itself
- 2) in the MLM.INI file

Typically, the Path is the same for all users but it is possible that during a data Path change, it is not passed on to all users. In this situation, when the Path contained in the database and the Path contained in the INI file do not match, a warning will be displayed to the user.



The MLM Administrator must change the Path.

Recommendations

The Administrator must ensure that <u>data_is_backed_up</u> securely from all normal information technology security perspectives.

It is also suggested to NOT leave the data in Program Files or Program Files (x86) but keep it in a data folder for which a backup is performed regularly.

Regional settings (Windows)

Margill Loan Manager (MLM) uses the settings specified in Windows for all the calculations. These include:

- the monetary unit symbol
- the decimal separator
- the thousands separator
- the date format

Before using Margill, you should ensure that these are correctly specified in the Windows settings.

Monetary Unit By Default

If the Windows settings do not contain any units, the dollar sign (\$) will be used. Therefore, you should make the necessary changes in Windows.

Multiple currencies may also be used in the same portfolio. See Multi Currency.

Use of the Period (.) or the Comma (,) for Decimals

Based on the Windowspreferences (Start > Settings > Control Panel > Regional Settings > Number), MLM will use either the period or the comma as the decimal symbol.

It is important that the symbols be specified in the Windows settings.

Thousands Separator

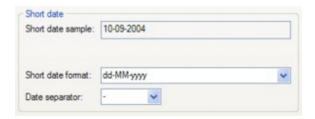
Based on the Windows preferences (Start > Settings > Control Panel > Regional Settings > Number > Digit Grouping Symbol), MLM will use the specified separator.

It is important that the separator symbol be correctly specified in the Windows settings. <u>The thousands separator should</u> <u>NOT be the same symbol as the specified decimal separator.</u>

The metric system uses the space "" as a separator. In the Windows "Digit Grouping Symbol" function, if the space character is used, no symbol appears, but by positioning the cursor in the box, it can be seen that a space is included.

Date Format

Based on the Windows preferences (Start > Settings > Control Panel > Regional Settings > Date > **Short** Date Format), Margill will use either the DD/MM/YYYY, YYYY/MM/DD, MM/DD/YYYY, or another format. The "/" or "-" may be used as the separator.



It is important that the date format be correctly specified in the Windows settings.

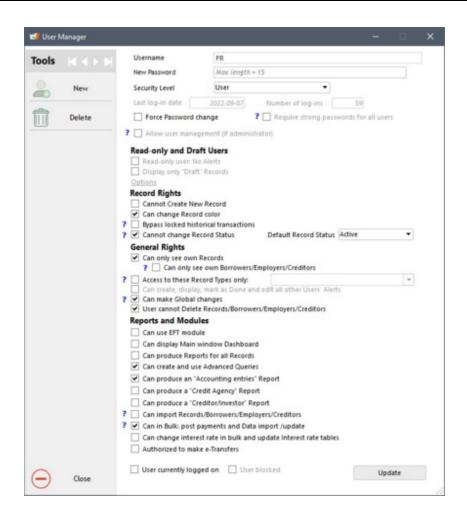
We strongly recommend the use of four (4) digits (YYYY) for the year. Otherwise, only calculation after the year 2000 will be carried out.

Administrator and Users

Margill Loan Manager (MLM) includes six (6) privilege levels from Administrator to Read-only. Based on your License, you may create one of more user accounts. The Administrator named "ADMIN" is a "Super" Administrator (or main Administrator) and only that Administrator can do certain configurations.

Adding and Changing User names and Passwords

A User name or Password may be changed or users added through the Tools menu and Users



Only the MLM Administrator(s) will have access to this menu. The main Administrator (ADMIN) can decide if other Administrators can change other users' settings (including passwords) by checking the option "Allow user management (if administrator)".

? 🗸 Allow user management (if administrator)

Adding new users

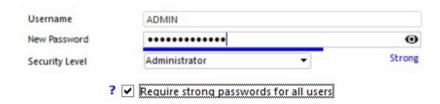
Users with various security levels may be added in MLM. The levels will be determined based on what a user can access and do in MLM.

If only one person uses MLM, then this person should remain Administrator.

PLEASE NOTE: The password is case sensitive.

Complex password

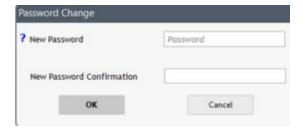
As of MLM version, a new option is available: The Administrator can impose a complex password to all users. If this option is chosen, all users will need a strong password. The strength of the password is evaluated by the system with points. A long enough password (at least 10 characters) and a mix of capital letters, symbols and numbers give more points, while a short password with recurrent characters diminishes the given points.



If the option "Ask a strong password to all users" is selected, the strength of the password will be evaluated each time MLM opens for all users if the password is not considered to be "Strong", then the user will have to modify the password until it is "Strong" before opening a new MLM session. A gauge appears under the password to inform the user of the strength of the password. It can only be saved if the gauge indicates at least "Strong".

Forcing password changes

If you wish, you can have a new user change his password the first time he uses the software. If so, the user will see the following window when using MLM for the first time:



User Privilege Levels:

• Administrator ADMIN exclusively:

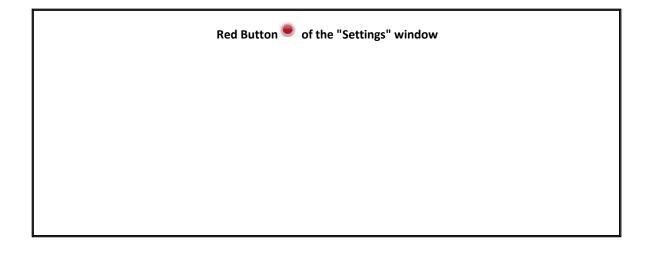
- O This is the most powerful Administrator and only one Administrator can be at this level
- O This Administrator can not be destroyed and his rights can not be reduced. Only the password can be changed by this Administrator only
- O This Administrator can require that all users need a Strong password
- Can create templates for the Main window and the Payment schedule so that one or many users can use these. An option can prohibit, or not, the user who must use this template, to modify it. <u>See Main window</u> <u>and Payment schedule Templates for users</u>
- O Protection options for Confidential information (see Security section)
- Can activate the create <u>Daily activity log files option</u> (see <u>Security</u> section)

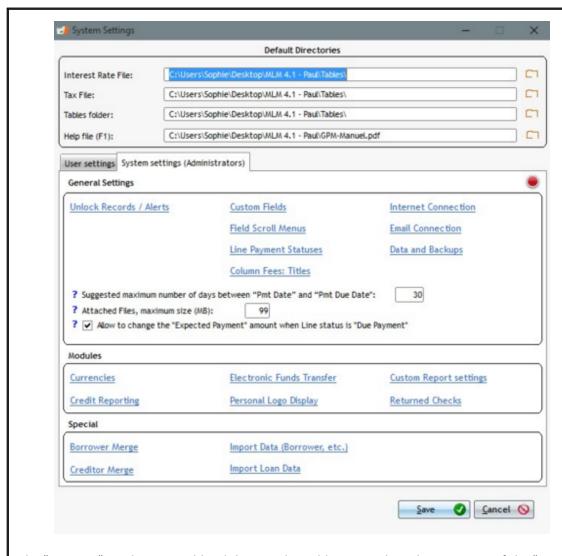
It is very important not to loose the ADMIN password. In case it is lost, only Margill personnel will be able to provide a temporary password via a license update. See <u>ADMIN Password Lost</u> section.

Administrator (Other than ADMIN):

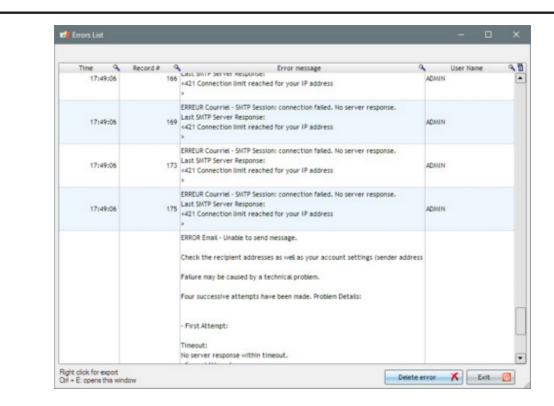
- All rights:
 - Complete Record management (create, modify, export and print Record)
 - Complete Report and Merge templates management (create, modify, rename and delete)
 - Complete <u>Advanced Queries</u> management (create, modify, rename)
 - User management (create, change and delete other users)
 - <u>Change Record ownership in bulk</u> (Record Summary window)
 - Create, change, delete and resolve <u>Alerts</u> for himself and for all other users including other Administrators
 - Access and change the data pertaining to the Creditor for <u>Electronic Funds Transfer</u> (EFT) (EFT tab under Creditor)

- Location (Path) of System Data
- Location (Path) of the <u>Backup</u> that users can do on the fly
- Change the names, delete and change order for the <u>Line statuses</u>
- Change own <u>personal settings</u> ("User Settings" tab under Tools > Settings)
- Update <u>Interest Rate tables</u>
- Change all <u>Custom field</u> names, types and default value
- Create and change the <u>scroll menu</u> data
- Create and change the <u>Display filters</u> that take into account custom fields linked to the Record
- Activate or deactivate <u>Multi currency</u> module as well as make any changes to the currencies
- Add, change or delete <u>currencies</u> and the exchange rates
- Unlock Records that are locked
- Change the interest rate of multiple Records at once
- Change the Owner of multiple Records at once
- Change the Owner of multiple Borrowers, Employers or Creditors at once
- Delete multiple Records in one operation
- Database <u>Reindexation</u>
- Perform a Backup from the various backup scenarios including with the button (Tools > Backup). The user must have the proper rights in the backup folder.
- Management of stations / computers that have access to MLM
- Create, change and delete <u>Mathematical Equations</u>
- In the Main MLM window, display the System Warnings
- Deny access to certain users to delete Records, Borrowers, Guarantors, Creditors and Employers
- Rename the <u>Column Fees</u>
- Create and modify <u>Automatic Fees</u> (Column Fees)
- Apply <u>Color</u> to Records in the <u>Record Summary Window</u> (Main window) and in the <u>Post payment</u> tool.
- Allow certain users to bypass the <u>blocking of Historical Transaction Changes</u>
- Make Global changes in the Main MLM window
- Has all the rights to add Notes, attach documents, print and export the Payment schedule
- Can update and import payments
- Can import new Records, Borrowers, Creditors and Employers via Excel
- Can import and update data in a payment schedule in bulk via Excel
- Allow, or not, to display totals and other elements in the Main window
- Consult system messages from the red button of the "Settings" window
- Can, if ADMIN allows it, manage the rights and modify the password of other users, except that of ADMIN





The "Error List" can be accessed by clicking on the red button in the right top corner of the "Settings" window:



The errors displayed are configuration errors (Email connection settings) or errors that have been generated by a system failure.

One or many errors can be deleted by highlighting these (in blue) and then by clicking on "Delete Error". When the errors have all been deleted, the red button in the Administrator Settings window will disappear.

Power user

Unlike the Administrator, the Power user has almost no system configuration rights. For example, he cannot create or modify users, he cannot create custom fields, etc. The Power user cannot update the Margill software license either.

In fact, the Power user is a Normal user (called User in MLM) with the following additional rights:

- Right to consult the historical changes of all Records selected according to the desired dates (Tools > Various)
- Right to find the Line status in the Records (Tools > Various)
- Right to make back-up copies (Tools > Save)
- Right to change Interest rate tables and Sales tax tables (Tools > Tables)
- Right to reindex the database (Tools > Reindex)
- Right to modify the Person in charge of the Record, a Borrower, an Employer and a Creditor
- Check for software updates
- Right to delete, modify and rename reports created by other users
- Right to change currency exchange rates
- Right to view the Alerts of all users
- Receives System Messages from all users
- Right to remove system errors from the Settings
- Right to access the "<u>Various</u>" Tools (Log of changes, Find specific Line status, Extract attached documents, Extract Notes and Bulk import and update data in a payment schedule via Excel)

In addition, the Administrator can give or remove several additional rights to the Power user just like he can do with Normal users (see below).

Note: Some options in the system Settings are displayed to consult, but these cannot be modified for this type of user.

Normal User (called "User" in MLM)

A Normal User can create, modify and update Records and Payment schedule, Borrowers, Creditors, etc. The Normal User can create and produce reports but has no administrative rights on the configuration of the system.

The Administrator can also decide to remove or give certain rights to other users, such as:

- Create new Records
- To give access:
 - only to his own Records, Borrowers, Employers and Creditors
 - only to certain Record Types
 - only to Records for certain Creditors
- Make Global changes to the database
- Add colors to the Records in the Main window (Record summary) and in the Payment update tool
- Bypass the <u>blocking Historical Transaction changes</u>
- Right to create, modify, view and display Alerts for all users
- Delete Records / Borrowers / Employers / Creditors
- Produce certain types of reports
- Create and use <u>Advanced Queries</u>
- Can submit pre-authorized payments
- Can use the <u>Post payment update</u> tool (manual or Excel bulk payment updates)
- Can change interest rates in bulk and update Interest Rate tables

Note: Some options in Settings can be seen by the user with this privilege level but cannot be changed.

Draft User

The Draft User can have the same rights or limitations as the Normal User (according to the rights granted by the Administrator), except that, unlike the Normal User, the Draft User:

- Can only create and modify Records in "Draft" mode
- Can only be "Owner" of Records in "Draft" mode
- Can only display the Records in "Draft" mode

Other optional permissions can be given to the Draft User. See box below for details.

Read-only

The Read-only User is much more limited and can usually only view the Records.

The Administrator can also decide if the Read-only User is authorized, or not, to do these:

- Access to his own Records
- Access to his own Borrowers / Employers / Creditors only
- View and create Alerts

Other optional permissions can be given to the Read-only User. See box below for details.

Optional permissions for Draft and Read-only users

Optional rights for Draft and Read-only users may be granted by the MLM Administrator:

1) Write and delete Notes



2) Add and delete Attached Documents Borrowers)



- 3) Create reports
- 4) Create reports and report templates
- 5) Post payments with Post payment module
 - Post payment tool
 - Existing (Due) payment update through a spreadsheet
 - New payment import through a spreadsheet

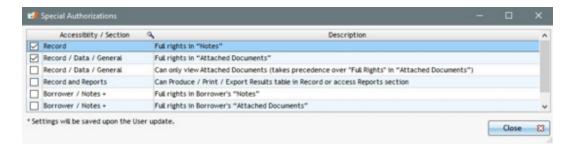
First two rights apply on Records and/or Borrowers.

In the United States, this may be required for the segregation of duties under the Sarbanes-Oxley compliance regulations.

Go to Tools > Users and for the Read-only users the "Options" link becomes active.



By clicking on the link, the Special Authorizations window appears and allows you to give one or more additional rights.



Warning: by granting these rights to a user means he/she has full authority on the options. He can add

AND delete notes and / or attached files.

Each of these privilege levels may be specified in the "Users" management window.

To add a user, press on "New" , include User name and Password. Select the security level and the various other rights and constraints (see below).

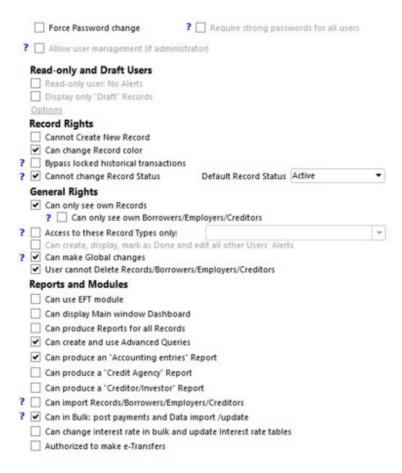
The Administrator can always change user names and delete a user from the system by pressing on "Delete"



See Changing Record, Borrower, Employer and Creditor Ownership below.

Specification on Rights and Constraints

MLM allows the Administrator to specify other options and to add or revoke various rights and the total or partial obligation to follow defined Templates for displaying columns in the Main window and in the Payment Schedule:



Force Password change

if desired, force the new user to change his/her password upon the first use. With this last option, the user will see this window upon his/her first use of MLM.



Can only see own Records / Can only see own Borrowers/Employers/Creditors

MLM allows a certain data impermeability (segregation) when MLM is used by several Creditors and/or users who should not have access to other Borrowers' data. When "Can only see own Records" and/or "Can only see own Borrowers/Employers/Creditors" is/are selected, only the Records and/or the related Borrowers, Employers and Creditors data of that user (the user being the Record's "Owner/Creator") will appear for that user.

Thus, a user with these constraints can only see and/or edit his own Records and the Creditors/Borrowers/Employers he has created or for which he is the Owner.

Read-only and Draft users

Read-only user: No Alerts

Select this option when you do not want a Read-only user to receive alerts when "Alerts sent to all Users" is created.



This can be useful for users less involved and who have limited access to the system.

Display only "Draft" Records

If this option is checked, "Draft" level users can only view Draft Records. If it is not checked, they will see all Records (depending on the choices above) but can only prepare or edit Records in Draft mode.

Records rights

Cannot create new Records

By default, Read-only users cannot create new Records. It is also possible to prevent any other type of security level user from creating new Records.

Authorized to perform Global changes

If this option is checked by the Administrator, users will be authorized to perform "Global Changes" in the database. This tool allows users to make changes to data in batches for multiple Records or Borrowers without having to open them one by one. For example, you can add new data in a Custom field or change many Records from Active to Closed in a matter of seconds. See the <u>Global changes to the database</u> section.

Authorized to change the Record color

A user with the required rights (Tools > Users) can place emphasis on certain special loans and assign them different colors. Select the Record(s) in the Main Window, right-click with the mouse and choose the "Record_Color" option. A color can also be added by the Payment Update tool.

Bypass the blocking of historical transactions

If this option is checked by the Administrator, all types of users (except for the read-only user) can be granted the right to bypass the blocking of historical transactions. They will be able to modify, add or delete transactions. They will never get the gray lines in the Payment schedule, regardless of the number of days (greater than 0) entered in the Settings (System) in the option "Users cannot edit transactions that are older than (from current date)".

An Administrator can always restore his own right even if it is removed by another Administrator.

It is STRONGLY recommended to give this permission to only one or a few users so that your previous financial results are not altered.

User cannot delete Records/Borrowers/Employers/Creditors

If this option is checked by the Administrator, users from all security levels can be prohibited from deleting Records, Borrowers, Employers and Creditors.

The Administrator can re-give this right at any time even if it has been removed by another Administrator.

It is STRONGLY recommended to choose this option for all Users. This will greatly reduce data loss since Users will have to go through the Administrator to remove Records and Borrowers.

Cannot Change Record Status

An Administrator can restrict certain users from changing the Record Status.

We see this especially so that only one user or specific users only (except Administrators that have all rights or can provide themselves these rights), can change for example, a Draft Record to Active mode.

To do so, check "Cannot change Record Status" and assign a Default Record Status to each user who does not have permission to change a Record Status.



This is different from a user in "Draft" mode which is more restrictive since this type of user can only create Drafts but has no permission to modify Records other than the ones in Draft mode, while the restriction "Cannot change Record Status" is purely that the user cannot change the Record Status. Therefore, this user can update all types of Records, no matter the Status (according to his rights, of course).

CAUTION: This restriction is not foolproof. A user who cannot change the Record Status could still copy or modify an "Active" Record and the newly created Record would maintain its "Active" Status since the user cannot change any

Record Status. This option does not change the copied Record's Status back to this user's Default Record Status. Furthermore, if the user has the rights to make Global changes, he can modify the Record Status without restrictions.

General rights

Can only see own Records / Can only see own Borrowers/Employers/Creditors

In order to preserve a certain segregation of data when MLM is used by several Creditors and/or users who should not have access to all the data in the system, when the "Can only see own Records only" and/or the "Can only see own Borrowers/Employers/Creditors" fields are checked, only the Records and/or information relating to Borrowers, Employers and Creditors of this user (the user being the "Owner/Creator of the Record") will appear in their respective windows.

This way, the user will see and be able to modify only their Records and the Creditors/Borrowers/Employers they have created and for which they are responsible.

Access to certain Record Types only

Segregation can also be established by only allowing users to access certain Record Types. Check the "Access to these Record Types only" from the drop-down menu on the right:

Access to these Record Types only:	v)

This restriction can be combined with other access restrictions (see above and below).

Access to Records linked to certain Creditors only

The same method applies to allow users to only access the Records of one of more Creditors. Check the option "Access to these Creditors only" box and then select the allowed Creditor(s) from the drop-down menu on the right:

Access to these Creditors only:	*
? Allow access in Participation Loans	

For Participation Loans (loans that have more than one Creditor), the option "Allow access in Participation Loans" will allow the user who would not ordinarily have access to one of the participating Creditors to access the loan nonetheless (and modify according to the rights) this loan. This of course, if the user has access to one of the participating Creditors.

IMPORTANT NOTE: This segregation of data is not full-proof since there are many ways to access data, including the Main window and reports. For true data segregation, a separate instance of the software must be used with limited access. Considering this restriction, it is NOT suggested to check the "Authorized to produce reports for all Records" option, nor to allow the use of Advanced Queries (for reports) since this user will have access to data which should not be allowed because of the restriction.

Authorized to produce all reports for all Records

This option is included in order not to allow all users to generate reports for all Records.

If a user with the "Can only see own Records" and/or "Can only see own Creditors/Borrowers/Employers" constraints can generate reports, the user will automatically have access to all the data produced in these reports, which is not ideal when some data confidentiality is required.

By selecting this option, this user will be able to produce all reports. The Administrator could decide not to allow the production of certain specific reports by unchecking the non-allowed reports:

- Accounting entries
- Credit Agency report
- Creditor / Investor Report

By selecting this option, a user who only has access to his own Records, will be able to produce reports for ALL Records and not only those they have the rights to consult, thus greatly eliminating the other Records' confidentiality.

Can make Global changes

If this option is selected by the Administrator, the users will be authorized to make "Global changes" to the database. This tool allows data changes in bulk in multiple fields for Records and Borrowers without the need to open them one by one. For example, you could add new data in a Custom field or change several Records from Active to Closed in a few seconds. Consult <u>Global changes</u> to the database.

User cannot Delete Records/Borrowers/Employers/Creditors

If this option is selected by the Administrator, users of all security levels may be denied the right to delete Records, Borrowers, Employers and Creditors.

It is STRONGLY recommended to check this box for all Users. This way, the loss of data is much less likely since only a dedicated person (ADMIN or other) will have the right to delete Records or Borrowers.

Reports and Modules

Authorized to use the EFT module

In order to have the right to transmit EFT (Electronic Funds Transfer), the user MUST have access to ALL Records as well as ALL Borrowers / Employers / Creditors. User will not be able to submit pre-authorized payments otherwise.

This authorization is intended, among other things, to comply with the Sarbanes-Oxley (separation of duties) of the United States.

Can consult the Main window Dashboard

By selecting this option, the user will be able to view the Main window Dashboard that includes *widgets* set up by the Administrator.

Authorized to produce and use the Advanced Queries

Please note that the Advanced Queries do not take into account user access restrictions. A user who is authorized to produce or use the Advanced Queries will automatically have access to all the data produced in these reports.

Authorized to produce an "Accounting entries" report Authorized to produce the credit agency report (Metro 2) Authorized to produce a Creditor/investor' report

Please note that permission to produce these reports does not take into account user access restrictions. A user who is authorized to produce one of more of these types of reports will automatically have access to all the data produced in these reports.

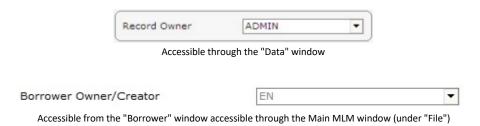
Changing Record, Borrower, Employer and Creditor Ownership

A Record, a Borrower, an Employer or a Creditor created by a user may also be assigned to another user through the Record's "Data" window by changing the "Record Owner" (bottom right of the window). This can be useful to provide Read-only users (or other users) with access only to their Records, Borrowers, Employers or Creditors. The higher level user can nevertheless change, update and modify the Record while allowing the lower level user to see the Record and print reports without being able to change it (for read-only).

The change in Record Owner can be done in two ways:

1) Change one by one

In the "Data" window, "General" tab, by changing the "Record Owner" (bottom right of the window) or in the "Borrower", "Employer" and "Creditor" windows respectively, accessible through the menu on the left of the Main window, under File, by changing the "Borrower", "Employer" or "Creditor" Owner/Creator.



2) Changing multiple Records, Borrowers, Employers and/or Creditors at once (in batches)

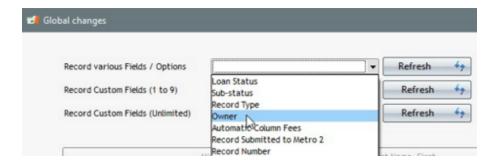
To change the Record Owner or the Borrower with the Global changes" tool, a user must have the rights to make these global changes. These rights are granted in the "Users" window.



Only an "Administrator" can change the Creditor or Employer Record ownership.

Changing the Record Owner

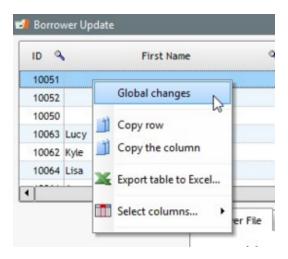
This change can be made in a single operation for multiple Records. From the Main window, select the desired Records (highlighted in blue), right click and then select "Global Changes". In the Global Changes module choose "Owner" under "Record Various Fields / Options".



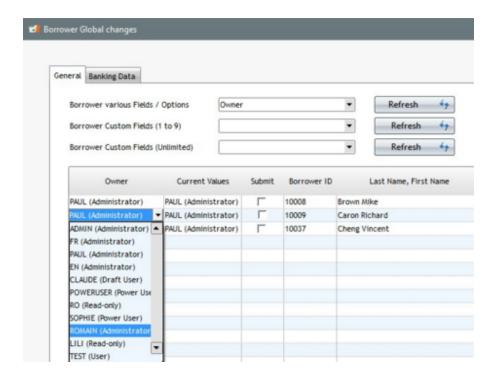
Please note that you can only assign "Draft" Records to a "Draft" user.

Changing the Borrower Owner

This change can be made in a single operation for multiple Borrowers through the Borrower window (available from the Main Window, under "File"). Select the desired Borrowers (highlighted in blue), right click with the mouse and then select "Global Changes".

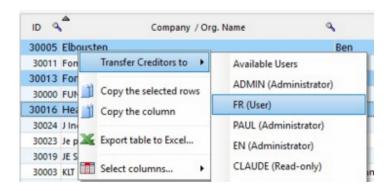


Choose the field to be changed named "Owner". All users and their privilege levels will be displayed. Choose to which User to transfer.



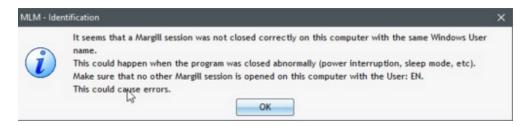
Changing the Employer and/or Creditor Owner

This change can be made in a single operation for multiple Creditors through the Creditor window (accessible from the Main window, under "File"). Select the desired Creditors (highlighted in blue), right click with the mouse and then "Transfer Creditors (or Employers) to".



Multiple accesses by a user

If for some reason (user not logged out, power failure, computer crash or software error) a user remains locked, this user can log back in without the MLM Administrator needing to intervene. The message below will appear:



Loss of Administrator password or user name

If the Administrator loses his/her user name or password, please contact Jurismedia inc.

Considering the complexity of this operation, fees will be charged in order to obtain a new user name or password.

Reset the Multi-factor authentication code

If <u>Multi-factor authentification (MFA)</u> has been enabled (Tools > Settings > Security)(Only ADMIN can access to this tab), this option will allow the reset of the unique user's MFA in case of a change of smart phone, required to obtain the authentication code.



This option will only be displayed for Margill Administrators with the rights to manage users and only for users who have already activated MFA.



Main window and Payment schedule Template for users

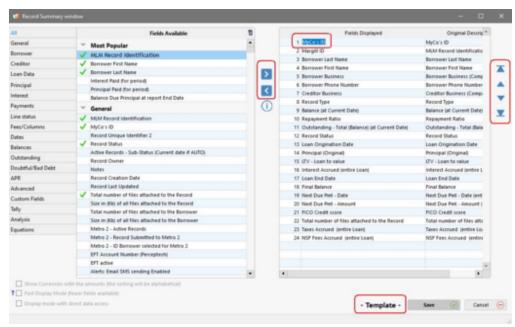
The ADMIN user (and only ADMIN) can define, for each user, a display template for columns of the Main window (Record summary window) and/or the Payment schedule. You can create one Template which applies to all users or force one of many users to use the Template and a different Template for other users. The suggested Template can be recommended (so can be changed by the user) or compulsory (cannot change).

First, under Tools > Users, the ADMIN user must click on of the of "Template" buttons in order to define one or many of the Templates.



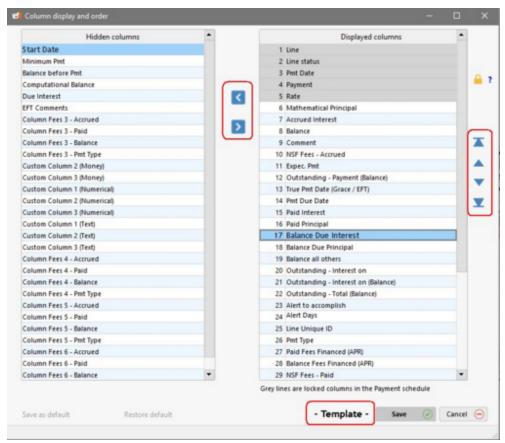
View of the ADMIN user - only the ADMIN can see the "Template" buttons

For the Main window Template, use the central arrows to add or remove fields and the side arrows to position them. The field names can also be modified by clicking in the desired field in the "Fields Displayed" column:



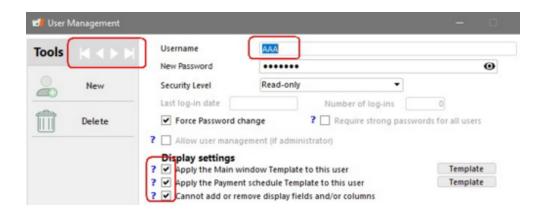
Window for defining the Main window Template

The same applies for the Payment schedule Template but the column names cannot be modified:



Window for defining the Payment schedule Template

Once the Template is created, ADMIN must go to the desired user by using the white arrows on top left and can apply, or not, the Template by checking "Apply the Main window Template to this user" and/or "Apply the Payment schedule Template to this user":



"Cannot add or remove display fields and/or columns" option

By checking this option, the user will not be able to add or delete display fields and/or columns in the Main window and in the Payment schedule. However, the user can modify the display order of the columns, using the blue side arrows for managing the display of the Main window and in columns in the Payment schedule.



Changing Template or Template by user

It will be possible to apply a new Template by proceeding as follows:

- 1) Check the "Apply the Main window Template..." option and click on the Update button on the right
- 2) Apply changes to the Template
- 3) Recheck the "Apply the Main window Template..." option and click on Update

You can thus, by modifying the Template, apply different Templates to different users. To do this, create a first Template then apply it to each user individually (and prohibit changes by the user if desired). For other users who would use a different Template, press the "Template" button, update it and check the "Apply... the Template" for this user. Apply this Template to all desired users, one by one.

Important Note: The chosen Template applied to the user is the one available when the option is checked. If the Template is updated, you must uncheck then recheck the option for each user for whom you want to apply the update.

It is therefore possible to consult the Template available and that the user's display is completely different (since was a previous template).

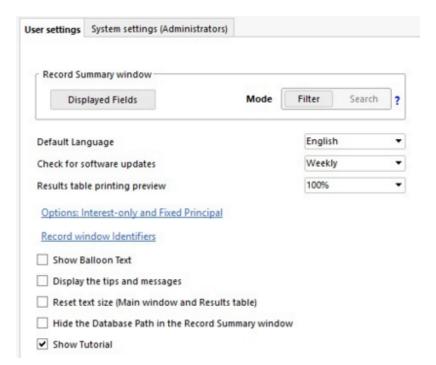
Tutorial

It may be convenient to get interactive support during the first few sessions with Margill Loan Manager (MLM). The tutorial can even be partially adapted by you in order to train your new users, according to your needs.

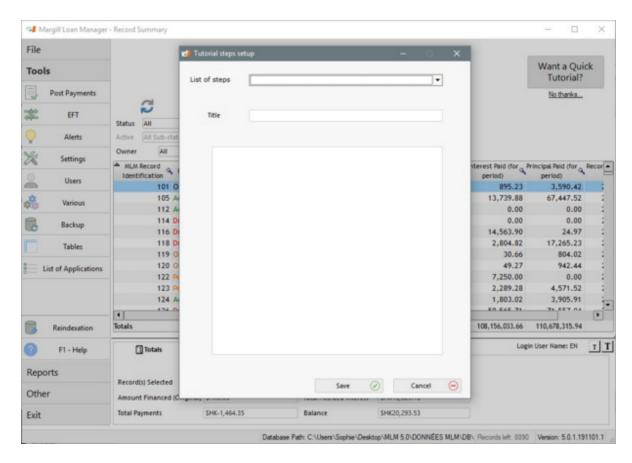




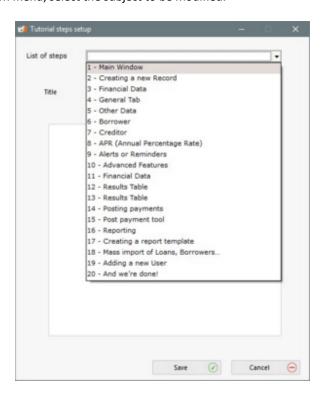
You can deactivate the tutorial by clicking "No thanks...". You can re-enable it via Tools > Settings > User Settings and then select the "Show Tutorial" option.



It is possible to customize the tutorial text according to your needs. To access the tutorial customization module, simply press the Ctrl + Shift T keys on your keyboard in the Main MLM window (Record Summary).



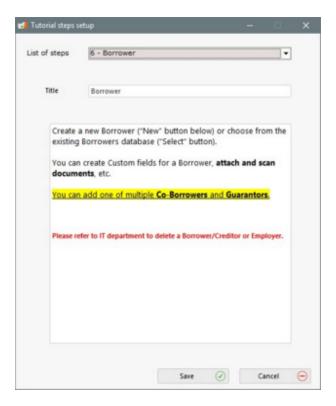
In the "List of steps" drop-down menu, select the subject to be modified.



Title and text for the selected step will appear.



You can add, replace, delete and format the topic text.



By saving the changes, the tutorial will be updated automatically for all MLM users who will display the tutorial.

Warning! All users, regardless of their access level, can adapt and change the tutorial via the shortcut keys.

Once the original tutorial has been modified, it cannot be recovered. In order to do this, please contact Margill support.

Import Borrower, Creditor, and Employer Data

You can import Borrower, Creditor, and Employer data into Margill Loan Manager (MLM), easily and in minutes.

The data should be saved in an Excel spreadsheet that includes headers for each field and the corresponding data in each column. You can import just a few Borrowers or thousands if your license allows.

The actual loan data (loan amount, interest rate, number of payments, loan fees, etc.) cannot be imported using this tool since many mathematical aspects are involved. The Margill team offers an import service (fee for service). See <u>Bulk import of Loans and Database configuration</u>.

Spreadsheet rules for importing Borrowers, Creditors, and Employers:

- File format xlsx (Excel spreadsheet format).
 - O If you have a CSV or text (. txt) file, you will need to convert it to an Excel format.
 - It is possible to import other file formats in MLM but their importing will need to be done by the Margill team.

Spreadsheet Features:

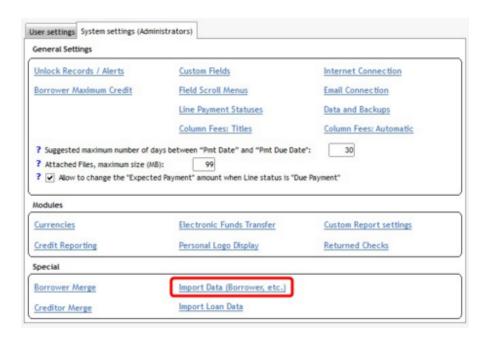
- File formats: .xlsx.
- Only the first tab of the workbook will be included.
- Column headings must be on the first line.
- The data must start on the second line.
- Data will be included up to the first totally empty line.
- Data will be included up to the first untitled column.

If your old system included fields not present in the basic MLM fields (full name address, email, etc.), first create the custom fields in MLM. To do this, go to Tools > Settings > System Settings (Administrators) > Custom fields. > Borrower (or Creditor) tab, and then use the 1 to 9 or the unlimited fields (Table format).

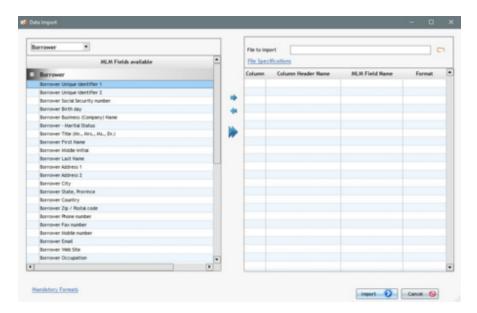
These fields can even include scroll menus that you create. Be careful with the field types (text, currency, integer, etc.) because they must correspond to the fields from your Excel spreadsheet. The text format field is a catchall format. See Custom fields and Scroll menus.

Procedure

To import data into MLM, go to Tools > Settings > System settings (Administrators) > Special > Import Data (Borrower, etc.).



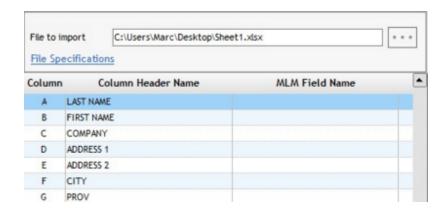
The following window will appear:



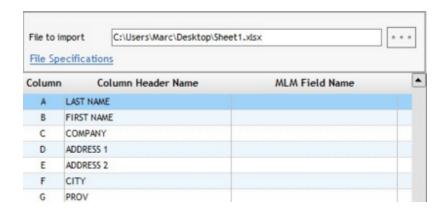
The first step is to select the file to be imported.



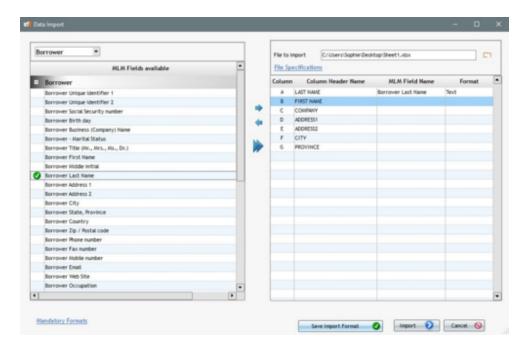
Once selected, the fields on the first line of the spreadsheet will appear in the center "Column Header Name" column.



Click on the spreadsheet field that you wish to associate with the MLM field. In the example below, "LAST NAME" was selected.



Select the MLM field in the left table that corresponds with the field in the right table and click on the arrow to insert the field in the "MLM Field Name" column. In the example below, "Borrower - Last Name" was selected for "LAST NAME".



Please note that the MLM fields in red are <u>Mandatory fields</u> (set by the Administrator)that must absolutely be included in the field list that you wish to import, otherwise an error message will prevent you from continuing.



Once all the field associations are done, click "Import". There is no need to import each field separately. If the field is not connected to the Borrower (or other), leave an empty space.

If an error is detected in the source file, the corrections should be made to the file before any importing is done. Be sure to follow the "Spreadsheet rules..." above.

Data Validation:

- At least one of the following must be entered: Business, First name or Last name.
- The field format (Date, Numerical, Integer, etc.) must be followed:
 - O The Date format must be a "Date" type cell in the spreadsheet.
 - O The Percentage format must have no more than four decimal places.
 - O The Currency format must NOT include the currency and must have no more than two decimal places.
 - Note: The Text format may include any type of alphanumerical character. The Text format is universal.
- A value under "Unique Identifier" must not be repeated.
- When a scroll menu is defined in Margill Loan Manager, the imported data must correspond EXACTLY to what is
 included in that menu, including upper and lower case (small and capital letters), special characters, accents,
 spaces, etc.

Errors will be identified at the first attempt in the "Import Report Preview" window. In the example below, the data in red, "12/31/2999" was not a real date. Margill reports the errors because it will only import data after all errors are corrected.



The "Table to Excel." button allows you to export the table to Excel. However, problematic data will not be highlighted. It is suggested that the red cells remain visible by keeping the MLM window open before making corrections to the spreadsheet. Make the corrections and then import again according to the procedure above.



Once all the corrections are made, the "Update" button will appear. It will perform the import and will be followed by a confirmation including the number of Borrowers (or other) imported into MLM.



You can close the System Settings window by clicking on Cancel.

Note: Once Borrower (or other) data is imported, additional data for the existing Borrowers cannot be imported with this tool. This additional data will have to be entered manually (or with the automated import/update via API - see link below). The Tool can nevertheless be used to enter other batches of Borrowers at any time.

<u>Automated imports via JSON and Excel files</u> or <u>Salesforce API</u> allow for automated loan and borrower data import and updates.

NOTE: With the Automated imports, there is an option to manually create Loans and Borrowers using a unique Excel or JSON file for both Loan and Borrower data as opposed to using a file for Loan data and another for Borrower data. Errors however, appear in a log, not in real-time like the import process described in this chapter.

Saving the Import Format

Once defined, you may save the Import Format by pressing on the "Save Import Format" button. You can then reimport data at any time without the need to reconfigure the import tool. However, the spreadsheet must have the exact same format (heading names, number of columns, data format).

Bulk import of Loans and Database configuration

If you currently have a database of a few dozen loans or more, the Margill team offers a data import service from an Excel file (Access database or other) and will help you through the Database configuration process (custom fields, drop down menus, etc). Please contact the Margill team for more information. Additional fees will apply for this service. See also, the Import Borrower, Creditor, and Creditor, and Employer Data section.

Structured data is best. The word "structured" is used, since often, payment schedules include partial, late, unpaid payments and a host of other irregular payment scenarios. These usually cannot easily be imported into MLM except manually. These irregular scenarios can sometimes be imported into MLM if they are well structured (every payment line corresponds to a standard type of payment, etc.). Extra fees are required for this. See Strongly suggested below.

What can be imported are:

- Borrower data
- Employer data
- Creditor (Lender) data
- Loan data (origination date, first payment date, principal, interest rate, compound or simple interest, payment frequency, amortization, term, balance, day count, etc.)
- Custom fields (for Borrower, Creditor and the Loan itself). See also Useful Features > <u>Bulk Import of Loans</u> (<u>Manually</u>)
- Custom scroll menus (pull-down)

The steps are as follows:

- 1. If required, a Non-disclosure Agreement signed by us since you will be sending us proprietary and confidential information.
- 2. Determination by you as to the data you wish to import. One important decision is whether to import the history of the loan or, easier to implement, the balance on a specific date and the schedule in the future. If you decide on the latter, the historical payment table can simply be attached to the Record as a file. See Strongly suggested below.
- 3. You provide us with all the fields to export to MLM. We analyse your fields to match with MLM fields. If we do not have your field, we create a custom field.
- 4. We submit our custom fields for discussion and approval. Scroll menus can also easily be created for standard data choices.
- 5. You submit your database.
- 6. We convert and import the data to MLM and submit the entire database for approval. If there are no problems, then we are all set.
- 7. You adjust for custom scenarios if needed.

Strongly suggested:

Import only data going forward as opposed to all historical transactions since importing all transactions becomes very time consuming. Often data is imported starting on the current fiscal year. So a few months of historical data may be entered and then managed manually for paid, unpaid, partial payments. Use as the Principal amount, the balance on the last payment date (before the first day of the fiscal year) and use that date as the Origination date. First payment date will usually be one period after the Origination date entered. For the number of payments, enter the remaining number of payments. Use custom fields to enter the true Principal amount, true Origination date and true amortization period.

It is also possible to <u>import, with an Excel sheet, regular and irregular due, paid and partial payments as well as additional principal</u>.

Automated imports via JSON and Excel files or Salesforce API allow for automated Loan and Borrower data import and

updates.

Emails sent to Borrowers when new Records (loans) are created

MLM offers the possibility to send emails according to a personalized template when importing the Records into MLM.



By choosing this option, an email will be sent automatically to Borrowers linked to the Record for all imported Records. Of course, the Borrower email must have been entered previously. If you wish to exclude some Records, import them separately. In order to learn more and for the procedure, consult the Useful features section > Emails_-_Sending automatically or in batch with Templates.

Integrating Existing Loans

If you have a database of at least a hundred or so loans, the Margill team offers a data import service from an Excel file and will help you through the Database configuration process (custom fields, drop down menus, etc). Please contact the Margill team for more information. Additional fees will apply for this service. Also, see section <u>Bulk import of Loans and Database configuration</u>.

In order to integrate some existing loans to your database, use the following tricks:

- If the loan's history is a complex one such as unpaid amounts, partial payments, etc., we suggest not to include this history but rather to simply add the file to the Folder. See Useful Features > <u>Attached Documents</u>.
- If, on the other hand, the loan's history is simple such as payments made on time and the Record does not contain
 major irregularities, it will be better to integrate the loan's entire data and manage previous payments by changing
 the Status from "Due Payments" to "Paid Payments" by using Payment update ("Post Payment"), a tool that allows
 Line statuses to be changed in bulk.

Example of loan integration with a complex history:

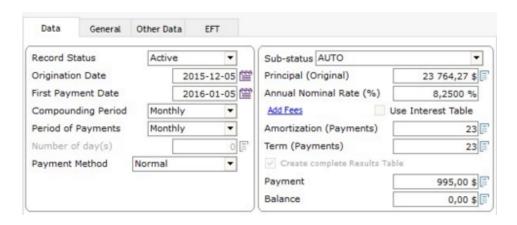
First determine the date at which the import will take place. Ideally, it would be at the start of a financial year but any other date can be used. In this example, the import date will be January 1st.

The loan was originally 60,000.00, amortized over 5 years (60 monthly payments) due on the 5th of each month with an annual interest rate of 8.25%. This loan includes skipped/missed payments, partial payments, late payments and late fees. Therefore, the history will not be imported.

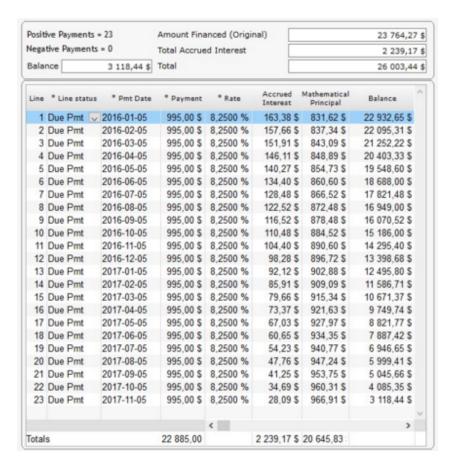
Since we need the data starting January 1st, we need to obtain the principal and interest balances from the previous servicing system:

- principal balance of 23,764.27 on **December 5th**
- interest balance of 322.45 on January 1st

Since the payments take place on the 5th of each month, the last payment before the new financial year (December 5th) will be the loan's Origination date and the First Payment Date will be January 5th. 23 payments are left (in the future) and the payment amount was 995.00.

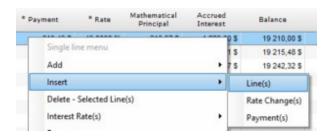


A payment schedule will be generated from the information entered. The balance will not be 0,00 because of the irregular payment history.

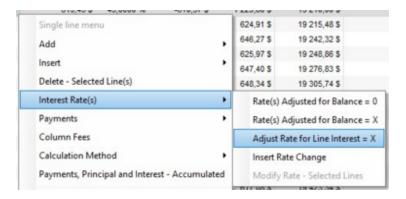


To add the interest portion of 322,45 that was accumulated because of the past irregular payments, we will have to increase the interest rate enough at the very beginning of the loan (between December 5th and January 1st) in order to generate this interest amount.

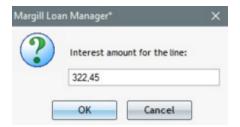
Right-click on the mouse to insert a line above the first payment line.



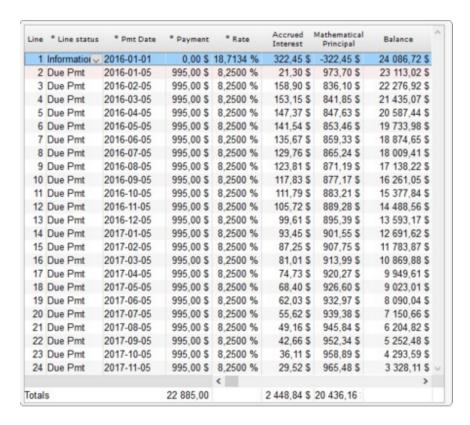
Enter the period's start date that was determined (January 1st). Select Interest Rates > Adjust Rate for Line Interest = X by right-clicking on the mouse.



Enter the interest amount in this window.



The payments schedule will appear with all the relevant information. Other fees or insurance could have been added at the beginning of the loan with the <u>Line statuses</u> (negative amounts) or <u>Column Fees</u> (amount added in one or more of the 6 Column Fees) to better reflect the Loan Record.



Other example of a loan including fees and interest balance with interest adjustment through a Line status

An existing loan must be added to MLM without the historical transaction because this history is too complex to enter.

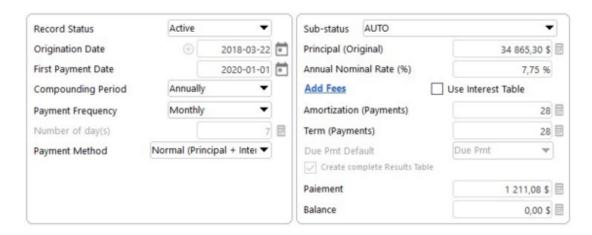
The original loan was 50 000 two years ago. When entering the loan in MLM (2020-01-01) the balance was 35 656,25, divided as follows:

Principal balance: 34 865,30
Interest balance: 740,95
Late fees balance: 50,00

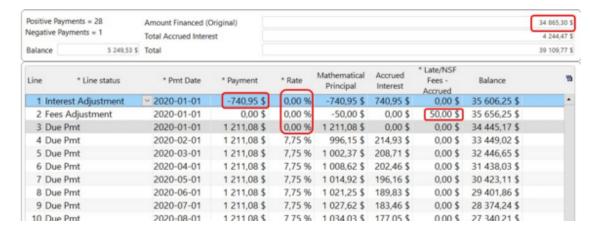
Origination date of the loan: 2018-03-22
Date the loan is entered in MLM: 2020-01-01

Number of payments initially:48Number of remaining payments :28Original payment amount expected:1211,08

In the Data window, enter the known data. We decided to enter the true origination date of the loan as opposed to the date at which we have the balance (2020-01-01). We entered the first payment date of 2020-01-01:



Payment schedule as modified to include the respective balances dated 2020-01-01:



Notice the addition to line 1 of 740,95 as Line status "Interest charged" (renamed "Interest - adjustment") and on line 2, the adjustment of the Late/NSF Fees (an "Other" Line status type - renamed, with payment of 0,00 but with an amount of 50,00 in the column "Late/NSF Fees - Accrued"). The interest rate between the Origination date and the first payment date has been changed to 0% since the interest balance was entered by Line status.

The Payment schedule reflects the reality on 2020-01-01 with the theoretical final balance of 5249,53 (if the Borrower pays all his future payments). New payments will have to be added or the remaining payment amounts adjusted in order to give a balance of 0,00.

See also: "Interest" type Line statuses

It is strongly recommended to use <u>Custom fields</u> to enter the original principal amount, the true origination date and the original amortization period for future reference.

Creating and modifying a Borrower, Creditor, Employer and Loan Officer

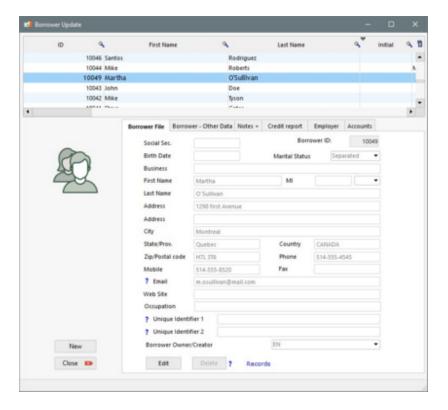
To create a new Borrower, when opening Margill Loan Manager (MLM.exe), select "Borrower" under "File" to the left of the window.



The "Borrower Update" window will appear, where you can enter the data on the new Borrower, including data related to the Credit report and any preauthorized payments (EFT). If the data of an existing Borrower appears, just click on the

New button to the left to access an empty window.

This window can be used for both Borrowers and Co-Borrowers since all will appear in the same database.



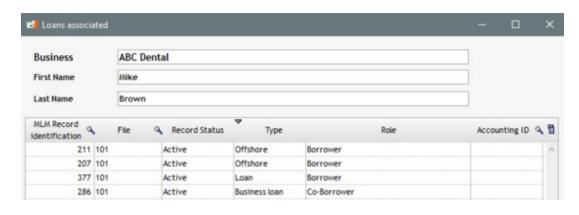
A Borrower identification number ("Borrower ID") is automatically assigned by MLM to each registered Borrower. This number is different from the <u>Record's Unique Identifier</u> ("Record No").

The "State/Prov." and "Country" fields can be defined as scroll fields. Go to Tools > Settings > "Field Scroll Menus." See the <u>Scroll menus</u> section (under Tools and Settings) for more information on creating menus and defining standardized data.

Unique Identifier 1 and 2: can be used to bridge the gap with third-party software. An identifier can not be reused for another Borrower.

The Borrower's "Email" file offers the possibility to enter 300 characters in order to be able to enter multiple email addresses. Use the semicolon ";" between each address (and no space), so they are recognized by the various automatic MLM email sending tools. This field can also contain the mobile number of the Borrower and the destination address according to the mobile service provider. So with "Email to text" technology, you could, for example, send a text message to your Borrower with an address such as: 2125551212@txt.att.net.

To identify the Record or Records (Loans) that this Borrower "owns" in MLM, press the "Records" link at the bottom of the window. A list of Records with their various IDs will be displayed with the Borrower's "Role" - if it is a Borrower or Co-Borrower for example.

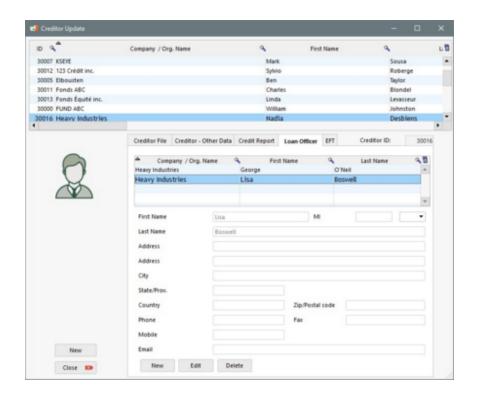


Data entry for a new Creditor or a new Employer is done the same way by selecting the appropriate section.

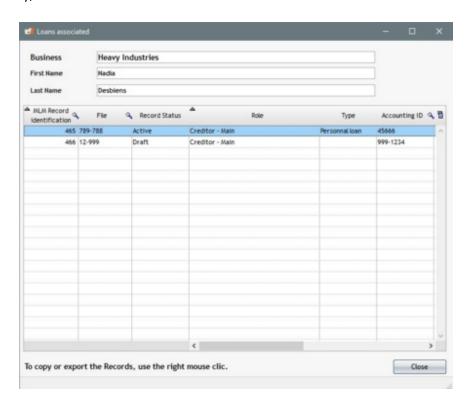
The "Ctrl Alt Shift C" shortcut in the Main window allows to bulk add or change Creditors for the Records selected but only for Creditor in first position. See <u>Mass adding/changing Creditors</u>.

To create a Loan Officer (for a Creditor), press on Creditor (under File) and then the "Loan Officer" tab. Choose from the list of Creditors, the Creditor that will be linked to this Loan Officer, then press "New". An Loan Officer must be linked to a Creditor and a Creditor can have multiple Loan Officers.

In the example below, Lisa Boswell is one of the loan officers for Heavy Industries.



To identify the Record(s) (Loans) with a Creditor in MLM, press the "Records" link at the bottom of the window. A list of Records with their various IDs will be displayed and this Creditor's "Role" - if it's a primary Creditor, secondary, etc.



See also <u>Creating the first Record</u>, <u>Deleting a Record</u>, <u>a Borrower</u>, <u>Creditor</u>, <u>Employer and Loan Officer</u>, <u>Electronic Funds Transfer</u>, <u>Credit Report</u>, <u>Borrower</u> (<u>Client</u>) <u>information</u> and the <u>Creditor</u> (<u>Lender</u>) windows.

Creating the first Record

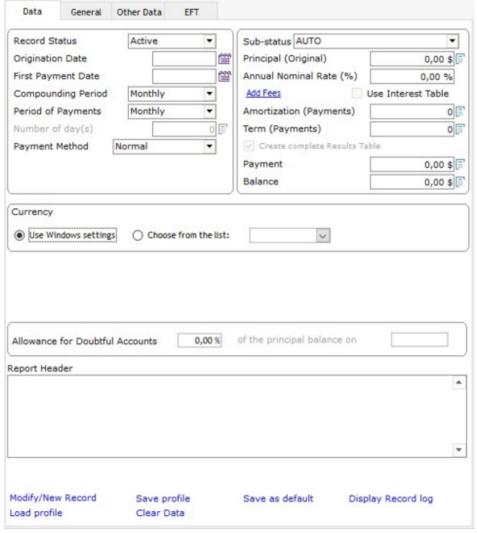
To create the first Record, upon starting up Margill Loan Manager (MLM.exe), go to the "File" button on the left and in the sub menu select "New Record".



Basic Loan Data

The "Data" window will open allowing you to enter the preliminary data.

Please note that if a loan or other financial instrument is irregular or somewhat irregular, the precise loan payments, dates, amounts, additional principal, type of refund (interest-only for x periods), etc., may be changed in the "Payment schedule" (payment schedule). A loan may thus be totally irregular and customized in the "Payment schedule". See (Fundamental principles of operation).



Data window

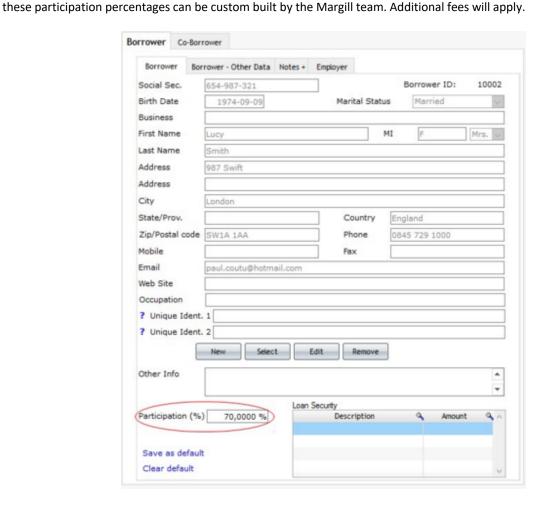
Borrower, Co-Borrower and Employer

Borrower, Co-Borrower and Employer (if desired) information may be entered in the "Borrower" (or its "Co-Borrower" sub-tab) window or through "File", "Borrower" in the Main MLM window. An existing Borrower and/or an existing

Select

Employer may be tied to a loan with the "Select" button

It is possible to add the participation percentage of each of the Borrowers and Co-Borrowers for a Record. Please note that this option does not permit the extraction of this information. It is solely for informational purposes. Reports with



Creditor or Co-Creditor

Creditor information may be entered in the "Creditor" window or through "File", "Creditor" in the Main MLM window. An

existing Creditor may be tied to a loan with the "Select/Add" button . Multiple **Agents** (Loan Officers) may be assigned to a Creditor. Multiple Creditors may have participations in loans based on ownership percentages (or amounts) in the loan. They can also be assigned different Returns (%). See the <u>Participating Loan subsection in the Creditor section</u>.

Credit Reporting

See the **Credit Reporting Module** Section.

Fees and APR

Fees and Points for APR (Annual Percentage Rate) calculation may be entered in the "APR" window.

Alerts

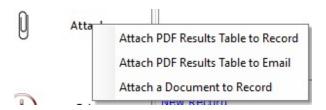
See the Alerts section.

Advanced

The "Advanced" window allows you to change the method (<u>Compound interest (Effective rate method</u>), <u>Simple interest</u> or <u>Simple interest (capitalized</u>)), the <u>Year base for simple interest</u>, the <u>Day count</u>, the <u>Short period calculation method</u>, the <u>number of weeks in a year and the <u>Record Log</u>.</u>

Attach

The "Attach" window allows you to attach various documents to Records or to attach the Payment schedule to an email.



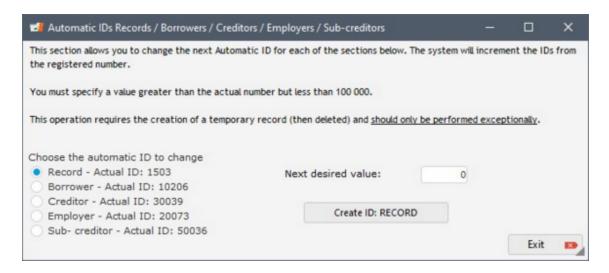
Payment schedule

Once the preliminary data is entered, press on "Compute" to produce the Payment schedule. This schedule may then be edited and customized to reflect the reality of each loan.

Once the Payment schedule is created and modified if needed, press on "Save" to save the Record. A unique number "Record No." is assigned to the Record. This number is unique and serves as the Record's unique identifier in the database.

Unique Record Identifier / Borrower / Creditor / Employer

If you wish to use the identifier as the unique identifier in your operations, you may start the numbering at a number other than 100 (for example an existing number in you old system or 1000, 10001, etc.). Assign a starting number through the "Tools" "Settings" window by pressing on "Ctrl Alt Shift I" (letter i). The following window will appear in which to enter the desired starting number for the Records, the Borrowers, the Creditors and the Employers.



If Records are already entered in MLM, these will not be renumbered, thus the importance of starting the desired numbering at the very start of the real (as opposed to simply tests) Record data entry.

See also Setting the Records' Unique Identifiers.

See also, <u>Identical loans</u> to duplicate an existing loan or a slightly modified one. This function will save you valuable time in data entry.

See also:

Data entry screen Basics and the calculation Variables.

Amortization (payment) table.

<u>How to do various types of calculations</u>: loans, mortgages, ARMs, lines of credit, leases, bonds, collection, late/unpaid salaries, rent or annuities and fees.

Setting the Records' Unique Identifiers

A unique number "Record No." is assigned to each saved Record. If you wish to use this identifier as the unique identifier in your operations, you may start the numbering at a number other than 100 (for example an existing number in you old system or 1000, 10001, etc.).

Assign a starting number through the Tools > Settings window by pressing on "Ctrl Alt Shift I" (letter i). The following window will appear in which to enter the desired starting number.



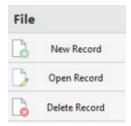
If Records are already entered in MLM, these will not be renumbered, thus the importance of starting the desired numbering at the very start of the real (as opposed to simply tests) Record data entry.

See also, <u>Creating the first Record</u> and <u>Custom Unique Identifiers</u>.

Deleting a Record, a Borrower, a Creditor, an Employer or an Agent

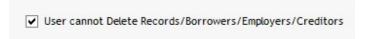
Deleting a Record

To delete an existing Record, in the Main Margill Loan Manager window (Record Summary window), highlight the Record or Records and with the "File" menu on the left, press on "Delete".



A Record or Records can also be deleted from the Record Summary window with the "Delete" or "Delete Selected Records" choices available through the <u>right mouse click</u> menu. For security reasons, only a Margill Administrator can delete more than one Record at a time.

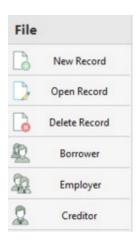
An Administrator can prevent any user (including another Administrator but who can restore this right though...) from deleting Records. This is strongly suggested to prevent Record deletion by error or for illegitimate reasons. Go to Tools > <u>Users</u> and click on "User cannot Delete Records/Borrowers/Employers/Creditors".



Deleting a Record will not delete the data for the Borrower (and Co-Borrower), (s) Creditor (s) or the Employer associated with it.

Deleting a Borrower, Creditor or Employer

To delete a Borrower, a Creditor or Employer, simply click on the corresponding menu button on the left of the Main MLM window ("Record Summary").



Then highlight the Borrower, the Creditor or the Employer to delete by clicking on it with the mouse. Then click the "Delete" button at the bottom of the window.

It will be impossible to delete a Borrower, a Creditor or Employer if it is assigned to one or multiple Records.



Deleting a Loan Officer

An loan officer may be removed from the system by choosing, under Creditor (File > Creditor), the name of the loan officer and then pressing Delete. It will be impossible to remove a Loan Officer if it is assigned to one or multiple Records.

See also sections Creating the first Record, Creating and modifying a Borrower, Creditor, Employer and Loan Officer.

Duplicating Records

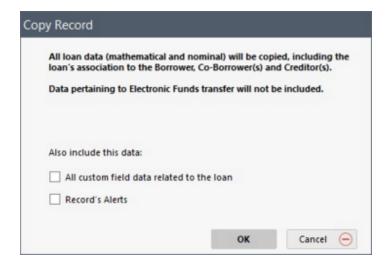
Duplicating loans or other financial instruments with similar or identical characteristics (data)

If multiple loans use the same data (Start date, Compounding, Interest Rate, Payments, etc.), to save time, instead of using the "New Record" tab to create this loan, select an existing loan or loans in the Record Summary window and with the right mouse click, choose "Copy Record" (or "Copy Records").



All Record data will be duplicated but you will have the choice to include or not the data contained in the "Custom fields" (unlimited) and the "Alerts" pertaining to the Record (including Conditional Alerts). However, data pertaining to

Electronic Funds Transfer will not be included.



The duplication can also be done in the Record itself. Open the desired Record. The Payment schedule will appear. Press on the "Data" tab, and on the "Modify/New Record" link:

Modify/New Record

This window will appear allowing you to either:



creates a new Record using the new data displayed in the "Data" window (but will not include the changes made in the Payment schedule - these will be lost),

This option will **not** change the information in the "Borrower", "Creditor" "Custom fields", "APR" and "Advanced" windows. This should be done separately if need be.

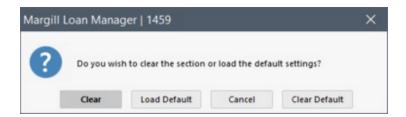
See also Change of compounding or calculation methods without affecting the existing Payment schedule.

OR

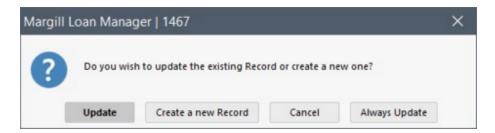
create a new Record creates a new Record while clearing all data in the "Data" window. If default settings were set for the Data window, these will appear as opposed to a blank window. The "Borrower", "Creditor", "Custom fields", "APR" and "Advanced" data will also be cleared or set to the default settings.

Change only the required data if need be and press on "Compute".

If the default Data settings are not wanted, press on the "Clear Data" link Clear Data and MLM will prompt you to clear the window or to load the default settings.



Once the Payment schedule appears, press on "Save" and MLM will prompt you to "Save changes" then to "Overwrite" the existing Record or to "Create a new Record".



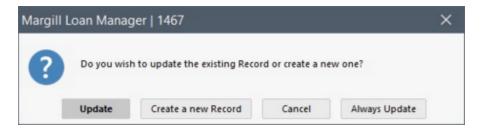
By pressing on "Create a new Record" a new Record will be created and a new Record number will be assigned.



If you click on "Update", another window will open in order to confirm your choice and the changes will be made and saved (or not) to the existing Record:



If you click on "Always update" button, you will no longer be asked if you wish to update the Record or create a new one. This is one less click to press when saving since the window below will no longer appear.



Should this window be needed again, or if you had mistakenly chosen the option "Alway Update", it is possible to reactivate the option via Tools > Settings > User settings tab and select "Display the tips and messages".

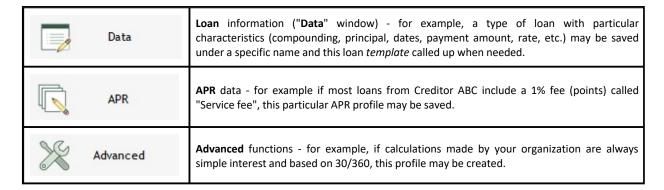
✓ Display the tips and messages

See also Saving and Change of compounding or calculation methods.

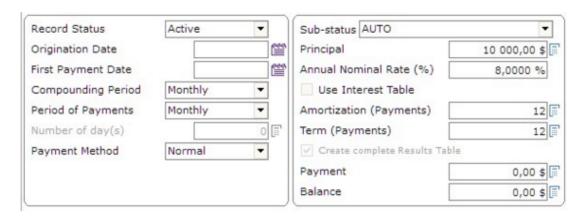
Profiles

Margill Loan Manager (MLM) offers very powerful default setting options in order to reduce data entry to a minimum. MLM allows the creation of default settings called "Profiles".

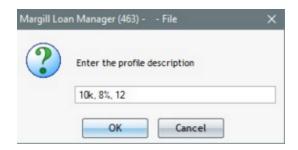
Profiles may be set for each of the following information windows that apply to a Record.



To create a profile, first enter the desired information for that Record (see <u>Creating the first Record</u>). In the example below, a profile is created for a category of loans (principal of 10,000, rate of 8%, 12 months, compounded monthly). We named in a cryptic method as "10k,8%,12"



Once all data is entered, click on "Save profile". The following window will appear in which to name the profile (profile description):



To retrieve a profile click on "Load profile". The following window will open if one or more profiles are defined.



Double click on the desired profile and the information will appear in the window.

To delete a profile, select the profile and right click with the mouse. "Delete" will appear. Click on selected profile will be deleted.

The same profile method applies for each of the three information windows.

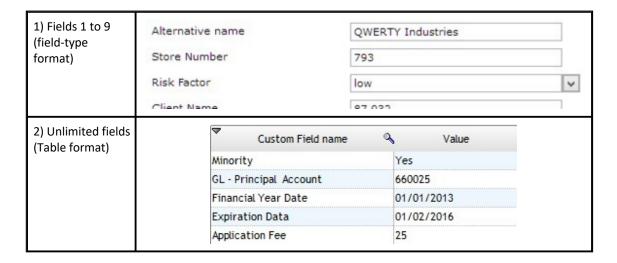
Custom fields

Margill Loan Manager (MLM) includes an unlimited number of custom fields in three sections: 1) Record Data window 2) Borrower window 3) Creditor window. They are displayed in the "Other Data" tab of each of these sections. This can be useful for adding additional information to that provided by the standard MLM fields.

The custom fields may be applied to the Loan as such (fields in the "Data" window), the Borrower or the Creditor.

- A field related to the Loan would include data from the loan itself. For example, it may be interesting to create a field
 that indicates the number of jobs created (expected) as a result of this funding or a risk factor for the loan. It is
 important to understand that these fields are related to the Loan as such and not directly to the Borrower. We
 would not put the Borrower's license number in one of these custom fields. Such a field would be a custom field in
 the Borrower. See Record Data.
- A field related to the Borrower would be, for example, the end date of the financial year of the company, or for individuals, the annual income, credit score, etc. See <u>Borrower (Client) information</u>.
- A field related to the Creditor would be, for example, the name of a additional contact, such as the person actually signing the contract. See <u>Creditor (Lender)</u>.

Fields come in two formats in different sections:



Distinction between the 1 to 9 fields and the Unlimited fields in table format

The advantage of the nine custom fields that are linked to the "Data" window, as compared to all other custom fields (unlimited fields in table format in "Data" and all fields for Borrower and Creditor), lies in the fact that they appear in the "Post payments" window. This can be useful when one identifies the payments due at a certain date, in order to sort these payments based on other criteria, such as, for example, the payment method (check or pre-authorized payments). It is thus recommended to choose the "Data" window custom fields based on the needs of the "Post payments" tool.

Unlimited fields (Table format) have the advantage, for the text and text scroll menus format, that they can include up to 1000 characters as well as paragraphs. The maximum size is 100 characters for the 1-9 text fields and 50 characters for the text scroll menus. See Appendix 1 - Field Characteristics and Lengths.

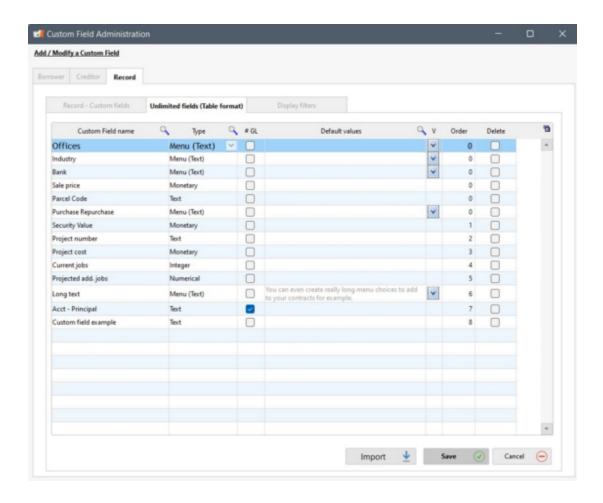
The unlimited fields can also include a GL number (see explanation below in the <u>Unlimited custom fields</u> sub-section).

Up to three (3) custom fields (table format), assigned to the loan as such, can be used as display filters in the Main MLM window (Record Summary). These fields must be of scroll menu types (see <u>Display Filters</u> section).

The nine custom fields provide a minor advantage over unlimited fields in table format because they look slightly better in the window and the data displayed is more sophisticated. This does not affect their display in the Main MLM window or their formatting when reporting.

Field Creation / Configuration

Only the MLM Administrator can set or change these fields.



The field names, field types and default values (if desired) are configured in button Custom Fields under the "System settings (Administrators)" tab.

To configure the fields, press "Edit". In the "Description" column, name the fields to reflect the required information to be entered. If fields have already been configured, they will appear in black and may be modified or corrected if necessary. For each custom field created, the corresponding "Field Type" column must be set by using the scroll menu.

A default value can also be entered in the corresponding "Default value" column. This can be useful in situations where the field value is the same for most of the loans in the portfolio.

See <u>Appendix 1 - Field Characteristics and Lengths</u> for further information on the number of characters allowed for each field type.

<u>Scroll menus</u> can also be defined here with the desired default values. The values allowed in the drop-down menu can be entered manually or imported via a simple Excel sheet (data in column A, no header). To do so, click on the Excel button and import the sheet. It is strongly recommended reading the ? in order to learn about the format and some subtleties.



See the **Scroll menus** section.

The Administrator must specify the field type:

- Text: allows you to enter alphanumeric data and special characters.
 The text format offers greater flexibility as other formats must follow stricter criteria. The disadvantage is the fact that the text format data can not be treated mathematically in MLM or as easily when exported to a third party systems.
- Numerical
- Monetary
- Percentage (%)
- Date
- Integer
- A series of Menus (Text, Numerical, Monetary, Percentage, Date, Integer) allows configuration of scroll menus offering multiple choices depending on the selected value. See <u>Scroll menus</u>.

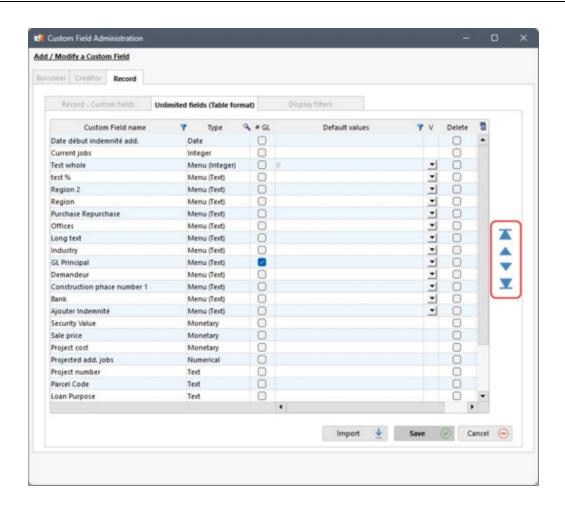
Text
Numerical
Monetary
Percentage (%)
Date
Integer
Menu (Text)
Menu (Numerical)
Menu (Monetary)
Menu Percentage (%)
Menu (Date)
Menu (Integer)

IMPORTANT: Once the field "Type" is chosen and data has been entered for this field, be very careful when changing the Field type since data may be lost or illogical information may be generated in the Record List report. For example, a Text field containing text data, if changed to a numerical value could lead to 0.00 being the new value in all Records, leading of course, to loss of data.

Unlimited custom fields

The "#GL" column defines the field as a custom field that will be used in the Export accounting transactions (Debits and Credits) to the General Ledger module. For example, in your accounting system, each Borrower has a unique GL number for the Principal which is refunded when payments are made. You should therefore enter a unique number for each Record. This unique number will then be used in the Export accounting transactions (Debits and Credits) to the General Ledger module.

The display order for users can be changed using the blue side arrows. In the Record itself, the user can also sort alphabetically or in the order defined above with the "Order" column that appears.



The "Import" button (accessible for unlimited fields related to Data) allows the user to quickly import specific fields that have already been defined by the Margill team. For example, fields required by investment funds, etc. Contact the Margill team at support@margill.com if you have special needs.

Up to three unlimited fields related to the Record can be used as Display Filters. See Display Filters.

See also: Scroll menus, Line status, Display Filters and Appendix 1 - Field Characteristics and Lengths.

Defining Line (Payment) Statuses

Margill Loan Manager (MLM) allows you to include, in the payment schedule, a variety of payment types, additional principal, fees, insurance, penalties, etc., known as "Line status". In all, there are over 70 possible Line statuses.

In Tools > Settings > Line Payment Statuses > System settings (Administrators), you can change the names, eliminate some choices not required and change the order of the Line statuses in the Payment schedule scroll menu (second column). You thus obtain a system better adapted to your needs.

Consult the various sections that detail Line statuses:

Line status

"Payment" Type Line statuses

"Principal" Type Line statuses

Accounting Data and Line status

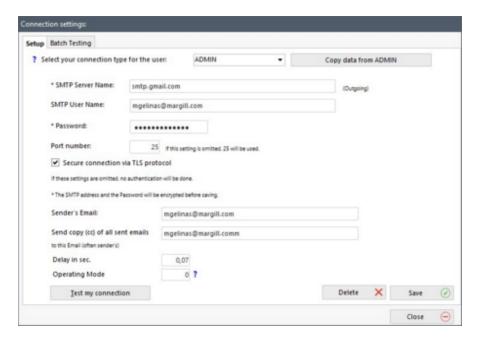
Data Integrity

Email connection (Batch emails)

With Margill Loan Manager (MLM), you may attach documents to emails to be sent in batches to Borrowers. These emails can be sent with the <u>Document Merge tool</u>. You may also send automatic emails via Line status Alerts and in batches via the Main window and throught he Alerts tool.

You will have to configure MLM's email settings: Tools > Settings > System Settings (Administrators) > General Settings > Email Connection.

The Connection Settings window will open.



MLM is not an email management software but simply allows you to send messages. It does not allow you to receive messages. It uses your outgoing mail server, whether this is hosted on your server, by your Internet Service Provider or on-line (Gmail for example).

Each User's connection must be configured. In the drop-down menu, choose the User's name for which you want to configure the email connection. If more than one user can send emails, click on "Copy Data from ADMIN" (once the "ADMIN" data is entered and saved). Doing so will avoid you needing to recopy data for each MLM User.

Complete the following information:

- SMTP Server Name
- SMTP User Name
- User's Password
- Port Number
- Secure connection via TLS protocol (optional)

- Sender's Email
- You can also choose to send a copy to a specific email. Doing so is not recommended for mass emails because this email Inbox may get full.

If you are using Gmail messaging, instead of using SMTP, you can choose the Gmail API which uses the simplified OAut 2.0 connection technology. See <u>Email connection</u> for more information.

Be careful, your Internet Service Provider might impose a limit on the number of emails sent in a short time period, especially when sending mass emails with the <u>Document Merge</u> tool. Check with your Internet provider.

If a limit is indeed imposed, write down a delay in seconds or in fractions of seconds in the "Delay in sec." field at the bottom of the Connection Settings window. The emails will then be sent at intervals. You will have to try many delay times to find the shortest one (to reduce the overall time it takes to send the emails).

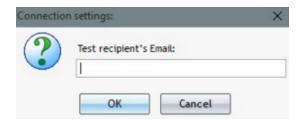
This configuration is generally performed by your network administrator.

Your Internet Service Provider could have a limit on the number of emails that can be sent at the same time or during a day. The "Delay in sec." function allows to send each email seconds apart. Check with your Internet provider about the best way to deal with mass emails and ask about the maximum number of emails that can be sent without being blacklisted.

It is very important to be sure that everything works well by clicking on

Test my connection

When the pop-up window appears, you will have to enter a recipient's email address to test the connection. Verify that the email was received in this Inbox (usually yours).

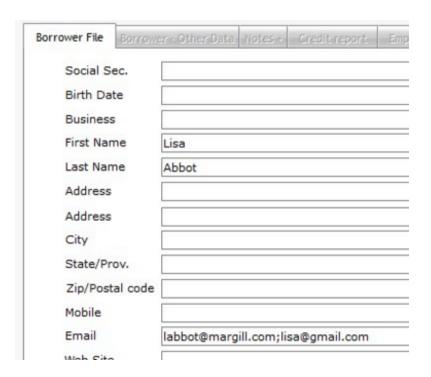


Finally, before sending emails to clients, be sure to perform some tests by sending emails with the Document Merge tool.

Sending many emails related to one Borrower

Users can add many email addresses to the same Borrower file. This feature is very convenient when a user must send merged documents such as statements or invoices and the Borrowers or Creditors want these documents delivered to many email addresses.

In the email field of the Borrower file, enter all the emails each separated by a semicolon (;).



Email mass sending test tool

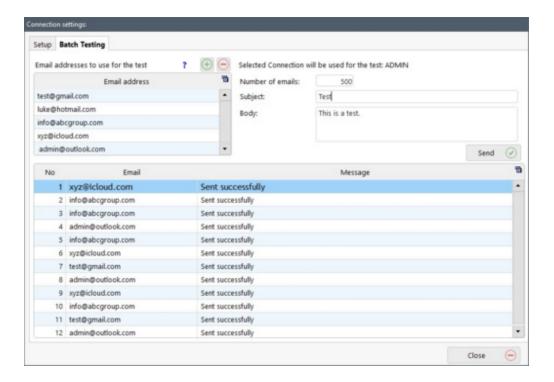
In the Email connection settings Batch Testing tab, you will find an email mass sending tool. This tool allows you to send real emails, in test mode, before sending with the normal Margill batch sending tools. Its goal is really to see if the email provider accepts the required email volume.

You can enter the same email or multiple emails to see, for example if your email provider sets a limit. If you enter 5 test emails and enter 500 in the Number of emails, each address will be used randomly.

It is recommended to test with emails outside your corporate email domain (test wit Gmails, Hotmails, personal emails, family...). Entering a unique email with 500 emails sent, for example, may not be very representative of real-life...

The goal of the tool being to see if the emails are accepted or not by the email provider, the Message column will simply show if the email was accepted or not by the email provider, it will not determine if the email was delivered. For example, the first 500 emails may be accepted but depending on the sending limit, the next 500 may be refused and the message will indicate so.

It is recommended to check the daily (or hourly limit maybe) with your email provider.



Backup (data)

Over a period of time, users will produce a large quantity of important client data (loan information, payments, client information, etc.) with Margill Loan Manager (MLM). This data is often mission critical for a company and a loss may imply a serious threat to the organization's livelihood. It is thus **imperative** to put in place the proper infrastructure for data backup.

The user is entirely responsible for the client data produced with MLM. NEITHER JURISMEDIA, NOR ANY PERSON HAVING PARTICIPATED IN THE CREATION, THE PRODUCTION OR THE DELIVERY OF THE PRODUCT CAN BE HELD RESPONSIBLE in case of data corruption, destruction or loss of this data.

It is entirely up to the user to regularly (once a day or more if required) create backup copies of his client data and to store these backup copies in a safe place.

See also License.

Files to backup

MLM data files are either located in the MLM executable folder or in a data folder determined by the MLM Administrator. The most critical data is located in the "DB" subfolder. The "DB" subfolder contains over 140 files with the following extensions: *MMO, *.FIC, *.NDX. Other less critical data, may be present for Credit_Reports and Electronic Funds Transfer and are located in the Metro2 subdirectory, and other folders. See Location (Path) of System Data.

If the data is contained in the installation folder, then it is suggested to backup the entire folder, usually called MLM.

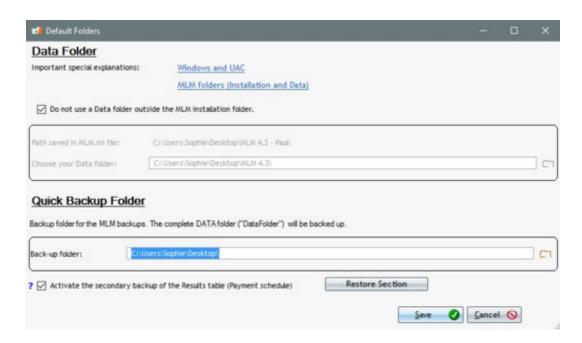
If the data is contained in a data folder, a backup of the entire folder is sufficient.

Backup copy location (Path)

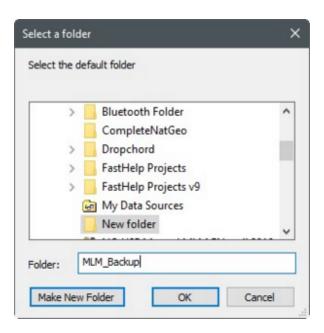
The MLM Administrator can define the backup location (the path) to be used when a backup is performed by one of the Quick backup methods, or when the system suggests a backup copy when important changes are made to the database.

The Administrator can set this location through Tools > Settings > System Settings (Administrators) > Data and Backups > "Quick Backup Folder" section. Simply specify the folder. The Quick Backup (see next section) and the recommended MLM backups can only be done in the defined folder.

The Administrator must ensure that data is backed up securely from all normal information technology security perspectives.



Specify the path by pressing the folder icon. If the folder does not exist, click on the "Make New Folder" button, select it and press OK.



Then press Save Save

It is strongly discouraged to create a subfolder in the data directory (MLM_DATA above) since the backup will be made of old backups and there will be a continuous duplication of data, greatly increasing disk space.

Secondary backup of the Payment schedule

If you decide to check the "Activate the Secondary backup of the Payment schedule (Payments schedule)" feature, each time a Record is modified, the Payment schedule and other essential data will be saved in a compressed format (ZIP) and

will be protected by a password.

In case of corruption or any other problem, this feature will allow you to recover individually one or many Payment schedule.

The Payment schedule will be saved in the "RecordsTextFormat" subfolder. The space used is approximately 10 Mo for 1000 Payment schedules.

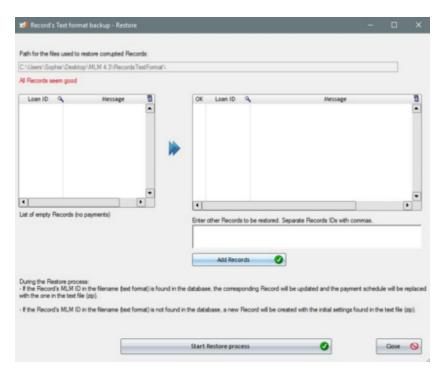
WARNING:

This feature does not replace backing up your data. This tool can only recover Payment schedules. All the other related data (Borrowers, Creditors, custom fields, etc.) cannot be recovered.

We strongly recommend saving all data every day.

If a problem occurs and you would like to recover some Records, click on the window will open:



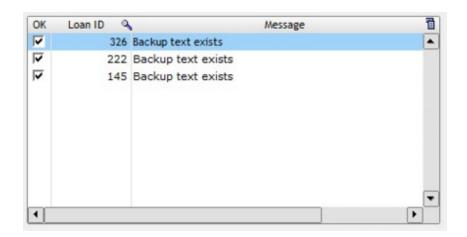


Records that seem corrupted or empty (that do not include any payments) will appear in the top left window (in the example above there are no issues). It will be possible to select Records that will need to restored by selecting them and

clicking on the blue arrows in order to transfer them to the right-side window.

It is also be possible to enter the Record manually in the window "Enter other Records to be restored. Separate Records IDs with commas". Enter the identification number of the Record to be restored and separate them by a comma. When

this step is completed, click on Add Records





- If the Record's identification number included in the file name (text format) is found in the database, the corresponding Record will be updated and the Payment schedule will be replaced by the one in the text file (ZIP).
- If the Record's identification number is not found in the database, a new Record will be created with the Record's initially saved settings.

These windows will appear:



Quick Backup

Data backup is possible through "Tools" and "Backup"

. MLM will create in the backup folder designated by the MLM Administrator, a subfolder indicating the date of the backup and the MLM version (in the example below, the date is 2016-05-09 and the version 4.3.160428.1). A user must have the permissions to create this folder. The permission must often be granted specifically by your network administrator.



If the data remains in the MLM install folder, the whole folder will be backed up, including the software itself. If on the other hand, the Data folder is outside the MLM installation folder, only, but all, the folders and files that are contained in the Data folder will be saved.

Automatic Backup (Overnight Tasks)

Automatic tasks, also known as "Overnight Tasks", allow you to accomplish certain tasks that can be programmed to be done outside of normal business hours, therefore eliminating waiting time. For example, it is possible to program the automatic MLM backup at 1:00 AM, even if MLM is not opened. The server or computer on which MLM is installed must be opened or be in sleep mode so that the folder is available.

In order to learn how to program an automatic backup, see Settings > System settings (Administrator) > <u>Automatic and Overnight Tasks.</u>

Updates

Margill Loan Manager (MLM) includes two types of updates:

- 1) Software update
- 2) Interest and sales tax tables updates

Consult each section for further information.

Support, maintenance and update contract

Updates and support are available at no cost for a period of one (1) year following the purchase date. Afterwards, the user may subscribe to the update and support services for a certain fee. An invoice is sent by email to the purchaser before the renewal date.

See also: Support, maintenance and update contract

Software updates

To check for Margill Loan Manager (MLM) software updates, go to the "Other" tab and press on "Check for Update"

Check for Update

. MLM will check on the Margill web site to see if a newer version is available.

One can also access the updates on line at:

www.margill.com/get

Margill Loan Manager includes many "software":

- MLM.exe (the main software)
- MLM_Overnight_tasks.exe (software that performs the Overnight Tasks)
- MLM_Repair.exe (software that "fixes" the database)
- MLM Imports.exe (located in the MLMImports folder)(Windows service that updates data automatically by API (JSON, Excel and Salesforce)
- HTTP_Margill.exe (located in the HTTP_Margill folder)(Windows Service that picks up MLM data and brings it to the Web)

Minor updates are done through "patches", files that are downloaded and copied to the MLM folder (MLM.exe and Margill Loan Manager.wdd). For major updates, a full installation is required. This installation includes MLM.exe, MLM_Overnight_tasks.exe and MLM_Repair.exe. The Margill Windows Services are separate installers.

After downloading the update, the installer will automatically search for the proper MLM folder. If the folder is not found automatically (especially in more complex network installations), the user will then have to find the appropriate MLM folder and indicate this upon installation.

The "Check for software updates" frequency may be changed in Tools > Settings. The software may check for updates monthly, weekly, daily, or never ("None"). If "None" is chosen, you should check for updates regularly with the "Check for Update" button under the "Other" tab.

Before updating, always backup the entire MLM folder and the database if it is located elsewhere!

When a full installation is required, install OVER the existing version (always completely backup first). The database will be updated automatically.

Support, maintenance and update contract

Updates and support are available at no cost for a period of one (1) year following the purchase date. Afterwards, the user may subscribe to the update and support services for a certain fee. An invoice is sent by email to the purchaser before the renewal date.

See also: <u>Support, maintenance and update contract, Borrower (Client) information, Creditor (Lender)</u> and <u>Update from previous versions to 3.x and above</u>.

Comparative "Sandbox" version before live version update

When important updates are made in Margill Loan Manager, the development team sometimes makes mathematical adjustments.

These adjustments should have, for the vast majority of calculations, no effect on the old calculations. In some situations, these adjustments may have a very minor effect.

Thus, the Margill team created a Comparative version that can be installed before updating the live version. It then compares current version data with updated data.

In addition to the tests you can do yourself, the red button ("Compare the data in the live version to that of the update") starts a comparison of these three key data:

- Total interest
- Ending balance
- Last payment amount

If these three data of the updated version match those of the comparative version, you can install the update with confidence.

If differences are found, you will be able to study these before finalizing the update. Very minor differences should not prevent you from updating to the latest version of Margill.

If you notice more significant differences, please contact the Margill team.

You can use the same installation file to install the update (no need to re-download).

Technical aspects

When installing the Manager update, by pressing the Comparative version option, a folder named "MLMSandbox" will be created in a folder at the same level as the live installation. Your live version's database will be copied to this folder and updated. Your live version will NOT be updated with this option.

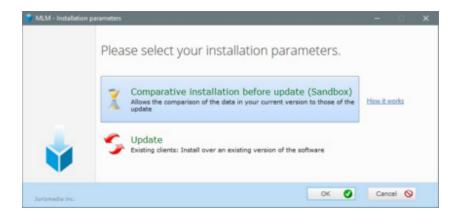
BE CAREFUL NOT to use this version as a real version. Its purpose is purely to compare the live version with the update and perform tests (testing other special customized reports for example).

This version does not allow, among other things, to destroy Records, only allows to create "Drafts", does not allow to choose a Borrower, etc.

Once the comparison is done, you can delete the "MLMSandbox" folder or keep it. This version does not interfere with the current version.

Procedure for the Sandbox installation before updating

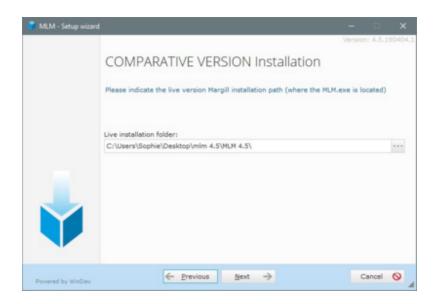
- 1. Click on the program provided by Team Margill MLM Install .exe;
- 2. Choose the language;
- 3. This window will open. Choose the "Sandbox installation before updating", and click on "OK":



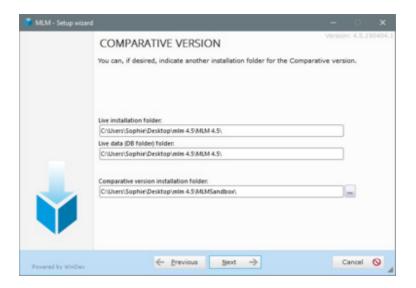
4. Click on "I agree with the terms of the agreement":



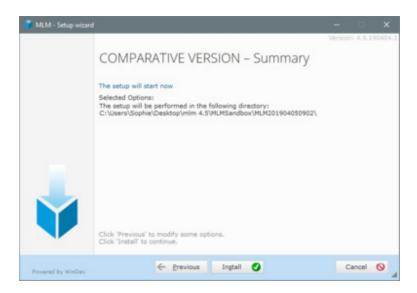
5. Indicate the location (path) of the current active installation of Margill (the location of the "MLM.exe" file) and click on "Next":



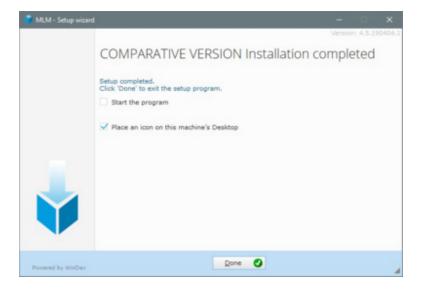
- 6. At this stage, a few warning messages may appear to warn you of potential problems. It will be possible to continue or to cancel in order to make the corrections.
- 7. Select the location in which to install the Sandbox and click on "Next":



8. Click on "Install". This might take some time before installation begins depending on the size of your database;



9. Once the installation is done, the Administrator will have two choices: "Launch the program" and/or "Display an icon on Desktop of workstation". Click on "End";



The icon will be distinctive from the regular MLM version by its name which will contain "MLM_Sandbox".



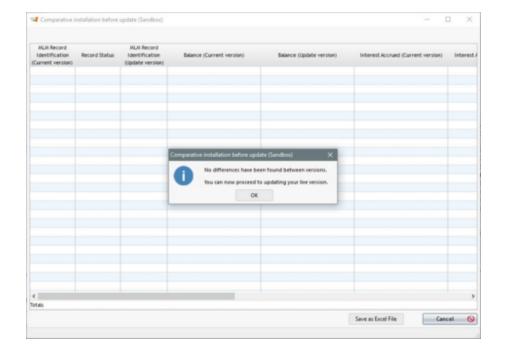
10. When the Administrator launches the program or clicks on the icon on the Desktop, he will be asked to enter the user name and password, as is the case with the regular MLM:



- 11. The delay for recalculating your Records will be in accordance to the size of your database.
- 12. Then, the Main window (Record Summary) will appear and a red button will appear so the Administrator can compare the live version's data with and the data from the updated version. In order to prevent errors, we've made this button hard to miss, because you do not want to use the Sandbox option other than to compare data:



13. By clicking on the "Comparison of the data in your current version to those of the update" button, the following window will open. It will display the Records in which calculations are different from one version to the other. The different Records will be isolated so that the Administrator can analyze them before updating the current version. In theory, there should be no difference in the numbers.



14. Once the irregularities are dealt with, if necessary, the update can be done. Do not use the Sandbox version as a real version. Its purpose is purely to allow comparison of the current live version with the update and to perform some tests (for example, testing special custom reports).

While testing the live version with the Sandbox, no changes should be performed in the live version, otherwise, comparison will become impossible. Access to the live version should be blocked for the entire testing period.

Update from previous versions to 3.x and above

Versions of Margill Loan Manager (MLM), which preceded version 3.0 were based on a flat file database technology in

which all the data in a Record was contained in a single Record file. As of version 3.0, the structure became relational whereby a link is created between the loan and databases (tables) for the Borrower, Employer and Creditor.

When updating from an older version to version 3.x, the updating tool automatically creates these multiple databases (or tables) and creates the links (or associations) required between loans, Borrowers, Employers and Creditors.

If a Borrower has multiple loans (or if one or more Creditors own a portfolio), the update tool will attempt to identify identical Borrowers or identical Creditors and create a single entry for each instead of multiple entries with the same data (thus eliminating unnecessary duplicates).

If, during the update, two Borrowers have identical names (name and/or business), but another field is not identical, the automatic updating tool will add the file number to the business name (example (Record: 123)), even if no name appears. This allows us to understand that these two entries are actually duplicates for the Borrower or for the Creditor. It is suggested to review all Borrowers and Creditors and eliminate duplicates.

Hence, the tool offers the ability to merge data on two or more Borrowers or two or more Creditors. This tool is available in the "Special" section of the "Settings" window under the "Tools" menu, followed by the "Borrower Merge" and "Creditors Merge" links.

It is possible, by clicking on any of these links, to change the account data (selected on the left side of the window labeled "Old data") with those of another account to be selected on the right side of the window ("New data"). Confirmation of

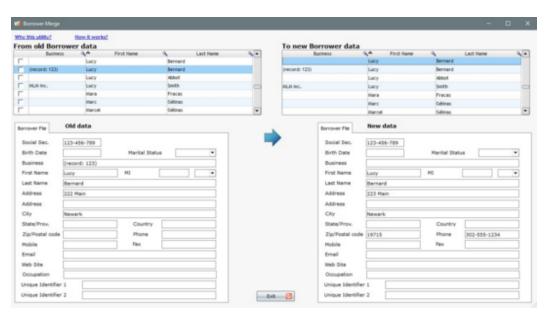
this merge is done by clicking on the window's central arrow



Thus, the data from left disappear BUT, above all, the tool will automatically create the link (association) required between the loan and the Borrower (or the Creditor if any).

In the example below, the Borrower Lucy Bernard appears twice. The Borrower card on the left is incomplete and also

includes an error in the address (the correct civic number being 223 not 222). Thus, by clicking on the , the left data will be eliminated while creating a link (association) between Lucy Bernard and File 123. If, for example, Lucie was to move, the user would simply need to update the information in one Borrower card instead of opening each of Lucy's loans and needing to make the changes multiple times.



IMPORTANT WARNING: Before making many of these changes, it is strongly recommended to make a backup copy of

your data.

Interest tables (& Sales tax table) updates

Margill Loan Manager (MLM) interest tables can be updated by the user (see Updating / changing interest tables) or on the Margill web site. Go to www.margill.com/get.

To access to the latest tables on the Margill website, the user must be registered and have purchased MLM within the year or opted for the <u>Support</u>, <u>maintenance and update contract</u>.

Updating Interest rate tables

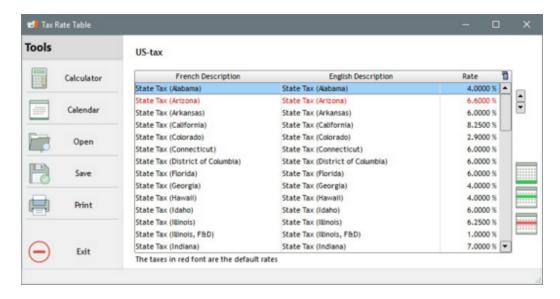
See Updating / changing interest tables.

Updating the Sales tax tables

Existing sales tax rates can be modified and new rates incorporated with MLM to allow for a multitude of sales tax calculations. This can be done by the "Administrator" or a "Power user".

The sales tax rate table contains several tax rates for different countries, states and provinces, as well as a rate of 0.0000%. A new rate can be added to the table for calculating taxes in another jurisdiction. A rate can also be updated.

Since MLM is a bilingual program (English and French), the table can contain terms in either language. If a term is not translatable or if you do not need both languages, then a single term can be used in both columns.



To add a new rate, to modify a rate, or to change the rates used by default:

- Choose "Rate Tables" / "Sales Tax Table".
- To add a rate, select the icon. Enter the name of the sales tax in the second column (the first column is the French description) and the desired rate in the third column.
- The rates can also be modified, if necessary, by clicking on the desired line and modifying the appropriate data.

• In the sales tax calculation (go to the "Other" button and then "Sales Tax Calculation"), the two rates that appear at the beginning of the table in red are the default rates. These default names and values can be modified in the "Sales

Tax Table" window. It is also possible to substitute the two rates appearing by default by using the button (to the right of the table) to slide the two desired rates to the top of the table. The two new first lines of the table will automatically appear in red.

• Certain sales tax calculations require that the second tax (provincial, in the case of Quebec before 2013, for example) be applied to the total: amount + federal tax. This setting is set in the sales tax calculation itself.

▼ Tax 2 calculated on total: Sale Amount and Tax 1

where, automatically, the first rate of the table is named Tax 1 and the second, Tax 2.

Once set in the Sales Tax Calculation, the default choice will be kept.

- Based on the jurisdiction, if a single tax is applicable, a zero (0.0000) tax should be specified for the second tax.
- To save the changes, click on the Save icon . Only one tax rate table can be used in MLM, and therefore, no file name is required.
- Only the <u>"Administrator" or a "Power user"</u> can make the necessary updates.

Tools Menu

Payment update ("Post Payments")

- Bulk Import of Payments
- Payment update via Line Unique Identifier
- Payment update via precise payment Amount and Date

Electronic Funds Transfers

Alerts

Settings

<u>Users</u> (see Getting started > <u>Administrator and Users</u>)

Various

Backup

Tables

Database Reindexation

F1 - Help (User's manual)

Payment update ("Post Payments")

Margill Loan Manager (MLM) offers an extremely useful and powerful tool to update all "Active" Records as payments are paid in full, unpaid, paid late, paid partially, etc.

IMPORTANT: Only Active Records DISPLAYED in MLM'S Main window (Record Summary window) will be displayed in the Payment Update tool.

Introduction

Search Tool for Payments

Bulk Import of Payments

Selecting "Active" Records to be displayed

Selecting the dates for the payments to update

Changing Due Payments to Payments Paid in Full, Paid Partially, Paid Late or Unpaid

Changing Paid Payments to Unpaid Payments

Changing Miscellaneous Data:

- Payment Date
- Adding Column Fees
- "Expected Pmt" column and outstanding amounts
 - Additional payment or Compensatory Pmt (unexpected) paid
- "True Pmt Date (Grace / EFT)"
- Line Comment
- Minimum Payment
- Check Number
- 9 Custom columns (text, currency, number)
- 9 Custom fields (Record)

<u>Automatic Recomputation of Payments and Column Fees (Advanced Options)</u>

Displaying Monetary Totals

Change payment dates in bulk for many Records at once

Apply specific colors to Special Records

Table Printing

Record History (Log)

Introduction

The Payment Update tool is certainly MLM's most important tool. The tool replaces the need to manually open each Record and change the <u>Line status</u> line by line.

In addition, for each displayed Record, several relevant data are available in the table columns, such as the true Balance, the Origination Date, the Last payment date > 0.00, the Creditor, etc.

By default, the tool finds all the "Due Pmt" Line statuses and updates them when the payment is paid, late, partial or unpaid.

When you choose a <u>date interval</u>: "Include all "Payment" Line statuses" can be checked therefore displaying all "Due Pmt" Line status plus all the other "Paid" type Line statuses (Due Pmt, Paid Pmt, Partial Pmt, Paid Pmt 2..., Unpaid Pmt, etc.).

Furthermore, this tool allows to quickly change or add data in the columns when the column headers contain an asterisk (*). The asterisk means that these columns' data can be changed by the user:

- Line status
- Modified line (checked/unchecked)
- Payment Date
- Payment (amount)
- Expect. Pmt
- Pmt Due Date
- True Pmt Date (Grace / EFT)
- Comment
- Minimum Pmt
- Check Number

- Column Fees 1 (accrued)(as renamed)
- Column Fees 2 (accrued)(as renamed)
- Column Fees 3 (accrued)(as renamed)
- Column Fees 4 (accrued)(as renamed)
- Column Fees 5 (accrued)(as renamed)
- Column Fees 6 (accrued)(as renamed)
- 9 custom Column (text, currency, number)
- 9 custom Fields Record

The <u>Search tool</u> is available for most of the Payment Update tool columns in order to help you quickly find Records you want to update.

For loans whose payments are not pre-established (Payments are irregular), the <u>Bulk Import of Payments</u> tool allows importing payments in MLM from an Excel spreadsheet (or entered manually). See the <u>Bulk Import of Payments</u> section.

Please note that you can change the columns' location and place the more important ones to the left of the window. Columns can also be hidden. To show or hide data, click on a header using the right mouse button. You can then show or hide the various fields.



Usually, a <u>read-only user</u> cannot use this tool. Special rights may still be assigned by the Administrator in order to use this tool, as well as updating existing payments or adding new payments via an Excel sheet.

Selecting "Active" Records to be Displayed

By default, the "Post Payments" tool includes displays all the "Active" Records in the Main window that have a

transaction expected on or before the "Pmt Date" or in between the dates entered (when an interval is used).

The user can display only the desired Active Records in the "Post Payments" tool.

By checking "Manual Selection / Spreadsheet", the user can choose which Active Records he wants to display in the "Post Payments" tool from an Excel spreadsheet or by manual entry. It allows to save time when only a few Records need to be updated (for example changing certain payments that were considered as Paid by Electronic Funds Transfer (EFT) but resulted in insufficient funds).

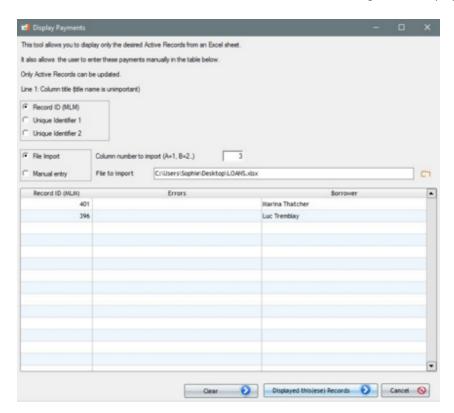


Here are the steps to follow in order to display only certain Active Records from an Excel spreadsheet:

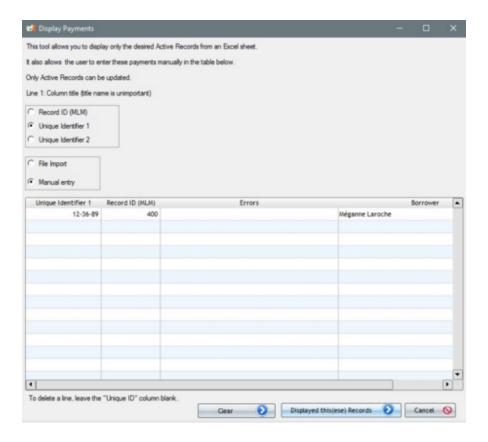
- 1. Select the identifier ("Record ID (MLM)", "Unique Identifier 1" or "Unique Identifier 2");
- 2. Enter the column number that contains the data (usually the first column) in the spreadsheet;
- 3. Select the file to import;
- 4. Click on "Display this(ese) Records"

Please note that the data on the first line of the Excel spreadsheet will not be imported because it contains the column titles.

If a Record is not Active or if a Record has been deleted from MLM, an error message will be displayed.



For manual entry, simply enter the "Record ID (MLM)" (or "Unique Identifier 1" or "Unique Identifier 2") in the appropriate column and click on "Display this(ese) Records"



To delete a line, simply delete what is entered manually in the column.

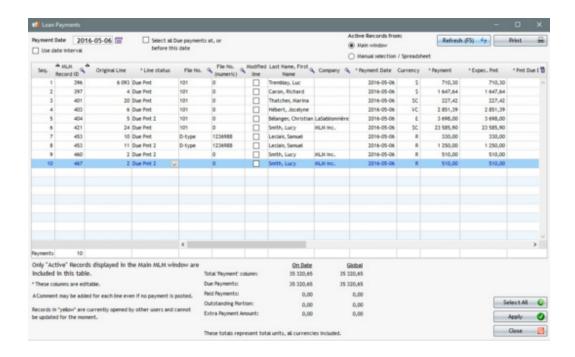
When the Records are displayed after the manual entry (or by Excel spreadsheet), a scroll down list under Refresh will appear to indicate which Records are taken into account.



If no Records show, verify the Payment Date, check "Select all Due Payments at, or before this date" and/or select a date interval. If the Record is Active but there is no transaction on the chosen date or between the chosen dates, the Record will not be displayed.

Selecting the dates for the payments to update

Click on "Tools" and go to "Post Payments" . The following window will appear with the current date, which may be changed to the desired date or date interval:



Three options are available for displaying the "Due Pmt", "Due Pmt 2" to "Due Pmt 5" (and other Paid and Unpaid payments if so desired) for "Active" Records only (see "Record Data" section):

- 1) Show only payments that are due on a specific date entered (please note that this filter will include the five following Line statuses: Due Pmt, Due Pmt 2 to 5);
 - For example, to display ONLY Records for which a payment is due on a specific date (February 1 in this example).
 - Only Records with payment due on February 1 will be shown.
 - o If a Record contains a due payment on that date and one or multiple due payments before that date, these due payments will also be shown (for this Record only).
 - Enter only the date without checking the option:



- 2) Show ALL Records with due payments on the specific date entered and before this date (please note that this filter will include the five following Line statuses: Due Pmt, Due Pmt 2 to 5);
 - For example, to display all Records with a due payment on or before a specific date (February 1 in this
 example).
 - Check "Select all Due payments at, or before this date":



- 3) Show only due payments that are upcoming between (and including) two chosen dates (please note that this filter will include the five following Line statuses: Due Pmt, Due Pmt 2 to 5);
 - For example, to display ONLY Records with a payment that is due between two dates (inclusively between February 1 and February 28 in this example).

O If a Record contains a due payment between the dates entered and a due payment or multiple due payments before the start date, these due payments will also be shown (for this Record only).

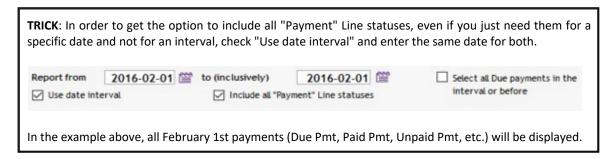
$\overline{}$	Check	"Hse	date	interval"
.)	CHECK	USE	uale	IIIILEI VAI

Report from	2016-02-01	to (inclusively)	2016-02-28	Select all Due payments in the
Use date inte	rval	Include all "Pa	yment" Line statuses	interval or before

 If the "Select all Due payments in the interval or before" option is checked, all the lines with a due payment, even before this interval, will be displayed.

Report from	2016-02-01	to (inclusively)	2016-02-28	Select all Due payments in the
Use date inte	rval	Include all "Paym	ent" Line statuses	interval or before

It is STRONGLY recommended to check the option "Select all Due payments in the interval or before" in order to manage all due payments.



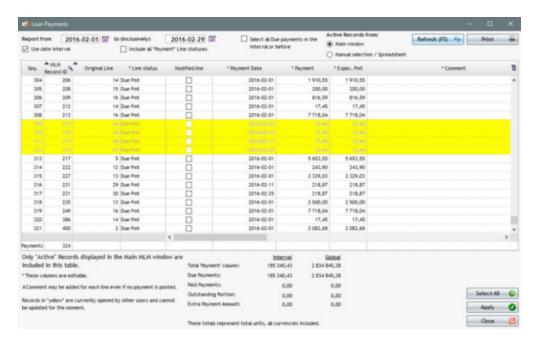
Changing Due Payments to Payments Paid in Full, Paid Partially, Paid Late or Unpaid

By default, the tool will find all Line statuses "Due Pmt" on or before this date and will display the payments in the window.

To produce the list of desired payments (Due pmt and other payment types if so desired), press the Refresh button or F5

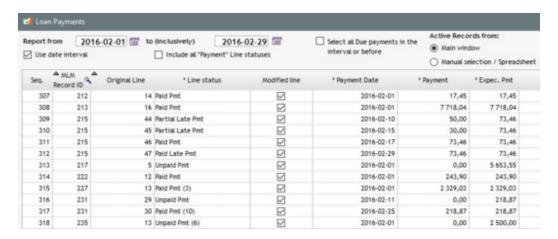
Refresh (F5) . A table will be created taking into account the chosen options.

The example below displays all due payments between February 1st and February 29. Highlighted in yellow are Records opened by another user. It is strongly suggested that this user be asked to close the Record before updating it. By positioning your cursor on a yellow line, you can see who blocks the Record. See <u>Locked Records and Alerts</u>.



It is possible to change Line statuses to multiple other choices:

- Due Pmt
- Due Pmt (2) to (5)
- Paid Pmt
- Paid Late Pmt
- Partial Pmt
- Partial Late Pmt
- Paid Pmt Returned Check
- Add. Pmt
- Compensatory Pmt
- Unpaid Pmt
- Paid Pmt (2 to 10)
- Paid Pmt (11 to 20)*
- Interest Paid (2 to 4)
- Paid Principal (2 to 4)
- Unpaid Pmt (2 to 10)
- Due Pmt Unpaid



Future due payments payable before the chosen date or payable before the interval selected are highlighted in red to indicate a state of urgency (relative) - these due payments will need to be managed by assigning the appropriate Line statuses. Due payments on the date (or between dates) selected (here between 01/05/2016 and 11/05/2016) are not highlighted. A well maintained database should include very few red lines.



In order to update Records, changing "Payment" Line status to another Line status: enter a date or an interval as described above. Check payments to update. By default, the Line status will change to "Paid Pmt". You can also change the Line status to other Line statuses such as "Paid".

- Paid Pmt (2) to (20)
- Partial Pmt
- Late Pmt
- Partial Late Pmt
- Add. Pmt
- Compensatory Pmt

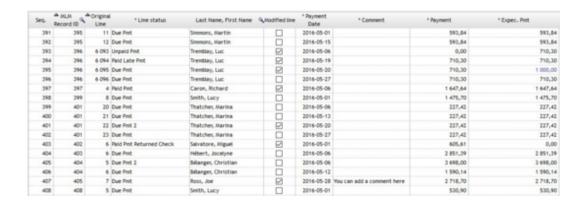
Or "Unpaid":

- Unpaid Pmt
- Unpaid Pmt (2) to (10)

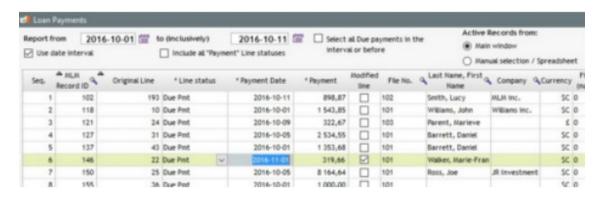
"Paid Pmt (2) to (20)" and "Unpaid Pmt (2) to (10)" are Line statuses whose names can be changed to specifically identify the type of payment made (Paid Visa, Paid by check, etc.). See very important sections <u>Line status</u> and <u>"Payment" Type Line statuses</u>.

"Select All" will select all the Records in the table while allowing to choose the Line status to apply to ALL Records. This option does not allow changing to partial payments or late payments because these special changes must be processed line by line. With the right mouse click (see table below), you will have access to more Line status options than with "Select All".

When the lines are changed (whether changing a Line status, adding a comment, adding Column Fees or any other change done to a column with an asterisk*), check marks will appear in the "Modified line" column.



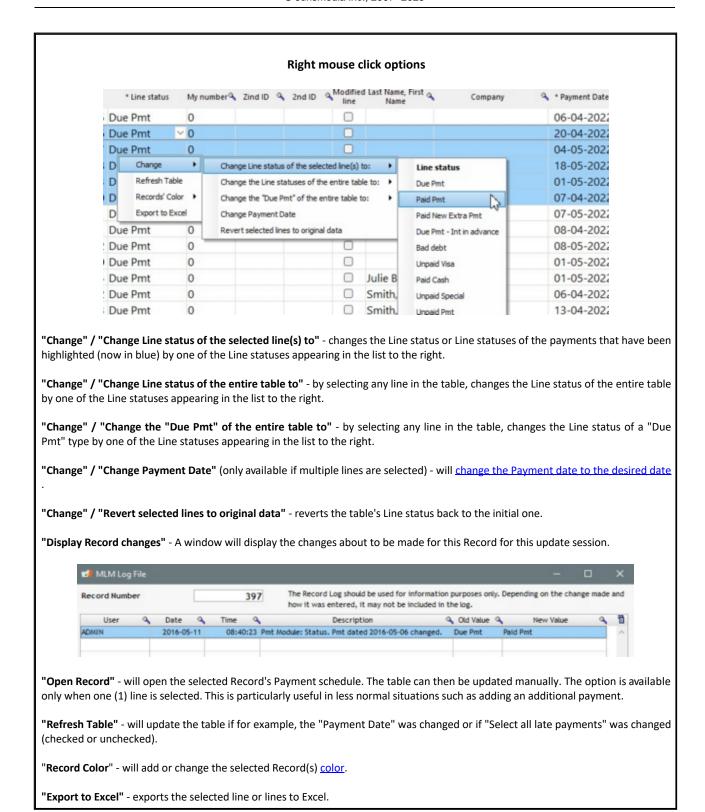
If a date is modified by the user and thus this date finds itself after dates entered, the line will become pale green indicating a possible irregularity. You can save your changes nevertheless, since this is meant simply as a system warning.



When the user clicks "Apply", the changes will be updated and the check marks will disappear from the "Modified line" column.

Here is the fastest way to select many lines without checking each line one by one:

Highlight the desired lines (use "Shift") to select a block of lines, or press "Ctrl" to select random lines or simply keep
pressing on the left button of the mouse and scroll down (continuous lines) and <u>right mouse click</u> which offers the
options described in the box below.



Please note that it is not possible to change multiple pre-authorized payment, partial payment and late payment Line statuses in bulk. You will have to change Line statuses one by one since these are special situations that require individual processing in order to enter the data for each Record (amounts, dates, etc.).

Once the payments are selected from the desired Line status, click on "Apply" . Changes will only be updated in the Records when you click "Apply".

The number of updated payments will appear.



The payments updated with the "Payment Update" tool will be eliminated from the table since they have now been updated or otherwise managed. You can either choose to update other payments or close the window.

Changing Paid Payments to Unpaid Payments

If "Use date interval" is checked, an additional option will be available. The option "Include all "Payment" Line statuses" could then be checked and will display not only "Due pmt" but all payment-type Line statuses:

	Displayed when the option "Include all "Payment" Line statuses" is checked		
Paid Pmt	Interest Paid		
Paid Pmt (2 to 20) Paid Pmt Returned Check	Interest Paid (2 to 4)Principal Paid		
Partial Pmt	• Principal Paid (2 to 4)		
Partial Late Pmt Late Pmt	Unpaid Pmt		
Add. Pmt	Unpaid Pmt (2 to 10)		
	Paid Pmt (2 to 20) Paid Pmt Returned Check Partial Pmt Partial Late Pmt Late Pmt		

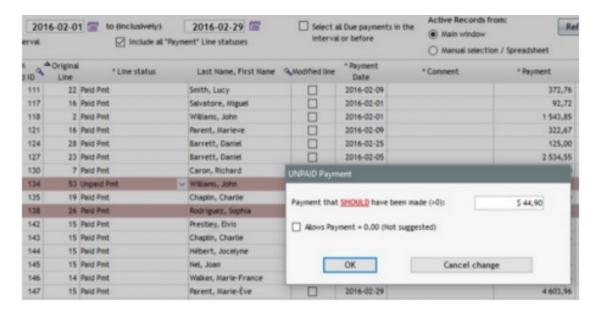
Notably, when the <u>Electronic Funds Transfer (EFT)</u> module is used, this option allows you to find all payments that have been automatically changed from Due Pmt to Paid Pmt and allows you to change Line statuses from Paid Pmt (or PAP Paid) to Unpaid Pmt for returned payments (insufficient funds). It avoids the user having to open each Record to make these changes.

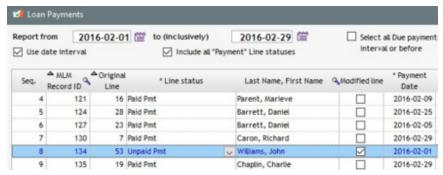
In order to get the desired payments list (Due Pmt and other types of payments if desired), click on Refresh or F5

Refresh (F5)

A table with the chosen options will be created.

- 1) Find Records in the list whose Line statuses must be modified. For example, you will have to make each change individually for Records 134 and 138 because they are preauthorized payments.
- 2) First change the Line status change from "Paid Pmt" to "Unpaid Pmt" in Record 134. Confirm the amount that should have been paid in the pop up window. A check mark will automatically appear in the "Modified line" column.





3) Click on Apply . A confirmation window will appear and the Record will be updated. Repeat these steps to modify Record 138's Line status.



Special Cases of Payments Submitted as <u>Electronic Funds Transfer</u> (EFT)

Records highlighted in red/brown (darker) are "Payment" type Line statuses submitted as preauthorized payments (PAP). They can only be updated by Line statuses that are not greyed out. Partial payments or late payments are not allowed because a PAP can be either paid or unpaid:

- Paid Pmt
- Unpaid Pmt
- Paid Pmt (2) to (20)
- Unpaid Pmt (2) to (10)

For example, a hundred (100) Records are submitted as preauthorized payments in January 2016. MLM assumes that the payment was paid on the day it was debited from the Borrower's account and so the Line status will

automatically change from Due Pmt to Paid Pmt in the Payment schedule.

On the other hand, five (5) Records are returned because of Borrowers' insufficient funds. Instead of manually changing Line statuses in each Borrower's Payment schedule, use the Payments Update tool to save significant time.

By choosing the date interval January 1 to January 31, 2016 and by checking "Include all "Payment" Line statuses", darker red/brown Records representing PAP's with the "Paid Pmt" Line status will show up on the list. It will then be possible with the Search tool to easily find the five Records to change in the list and to apply the new Line status for each payment, one by one since PAP Records must be processed separately. It is still much faster than opening each Record separately. In this case, "Paid Pmt" Line status will have to be changed to "Unpaid Pmt".

If you try to change multiple PAP Line statuses at the same time, the following message will appear:

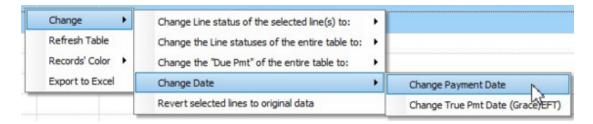


Changing Miscellaneous Data:

Payment Date

The date in the "Payment Date" column can be modified as long as it is equal to or after the previous line and equal to or before the payment date of the next line in the Payment schedule.

You can also modify the Payment dates in bulk. Select the rows for which the payment date must be changed, right mouse click: Change > Change Date > Change Payment Date. The only constraints are that date changes in bulk cannot be made on more than one line for the same Record and the date order described above be respected.

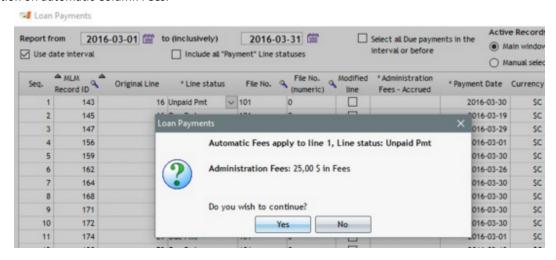


Adding Column fees

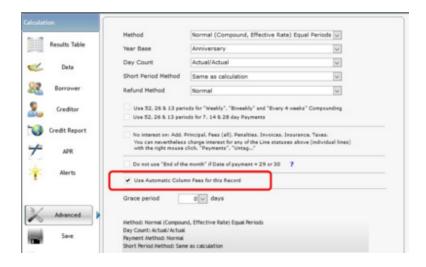
For example, if you have to add a 25.00 fee for an unpaid payment, it is possible to do so manually with the "Payment Update" tool at the same time the Line status is being changed from "Due Pmt" to "Unpaid Pmt". The amount must simply be entered in the appropriate column. In this example, "Column Fees 1" is renamed "Administration Fees". See section > How to do... > Fees, Insurance and Taxes > Fees, Insurance and Taxes by Column, for more information on this.



Those Fees can be programmed to generate automatically when a Line status is changed to another. Thus, each time a "Due Pmt" Line status becomes "Unpaid Pmt", Fees are added to the Record without intervention. See How to do... > Fees, Insurance and Taxes > Fees, Insurance and Taxes by Column > Fees, Insurance and Taxes by Column, for more information on automatic Column Fees.



In order to be automatically generated after being programmed in the Settings, Column Fees must be activated for each Record to which they are to apply. Open the Record and in the Advanced option, check "Use Automatic Column Fees for this Record" or use the "Global Changes" tool to apply the fees to multiple Records at once.



See also: Automatic Recomputing of Payments and Column Fees (Advanced Options)

Expected payment ("Expec. Pmt") column and Outstanding amounts

The "Expect. Pmt" column allows the user to enter the amount which should have been paid when there is a difference between the expected payment and the payment actually made. Thus, when a payment is unpaid or an additional payment is made, the outstanding amount increases or decreases.

Scenarios:

- The amounts in the "Payment" and "Expect. Pmt" columns should be equal when the payment is paid in full.
- If the payment is unpaid, the "Payment" column indicates 0.00 and the "Expect. Pmt" column indicates the amount

- which should have been paid.
- A partial payment could be managed when the "Payment" amount is less than the amount in the "Expect. Pmt" column. Note, however, that the amount in the "Payment" column cannot be changed in the Post payments tool. This amount can only be changed directly in the Payment schedule when the Line status is "Due Pmt".
- If the Line status is "Add. Pmt" or Compensatory Pmt, based on best practices, this payment would not originally have been expected and therefore should have an "Expect. Pmt" of 0.00 (see the box below that illustrates the methodology suggested for payments that were not expected).

Additional payment (not expected) that is paid Compensatory Pmt (not expected) that is paid

An additional payment or a compensatory payment is a payment which was not planned originally. A payment may be an additional payment even if it replaces a normal payment that was unpaid.

When the normal payment is unpaid, the "Payment" column amount becomes 0.00 and the "Expect. Pmt" column contains the amount of the payment that should have been paid. An Outstanding amount is then calculated.

When the payment is compensated (paid), not by the next normal scheduled payment, but by a new payment that was not scheduled (the Borrower agreed to compensate the missed payment), since this payment was not originally planned, the amount in the "Expect. Pmt" column should be 0.00. This payment would therefore reduce the outstanding amount.

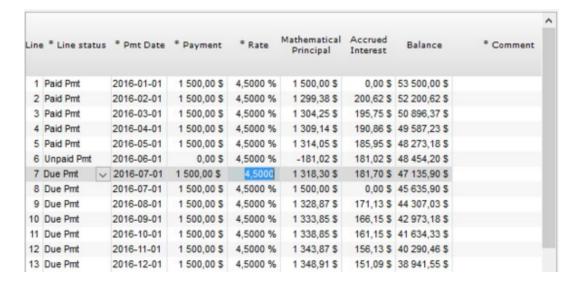
That being said, if the Borrower agrees with the Creditor to an additional compensatory payment that WILL soon be paid, it may be inserted as "Due Pmt". With the Line status "Due Pmt", it will show up with the Post payments tool. However, the user who updates the payments cannot easily know that this payment is irregular, not originally scheduled. If this was known, the Line status would be changed to "Add. Pmt" (with the corresponding "Expect. Pmt" of 0.00) as opposed to a normal "Paid Pmt". The first scenario would reduce the outstanding amount, while the second scenario would not affect the outstanding amount.

To remedy this, two options are available:

Option 1

A Comment should be inserted on the new "Due Pmt" line stating that the payment is an additional payment that should be changed to "Add Pmt" (or other Line status but ensuring that the "Expect. Pmt" is 0.00). The behavior of the "Compensatory Pmt" Line status is exactly the same as that of an "Add. Pmt" but its name may be changed as desired.

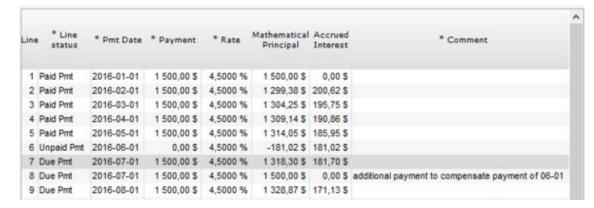
In the following example, the regular payment is 1500 on the first of each month. On 01-06-2016, the payment is unpaid. The Borrower calls the Creditor asking him to double the next payment. A line is inserted on 07-01 (so 2 payments of 1500 on the same date).



If no comment is added, the second payment of the 07-01 (line 3 below) will be treated as any other payment (may become a simple "Paid" payment with the "Expect. Pmt" of 1500).



On the other hand, if a Comment had been added immediately during the conversation with the Borrower to double up next payment, the comment would appear in the Post payments tool.





The user will then know that he should change the Line status from "Due Pmt" to "Add Pmt" and the "Expect. Pmt" will automatically be 0.00. The outstanding amount will decrease accordingly.



NOTE: For columns that can be modified (displayed with a *), it is suggested to change the column order in order for these to be adjacent to one another, to the left of the table.

Option 2

A second simpler option would be to change the Expected Pmt amount when discussing with the Borrower. This option is only allowed when "Allow to change the "Expected Payment" amount when Line status is "Due Payment" is checked in Tools > Settings > System Settings (Administrators):

? 🗸 Allow to change the "Expected Payment" amount when Line status is "Due Payment"

Thus, "Expected Pmt" column will already be at 0.00, therefore avoiding the need to change Line status to "Add. Pmt".

See: Allow to Change the "Expected Payment" Amount when Line status is "Due Payment"

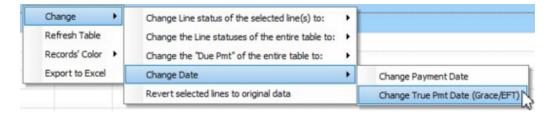
See: Allow to Change the "Expected Payment" Amount when Line status is "Due Payment"

"True Pmt Date (Grace / EFT)" column

A date should be entered in this column only when a payment is received that is slightly late, is not considered outstanding, and given this late payment should not affect accrued interest.

By entering a date in the "True Pmt Date (Grace / EFT)" column, the payment continues to be considered mathematically, paid on the date shown in the "Payment Date" column, but for the Export accounting transactions to the General Ledger report, the transaction date is reported as the date entered in the "True Pmt Date (Grace / EFT)" column. Some Special Reporting Fields are available for reports using the Grace/EFT date as a reference (interest paid and principal paid) as opposed to the payment date.

This date can also be changed in bulk for multiple Records/Lines with the right mouse click. Highlight (select) the desired lines, choose Change > Change Date > Change True Pmt Date (Grace/EFT). The Grace date must absolutely be after the Record's Origination date.



Line Comment

It is also possible to add a **comment** for each line even if the Line status is unchanged. This comment will appear in the "Comment" column of the Payment schedule.

* Payment	* Comment	Modified line
1 543,85	Paid Ch. #123	
1 000,00	Paid - Cash	
673,77	Paid - Cash	

Minimum Payment

The "Minimum Pmt" column is useful because it displays the minimum reimbursement so the user can quickly see it. He can then confirm that the payment, even a partial payment, made by the Borrower matches this minimum. Can be useful to see if fees must be charged or if minimum payments were not made by the Borrower.

Data in "Minimum Pmt" can quickly be changed with the "Payment Update" tool for one or multiple Records simultaneously.

Column Fees can also be <u>automatically</u> added if the minimum payment is not made. If the fees differ from normal fees associated with unpaid payments or partial payments, create a special rule for a "Paid Pmt x" Line status (renamed "Partial Pmt < Minimum" for example). Thus, when you change a "Dut Pmt" line to "Partial Pmt < Minimum", special fees will apply.



Check Number

It is possible to enter the check number about to be cashed or that has been returned NSF. This is useful to easily retrace supporting documentation and document payments. This data can be extracted in the <u>Transaction Report</u>.

9 custom Columns (text, currency, number)

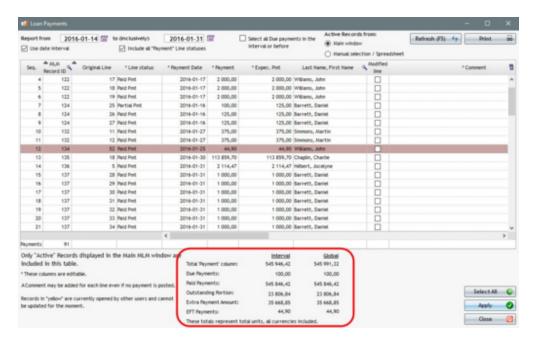
Custom data columns in the Payment schedule can also be updated via the Payment Update tool. Thus, you gain in efficiency, since you can modify or add the data in these columns for several Records simultaneously.

9 custom Fields (Record)

Personalized custom fields in the Record's "Other Data" tab can be useful to identify the different types of payment types. For example, a field named "Payment by" could be a custom field with a scroll_(drop-down)_menu that would contain various payment methods (Cash, Check, Pre-authorized payment (EFT), etc.). You could then sort the payments using this or any other criteria to manage payments easily. Only Custom fields 1 to 9 are included, not the Unlimited fields. It is thus necessary to carefully choose the location of the custom fields depending on the need.

Displaying Monetary Totals

Many relevant data are computed at the bottom of the table:



Calculations are separated in two (2) columns; First column: "On Date" or "Interval" depending on the option chosen. Second column: "Global".

- The "On Date" column will be useful for computing data for the date chosen by the user.
- The "Interval" column will be useful for computing data in the interval chosen by the user (in this case from 2016/01/14 until 2016/01/31).
- The "Global" column computes the total payment of all lines displayed in the payment update table. In a well maintained database, there should not be a large difference between total payments for the chosen date (or in the interval) and the total in the "Global" column. Pink/Red lines are the unmanaged lines and represent this difference.

The total of due payments is indicated at the bottom of the "MLM Record ID" column.

Various other data is provided including:

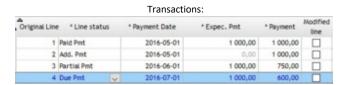
- The total of the "Payment" column
- The total of Due Payments (without the EFT payments)
- The total of "Paid Payments" (all "paid" statuses combined) as the lines are checked off
- The "Outstanding Portion" is computed by subtracting the "Payment" column from "Expected Payment" column. This portion will be considered "outstanding" if the payment amount is less than the due payment.
- "Extra Payment Amount" is computed by subtracting the "Payment" column from "Expected Payment" column. This portion will be considered "extra" if the payment amount is *greater* than the expected payment.
- Total due payments already processed by EFT.

	Interval	Global
Total 'Payment' column:	545 946,42	545 991,32
Due Payments:	100,00	100,00
Paid Payments:	545 846,42	545 846,42
Outstanding Portion:	23 806,84	23 806,84
Extra Payment Amount:	35 668,85	35 668,85
EFT Payments:	44,90	44,90

Example of the Outstanding Portion and Extra Payment Amount:

- Line 1: No effect since Payment = Expec. Pmt
- Line 2: Extra Payment Amount of 1000.00
- Line 3: Outstanding Portion of 250.00
- Line 4: No effect since not yet "managed" (still a Due Pmt).
 Will only have an effect once managed, thus changed to Paid, Unpaid, etc.

Notice the line 4 Expec. Pmt is in blue since the Payment is not equal to the Expec. Pmt. This special feature can be activated in Tools > Settings > System Settings (Administrators) > <u>Allow to change the "Expected Payment" amount when Line status is "Due Payment"</u>.



F	Resulting Totals:	
	Interval	Global
Total 'Payment' column:	3 350,00 \$	3 350,00 \$
Due Payments:	600,00 \$	600,00 \$
Paid Payments:	2 750,00 \$	2 750,00 \$
Outstanding Portion:	250,00 S	250,00 S
Extra Payment Amount:	1 000,00 \$	1 000,00 \$

If a single date is chosen for due payments, the "On Date" column will indicate the total on the date entered and exclude other payments on other dates in that table. PAP (EFT) amounts will not be included in this column. If a range is selected, the text "Interval" is displayed with the total between the two dates entered at the top of the window.

	On Date
Total 'Payment' column:	103 918,00
Due Payments:	103 918,00

	<u>Interval</u>
Total 'Payment' column:	2 245 316,74
Due Payments:	2 245 316,74

If the multi-currency module is used, the totals will be shown without currency signs for all currencies.

Automatic Recomputation of Payments and Column Fees (Advanced Options)

Payment schedules can become quite complex when automatic payment recomputation or Column Fees recomputation functions are activated.

Automatic recomputation functions are available in order to:

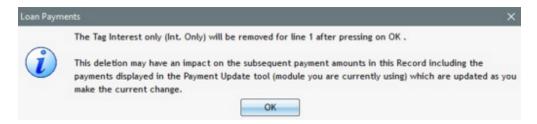
- recompute the **payment** amount of lines *labeled* as 1) <u>interest-only and column fees</u>, 2) <u>fixed principal</u>, 3) principal and interest (and other) to yield a final balance = 0.00 or X.
- automatically recompute <u>Column Fees</u> when a change is made to the balance or interest of the line.

Thus, when one of the above functions is activated, when changing a previous payment (a previous payment is reduced or unpaid), subsequent special payments (labeled) will automatically be changed to keep their special status.

In the following example, Record 138 contains special payments that are interest-only (and column fees, if required) payments (see "Pmt Type" column whose lines are labeled "Int. Only".



A partial payment of 150.00 will be made on 2015-11-01. When data is entered, the following message appears:



The "Payment Update" tool simultaneously deletes the special line label (Interest-only) and adjusts the next payment amount according to the above transaction made by the user. The changes will be only apply once the user clicks on "Submit".

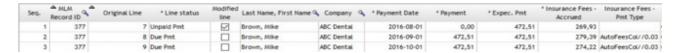
In this example, the three interest-only payments are of 265.00. When the payment due on 2016-02-01 is changed to 150.00, the interest on subsequent lines is recomputed. Thus, the payment due on 2016-03-01 is increased to 381.15 since this payment reimburses all the accrued interest.



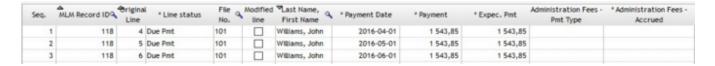
The example below shows that automatically **RECOMPUTED** Column Fees (Insurance Fees) representing 3% of the preceding line's balance, are automatically updated when changes are made with the tool:



Here are the effects on the "Insurance Fees (%) - Accrued" (a customized "Column Fee") on future lines when a line above is changed to "Unpaid Pmt". The Insurance increases from 264.46 (image above) to 279.39 (image below).

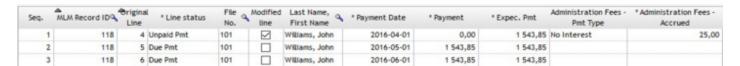


In the last example below, <u>Column Fees</u> are **ADDED** automatically when a payment is unpaid. A 25.00 fixed amount is charged to the Borrower. In this case Column Fees was renamed "Administration Fees":



When the Line status is changed to "Unpaid Pmt", the "Payment Update" tool automatically updates the Payment schedule based on the automatic Column Fees rules.

25.00 Fees are then added and the loan balance will be adjusted consequently.

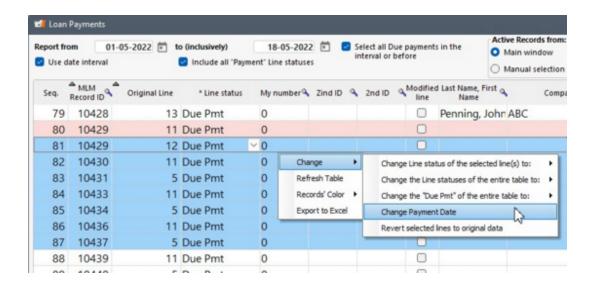


WARNING: Once a Line status is changed to "Paid Pmt", the special fees label is deleted. If subsequent changes are made above in the Payment schedule, the Fees will **not** be automatically recomputed.

Change payment dates in bulk for many Records at once

As of version 5.5, Payment Dates in a Payment schedule may be changed in bulk with the Post Payment tool. In the Post Payments window, enter the Payment Date or date range (as well as other options if needed) > Refresh button.

Highlight the lines for which dates need to be changed. You can sort by the Payment Date header if desired. Then right click with the mouse > Change > Change Payment Date. The option will only be available if more than one line is highlighted:



In the example below, the May 1 (or other non-uniform dates) payment is to be changed to May 18:



Changes after OK:



The "Modified line" column will be checked and the Payment Date changed. Other changes can also be done if required (Line status change, payment amount changed, comment added, etc.). The changes will become effective once the "Apply" button is pressed.

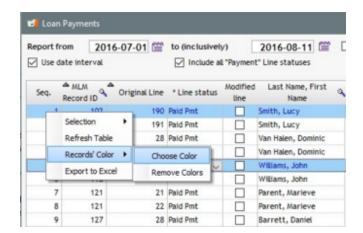
IMPORTANT:

- Only one payment date per Record can be changed in one operation (to change multiple dates in a Record, you will need to select the Records, right click, change the date and repeat for each date/Record).
- The chronological line order must be foloed so the new date to which the payment is changed must not be greater than the next line's date, nor less than the previous line's date.
- The new date cannot precede the Origination Date.
- Only "Due Pmt" type and "Paid" type Line statuses can be updated with this tool. Fees, Other, etc. cannot.
 - It is usually not recommended to change "Paid" type Line statuses since, in theory, the dates entered here
 are the correct Payment dates and usually have no reason to be changed.

Apply specific Colors to Special Records

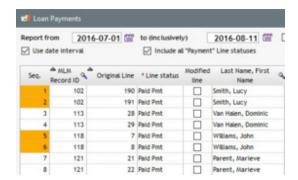
The Administrator can allow users to assign different colors to Records in order to place emphasis on certain special or doubtful loans. For example, when a Borrower does not pay (so its Line status is changed to Unpaid), the user may change the color to red.

Choose the Record or Records, right click with the mouse > Record Color > Select Color.





In the "Payment Update" tool, the Record's color will appear only on the first column in order to avoid confusing this color with the tool's other color codes.



The color code that has been applied in the "Loan Payments" tool will be visible in the Record Summary window and vice versa.

Table Printing

The table as presented in the window can be printed with the button. The presentation order can be modified as desired. For example, the most recent payments to be paid can be at the end or at the beginning of the table. Click on the headers to sort. Printing will take this sort into account. The printed report also includes a total.

Record History (Log)

The Line status change will be included in the Record log.

Bulk Payment (Transaction) Import

One can insert regular and irregular payment lines in the Payment schedule through a simple Excel spreadsheet. Thus, an Excel spreadsheet received from your bank, could be used to insert multiple payments in the Payment schedule.

This can be useful when Borrowers pay their loan sporadically, as opposed to periodically. This tool should therefore be used when no payment is expected whenever the payment frequency is irregular. Bulk import of payments is used to insert payments that are generally irregular in a Payment schedule that includes "Information" Line statuses with payment amounts of 0.00 or in an empty Payment schedule. For expected regular payments (including "Due Pmt" lines), the <u>Payment update</u> tool or the <u>Payment update via Line Unique Identifier</u> should be used as opposed to this special tool because the "Bulk Import of Payments" does not change "Due Pmt" Line statuses to "Paid Pmt" but simply inserts or adds lines. This module allows the import of payment dates, payment amounts and multiple other data for:

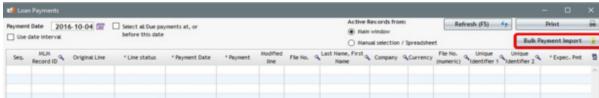
- Upcoming (Due) payments
- Paid payments
- Additional principal
- "Information" type (Payment = 0.00)
- "Other" type

It is possible to import data from an Excel spreadsheet or to enter these manually. It is also possible for the import to be done automatically, without human intervention, with the "Automatic Import" tool (see <u>Automated Imports - JSON or Excel</u> section). This import is always done via the same Excel sheet, but thanks to a Windows "Service", which checks for the presence of a new file in the designated folder for this purpose. The update is done in near real-time.

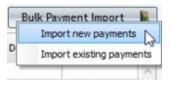
To access this function, open the payment update tool "Post Payments"

Post Payments

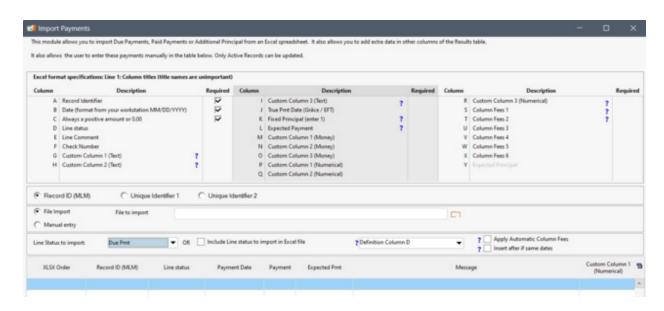
, and click on the button.



Choose "Import new payments".



The following window, "Import Payments" will open:



The payment import tool allows the insertion of the following Line statuses:

- Due Pmt / Due Pmt (2 to 5)
- Paid Pmt / Paid Pmt (2 to 20)
- Add. Principal (Loan) / Add. Principal (2 to 10)
- Information
- Interest Paid / Interest Paid (2 to 4)
- Principal Paid / Principal Paid (2 to 4)
- Add. Pmt
- Compensatory Pmt
- Interest charged / Interest charged (2)
- Other 1 to 10
 - Importing a "Due Pmt" (or Due Pmt 2 to 5 renamed as desired) line means that the payment has not been paid yet but is expected to be paid and must eventually be "managed" by the change to Paid Pmt, Partial Pmt, Unpaid Pmt, Add. Pmt, etc.
 - "Paid Pmt (2 to 20)" Line statuses can be renamed. For example, "Paid Pmt 2" could be renamed to "Paid Visa", "Paid Cash", "Paid EFT" (electronic preauthorized payment).
 - If a new advance (loan) is made in the future, insert <u>Additional principal type lines</u>. Even if these lines will be inserted in the Payment schedule as negative payments, the amounts must be inserted in the Excel spreadsheet without the negative sign.
 - "Information" Line statuses can be imported anywhere in order to obtain, for example, a balance at a
 particular date or to insert a <u>line Comment</u> or other pertinent information in the <u>custom columns</u>. Payment must be
 0.00.
 - o Interest charged / Interest charged (2) allow to insert interest "artificially", often to include adjustments in a Payment schedule.
 - The "Payment" amount for Line status "Other 1 to 10" can only be 0.00. Only a "Payment" of 0.00 is allowed in order to insert data into the other columns of the Payment schedule without the risk of a Payment amount being entered by mistake. "Other" Line statuses are exceptions and are neither principal, nor interest.

Note: No matter what Line status is chosen, the term "Payment" is used to describe the line insertion in MLM

and in this section.

This tool should never be used when "Due Pmt" Line statuses are pre-entered since the module does not change Line statuses but INSERTS lines in the Payment schedule. For example, a payment with a "Due Pmt" Line status will never be changed to "Paid Pmt" with this tool.

Warning! It is strongly recommended to backup the database before inserting payment lines. See <u>Backup (Data)</u> for the steps to follow.

Since this tool allows to insert an almost infinite number of lines, if, by mistake, the same Excel file is submitted again to MLM through the payment import tool, the data will be imported again in the Payment schedule. No error message will appear.

The payment import tool adds lines even if the lines already exist for the same dates.

An exception to this rule was provided in the <u>Automatic payment import tool</u> (API via Excel via). The automatic tool will exclude lines on the same date, for the same amount and for the same Line status for lines that already exist. This is to reduce the risk of error.

There are two (2) ways to insert lines in a Payment schedule:

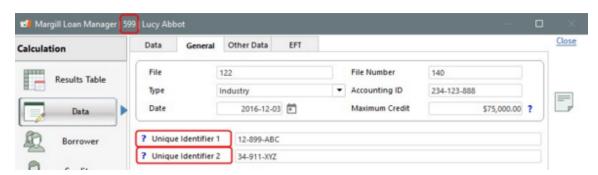
- Excel File Import
- Manual Entry

Excel File Import

To import data from an Excel spreadsheet:

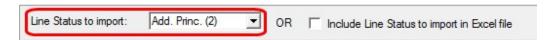
- 1) Prepare the Excel spreadsheet with the first three compulsory columns since these contain the basic import data. It is possible to import many other data and payment types:
- The first column (Excel A) is compulsory and serves to identify the Record. Three Record identification methods are possible. Check the desired identification from the list. You can choose the MLM Record ID or from Unique ID 1 or 2, the latter two assigned by the user.



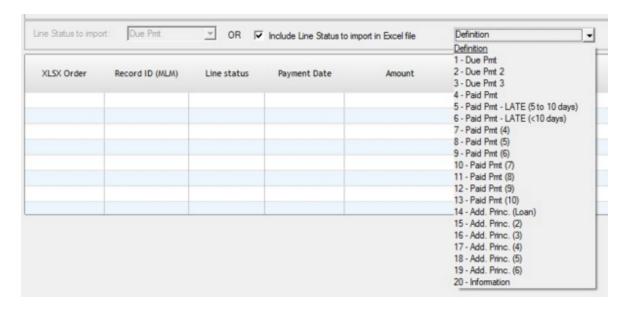


• The second column (Excel B) is compulsory and must be the transaction date. Date format must be the Windows date format (for example mm-dd-yyyy);

- The third column (Excel C) is compulsory and must be the amount to be inserted in the Payment schedule. This
 amount must be positive or equal to 0.00. If there are more than two decimal points in the amounts entered in the
 Excel spreadsheet, MLM will round them up in order to keep only two decimal points.
- The 4th column (Excel D) is optional since you could otherwise choose from the drop-down list, the Line status to be imported for all transactions. If you choose the method with this drop-down, this column will not be needed and can be left blank.



O To define the Line status for each transaction to be imported, enter the number corresponding to the required Line status in the fourth column. For example, to import a "Paid Pmt", enter 4 in the Excel column. If column 4 is used, the Line status for each and every payment must be specified.



- The 5th column (Excel E), optional, enters the <u>Line Comment</u> and can include up to 100 characters.
- The 6th column (Excel F), optional, enters the "Check Number".
- The 7th, 8th and 9th columns (Excel G, H, I) are also optional. They allow text to be added in the <u>Custom columns 1, 2</u> and 3 (text format). Each of these columns can contain up to 100 characters.
- The 10th column (Excel J), optional, adds a <u>Grace_date</u> for the payment. This is used in special situations since the transaction date would not be the date entered in the "Pmt Date" column but the date entered in the "True Pmt Date (Grace / EFT)" column.

For example, based on contract, the Borrower should be paying on the date specified on the "Pmt Date". The Borrower pays a few days late but the Creditor does not wish that additional interest be added. The grace date entered will be reported as the transaction date in the <u>General Ledger report</u>. This transaction date is also available in the <u>Transaction Report</u>.

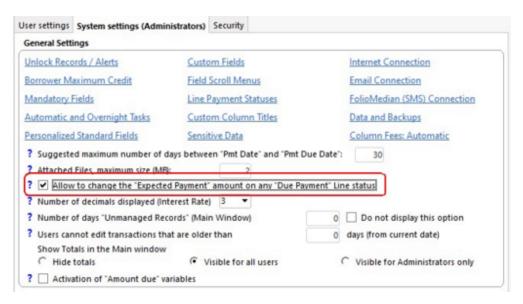
The Grace date cannot be before the Origination Date, but it can be after the date of the last line in the Payment schedule.

• The 11th column (Excel K), optional, allows a user to add <u>Fixed Principal payments</u> that will refund the principal exclusively without first refunding accrued and outstanding interest (nor Column Fees).

This option is only available if this Fixed Principal refund method (method 3: "Refund Principal WITHOUT refunding outstanding interest (NOT SUGGESTED)") is accessible (activated) or is the default option. To activate these Fixed Principal refund options or to select this method as the default, go to Tools > Settings > "User Settings" tab > "Options: Interest only and Fixed Principal" link.

• The twelfth column (Excel L) (optional) allows to add the "Expected payment" amount when the amount is not equal to the imported paid payment. This could be useful when past payment are imported in order to compute the Outstanding amount. There are some conditions:

First, make sure that the "Allow to change the "Expected Payment" amount on any "Due Payment" Line status" option is activated (Tools > Settings > System settings).

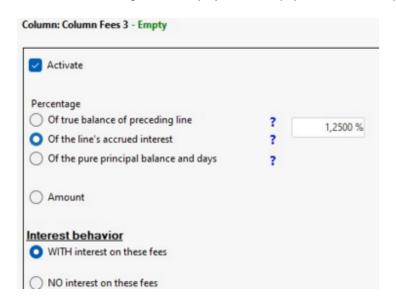


Then confirm that an Administrator does not force the Expected Payment to 0.00 via the System settings (Administrator) > <u>Line status settings</u>.



- O If Line Status type is a Due pmt type, Expected Pmt must be > or = 0.00
- If Line Status type is a Paid Pmt type, Expected Pmt must be > or = 0.00
- If Line Status type is Add. Pmt or Compensatory Pmt (as renamed), Expected Pmt must be = 0.00
- O If Line Status type is an Additional Principal type, Expected Pmt must = the amount entered for additional principal (would usually simply be left blank)
- If Line Status type is Information, Expected Pmt = 0.00
- An empty cell is considered empty, not at 0.00, therefore the Expected Pmt will be automatically inserted according to the Line Status.
- The 13th, 14th and 15th columns (Excel M, N, O) are also optional. They allow amounts to be added in the <u>Custom columns 1, 2 and 3 (monetary format)</u>.
- The 16th, 17th and 18th columns (Excel P, Q, R) are also optional. They allow amounts to be added in the <u>numerical custom columns</u>.

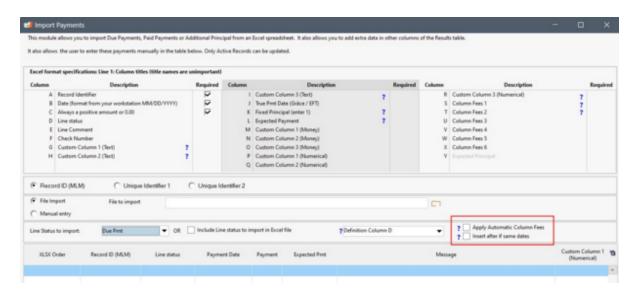
- The 19th to 24th columns (Excel S, T, U, V, W, X) are also optional. They allow amounts to be added in the <u>Column</u> fees.
 - O If Column fees are already calculated in the Record, it will be forbidden to add a fee amount via this tool for this column. For example, if a NSF Fee is added based on the 1.25% "Line Interest Accrued" calculation, the "Fee with Calculation" error message will be displayed and the payment won't be imported.



When importing payments, it will be necessary to specify, whether you have chosen to import the Column Fees or not, if you wish the automatic Fees to be applied or not.

NOTE! If the "Apply Automatic Column Fees" option is checked, the Automatic Column fee rules will take precedence over the amounts in the Excel sheet for Column fees. Column fees entered in the Excel sheet will be ignored. This is generally not desired.

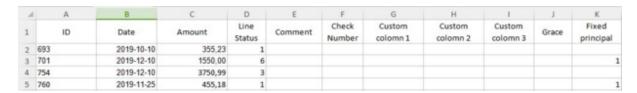
The "Insert after if same dates" option ensures that the line inserted is positioned after an existing line on the same date in the Payment schedule.



IMPORTANT NOTE: The column order (from 1 to 24 (A to X in Excel)) are mandatory. If only certain data is to be imported, you must leave the optional columns blank, in the prescribed order, so that the data to be imported is transferred to the correct place during the import. A header is not required for blank columns.

The first line in the spreadsheet is used to identify your columns, it will not be imported. The names given to the columns do not matter but their order does.

Only the first sheet of the Excel Book will be imported.

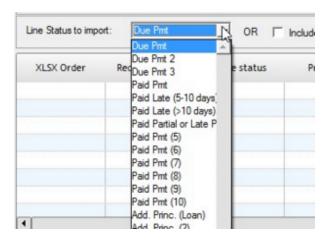


Excel spreadsheet example

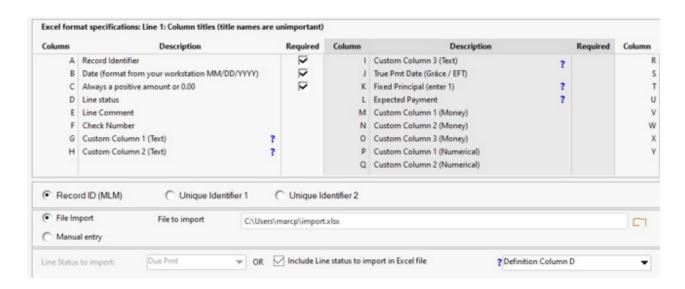
2) Choose the identifier to be used to identify the loan:



- 3) Check the "File import" option.
- 4) Choose the Line status to insert or ignore this step if a Line status is entered in column 4 of the Excel file (column D).



5) Click on the orange folder icon in order to select the Excel file to import to MLM.



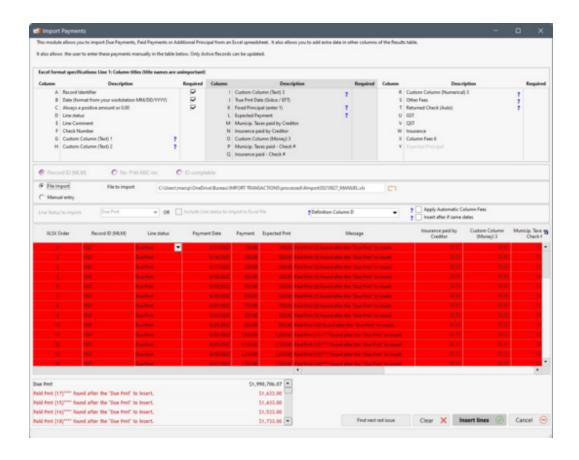
A preliminary analysis of the spreadsheet is performed:

Error examples:

Record ID not found in the database	Indicates that the Record does not exist.
Active Records only	Indicates that Record Status is not "Active".
Amount error, to be verified	Indicates an error in the amount or that the amount has not been entered.
Invalid date	Indicates an error in the date format - Year, month, day (YYYY MM DD) can be separated by a dash or slash (/) even if MLM indicates a dash. Make sure that Excel considers the cell to be in date format.

If an error is found, it is recommended to cancel the entire import, to correct the Excel sheet and to proceed to a full new import.

The "Find next red issue" button (bottom center of window) appears when the import consists of over 15 lines in order to help fin the import errors.



6) When the data is accepted in the preliminary analysis, a second analysis will be done by MLM by clicking on "Insert Lines"

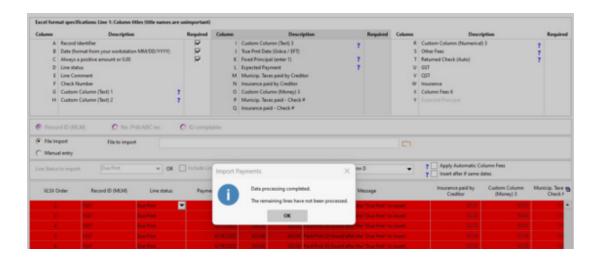
Insert lines

. This operation attempts to open each Payment schedule and inserts the various Line statuses (Paid Pmt, Due Pmt, Add. Principal, Information, etc.). Other errors can be detected but valid transactions will be imported.

WARNING: If a payment is refused in a Record, all payments in this Record will be refused. MLM was programmed this way to avoid Records the have some valid transactions and some invalid ones. It would have been tedious to find which transactions were approved as opposed to which ones were refused. Thus, it will never be necessary to analyze an entire Record to find which transactions were imported and which ones were not.

Error Examples:

- If the Payment schedule is used by another user;
- If a "Paid Pmt" Line status is to be inserted after a "Due Pmt" Line status;
- If a "Due Pmt" Line status is to be inserted after a "Paid Pmt" Line status;
- If the payment date in Excel is prior to the original loan date of the Payment schedule;



Additional notes:

End of import: The import system will process each line of the Excel spreadsheet until it detects an empty line. When it detects an empty line, MLM will assume that the line before is the last transaction. However, as a safety measure, MLM will verify that the next nine (9) lines are also empty. If they are indeed empty, MLM will assume that the sheet is complete and that the import is finished. When MLM detects empty lines in a spreadsheet, this message will appear:



Manual Entry

In order to manually insert lines in the Payment schedule with this tool:

1) Compulsory: Choose the identifier to be used to identify the loan:



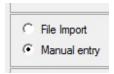
It is possible to validate that the Record ID is correct thanks to the information automatically retrieved in the "Borrower" column (last column to the right of the import table).

It is only possible to insert lines in Payment schedule for ACTIVE Records.

The user must delete all incorrect entries before continuing the insertion.

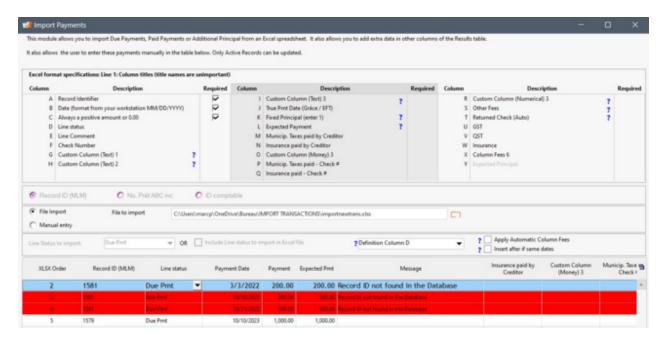
To delete a line, simply enter "0" in the Record ID (or Unique Identifier) column.

2) Compulsory: Click on "Manual entry"



- 3) Compulsory: In the table, enter the Record identifier;
- **4)** Compulsory: Choose, from the "Line status" scroll menu, the desired Line status for the transaction.
- **5)** Compulsory: Enter the transaction date in the "Pmt Date" column. If the format is incorrect, an information bubble "Invalid Date" will appear;
- 6) Compulsory: Enter the amount to be inserted in the Payment schedule;
- **7)** Optional: Enter the desired information in each of the columns:
 - "Line Comment"
 - O "Check number"
 - O "Custom Columns (Text)" 1 to 3
 - "Custom Columns (Monetary)" 1 to 3
 - "Custom Columns (Number)" 1 to 3
 - "True Pmt Date (Grace/EFT)"
 - Fixed principal payment
 - O Column Fees 1 to 6
 - Expected Principal

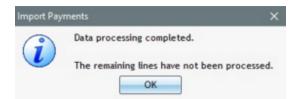
See the complementary instructions in the <u>Import via Excel section</u> above.



As soon as MLM detects an error, a dialog box will appear indicating the problem, or, the line will become red and the error message will appear on the second to last column.

In the example above, the second line was not inserted since a "Due Pmt" was found before a "Paid Pmt". This operation is not allowed because the Record includes expected payments (Due Pmts) and should therefore be managed with the Payments ("Post Payments") tool that changes (updates) the Line status instead.

8) Click on "Insert Lines".



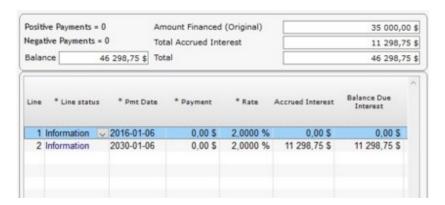
The button is useful to delete Data in the payment import table. It cannot be used to cancel lines that have already been inserted.

See also the very powerful tool: <u>Automated imports</u> to automatically import new transactions via en Excel sheet and Window Service.

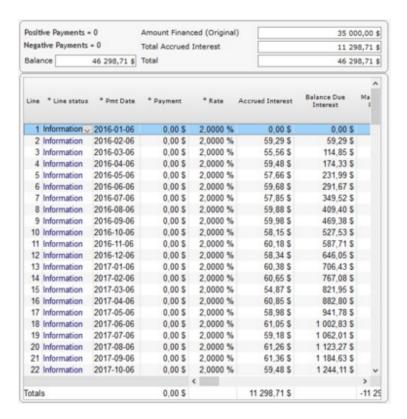
Import Examples

Here are (2) suggestions for effective Payment schedule management when it comes to irregular or sporadic payments.

The following Payment schedule initially includes two lines: the first is for the Origination date and the second is a later date (year 2030) in order for the loan to keep on generating interest (otherwise loan will be ended on 2016-01-06 in the following example).



The following example is very similar to the previous one. However, the user decided to include monthly "Information" Line statuses. This is useful for the same reasons mentioned above. Furthermore, in this type of Payment schedule, the Creditor can see the accrued interest and other financial data over time (although this data is available at any date through reports even if no Information lines are present).



"Other" Line statuses can be useful to enter data in columns in bulk. For example, "Other 1" Line status could be renamed to "Taxes paid by Creditor", along with a Payment of 0.00 and the information column also named "Taxes paid by Creditor". This way, for Escrow, multiple loans can be updated at once when the Creditor pays the insurance company or the city or county taxes on behalf of the Borrower.



Payment update via Line Unique Identifier

This tool updates existing payments ("Due Pmt" type Line statuses) with an Excel spreadsheet using the Unique ID of each line in each of the Payment schedule for the desired Records.

Thus, the file (Excel format), from a third party software (Accounting or Enterprise Resource Planning (ERP) system) containing the desired transactions, will be imported in Margill Loan Manager (MLM) and all "Due Pmt" type Line statuses will automatically be modified to Paid Pmt (or to any of the custom Paid Pmt 2 to 20), Partial, Late, Partial Late or Unpaid Pmt.

Steps:

1) Payments to be updated in MLM, are usually submitted to the third-party software through the Transaction Report

- 2) The third-party software will process the payments submitted through MLM (bank payment)
- 3) The third-party software will generate an Excel file containing the completed transactions
- 4) the Excel file will be imported in MLM

1) Submit Due payments from Margill to the third-party software

Through the <u>Transaction Report</u>, prepare the data that must be transferred to the third-party software. The file to be sent from MLM to the third-party software must have a minimum of three data:

- Payment date
- Payment amount
- Unique Line ID

And optional:

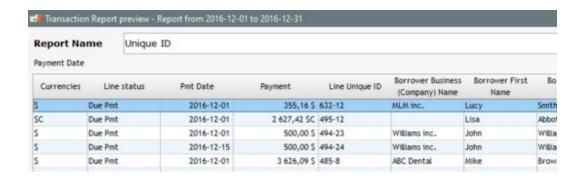
True Pmt date (Grace/EFT)

The file must also contain Due Pmt type Line statuses (up to five types)



The file **may** also include any other data (Borrower's name, third-party software's file number, etc.) or the desired transaction (Column fees, Special Comments, transferred data from the <u>Custom Columns</u>, or any other relevant data for the third-party software).

Then produce the transactions report for the desired period (in the example below, the November transactions will be submitted). Export to Excel (or CSV or Text) and import into the third-party software.



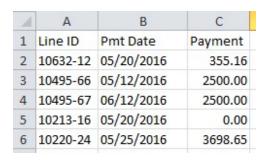
2) The third-party software will process the payments submitted through MLM and 3) The third-party software will generate an Excel file containing the completed transactions

The Excel spreadsheet returned to MLM must contain a header and three to five columns. Any other data will be ignored.

- Column 1: Unique Line ID which contains the MLM's Unique ID, followed by hyphen and the Line number. For example: 10333-01. If you do not have the Unique Line ID, select the MLM option: "Use PRECISE date and amount".
- Column 2: Transaction date according to the MLM workstation format (be careful with the formats from other systems for example 12-03 could be March 12th on one workstation and December 3rd on another)
- Column 3: Payment Amount greater or equal to 0.00
- Column 4, Optional: Actual payment date (Grace / EFT). Date format must be that of the workstation where MLM is
 installed (WARNING: Pay attention to the different formats of different systems for example 12-03 could mean
 March 12th on a workstation but December 3rd on another one!) These dates can be entered manually by the user
 or managed via the automated option of MLM: "Use "Grace Date".
- Column 5, Optional: if a header appears in column E of the Excel sheet, regardless of the amount entered as the actual payment and the date, the Line status will be updated from "Due Pmt" to Line status entered in column E. The code list as well as their definition is available by clicking on the "?":



Example of Excel spreadsheet:

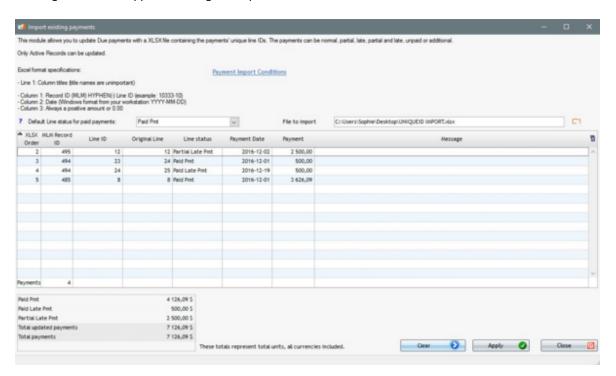


4) The Excel spreadsheet will be imported to MLM

In MLM, open the "Import existing payments" through Tools > Payment Update > Bulk Payment Import > Import existing payments



The following window will appear allowing the import of the Excel file:



Once the file is selected with , an analysis will be made to identify the corresponding transactions and the errors which will appear in red in the "Message" column. The corresponding transactions can be updated even if there are problem transactions which will not be processed. It is strongly recommended to fix these errors at the source and never to ignore them. Manual processing in MLM may be required in some instances.



Before the import, the resulting Line statuses will be displayed as well as the amounts that will be accounted according to these Line statuses (bottom left of the window). Press on "Submit" and the Payment schedule will be updated:



The process seems simple at first sight but multiple conditions are analyzed by MLM. See the Payment Import Conditions below.

Payment Import Conditions

The following conditions will be followed for payment updates via the XLSX (or XLS) file.

Definitions for the table below:

- Exact*: the data (Unique Line ID, Pmt Date or Payment (Amount)) from the XLSX file matches the information on the payment line in the Payment schedule
- Higher: Higher payment than original payment amount
- Lower: Lower payment than original payment amount
- Early: Payment before the date at which it was expected
- Late: Payment after the date at which it was expected
- Any: Any Line ID, Pmt Date or Payment amount
- Unchanged: Amount indicated in the "Expect. Pmt" column remains the initial amount (thus before the payment update)
- Error message: An error message will appear and this data will not be updated
- Resulting...: Consequence of the import or tentative import (unsuccessful line import)
- * If all transactions to import meet the "Exact" condition, as described earlier, refer to the "Payment update via precise payment Amount and Date" section in order to simplify the steps for importing your existing payments.

The Pmt Date and Payment (Amount) will always match those from the import file when the line is updated.

Line ID	Pmt Date	Payment (Amount)	Resulting Line status	Resulting "Expect. Pmt"	Resulting "Pmt Due Date"
Exact	Exact	Exact	Paid Pmt *	Unchanged	Blank
Exact	Exact	0.00 or Blank	Unpaid Pmt	Unchanged	Blank
Exact	Early or Late	0.00 or Blank	Error message		
Exact	Exact	Higher	Paid Pmt	Unchanged	Blank
Exact	Exact	Lower	Partial Pmt	Unchanged	Blank
Exact	Late but before next line	Exact	Late Pmt	Unchanged	Expected Pmt Date
Exact	Late but after next line	Any	Error message		
Exact	Late but before next line	Lower	Partial LatePmt	Unchanged	Expected Pmt Date
Exact	Early	Exact	Paid Pmt *	Unchanged	Expected Pmt Date
Exact	Early	Lower	Partial Pmt	Unchanged	Expected Pmt Date
Exact	Early	Higher	Paid Pmt *	Unchanged	Expected Pmt Date
Exact	Early and before previous line	Any	Error message		
Record number-0 (***-0)	Any that meets above conditions	Positive amount	Add. Pmt	0.00	
Record number only- (***-)	Any that meets above conditions	Positive amount	Add. Pmt	0.00	
Record number only (***)	Any that meets above conditions	Positive amount	Add. Pmt	0.00	
Same ID twice or more in file	Any	Any	First valid transaction (chronological order) will be accepted and line updated. Other identical IDs will give Error message		
Same ID (already updated) sent in new file	Any	Any	Error message		
Any	Invalid date format	Any	Error message		
Any	Any	Negative amount	Error message		
Empty	Any	Any	Error message		
Any	Empty	Any	Error message		
Any	Any	Empty	Error message		
Empty	Empty	Empty	Ignored		

^{* &}quot;Paid Pmt" is the default result for normal payments. A Paid Pmt can be substituted for Paid Pmt 2 to 20 for regular

payments.

Other conditions:

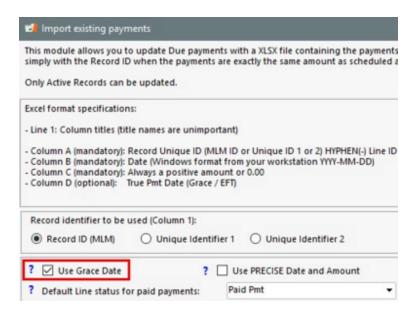
- Formatting of cells (Line ID, date or monetary) must be met otherwise an error message will be given.
- Only Due Pmts (any of the five types) are updated. No other Line statuses. Error message for any other Line status
 with an update attempt.
- Due payments that have been submitted as EFT payments are automatically excluded.
- If Automatic column fees are included, then the normal rules will be followed by the change of Line status (Unpaid or Late would have \$25 fees for example).
- Advanced settings: If lines are "tagged" to recompute the payment amounts so they pay interest-only or fixed principal amounts and if two or more payments are included for the same Record, in the same XLSX file, then the first payment if less (or more) than the normal payment, will affect the next payment amount (since recomputed automatically) and consequently the "Expect. Pmt" column. So the second payment may become a Partial payment even if originally a full payment since the due payment amount was influenced by the preceding payment (which would not have been paid for example).
- Advanced settings: If "Expect. Pmt" column amount is changed by user no automatic recomputation then this
 amount entered manually will always be used, no matter what is returned in XLSX file.

Other notes:

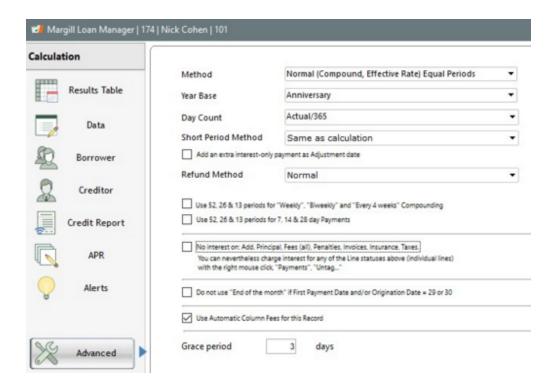
- Line order does not matter. Do not leave more than 10 consecutive empty lines in the XLSX file otherwise MLM will have considered all data submitted (lines below are ignored).
- If the XLSX file is produced on a station with a different date format (DD/MM versus MM/DD) than the Margill station, make sure the format is properly interpreted in the import.
- If unpaid payments cannot be returned in the XLSX file, the user should then update these payments to unpaid directly in the Payment schedule of though the Post payment tool.
- The date of the original first line of a payment schedule can not be changed for loans created before version 5.0 even if you are using version 5.0 and higher. In this exceptional situation, the change will have to be made manually (change first line to Unpaid and add new line). For new loans only, created with version 5.0 or greater, the first payment date can be changed.

Use Grace Date

This option is useful to **automatically** manage payments to the correct Payment Line status, when users do not want to penalize their Borrowers who pay later than the payment date, but within a grace period that is available to them.



When the "Use Grace Date" option is checked, the date entered in the "Pmt Date" column of the Payment schedule will not be changed if the Excel payment date (or date entered manually below) is within the Grace period entered in the "Advanced" tab of the Record.



For example, if a payment is made two days after the date entered in the "Payment Date" column of the Payment schedule, but the Borrower has four days of grace, the Line status will automatically be changed to "Paid Pmt" (or other Line status by default) as opposed to "Paid Late Pmt". The payment date from Excel will be displayed in the "Actual Pmt Date (Grace / EFT)" column.

No extra interest is thus accrued if the payment is late but within the Grace period. The date that will be added in the "True Pmt Date (Grace/EFT)" column becomes the transaction date in the Accounting entries report and is accessible in

various ways in other reports.

If there is a partial late payment within the Grace period, the Line status will be changed to Partial Pmt, not to Partial Late Pmt. The expected payment amount ("Expect. Pmt" column) will be entered automatically in order to calculate the Outstanding amount.

If a "True Pmt Date (Grace/EFT)" is already present in the Payment schedule or if a Grace date is entered in the Excel sheet (column D), an error message will appear. Date confusion could result. The date already entered in the "True Pmt Date (Grace/EFT)" must be taken out before the payment can be updated.

The other "Payment Import Conditions" (see information above) remain unchanged.

Example #1 (Payment within the grace period):

A Borrower is entitled to four (4) grace days (entered in "Advanced") from the normal, set payment date.

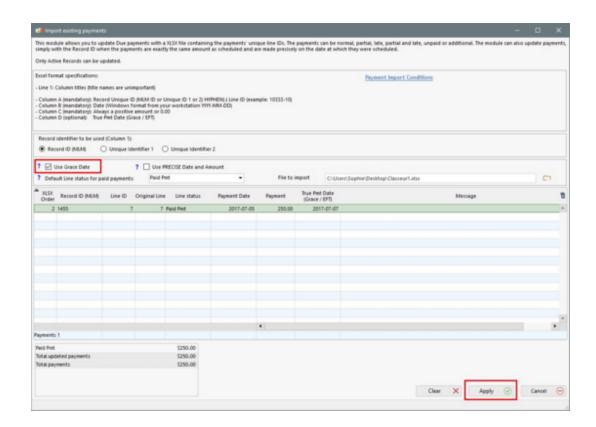
He owes 250.00 on 2017-07-05



His payment is cashed on 2017-07-07.

Since it is required that the grace dates be managed automatically by MLM, the "Use Grace Date" option is checked.

Once the file is selected with an analysis will be made to identify the corresponding transactions and the errors which will appear in red in the "Message" column. The corresponding transactions can be updated even if there are problem transactions which will not be processed. It is strongly recommended to fix these errors at the source and never to ignore them. Manual processing in MLM may be required in some instances. When the transactions are all good, press "Apply".



Here is the result of this transaction in the Borrower's Payment schedule:

- The "Pmt Date" column is intact;
- O The amount in the "Accrued Interest" column as well; and
- O The "True Pmt Date (Grace / EFT)" reflects the real date at which the payment was received.



Example #2 (Payment after the grace period):

A Borrower is entitled to four (4) grace days from the usual, set payment date.

He owes 250.00 on 2017-07-05

Line * Li	ne status	* Pmt Date	* Payment	* Rate	* True Pmt Date (Grace / EFT)	Accrued Interest
7 Due	Pmt	2017-07-05	\$250.00	17.00 %		\$151.17
8 Due	Dmt	2017-08-01	\$250.00	17 00 %		¢115 10

His payment is cashed on 2017-07-11, so two days over the number of grace days allowed. If the import module's "Use Grace Date" is selected, processing will be done as follows:

- Since the delay exceeds the number of grace days allowed, the payment will be considered "Late Pmt Paid";
- O The "Pmt Date" will be changed on 2017-07-11;
- Accrued interest will be calculated on the amount overdue for the period between 2017-07-05 and 2017-07 10.



Note: If the user prefers to enter dates manually in the "True Pmt Date (Grace /EFT)" column, which is allowed with import, uncheck the "Use Grace Date" option and add a forth column to the Excel sheet (column D) in order to import your data. If a "True Pmt Date (Grace / EFT)" is already in the Payment schedule, an error message will appear. Allowing otherwise could have caused confusion in the dates.

It is allowed to enter a Grace date that is after the last payment date in the Payment schedule.

If the "Use Grace Date" option is selected, no date must be entered in column D of the import sheet, nor in the "True Pmt Date (Grace / EFT)" column of the Payment schedule. When this option is chosen, MLM takes the responsibility of managing the grace dates.

Use PRECISE Date and amount

This option comes in handy when scheduled payments are either paid or unpaid and cannot be partial or late - usually when the payments are submitted to a bank for batch processing. It is less practical when there is the possibility of late and partial payments.

See this section: Payment update via precise payment Amount and Date.

Payment update via precise payment Amount and Date

This tool updates existing payments ("Due Pmt" type Line statuses) with an Excel spreadsheet using a Record Unique identifier and the **precise** payment Date and Amount.

This option comes in handy when scheduled payments are either paid or unpaid and cannot be partial or late - usually when the payments are submitted to a bank for a batch processing. It is less practical when there is the possibility of late or partial payments.

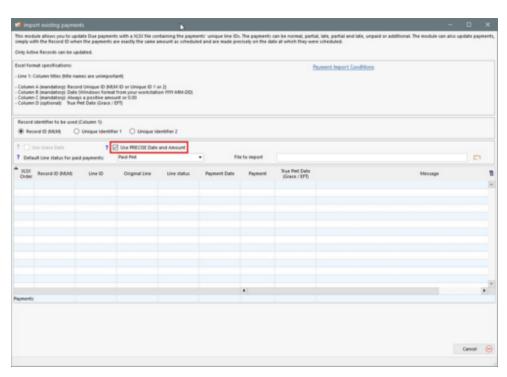
Thus, the file (Excel format) containing the desired transactions, will be imported in Margill Loan Manager (MLM) and all "Due Pmt" type Line statuses will automatically be modified to Paid Pmt (or to any of the custom Paid Pmt 2 to 20 or Paid Interest (1 to 4) or Principal Paid (1 to 4)) on the condition that the payment Dates and Amounts correspond **EXACTLY** between the Excel file and the Due pmt in MLM. All other transactions will appear in red and must be managed manually.

Steps are the same as described in the <u>Payment update via Line Unique Identifier</u> section, except the user needs not provide the information related to the line identifier to import payments.

In MLM, open the "Import existing payments" window via Tools > Post Payments > "Bulk Payment Import" button > Import existing payments.



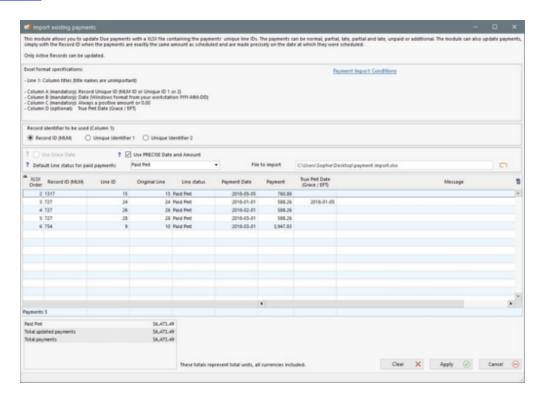
The following window will open allowing for the import of the Excel sheet. Select the "Use PRECISE Date and Amount" option.



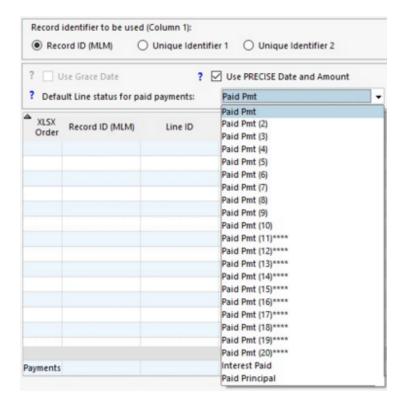
Prepare the file from a third-party software by following the same technical specifications as those described in the previous section: Payment_update_via_Line_Unique_Identifier. Omit the dash and the line identifier in the "Record ID (MLM)" column.



Once the file from the third-party software is ready, follow the steps in this section: <u>Payment update via Line Unique Identifier</u>.



If the date AND the payment amount correspond EXACTLY to the next "Due Pmt" Line status of the payment schedule, the payment will be modified from "Due Pmt" to "Paid Pmt", or other Line status chosen by default from the drop-down list, or to the Line status corresponding to the code entered in column E of the Excel sheet.



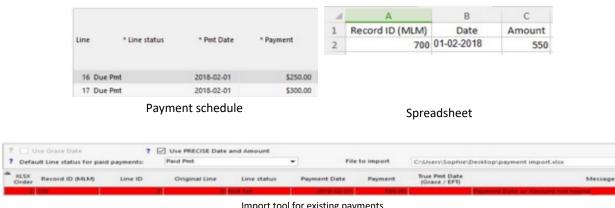
If the date OR the payment amount in the Excel sheet do not correspond EXACTLY to the next "Due Pmt" Line status of the payment schedule, then the payment line will appear in red and will not be imported. These payments will have to be managed manually or via the "Payment update ("Post Payments")" tool in order to save time.

Any other transaction that appears in red will be accompanied by an explanation in the "Message" column and must be managed manually.

Note: If two transactions are included in MLM, at the same date and for the same amount, for the same Record, only the first transaction will be updated, even if the two payments for the same amount at the same date are scheduled in the Payment schedule. The second transaction will appear in red as an error.

Exception: If the payment Dates are the same, but the amount in the payment schedule is at 0.00 and the amount returned by Excel is 0.00, the Line status will be changed to "Unpaid Pmt".

For example, if there were two transactions in MLM at the same date, one with a payment of 250.00 and the second one of 300.00 and that the Excel sheet reported a payment of 550.00 at that same date, then none of the two transactions would be updated because the amounts do not match. These lines would appear in red and will have to be processed manually.



Import tool for existing payments

Electronic Funds Transfer

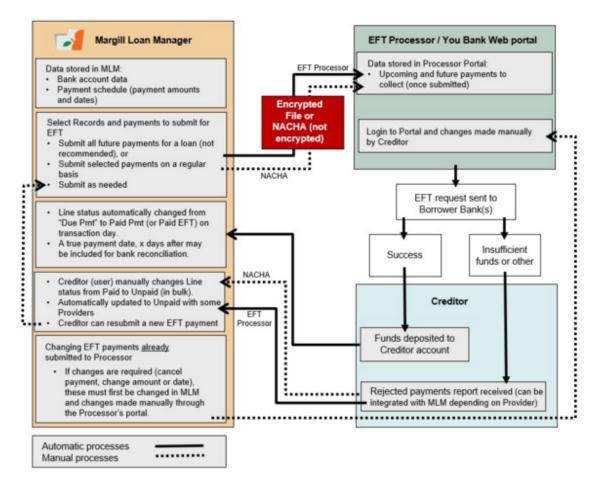
Margill Loan Manager MLM) allows for Electronic Funds Transfer (EFT)(ACH) processing in the US and Canada (Europe coming soon). In the United States, this is done via a "NACHA" file accepted by most banks. In Canada the partner is **Perceptech Inc.** (subsidiary of ACCEO Solutions Inc.)(Montreal, Quebec). To apply with a Processor, please contact the Margill team to obtain the proper reference.

Processors charge an initial set-up fee, a monthly fee and a transaction fee. Special prices are offered to Margill clients. Please contact the Margill team to obtain the fee schedule.

Various other names used in the industry and in this User Guide are ACH (Automatic Clearing House (USA)), Electronic checks, Pre-authorized payments...

Once a payment schedule is set up with upcoming Due payments, some of these or all of these future payments may be submitted for EFT by bank account debit. After the payments to submit are selected, an encrypted file is produced and sent (or must be sent) to your Bank in the US or one of the Electronic Funds Processors in Canada.

The diagram below (looks complicated but is really simple...) provides an overview of the interactions between MLM, the EFT Processor (or Bank with NACHA files) and you the Creditor.



Important note:

 ONLY "Due Pmt" Line statuses will be submitted as pre-authorized payments. Fees, Insurance, Taxes, etc. will NOT be submitted. See the next section Setting up the EFT module.

Using EFT without a Margill recommended Processor

The module can also be used partially without going through a Margill EFT Processor. However, you will then be using a partial solution by going through your own bank or EFT provider. Essentially, by going through your own bank or EFT provider, the main component, which adds greatest value, is missing:

Direct data transmission of the payments to be collected from MLM to the EFT Processor.

Without this component, depending on the data required by your provider and the transmission format, you may be able to create a file using the various tools in MLM that can be submitted to your provider. You will then be able to use the other components of EFT accordingly.

Considering the number of approaches and file formats that are required by various banks and EFT providers, the Margill team does NOT support such implementation except through a NACHA file in the US.

See:

United States - NACHA file

Canada - Perceptech (Acceo)

Europe - SEPA File

EFT Definitions

To simplify explanations, the following definitions are used in the User Guide and in the Margill Loan Manager (MLM) software:

EFT: Electronic Funds Transfer

PAP: Pre-authorized payment

EFT Processor: company that partners with Margill Loan Manager that processes the EFT payments.

EFT Provider: same as EFT Processor

EFT Portal: EFT Processor's on-line EFT management tool. This is accessible on the Internet with a user name and password provided by the Processor

Known as GPS for Perceptech (<u>www.perceptech.ca</u> – go to English)

EFT file: Encrypted file that is sent (manually or automatically) regularly to the EFT Processor

NACHA file: NACHA (National Automated Clearinghouse Association). A set of instructions that triggers a batch of ACH payments as soon as it is uploaded into a bank portal. NACHA file format is the protocol for structuring those instructions in a way that successfully initiates the payments.

ACH (US mostly): Automatic Clearing House (for draws from a bank account as opposed to credit card draws)

United States - NACHA file

As of version 5.3, Margill Loan Manager (MLM) creates NACHA files for EFT payments in the United States.

A NACHA file is a set of instructions that triggers a batch of ACH payments as soon as it is uploaded into a bank portal. NACHA file format is the protocol for structuring those instructions in a way that successfully initiates the payments.

Contents:

Setting up the EFT module

Selecting and Submitting Payments

EFT Payment Update (Rejected payments)

Changing or Deleting Submitted EFT Payments

Replacing Bank accounts

Adding Bank Account and Activating EFT in Bulk

Setting up the EFT module

Electronic payments (ACH - Automated Clearing House) for the United States are integrated in Margill Loan Manager (MLM) through NACHA files. By using ACH, you will no longer need to deal with physical checks. ACH payments will save you time, money and headaches.

How it works

Based on the payment schedule produced for your borrowers, once a month, once a week or every weekday, select the payments to be collected.

With the click of a button, a NACHA file is produced. Upload this file to your bank's portal (we recommend to *Prenote* first - that is to test account information). If the file is accepted by your bank, the amounts from each of your borrowers' bank accounts will be collected on the effective date and deposited to your bank account based on your bank's payment policy.

Automatically, "Due Payments" in Margill will be changed to "Paid" on the day the debit is made. Margill ASSUMES the payment was successful. For rejected payments, you must consult your bank's rejected payment report and batch change the "Paid" payments to "Unpaid" (Post payment tool) and, based on your rules, automatic fees can be added as well as Emails or SMS sent to the Borrowers. You can then contact your borrower to reschedule any payment.

System Setup Steps

- 1. Setup with your Bank
- 2. Basic System Setup

- 3. Set up Creditor
- 4. Set up Borrower
- 5. Set up Record for EFT

Summary of steps

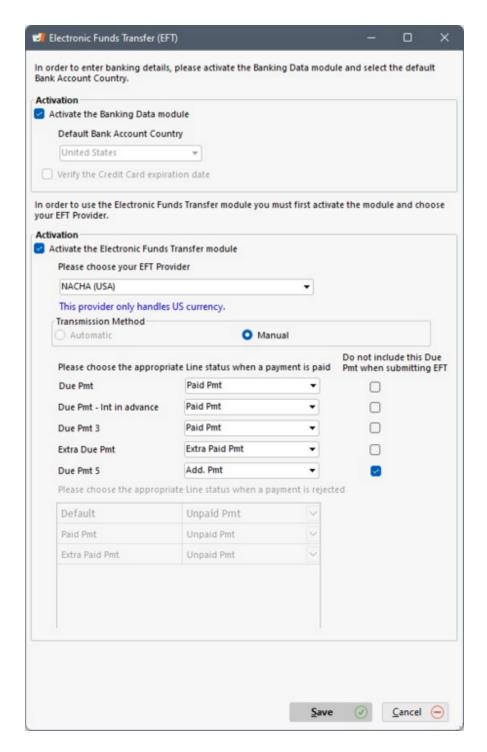
System Setup Steps

(1) Setup with your Bank

Contact your bank to make sure it accepts NACHA files and has a portal for file uploads.

(2) Basic System Setup

As MLM Administrator, go to Tools > Settings > Electronic Funds Transfer in the "Modules" section. The following window will appear:



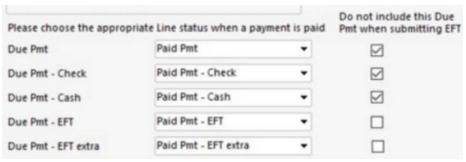
- Check "Activate the Banking Data module".
- Select the US for the bank account.
- Check "Activate the Electronic Funds Transfer module".
- Choose the EFT method NACHA or Wells Fargo (if your bank is Wells Fargo, you will simply have a few less data to enter in the Creditor setup but the whole process is the same a NACHA file is produced).
- The only "Transmission Method" allowed "Manual": This means you must upload the NACHA file produced to your

Bank.

• It is possible to choose, for the "Due Pmt", "Due Pmt (2) to (5)" (to be renamed as desired) Line statuses which will be paid by electronic funds transfer. By default, on the day the payment is due, the Line status will be changed to "Paid Pmt", "Paid Pmt (2)", "Paid Pmt (3)", etc. (as renamed), but you can change these by choosing from the nine other Line statuses related to a paid payment.

Moreover, you can decide, for example, that only the Line statuses "Due Pmt (4)" and "Due Pmt (5)" be submitted as pre-authorized payments, and that the three first types be managed manually. You simply need to select the "Do not include this Due Pmt when submitting EFT" so that these lines do not appear in the EFT submission table. These types of Due payments could be, for example, payments by bank transfer made directly by the Borrower (or cash or check payments).

Note: Line status "Paid Pmt (11) to (20)" are not recommended to manage pre-authorized payments since they do not have equivalents in the "Unpaid Pmt" Line statuses and their accounting components (interest, principal, fees) cannot be isolated in reports.



Checked Line statuses will not be sent to the EFT module

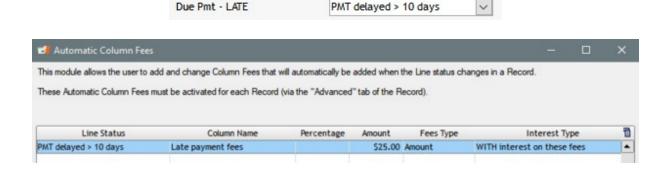
Example 1:

A user might decide to rename the "Due Pmt (2)" Line status to "Due Pmt - Extra" and use this Line status when the Borrower makes a payment that was not scheduled. By choosing the corresponding special "Add. Pmt" Line status, the "Expected Pmt" column will automatically become 0.00, automatically reducing the outstanding balance.



Example 2:

A user might decide to rename the "Due Pmt (3)" Line status to "Due Pmt - LATE" and use this Line status when a Borrower requests a reprieve before making a pre-authorized payment. Fees are to be charged to the borrower on this late payment. By choosing the corresponding "PMT delayed > 10 days" for "Due Pmt - LATE" on the actual payment date, the Line status will automatically change and automatically generate Column fees if the rule was set up with Automatic Column Fees.



The rejected payment automatic Line status change (from Paid to Unpaid) is not available in the NACHA module.
 Users must check the Bank's portal, consult the rejected transactions report and bulk change the now (assumed)
 "Paid" payments to "Unpaid". This can be done manually for each Record but usually is done in bulk with the very powerful and quick "Post Payments" tool. See the Changing Paid Payments to Unpaid Payments subsection.



Option not available with NACHA

• The MLM Administrator may decide that only some specific users be allowed to submit Pre-authorized Payments. It is strongly recommended to limit the number of users that can create NACHA files. This permission may be set in Tools > <u>Users</u>. The "Can use EFT module" should be checked to authorize this. To access the module, the user must have access to all the Records as well as to all Borrowers/Employees/Creditors. The user will not be able to access the module otherwise.



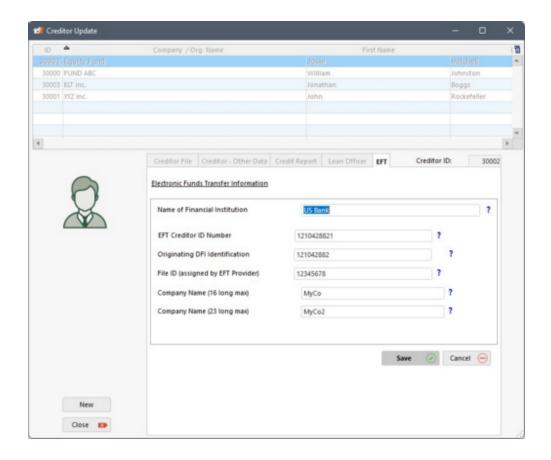
(3) Creditor EFT Setup

Now that the system is set up to accept EFT, the Creditor or Creditors must be set up to accept EFT payments.

Single Creditor

Go to File > Creditor > EFT tab. Click on "Edit" and enter the following information, much of it provided by the Bank (or other financial institution):

- Bank name
- EFT Creditor ID Number
- Originating DFI ID
- File ID
- Company name (long and short)



Multiple Creditors

EFT is possible for a portfolio with multiple Creditors bearing in mind these conditions:

- 1. A loan can only be credited to one Creditor's account even if two or more Creditors *own* the loan (participating loans). Including multiple Creditors in a loan and assigning a participation (percentage or monetary) for each, will **not** influence this. Only the chosen Creditor's account will be credited. To deposit to separate Creditor accounts, separate loans would have to be set up.
- 2. A separate account must be setup with your bank.

Go to File > Creditor > EFT tab. Click on "Edit" for each Creditor as explained in the "Single Creditor" section above.

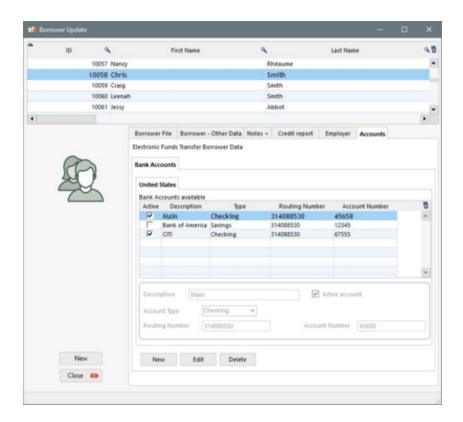
(4) Borrower EFT Setup

Go to File > Borrower. Choose the Borrower to set up.

The bank accounts must first be set up for each Borrower. Click on the "Accounts" tab.

A Borrower may have more than one bank account for a loan, but draws can only come from one account at a time. Over time, the account to draw from may be changed.

To add a new bank account, click on "New".



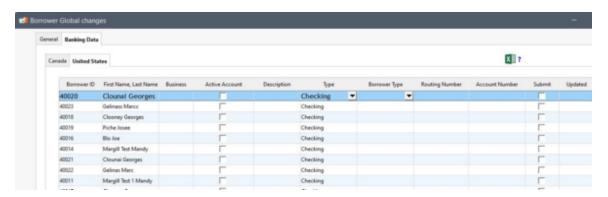
Bank Accounts

For US Bank Accounts, enter the following data:

- Description: describe this account as you wish
- Account Type: select "Checking" or "Savings"
- Routing Number: enter a 9 digits Routing Number for the bank account.
- Account Number: enter the bank account number only (length may vary)

NOTE: The Routing and Account numbers are NOT verified at this stage, so always double check these.

Borrower banking data can also be entered in bulk through the <u>Global changes</u> tool. Go to File > Borrower. Highlight the Borrowers (lines will become blue), right click with the mouse and go to the Banking Data tab. The required banking data can then be entered Borrower by Borrower. Then click on Save.



Banking data can also be imported to Margill via an Excel sheet in Global changes. Click on the question mark to the right of the Excel logo to obtain the file/data format.

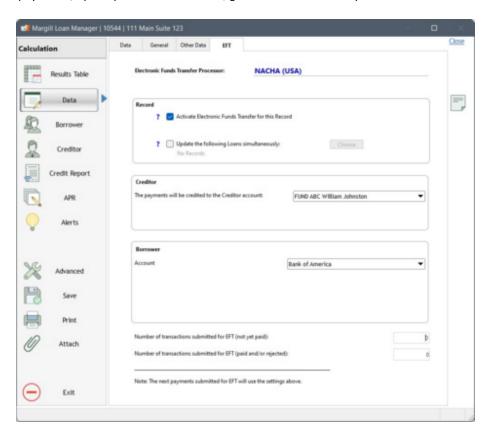


Once the import file is ready, click on the Excel file to select the banking data file.

(5) Record Setup for EFT

Finally, each Record that will include EFT must be set up to allow EFT.

To set up the EFT payments, open up the desired Record, go to "Data" followed by the "EFT" tab.



NACHA (or Wells Fargo) will be indicated.

Check "Activate Electronic Funds Transfer for this Record".

• If one of the steps above has not been completed, you will not be allowed to activate EFT for this loan. See the error message and complete the missing step(s).

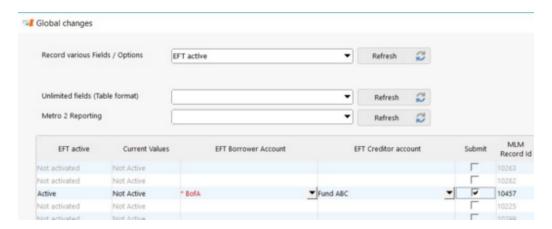
Choose the Creditor whose account will be credited. A Creditor must be chosen in the Creditor tab and the Creditor must

be EFT enabled (step (3) above).

Choose the Borrower's account from which to debit the payments. There may be one or many choices depending on what data was entered in the Borrower's "Account" tab (step (4)).

Save the Record.

IMPORTANT to save considerable time! The setup can also be done in minutes for all required Records through the <u>Global changes</u> (select Records in Main window > right click and choose the "EFT active" option):

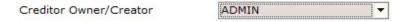


Once this is done, you will then select the Payments you wish to submit as EFT as described in the "<u>Selecting and Submitting Payments</u>" section.

Choice of Creditor

If no Creditor appears in the "The payments will be credited to the Creditor account:" or if the portfolio includes multiple Creditors but they don't all appear, two reasons are possible:

- 1. Creditor setup incomplete
 - Make sure the Creditor EFT data is complete.
- 2. Creditor "Ownership"
 - A Creditor is entered in the system by a user. This user will become the Owner/Creator of this Creditor.
 Since Margill was developed to allow multiple Creditors with a certain non-transparent wall (or barrier if you prefer) between the entities, a Creditor owned by one user will not show up when another user sets up the Borrower's account.



As an example, there are two users in the system: ADMIN and JOHN.

- ADMIN created Better Lenders
- JOHN created ABC Lenders Inc.

If user JOHN is setting up the Borrower's EFT account, only ABC Lenders will appear as a choice in the "The payments will be credited to the Creditor account:" menu.

In order for user JOHN to be able to credit the Better Lenders' account, JOHN should go to File > Creditor > Creditor File and change the ownership to JOHN. A much faster way is to uncheck these options, allowing JOHN to see all Records and Borrowers/Employers/Creditors (Tools > Users). Username New Password Max length = 15 Administrator Security Level Last log-in date 13-12-2021 Number of log-ins Force Password change ? Require strong pa ? 🗸 Allow user management (if administrator) Read-only and Draft Users Read-only user: No Alerts Display only "Draft" Records Record Rights Cannot Create New Record ✓ Can change Record color ? Bypass locked historical transactions ? Cannot change Record Status Default Record Stat General Rights Can only see own Records ? Can only see own Borrowers/Employers/Creditors ? Can produce Reports for all Records 2 Can make Global channes

Summary of steps

Here is a summary of the steps required for submitting the EFT payments No need to panic... the steps are easy to follow!

1) EFT Service provider

You must open an ACH account with your bank and make sure it accepts NACHA files.

2) Settings

Activate the module Electronic Fund Transfer (EFT):

Tools > Settings > Electronic Funds Transfer

3) Creditor

Enter the information provided by your bank

File > Creditor > EFT tab

4) Borrower

Enter the account information used for each Borrower

File > Borrower > Accounts tab.

Use Global Changes (for Borrower) to enter or import bank account data quickly.

5) Record

Activate preauthorized payments for the Record.

File > Data > EFT tab

Note: Only "Active" Records can be submitted via ETF.

Use Global Changes (for Records) to activate EFT for each Record more quickly.

6) Submitting transactions

Selecting the payments to submit and submitting these:

Tools > EFT

See the next section "Selecting and Submitting Payments" for Step 6.

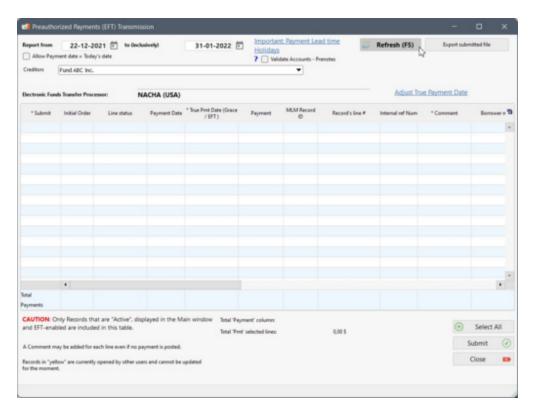
Selecting and Submitting Payments

Once the system and the specific Records are set up for electronic funds transfer, the payments must then be submitted to your Bank.

In order to choose the upcoming payments for EFT, go to Tools > EFT



The following window will appear allowing you to choose the payments that are to be submitted fro ACH:



IMPORTANT: Only ACTIVE Records that have been "EFT-enabled" will be included in this tool (see the previous section, (5) Setup Record for EFT). In order to submit EFT, a user must have the right to see ALL Records and ALL Borrowers/Employers/Creditors. He will not be able to submit EFT otherwise. See Administrator and Users.

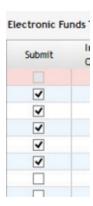
Enter the first date ("Report from") at which an EFT payment is to be debited and the final date ("to (inclusively)") for this EFT batch period.



Payments submitted must be within the following range: Between current day, up to 45 days in the future. Check with your bank to see if you can submit payments that should have been collected in the past (old or "stale" effective date payments). If this is not allowed, you may need to change the payment date directly in the NACHA file. This should be done very carefully.

The amounts from each of your borrowers' bank accounts will be collected on the effective date and usually be deposited to your bank account the next working day. For next-day debits, consult your bank's policy.

Once the period dates are selected, press on Refresh or F5. A list of all Active and EFT-enabled Records will be displayed and can then be submitted for EFT. Check, in the first column, the payment lines that are to be submitted for EFT.



Any payment with Line status "Due Pmt" prior to the "from" date (that is EFT enabled), will appear as a pink line, a check mark will appear in the "Do not process" column and the message "Will not process" will appear in the "Processing" column (see the second line in the example below). This means that an Due payment was not properly processed by the MLM users (its Line status should have been changed to Paid, Unpaid or other, as opposed to remaining "Due Pmt"). It is strongly recommended to resolve any of these issues before submitting payments for EFT.



If such issues are not resolved before the actual payments are debited at the set date, MLM will NOT automatically change the Line status to Paid, since a Due Pmt cannot precede a Paid Pmt.



In such circumstances the Main MLM window will display a warning icon

that signifies that there is an error. Click

on the warning icon and a message will identify the problem Record and describe the problem. The issue really must be fixed by the user.

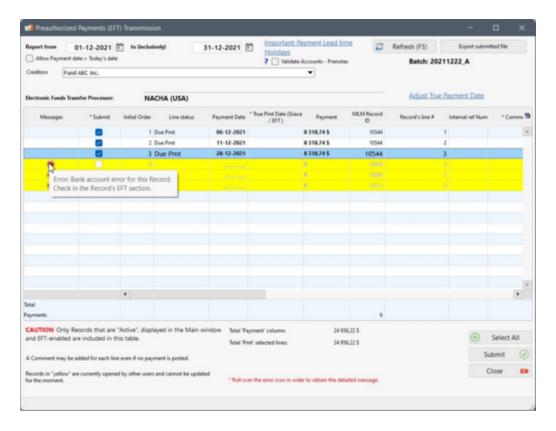
On the other hand, MLM will not prevent the user from processing the data in a Record containing irregularities, because there are exceptions, as in the following scenario:

• It is possible to submit an EFT when previous lines are pink. For example, if a Borrower changes his payment method: he always had paid by check but now wants to pay with EFT but only in two months. A MLM user can decide, for a reliable client, to send the payments to be collected to the EFT provider in advance. Therefore, when the checks are cashed, the user will update the payments in the Payment schedule (from "Due Pmt" to "Paid Pmt"). Thus, on the date of the pre-authorized debit, payments will be automatically updated in the Record since this transaction will no longer be preceded by a "Due Pmt" Line status.

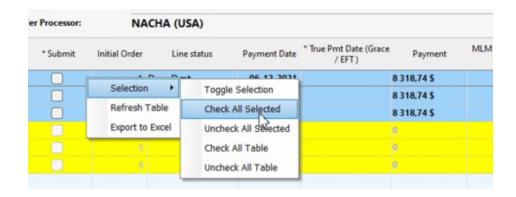
Submitting EFT payments

The first step in submitting payments is to select the dates of the debit period. Payments should be submitted on a regular basis.

As can be seen in the example below, flagrant errors will be highlighted in yellow. Pass he mouse ove the red button to see the error.



For selecting multiple lines, instead of checking each individually, select the lines with the mouse (or use Shift or Ctrl and the mouse for non-contiguous lines) and check one of the "Submit" boxes or right click with the mouse > Selection and select the desired choices.



The "Select All" button can also be used to select all lines from this table. Always check each payment carefully before using this.

A Comment may also be added for any payment line. Comments will be added in the Payment schedule even if the line itself is not checked.

Two options are available:

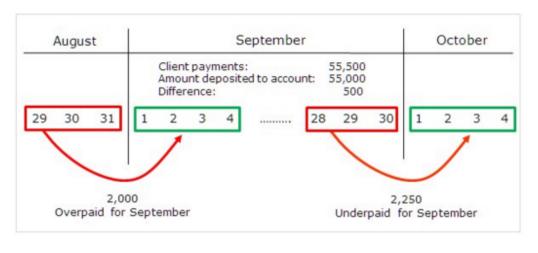
- 1) Prepare Prenotes NACHA file
- 2) Prepare live NACHA file to sent to the bank

Debit date (money from Borrower account) versus Credit date (money to Creditor account)

The EFT Processor will usually debit the Borrower's bank account on the date the payment is due. If the payment is set for a weekend or on a statutory holiday, the debit will be taken on the next working day.

However, the credit to the Creditor's account will only be made a few days after the debit date. The number of days may be worked out with your bank.

When payments are due at the end of the month, the Creditor's account may be credited only in the following month. This can cause bank reconciliation issues. For example, you were expecting a total amount of 55,500 in September but only 55,000 (**500 missing**) is deposited in September. There may have been amounts due in August but deposited to the bank account only in early September as well as amounts due in September but actually deposited in early October.

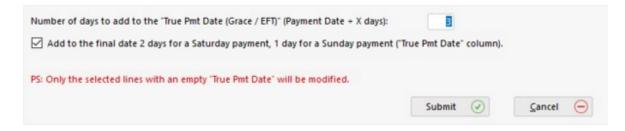


In order to reduce bank reconciliation issues with EFT, you could use the "True Pmt Date (Grace / EFT)" column. In the <u>Accounting Entries</u> report ONLY, the date indicated in this column is reported as opposed to the "Pmt Date". For end-of-month transactions, payments that are to be debited on the 29th, 30th and 31st (and possibly the 26th, 27th and 28th for February and 30 day months) could have True Pmt Dates on the 1st, 2nd, 3rd or 4th of the next month, the dates at which the payments are truly credited to the Creditor's account.

A utility allows to automatically indicate a date in the "True Pmt Date (Grace / EFT)" column that is x days after the date indicated in the "Pmt Date" column. So in the example above, the bank shows 55,000 as the amount credited to the Creditor's account in September yet 55,500 was paid by the Borrowers. By adding 3 days to each "Pmt Date", the equation will yield the proper September deposits:

To add a date in the "True Pmt Date (Grace / EFT)" column that is x days after the date indicated in the "Pmt Date" column, click on Adjust True Payment Date

The following window will appear allowing you to indicate the number of days to add.



For payments that are scheduled on a Saturday or on a Sunday, the debit from the Borrower's account will only be done on the next work day, thus adding an additional day or two to the credit date.

To handle this situation, you may check "Add to the final date 2 days for a Saturday payment, 1 day for...". This will add two (2) days to the number of days entered above if the payment was to fall on a Saturday or one (1) day if the payment was to fall on a Sunday.

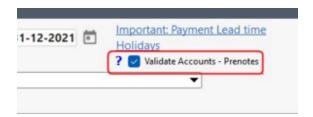
This feature can be checked even if the number of days to add is 0.

Submitting "Prenotes"

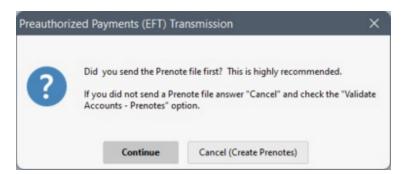
Prenotes are zero dollar entries that precede the first live entry. The purpose of a prenote is to verify account information (Routing and Account numbers).

Prenotes are optional but may eventually become compulsory in the US. If sent, prenote rules must be followed. A prenote must precede the first live entry by at least **six banking days**.

The Receiving Bank is not required to validate the name of the payee on the prenote, although many do; they are only required to check the account numbers. You must understand there is still a risk if the subsequent entry debits the wrong account (this is true for all originations, not just prenotes).

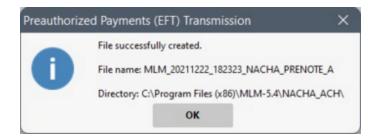


Margill **does not check** if a prenote has been uploaded to the bank's portal previous to a live ACH entry but a box reminds you to send a prenote if the "Validate Accounts - Prenotes" box was not checked.



By pressing on Continue, no prenote will be created. The "Cancel (Create Prenotes)" button will get back to the window without sending the live data, thus allowing you to check "Validate Accounts - Prenotes".

If a Prenote is created, this message will appear indicating the prenote name and where the prenote file is located, allowing you to upload it through the bank's portal.

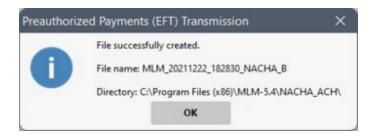


Then check back in the bank's portal for the prenote analysis. The banking information corrections must be done in MLM before submitting the live NACHA file.

Prepare NACHA file to be sent to the Bank

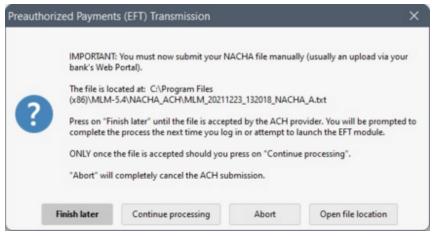
Once the proper payments have been selected, press on "Submit"

. You will then obtain the following message indicating the NACHA file name and where the file is located:



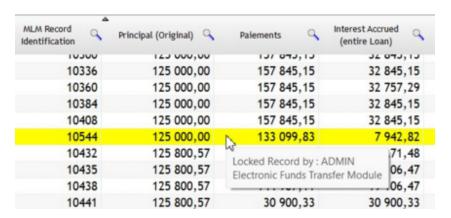
You must then manually upload the file through the bank's portal. MLM does NOT do this for you.

Next, this window will appear again providing the file's path and name. Four (4) options will be available and the choice to be taken will depend on whether the file has been sent to the bank of not, and if the file production was live or simply a test:



First EFT processing window

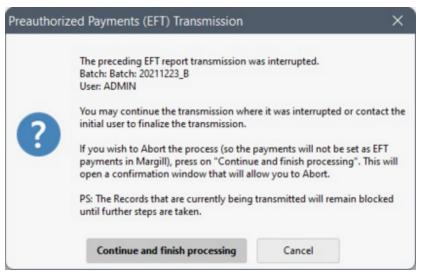
"Finish later": If the file has not yet been uploaded, press on this button. The window will close giving you the opportunity to upload the file to the bank. The Records submitted will all lock up and not allow any changes until they are "freed" from their "temporary, unmanaged" EFT state. They become yellow and indicate the reason for which they are locked and who created the NACHA file.



Usually all Active Records would become yellow and in read-only mode

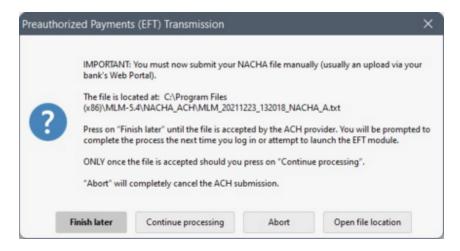
The Records remain locked until an authorized user manages the EFT and tells the software that the file was uploaded to the bank or that the process should be aborted.

When an authorized user goes to Tools > EFT, the "Preauthorized Payments (EFT) Transmission" window below will automatically appear allowing the user to complete or cancel the EFT processing in MLM.

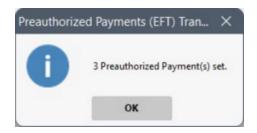


Second EFT processing window

"Continue and finish processing": Once the file has been submitted, press on this button. The first EFT processing window will reappear giving you the same options as before to complete the EFT process or to abort this process:



By pressing on "Continue processing", this tells MLM that the payments will be processed by the bank and to change the "Due payments" to "Paid Pmt" on the day they are to be collected. The following window will confirm that MLM has managed the payments:



In the Payment schedule, the payments submitted will keep the "Due Pmt" Line status but will be highlighted in pink until the effective date at which they are to be collected.

In the example below, lines 1-3 were submitted as EFT and cannot easily be modified and should not be changed since these amounts will be drawn on the due dates. The lines below (4 and following) were not submitted as EFT but can be submitted later and readily changed if required.

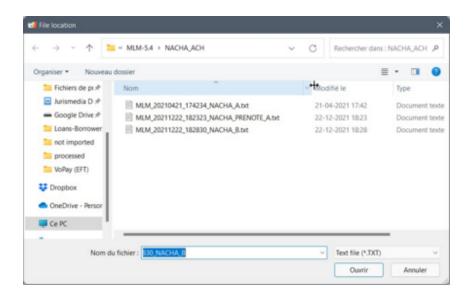
Line	* Line status	* Pmt Date	* Payment	Accrued Interest	True Balance
1	Due Pmt	06-12-2021	8 318,74 \$	924,66 \$	117 605,92 \$
2	Due Pmt	11-12-2021	8 318,74 \$	144,99 \$	109 432,17 \$
3	Due Pmt	28-12-2021	8 318,74 \$	458,72 \$	101 572,15 \$
4	Due Pmt	06-03-2022	8 318,74 \$	1 703,07 \$	94 956,48 \$
5	Due Pmt	06-04-2022	8 318,74 \$	725,83 \$	87 363,57 \$
6	Due Pmt	06-05-2022	8 318,74 \$	646,25 \$	79 691,08 \$
7	Due Pmt	06-06-2022	8 318 74 \$	609 15 \$	71 981 49 \$

On 06/12/2021, Due Pmt for line 1 will automatically be changed to Paid Pmt (or Paid EFT depending on your rules). On 11/12/2021, same will happen for line 2 and so forth. This is an automatic process as long as MLM software is closed and reopened on that day, or the process done via Automatic/Overnight_Tasks (recommended for larger databases to save time in the morning).

NOTE: An automatic upload of the NACHA file could be programmed by your IT team if your bank allows such automated uploads. This would allow you to press on "Continue processing" immediately after the file is created (and automatically uploaded to the bank portal).

"Abort": If the file is not to be submitted for live processing, press on Abort (First EFT window). The process can be aborted immediately or any time after if only test files were produced for example.

"Open file location": Does not offer much value but allows you to see and possibly copy the file in order to upload to the bank's portal.



See next sections:

EFT Payment Update (Rejected payments)

Changing or Deleting Submitted EFT Payments

Replacing Bank accounts

Adding Bank Account and Activating EFT in Bulk

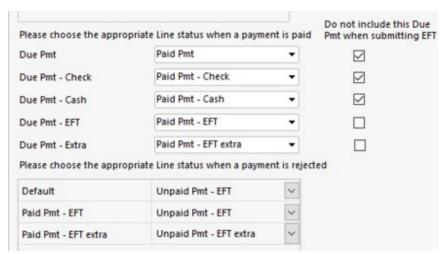
EFT Payment Update (Rejected payments)

After submitting the file to your bank, all transactions submitted will be debited on the set (effective) date (taking into account weekends and holidays where the debits are done on the following work day).

Payments are a success

On the day the payment is due, Margill Loan Manager (MLM) will automatically change the Line status from "Due Pmt" to "Paid Pmt" (or other Line status chosen in the EFT_Setup). In order to easily recognize payments made by EFT, it is recommended to name one of the "Paid Pmt" Line statuses "Paid EFT". You may need to enter this name through Tools >

Settings > System Settings (Administrator) > Line Payment Statuses



EFT Setup

The change of Line status from "Due Pmt" to "Paid Pmt" (or preferably "Paid EFT") is performed automatically at the set date when MLM is launched. If MLM had not been opened for a few days (or after a weekend for example), the Line status changes will nevertheless take place for older payment dates and not only for the payments that should be debited on the current date.

It is recommended to use the <u>Automatic / Overnight Tasks</u> so that the operation is performed even when MLM is closed. This will save time and avoid potential errors if, although highly not recommended, MLM is not closed or shut down on a daily basis.

Payments are rejected

If the EFT payment is accepted, the user needs not intervene in MLM. The software assumes the payment is accepted.

Only if a payment is rejected, and your bank will advise you of this in the bank Portal, will you have to change the Line status of the missed payment from "Paid Pmt" (changed by the system automatically) to "Unpaid Pmt" (or "Unpaid EFT"). This can be done one by one or with the <u>Post payment tool</u> in batches. See <u>Changing Paid Payments to Unpaid Payments</u>.

Mixing EFT payments and non EFT payments

If for some reason (most commonly, progressive EFT implementation), non-EFT Due payments were to precede EFT Due payments, if the previous non-EFT Due payment Line status was not changed on the day the EFT payment was due, a

<u>System Warning</u> would advise the Record Owner (and Administrators and Power users) that the Due Pmt Line status will NOT be changed automatically to Paid as it should normally be.

In the example below, the red line had already been submitted for EFT debit. The Due Pmt on lines 1 and 2 MUST be changed manually (to Paid, Unpaid or other) in order for the line 3 Due Pmt to be changed automatically on the payment date (28-12-2021 in the example).



This exception to an automatic change of Line status stems from the fact that Due payments cannot precede Paid or Unpaid payments.

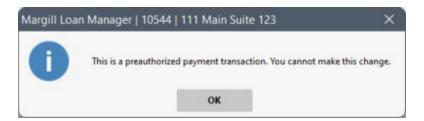
The warning would only be given on the actual day the EFT payment was due and would remain active until deleted. The warning will appear even if MLM is not launched on that specific day, but launched later on.

Changing or Deleting Submitted EFT Payments

Payments that have already been sent to the EFT Processor for debit, whether paid or not, have special restrictions that other payments do not. This section covers these.

Changing payment amount and/or payment date

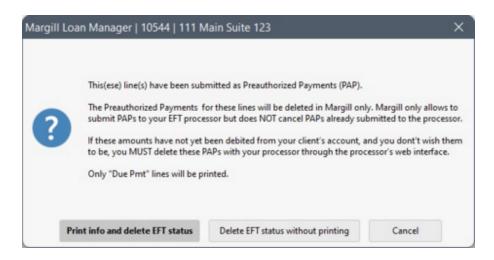
The payment amount and payment date for EFT payment lines cannot be changed in the Payment schedule.



If the transaction is no longer required, it should be deleted (see below). If the payment is not made (insufficient funds for example), then its Line status should be changed to Unpaid or preferably Unpaid EFT.

Deleting a payment

If upcoming EFT payments had already been submitted for debit in a loan, and for example, this loan is suddenly paid in full or in default or in bankruptcy, the upcoming EFT payments should be deleted in MLM AND also with the EFT Processor or bank. Deleting the payments in MLM will have no effect on the payments already submitted to the EFT Processor, thus the need to cancel the payment or payments with the EFT Processor (by going through the bank's Portal).



Before deleting you should print the details and then make the changes with the EFT Processor. A list of the payments submitted will be created.



If the payment had already been paid or is unpaid (Line status "Unpaid Pmt"), although there is no real reason to delete it, a confirmation will be required to delete the payment or payments.

Eliminating the EFT (preauthorized payment (PAP) status) for upcoming payments

Another possible scenario, is one in which the Borrower changes banks or payment method. In these situations we do not wish to delete the upcoming payments but simply wish to delete the EFT status for these payments. Select the red lines, right click with the mouse, and choose "Delete PAP status for these payments".

See the <u>Importing Bank Account Data and Activating EFT in Bulk</u> section for complete details and procedures, including mass import/update via Excel sheet.

Changing Line status

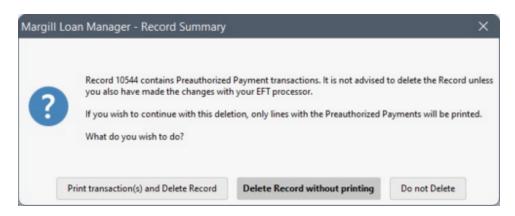
If you try changing the Line status of any EFT payment (whether paid or upcoming), the following message will appear limiting the Line statuses that may be chosen since EFT payments only have two options: Paid or Unpaid (multiple types of paid and unpaid Line statuses are available in MLM). These payments cannot be partial, nor late. A late EFT payment is in fact Unpaid.



Deleting EFT Records

The same principle applies to deleting Records from MLM as that for lines deleted or payments that should no longer be debited from the Borrower's account. A change in MLM **MUST ABSOLUTELY** be accompanied with the appropriate cancellation of the upcoming payments with the EFT Processor.

The following window will appear for all Records to be deleted that contain PAPs. The question will be repeated for each Record although one report will sum up all the transactions that are influenced by this deletion (upcoming PAPs).



Cancellation of the upcoming payments with the EFT Processor

Please check with your bank on how this can be accomplished.

Replacing Bank accounts

In a Record, it frequently happens that a Borrower changes bank account or the payer (the Borrower) is replaced by another. In addition, the Creditor or its deposit account may change. In these situations, an update is required in order to receive future payments from the right source and, when the changes involve the Creditor, to deposit the funds in the correct account. For payments already submitted as a PAP or payments that are submitted with incorrect information, if the changes are not made, the payments will be rejected.

The role of Margill Loan Manager (MLM) is to submit current and future transactions with bank accounts valid at the time of submission only. If they change, MLM cannot be used to address this. It is your responsibility to make the changes with your EFT service Provider.

Situation 1 - Payments already submitted as EFT

When payments are already submitted in the EFT Service provider's system, you must make the changes to the bank account, Borrower and even the Creditor, in the Provider's portal. You will also need to make the changes as described in the section below, "Situation 2 - Payments to submit as EFT".

All historical data already submitted must be changed with the Provider; otherwise the payments will be debited from their accounts with the probability that the transactions will be rejected. **The Creditor must be very vigilant in this regard.**

Always consider the accounts (bank data accounts) at the EFT Provider as the master accounts. Changing an account in MLM is not sufficient. Changes MUST be made in both places.

Situation 2 - Payments to submit as EFT

A less critical situation arises when a change takes place and no transactions using the old data are yet submitted to the Provider.

1) Change of bank account

A change in MLM will ensure that the new account data will be submitted to the Provider's Portal at the next submission without requiring change in the Provider portal. In MLM, the change must simply be made in the Borrower ("Accounts" tab). To change or add banking information, simply enter them one by one in the appropriate fields in the table and save them.

See the Adding Bank Account and Activating EFT in Bulk section for complete details and procedures.

2) Change Borrower

Sometimes a loan will ultimately be paid by someone other than the Borrower (Co-signer or Guarantor, for example). In these situations, the change must be made in the Loan ("Data" window > "EFT" tab > "Borrower (Account)") and of course the new EFT banking data must be entered as well in Borrower > "Accounts" tab.

3) Change of Creditor (or Creditor account)

If the Creditor or its account changes, the change must be made with the EFT provider first. These changes must be made in one or two places in MLM, depending on the situation:

- Creditor ("EFT" tab)
- Loan ("Data" window > "EFT" tab > "Creditor (the payment will be applied to the Creditor's account)")

Canada - Perceptech (Acceo) / VoPay

Margill Loan Manager is integrated with Perceptech/Acceo and VoPay for EFT in Canada. The EFT file is seamlessly submitted directly from Margill and the bounced payments integrated directly in Margill.

Contents:

Setting up the EFT module

Selecting and Submitting Payments

EFT Payment Update (Rejected payments)

EFT Payment Rejection Date and Reason

Master and Affiliate Loans - EFT

Changing or Deleting Submitted EFT Payments

Replacing Bank accounts

e-Transfers (credit to Borrower)

Adding Bank Account and Activating EFT in Bulk

Setting up the EFT module

Your company must have a service contract for EFT with Perceptech inc. (ACCEO Solutions) (Montreal, Quebec) or with Vopay (Vancouver, British Columbia). Both companies offer preauthorized payment services everywhere in Canada and with all banks.

To subscribe with Perceptech or with VoPay, please contact the Margill Team in order to get the appropriate reference.

Providers charge installation fees, monthly fees as well as transaction fees. A special fee is offered to Margill customers. Contact our team to find out about prices.

Electronic Funds Transfer with Perceptech (Acceo Solutions Inc.) and VoPay

- Payment deposits to your account:
 - Perceptech: Deposits are usually made up to six (6) business days after the scheduled debit date, but the
 delay may be less depending on the precise service used and the bank you deal with. Delays are shorter
 with National Bank and Desjardins Credit Union with Perceptech.
 - O Vopay: Deposits are usually made up to three (3) **business** days after the scheduled debit date, but the delay may be less depending on the precise service used and the bank you deal with.
- Payment lead times:
 - Perceptech: A two (2) business day lead time is required between the date the file is submitted by the Margill user and the expected payment debit date (Payment date column in the Payment schedule). In order for the debit date to match the MLM "Pmt Date", the user must submit the file before noon (12:00 PM) precisely (Eastern time), at least two business days before the Payment date in MLM.
 - VoPay: When you submit a batch for EFT (Electronic Funds Transfer), the transactions of the day, so set to be debited for that day, can be processed on that day if they are received before one of the three cutoff times of 6AM, 1PM, 6PM, Eastern Time.
 - A few examples, we are May 24 and the file is sent today:
 - Q: In the file sent, the date on which the money is to be collected is today (May 24) Will the money be collected today?
 - A: Transactions will be processed on the same day if they are all sent to VoPay before the
 cutoff times. Processed means that the bank will receive the order and will respond as of
 that time. The timing of the debit is influenced by several factors, including the type of
 transaction, the processing time of the bank, and the specific policies of the involved bank.
 - Q: In the file sent, the date on which the money is to be collected is May 25 and I send my file at 6 AM. Will the money be collected on May 25? What if 1 PM, and 6 PM? Will your debit be on the 25th?
 - A:Transaction will be created on May 25th at 2.30 AM UTC and will be processed on May 25th.
 - Q: In the file sent, the date on which the money is to be collected is May 26 and I send my file at 6 AM. Will the money be collected on May 26? What if 1 PM, and 6 PM? Will your debit be on the 26th?
 - A: Transaction will be created on May 26th at 2.30 AM UTC and will be processed on May 26th.

- Files sent by the user on weekends and holidays will be processed on the next business day. Debits are not done on weekends and holidays.
- O It is possible to submit old payments that were not collected up to 172 days in the past with Perceptech. There is no limit with VoPay. Old payments, today payments or payments due the next day, when submitted to the EFT provider, will be processed and sent to the Borrower's bank which will be compensated according to its standard policies. This could be the same day, the next day or 48 hours later.
- The full EFT amount is deposited for each client. Fees are charged separately on a monthly basis.
- The Creditor will be informed that a payment was rejected by the bank two to three business days after the debit
 date. In some cases the deadlines could be longer depending on the specific situation (disputed payment for
 example). See EFT Payment Update (Rejected payments).
- VoPay also offers **e-Transfers** (credit) to your Borrowers. The user ADMIN (only ADMIN) can thus send the loan amount (or other amount), up to CAD 25,000 per transaction to the Borrower in near real-time.

System Setup Steps

- 1. <u>Setup in the EFT Processor's Portal</u>
- 2. Basic System Setup
- 3. Set up Creditor
- 4. Set up Borrower
- 5. <u>Set up Record for EFT</u>

Summary of steps

System Setup Steps

(1) Setup in the EFT Processor's Portal

Perceptech or VoPay

When the account is opened with Perceptech or Vopay, all required Creditor banking information will already be entered in the the EFT provider's Portal. If this information was to change (change of bank for example) you would have to contact the EFT provider directly and they would make the change.

If multiple accounts are to be credited (multi-company or multi-fund scenarios), the EFT provider would set up this environment on their end and provide the proper identification numbers and passwords that are then entered in MLM (Creditor ID Number in MLM).

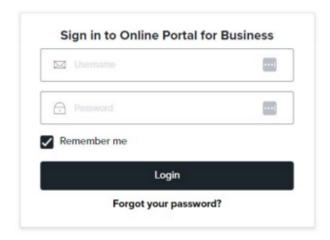
Perceptech EFT Portal



wwws.perceptech.ca/collybus/login.php?lang=en or www.perceptech.ca

VoPay Portal





https://dashboard.vopay.com/#/login

The Portal will mostly be used for producing reports and making changes to preset payments (cancelling future payments for example).

A change in Borrower bank account data on the other hand, can be done in MLM and when the next payments are submitted (with the updated account information), this new information will be automatically be updated in the Portal. However, if multiple payments for the future had already been set up and the bank account changes, you would have to

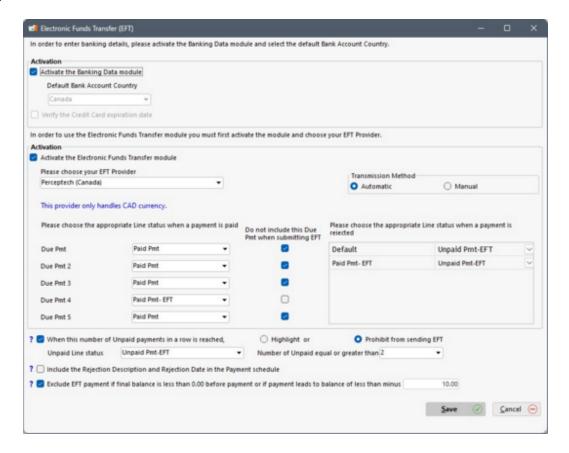
make the changes directly in the Portal. Changes made in MLM would only be transmitted to the Portal (and updated) when a new debit is submitted.

For detailed information on VoPay EFT: https://docs.vopay.com/docs/eft

For detailed information on Perceptech EFT: https://wwws.perceptech.ca/collybus/support/ProcedureRecurrentEN.pdf.

(2) Basic System Setup

As MLM Administrator, go to Tools > Settings > Electronic Funds Transfer in the "Modules" section. The following window will appear:



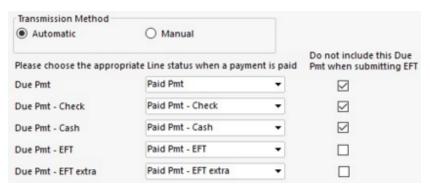
- Check "Activate the Banking Data module".
- Select the country for the bank account. Only one country may be chosen, either the US or Canada.
- Check "Activate the Electronic Funds Transfer module".
- Choose the EFT Processor (also referred to as the EFT Provider). Only one Processor may be chosen.
- With VoPay you may decide to activate the e-Transfer (credit) module.
- The "Transmission Method" box allows two options:
 - Automatic
 - By choosing "Automatic", Margill will automatically upload the EFT file (once you have chosen the

Records and payments to submit for EFT) to the Processor's server.

- This is the recommended method.
- O With the "Manual" method, the user will have to produce the EFT file in Margill and upload to the Processor's server via the Processor's web interface (the Portal).
- It is possible to choose, for the "Due Pmt", "Due Pmt (2) to (5)" Line statuses which will be paid by electronic funds transfer. By default, on the day the payment is due, the Line status will be changed to "Paid Pmt", "Paid Pmt (2)", "Paid Pmt (3)", etc., but you can change these by choosing from the nine other Line statuses related to a paid payment.

Moreover, you can decide, for example, that only the Line statuses "Due Pmt (4)" and "Due Pmt (5)" be submitted as pre-authorized payments, and that the three first types be managed manually. You simply need to select the "Do not include this Due Pmt when submitting EFT" so that these lines do not appear in the EFT submission table. These types of due payments could be, for example, payments by bank transfer made directly by the Borrower (or cash or check payments).

Note: Line status "Paid Pmt (11) to (20)" are not recommended to manage pre-authorized payments since they do not have equivalents in the "Unpaid Pmt" Line statuses and their accounting components (interest, principal, fees) cannot be isolated in reports.



Checked Line statuses will not be sent to the EFT module

- The option that allows to choose the "Unpaid Pmt" Line status for each of the "Paid Pmt" Line statuses allows the Margill Administrator to specify the final Line status of a payment submitted as an EFT which is rejected (NSF) by the Borrower's bank. This option allows you to add automatic fees or not depending of the situation.
 - For example, the "Due Pmt", on the set payment date, automatically becomes "Paid Pmt EFT". When this payment is rejected, it will become "Unpaid Pmt EFT" and <u>automatic Column fees</u> would be added.
 - O If you do not wish to add fees to certain rejected payments, the payment schedule would include certain special "Due Pmt" Line statuses which would become special "Paid" Lien statuses and finally, if rejected, it would become special "Unpaid" Line statues for which no fees would be charged.
 - Example: "Due Pmt EFT extra" becomes "Paid Pmt EFT extra" at the date of payment (the system does this automatically and assumes the payment is not rejected). This extra payment, if rejected, would become "Unpaid Pmt EFT extra". By contract between the Creditor and the Borrower, such an additional payment would not be subject to extra fees in case of rejection and so not fees rule would be created unlike the "Unpaid Pmt EFT" which would include NSF fees.

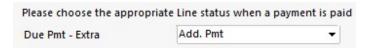


These Line statuses may be renamed as desired or simply hidden in <u>Tools > Settings > Line Payment Statuses</u>. Naming a "Paid EFT" or "Unpaid EFT" may be useful for identifying the payments made or unpaid by EFT versus those paid by check, cash, etc. These may also be isolated from other types of payments for <u>accounting purposes</u>.

By selecting "Include the Rejection Description and the Rejection Date in the Payment schedule", the rejection Description (reason from Perceptech or VoPay) will be added in the "Comment" column of the Payment schedule (if a comment is already in this column, it will not be erased and the description will be added at the end as long as the field space is sufficient). Also, the rejection date will be added to the "Date of Return check/EFT" column even if a date is already entered (will be overwritten). You can also produce a report with rejection date and reasons (Transaction report). See also <a href="EFT Payment Update (Rejected payments).

Example:

A user could decide to rename the "Due Pmt (2)" Line status to "Due Pmt - Extra" and use this Line status when the Borrower makes an unexpected payment. Choosing the "Add. Pmt" (or "Compensatory Pmt" - name that can be modify) Line status for automatic payment, the Borrower's extra payment will be managed correctly in the Payment schedule. By choosing the "Add. Pmt" Line status, the "Due Pmt" column automatically set to 0.00. This, therefore, automatically reduces the Outstanding payment amount if there was one.



Often, when a certain number of debits, in a row, are rejected by the bank, it is suggested to stop attempting to debit the Borrower's account needlessly since costs are incurred for rejected debits. This may be 2 or 3, maybe more.

By checking the option "When this number of Unpaid payments in a row is reached", it is possible to prohibit the sending of or to highlight the pre-authorized payments for loans where several payments have been refused in the past.

This option will, in the EFT submission window, either highlight the next Due Payments that were to be collected and the Margill user will have to decide whether to submit these or not.

The second option will altogether prohibit the Margill user from sending the EFT debit order for this loan. The Due Pmt that was to be collected will still show up in the EFT submission window and will be highlighted. A decision will have to be taken as to how to deal with this Borrower.

The number of rejected payments "in a row" will be the number of Unpaid Pmts right before the next Due Pmt. For example, the number indicated was 3, the next Due Pmt will be highlighted if the three preceding payments were Unpaid. If a payment is then successful, this loan will no longer be flagged as a problem account.



- When selecting "Exclude the EFT payment if balance is less than 0.00 before payment or if payment has a balance less of X.XX", the system will not allow the user to submit EFT payments because of an insufficient balance. For example, if the last payment is 100 and balance is only 25, taking a payment of 100 will give a balance of -75 instead of the desired 0.00. The lines will be highlighted in red and these payments will be blocked. The user could therefore decrease the payment before submitting to avoid a negative balance. See also Selecting and Submitting Payments.
- The MLM Administrator may decide that only some specific users be allowed to submit Pre-authorized Payments to the EFT Processor. It is strongly recommended to limit the number of users that can submit these payments. This permission may be set in Tools > <u>Users</u> The "Can use EFT module" should be checked to authorize this. To be able to transmit EFT, the user must have access to all the Records as well as to all Borrowers/Employees/Creditors. The user will not be able to submit EFTs otherwise.

✓ Can use EFT module

(3) Creditor EFT Setup

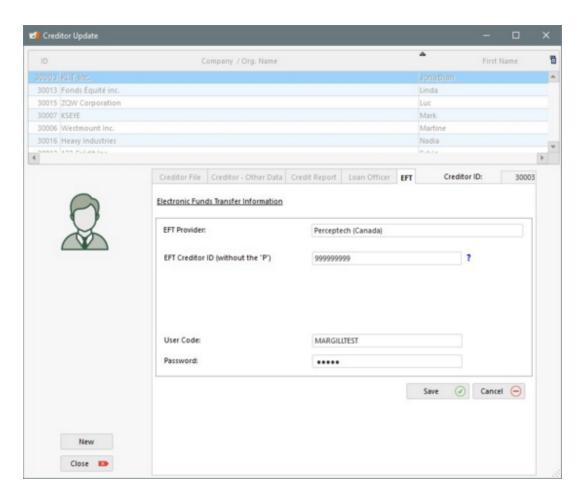
Now that the system is set up to accept EFT, the Creditor or Creditors must be set up to accept EFT payments.

Single Creditor

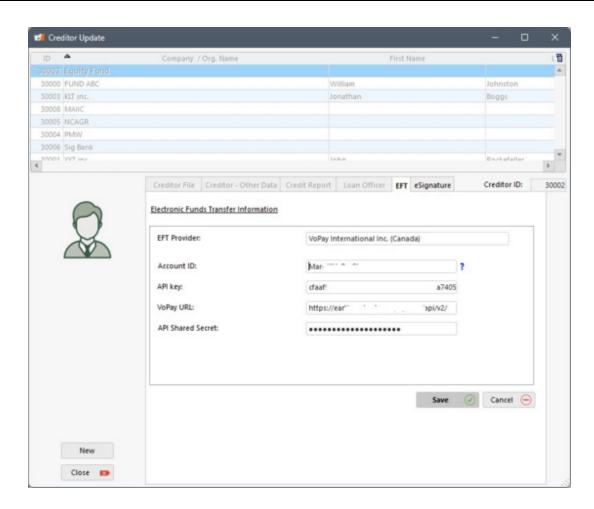
Go to File > Creditor > EFT tab. Click on "Edit".

- The "EFT Processor" box will already be filled out since chosen in the step above.
- A "Creditor ID number" or "Account Number" will be provided by the EFT Processor.
- Perceptech: In order to transmit the encrypted EFT file (the EFT file contains the data required to process the
 payments on a regular basis), a User Code and Password must have been set up with the EFT Processor. Enter the
 data here. Only the MLM Administrator can enter this data. The password will be hidden and shown with

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• **VoPay**: The Account ID, API key, VoPay URL (always https://earthnode.vopay.com/api/v2/) and the API Shared Secret will all be provided by VoPay. Only the MLM Administrator can enter this data.



Banking data, thus where the amounts collected will be deposited, is set up in the Processor's portal. This is NOT entered in Margill and can only be set up or changed in the Portal or with the Processor's assistance (see (1) Setup in the EFT_Processor's Portal). Another User name and Password is used to log into the Portal. It is NOT the same password as that entered in MLM for sending the encrypted file.

Multiple Creditors

EFT is possible for a portfolio with multiple Creditors bearing in mind these conditions:

- 1. A loan can only be credited to one Creditor's account even if two or more Creditors *own* the loan (participating loans). Including multiple Creditors in a loan and assigning a participation (percentage or monetary) for each, will **not** influence this. Only the chosen Creditor's account will be credited. To deposit to separate Creditor accounts, separate loans would have to be set up.
- 2. A separate account must be setup with the EFT Processor for each Creditor.

Go to File > Creditor > EFT tab. Click on "Edit" for each Creditor as explained in the "Single Creditor" section above.

Banking information (where the amounts are to be deposited) are not entered in MLM but directly in the Processor's Portal.

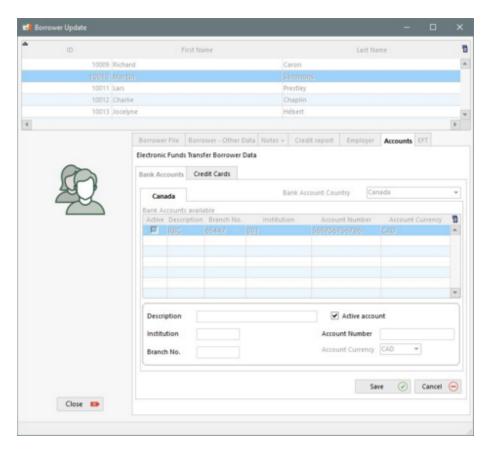
(4) Borrower EFT Setup

Go to File > Borrower. Choose the Borrower to set up.

The bank accounts must first be set up for each Borrower. Click on the "Accounts" tab.

A Borrower may have more than one bank account for a loan, but draws can only come from one account at a time. Over time, the account to draw from may be changed.

To add a new bank account, click on the "Bank accounts" tab and on "New".



Bank Accounts

Bank account data required:

Canada:

- Description: describe this account as you wish
- Active account: check if this account is to be active in the system
- Institution: enter the bank's three (3) digit institution number (for example, BMO: 001, RBC: 003, etc.)
- Branch No: enter the branch's five (5) digit number
- Account Number: enter the bank account number only (length may vary)

Since bank account information is stored in MLM, this data is sent to the EFT Processor every time an EFT file is sent. Thus, there is no need to set up the accounts in the EFT Portal since the data will automatically be added or updated in the Portal upon transmitting the EFT file.

For Perceptech only (not required for VoPay): Once the banking data entered, go to the EFT tab to create an "EFT Account Number". This account number is a unique identifier for the payment method and is used by the EFT Processor. This EFT Account Number is sent in the encrypted file for each transaction.

The EFT Processor's name should appear (if not, go to the "Basic system setup" section above). Press on "Edit"

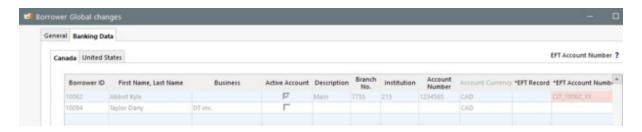
. When pressing on "Edit", the system will automatically generate an "EFT Account Number". To finish, press on 'Save" so that the system keeps the identifier.

EFT Account Number:

CLT_10092_1

The EFT Account Number may be changed, but should only be changed in very particular situations, such as, for example, if an identifier already existed for this payment method with the EFT Processor (the Creditor being an existing client).

It is possible to enter the Borrower's Banking Data by batch with the <u>Global_changes</u> module (including via an Excel sheet). This tool avoids the need to enter the Borrower's banking information one by one. By entering all the banking data for each Borrower, the "EFT Account Number" will be entered automatically unless you enter your own identifier (when such an identifier already exists with Perceptech).



• Then select, if multiple Creditors are included in the portfolio, to which Creditor the amounts should be credited (deposited in the account entered in the Processor's portal).

Choice of Creditor

If no Creditor appears in the "The payments will be credited to the Creditor account:" or if the portfolio includes multiple Creditors but they don't all appear, two reasons are possible:

- 1. Creditor setup incomplete
 - Make sure the Creditor EFT data is complete, including the Creditor ID provided by the EFT Processor.
- 2. Creditor "Ownership"
 - A Creditor is entered in the system by a user. This user will become the Owner/Creator of this Creditor.
 Since Margill was developed to allow multiple Creditors with a certain non-transparent wall between the entities, a Creditor owned by one user will not show up when another user sets up the Borrower's account.



As an example, there are two users in the system: ADMIN and JOHN.

- ADMIN created Better Lenders
- JOHN created ABC Lenders Inc.

If user JOHN is setting up the Borrower's EFT account, only ABC Lenders will appear as a choice in the "The payments will be credited to the Creditor account:" menu.

In order for user JOHN to be able to credit the Better Lenders' account, JOHN should go to File > Creditor > Creditor File and change the ownership to JOHN. A much faster way is to uncheck these options, allowing JOHN to see all Records and Borrowers/Employers/Creditors (Tools > <u>Users</u>). Username New Password Max length = 15 Administrator Security Level New Last log-in date 5/24/2023 Number of log-ins ? Require strong pass Force Password change Delete ? Allow user management (if administrator) Read-only and Draft Users Read-only user: No Alerts Display only "Draft" Records **Record Rights** Cannot Create New Record Can change Record color Bypass locked historical transactions ? Cannot change Record Status Default Record Status **General Rights** Can only see own Records ? Can only see own Borrowers/Employers/Creditors

Vopay Extra information required:

Before submitting the EFT to VoPay, it is critical to that the Borrower contain an address, a city, a province, a postal code and a country that respects the following formats, otherwise the transaction will be refused. Make sure to change the country to CA (or other exceptionally) and the province to the two-letter standard abbreviation:

- Province Must be a valid two-letter Provincial or Territorial code:
 - O AB, BC, MB, NB, NL, NT, NS, NU, ON, PE, QC, SK, YT
- Country
 Must be a valid two-letter Country code CA for Canada (ISO 3166-1 alpha-2 standard)
- Postal Code Must be in the standard A9A 9A9 format (including the space)

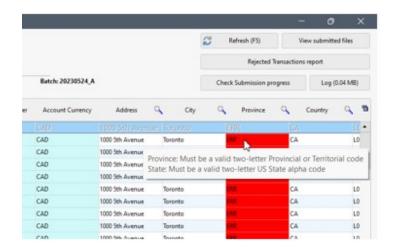
Please note the following characters that are allowed or not:

Character	Description	Address	City
a-z, A-Z	Lowercase and uppercase letters	Yes	Yes
0-9	Integers	Yes	Yes
!	Exclamation	No	No
\$	Dollar Sign	No	No
,	Comma	Yes	No
#	Number sign (hash)	No	No
:	Colon	Yes	Yes
_	Underscore	Yes	No
ī	Single quote	Yes	Yes
(Left parenthesis	Yes	No
)	Right parenthesis	Yes	No



IMPORTANT: Accents are not allowed.

When the EFT payments are submitted via MLM (Tools > EFT) if information is missing or in an incorrect format, the problem field(s) will be highlighted in red and when the user hovers over the cell highlighted in red with the mouse, he will obtain, in bubble help, useful information to correct the problem. A validation is carried out in MLM, before sending, in order to eliminate most of the characters not accepted by VoPay, but it is the user's duty to validate the exceptions since these validations are not infallible.



See also: Importing Bank Account Data and Activating EFT in Bulk

Automatic Debit Autorisation from the Borrower

The Creditor must obtain the autorisation from the Borrower for automatic debits from a bank account. The autorisation procedure is worked out with the EFT Processor. Please contact the EFT Processor to obtain the proper forms to be filled out by the Borrower.

If a signed paper form is required, it is recommended to scan the signed form and attach it in the Record: Data > General



(5) Record Setup for EFT

Finally, each Record that will include EFT must be set up to allow EFT. This step can also be done <u>in_bulk_with_Global</u> <u>changes</u> and is infinitely faster than the method below.

Two options are available for submitting the EFT payments:

1. Default option: Submit payments on a regular basis.

For instance, submit payments once a month (or once a week, daily or as needed, based on the scheduled payments)

for a number of loans or for your entire portfolio.

This option should be used if the future payments are not known or change regularly, or if the Borrower's bank account balance is often insufficient to honor the future scheduled payments.

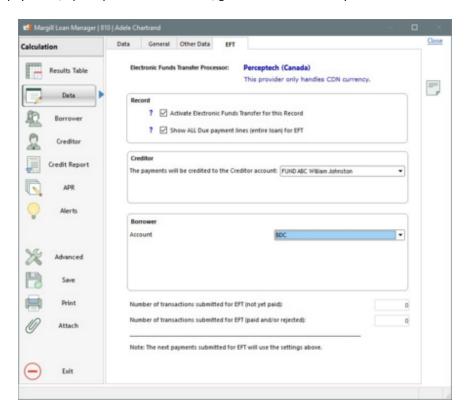
2. Submit, for one or many loans, ALL (or most of) the scheduled payments for the duration of the loan.

For example, you have a 36 month loan with regular payments. Upon obtaining the authorization from the Borrower, you could submit all 36 payments for EFT. Once this is done, you would no longer have to submit this Borrower's scheduled payments for this loan.

This option should be used when you know the Borrower can easily meet his/her scheduled payments and these will not change over time.

This option can be used whether the scheduled payments are regular or irregular (irregular amounts, irregular payment dates, etc.).

To set up the EFT payments, open up the desired Record, go to "Data" followed by the "EFT" tab.



The EFT Processor will be indicated.

Check "Activate Electronic Funds Transfer for this Record".

• If one of the steps above has not been completed, you will not be allowed to activate the module. See the error message and complete the missing step(s).

The "Show ALL DUE payment lines (entire loan) for EFT" (NOT RECOMMENDED) should only be checked if you wish to submit all or most of the upcoming scheduled payments. Even when you check this option, you will have the choice to include only some of the upcoming scheduled payments. With this option, in the EFT processing tool, all Due Payments will be displayed even if they are outside of the dates entered. This allows you to submit, if desired, Due Payments for certain Records. This generally is only chosen for borrowers who usually do not miss their payments (good payers).

Choose the Creditor whose account will be credited. A Creditor must be chosen in the Creditor tab and the Creditor must be *EFT enabled* (step (3) above).

Choose the Borrower's account from which to debit the payments. There may be one or many choices depending on what data was entered in the Borrower's "Account" tab (step (4)).

Save the Record.

This setup should be done for every Record that is to be included in EFT.

Two fields can be displayed in the Main window in order to quickly view if the data for pre-authorized payments have been entered for the Records, without having to open them one by one.

- EFT Active: If "Yes" in entered, then the "Activate pre-authorized payments for this Record" option has been checked.
- EFT Account Number (Perceptech): When data is included in this field, it means that for the Record, a bank account was selected under the EFT tab. Therefore, the Record contains all the required data for pre-authorized payments. This field can also be useful for reporting.



Once this is done, you will then select the Payments you wish to submit as EFT as indicated in the "<u>Selecting and Submitting Payments</u>" section.

See also: Importing Bank Account Data and Activating EFT in Bulk

Summary of steps

Here is a summary of the steps required for submitting the EFT payments No need to panic... the steps are easy to follow!

1) EFT Service provider

You must open an account with Perceptech or VoPay in order to submit your transactions.

2) Settings

Activate the module Electronic Fund Transfer (EFT):

Tools > Settings > Electronic Funds Transfer

3) Creditor

Enter the information provided by the EFT service provider:

File > Creditor > EFT tab

4) Borrower

Enter the account information used for each Borrower

File > Borrower > Accounts tab.

EFT tab: The Perceptech EFT reference number for each Record must be created or entered

Use Global Changes (for Borrowers) to enter bank account data more quickly.

5) Record

Activate preauthorized payments for the Record.

File > Data > EFT tab

Note: Only "Active" Records can be submitted via ETF.

Use Global Changes (for Records) to activate EFT for each Record more quickly.

6) Submitting transactions

Selecting the payments to submit and submitting these:

Tools > EFT

See the next section "Selecting and Submitting Payments" for Step 6.

Selecting and Submitting Payments

Once the system and the specific Records are set up for electronic funds transfer, the payments must then be submitted to the EFT Processor. Two models exist:

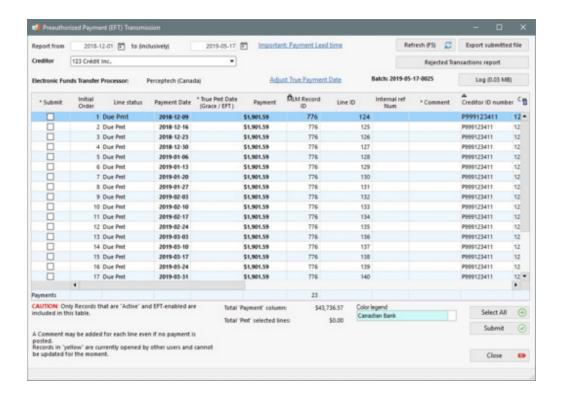
- 1. Default option: Submit payments on a regular basis.
- 2. Submit, for one or many loans, ALL (or most of) the scheduled payments for the duration of the loan.

For more information on these choices, consult the previous section, <u>Setting up the EFT module</u>, and the <u>(5) Set up Record for EFT sub-section</u>.

In order to choose the upcoming payments for EFT, go to Tools > EFT



The following window will appear allowing you to choose the payments that are to be submitted to the EFT Processor.



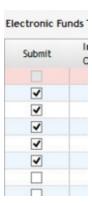
IMPORTANT: Only ACTIVE Records that have been "EFT-enabled" will be included in this tool (see the previous section, (5) Setup Record for EFT). In order to submit EFT, a user must have the right to see ALL Records and ALL Borrowers/Employers/Creditors. He will not be able to submit EFT otherwise. See Administrator and Users.

Enter the first date ("Report from") at which an EFT payment is to be debited and the final date ("to (inclusively)") for this EFT batch period.

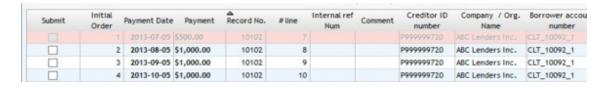
Payment lead times will depend on the EFT Provider. Please click, on the MLM link names "Important: Payment Lead time" for more information cut-off time or times. It is also critical to make sure all Borrower data is present (VoPay - "Important: Required Information").



Once the period dates are selected, press on Refresh or F5. A list of all Active and EFT-enabled Records will be displayed and can then be submitted for EFT. Check, in the first column, the payment lines that are to be submitted for EFT.



Any payment with Line status "Due Pmt" prior to the "from" date (that is EFT enabled), will appear as a pink line (see the first line in the example below). This means that an expected payment was not properly processed by the MLM users (its Line status should have been changed to Paid, Unpaid or other, as opposed to remaining "Due Pmt"). It is strongly recommended to resolve any of these issues before submitting payments for EFT.

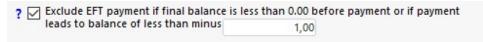


If such issues are not resolved before the actual payments are debited at the set date, MLM will NOT automatically change the Line status to Paid, since a Due Pmt cannot precede a Paid Pmt.

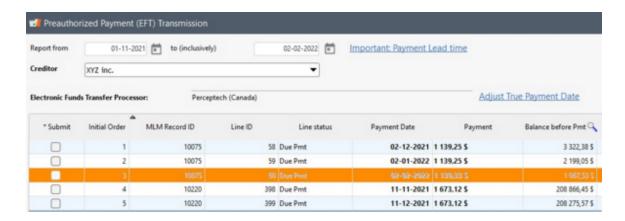
In such circumstances the Main MLM window will display a warning icon that signifies that there is an error. Click on the warning icon and a message will identify the problem Record and describe the problem. The issue really must be fixed by the user.

On the other hand, MLM will not prevent the user from processing the data in a Record containing irregularities, because there are exceptions, as in the following scenario:

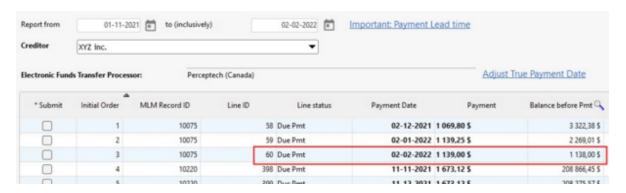
- It is possible to submit an EFT when previous lines are pink. For example, if a Borrower changes his payment method: he always had paid by check but now wants to pay with EFT but only in two months. A MLM user can decide, for a reliable client, to send the payments to be collected to the EFT provider in advance. Therefore, when the checks are cashed, the user will update the payments in the Payment schedule (from "Due Pmt" to "Paid Pmt"). Thus, on the date of the pre-authorized debit, payments will be automatically updated in the Record since this transaction will no longer be preceded by a "Due Pmt" Line status.
- If the option "Exclude the EFT payment if balance is less than 0.00 before payment or if payment has a balance less of X.XX" is selected, the system will not allow the user to submit EFT payments because of an insufficient final balance. The lines will be highlighted in orange and will be blocked.



• For example, if the loan final balance (last line of the Payment schedule) is projected to be equal to or less than 0.00 (negative) and EFT payment is planned on this date, the system will block the payment from being submitted. If the final balance is close to 0.00 (1057.00 for example) and the next EFT payment is 1139.00, the system would block the payment because this would give a negative final balance of -82.00.



• However, if the balance was 1138.00 and the payment 1139.00, for a balance of minus 1.00, this could be authorized if the maximum negative amount of 1.00 was added in the option field.



Submitting EFT payments for the entire loan, for some payments or only for the selected period

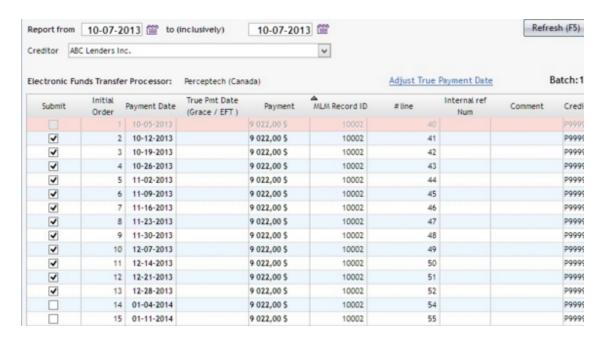
When selecting which payments to submit, three options are available 1) selecting all scheduled payments for one or multiple loans, 2) selecting a number of scheduled payments anywhere in the loan or loans, and 3) selecting only payments included in the desired period.

Which scheduled payments are to be displayed in the EFT transmission window will depend on the Record setup as are explained in the (5) Setup Record for EFT) sub-section.

Show ALL Due payment lines (entire loan) for EFT

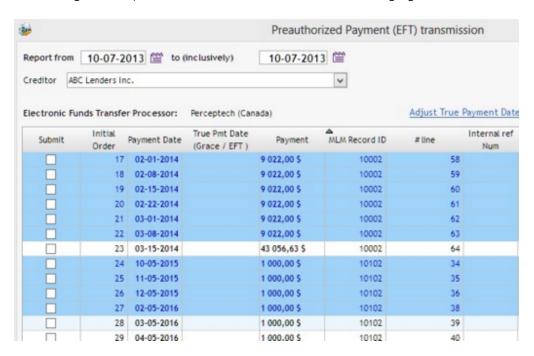
If "Show ALL DUE payment lines (entire loan) for EFT" in the Record's Data window (EFT tab) is checked, ALL of this Record's future Due Pmt lines will be included even if not within the date range.

In the example below with the dates from 10-07-2013 to 10-07-2013 (so only one day), ALL upcoming transactions for Record No. 10002 are shown even if not within the range. You will then be able to submit all or some transactions. If you know the client to be trustable and the future payments are set, then use this option for all or many scheduled payments. In this situation it was decided to submit all 2013 payments. The 2014 payments can be submitted at the end of December. One could have decided to submit all future payments. The EFT Processor may have a limit in terms of years for future payments. Please check with the EFT processor.



If on the other hand, this client often has insufficient funds or if future payments are not always known or predictable, then do not check the "Submit ALL Due payment lines (entire loan) for EFT" option. Rather, submit payments for this Record on a regular basis.

For selecting multiple lines, instead of checking each individually, select the lines with the mouse (or use Shift or Ctrl and the mouse for non-contiguous lines) and check one of the "Submit" boxes. All the highlighted lines will be checked.



The "Select All" button can also be used to select all lines from this table. Always check each payment carefully before using this.

A Comment may also be added for any payment line. Comments will be added in the Payment schedule even if the line itself is not checked. The following message will appear after clicking on "Submit"

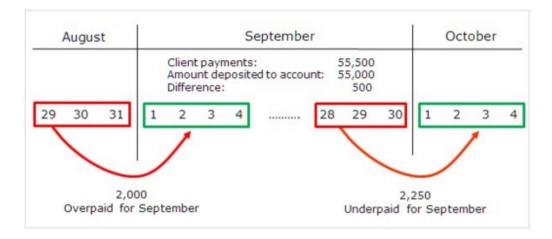


Debit date (money from Borrower account) versus Credit date (money to Creditor account)

The EFT Processor will usually debit the Borrower's bank account on the date the payment is due. If the payment is set for a weekend or on a statutory holiday, the debit will be taken on the next working day.

However, the credit to the Creditor's account will only be made a few days after the debit date. The number of days may be worked out with the EFT Processor but the delay is usually **two to six days** plus factoring in non-working days.

When payments are due at the end of the month, the Creditor's account may be credited only in the following month. This can cause bank reconciliation issues. For example, you were expecting a total amount of 55,500 in September but only 55,000 (**500 missing**) is deposited in September. There may have been amounts due in August but deposited to the bank account only in early September as well as amounts due in September but actually deposited in early October.



In order to reduce bank reconciliation issues with EFT, you could use the "True Pmt Date (Grace / EFT)" column. In the <u>Accounting Entries</u> report ONLY, the date indicated in this column is reported as opposed to the "Pmt Date". For end-of-month transactions, payments that are to be debited on the 29th, 30th and 31st (and possibly the 26th, 27th and 28th for February and 30 day months) could have True Pmt Dates on the 1st, 2nd, 3rd or 4th of the next month, the dates at which the payments are truly credited to the Creditor's account.

A utility allows to automatically indicate a date in the "True Pmt Date (Grace / EFT)" column that is x days after the date indicated in the "Pmt Date" column. So in the example above, the bank shows 55,000 as the amount credited to the Creditor's account in September yet 55,500 was paid by the Borrowers. By adding 3 days to each "Pmt Date", the equation will yield the proper September deposits:

To add a date in the "True Pmt Date (Grace / EFT)" column that is x days after the date indicated in the "Pmt Date"

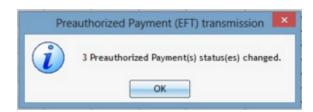
column, click on Adjust True Payment Date. The following window will appear allowing you to indicate the number of days to add. Number of days to add to the 'True Pmt Date (Grace / EFT)' (Payment Date + X days): Add to the final date 2 days for a Saturday payment, 1 day for a Sunday payment ("True Pmt Date" column). PS: Only the selected lines with an empty "True Pmt Date" will be modified. Submit For payments that are scheduled on a Saturday or on a Sunday, the debit from the Borrower's account will only be done on the next work day, thus adding an additional day or two to the credit date. To handle this situation, you may check "Add to the final date 2 days for a Saturday payment, 1 day for...". This will add two (2) days to the number of days entered above if the payment was to fall on a Saturday or one (1) day if the payment was to fall on a Sunday. This feature can be checked even if the number of days to add is 0.

Submit EFT file to EFT Processor

Once the proper payments have been selected, press on "Submit"

. If all is set up properly (user, password, Internet connection, with an Automatic, not Manual file transmission etc.) you will obtain the following messages:



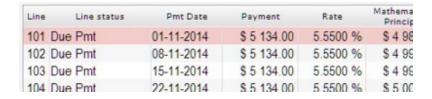


MLM will log into the Processor's Web Portal using SSL technology (Secure Socket Layer) (with user name, password and other) and upload an encrypted file containing the transactions that are to be submitted. The file format will vary according to each Processor. Below is an example of a file that includes three EFT transactions.



All files submitted will be saved in the EFT Processor sub-folder located in the MLM install folder. These could be consulted any time since they are text files. The files are only encrypted when sent with SSL.

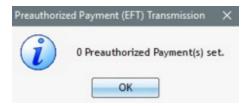
If the file is accepted by the EFT Provider, submitted payments will keep the Line status "Due Pmt" but will be highlighted in pink/red. In the following example, line 101 was submitted as EFT and cannot be easily modified because the amount will be drawn on the due date. Lines 101 and 102 have not been submitted as EFT but can be submitted later.



If a component is missing, the file will not be sent and an error message will appear with an error code and description which will guide you as to the configuration issue which should be fixed.



Then press on Continue. The following message will appear:



If you had submitted Line Comments, these will NOT be updated.

The file (TXT format) will be nevertheless be created and saved in the "Canceled" subfolder (found in the "Provider Name" subfolder in the MLM data folder).

VoPay EFT Debit Pre-validation

Once payments have been submitted to VoPay, a data pre-validation is performed by VoPay in order to validate the following information:

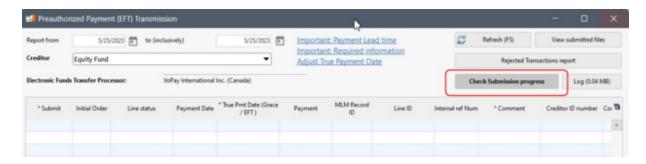
- 1. The currency passed is CAD;
- 2. The transaction amount does not exceed the allowed limits per transaction, daily, weekly, or monthly;
- 3. Name, address, banking information, and the amount are provided;
- 4. Country and province are provided with the proper ISO alpha 2 characters;
- 5. The provided financial institution number details are valid;
- 6. The branch transit number is a valid one;
- 7. If the account is blacklisted, meaning it has been identified as invalid, closed, or problematic in previous transactions;
- 8. In the case of EFT Withdraw, VoPay also checks if the amount is greater than the available balance.

This process, while being fast, may take longer when thousands of debits are submitted.

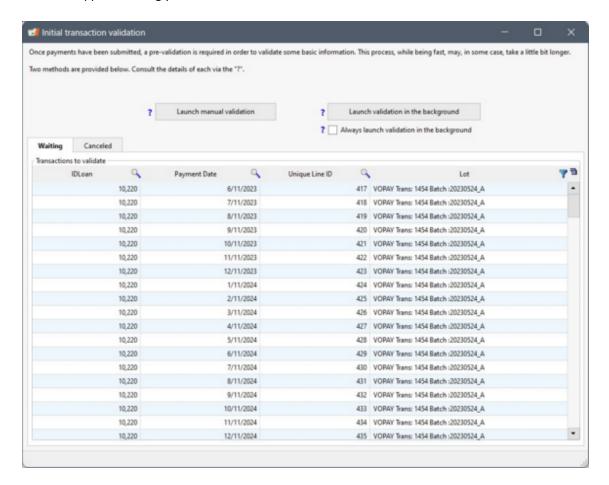
Two pre-validation methods are provided:

- 1) Manual validation
- 2) Background validation

In order to start the pre-validation process, once the file has been sent to VoPay (as explained above), in the EFT Transmission window (Tools > EFT), click on "Check Submission progress".



This window will appear offering you the validation methods and more information in the ?:



Manual validation should be used during the initial EFT module testing phase. This allows you to launch the validation and view the results obtained from VoPay every two minutes.

Caution: this method blocks the Records during the results analysis phase. You cannot work on anything else while this is taking place.

Background validation should be used following the initial tests and with the ongoing process. Background validation works as a parallel task and thus, once the validation has started, the window will be minimized and you can work on something else at the same time.

Once all transactions are validated, the window will reappear and you will be able to consult the canceled transactions if there are any.

To see the transaction submission evolution the "Initial transaction validation" window (above) shows the number of

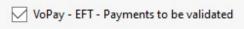
transactions in "Waiting". Once past this stage, two statuses are returned by VoPay: Either the transaction is "Failed" or the transaction is "Created". If the transaction is Created, then all is fine and the normal process continues by which amounts should be debited from the Borrower's account. You will only know if the transaction is rejected with the EFT rejection report. See the next sections: EFT Payment Update (Rejected payments) and EFT Payment Rejection Date and Reason.

On the other hand, if the transaction status in pre-approval is "Failed" then it will be necessary to consult the "Canceled" tab of the "Initial transaction validation" window. Details of canceled transactions will appear in the table, including the error message provided by VoPay indicating why the transaction could not be pre-approved. To find a canceled transaction, simply retrieve the Record ID as well as the "Unique line ID".

It is suggested to delete the transactions from the "Canceled" tab once they are corrected. Canceled transactions will be available again, thus not processed and once the problem is corrected, they must/can be resubmitted.

If the pre-approval process/window is not performed during the EFT submission process or as a background task, MLM will query VoPay for the pre-approval transaction status the next time MLM is launched. Failed transactions will be listed in the flashing red exclamation mark in the Main window. This MUST be managed by the user.

To avoid the processing being done when MLM is launched (usually in the morning) and thus save time, it is possible to perform this processing via an Overnight task. When creating the Windows task, the "VOPAY" argument must be added in order to trigger this processing. See the <u>Automatic / Overnight Tasks</u>.

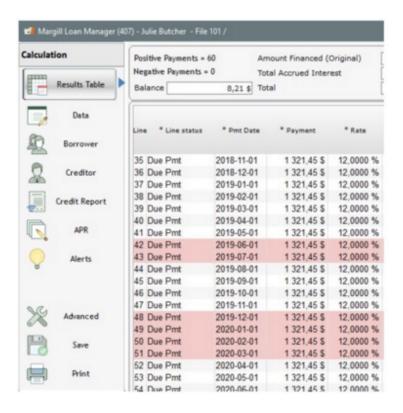


Particular cases

This section will look at particular scenarios that can be handled in MLM and with the EFT Processor.

In some odd situations you may wish to submit payments for EFT and others by a different payment method.

In the example below, only the lines in red (42, 43 and 48 to 51) have been submitted as EFT. Lines 44 to 47 were excluded since the client wanted to pay differently on this date...



The option to exclude certain Line statuses from EFT debit could have been chosen in the EFT configuration. You could have had a Line status named "Due Pmt - Check" and excludes this from EFT debits (see <u>Setting up the EFT module > (2)</u> Basic system setup).

Important note:

If by error (or not) two distinct payments are submitted for debit on the same day, whether these are sent to the EFT Processor on the same day or not, the second transaction submitted will NOT erase the transaction that was sent first. Two debits will be done on the same day. To cancel a transaction that was already submitted, you MUST go through the EFT Portal.

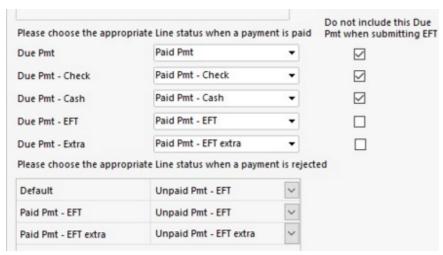
EFT Payment Update (Rejected payments)

After submitting the file to the EFT Processor, all transactions submitted will be debited on the set days (taking into account weekends and holidays where the debits are done on the following work day).

Payments are a success

On the day the payment is due, Margill Loan Manager (MLM) will automatically change the Line status from "Due Pmt" to "Paid Pmt" (or other Line status chosen in the EFT_Setup). In order to easily recognize payments made by EFT, it is recommended to name one of the "Paid Pmt" Line statuses "Paid EFT". You may need to enter this name through Tools >

Settings > System Settings (Administrator) > Line Payment Statuses



EFT Setup

The change of Line status from "Due Pmt" to "Paid Pmt" (or preferably "Paid EFT") is performed automatically at the set date when MLM is launched. If MLM had not been opened for a few days (or after a weekend for example), the Line status changes will nevertheless take place for older payment dates and not only for the payments that should be debited on the current date.

It is recommended to use the <u>Automatic / Overnight Tasks</u> so that the operation is performed even when MLM is closed. This will save time and avoid potential errors if, although highly not recommended, MLM is not closed or shut down on a daily basis.

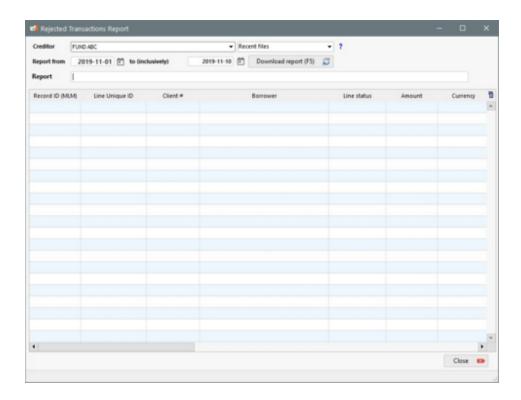
Payments are rejected

The user doesn't have anything to do in MLM for the accepted payments since on the day the payment is due, the software will automatically change the "Due Pmt" to "Paid Pmt". The software assumes the payment is accepted.

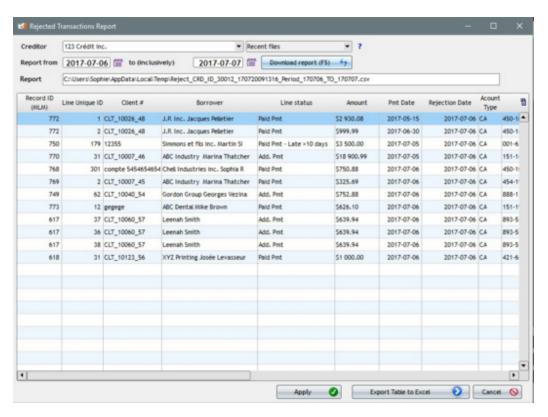
Partial automation of rejected payments is available for payments processed by Perceptech. Accessible with the "Rejected Transactions Report" button (from the menu EFT), this module downloads the rejected payments file from Perceptech. This way, with one click of the mouse, all payments are updated in each Record. The Line status of these payments change from "Paid Pmt" to "Unpaid Pmt" (or other defined unpaid payment type) and Column fees added automatically if set as a rule. If you wish, emails can be sent to the Borrowers automatically.



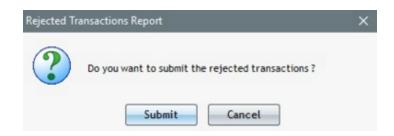
In the "Download report" module, select the Creditor from the list as well as the period for which you wish to obtain the rejected transactions.



After the information have been entered, in order to generate the list of rejections, click on "Download report". All rejected transactions from the selected range will be displayed.



Upon clicking on the "Submit" button, all the transactions from the list will be updated in each of the Records. The Line statuses will be modified from "Paid Pmt" to "Unpaid Pmt" (or as set in the EFT module Setup). If there are programmed Column Fees in case of non-payment, they will be added automatically to the Payment table.



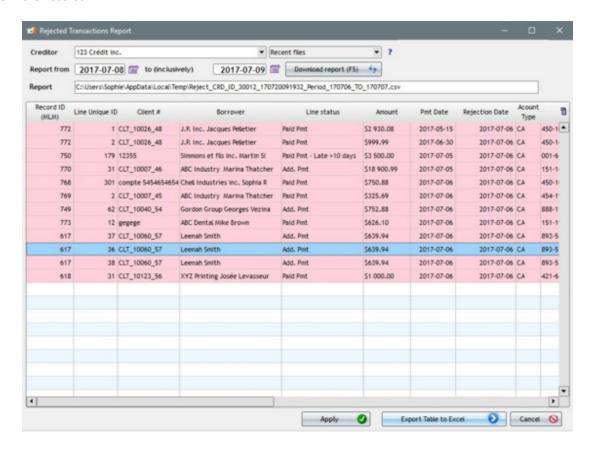
MLM will confirm the number of updated transactions.

By selecting "Include the Rejection Description and the Rejection Date in the Payment schedule", in Tools > Settings > under Modules > Electronic Funds Transfer, the rejection Description (reason from Perceptech) will be added in the "Comment" column of the Payment schedule (if a comment is already in this column, it will not be erased and the description will be added at the end as long as the field space is sufficient). Also, the rejection date will be added to the "Date of Return check/EFT" column even if a date is already entered (will be overwritten). You can also produce a report with rejection date and reasons (<u>Transaction report</u>). See also <u>EFT Payment Update (Rejected payments)</u>.

By default, when opening the module again, MLM will save the number of days in the range of dates and will modify the dates. For example, the next range listed, according to the image below, would be 2017-07-10 to 2017-07-11 inclusively since the preceding report was for 2 days.

In case of uncertainty, the "Recent Files" window allows you to see the files that were generated previously. Date ranges are written in the file name. If there are no rejections between the dates, no file will be created.

There is no need to worry about posting twice: if dates are requested more than once, transactions already processed, from the list, will be highlighted in red and the user will be able to see, via the "Line status", that the changes had been made in the Records.



Mixing EFT payments and non EFT payments

If for some reason (most commonly, progressive EFT implementation), non-EFT Due payments were to precede EFT Due payments, if the previous non-EFT Due payment Line status was not changed on the day the EFT payment was due, a

<u>System Warning</u> would advise the Record Owner (and Administrators and Power users) that the Due Pmt Line status will NOT be changed automatically to Paid as it should normally be.

In the example below, the red lines had already been submitted for EFT debit. The Due Pmt on lines 43 to 46 MUST be changed progressively (to Paid, Unpaid or other) in order for the line 47 Due Pmt to be changed automatically on the payment date (11-16-2013 in the example).

Line	Line Status	Pmt Date	Payment	Rate	Principal
43 Due	Pmt	10-19-2013	9 022,00 \$	5,7500 %	8 784,89 \$
44 Due	Pmt	10-26-2013	9 022,00 \$	5,7500 %	8 794,61 5
45 Due	Pmt	11-02-2013	9 022,00 \$	5,7500 %	8 804,33 \$
46 Due	Pmt	11-09-2013	9 022,00 \$	5,7500 %	8 814,07
47 Due	Pmt	11-16-2013	9 022,00 \$	5,7500 %	8 823,81
48 Due	Pmt	11-23-2013	9 022,00 \$	5,7500 %	8 833,57
49 Due	Pmt	11-30-2013	9 022,00 \$	5,7500 %	8 843,34 9
50 Due	Pmt	12-07-2013	9 022,00 \$	5,7500 %	8 853,12 9
51 Due	Pmt	12-14-2013	9 022,00 \$	5,7500 %	8 862,91
52 Due	Pmt	12-21-2013	9 022,00 \$	5,7500 %	8 872,71

This exception to an automatic change of Line status stems from the fact that Due payments cannot precede Paid or Unpaid payments.

The warning would only be given on the actual day the EFT payment was due and would remain active until deleted. The warning will appear even if MLM is not launched on that specific day, but launched later on.

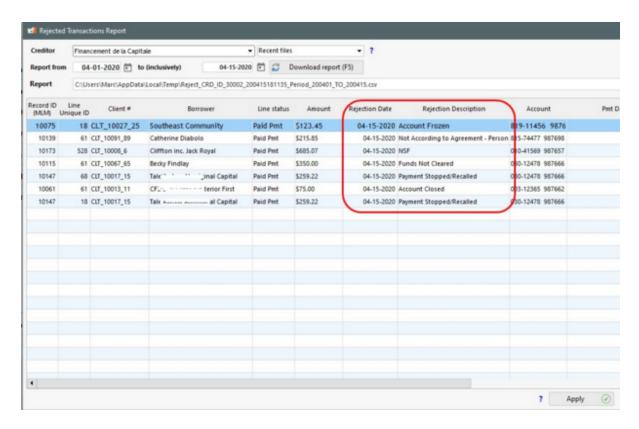
EFT Payment Rejection Date and Reason

For managing payments returned (NSF) via Perceptech or VoPay, it is possible to include the description and the date of rejection in the "Comment" and the "Date of returned Check/EFT" columns respectively, in the Payment schedule and then get a report with all the rejected transactions at a specified date or for a period of time.

To activate this option, go to > Settings > System settings (Administrator) > Electronic Funds Transfer and check the "Include the Rejection Description and Rejection Date in the Payment schedule" option.

? 🗸 Include the Rejection Description and Rejection Date in the Payment schedule

Then, via Tools > EFT, when you click on "Rejected Transactions report", choose the dates and "Download report (F5)". The following window will open including the rejection dates and reasons for which the transactions were rejected.



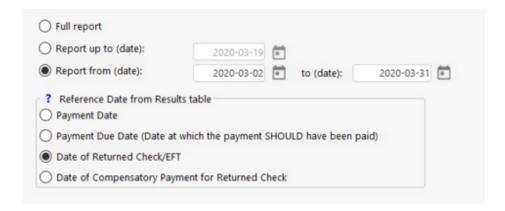
After clicking on the "Apply" button, lines will become pink, transactions updates will be confirmed and these four operations could happen:

- 1. payments will be updated to "Unpaid Pmt" (or other unpaid type based on your choice in Settings) in the Payment schedule
- 2. automatic fees will be added (if this option is activated)
- 3. emails will be sent to the Borrowers in default of payment (if option is activated)
- 4. the data in the "Rejection Date" and "Rejection Description" columns will be added in the "Comment" and "Date of returned Check/EFT" columns of the Payment schedule (if option is activated).

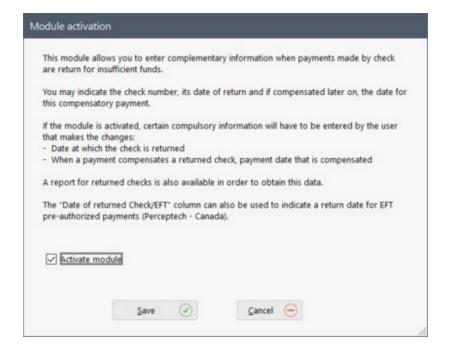
NOTES:

- The rejected transaction reason or description will be added to the "Comment" column without replacing existing date, case being.
- PLEASE NOTE: The "Rejection Date", however, will replace, case being, a date that would have been entered in the "Date of returned Check/EFT" column (usually, this column should be empty as it is reserved for a date of a returned check, a situation that is not relevant for EFT).

You can then run the rejection report for this date in the <u>Transaction Report</u>. You will be able to see all the rejection dates by choosing the "Date of Returned Check/EFT" option.



Please note that if the "Date of Returned Check/EFT" column does not appear in the Payment schedule, go to Tools > Settings > System settings (Administrators) tab > Modules section > Returned Checks > and check "Activate module".



Changing or Deleting Submitted EFT Payments

Payments that have already been sent to the EFT Processor for debit, whether paid or not, have special restrictions that other payments do not. This section covers these.

Changing payment amount and/or payment date

The payment amount and payment date for EFT payment lines cannot be changed in the Payment schedule.



If the transaction is no longer required, it should be deleted (see below). If the payment is not made (insufficient funds for example), then its Line status should be changed to Unpaid or preferably Unpaid EFT.

Deleting a payment

If upcoming EFT payments had already been submitted for debit in a loan, and for example, this loan is suddenly paid in full or in default or in bankruptcy, the upcoming EFT payments should be deleted in MLM AND also with the EFT Processor. Deleting the payments in MLM will have no effect on the payments already submitted to the EFT Processor, thus the need to cancel the payment or payments with the EFT Processor (by going through the Processor's Portal).



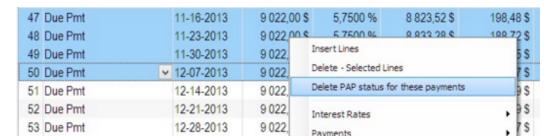
Before deleting you should print the details and then make the changes with the EFT Processor. A list of the submitted payments will be created.



If the payment had already been paid or is unpaid (Line status "Unpaid Pmt"), although there is no real reason to delete it, a confirmation will be required to delete the payment or payments.

Eliminating the EFT (preauthorized payment (PAP) status) for upcoming payments

Another possible scenario, is one in which the Borrower changes bank or payment method. In these situations we do not wish to delete the upcoming payments yet simply wish to delete the EFT status of these payments. Select the red lines, right click with the mouse, and choose "Delete PAP status for these payments"



The following window will allow you to print the payments and dates. The canceled EFT payments in MLM MUST then be canceled with the EFT Processor.



See the next section, Replacing Bank accounts, in order to change the bank account that is to be used for EFT.

Changing Line status

If you try changing the Line status of any EFT payment (whether paid or upcoming), the following message will appear limiting the Line statuses that may be chosen since EFT payments only have two options: Paid or Unpaid (multiple types of paid and unpaid Line statuses are available in MLM). These payments cannot be partial, nor late. A late EFT payment is in fact Unpaid.



Deleting EFT Records

The same principle applies to deleting Records from MLM as that for lines deleted or payments that should no longer be debited from the Borrower's account. A change in MLM **MUST ABSOLUTELY** be accompanied with the appropriate cancellation of the upcoming payments with the EFT Processor.

The following window will appear for all Records to be deleted that contain PAPs. The question will be repeated for each Record although one report will sum up all the transactions that are influenced by this deletion (upcoming PAPs).



Replacing Bank accounts

In a Record, it frequently happens that a Borrower changes bank account or the payer (the Borrower) is replaced by another. In addition, the Creditor or its deposit account may change. In these situations, an update is required in order to receive future payments from the right source and, when the changes involve the Creditor, to deposit the funds in the correct account. For payments already submitted as a PAP or payments that are submitted with incorrect information, if the changes are not made, the payments will be rejected.

The role of Margill Loan Manager (MLM) is to submit current and future transactions with bank accounts valid at the time of submission only. If they change, MLM cannot be used to address this. It is your responsibility to make the changes with your EFT service Provider.

Situation 1 - Payments already submitted as EFT

When payments are already submitted in the Service provider's system, you must make the changes to the bank account, Borrower and even the Creditor in the provider's portal. You will also need to make the changes as described in the section below, "Situation 2 - Payments to submit as EFT".

All historical data already submitted must be changed with the Provider; otherwise the payments will be debited from their accounts with the probability that the transactions (and the associated costs) will be rejected. **The Creditor must be very vigilant in this regard.**

Always consider the accounts (bank data accounts) at the EFT Provider as the master accounts. Changing an account in MLM is not sufficient. Changes MUST be made in both places.

Situation 2 - Payments to submit as EFT

A less critical situation arises when a change takes place and no transactions using the old data are yet submitted to the Provider.

1) Change of bank account

A change in MLM will ensure that the new account data will be submitted to the Provider's Portal at the next submission without requiring change with the Provider. In MLM, the change must be made in the following sections:

- Borrower
 - "Accounts" tab
 - "EFT" tab if a new account is added. If an account is replaced, the same identifier may be maintained for Perceptech (not required for VoPay)
- and possibly in the Loan ("Data" window > "EFT" tab > "Borrower (Account)") if a new account is added instead of replacing the old one

Multiple account changes may be made in the <u>Global Changes</u> module (for Borrower). To change or add banking information, simply enter them one by one in the appropriate fields in the table and save them.

To modify or add banking information, simply enter them one by one in the table fields and save.

The changes made will be effective simultaneously in the Borrower "Account" and "EFT" tabs, as well as in the "EFT" tab of the Record (Loan).

See the <u>Importing Bank Account Data and Activating EFT in Bulk</u> section for complete details and procedures, including mass import/update via Excel sheet.

2) Change Borrower

Sometimes a loan will ultimately be paid by someone other than the Borrower (co-signer or guarantor, for example). In these situations, the change must be made in the Loan ("Data" window > "EFT" tab > "Borrower (Account)") and of course the new EFT banking data must be entered in Borrower > "Accounts" tab and "EFT" tab.

3) Change of Creditor (or Creditor account)

If the Creditor or its account changes, the change must be made with the EFT provider first. These changes must be made in one or two places in MLM, depending on the situation:

- Creditor ("EFT" tab)
- Loan ("Data" window > "EFT" tab > "Creditor (the payment will be applied to the Creditor's account)")

CRITICAL: The Provider's accounts must be used as master accounts and MLM must be adjusted to reflect any changes made with the Provider. A deleted account with the Provider will always remain in MLM and vice versa unless the change is done manually in the other system.

If in doubt, always go to the Provider's Portal to see what bank account is used for the payment.

Master and Affiliate Loans - EFT

This advanced module would only be used in very special situations. For example, there are two loans for one Borrower because financing comes from two different funding sources. Since the interest rates are different in these two loans, the <u>Participation Loan</u> option cannot be used.

In addition to having the two loans in Margill (which allows the loans to be accounted for separately), the user wishes to include in the system, another loan with a weighted interest rate which, for the Borrower, appears as a single loan, the total loan amount and payments being combined.

Example:

Loan Fund A: 25 000.00 / rate 10.00% / payment of 806.68 per month / 36 months

Loan Fund B: 75 000.00 / rate 6.00% / payment of 2281.65 per month / 36 months

Total loan: 100 000.00 / weighted rate 7.014% / payment of 3088.33 per month / 36 months

The module "associates" (links) these loans and then updates the payments for the loans that are NOT submitted as EFT (Pre-authorized payments (PAP))("Affiliate" loans) based on the transaction activity of the loan that was submitted as a

PAP ("Master" loan). So when the Master loan PAP payment is automatically updated from one of the "Due Pmt" Line status to a "Paid Pmt" status, the "Due Pmt" for the Affiliate Records will also be updated to one of the "Paid Pmt" statuses. This eliminates the need to manually update or use the Post payment tool to update the Affiliate loans.

Also, when the payments are rejected by the financial institution and the "Rejected Transaction Report" module is used in order to update the payments to one of the "Unpaid Pmt" Line statuses, when the Master Record is changed to Unpaid, the Affiliate Records will follow.

Only an Administrator can activate this module in order to use the different Affiliate functions. A Master Record can have up to five (5) Affiliate Records.

You can activate the module in Tools > Settings > System Settings (Administrators) tab > "Module" section > "Master and Affiliate Records".



Essential conditions:

The Electronic Funds Transfer module must be activated (Tools > Settings).

The total Affiliate Records payment amounts must be exactly the same as the Master Record payment amounts, otherwise the Affiliate Records will not be updated for that date. Even a 0.01 difference will not be accepted.

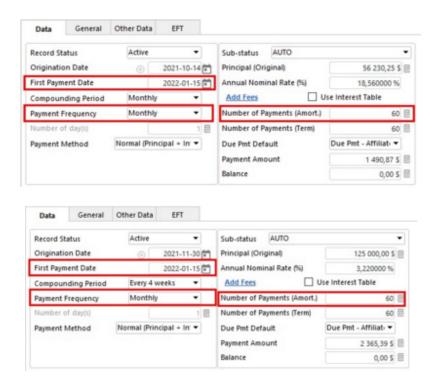
For example:



Payment date must be exactly the same between Master and Affiliates for the transaction in question. No further verification is performed (so even if the original Principal, Borrowers, total future payments, etc. are not the same between Master and total Affiliates, the changes will take place). This offers great flexibility but there is a higher risk of error.

Once the module is activated, here is the procedure to designate a Master Record and its Affiliate Records.

Create the Affiliate Records based on the same first payment date, the same payment frequency and the same number of payments:

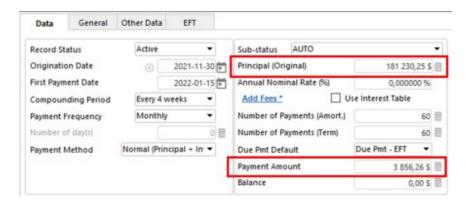


Then, create the Master Record based on the first payment date, the same payment frequency and the same number of payments. Do not enter the annual nominal rate. Enter the original Principal by adding those of the Affiliate Records. Enter the payment amount by adding the payments of the Affiliate Records:

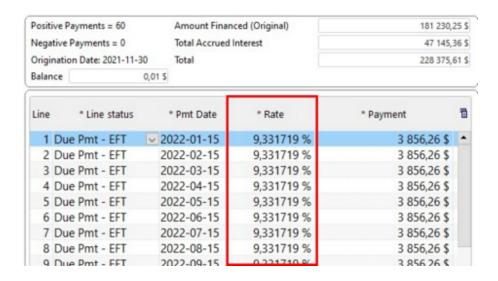
Example:

Original Principal amount: 56 230.25 + 125 000.00 = 181 230.25

Payments amount: 1490.87 + 2365.39 = 3856.26



After pressing on "Compute" the Principal and the "weighted" annual nominal interest rate will be automatically calculated:



Activate the EFT Pre-authorized payments module as usual in the Master Record. See <u>Electronic Funds Transfer</u> section for more detail. In the Master Record EFT tab, check "Update th following Records simultaneously":



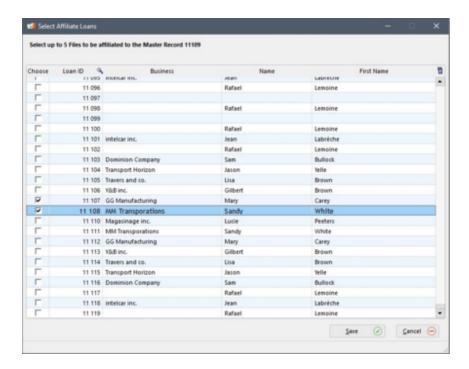
Click on the "Choose" button. This window will appear showing only Records for the same Borrower as the Master Record. To have access to all system Records, check the "Show all Records" option:



Select up to 5 Affiliate Records for the Master Record. You cannot choose a Record designated as Master or a Record that is already Affiliate to another Master Record.



Then click on Save:

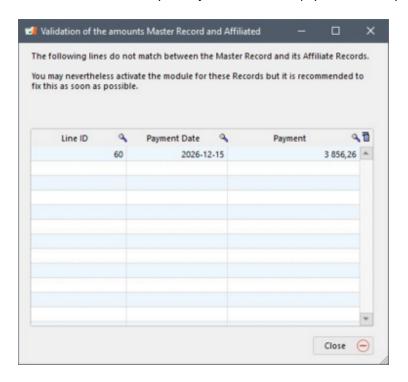




If all the transactions in the Payment schedules correspond (amounts and dates), the EFT tab will show which Affiliate Records are now associated to this Master Record.



However, if some payment lines do not correspond between the Master Record and the Affiliate Records, a small validation table will appear in order to notify the user of the problems to be solved so that the Records can be correctly updated. Often, the last lines in the Record Summary are adjusted and the last payments differ by a few pennies.



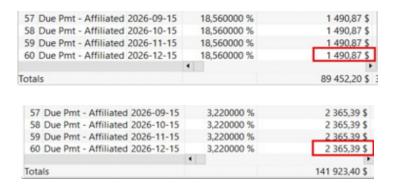


If some lines do not match, these transactions will not be updated during the automatic EFT update. The Master Record, however, can be updated automatically, but the Affiliate Records will not.

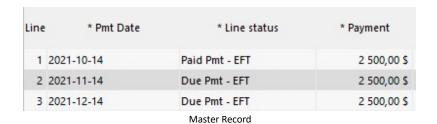
Upon consulting the Payment schedule in the Affiliate Records, line 60, we can see that the last payments do not correspond to the previous payments, the addition of the 2 payments in the 2 Affiliate Records do not equal 3856.26 (Master payment amount)(one cent difference). However, the date "2026-12-15" is the same.

57 Due Pmt - Affiliated 2026-09-15	18,560000 %	1 490,87 \$
58 Due Pmt - Affiliated 2026-10-15	18,560000 %	1 490,87 \$
59 Due Pmt - Affiliated 2026-11-15	18,560000 %	1 490,87 \$
60 Due Pmt - Affiliated 2026-12-15	18,560000 %	1 490,87 \$
	1	
Totals		89 452,20 \$
57 Due Pmt - Affiliated 2026-09-15	3.220000 %	2 365 39 \$
57 Due Pmt - Affiliated 2026-09-15	3.220000 %	2 365.39 \$
58 Due Pmt - Affiliated 2026-10-15	3,220000 %	2 365,39 \$
59 Due Pmt - Affiliated 2026-11-15	3.220000 %	2 365,39 \$
39 Due Filit - Allillated 2020-11-13	3,220000 70	
60 Due Pmt - Affiliated 2026-12-15	3,220000 %	2 365,40 \$

In order for these transactions to be automatically updated with the automatic EFT update tool, they must be corrected manually.

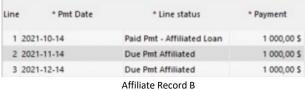


Once these steps are completed, when opening MLM (or with the <u>Automatic_/_Overnight_Tasks</u>), Due Payments submitted to the EFT provider (or via NACHA file) and payable on the current day, will automatically be updated in the Master Record and at the same time in the Affiliate Records if the sum of payments of the Affiliate Records correspond to the amount submitted and if the dates are identical.

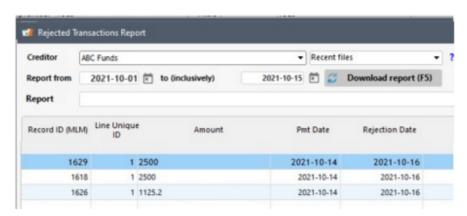




Affiliate Record A

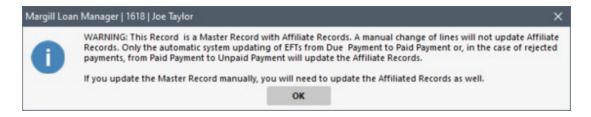


The Affiliate Records will also automatically be updated in the case of a rejected payment if updated with the appropriate tool (not available for NACHA files, only with certain EFT providers). To learn more about this, see the EFT Payments) section.



When the rejected transaction procedure is completed, a message will appear to advise the user if the Affiliate Records were updated or not.

When **manual** changes are made in the Master or Affiliate Records, a warning message will appear when saving the modified Record in order to remind the user that the changes made manually in the Master or Affiliate Records will have no impact on the other Affiliate Records. Only an automatic update of the Master Record via the EFT module will update the Affiliate Records Line statuses.

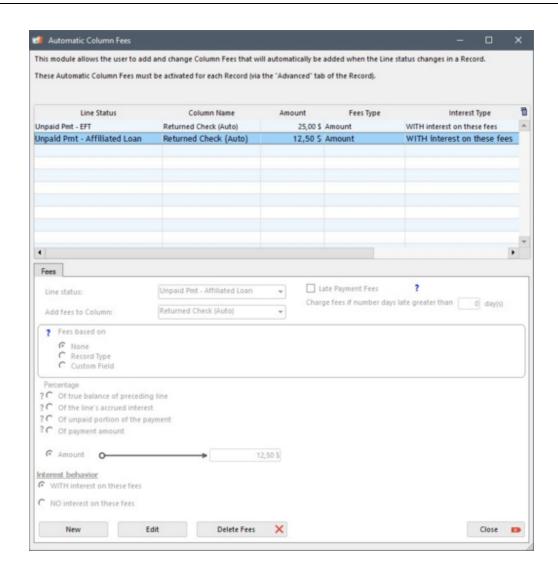


Note in regards to the Automatic Fees combined with the Master and Affiliate Records.

If an Automatic fee is set when pre-authorized payments are rejected for the Master Record, it would be important to apply the same to the Affiliate Recrods as well, but in a different proportion.

Here is an example:

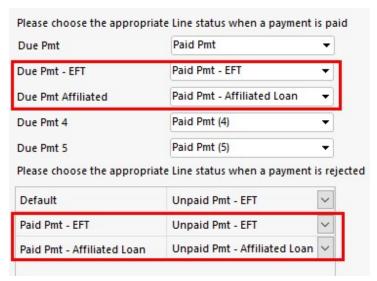
Fees of 25.00 are applicable in the Master Record for rejected payments and half (12.50) are applicable on each of the two Affiliate Records.



In some situations, although the effect may be minimal, the 50/50 expense ratio (for two loans) could affect amortization especially if interest is charged on the fees.

For Automatic column Fee rules to apply to the right Records (Master versus Affiliate), two options are available:

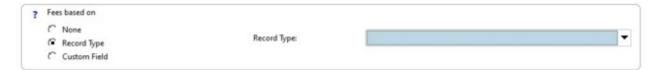
1) When creating the Affiliate Loans, use a special "Due Pmt" Line status (Due Pmt 2, 3, 4 or 5 renamed, for example, "Due Pmt - Affiliate") which will become "Paid Pmt - Affiliate" when updated, or "Unpaid Pmt - Affiliate" if not paid. The Master Loans would use "Due Pmt" which would become "Paid Pmt EFT" and if non paid, "Unpaid Pmt EFT". Therefore, different fees could apply to these Line statuses.



Tools > Settings > Electronic Funds Transfer

This method offers flexibility but is more complex during creation. See <u>Setting up the EFT module</u> section of the <u>Electronic</u> <u>Funds Transfer</u>.

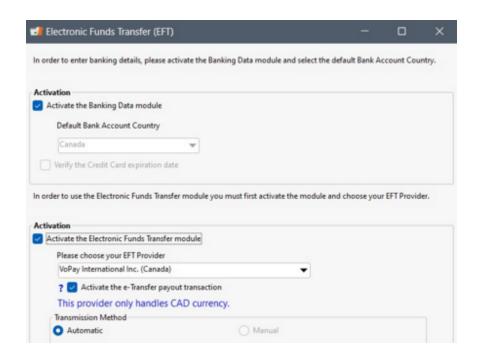
2) Another approach would be to use the "Fees based on" option in the Automatic fee setup. It is thus possible to apply different Automatic fee amounts depending on the Record Type or a Custom field.



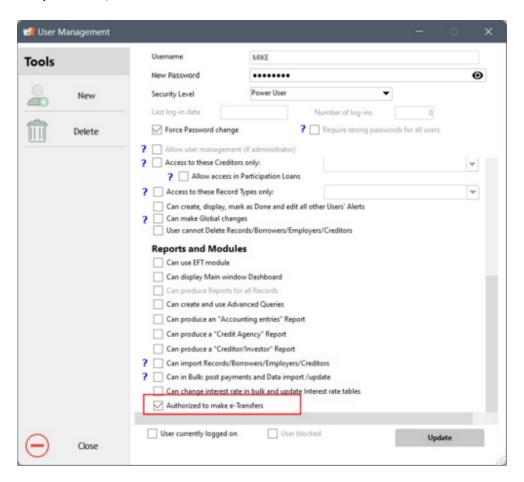
e-Transfers (credit to Borrower)

You can send sums to Borrowers by "e-Transfer" directly in Margill Loan Manager (MLM) via VoPay. The e-Transfers allow money to be sent almost in real-time and for amounts of up to CAD 25,000 per transaction.

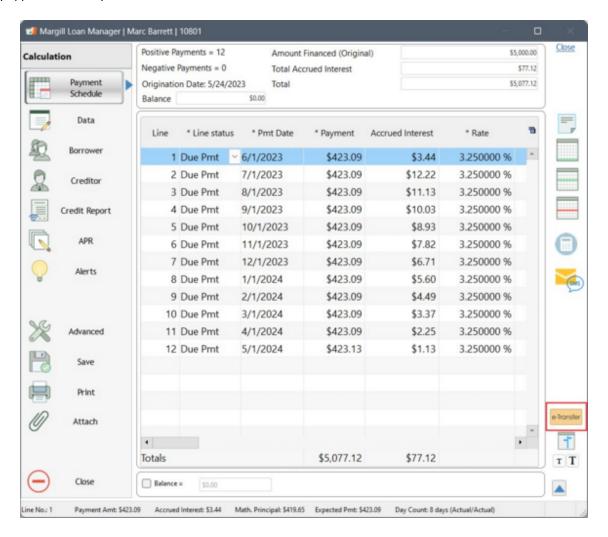
To activate the option, go to Tools > Settings > Electronic Funds Transfer (Modules section) and check "Activate the e-Transfer payout transaction" under the VoPay International Inc.



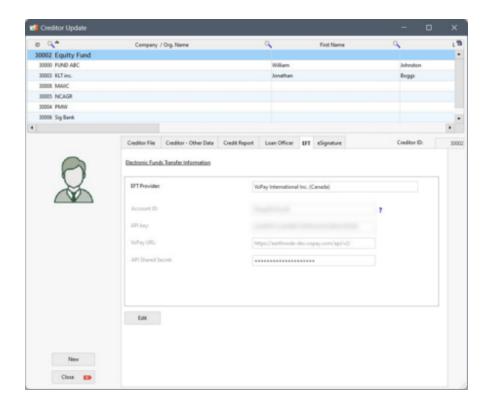
Once the module is activated, the Margill administrator (with proper user management rights) must activate the right to produce e-Transfers for the users of his choice via the "Users" window. This right should be used with extreme caution since amounts of up to CAD 25,000 can be sent.



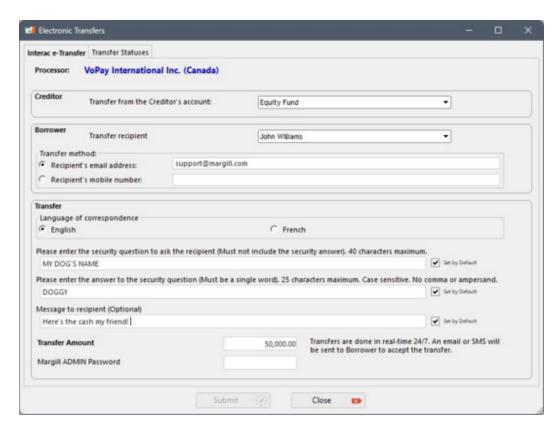
Users with the right to produce e-Transfers will find the icon in all Records to which they have access. The e-Transfer icon only appears in the Payment schedule window.



By clicking on the e-Transfer icon, the authorized user will be able to send sums if one of the Creditors registered in the Record contains the login information for the VoPay account:



In the window below, choose the recipient. The Borrower and the Co-Borrowers will appear in the drop-down menu so funds can be sent to one or the other.



Transfers can be sent to an email address or to a mobile (cell) number.

The language of correspondence can be English or French but the question and answer below can be in any language, but special characters are not recommended.

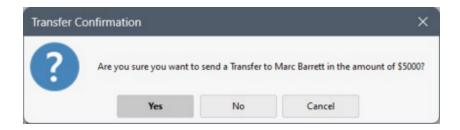
It is absolutely necessary to provide a question and an answer. The response is case sensitive and should not include a comma or ampersand. An optional message can be sent to the recipient. These three options can be "Set by default" to avoid having to re-enter them each time and to ensure a standard.

The transfer amount entered by default is the amount of the original Principal of the loan. This can be changed.

In order to submit a transfer, the user's password must be entered, so the "Submit" button will be grayed out until the password is entered.

Transfers are done in near real-time 24/7. An email or SMS (text message to mobile) will be sent to the Borrower to accept the transfer.

Upon submission, this confirmation message will appear:



If the user presses "Yes", then this confirmation will appear, if the submission was successful, otherwise an error message provided by VoPay will be displayed.



To see the e-Transfer status, click the "Transfer statuses" tab. Each time the user presses the "Refresh" MLM queries VoPay on the progress of the transfer request.



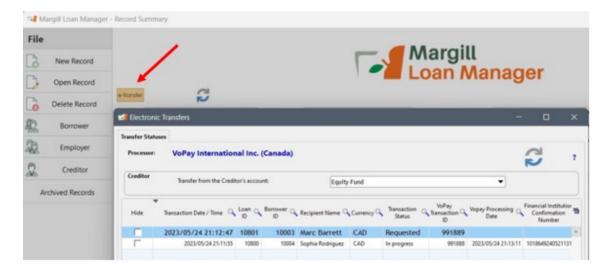
When the user is in a Record, the "Transfer Statuses" tab will only show transactions made in that Record.



To obtain the status for all e-Transfers sent, click on the "e-Transfer" icon in the Main window. Be careful, once hidden

(Hide column), the transactions will no longer be visible and cannot be "unhidden".

The "e-Transfer" icon will be visible only to users with the right to send e-Transfers.



In case of issues with e-Transfers go to the VoPay portal for more detail on these and their status.

Europe - SEPA File

Coming soon (eventually)...

Importing Bank Account Data and Activating EFT in Bulk

It is possible to add the Borrower's bank <u>data in bulk, manually</u>, or to <u>import via an Excel sheet</u>. This avoids the need to open each Borrower's file, one by one. This can be done for both US and Canadian banking data.

It is also possible to activate the EFT for various Records simultaneously, thanks to the powerful Global changes tool.

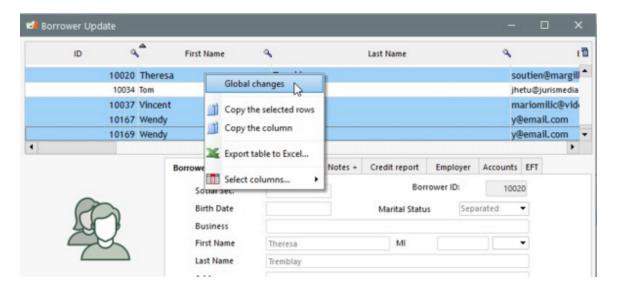
Only users that have been authorized by the Administrator can access the Global changes tool.

Add bank accounts in bulk

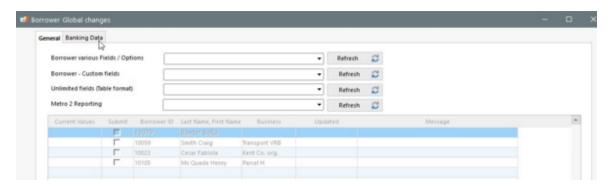
To make global changes for the Borrowers, select "Borrower" under "File".



From the drop-down menu, select the Borrowers for which a global change is required. Then right-click on the mouse and choose "Global changes".



The window below will open. Click the "Banking Data" tab.



Banking Data tab

The second tab, "Banking Data", allows you to add or change banking data for the Borrowers for the EFT payments.

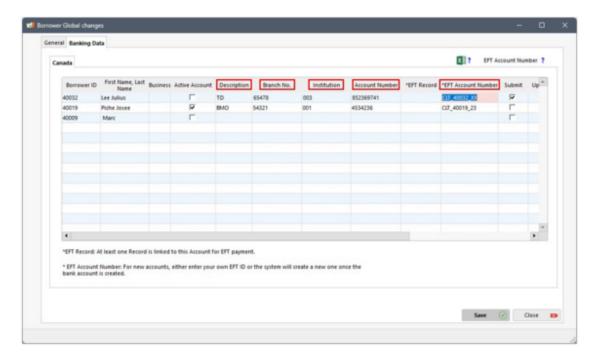
A Borrower can only have a bank account in one country (United States or Canada). This is set up in system Settings. Once a country has been selected, it cannot be changed here. If the Banking data of a Borrower matches that of another country, the data will become grayed out and a warning will appear in the "Messages" column.



For the US, five (5) data can be changed: Bank Account Description, Type of Account, Borrower Type, Routing Number and Bank Account Number.

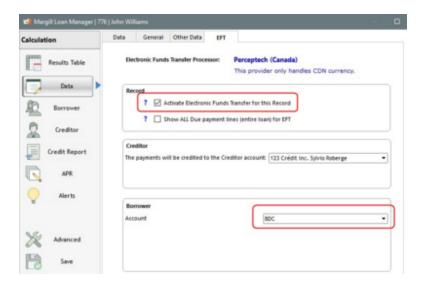
For Canada, five (5) data can be also be changed: Bank account Description, Branch number, Institution, Account Number and EFT Account ID (Perceptech EFT provider number).

For the "EFT Account Number" column (required for Perceptech - Canada), a reference can be generated randomly by MLM. To do so, simply click in the box corresponding to the field for which it is required. Otherwise, the user can enter in this box the desired references when they are already known (existing Perceptech account). This field can also be left blank and be filled later if the pre-existing identifier wasn't known when the data was first entered.



It is not possible to change the currency of the bank account with this module, since displayed for information purposes only.

A green check appears in the "EFT Record" column when at least one Record is linked to this account for electronic fund transfers.



To change or add banking information, simply enter the data one by one in the corresponding table fields and save. A confirmation message will appear indicating which Record(s) this account is linked to.



The following warning message will appear, advising that the new data entered will only apply to payments that will be submitted in the future. As a result of such changes, it is important to check which account applies to which payments through the EFT service provider portal.

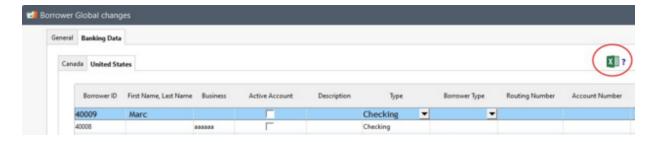


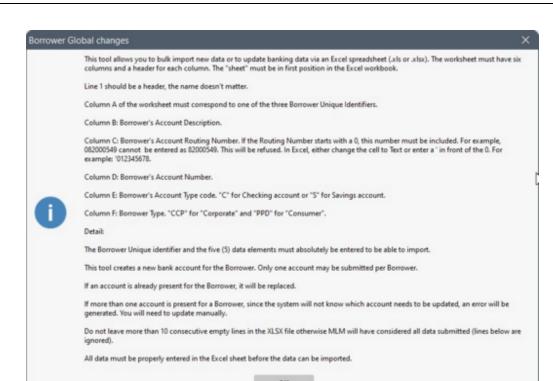
Changes related to the Banking Data tab via the Global Changes module will be carried out simultaneously in the "Account" and "EFT" tabs of the Borrower and in the "EFT" tab of the Loan Record Data (the EFT tab is pertinent for Perceptech, not VoPay or NACHA).

Banking data import via Excel

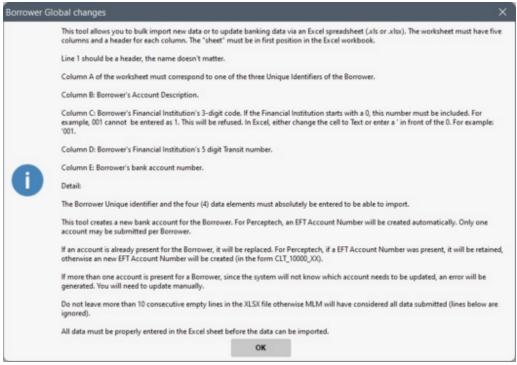
All banking data can be imported via a simple Excel sheet containing 6 columns (USA) or 5 columns (Canada). Column A must contain one of the Borrower's three Unique identifiers (MLM Borrower ID or Borrower Unique ID 1 or 2 (as renamed)) in order to assign the banking to the proper Borrower.

Press on the ? next to the Excel icon for a description of columns B to F. The data will change based on country.



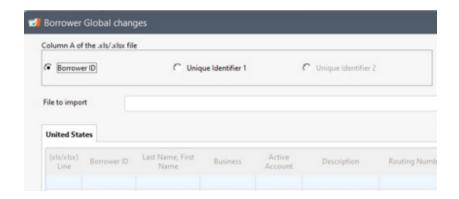


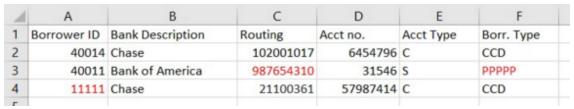
United States Banking data



Canada Banking data

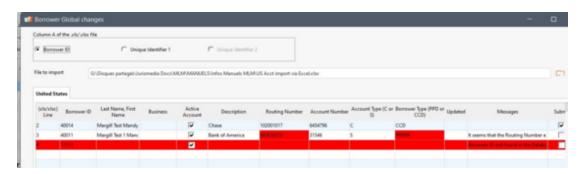
Then click on the icon to select the file containing the bank data.





Sample Excel sheet (errors purposely added and shown in red)

The data will then appear with erroneous data highlighted in red with the reason for the error in the Messages column.



Margill checks if the Routing Numbers follow standard rules but does not check if Account numbers and other data are accurate. In the US, a Prenote file should be transferred to your bank before submitting the actual bank debit data.

If one data element is erroneous or missing, the whole import will not be allowed. The Save button will appear in grey

Save

. You will first need to fix all issues before the import or update can be done.

Once no more errors appear, press on Save and a message will appear indicating the number of bank accounts that were imported or updated.



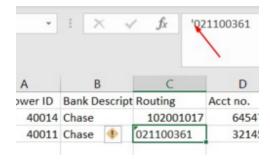
Data can also be updated, but all five fields must be included, including data that does not change. In the example below

we changed the account numbers (false data). The Save button will then update the data.



Notes:

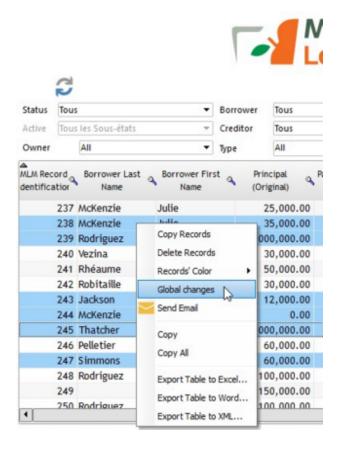
- If a sheet contains multiple tabs, only the first tab will be imported or updated.
- If a number (Routing for example) starts with 0, if the Excel cell is a number cell, the initial 0 will be taken out, thus give an erroneous number. You should add a ' in front of the number in the Excel cell or make sure the cell is a Text mode and not numerical. This is especially important if Bank Accounts or Bank IDs start with 0 (in Canada some Bank IDs start with 00).



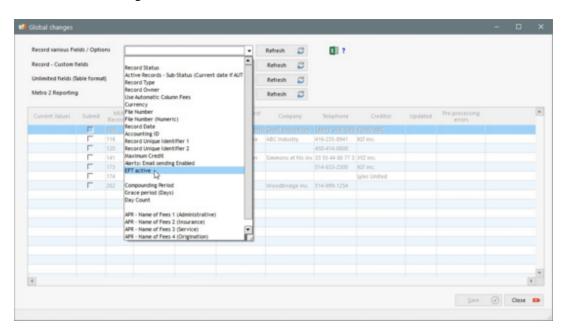
- Only one bank account can be entered via Excel for a Borrower. If an account already exists, it will be replaced or updated (not added).
- If more than one bank account is present for the Borrower, an error will show up (since it is not known if the data must be updated or a new account added). You will need to manage this manually.
- Please read the ? next to the Excel icon for more subtleties on banking data import.

Activating EFT in Bulk

In order to activate the EFT for many loans simultaneously, you must have entered the Borrowers' banking data and have one or more Creditor linked to the Record. Then, select, in the Main window, the desired Records, right-click on the mouse and select "Global changes".



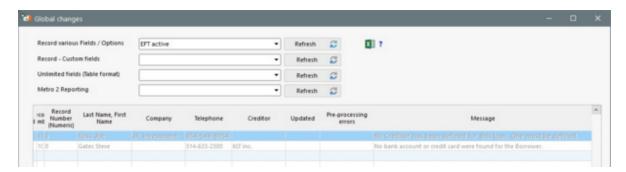
The following window will open. Select from the "Record various fields / Options" drop-down menu "EFT active" and click on the "Refresh" button to the right.



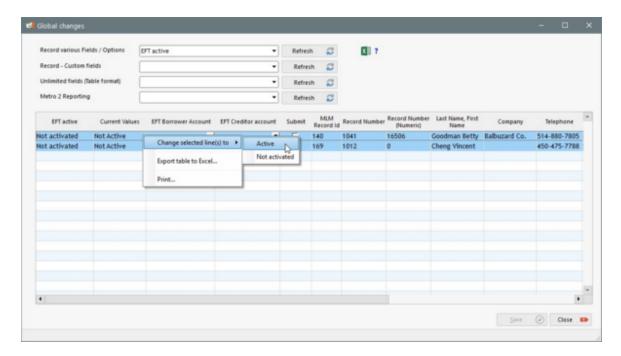
Records will no longer be grayed out following this operation*.

*If the Records remain grayed out, therefore impossible to modify, check the "Message" column to find out why (for example, a Creditor with the appropriate EFT activation codes (user name and password) must be linked to the Record

and a bank account must have been previously added to the Record).

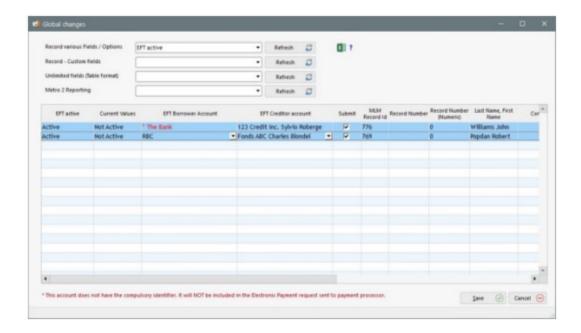


Select the Records to modify. Right-click on the mouse and choose "Change selected line(s) to" and click on "Active".



In order to make the changes effective in the database, click on "Save".

At this point, messages may still appear to inform the user of different situations or problems. For example, in the case below, the user will be able to activate the EFT for the Record 776, but a warning in red indicates that "This account does not have the needed identifier. It will NOT be included in the Electronic Payments report sent to payment processor". It will be EXCLUDED when submitting the payments to the payment processor". The user will then have to access the Borrower's account in order to assign the compulsory identifier required for a proper configuration that allows EFTs with Perceptech.



A final window will appear confirming the number of Records that were modified:



To find out more on this subject, see the "Useful Features" > <u>Global changes to the database (Batch changes)</u> section.

Alerts

Manager Loan Margill (MLM) allows you to create Alerts/reminders in order to be notified when an event occurs or some kind of an action must be performed.

For example, the Alerts module could notify you when documents are required (financial statements, annual contract renewal, etc.), when a loan reaches a certain threshold, when due payments are nearing their due date (normal payment, insurance, taxes, etc..), when a loan is about to end (or renewal date) or simply to advise you of your client's birthday.

General principles

Alert types

- System alerts: general Alerts for one or all users.
- Line status Alerts: Alerts that reflect Line status conditions. Especially useful for notifying you when payments become due or when a new principal amount must be paid out.
- Record Alerts: general Alerts relating to a specific Record.
- Record Alerts, specific lines: In the Payment schedule for each Record, an alert included on any payment line.
- Conditional Alerts: Alerts based on mathematical conditions that are fulfilled over time.

View Daily Alerts ("Today's Alerts")

- History
- Displaying data and preferences
- Add or display Notes
- Add new Record Alerts
- Send Email
- Send SMS (Text message)
- Test sending ou Emails and SMS
- Export Alerts to Excel
- Generate new Alerts of the day
- Other Tips

Alerts History

Upcoming Alerts

Other recommendations

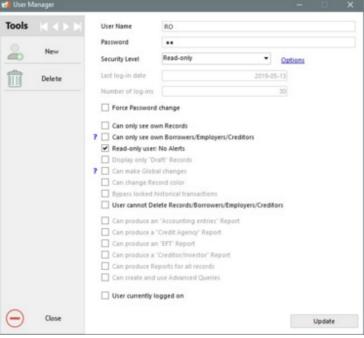
Alerts General principles

Unless otherwise indicated, only the MLM <u>Administrator</u> can create alerts for a user other than himself. Thus, a normal user (or Power user or Read-only user) can only create alerts for himself.

The same principle applies for viewing alerts. A user other than a MLM Administrator can only view his own alerts.

The workings (creation, who can receive, etc.) for each type of alert are slightly different. These subtleties are explained below.

A Read-only user may be excluded from receiving alerts even if he is the Owner of the Record. To exclude a Read-only user, check "Read-only user: No alerts" (Tools > Users).



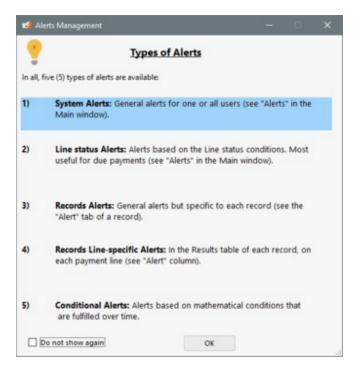
User management - No alerts

Alert types

Five (5) types of alerts are included in the module:

- 1. System Alerts (created in the "Tools" tab)
- 2. Line status Alerts (created in the "Tools" tab)
- 3. Record Alerts (created in the "Alerts" tab of a Record)
- 4. Records alerts, specific lines (created in the Record's Payment schedule, "Alerts" column)
- 5. Conditional Alerts (created in the "Tools" tab and linked to a Record in the "Alerts" tab of the Record)

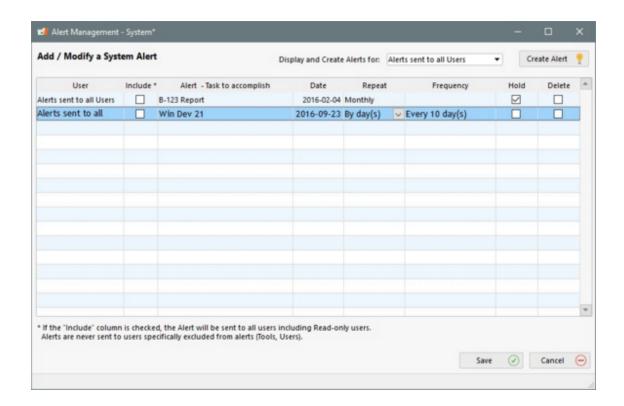
The window below shows the various Alerts and the highlighted blue Alert identifies the type of alert to be managed (created, modified, destroyed). Check "Do not show again" to hide this window.



1. System alerts

These are general alerts allowing you to be notified at a specific date when an event occurs or a task is to be accomplished. This is not linked to any specific Record.

For example, you may receive an alert once a week notifying you that a backup copy of MLM should be done, or that a particular type of report must be produced and sent to your accountant.



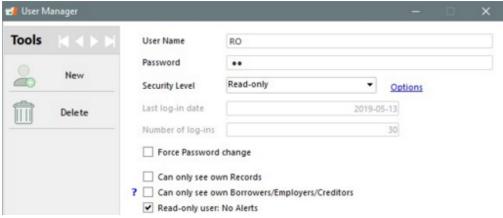
Alerts can be created for a single person or for all users who are authorized to receive alerts. A MLM Administrator can create an alert for himself, for another user or for all users.

The choice "Display and Create Alerts for: Display and Create Alerts for: allows you to view alerts for different users and also to create an alert. Only an Administrator has the option to view and create alerts for another user than himself. A lower level user (Power or Read-only user) will only see and can only create his own alerts.

"Alerts sent to all Users" are created for all users of the system, taking into account the two exceptions below. Even a new user, created by the MLM Administrator will receive previously created "Alerts sent to a all".

Exceptions

1) Some read-only users may be excluded automatically from any and all alerts when creating their accounts (this can be helpful for users that are less involved in loan management but nevertheless have some restricted access). To exclude a read-only user check "Read-only user: No alerts" (Tools > Users).



User management - No alerts

2) Read-only users who are not automatically excluded from the Alerts (see above) may or may not be allowed to receive specific alerts. In the System alert management tool, by unchecking the "Include" column for "Alerts sent to all users", the alerts that are unchecked will not be sent to Read-only users. With "Alerts sent to all users" only Read-only users can be excluded. Normal users, Power users and Administrators are always included in these alerts. To exclude one of these, do not use "Alerts sent to all users" but instead create the same alert for each user that is to be included.

User	Include *	Alert - Task to acc
Alerts sent to all Users		Do not forget report B-123
Alerts sent to all Users	~	New copy for the boss
Alerts sent to all Users		Alert for the 23rd

Alerts can be generated only once or can be configured to recur annually, semiannually, quarterly, monthly, twice monthly on various dates or even every day or every x days (between 1 and 366 days apart).

Date	Repeat		Frequency
02-11-2010	Monthly	٧	
09-11-2010	By day(s)		Every 7 day(s)
10-11-2010	By day(s)		Every day(s)
10-11-2010	Twice monthly		9 and 24 of each mont
23-12-2010	By day(s)		Every 2 day(s)
23-01-2011	By day(s)		Every day(s)
03-12-2010	None		

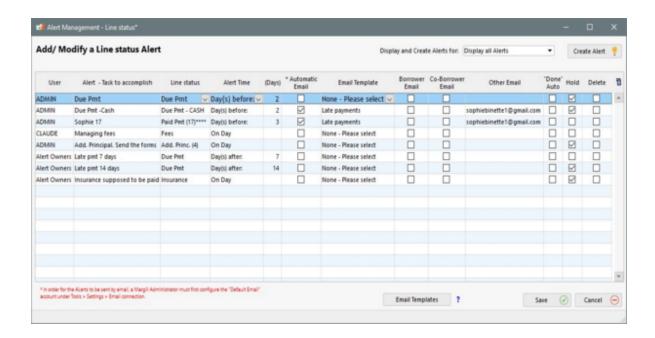
Alerts may be paused, for example on weekends or during holidays. They can also be deleted when they become obsolete. An alert that becomes obsolete since non recurring (thus the alert date has passed), is displayed in red. These alerts should be deleted but this generally is not required if you wish to keep these for information purposes.

2. Line status Alerts

<u>Line status</u> Alerts allow you to be notified of the various events related to the Line statuses for ALL and ONLY ACTIVE Records (for example, a "Due payment" Line status has not been updated to "Paid" or "Unpaid" on a specific date, or a line with insurance or tax becomes due soon).

For Automatic Alerts based on Line status, the main purpose of this tool is, without human intervention, to notify Borrowers that a payment is coming soon (in the case of EFT) or that a payment has been rejected (non sufficient funds). Your borrower could be alerted of this and asked to contact your manager promptly to remedy the situation. Basic fields such as the date of the next due payment and its amount are included. It also includes the date of the last payment paid or unpaid as well as the outstanding amount taking into account what was supposed to be paid, subtracted from what

was actually paid.



You may be notified the same day or several days before or after the Line status date. You may even be notified every day until the Line status changes (should only be used for "Due Pmt" Line statuses since only these Line statuses should be modified to reflect the actual payments made over time).

Quick example

On November 11, 2018, you set an alert for Line status "Due Pmt". In your portfolio, payments are usually paid on the 1st, 10th and 22th day of each month (no matter). If you set the alert to notify you two days before the date of the next Due Pmt, you will be alerted on November 20 and November 29 (for the payment due on the first of December), etc.

It is possible to configure the system so that emails are sent automatically when the Alert conditions are met. These emails can be sent to the Borrower, the co-Borrower or even a third party (for example the Record's manager). Automatic emails will only be sent for Active Records.

The Administrator must configure a default email address in the System Settings > <u>Email_Connection</u>. It is from this default email address that the Alerts will be sent. These automatic emails do not go through any other user account.

For example, when a pre-authorized payment is scheduled, an email can be sent two/three/four days before the payment due date, to the Borrower (and/or the Co-Borrower) in order to notify them of an upcoming payment. Select

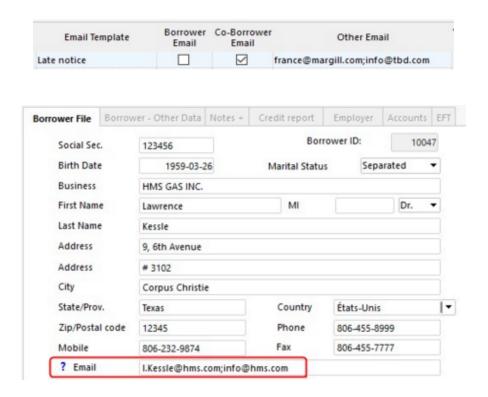
from the existing email templates in the drop-down list. To create an email template, press on The <u>Mail Merge / Templates</u> module will appear. Refer to this section for instructions.

Email Templates

You have the option to choose the email recipients. Emails can be sent to the Borrower and/or to the Co-Borrower(s) and/or to a third party of your choice. All choices are possible and can be combined.

When you select both "Borrower Email" and "Co-Borrower Email" check boxes, information in the Borrower's Record will be used. Custom fields containing emails will not be used as the system will not be able to recognize these.

It is possible to enter several addresses in the "Other Email" field by separating them with a ";" and even use a method called "Text to SMS" to send emails by SMS (works for most telecommunication companies).

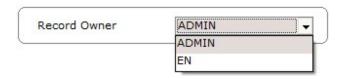


So, when the Alert conditions are met, an email will be sent automatically to the recipients. When emails are sent to the Borrower, Co-Borrower(s) and others, if needed, they are sent in Blind Carbon Copy (BCC), meaning that a recipient will not see that the same email has been sent to other recipients.

The MLM Administrator can create these alerts for a specific user or for the "Owners" of each Record. By creating an alert for the Owner of the Record, each Owner will receive the alert for his Records when the Line status event takes place. An "Alert Owners" is not sent to the Administrator(s) unless he is also the Owner.



The Record Owner is determined in the "Data" window under "General" tab (bottom left):



If the Record Owner is changed, the alert created will be transferred to the new Owner.

WARNING! If an Alert is created only for a specific Record Owner, only his Records will receive the email. In order for all Records to receive the email, without the need to create the same Line status Alert for each Owner, create the Alert specifying "Alert Owners" as opposed for a specific Owner.

Sending by SMS

In order to access the features relating to Alerts by SMS, the <u>FolioMedian (SMS) Connection</u> module must be activated in System settings and the required information must be entered. FolioMedian is a Margill partner for sending SMS in multiple countries:

- North America: Canada, United States
- Europe: France, Belgium, Switzerland, Luxembourg, Germany, Great Britain, Spain, Italy, etc.
- Africa
- Asia
- Australia
- Please contact the Margill Team to find out if the service is available in your country.

Once the connection module configuration is done, additional columns will be available in the Alerts table, based on the same principle as those when sending email Alerts.



For example, when a pre-authorized payment is scheduled, a SMS can be sent two / three / four days before the Due payment, to the Borrower and / or to the Co-Borrower to advise the person of the upcoming payment that will become due. Simply select an existing SMS template from the drop-down menu. To create a SMS template, click on the

button. The Merge_/_Email_/_SMS_Template module will appear. Consult the section instructions.

You have the option to choose the SMS recipients. These can be sent to the Borrower and/or to the Co-Borrower(s) and/or to a third party of your choice. All choices are available and can be combined.

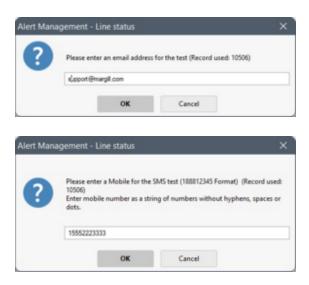
An Alert can be sent by Email and by SMS or one of the two options.

Test Email / SMS

Test sending via Email and/or SMS

With the help of the button in the Alerts Management - Line status window, you can make sure that the Alert and its template corresponds to your needs before sending it to the Borrowers, Co-Borrowers and other recipients.

The selected Record in the Main window will be used to test the Template merge, but the test will only be sent to the email address and/or to the mobile number for SMS entered in the following windows:



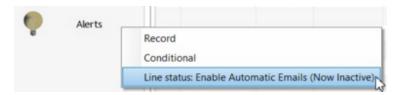
Warning: SMS templates can only contain text or numbers (web links allowed), must be short and comply with the editorial standards for sending SMS in your country. In case of violation of these content standards, the service could be canceled by FolioMedian.

Activation or not of automatic emails based on the Record

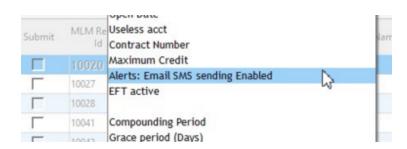
For each Record, the automatic email option is active by default. If you wish to disable it, in order that no automatic emails are sent to anyone for a particular Record, you can do so directly in the Record via the "Alerts" menu on the left and by clicking "Line status: Disable Automatic Emails (now Active)".



The option will then become inactive. You can reverse this choice by clicking again in order to reactivate it.

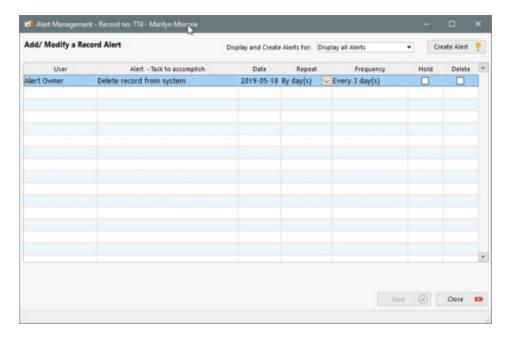


To enable or disable the automatic Emails / SMS for several Records simultaneously, use the <u>Global Changes</u>, with the "Alerts: Email SMS sending Enabled" field.

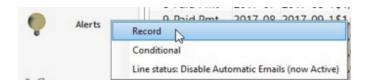


3. Record Alerts

Very similar to "System" alerts, the distinction lies in the fact that these alerts are related to specific Records. Each Record being different (payment and renewal dates, required documents, payment of insurance, etc.), this type of alert can include, for a specific Record only, that which should be done or accomplished.



Open the desired Record and click Alerts > Record. The Record must be saved before you can use these alerts.



The MLM Administrator can create these alerts for a specific user or for the "Owners" of each Record (see explanation in the above section "Line status alerts"). Warning: if the Record Owner is a Read-only user and is not authorized to receive alerts Tools > Users, he will not receive any alerts even if the alert is created specifically for him.

The alerts can be generated only once or can repeat annually, semiannually, quarterly, monthly, twice monthly (on various dates) or on every day or every x days (between 1 and 366 days).

Sending by Email and SMS

These alerts can be configured to automatically send an email or a SMS when Alert conditions are met. For example, when a renewal of any kind is coming up, an email or SMS can be sent on a specific date to the Borrower (and/or the Co-Borrower) to notify them of an upcoming deadline. Also, they can be useful internally in order to notify a Margill user of a specific action to be taken in the Record in question. This facilitates Record management and reduces oversights!

It is possible to configure the system in order to automatically send emails (and/or SMS), at a specific date and/or at the desired frequency and according to the established recurrence. These emails and SMS can be sent to the Borrower, to the Co-Borrower or even to a third party (for example, the user in charge of the Record).

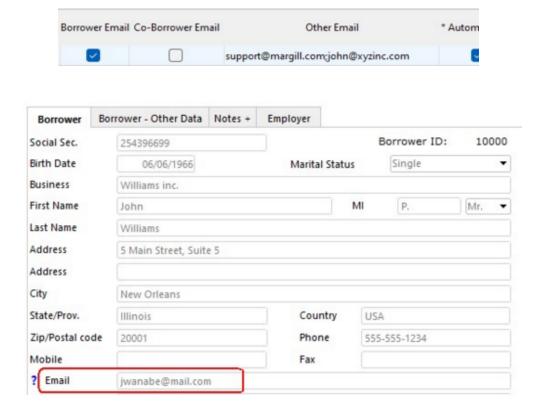
The Administrator must configure a Default email address, in System settings > <u>Email connection</u>. It is from this default email address that the Alerts will be sent. These automatic emails are not sent from any other user's account. For SMS that are not of "Email to SMS" type, the configuration must be done in System settings > <u>FolioMedia (SMS) Connection</u>.

Simply select the existing email (or SMS) template from the drop-down menu. To create a template, click on the

button. The Merge_/_Email_/_SMS_Template module will appear. Consult the section instructions.

When selecting the "Email Borrower" and "Email Co-Borrower" ("Mobile" for SMS) boxes, the information included in the "Borrower" Record will be used. Custom fields that include email addresses and mobile numbers will **not** be used - the system won't be able to recognize these.

It is possible to enter multiple addresses in the "Other Email" field, separating each with a semicolon ";" and also use the technique called "Email to SMS" in order to send emails via SMS (for most telecommunication companies) if the FolioMedian module is not used.



Thus, when the conditions relating to the Alert are met, an email or SMS will automatically be sent to the recipients. When emails are routed to the Borrower, Co-Borrower(s) and others as needed, they are in blind carbon copy (BCC), so a recipient does not see that someone else has received the same email.

The MLM Administrator can create these alerts for a specific user or for the "Owners" of each Record. By creating an alert

for the "Owners" of the Record, each Owner will receive the alert in relation to their Record when the Line status event takes place. An "Owner Alert" is **not** sent to the Administrator(s) unless they are also the Owner of the Record.



The Owner of a Record is configured in the "Data" window under the tab "General" (left bottom):



If the Owner of the Record is modified, the alert for the Owner will be transferred to the new Owner.

4. Record alerts, specific lines

"Record alerts, specific lines" are set in each Record individually. These alerts are inserted on a specific line in the Payment schedule and are generated for the Record Owner only.

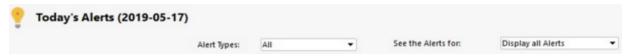
To create these alerts in the Payment schedule, scroll to the right to display the "Alerts to accomplish" and "Alert Days Before - / After +" columns. Enter what needs to be done on this line and if you wish to be notified 1) before the effective date (a negative sign indicates the number of days before), 2) after that date (a number of days without a sign) or 3) on the day (nothing in column).

Pmt Date	Payment	Alert to accomplish	Alert Days Before - / After +
06-05-2009	500,00\$		
06-05-2009	1 124,90 \$	Phone for financials	-14
08-05-2009	0,00\$		
09-23-2009	1 124,90 \$		
09-23-2009	-10,00\$	Insurance required	7
09-24-2009	10,00\$		
10-05-2009	1 124,90 \$		
11-05-2009	1 124,90 \$		
12-05-2009	1 124,90 \$		
01-05-2010	1 124,90 \$		
02-05-2010	1 124,90 \$	Financials should be in	
03-05-2010	1 124,90 \$		

Excerpt of the Payment Schedule

In the example above, the Record Owner will be notified 14 days in advance for the first alert, 7 days following 09-23-2009 for the second alert (Insurance required) and the same day for the third alert.

Please note: only the Record Owner will be alerted as to what must be accomplished. An administrator will be able to see these alerts by showing all alerts in the view Alerts window as opposed to viewing only his alerts.



5. Conditional Alerts

Conditional Alerts are based on mathematical conditions that occur over time. For example, an alert could be created that would allow notification when the balance principal + interest sum becomes greater than the "Maximum Credit" amount.

Other examples:

- alert when the outstanding amount exceeds a specific amount
- alert when a ratio created with <u>Mathematical Equations</u> exceeds certain limits
- alert when the refund ratio is below a certain percentage

Combined with Mathematical Equations and custom fields, the possibilities are endless.

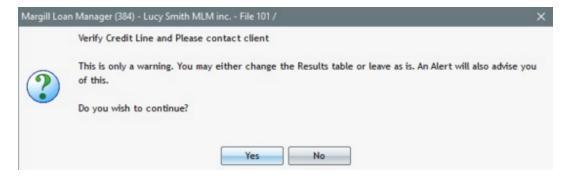
Alerts compare two amounts (each of which may be composed of several amounts through Mathematical Equations). The alert is generated when:

first amount	is either	second amount
	equal to less than or equal to equal to or greater less than greater than greater or less than	

These alerts will appear 1) at the opening of MLM:



2) when a condition is met when the Record is opened. The alert will be displayed when the Record is saved. For example, in a line of credit loan type, a disbursement (adding principal (with the Line status "Add. Princ.")) is made and then the Maximum credit is exceeded. When saving the Record, a message will warn you that the condition was encountered. You can then decide to either reduce the disbursement to meet the Maximum credit allowed or do nothing. If nothing is done, you will be alerted of this condition with "Today's Alerts" the next time MLM is opened. You will be alerted as long as the condition exists.



This verification is not performed when payments are recorded (paid or unpaid) with the Payment_update tool. Nevertheless, a "Today's Alerts" will appear the next time MLM is open.

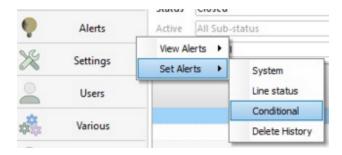
Conditional alerts can be created by the Administrator and by a Power user and can be applied to all desired Records or just certain Records. The alert is displayed when opening MLM in the normal alerts module but only for the owner of the Record.

An alert will be generated even if a field is blank or contains a 0.00. To avoid generating a warning for this Record, you can remove the alert or enter a very high amount such as 99999999999 in the blank field.

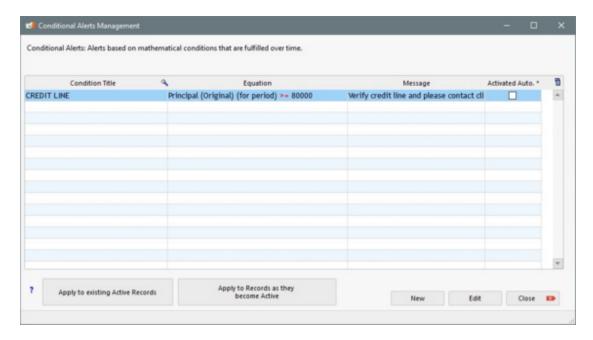
A conditional alert is generated when MLM is launched by a user. If MLM is not launched for a day (weekends for example), conditional alerts will not be created for that day even if the condition occurs that day (for a condition that would include the accrued interest each day, for example).

1) Creating a conditional alert

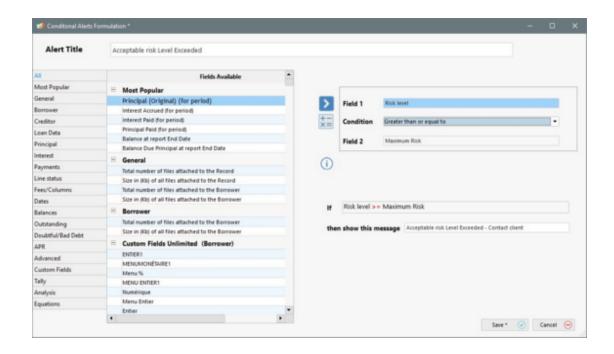
To create the alert, go to Tools > Alerts > Set Alerts > Conditional.



The following window will appear. When conditional alerts are created, they will appear in this list. It is through this window that alerts can be edited or deleted. Press "New".



The following window will appear, allowing you to name and configure the alert.



- First assign a name to the alert in the "Alert Title" box;
- Choose the field in the left column (fields are sorted by topics) and use the arrow to insert in the "Field 1" box on the right of the window;
- Choose the Condition (greater than or equal to, less than, etc.);
- Choose "Field 2".
 - Field 1 or Field 2 can either be a <u>MLM field</u> (from over 900), a <u>Custom field</u>, a <u>Mathematical Equation</u> or a number that can be accessed with the

The box to the right of "IF" will be completed as the three components (fields and conditions) are entered.

- Enter the message to be displayed when the condition is met. The message can be up to 100 characters, so you have room, if necessary, to explain the condition. Here are some examples of messages:
 - Credit limit exceeded
 - O Refund ratio below 75% Call client
 - O Loan balance exceeds limit allowed
 - O Risk greater than limit allowed Produce report for the accountant

Condition as a percentage

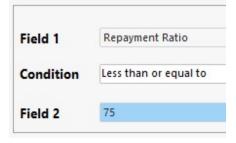
When a condition uses a ratio based on a percentage, please use the following notation:

A percentage is expressed as is, not as a fraction of 100. For example, 75% = 75, not 0.75 and 133% = 133, not 1.33.

If you wish to compare a percentage to a number, express this number by simply entering the percentage but

without the % sign.

For example, to create an alert when the Refund ratio drops below 75%, enter the condition as follows:



Example of a more sophisticated condition

A condition could include mathematical formulas, custom fields and amounts that operate in accordance with the loan accrued interest and amounts paid.

For example, your accountant has established a formula or equation that takes into account the FICO score of the Borrower (ie part of a custom field) and the loan balance (calculated automatically) and the refund ratio. A *sophisticated* mathematical equation was developed (called "Risk Level") to arrive at a risk level for the loan that may not exceed such percentage or level (a number).

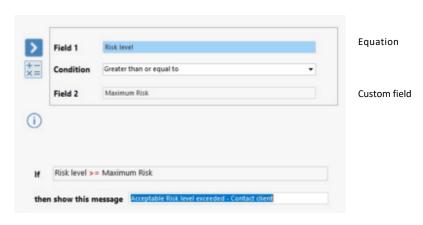
The formula takes into account the level of risk of these elements (fictitious formula):

1) FICO Score Custom field 600
2) Loan Balance Calculated automatically 25550
3) Maximum risk balance Custom field 30000

4) Reimbursement ratio Calculated automatically 85.25%

The elements are divided and multiplied using MLM's mathematical equations to reach a level of risk that is then inserted into the condition. Each Record contains its own maximum risk factor according to the FICO score and the loan type (entered as a custom field).

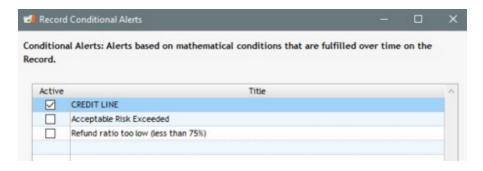
The condition would be entered as follows:



Once these steps are completed, press Save. The conditional alert will appear in the list of Conditional Alerts (Tools > Alerts > Set Alerts > Conditional):



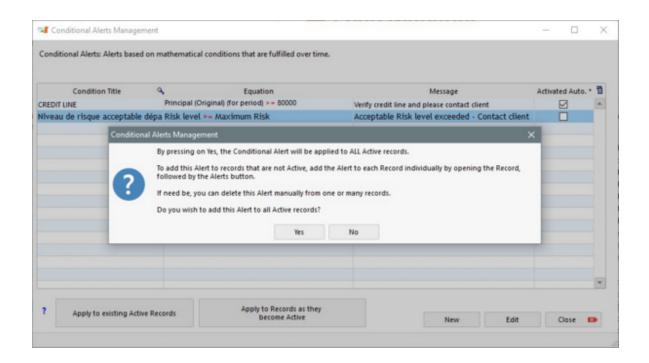
and in the Record "Alerts" window. The alert appears but is not yet activated for the Record (see the following section: 2) Assign the alert to the desired Records).



- 2) Assign the alert to the desired Records.
- a) Conditional alerts can be assigned to one or many Records.
- i) Assign an alert to all "Active" Records:

In the Conditional Alerts window, click on "Apply to existing Active Records" . The alert will only be assigned to "Active" Records that exist at the time the button was clicked. A confirmation window will open in order to apply the Alert to all Active Records.

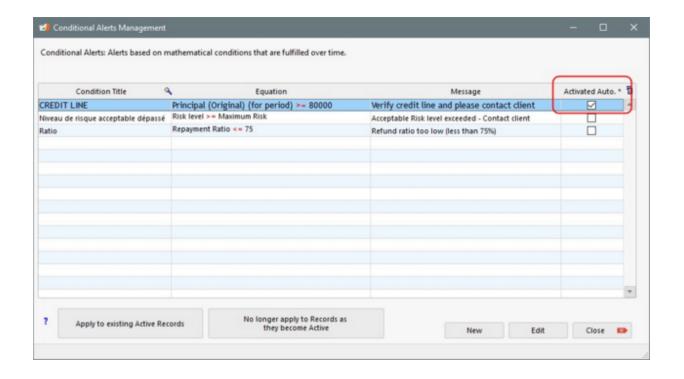
Apply to existing Active Records



ii) Records that are not Active yet but eventually will:

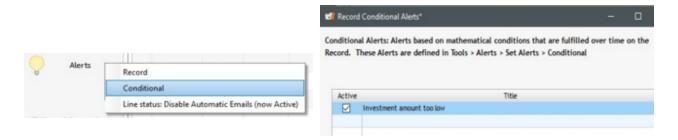
In the Conditional click on "Apply Active" **Alerts** window, to Records as they become Apply to Records as they become Active . This tool allows the Alert to be added to Records as they become Active.

The "Activated Auto." column will be checked to indicate that this Alert will apply when the Records become Active. This tool is useful for creating particular data entry rules.



TIP! We recommend clicking both buttons in order to include all the Active Records, present and future.

The alert will appear in the Record window in Alerts > Conditional and will be checked as active for this Record.



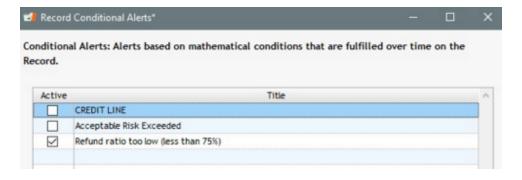
If an alert has been assigned to all Active Records by mistake, to eliminate the unwanted alert, delete the alert, create a new one and assign it to the Records by following the procedure below.

b) To assign a conditional alert to one or many Records individually:

Open Record > Alerts > Conditional.



The list of available conditional alerts appears. Simply check the one or several conditional alerts to include and press "Save".

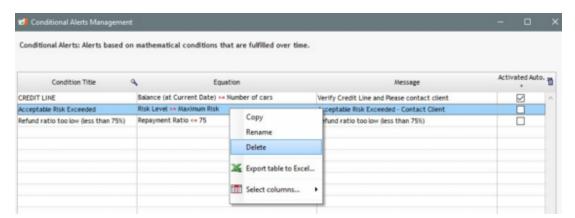


Renaming and deleting Conditional Alerts

Go to Tools > Alerts > Set Alerts > Conditional.



The following window will appear with the list of conditional alerts created. Select the alert whose name should be changed or deleted and then press the right mouse button. Make your choice.



Conditional Alert limits

Conditional alert can include a numerical custom field included in the Borrower's (or Creditor) information card. However, a conditional alert can only make the comparison one Record at a time.

For example, you create for the Borrower a field called "Credit Limit". The condition will be activated in one or many loans (Records) of that Borrower and will compare the principal, interest, etc. of one Record at a time with the "Credit Limit" amount of the Borrower. One might think that the credit limit listed for this Borrower would apply to the total of all these loans. This is not the case. MLM does not calculate the sum of principal of all the loans of the Borrower but the principal of each loan would be individually compared with the limit entered.

Example:

Credit limit entered for the Borrower: 100,000

Loan 1	Total principal	45,000
Loan 2	Total principal	35,000
Loan 3	Total principal	15,000
Total		95,000

The alert will not be given when 5,000 in principal is added. The alert will only sound when one loan is more than the limit of 100,000. It is therefore wise to enter a credit limit by Record, not by Borrower.

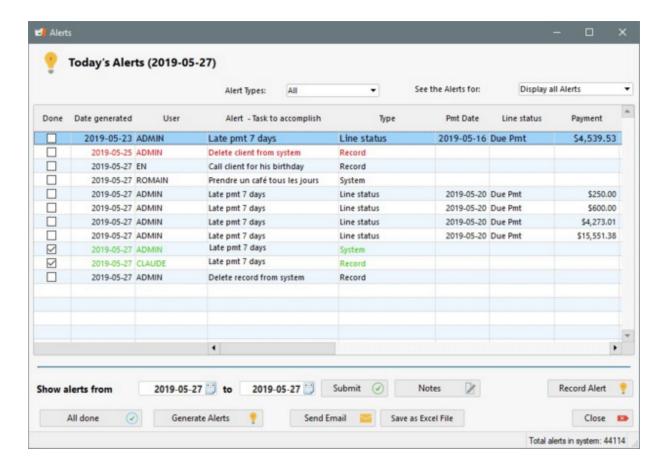
However, as of MLM version 4.2, a new module named "Maximum Credit Borrower", takes into account all Records in the credit limit management and may turn out to be a more effective tool for managing the credit limit. Consult the "Record Window' chapter > <u>Borrower (Client) Information</u>section for more detail.

View Daily Alerts ("Today's Alerts")

Upon opening MLM, if alerts are available for the current day or if old alerts have not yet been resolved, the following window will appear notifying you of these alerts:



By pressing on "View Alerts", the following window will be displayed:



When a MLM session is already open, you can view the alerts at any time by clicking on "Alerts" under "Tools".

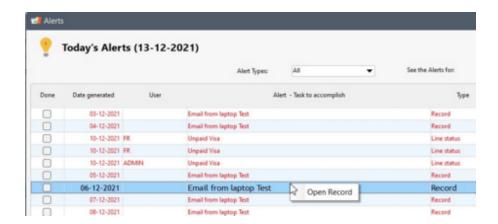


The Alerts window displays alerts of the day (in black) and the alerts that have not yet been resolved (in red). When an alert is resolved, check the "Done" column and the alarm will turn green. The unresolved alerts will appear the next day.

The "Generate Alerts" button updates the alerts by generating the day's new alerts while eliminating those that are resolved or "Done".

If an Alert concerns a Record, it is possible to open the Record via this window by selecting the proper line, right mouse

click > Open Record.



History

The alerts history (accomplished or not and not yet removed by the MLM Administrator [see next section, <u>Alerts History</u>]) can also be displayed with the "Show alerts from..." option. Normal users (as opposed to the MLM Administrator(s)) can only view their own alerts.

In the example below we wish to view the historical alerts from November 1 to November 7. Typically, alerts will appear in green as these should ordinarily have been resolved. It is always possible to uncheck one or many alerts so these are considered not done.



Displaying data and preferences

In the Alerts window, scroll right to see data pertaining to the client (Record number, company, name and surname, phone, fax, email) and data pertaining to the alert itself (alert accomplished or not, date generated, task to accomplish, type of alert, and, depending on the type of alert, the payment date, Line status, payment amount, and if the alert is recurring, how often).

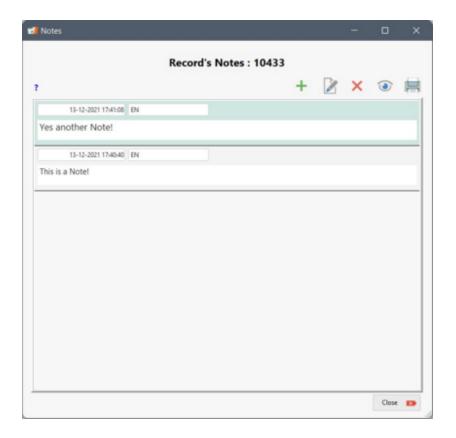
Columns can be hidden by clicking on the header of the column with the right mouse click. You can also change column order and sort alerts by the desired criteria by clicking on the column's header.

Only a MLM Administrator can view all other users' alerts. An Administrator can also resolve all alerts, including those of another Administrator. Even a power user does not have these rights.

Add or display Notes

Notes can be added or viewed for a client whose alert is highlighted. Click on the Record or to the Borrower. The notes included in the Record or the Borrower can be accessed

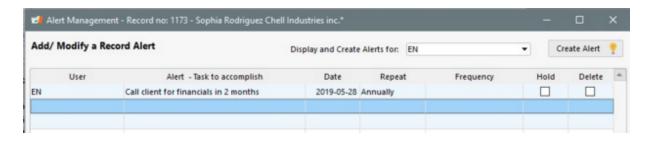
via the Alerts module. If you click on , you will be able to add or modify a note. To find out more about these Notes features, consult Useful Features > Notes - Record and Borrower.



Add new Record Alerts

The "Record Alert" button allows you to create, modify, or delete a Record Alert, directly from the Today's Alerts window. There is no need to open the Records one by one to manage these alerts. Simply click on a Alert and press the



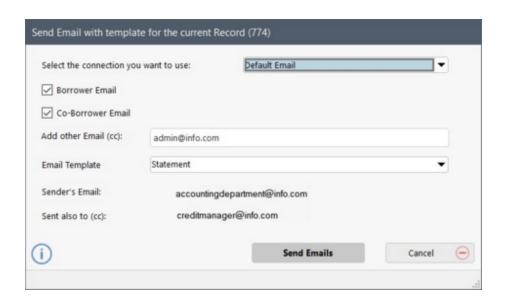


Send Email

Emails may be sent to the clients (Borrowers) whose alerts are highlighted.

If only one alert is highlighted, by pressing on you can send a message from your regular email program. Your default email program (Outlook, Eudora, Thunderbird, Windows Mail, etc.) will open containing the client's email. Your system must be properly configured. If the right program does not open, contact your computer technician.

The option allows you to send one or more emails from an "Email Template" created directly in MLM. Choose one or more recipients and the Email Template to be sent.



Refer to Reports > Mail Merge/Templates, to find out more about customizing these templates.

Emails may only be sent for Record-specific alerts since a Borrower is associated to the alert. "System" alerts do not allow this since no email is associated with this alert type.

If multiple email addresses are included under the Borrower (each separated by a semi colon ";"), emails are sent to all of these in (carbon copy).

For managing the different addresses in this window, consult the **Email Connection** section.

Export Alerts to Excel

The "Save as Excel File" button allows you to export either the entire table to Excel (if one line is selected) or all selected lines.

Generate new Alerts of the day

If an alert is created for the current day, in order to view this alert on the day itself, make sure that the current date appears in the box "Show Alerts from"

Show alerts from

2019-05-27

to 2019-05-27

Submit

Then press on "Generate Alerts"

Alerts"

. The system will generate new alerts for the current day.

Other Tips

To quickly check or uncheck alerts (to mark as "Done" or if you decide that an alert was not accomplished), select the desired alerts (Ctrl or Shift key and click the mouse) and then check or uncheck.

The "All done" button allows you to quickly select all tasks. You can then uncheck those tasks that were actually not completed.



Alerts History

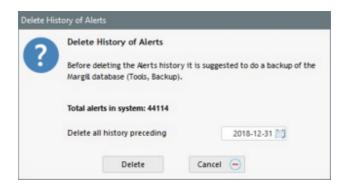
All alerts, even if accomplished, are stored in the History log. These can be found by entering the desired dates.



In the longer term, in order to avoid thousands of historical alerts from clogging up the system, the MLM Administrator can delete the old alerts as of a desired date.



Depending on how you use the Alerts module, it is suggested to eliminate only the older alerts dating back from over a year. It is suggested to first do a complete backup of the database before deleting the alerts. In the confirmation window, the default date entered will be one year before the current date.



Upcoming Alerts

It has become possible to view the upcoming alerts for the future, allowing you to see, for example, what is to be done in the next month. Go to Tools > Alerts > View Alerts > Upcoming Alerts.

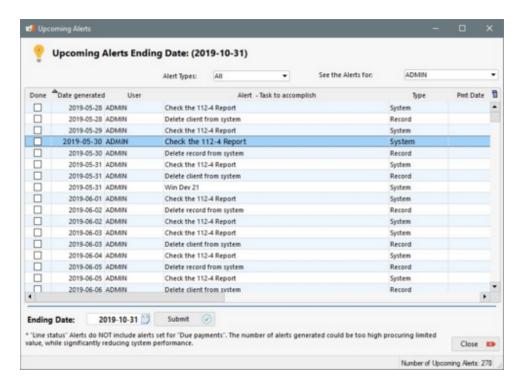


In the example below, alerts until Oct 31, 2019 were generated (considering that this text was written in may 2019).

Some types of alerts can be displayed or all types with the choice "Alert Types". For the "Line status" alert types, "Due Pmt" alerts are **excluded** since a significant number of these alerts can be generated and the value of knowing these normal, unexceptional alerts is low.

Conditional alerts are not included in the Upcoming alerts.

Alerts can be selected for all users or for one of these with "See the Alerts for:".



Other Recommendations

If a user is removed from the system, it is suggested to destroy his alerts as well. This is not done automatically. His historical alerts will remain, but his active alerts will be transferred to the Administrator "ADMIN".

When <u>duplicating a Record</u> (from the Main window), the alerts are not automatically included. To include these, you must specify to include these:



General Defaults

Upon installing Margill Loan Manager (MLM), some default settings are set for many of the functions. These include:

- <u>Language</u> (English or French version);
- Fields (columns) displayed in the Main window;
- Interest rate table (default) and the default folder containing interest rate tables;
- Sales tax rate(s) and the folder containing them;
- APR tags, amounts or points and if fees are financed, paid up front or paid subsequently;
- Simple or Compound (Effective rate method) interest;
- Year base for simple interest calculations;
- Day count;
- Short period interest calculation method;
- The Grace period (in days) afforded to the Borrowers;
- No interest on various types of fees (insurance, taxes, invoices and penalties);
- Date format for the **Document Merge** reports;
- Interest-only and fixed principal refund options and the special optional line "Behavior";
- And many more...

Each of these settings may be changed from various windows and very often, to set new default data settings, change the settings and press on "Save as default" link.



Data, Borrower and Creditor windows

For the "Data", "Borrower" and "Creditor" windows, if some information is used regularly (for example, the same Creditor for all loans), enter the required information and press on "Save as default". This information will appear for all subsequent Records.

If a default becomes unnecessary, to delete the data from the "Data" window, click "New Record", then "Create a new Record." If default settings have been defined for the "Data" window, click "Clear data". A window will appear, asking if you wish to delete the data in the window, if you wish to load the default settings, cancel all or clear the default data. With the latter choice, your next Record will be blank with the basic system data.



If "Clear Default" is chosen, the next Record created will contain no default data in the "Data" window but will nevertheless contain the default data set in the other windows (Borrower, Creditor, APR and Advanced) the case being.

To delete the default for the "Borrower" and "Creditor" windows, click on "Clear Default". When the next Record is

created, the data for the Borrower or the Creditor will be empty.

To further simplify data entry, MLM allows you to create <u>Profiles</u> that may be set for the Data window to allow for the easy creation of loan categories (amount, compounding, interest rate, etc.) frequently created.

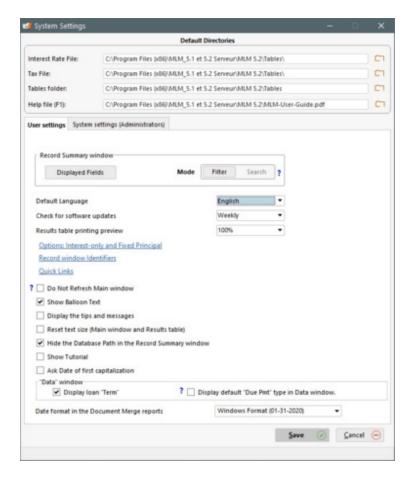
Important for default calculation settings:

MLM may be configured to meet practically any recognized interest calculation method. Considering there are many variants depending on the location, industry, type of client, etc., in more complex situations, it is important to compare MLM results with an existing calculation known to be right. Various MLM settings may be changed (Simple or Effective rate method, Day count, compounding, number of weeks in year, short period between Origination date and First payment date...) to obtain the required results.

Once these settings are established, they may be set as the default settings.

User settings

Every user can configure his software using different criteria. To do so, go to Tools > Settings > User Settings:



Content:

- Record Summary window
- Default Language
- Check for software updates

- Printing Preview
- Options: Interest-only and Fixed Principal
- Record window Identifiers (Headers)
- Quick Links
- Show Balloon Text
- Display the tips and messages
- Reset text size (Main window and Payment schedule)
- Hide the Database Path in the Record Summary window
- Tutorial in Main window
- Ask Date of first Capitalization
- Record "Data" window: Display / Hide Loan "Term" and "Due Pmt" Type
- <u>Date format in the Document Merge reports</u>

Record Summary window

By clicking on headers as desired and set the order in the Main Window (Record Summary window).



See the "Record Summary window" chapter > <u>Displayed column selection, name and order</u> for more information on this setting.

Each user can set up a "Filter" or "Search" mode to be displayed in the Main window. The Filter mode includes a list of filters that will display only the Records that comply to these filters.

The "Search" mode is designed for larger databases (thousands of loans) where various fields can be used to display only Records that meet the search criteria.

Please consult the "Useful Features" > Search Mode chapter for more information about these modes.

Language

Margill Loan Manager is available in both English and French.

The default language may be changed in the <u>Default Settings</u> by going to Tools > Settings > User Settings and by choosing the Default Language in the scroll menu.

In a network version, some users may use the English version while others use the French version.

Check for software updates

In the User Settings, it is possible to specify how often to verify software updates. In the drop down menu you can choose the frequency:

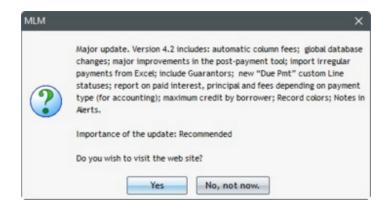
- Monthly
- Weekly
- Daily
- None



When the user starts the software, a window will open, that will indicate if your version is up to date or if an update is available.



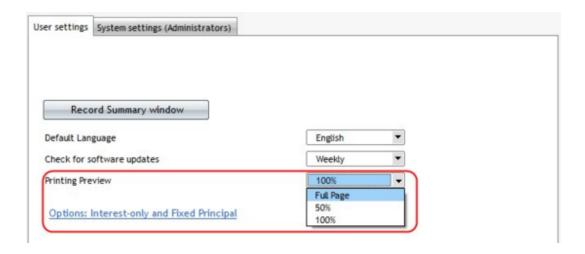
When an update is required, the main changes will be listed:



Printing Preview

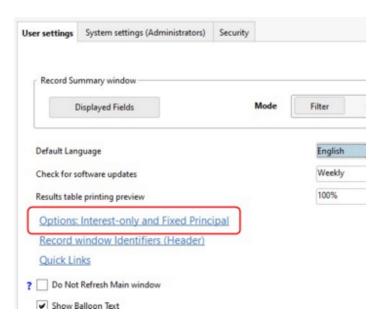
In Settings, the user can determine the print preview default display size for the "Detailed Schedules" reports.

Please note that no matter what option is selected it will still be possible to change it when a printing preview is generated.

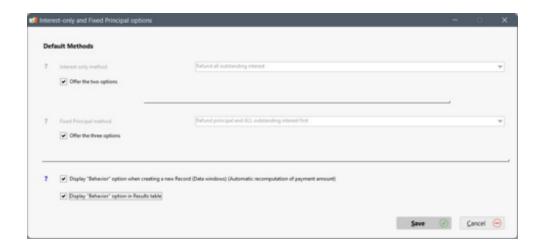


Options: Interest-only and Fixed Principal

Advanced options for Interest-only, Fixed Principal and the automatic recalculation of payments to give a final balance = 0.00 or X are usually not activated because these are more complex options usually not required for users who perform normal calculations. These options offer additional choices when it comes to paying back Interest-only (and Column Fees) and Fixed Principal.



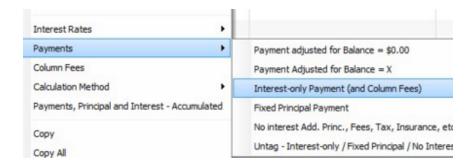
In User Settings, the following window will open when you click on "Options: Interest-only and Fixed Principal":



When "Offer the two options when creating a new Record" and "Offer the three options when creating a new Record" are checked, the user will have to make a choice, in the Payment schedule, when making payments of:

- Interest-only Payment (and Column fees)
- Fixed Principal Payment

When this choice is made, he will have to enter the interest amount to be repaid, if applicable. This will affect the payment amount and how it is mathematically applied and accounted for.



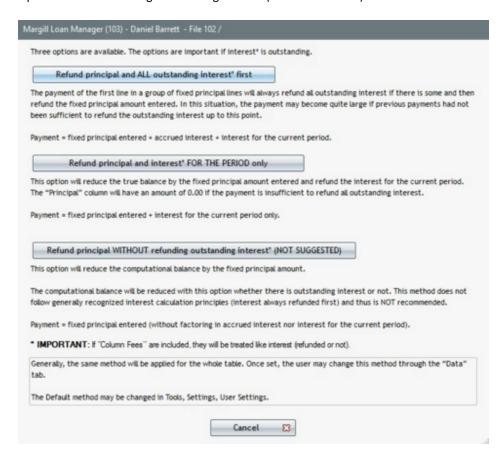
For the Interest-only, the user will have to determine each time if he wants to:

- Refund all outstanding interest (and Column fees)
- Refund only the accrued interest for the current period



For Fixed principal, the user will have to determine each time if he wants to:

- Refund principal and ALL outstanding interest first
- Refund principal and interest FOR THE PERIOD only
- Refund principal WITHOUT refunding outstanding interest (NOT SUGGESTED)



How to avoid determining these criteria for each transaction:

If the user does not wish to chose each time an Interest-only (and Column Fees) or Fixed principal payment is made,

because the method is a standard one that does not change, he can adjust the settings and line behaviors in advance in the User Settings window. Simply uncheck "Offer the two options when creating a new Record" and "Offer the three options when creating a new Record" and choose the appropriate options in the drop down menu. These choices will apply by default when "Interest-only Payment (and Column Fees)" and "Fixed Principal Payment" are made in the Payment schedule.

For more information on these features, refer to: <u>Payment_schedule_(Amortization_payment_schedule)</u> > <u>Payments</u> > <u>Interest-only payments (and Column fees)</u> and <u>Fixed principal payments.</u>

A second advanced option, "Behavior", is usually hidden but can also be activated if needed.

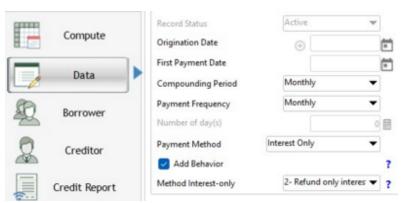
✓ Display "Behavior" option when creating a new Record (Data windows) (Automatic recomputation of payment amount)
 ✓ Display "Behavior" option in Results table

The "Behavior" option tells the software to recalculate the automatic payment in order to:

- 1) pay interest-only (and Column fees)
- 2) pay a fixed principal
- 3) pay principal and interest (and Column fees and any other amount) to give a final balance = 0 or X

The payments are thus recalculated automatically based on the transactions above (transactions before the payment).

This "Behavior" can be directly activated in the Data window with the first option above, thus allowing this "Behavior" to be added when calculating the Payment schedule, eliminating the need to add subsequently (a step is saved if this option is required).



"Add Behavior" option available

Upon checking the second option, "Display "Behavior" option in the Payment schedule, the software will ask the user if this special behavior should be activated in the Payment schedule for the selected payment lines.



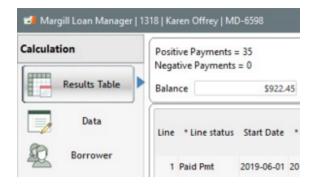
For more information on this advanced option, see Interest-only_payments_(and_Column_fees) and Fixed_principal_payments.

Record window Identifiers (Headers)

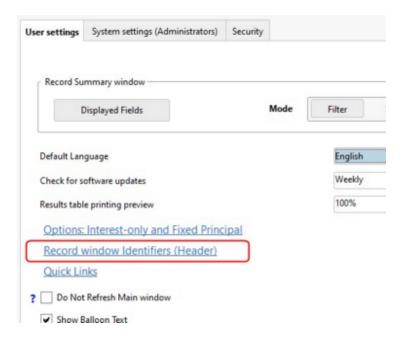
This option is used to display some of the identifiers in the header of the Record Window. Thus, each user has the possibility of displaying or not, one or multiple of the following identifiers

- MLM Record ID
- Accounting ID
- Record- Unique Identifier 1
- Record- Unique Identifier 2
- Record Number
- Record Number (Numerical)
- Borrower's Last name
- Borrower's First name
- Borrower's Business (company)
- Creditor's Business (company)

In this example, the user decided to include 4 identifiers: MLMs ID, Borrower's First and Last Name and his own "Record Number":



To do so, go to Tools > Settings, in the "User Settings" tab click on "Record window Identifiers".



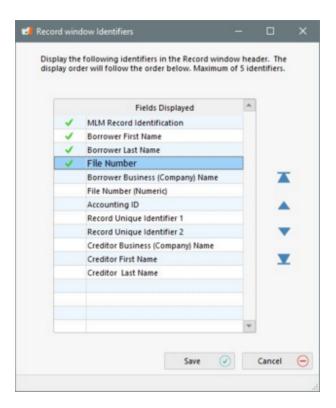
To select the fields that must appear in the header of the Record Window, click in the left box of the "Fields Displayed" menu. A green check mark will confirm your selection.

To cancel your selection, click on the green check mark.

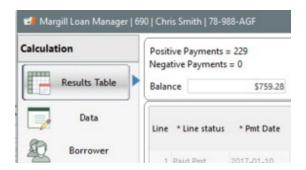
After selecting the desired fields, you can establish the order in which they appear in the header by using the arrows located in the right, highlighting the field that to be moved.



After specifying and arranging your fields in the desired order, press on "Save" and then "Exit".



The user obtains the desired information in the header of each Record that is accessed.

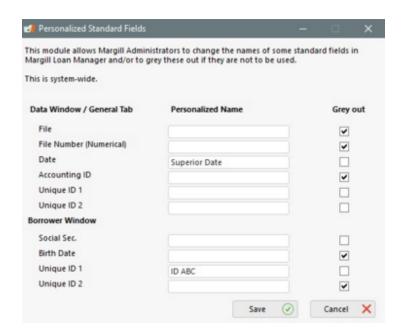


It is possible to display up to a maximum of five (5) identifiers in the Record header.

If no identifier is selected, the header will only display "Margill Loan Manager".

Feature that's really appreciated!

It is possible to rename the following fields and to gray out fields which should not be populated:

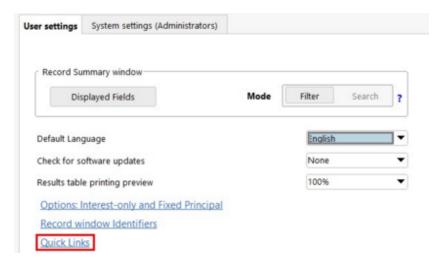


See Personalized Standard Fields

Quick Links

This option allows you to add links to web pages, documents or programs for quick access from the Main Margill Loan Manager (MLM) Window. Each user can enter their own links.

To do so, go to Settings, under the "User Settings" tab and click on "Quick Links".





To add a new link, click on Enter the path and a description which will appear in the Main Window. Click on "Test link" in order to validate the path.

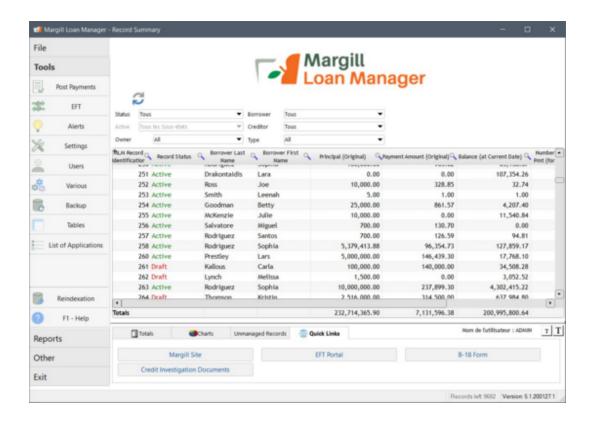


If links need to be shared with all MLM users, click on . This will add this user's links to all other users' Main window. This can be useful, for example, to share training or procedure documents (internal Standard Operating procedures - SOP) (link must be accessible to all, not contained on an unshared drive) or important websites such as external suppliers.

Click on "Save" and "Close" and this link will be personal to this user.

To delete an existing link, click on the line to be deleted and click on

New links added will appear at the bottom of the Main Window under the "Quick Links" tab:



Show Balloon Text

This option displays or hides help text in yellow balloons with a mouse scroll over.

Do Not Refresh Main window

A user could decide to activate this option when the Main window refresh time is too long (ex. slow network and thousands of Records displayed).

? Do Not Refresh Main window

If you disable the "Do Not Refresh Main window", when in "Filter" mode, the latest changes made by other users will no longer be automatically displayed.

You can nevertheless manually refresh the data displayed by pressing on th "Refresh icon" at the top of the filters or by pressing on the F5 key.

Display the tips and messages

If checked, this option displays tips and messages that were checked "Do not show again".

Reset text size (main window and Results table)

If checked, this option resets the Main Window (Record Summary) and the Payment schedule's text size to the default font size.

Hide the Database Path in the Record Summary window

It is often convenient to know the Database Path, especially for new setups or when the database is transferred for one computer to another. This path can be displayed in the Margill Loan Managers Main Window (Record Summary).



In order to hide the Database Path at the bottom of the Record Summary window, simply check this option.

✓ Hide the Database Path in the Record Summary window

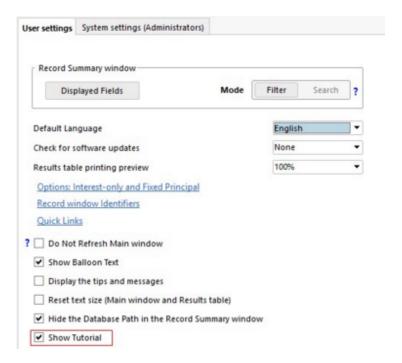
Tutorial in Main window

A short and basic tutorial is available in the Main Margill Window, top right. The tutorial can also be partially adapted by you in order to train your new users, according to your needs. See Getting started > <u>Tutorial</u> for more information.





You can activate or disable the tutorial, as needed. To do so, go to Tools > Settings > User settings and then select or unselect "Show Tutorial".

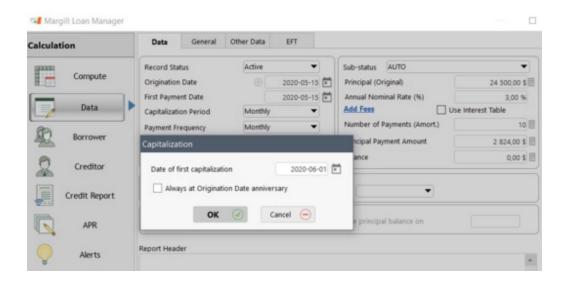


Ask Date of first Capitalization

When a loan uses the "Capitalized simple interest" method, this option allows the user, in the "Data" window, to choose a capitalization date other than the Origination date of the Record, which is the default in Margill Loan Manager.

Ask Date of first capitalization

The capitalization frequency (annual, monthly or other) will be computed the same way, but the capitalization "anniversary" Date will be based on the date entered in the dialog box when the user clicks on "Compute".



For more detail about this option, see: Calculation methods > Simple Interest (Capitalized).

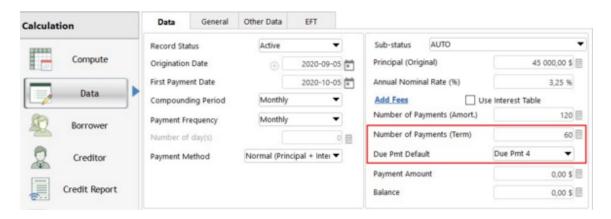
Record "Data" window: Display / Hide Loan "Term" and "Due Pmt" Type

Each user has the possibility to hide/display two types of data in the tab "Data" of a loan:

- Number of Payments (Term)
- Due Pmt Default

If the Term is not used in the types of loans you usually do, it could be hidden because in many cases, it equals the "Number of payments (Amortization)". Generally, the Term is used for mortgages. For example, a 20-year amortized mortgage could have a 5-year term. Therefore, payments are calculated based on 240 payments to reach a balance of 0.00 after 20 years but the mortgage is renewable on new conditions after 60 months.

For the "Due Pmt Default" option, this would be used in exceptional situations only. A payment schedule created with a Line status other than "Due Pmt" (system's default) could be useful to identify special Due payment lines that would depend on loan types.



Each user can decide to display, or not, one or both of these items. Check or uncheck one or both options in Tools > Settings > User settings:



If the default settings were defined on the Term or on the "Due Pmt" type and the user decides to hide these data, the set default settings will be ignored and the Due Pmt type default will be "Due Pmt" (system's default). Existing loans will keep their original values before being hidden even if they remain invisible in the "Data" tab.

Date format in the Document Merge reports

For the "<u>Documents Merge"</u> reports, including automatic emails sent to the Borrowers, each user can specify the date format in the "Date" fields. The user can choose from five date formats:

- Windows format (based on the Short Date Format entered in the Windows Control Panel)
- January 31, 2022
- Jan. 31, 2022
- 31 January 2022
- 31 Jan. 2022

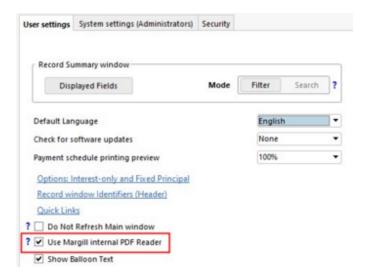


Thus, some users can choose the English format while other users who work with an French clientele can choose the French format.

PDF Reader

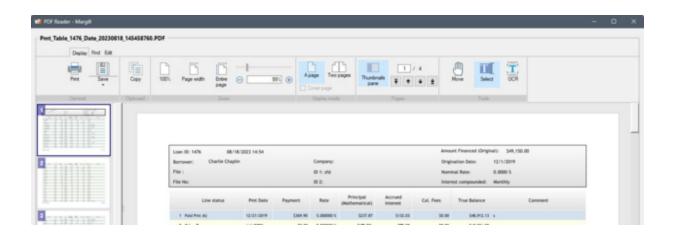
If your default PDF reader cannot open PDF files directly from Margill Loan Manager (MLM), there is an option to use MLM's internal PDF reader (Tools > User Settings).

This should be used if your system's default PDF reader has problems opening the file.



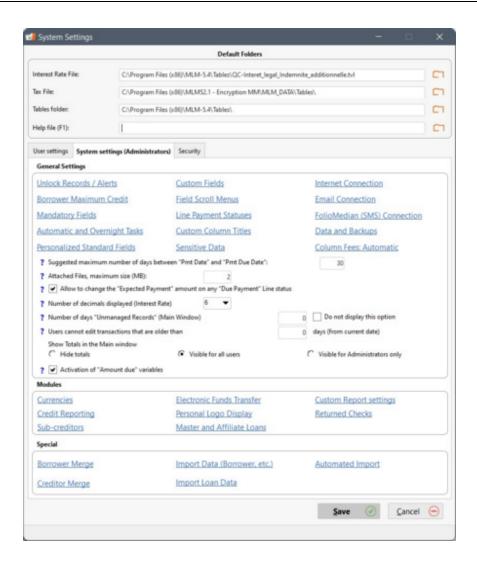
The PDF reader included with MLM has several features, such as:

- Print
- Save
- Zoom
- Search
- Rotate
- Delete pages
- Import pages
- Add watermark
- Handwritten signature



System settings (Administrators)

Multiple settings can be configured by the Margill Loan Manager Administrator in the System Settings (Administrators) tab.



General Settings

- Unlock Records / Alerts
- Borrower Maximum Credit (See Record Window > Borrower (client) Information)
- Mandatory Fields
- Automatic and Overnight Tasks
- Personalized Standard Fields
- <u>Custom fields</u> (see Getting started)
- Field Scroll Menus
- <u>Line Payment Statuses</u> (see Payment schedule (Amortization payment schedule) > Line status)
- <u>Custom Column Titles</u>
- Sensitive Data
- Internet Connection
- Email Connection
- FolioMedian (SMS) Connection
- <u>Data and Backups</u> (see Backup (data) > Backup (data)
- Column Fees : Automatic
- Suggested maximum number of days between "Pmt Date" and "Pmt Due Date"
- Attached Files, maximum size (MB)
- Allow to change the "Expected Payment" amount when Line status is "Due Payment"

- Number of Decimals displayed
- Unmanaged Records
- Blocking Historical Transaction Changes
- Show / Hide Totals in the Main window
- Amount due variables (Activation)

Modules

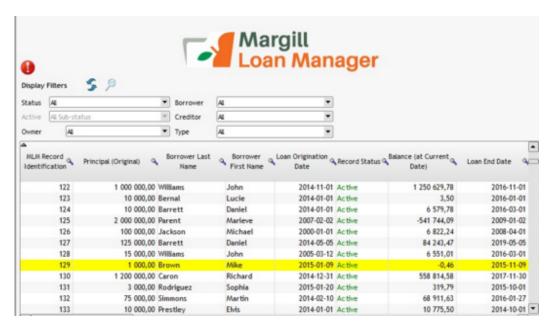
- Currencies
- Credit Reporting
- <u>Electronic Funds Transfer</u> (see Tools > Tools Menu > Electronic Funds Transfer > Setting up the EFT module)
- <u>Personal Logo Display</u> (see Introduction > Personal Logo Display)
- Master and Affiliate Loans
- <u>Custom Report settings</u> (see Reports > Custom reports created by Margill Team)
- Returned Checks

Special

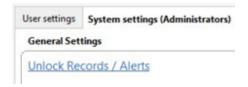
- Borrower Merge
- Creditor Merge
- Import Data (Borrower, etc.) (see Getting started > Import Borrower, Creditor and Employer Data)
- Import Loan Data (see Getting started > Bulk import of Loans and Database configuration)
- Automated Imports JSON or Excel files
 - Salesforce Connection (API)

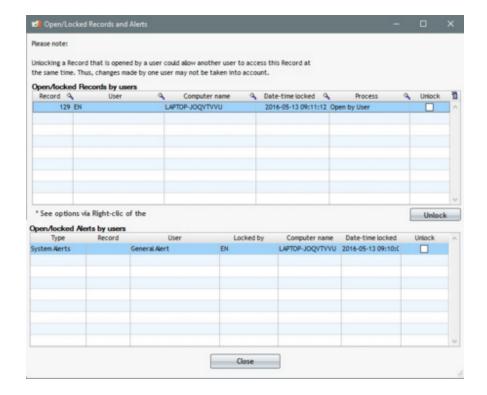
Unlock Records / Alerts

Margill Loan Manager (MLM) will only allow a Record or Alert to be changed by one user at a time. When one user opens the Record or Alert, it becomes "locked" by this user and can only be opened by another user in read-only mode. The locked Records appear in highlighted yellow in the Record Summary Window (main window).



If for some reason (power failure, computer crash or software error) a Record (or Alert) remains locked, only a MLM Administrator or a Power User may unlock the Record (or Alert) through Tools > Settings > System Settings (Administrators) and by clicking on the "Unlock Records/Alerts" under "General Settings".





Upon clicking

Unlock

, the following window will appear, confirming that the Record(s) are indeed unlocked.



When clicking "Unlock" in order to unlock Alerts, the following window will appear so the user can confirm his choice.



Unlocking Records should only be used after a software or computer crash. Unlocking when a user is still actively in that Record or Alert may lead to unsaved changes.

Borrower Maximum Credit

See Borrower (Client) Information in the Record Window chapter.

Mandatory Fields

The Administrator can specify that certain fields are mandatory for the Borrower (or Co-Borrower and Guarantor), the Creditor, the Employer and the Record (data). A user will not be able to save until these mandatory fields are filled in.

This is useful to make sure that specific mandatory and important data is not missed by the users.

The "Mandatory Fields" module is accessible through Tools > System Settings and by clicking on "Mandatory Fields"



To activate the module, the Administrator must check the following box:



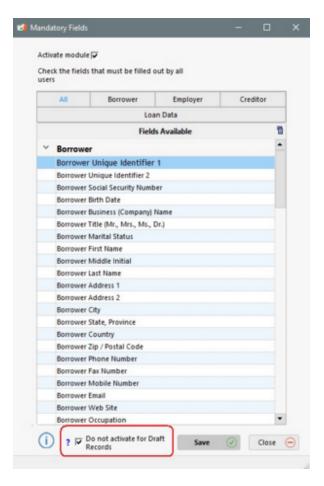
It will always be possible, for the Administrator, to temporarily deactivate the module in order to perform special operations.

If the "Do not activate for Draft Records" is checked, when a Record is in Draft mode, the option for mandatory fields will be deactivated. When a Record becomes Active (or any other status besides Draft), the Record will not be saved until the

mandatory fields are filled out.

Note: A Borrower, a Creditor or an Employer can not be in "Draft" mode, therefore, the special Draft Record option will not apply even if a new Borrower, Creditor or Employer is created when the associated Record is in Draft mode.

Note: This special option will not apply when importing via an Excel sheet or by other import tools in bulk.



- Steps to select the Mandatory fields
- Data Import and Mandatory fields
- Global changes and Mandatory fields

Steps to select Mandatory fields

To determine the fields for which data must be entered, follow these steps:

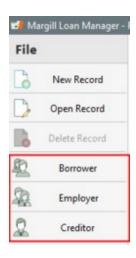
For example, the Administrator wants all Borrower data files to include the Borrower's Last name, First name, Social Security Number and ZIP Code.

The Administrator selects the required fields by clicking on them.

A green check mark confirms the selection. To cancel the selection, click on the green check mark, then click "Save" and then "Exit".



Thus when an user creates or changes a Borrower's data file, he will be forced to add all the information of the required fields, set as mandatory by the Administrator.





The mandatory fields for the Borrower (Creditor or Employer) need not be filled when a Record is created or changed. It is only when a Borrower (Creditor or Employer) is changed that the mandatory fields will be reported as such. Nevertheless, mandatory Record fields will have to be entered when a Record is created or changed.

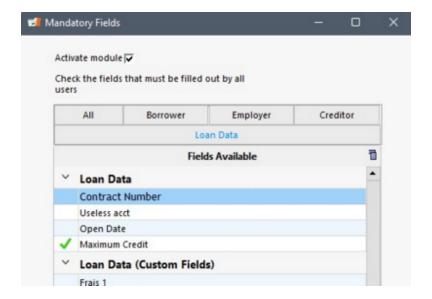
Mandatory fields related to the Borrower, will also be mandatory to create or change the Co-Borrowers and Guarantor

data files.

All Custom fields (1 to 9) and unlimited custom fields, as well as fields containing scroll menus can also be designated as mandatory fields.



Loan (Record) data can also be designated as mandatory fields.

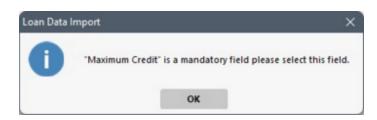


Thus, if the Administrator indicates, for example, that the "Maximum Credit" must be a entered for the loan, the loan (Record) cannot be changed or saved if it does not contain this mandatory information.

In the example below, the user updates an existing Payment schedule, but the Administrator has just added the "Maximum Credit" of the loan as a mandatory field.

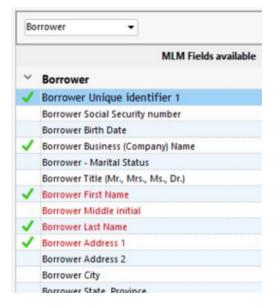
Since the Record did not originally contain this mandatory data, a warning message appears to remind the user to enter this information. The user will not be able to update the Record until the mandatory field is filled in.

However, if the Record status is "Draft" and the Administrator checked the "Do not activate for Draft Records" option, the user will be able to update the Record without the need to enter a "Maximum Credit" value.

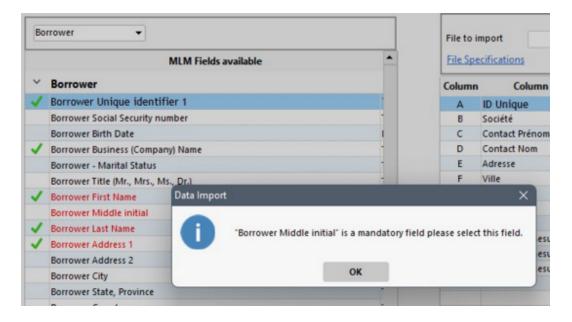


Data Import and Mandatory fields

For manual imports (Loans, Borrowers, etc.) via Excel sheet, mandatory fields are identified in red in the fields available for import.



If the mandatory fields are not selected by the user, in other words, if they are not part of the fields that the user plans to import in MLM, a warning message will appear to remind him to add the missing mandatory field or fields.



To import multiple Borrowers, Loans or Others without having to fill in the fields (for example, the data is unknown) the Administrator may temporarily deactivate the Mandatory Fields module by unchecking "Activate module". The mandatory fields already selected will remain for the subsequent reactivation.

For more information on the steps to follow in regards to imports, consult the <u>Import Borrower, Creditor, and Employer Data</u> and <u>Bulk import of Loans and Database configuration</u> sections.

Automatic data import via API (JSON and Excel files and Salesforce)

Mandatory fields are **not** managed when an import is done automatically via <u>Automatic imports</u>. This means that even if fields are mandatory, the automatic import will ignore blank data. Only when a user accesses the Record will the message appear indicating that data must be entered in that field.

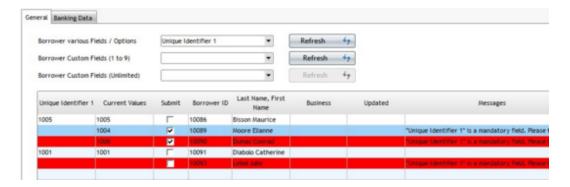
It is up to the programmers of the upstream information system to ensure that if fields are mandatory in MLM, that these fields are also mandatory in the other system and that the field values are included in the import file or <u>Salesforce</u>.

Global changes and Mandatory fields

Finally, when <u>Global changes</u> are made for a Record or for a Borrower in a mandatory field, a message in red will appear, stating that the field is a mandatory field.

"Mandatory Field name" is a mandatory field. Please fill in this field.

Nevertheless, the user will be able save other Records or Borrowers. He will not be blocked. However, already existing data cannot be erased (emptied) for a mandatory field, except if the mandatory field is linked to the loan, if the Record is in "Draft" mode and the "Do not activate for Draft Records" option is checked. If these conditions are met, existing data can be eliminated for a mandatory field.



Automatic / Overnight Tasks

Automatic tasks, also known as "Overnight tasks", allow the system to perform certain operations which were done once a day upon launching (running) Margill Loan Manager (MLM). These tasks, such as the calculation of daily totals and production of alerts, for large databases, could add many minutes when launching MLM.

These operations can be programmed in order to be generated outside normal business hours thus eliminating some waiting time. Moreover, it is possible to set an automatic backup of the MLM data at 1:00 AM, for example, without having the program running. The server or computer where MLM is installed must of course be on or in sleep mode and the backup folder must be accessible.

Automatic tasks allow Alerts and automatic emails to be sent to the Borrowers to be generated at another time than overnight. They can even be programmed many times per day, as needed. This then:

- avoids the need to send emails in the middle of the night which can be lost in the "mass" of emails received during the night by the borrowers.
- allows the notification of a MLM user that the condition of one of the Alerts was met on that same day. This

way, the user can immediately intervene instead of being advised only on the next day.

With "MLM_Overnight_tasks.exe" and the "Windows Task Manager", tasks can be set to be performed in the background at the right time and with no need of human intervention.

Steps for setting automatic tasks:

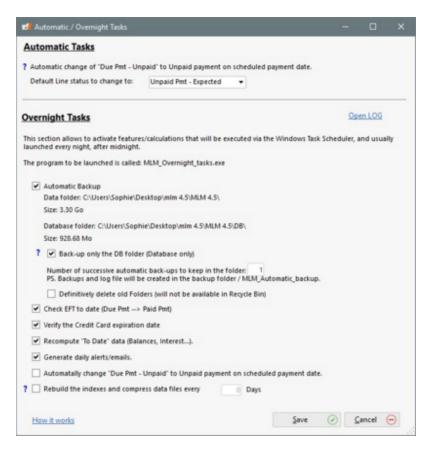
- 1. Select tasks to be done in MLM via "MLM Overnight tasks.exe"
- 2. Schedule automatic tasks with the Windows "Task Manager"
 - Particular task conditions

1.Select tasks to be performed in MLM via "MLM_Overnight_tasks.exe"

Go to Settings > System settings (Administrators) > General Settings. Click on "Automatic / Overnight Tasks".

In this window, the Administrator decides which tasks are to be accomplished.

Apart from the automatic backup, unchecked tasks in this window and/or unplanned in the Windows Task Manager will be generated automatically, by default, every time MLM is launched. Automatic backups can only be created with this tool.



The "MLM_Overnight_tasks.exe" application can be launched automatically for one or more of the following tasks:

Automatic backup

All MLM data (usually under MLM Data) will be saved. This is a backup that can become quite large eventually. The complete software installation folder is NOT included in the backup. It will only be backed up if the DB folder

is in this MLM installation folder.

If the "Back up the DB folder only (Database only)" sub-option is activated, only this folder will be backed-up thus taking up less space. Other data not specifically included in the DB folder will be excluded.

In addition, the Administrator can decide on the number of automatic successive backups to be saved.

Unless otherwise specified in the "Data and Backup" window (Tools > Settings > System settings (Administrator)), the backup copies will be automatically saved in the "MLM Automatic backup" folder.

Check EFT to date (Due Pmt --> Paid Pmt)

This option automatically updates Records with pre-authorized payments that were submitted to the EFT provider via the "<u>Pre-authorized payments</u>" tool: the "Due Pmt" Line status is changed to "Paid Pmt" (or as chosen by the Administrator in System settings > <u>Electronic Funds Transfer</u>).

Verify the Credit Card expiration date

This tool is no longer available. This tool displays a message informing of the expiration of a Borrower's credit card used in a Record. The message appears in a red exclamation mark in the Record Summary window.

Recompute "To Date" data (Balances, Interest...)

These calculations can be generated starting at midnight in order to be already updated when users access MLM. Many minutes of waiting can be avoided this way.

• Generate daily Alerts / Emails

Alerts and automatic emails (accessible via the Line status Alerts) can be generated during the night and/or one or more times per day, as needed.

NOTE: In order for daily alerts and automatic emails to be generated whether **OR NOT** at the same time as the other tasks, the "Generate Daily Alerts / Emails" box must be checked. When planning tasks in Windows, it will be possible to set separate tasks at different times and frequencies, as needed. Automatic emails will only be sent for Active Records.

Automatically change "Due Pmt - Unpaid" to Unpaid payment on scheduled payment date

A "Due Pmt - Unpaid" is a special Line status that can be used when à Borrower notifies the Creditor that he will not be able to meet a payment at a later date but will be able to meet the next closer, upcoming payment(s).

For example, we are on June 15 and the Borrower informs the Creditor that the August 1 payment cannot be respected (end of employment for example) but that the funds will be available for the July 1 payment.



Ordinarily, upon learning this, we would like to change this future "Due pmt" to a "Unpaid Pmt" but since this Line status is not allowed after a "Due Pmt" (only before, chronologically), this special Line status "Due Pmt - Unpaid" resolves the issue since allowed after a "Due Pmt".

However, in order to avoid logical chronological problems, since "Due Pmt - Unpaid" is a "Due Pmt" type Line status and is not allowed before a "managed" payment ("Due pmt" changed to "Paid Pmt", "Unpaid Pmt", etc.) this tool allows you to specify to which Line status the "Due Pmt -Unpaid" will be changed to automatically on its scheduled date. It must become an Unpaid type Line status.

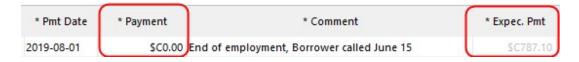


The change can only take place if no "Due Pmt" is present before this payment. If such a Line status is present, a warning will appear in the Main window (!).

The "Due Pmt - Unpaid" amount must = 0.00.

Once the payment is managed, the usual conditions for this Line status will apply such as automatic fees.

The amount in the "Expec. Pmt" column will ordinarily be the payment originally scheduled and thus should automatically increase the Outstanding amount.



• Rebuild the indexes and compress data files every X days

Reindexing may be required following the loss or alteration of the index file. This loss or alteration can render the application unusable, unstable or simply much slower than usual. Possible causes of loss or corruption of the index: technical problem (power outage...), abnormal shutdown, physical removal of an index file. Indexation sometimes increase the database's speed.

With this option, you can automate the reindexation process which could be performed every week for example. There is no need to reindex on a daily basis.

For the reindexing to run correctly overnight, it is imperative that all instances of MLM are closed. Please ensure that all users have closed the software at the end of the day.

Automatic reports

This module allows the configuration of reports which will be produced automatically with the Windows Task Scheduler at any frequency and at any time, usually outside business hours.

One can choose all desired fields in the "Records List" report and/or the "Transactional report" (and other custom reports created by the Margill team) and produce the reports for the relevant dates and in the preferred format. All Records or specific Records from an Advanced query can be included. The reports (files) produced will be saved to

the specified location or emailed (or both).

These reports can also be imported by third-party systems and the data updated in these systems (accounting software, ERP, etc.).

Multiple reports can be produced. It is recommended to run these reports at different times (thus creating more than one Windows task) in order to reduce system overload and reduce a potential risk of error caused by too many operations at the same time.

See > <u>Automatic Reports</u> section for steps on how to create reports that will be automatically generated and saved, sent by email or by FTP (File Transfer Protocol) and update Salesforce data (Salesforce API).

In order for the report(s) to be produced, the REPORTS argument must be activated: REPORTS=1 or 2, 3, 4, etc. (See Particular task conditions)

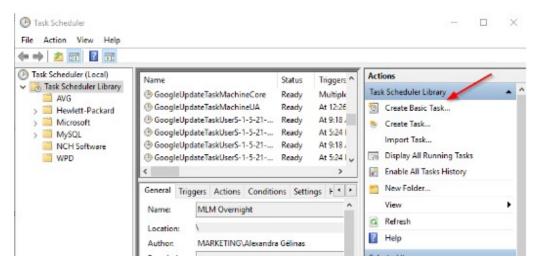
2. Schedule automatic tasks with the Windows "Task Manager"

The *MLM_Overnight_tasks.exe* file (application) included with the software must be launched automatically in order to perform one or more of the chosen tasks described above in <u>"Select the tasks to perform in MLM..."</u>.

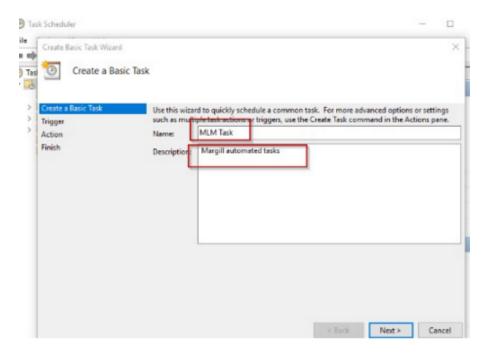
How to set and launch this application in Windows:

In the Windows File Manager, go to Control Panel > Administration Tools > Task Manager.

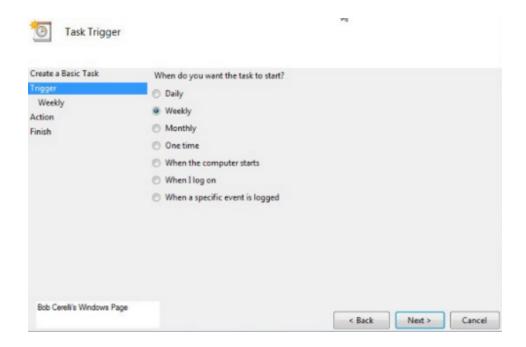
Click on "Create Basic Task...":



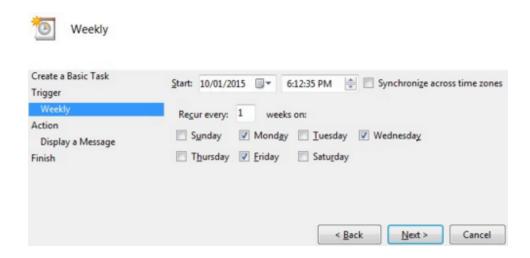
Enter a name and a description for the task and click on "Next".



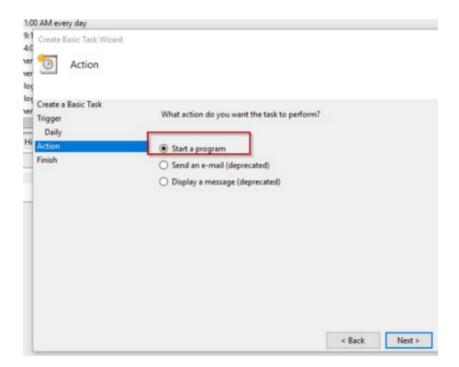
Select the frequency at which the task is to be accomplished and click "Next".



Choose the start date, time and day(s) of the week at which the task is to be accomplished and click "Next".

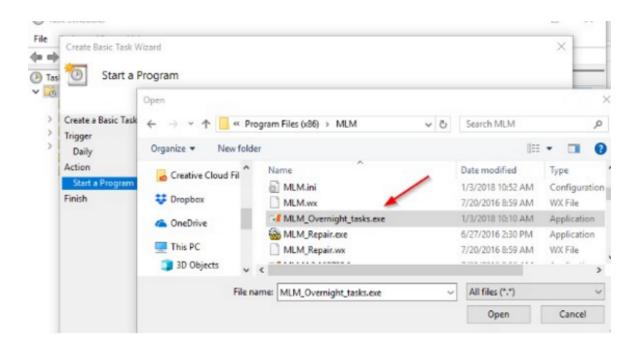


Select the "Start a program" Action and click "Next".

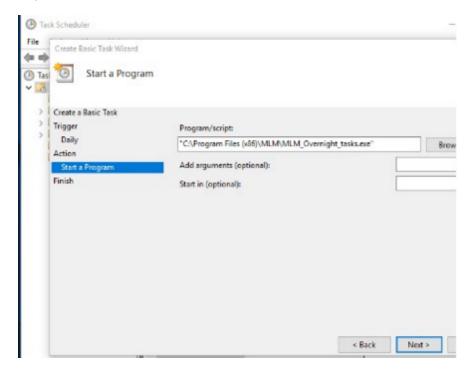


In the "Start a program" window, click on "Browse".

Select the file named "MLM_Overnight_tasks.exe" located in the MLM installation folder. Click on "Open".



Once the file is chosen, click on "Next".



Click on "Done".

The task is now configured and will be started at the next planned time and date.

Particular task conditions

It is possible to set several automatic tasks with different frequencies to perform particular operations. For example,

make a backup copy once a day after midnight without generating the automatic Alerts / Emails. Or generate only the automatic Alerts / Emails at certain times of the day without doing the backup and without recomputing the totals.

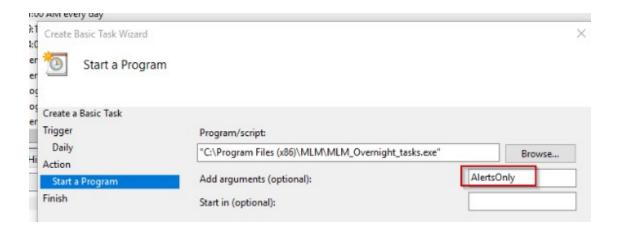
It is possible to generate the tasks in four (4) modes with these execution settings.

Mode	Settings	Effect
General	(None)	All tasks checked in the "Maintenance and Automatic Tasks" settings window will be generated without exception.
Alerts only	AlertsOnly	Only the "Generate daily Alerts / Emails" task will be performed when this setting is configured.
		Warning: the "Generate daily Alerts / Emails" option must be activated in MLM for this setting to work. Simply adding this argument is not sufficient.
Without alerts	NO_Alerts	All tasks checked in the overnight / automatic tasks settings will be performed, except the Alerts / Emails.
Choice of reports	REPORTS=	When this setting is configured, only the "Automatic Reports" task will be done.
		Add a unique report number followed by a semicolon if there are several reports to be generated. Example: REPORTS=1;3;5;6
		If several reports are required, it is recommended to launch these at different times (therefore create more than one Windows task) in order to reduce overloading the system and to reduce the risk of potential errors caused by too many operations being conducted at the same time.
		The argument is compulsory for the report(s) to be produced.
VoPay Pre-validation EFT	VOPAY	The "Check Submissions progress" button on the EFT Transmission window would ordinarily be used for EFT pre-validation.
		On the other hand, if a large batch of EFT transactions are simultaneously sent to VoPay, the processing time may become high for pre-validation. It is then possible to check the submission progress via an Overnight Task. Issues will then be reported in the Overnight Tasks log file.
		This Task will query VoPay for the transactions status and these will be updated in Margill as accepted or declined EFTs. Declined transactions will then be reported in the Overnight Tasks log file and a user will need to contact the Borrower to manage the payment.
		See: <u>Selecting and Submitting Payments</u> in the EFT section.

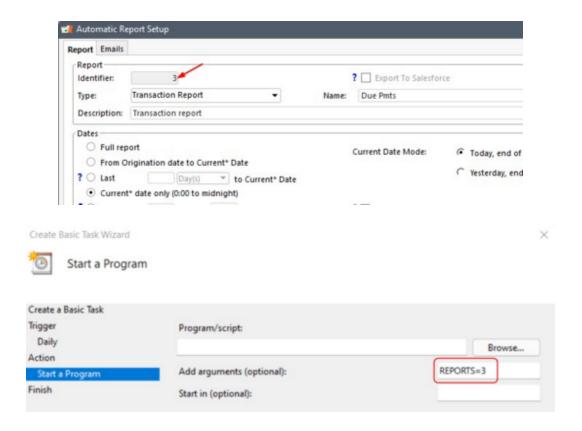
In the following example, at 12:30 PM, each day, the "Generate daily Alerts / Emails" task will be performed. During the night, at 1:00 AM, every day, the other automatic tasks that were chosen in the MLM settings will be performed:



In order to add the "AlertsOnly" or "NO_Alerts" conditions to a task in the Windows Task Manager, simply add the argument in the window for this purpose during the "Start a program" step:



To add "REPORTS=" to a task in the Windows Task Scheduler, simply add the unique Report ID to be generated automatically in the Configuration window when you are at "Start a program":



WARNING: the arguments must be written with the precise texts above in order to work.

Suggested scenario:

We would possibly want this:

- 1. Make a backup copy and calculate the totals once a day. This task can be performed after midnight.
- 2. Launch the Alerts and send automatic emails at the start of the work day (not during the night). This, in order to prevent emails (notifying borrowers of payments that will be collected in their bank accounts) from being lost in the "mass" of emails received by the borrower overnight.
- 3. Perhaps, also, for new loans created during the day, that the automatic emails to the borrower be sent the same day and not the next.

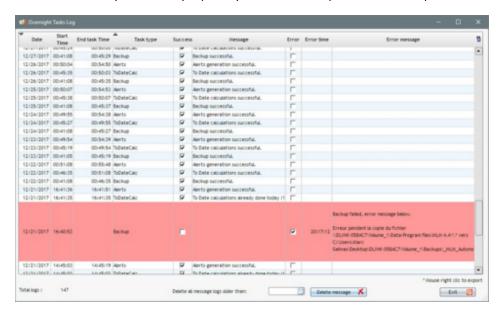
This way, three or four tasks would configured in Windows:

- 1. At midnight with the argument No Alerts
- 2. At 7:00 A.M. with the argument AlertsOnly
- 3. At 1:00 P.M. with the argument AlertsOnly
- 3 bis. At 4:00 P.M. with the argument AlertsOnly

Unfortunately, the Windows Task Manager does not seem to allow, for daily tasks, to exclude running tasks over the weekend. Consult the Web for more information about the Windows Task Manager.

Log of tasks performed

The "Open LOG" link (top right) allows the user to see the tasks completed and errors (in pink). It is suggested to review this history occasionally especially to ensure backups have been completed.



Automatic Reports

This module allows report configuration and automatic report production using the Windows Task Scheduler.

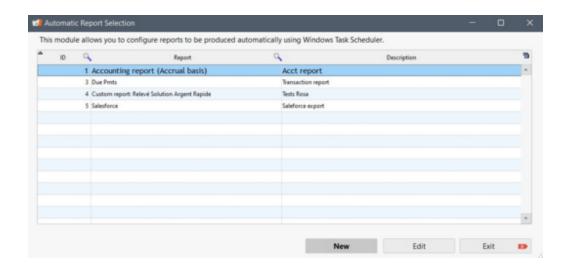
Automatic reports can be generated, usually outside working hours, for the "Record list" and "Transaction Report" (and other custom reports created by the Margill Team), based on the relevant dates, in the format that suits you, including all your Records or certain Records from an Advanced query. Reports produced will be saved to the specified location or emailed (or both).

Configuration:

In System Settings > <u>Automatic and Overnight Tasks</u>, click on the Automatic Reports button:

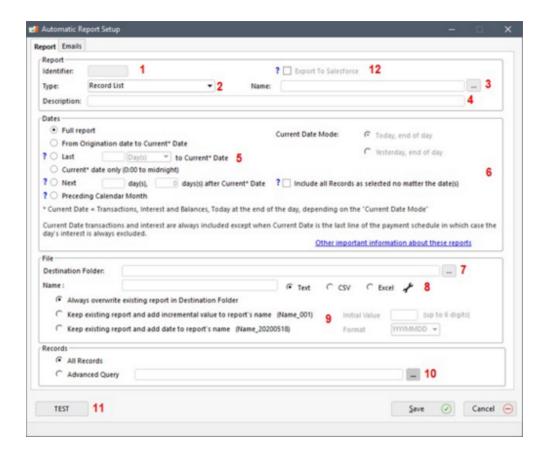
Automatic Reports

The following window will appear:

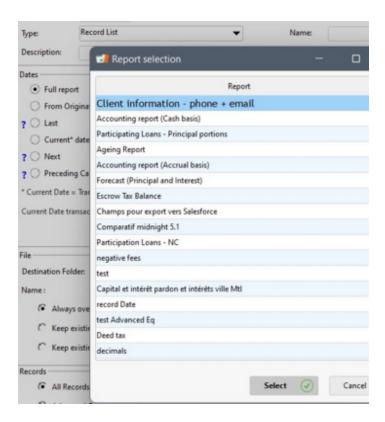


The "ID" column corresponds to the "argument" used when <u>managing the task in the Windows Task Scheduler</u>. The Report column corresponds to the selected report's name from the <u>Record List</u> or from the <u>Transaction Report</u>. The Description column will be used in the activity Log of the Overnight Tasks in order to identify the reports produced or not. In this window, one can create / modify or delete (with the help of the right-click button of the mouse) an Automatic Report query.

Upon clicking on the "New" button, the Automatic Report Setup will appear:



- 1. **Identifier:** The Report Identifier is automatically generated by MLM once the automatic report is produced. It will be used as a rule in the Windows Task Scheduler like this: REPORT=1;3;5 (these three reports would be created although it may be wiser to create separate tasks at different times to reduce possible machine saturation). See <u>Automatic / Overnight tasks</u> section for more detail.
- 2. **Type:** The Type corresponds to the type of report to be selected for configuration. For now, it is possible to produce the "Record List" or "Transaction Report". Choose between the two options in the drop-down menu.
- 3. **Name:** Simply click on this button to select a report from the list of all available reports. If the report template has not yet been created, go to the <u>Reports</u> section and create the personalized report to meet your needs.



- 4. **Description:** This field will be displayed as an identifier in addition to the ID number in the activity Log to indicate whether the report was generated successfully or not.
- 5. Dates: Several choices are available for the period to be covered when the reports are produced.

Complete report: This is a report that covers from the Origination Date of the Record to the last line of the Payment schedule.

From the Origination Date to Current* Date: Will cover the period from the Record's Origination date to the current* date according to the "Current Date Mode" selected between "Today end of day" and "Yesterday end of day".

Last X days or months to Current* Date: Entering "1" day, for example, will give the amounts and transactions for the current date (or yesterday's date depending on the Today's Date Mode choice) and one day before the current date (total of 2 days of data).

Entering "6" days, will give the data of the current date plus the 6 previous days (total 7 days).

Current* Date only (0:00 to midnight): This report covers the period between 0:00 to midnight according to the "Current Date Mode" selected between "Today end of day" and "Yesterday end of day".

Next X day(s), X day(s) after Current Date*: If you wish to produce a report with future dates, use this option.

For example, you want to submit a report for each day of the week excluding weekend days so that your accounting system can collect the daily due payments. The accounting system then sends to the bank for collection of upcoming payments. Let's assume you need to send at least 48 hours before payment is actually due.

If sent at the end of the day, you will need to set up two reports that would look like this:

The Date Mode would be "Today, end of day" (if sent at 1:00 AM (the next day), then you must choose "Yesterday, end of day").

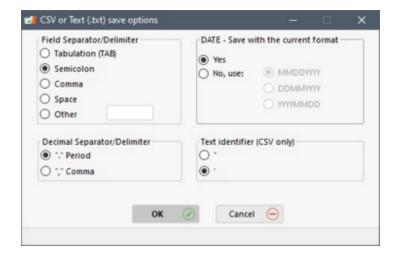
It must be set as "Next 1 day(s), 3 day(s) after Current Date" for the Monday to Thursday reports and for the Friday report: "Next 3 day(s), 3 day(s) after the Current Date" since no report is sent on Saturday and for Sunday.

- Monday's report, "Next 1 day(s), 3 days after Current Date" would send Thursday's payments.
- Tuesday, the same report would send Friday's payments.
- Wednesday: Saturday's payments (which are usually taken on Monday sometimes on Friday depending of the banking institution)
- Thursday: Sunday's payments (usually taken on Monday)
- Friday: (separate report) "Next 3 day(s), 3 day(s) after Current Date" would send the payments for Monday, Tuesday and Wednesday.
- Monday: Thursday's payments...
- And so on...

Another example: "Next 3 day(s), 0 day(s) after Current Date" would take the current day's transaction if the date method was "Today, end of day". If the Current date mode was "Yesterday, end of day" (therefore a report that would be produced at 1:00 the next morning), the system would retrieve yesterday's transactions as well as those at 1:00 AM (day of the automatic production of the report) and next-day transactions.

Current Date Mode: Choose between "Today end of day" and "Yesterday end of day", according to the time you wish to launch the report production via the Automatic Tasks. Today's transactions and interest are always included except when the current date is the last line of the Record summary, in which case the current date's interest is always excluded.

- 6. "Include all Records selected no matter dates" option: Usually, Records that start after the report end date or which are finished before the report start date (payment date of the last line of the Payment schedule) are not included in the final results. By checking this option, all selected Records will be included in the results even if no specific data is available for the reporting period.
- 7. **Destination Folder:** Upon clicking on , select where the report will be saved after its production via the Overnight Tasks. Warning: select a location accessible to the machine that runs the Overnight Tasks. In the Cloud version, this option is not available use the send by Email option.
- 8. **Name and format:** Enter the file name that will be generated and choose a format for that file. If the "Text" or "CSV" format is chosen, click on this button in order to specify field separators and other formats.



9. File saving options: Three options are available: 1) the existing report is replaced each time it is regenerated via the

Overnight Tasks. Make sure to close the report before the Overnight Tasks generate the next report otherwise an error will occur and the report will not be saved. 2) the existing report is kept and a suffix of up to 6 digits is added to the new file name, or 3) the existing report is kept and a suffix containing the date in the desired format selected from the scroll menu is added to the new file name.

10. **Records**: For reports generated via the Overnight Tasks, it is possible to select "All Records" or select an <u>Advanced</u>

Query by clicking on in order to select only the desired Records.

11. **Button**: The "Test" button is an efficient validation tool to verify that the report to be generated via the Overnight Tasks corresponds to your needs. Upon clicking on "Test" button, the report/file will be generated exactly as it will be when launched with the Windows Task Scheduler (same names, suffixes, formats, Record selection, fields, dates,etc.).If one or more emails are included in the "Email" tab, the report will be sent to the recipients. Upon clicking on the "Test" button, it will be possible to view the report created and validate with the recipients that it meets expectations.



12. **Export to Salesforce:** Upon checking this box, no report will be produced via the Overnight Tasks, but rather an export of the data contained in the report to Salesforce will be performed. In order for this option to be available, it is necessary to create a Record List report and include the mapping to SF. To find out how, see the <u>Salesforce Connection API</u> section.

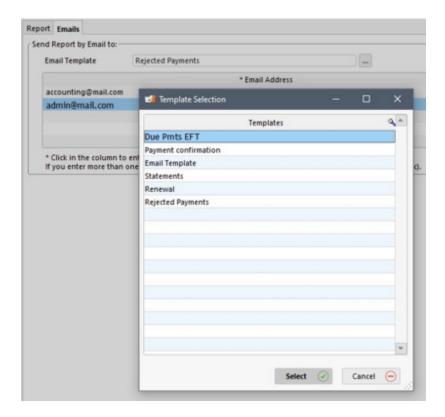
IMPORTANT: ALWAYS TEST THE RESULTS CAREFULLY OVER A FEW REPORTS!

Sending reports via Email:

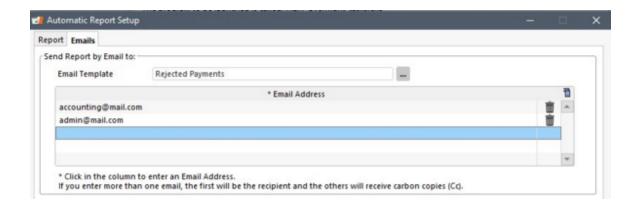
The "Send to" tab allows the file to be sent by Email. Sending emails must be configured in Tools > Settings > Email Connection. The report will be sent by the "Default Email" regardless of who programmed the Automatic report.

Under the "Send to" tab first choose the Email Template from the pull down list. To learn more about this, see Reports > Merge / Email /SMS Template.

By clicking on, a window will show a list of all available Email templates:



Then enter the recipients' emails. The first on the list will be the recipient and the following will receive the email as a carbon copy (Cc). To remove an address from the list, click on \Box



Reports sent via FTP (File Transfer Protocol)

The report can also be placed automatically in a folder on a FTP server. For an FTP server, still under the "Send to" tab, "FTP Server" section, check the "Move a copy to an FTP Server"



Using the "New" button, configure the FTP server and test the connection using the "Test connection" button:



For each report configured as an Overnight task, it is possible to choose from the drop-down list the "Server name" and the FTP folder in which to store the copy of the report.



Other important explanations about these Reports:

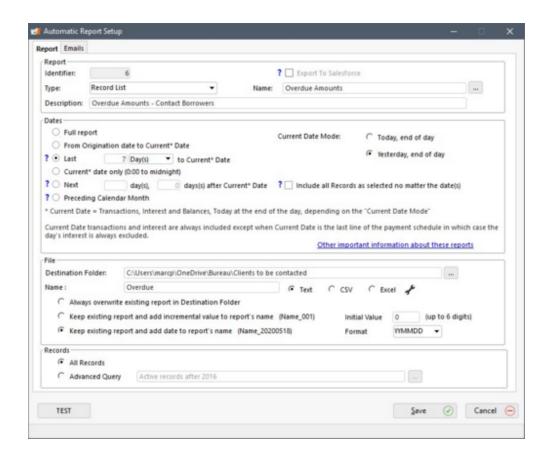
IMPORTANT: If the payment schedule is ended before the automatic report production date, the data produced for the Current Date will not change even over time, because no interest is calculated after the last line of the Payment schedule.

If the "Date - report End Date" field is included in the report produced, and the end date is the current date, the date in the report will be the current date at Midnight and not the next day's date at 0:00 in the morning, unlike the normal Record List report.

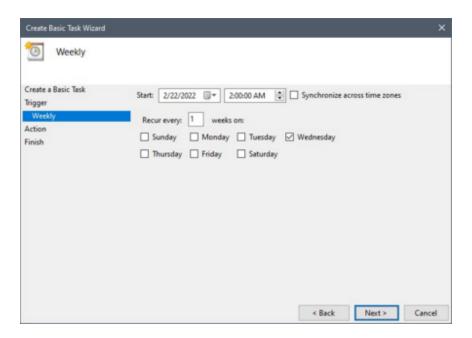
For example, for a "Current Date only" report, if it's July 28, the "Start Date of Report" will be 07/28 and the "End Date of Report" will also be 07/28 but in reality, it is at midnight which does not follow Margill's usual standard whereby the date returns transactions at the start of the day and not at the end of the day.

Report example:

The accounting technician wishes to make collection calls every Wednesday. In order to save time, he asked the system Administrator to schedule an Overnight task specifically for him with the report he was already using called "Overdue Amounts". The selected Records to produce the report are those from an Advanced query which only selects Active Records after 2016 (for examples sakes... you can create the query you want).



Reports are saved every week in Excel format and are named "Overdue YYMMDD", and are added to the "Clients to be contacted" folder. Data included in the report cover the period from the previous Wednesday to Tuesday end of day.



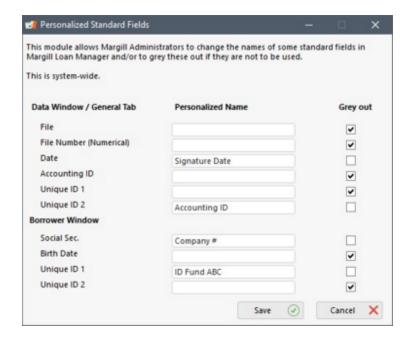
The system Administrator will <u>plan the task under Windows</u> with the REPORTS=6 argument which corresponds to the Report Identifier:



In order for the report(s) to be produced, the REPORTS argument must be activated: REPORTS=1 or 2, 3, 4, etc. (See <u>Particular task conditions</u>)

Personalized Standard Fields

This module allows Margill Administrators to modify the name of some standard Margill Loan Manager (MLM) fields and/or grey out fields if they are not to be used. This configuration applies throughout the application.

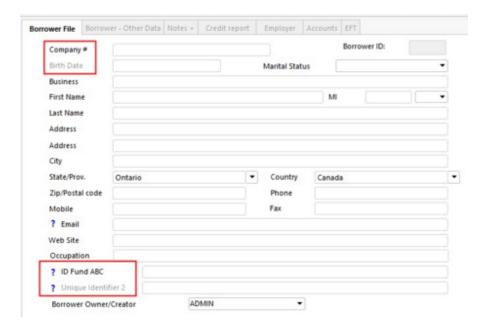


Go to Tools > Settings > System Settings (Admin...) tab. You simply need to enter the personalized name you wish to have, which will replace the original name in the software for all users. To grey out a field in order to prohibit users from entering information, simply select "Grey out".

In the example below, the General tab under the Data window is customized:



As well as the Borrower file:



These changes should be reflected in most windows (imports, etc.) but in some cases, the original name may appear.

Custom Fields

See <u>Custom fields</u> in the <u>Getting Started</u> chapter.

Scroll menus - Record Status - Record Type

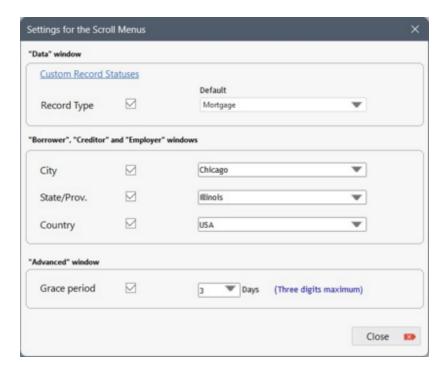
Scroll menus allow you to input only preset standardized data as defined by the MLM Administrator for many fields:

- Custom Record Statuses
- Record Types
- City, State/Province and Country (<u>Borrower, Creditor</u> and Employer windows)
- Grace period (in days)(Record window: <u>Advanced</u>)
- All Custom fields: Data, Borrower and Creditor windows

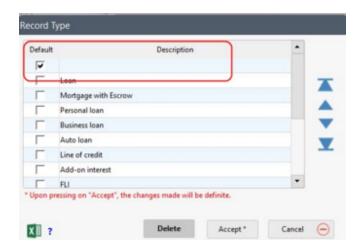
Go to Tools > Settings > System settings (Administrators) > Field Scroll Menus.

Field Scroll Menus

The window below will appear allowing you to choose whether the fields are free text (Drop-down menu unchecked) or a scroll (also called drop-down) menu. Depending of course on the context, free-text fields are usually not recommended since they lead to less uniform data.



For all drop-down menus (except for Record Status), it is highly recommended to leave the default (therefore the value that will be the default in that field) empty unless an actual value is desired. Thus, the first value of the menu would be empty and the Default box would be checked:



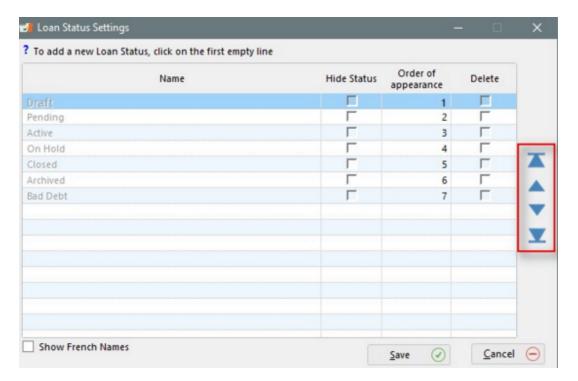
This is suggested so that a false value is not automatically entered. If at some point the value was always "ABC", then this choice could be the default. With changing needs, when ABC is no longer the only choice, the empty default would replace ABC.

Custom Record Statuses

Go to Settings > Tools > System settings (Administrators) > Field Scroll Menus.

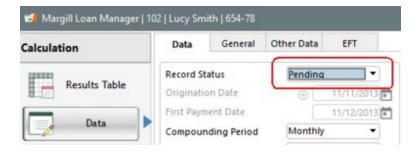
Upon clicking on the "Custom Record Statuses" link (in blue), this window will appear allowing you to add one or more custom Record Statuses and also giving you the possibility to modify the display order for the Statuses in the "Data" window.

You cannot delete the standard MLM Record Statuses but you can hide some and reorganize with the help of the blue side arrows:

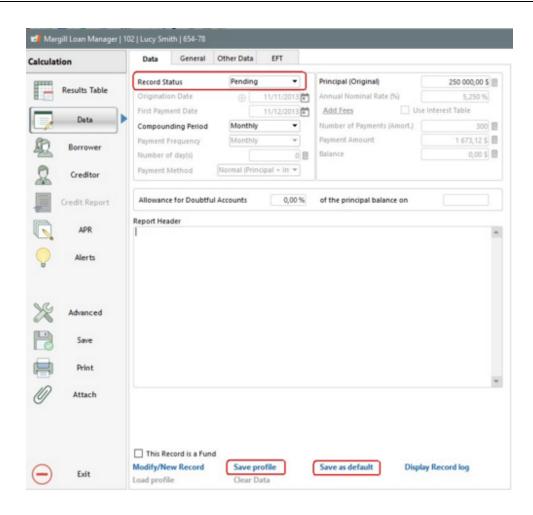


You can hide certain Statuses (except "Draft", "Active", "Bad Debt" and "Archived") if they are not currently used in MLM. That is:

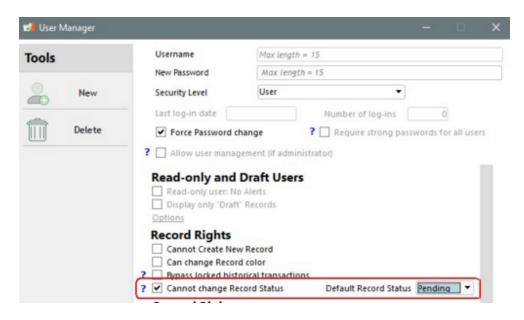
In the Data window, under the Data tab, if no Record is assigned the Record Status in question:



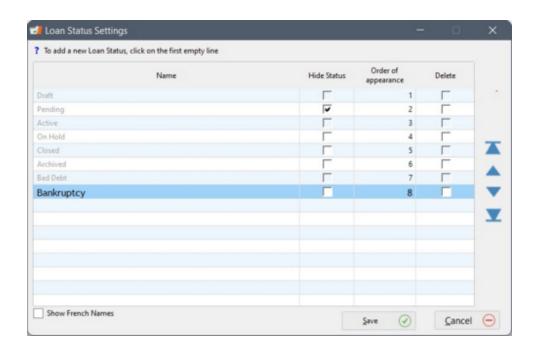
• In the Data window, under the Data tab, if no User uses it as default or profile in the Data window:



In the User Management window, if no user has the constraint of not being able to change the Record Status:



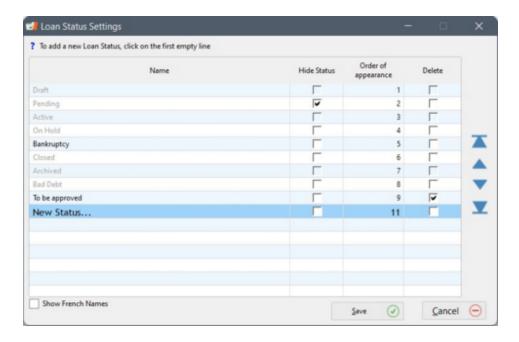
In order to add your custom Record Statuses, click on the first empty line and type in the new Status.



Up to seven (7) custom Statuses can be added, for a total of fourteen (14).

It is possible to assign French names by clicking on the "Display French names" option. When opening MLM in French, the Statuses will show in French.

You can reorganize the Statuses with the help of the side blue arrows, hide or delete certain Statuses by selecting different options:



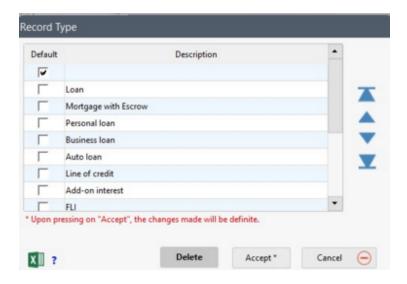
Do not forget that several reports are produced and some data imports or data updates are allowed only for "Active" Records.

IMPORTANT: The purpose of the module is to allow exceptions to the proposed Statuses. The simple fact of creating a Record Status and renaming it to "Active 2" for example, does not give Records that have this Status the "Active"

status. An "Active 2" Record is not an "Active" Record according to MLM, but a new "Active 2" Status.

Record Types

To set the loan "Type" (appears under the General tab in the Data window), again in the Scroll menu window, check "Record Type" (if not checked, the field will be a text field without a menu - not recommended) and then add the Record Types:



We suggest to place the most common Types first or to order them alphabetically.

Province / State - Country - Grace Date

If your company operates in several states or provinces or in one or many countries, it may be useful to create drop-down menus for these fields. The "State/Province" and "Country" (in the Borrower and Creditor windows) can have drop-down menus and defaults.

The "Grace Period" (in the Advanced window) can also be in the form of a drop-down menu and include a default value.

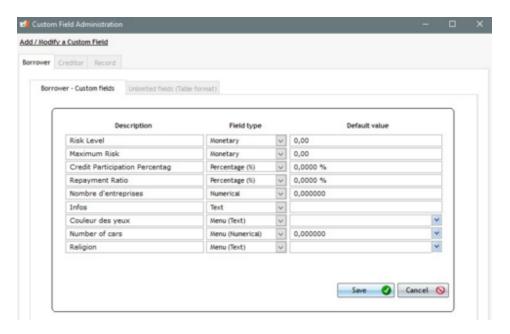
Custom fields

Custom Fields are divided into 2 types of fields: "1 to 9" and "Unlimited in table format". This is historical since Fields 1 to 9 had been created before the Unlimited fields and so we are "stuck" with Fields 1 to 9...

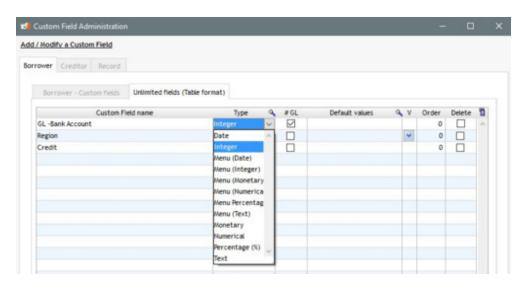


For the nine (9) custom fields, standard or scroll, associated to the Borrower, Creditor or Record. Go to Tools > Settings >

System settings (Administrator) > Custom Fields > select the desired tab ("Borrower", "Creditor" or "Record").



For the Unlimited Custom fields (Table format), standard or scroll, associated to the Borrower, the Creditor or the Record. Go to Tools > Settings > System settings (Administrator) > Custom Fields > select the desired tab ("Borrower", "Creditor" or "Record") > select the Unlimited fields (Table format) tab.



Types of scroll menus

All the custom fields allow the creation of various types of scroll menus. The most common and the one we suggest, is the text format that allows for all types of characters (alphabetical, numerical or other).

However, the disadvantage may lie when exporting MLM data to third-party software. For example, a monetary or numerical data element in a text field may not be properly interpreted by the other application.

Menu (Date)
Menu (Integer)
Menu (Monetary)
Menu (Numerical)
Menu Percentage (%)
Menu (Text)

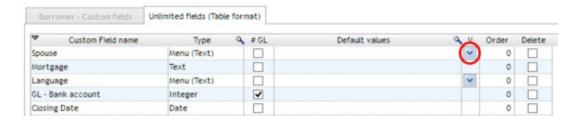
The scroll menus "Type", "Prov/State" and "Country" are all text fields.

In the "Advanced" window, the scroll menu for "Grace Period" is a numerical field to preset the grace period for late payments (for example, 10, 30, 45, 60 days).

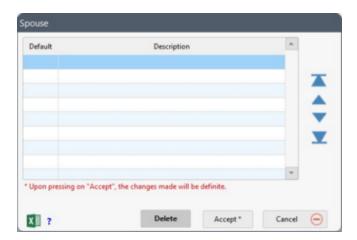


Field content entered manually

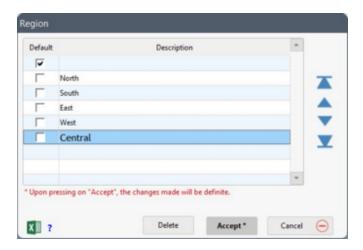
Once the scroll menu type is chosen (Menu (Text), Menu (Numerical) or other) the 💌 button will appear to the right.



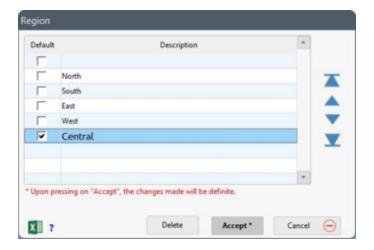
By pressing the arrow, the following window will allow you to enter the desired data (or elements):



If it is not mandatory to enter data in a given field, it is suggested to leave the first field empty which will be the default choice (see example below).



If a choice is mandatory, then it is not necessary to leave a blank field, but it is required to define a default choice. In the example below, the "Central" element is the default choice. We also could have created a variable called "Other" to manage exceptions.



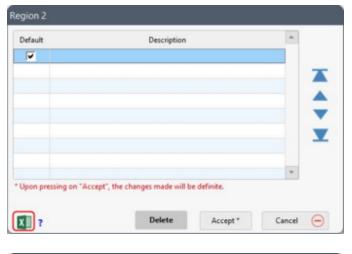
Field content imported via Excel sheet

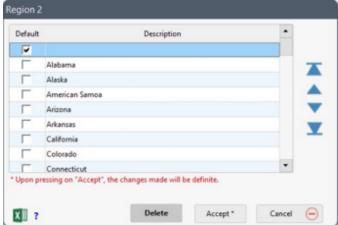
Data can be entered in the drop-down menu from a spreadsheet. This is particularly useful when the scroll menu includes dozens or even hundreds of values.

This tool allows you to add new data to a drop-down menu of a custom field via an Excel spreadsheet (.xls or .xlsx). The worksheet should have only one column WITHOUT a header (the import starts at the first row - cell A1) and each value should be entered in a separate row in column A. An empty cell will always be ignored. Any other data than column A will be ignored.



Directly in this window (without using the spreadsheet), it is suggested to first create an empty (no Description) one-line drop-down menu. This empty choice should be the default (you must check "Default"). Then, use the Excel button to add the new data.





Data to be entered must correspond to the data format (percentage, number, monetary value (no currency sign required) or whole number). Text format fields can accommodate almost any type of content. The Date format cannot be entered by this tool.

WARNING: the format type IS NOT validated before the import. If a letter is entered in a monetary value, for example, the data will be 0.00. Be very careful in this regard.

If you wish to redo a menu (add or modify), you could select all the existing data with "CTRL A" and then delete all data - it is suggested though to leave the Default empty. You can import again via a spreadsheet.

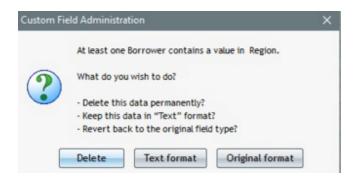
The data order can also be changed with the arrows on the right. An irritant in previous versions was that a new value in the menu was always added at the end of the menu and therefore an alphabetical or chronological order could not be kept. The option thus eliminates this irritant without having to recreate or to reimport the data.



Adding, editing and deleting items

Once the elements are defined, it is always possible for the MLM Administrator to add new data or modify or delete existing data.

If you change or delete existing data and a Record is already using this data, the following message will appear offering you three choices:



- 1. Delete all data from all Records (not recommended due to loss of information).
- 2. The data will be kept but must then be modified Record by Record and corrected later (suggested).
- 3. The desired change will not be made, therefore returning you to the original data.

In a Record, it could happen that a field contains data that is not in the new scroll menu. This can happen especially when you had not yet used the scroll menus, but had data in this field - for example, your scroll menu "Region" contains "Central" but you had previously entered "Centrall' with an extra "I" at the end - a correction would be required to standardize the data). In the example below, "50000" was entered in the field "Region" but "50000" is not an appropriate choice.

"Ignore" will keep the non compliant data. It is then suggested to add this value to the scroll menu (if it is a valid choice)(can be done by a MLM Administrator).

"Change" will allow you to return to the data and to choose from the scroll menu.



Existing Records and default choices

When a new scroll menu is added and a default choice is entered, the default choice will not be changed in the existing Records. It will be entered only for the new Records created.

If a field is empty and a default choice is defined, MLM will show " ""is not found in the scroll menu...". You must then change this choice or add an empty value in the scroll menu (see above).



Adding carriage returns in scroll menus

It is possible in the text-only format scroll menus, to insert very long texts (see <u>Appendix 1 - Field Characteristics and Lengths</u>) that can also include paragraphs.

Simply copy your long text and paste it into the scroll menu. MLM automatically changes the carriage return special code (called dual "pipe": ||) which indicates the location of the carriage return. Thus, the long text will appear on a single line when selected in the scroll menu.



Using Record Custom Fields as Display filters

See <u>Display Filters</u>. Up to three (3) custom fields (Table format) related to the Loan and that include a scroll menu can be used as display filters in the Record Summary window.



Line Payment Statuses

See <u>Line status</u>, section Line status name change, choice and order in the <u>Payment schedule (amortization, payment schedule)</u> chapter.

Custom Column Titles

This feature allows the customization of the six (6) "Column Fee" names, as well as the nine (9) "Custom Column" names. Custom columns are useful in order to enter additional notes or complementary transactions, such as Escrow (Insurance and Tax).

Important: Rename Column Fees in a meaningful manner in order to avoid operational conflicts. Since Column Fees added automatically can conflict with fees added manually, it is important to organize these Fees very well.

It is recommended to reserve the use of some Column Fees strictly for automatic addition and others strictly for manual Fees. The word "AUTO" could even be added in the name for greater safety.

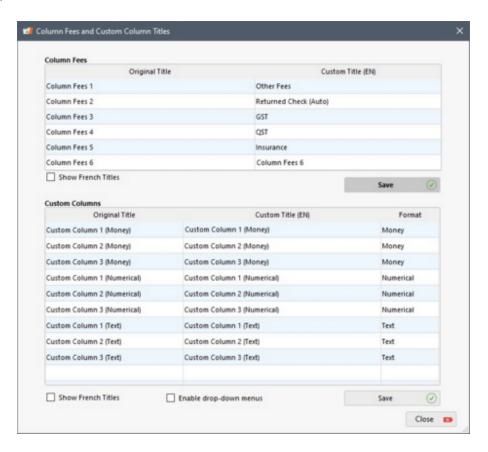
A Column Fee should never be automatic and manual. Otherwise, automatic Column Fees could erase fees inserted manually without the user knowing this was done. MLM gives priority to the last data entered and overwrites previous operations.

Refer to <u>Fees, Insurance and Taxes</u> section (Margill Loan Manager Calculations > How to do...), to learn more about Column Fees.

By default, "Column Fees" are named: "Column Fees 1", "Column Fees 2", "Column Fees 3", etc.

"Custom Columns" are named: "Custom Column 1-2-3 (Monetary)", "Custom Column 1-2-3 (Numerical)" and "Custom Column 1-2-3 (Text)".

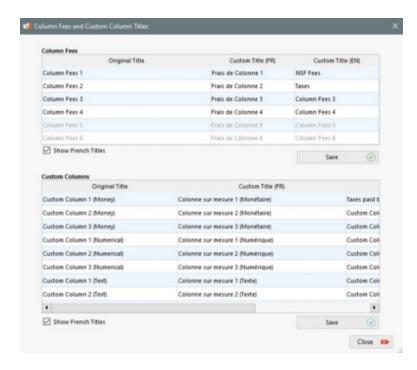
To rename these columns, in the menu Tools > Settings, under tab "System Settings (Administrator)" click on "Custom Column Titles".



Enter the desired name in the "Custom Title" column for Column Fees 1 to 6 and click on "Save" . If needed, also enter the Custom Columns titles and click "Save" and then "Exit".

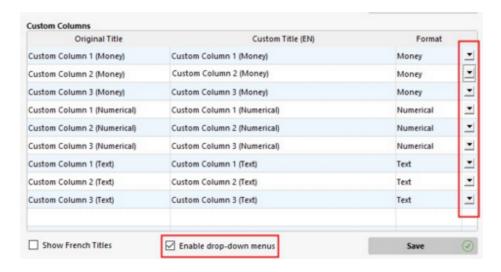
For those using the system in both English and French, it is possible to display and modify simultaneously the English and French titles of all custom columns, without having to go through the User settings of the software. Simply check the box "Show French Titles" and an additional column will appear so that you can make your changes in the other language.

Example:



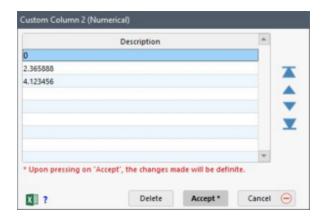
The modified column title names via this setting will not be updated automatically for reports already created. The user will need to modify the reports and change the names manually.

You can activate and create drop-down menus with the custom columns. By checking the "Enable drop-down menu" option, a new column will appear in the table.



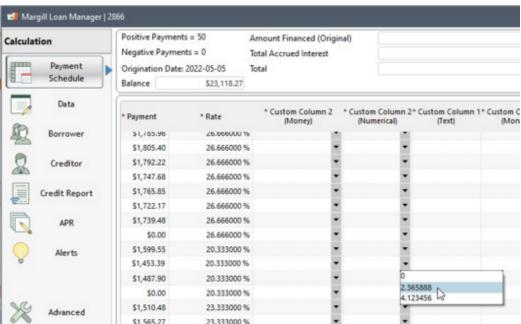
Upon clicking on the arrows, a window will appear allowing the Administrator to choose the drop-down menu options according to column format (Money, Numerical or Text). It is recommended to add an empty line (0, in the case of Money and Numerical types), in order to make it blank again if a user was to choose the wrong Payment schedule cell.

To delete a menu, simply delete all entries from the drop-down menu by selecting each line, one by one, and then by clicking on "Delete".



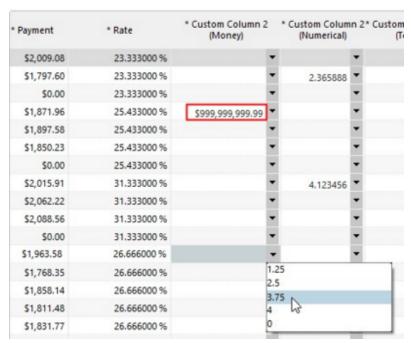
The pale green background below the button indicates that a drop-down menu exists for that column. If there is no drop-down menu for a column, the user will be able to enter the desired value, without constraint, in the Payment schedule.





NOTE:

• If data already exist in the Payment schedule, before a drop-down menu is created, this data will remain saved and the software will not warn you if the column data is not part of the drop-down menu.



Value of 999,999,999 was present before the creation of the drop-down menu

- If a value in the drop-down menu is modified by another, this will have no effect in the Payment schedules. The old value will remain. For example the 3.75 value above was changed by the Administrator to 3.33 in the menu (in System Settings). If 3.75 had been chosen in a cell for a Record, the change of menu to 3.33 will have no effect on the value originally entered for that Record (so 3.75 does not become 3.33. Ideally this would be changed manually to 3.33 since 3.75 would no longer be a valid amount, theoretically).
- The ALT+K shortcut that copies the Payment amount to the custom column when the Line status is "Due Pmt" will take priority over the drop-down menu even though this is not suggested. No warning will be given.

Sensitive Data Module

The purpose of this module is to allow only the ADMIN User, other Administrators and/or Power Users to view sensitive data such as the Social Security Number (SIN in Canada, NI in the UK) as well as bank account information (when the banking data is entered in the EFT_module). The module does not block Users from changing the sensitive data, only viewing and reporting it. It restricts display of sensitive information based on User type, not User name. For example, if only Administrators are allowed to view data, none of the normal "Users" can see the data.

Note: The "Social Sec." field (and others) can be renamed in Tools > Settings > System Settings (Administrator) > Personalized Standard Fields.

Only the ADMIN User can change the preferences in this module.

All Users with "Write" permissions can enter and delete sensitive data, but once saved, they can only see the data partially, most characters being replaced by asterisks (***).

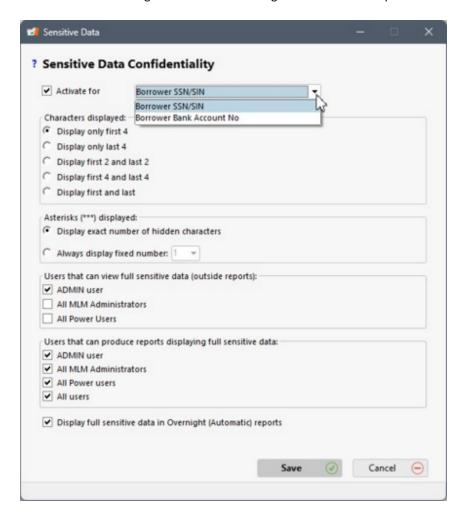
The "Characters displayed" option will display as such:

- 1234******
- ******6789
- 12******89
- 1234****6789

- 1*******9

The Sensitive Data module also applies to the The "<u>List of applications</u>" module. If the User approving or refusing loans needs to view sensitive data, he will need a User level that allows such.

Only the ADMIN is authorized to make changes in this section. Changes will be effective upon the next MLM launch.



To activate the module and to modify the sensitive data for desired users, during the production of reports, select "Activate for..." either the SSn or the bank account. Even if one of the Borrower Unique ID fields was renamed to "SSN" or other, these fields are not included as sensitive data.

In the "Characters displayed" section, select one of the five options:

- Display only first 4
- Display only last 4
- Display first 2 and last 2
- Display first 4 and last 4
- Display first and last

The "Asterisk (***) displayed" section offers the possibility to show the real hidden characters by replacing them with an asterisk. Or you can select "Always display fixed number" which allows to standardize the number of asterisks displayed to hide the sensitive data. The scroll menu offers the possibilité to choose from 1 to 10 asterisks. For example:



This option combined with "Display first 2 and last 2" option would display the SSN "123 456 789" like this: "12*89".

Sensitive data reporting is also included in the module. The ADMIN User can decide which User levels can view sensitive data in the reports that contain sensitive fields.

The "Users that can **view** full sensitive data (outside reports)" option allows to select which users can display the sensitive data on screen. You can check one of more options or select none.

- ADMIN user
- All MLM Administrators
- All Power Users

The "Users that can produce reports displaying sensitive data" section allows selecting, or not, users that can **produce reports with fully displayed sensitive data**, without asterisks. Check all required options or **none**, from:

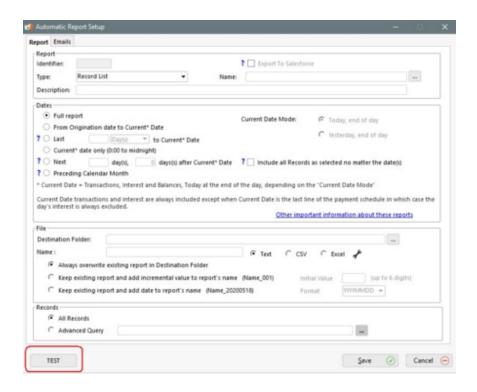
- ADMIN user
- All MLM Administrators
- All Power users
- All users

Credit reporting (Metro 2) is also considered a report. If the option is checked for the User level producing the Credit report, the SSN will include asterisks which will be refused by the agencies. The report should thus be produced by a User level with the rights to produce reports displaying sensitive data.

If a User does not have the right to display sensitive data in the report, the data will still be reported but with asterisks. Normal Users can nevertheless create report templates that include sensitive data but when the report is produced, it will include some asterisks.

In order for "Overnight" (automatic) reports to display the sensitive data, the special permission must be given in the module, via the "Display full sensitive data in Overnight (Automatic) reports" option.

Warning: A user testing automatic reports in the "Automatic reports settings" window, who cannot see the sensitive data will not be able to see these during testing. But when automatically producing the report via the Windows Task Scheduler, the sensitive data will be fully displayed.

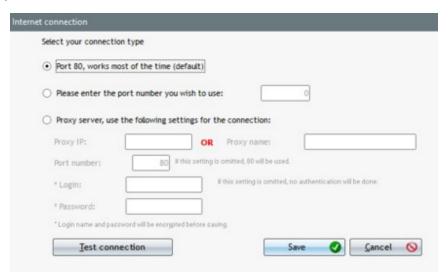


Internet Connection

Accessible through Tools, Settings, various options are available for a seamless access by Margill Loan Manager to the Internet.

Ordinarily, port 80 allows access to the Internet. If the connection is not possible with this choice, either chose another port or use the Proxy server option.

The connection may be tested with "Test connection".



This option is generally used only by the network administrator.

Email Connection

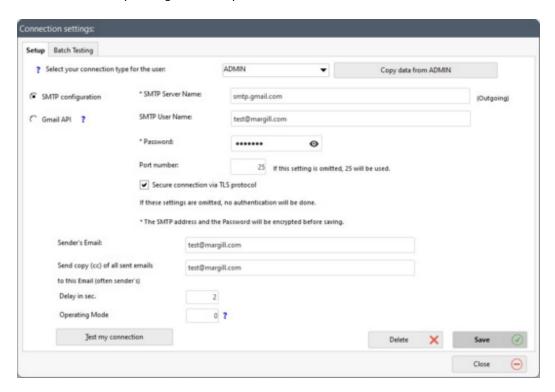
Many connection options are available to secure a link between Margill Loan Manager and one or more email addresses. They are accessible through Tools > Connection Settings.

SMTP Settings:

The following window will open. Enter the SMTP Server Name, Username, Password and the Port number. This data is usually known by the IT manager or can be provided by you Internet Service Provider (ISP). Each user can configure his MLM for sending emails.

Port 25 is the Port number by default. If the connection does not work, you will have to choose another Port number or use a "Proxy" server.

The connection can be tested by clicking on "Test my connection".



"SMTP Server Name" examples:

- smtp.gmail.com (use Gmail API instead see below)
- smtp-mail.outlook.com
- your corporate smtp

"SMTP Username" examples. It is usually not required to add the domain name (@domain.com):

- yourname
- support

Ports examples:

- 25 (by default)
- 465

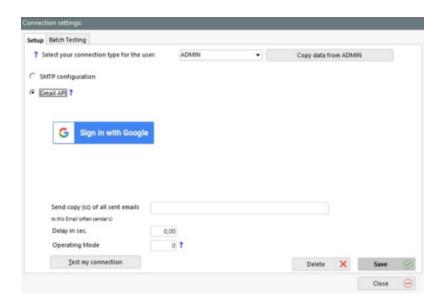
This configuration is generally set up by a network technician since there are many technical options that may apply in order to connect to your email service provider's server (secure connection via TLS, Operating mode for IMAP, POP or multi-platform).

Gmail API Setting (OAuth 2.0):

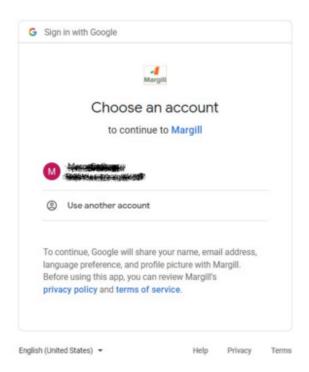
This is a connection with a Gmail account made by the security protocol OAuth 2.0. This API is also functional if your Gmail is used with your own domain name (for example "@margill.com") with Google Workspace.

The requested permissions are used to retrieve an encrypted cookie from Google in order to read email addresses and to connect to the Gmail accounts for sending emails on your behalf.

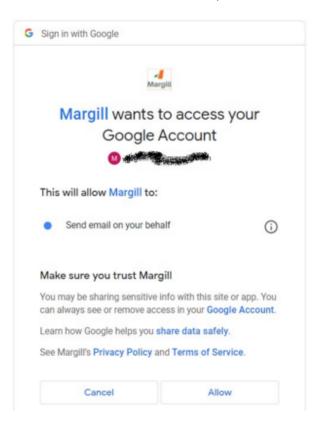
By choosing the "Gmai APII", the image with "Sign in with Google" will appear. The settings will be done for the selected user from the drop-down menu at the top of the window. See example below for Admin:



The Internet browser will open and you will be directed to Google in order to select an account to access the Margill application.



Click on the desired account and in the next window Select "Allow" the permission to "Send email on your behalf".



Once the configuration is completed and successful, this message will appear in your browser. Repeat steps for all MLM users.

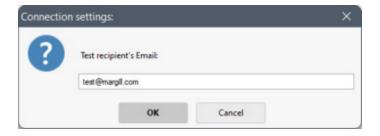


Your Internet Service Provider might impose a limit on the number of emails sent in a short period of time, especially when sending mass emails with the <u>Document Merge</u> tool. Check with your ISP.

If a limit is indeed imposed, enter a delay in seconds or in fractions of seconds in the "Delay in sec." field at the bottom of the "Connection Settings" window (Tools > Settings > System Settings (Administrators) > Connection Settings). The emails will then be sent at intervals. You may need to try many delay times to find the shortest one (to reduce the overall time it takes to send the emails).

The sender's Email must be entered but the copied email is optional (usually the sender's Email). Be careful, if you send hundreds or thousands of emails, receiving a copy of all of these is not required or desirable. A copy could be sent only at the first mailing in order to make sure that all is well set up.

A connection test should be performed by clicking "Test my connection" and by entering an email address (preferably one outside of your organization in order to be sure that emails are delivered to your clients). An email will be sent to that address.



If the connection cannot be established, an error message will appear that will usually allow the technician to identify the configuration issue. If the test is successful, a window will confirm so and the email address used for the test will receive a short message in its Inbox.

The "Default Email" is available in order to establish the default email address (for example: info@yourcompany.com or noreply@yourcompany.com) used to send the automatic emails generated by the <u>Line status Alerts to Borrowers</u>. If no default email is set, the Alerts sent by email module will not work.



To find out more about the "Test in bulk" and its functions, consult the Email connection (Batch emails) section.

FolioMedian (SMS) Connection

It is possible to automatically send Alerts via SMS to Borrowers and to send them SMS texts manually via the Main Margill Loan Manager (MLM) window. To do so, you must sign-up to the service offered by the Margill partner, SMS FolioMedian

, a Canadian company offering SMS services in dozens of countries in North American, Europe, Africa, Asia and Australia. Monthly fees and volume-based fees apply.

Once the connection information has been obtained from FolioMedian, go to System Settings (Administrators) and click on "FolioMedian Connection (SMS)". The window below will appear. Enable the API, then enter the information provided by FolioMedian.

The URL provided by FolioMedia will include your company name and must end with "api/send".



In order to validate the connection, enter the input field provided for this purpose, a valid mobile number, starting with the number 1 followed by the 10 digits of the number (North America number), without spaces or parentheses. After clicking on "Test the connection", a "Test" message will be sent to the registered mobile number. A confirmation message will confirm that everything is correctly configured and ready to be used with the Alerts or for sending SMSs directly via the Main window. Consult your FolioMedian Dashboard in order to consult the SMSs sent via MLM.



Once the module is activated, the SMS options will be available for the Alerts settings. Consult Tools > <u>Alerts</u> section to find out more about automatic Alerts sent by SMS.

For sending out SMS texts manually, you can send personalized SMS in bulk via the Main window or directly from a Record. See Emails and SMS - Sending automatically or in batch with Templates.

Data and Backups

See Backup (data)

Column Fees: Automatic

Column Fees can be added automatically in a Payment schedule when a change occurs in a Line status.

Automatic Column Fees are not present when the Payment schedule is created but are ADDED when a change occurs in a

Line status. For example, the Administrator could create a rule by which a returned check will generate a 15,00 fee. Based on this rule, this fee will only be added if the Line status is changed from Due Pmt (or other) to "Returned Check" (or other). These fees are exceptional as opposed to regular fees such as Column fees at every payment (for example, a monthly fee on top of the normal interest which could be added when initially setting up the loan).

Rules can be more precise by taking into account the Record Type or a Custom field. For example, fees for an unpaid payment for a Personal loan could be 15.00 while for a Commercial loan, these could be 25.00.

You can also create a fee rule based on the number of days a payment is late (as compared to the scheduled or expected payment date).

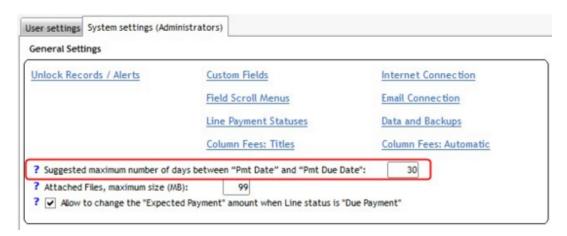
Column fees are much more sophisticated than Line fees to generate reports and are usually used when regular fees (insurance and taxes) are taken into account in the payment. When a payment is made (Paid), these fees are paid in <u>Payment type Line statuses</u>. For accounting purposes, they are paid before interest and principal.

There are also automatically **RECOMPUTED** Column Fees.

To learn more about the various fee types, refer to <u>Fees, Insurance and Taxes</u> (Margill Loan Manager Calculations > <u>How to do...</u>).

Suggested maximum number of days between "Pmt Date" and "Pmt Due Date"

This option allows you to specify (for information purposes) the maximum number of days between the date in the "Pmt Date" column and the date in the "Pmt Due Date" column.



Enter the suggested maximum number of days between the payment date and the payment due date in the cell. Thirty (30) days is suggested since the outstanding amounts of less than 30 days are considered current. If this field is blank or at 0, no validation will take place.

When a payment is late, Margill allows for two methods of posting:

- 1. Using a "Late" <u>"Payment" type Line status</u> (and the "Paid Pmt (x)" Line statuses which can be named as desired) while specifying the "Pmt Due Date" in the column.
- 2. If a payment is significantly late, it is strongly suggested to change the Line status to "Unpaid Pmt" and to insert a new line (Add. Pmt or Compensatory Pmt) when the payment is actually made, taking care to properly manage the outstanding amount using the "Expec. Pmt" column.

This second method is suggested since an outstanding amount will appear, allowing to calculate the age of overdue

accounts.

The present option allows you to specify (for information purposes) the maximum number of days between the date in the "Pmt Date" column and the date in the "Pmt Due Date" column. If method 1 is used, and a date is entered in "Pmt Date", the user will be warned if the two dates differ by more than the number of days indicated and method 2 above will be suggested to the user.

See also Ageing of accounts.

Attached Files, maximum size (MB)

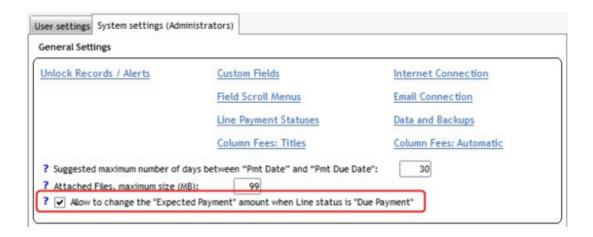
The Margill Administrator can specify the maximum file size for attached documents. If this field is empty, or 0, no attached documents will be allowed.

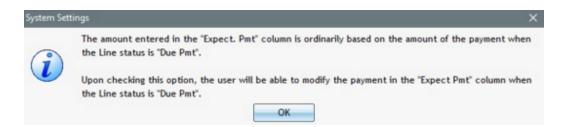


Allow to change the "Expected Payment" amount when Line status is "Due Payment"

When the "Allow to change the "Expected Payment" amount when Line status is "Due Payment"" option is checked in the System Settings (Administrators) window, users will be able to change the amount in "Expected Pmt" when Line status is "Due Pmt". This is useful when the Creditor and the Borrower agree in advance on a higher (or lower) next payment. Thus, the outstanding amount will be properly calculated when the true payment is made.

The amount entered in the "Expected Pmt" column is ordinarily based on the amount of the payment when the Line status is "Due Pmt" (or other "Due Payment" type Line statuses).





Warning! If the Administrator decides to deactivate the option, the software will automatically search all the lines where the Line status is "Due Pmt" and the amounts in the "Expected Pmt" column will be changed to the amount entered in the "Pmt" column, even if the amount was changed manually.

In order to be able to perform this change, all the Records must be closed by all users.

Click on "Save" at the bottom right of the "System Settings" window to complete the deactivation of this option.

Number of Decimals displayed (Interest rate)

All interest calculations are done with six (6) decimal places in the interest rate. Before version 4.3, all calculations were performed with a maximum of 4 decimal places.

The Margill Administrator may decide to display more or fewer decimals with this option:



If a greater number of decimals is used and the Administrator then decides to reduce the number of decimals displayed, the calculation will nevertheless still be performed with 6 decimal places, but the displayed interest rate will be rounded up or down.

PS: Interest rates entered as <u>Custom fields</u> can only accept four (4) decimal places.

Unmanaged Records

Users can consult, with one click, the "Unmanaged Records" directly from the Main window.

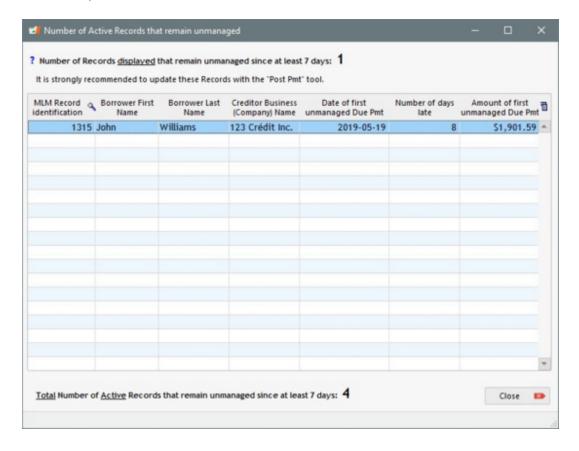
An unmanaged Record contains the "Due Pmt" Line status (or one of the other four "Due Pmt" type Line statuses whose names can be customized) at the current date or on the day before the current date (yesterday). A "Due Pmt" in the past must always be changed to a Line status such as "Paid Pmt", "Unpaid Pmt", "Late Pmt", etc. It then becomes "managed" and up to date.

This option, available at the bottom of the Main window as a tab

| Unmanaged Records | , will display the number of Active Records which have a "Due Pmt" type Line status at the current date (if the number of days entered = 0) or X days before the current date when payment management is not done on a daily basis.

When the button appears in red/pink, not in grey, you should immediately panic (no need to panic, a little humor in this not so captivating document is good not only for the reader, but for the author as well ;-). You should check which Records have not been updated and see if you can update them. Ideally, no end-of-month reporting should be done until all Records are managed. It is also strongly suggested not to accustom your users to seeing this button in red/pink since the color indicates an abnormal situation. It is then suggested to increase the number of days allowed for managing late "Due Payments".

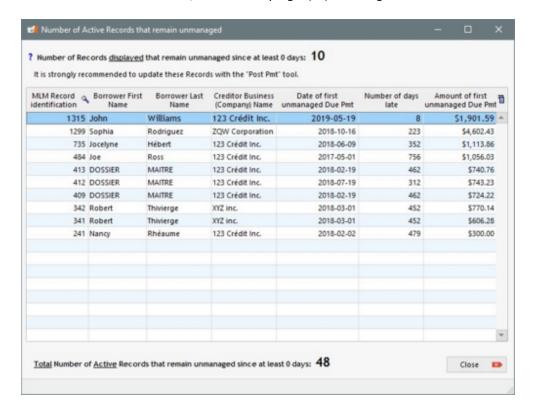
If payment management is done once a week, you would enter 7 so that you are not notified of the "Due Pmt" until 7 days after the expected date. If the first "Due Pmt" of the Payment schedule is May 19, the user will not see this Record in alert mode until May 26.



To update the Records to be "managed", use the Payment update ("Post Payments").

- Only the Records displayed in the Main window will be displayed. The total number of unmanaged Active Records is still indicated in this window (total number may differ when certain users do not have the rights to consult all of the Records, but only their own Records).
- When a Record contains several unmanaged payments, only the first payment (oldest) is displayed.

In the following example, there are ten (10) Records displayed in the Main window and unmanaged. For your information, MLM still displays, at the bottom of the window, the total number of Unmanaged Active Records from the entire database. In this case, there are forty-eight (48) Unmanaged Active Records.



To set up this application, go to Tools > Settings > System settings (Administrator) tab.

Simply enter the number of days after which unmanaged Records are to be displayed in the application. If you do not want to use this application, simply check the "Do not display this option" box. If this is the case, all MLM users will not

have access to the Unmanaged Records button in the Main window.



Blocking Historical Transaction Changes

This option allows Margill Administrators to define the number of days for which transactions may be changed in the

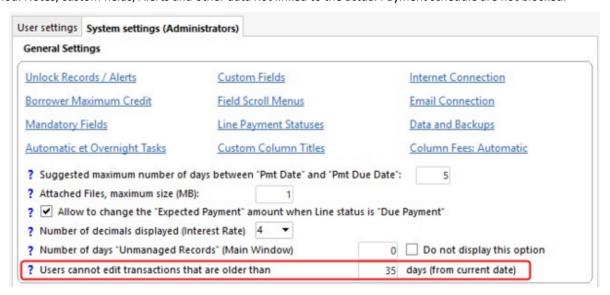
payment schedule (Payment schedule). Payment lines will become grey, thus in read-only mode for all users.

The time period will usually be 35 days or so to allow changes for the past month. To allow for more flexibility, increase the number of days.

If the number of days is set to zero (0), the module becomes deactivated. A Margill Administrator can thus temporarily deactivate the module to allow users to make special changes in the past if required.

The Administrator can also provide rights to some users to bypass the blocking of historic transactions. To find out more about this option, consult the Getting started > <u>Administrator and Users</u> section.

When the module is activated, any calculation setting or field that can affect the past calculations or transactions will be blocked. These include: Advanced settings, the original Principal amount and interest rate changes in the read-only time period. Notes, custom fields, Alerts and other data not linked to the actual Payment schedule are not blocked.

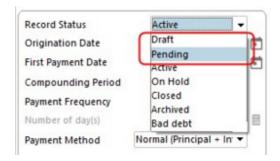


In the following example, lines 1 to 4 are gray, which makes it impossible to modify or select them. If the Administrator grants the modification of transactions up to 35 days from the current date, line 5, on which the "Pmt Date" is 2019-05-13, will be blocked as of 2019-06-17.



Special Record Statuses: Records with the Status "Draft" or "Pending" will not be blocked. However, once the Record Status is modified to any other and saved, when you open the Payment schedule again, older transactions will be grayed

out, therefore blocked.

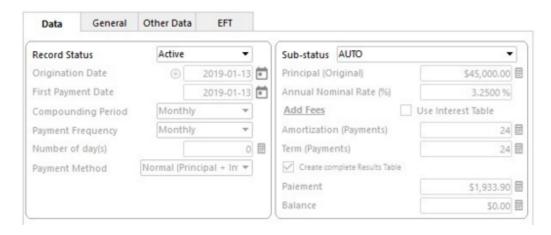


NOTE: In order to ensure that no unauthorized user temporarily uses the "Draft" or "Pending" Record Statuses to bypass the system and modify blocked transactions, Status changes to "Draft" or "Pending" is not allowed when lines are grayed out in the Payment schedule. The following error message appears if an attempt is made to do so.



As soon as a transaction is blocked in the payment schedule, other Record components are also blocked:

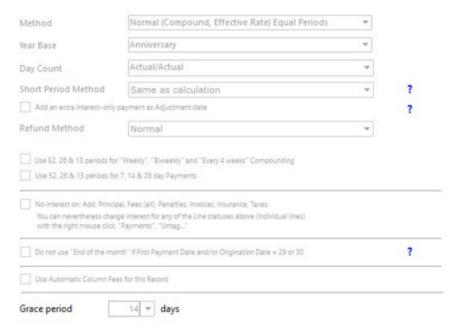
The "Data" tab, except for "Record Status" and "Sub-status".



Data related to APR:



O The "Advanced" section:

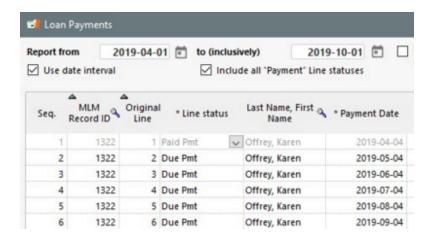


O The "Modify/New Record link:

Modify/New Record

Note that blocked periods will also be blocked in the following Tools:

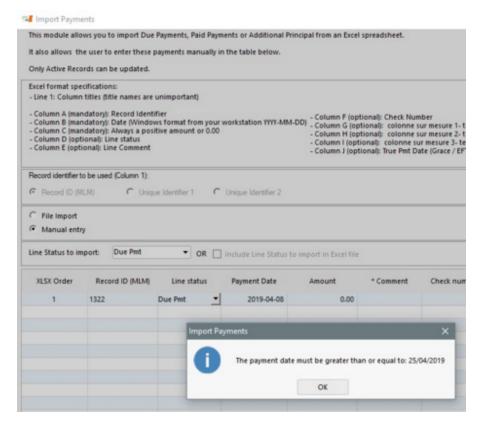
• Post pmts:



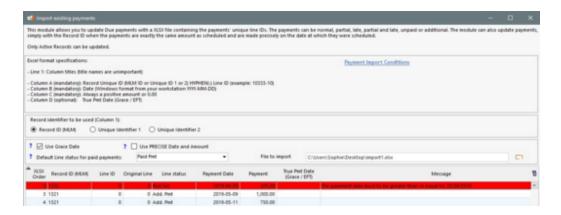
Line 1 is grayed out because this transaction is included in the blocked period, therefore impossible to be modified in any way.

• Bulk Import:

- Import of new payments
- Import of existing payments



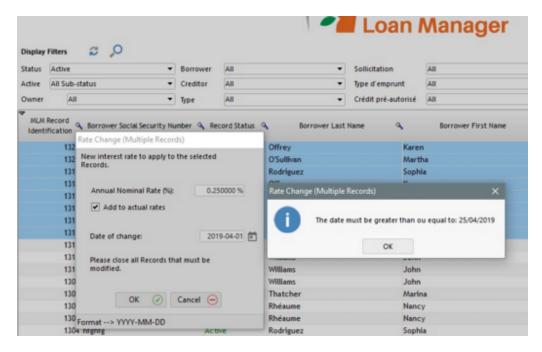
An error message advises the user as to the what is the earliest date that can be entered



The line becomes red with indications in the "Message" column as to what is the earliest date that can be entered

Rate change:

- Via the Main window with the shortcut CTRL+ALT+SHIFT+I
- Via the payment schedule by right-clicking on the mouse



An error message advises the user as to the what is the earliest date that can be entered

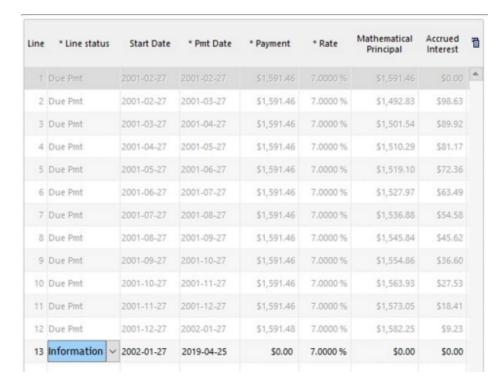
Insertion and additional lines in the Payment schedule

 When transactions blocking is activated and that data must be added or inserted between the blocked period and today, the date entered in the "Pmt Date" will automatically be adjusted to the earliest date allowed. If the user tries to enter an older date, it will be blocked and an error message will appear.

Example:

A user needed to add a transaction on an old loan. The "Pmt Date" column (not the "Start Date" column which is usually hidden) displays the earliest date that the user can use, since the transaction blocking module is activated. If it has not been activated, the date entered by default would have been one month

later, like on line 13, which would have been 2002-02-27 and the user would not have had any problems modifying it.



Of course, if a user wishes to modify the date in the "Pmt Date" for a more recent or future one, he will be free to do so.

Global changes:

 Global changes are prohibited for data and fields that are grayed out in Records that contain blocked transactions.



An error message notifies the user that the lines are blocked and changes will not be made in the Record.

Show / Hide Totals in the Main window

The Main Margill window (Record Summary window) displays portfolio totals that some employers would prefer be hidden from users since this information can be relatively confidential yet easily accessible:

- Portfolio totals at the bottom of each column
- Summary total for the selected Records



Three options are thus available for hiding or displaying these totals:

- Hide totals hides for all users
- Visible for all users
- Visible for Administrators only



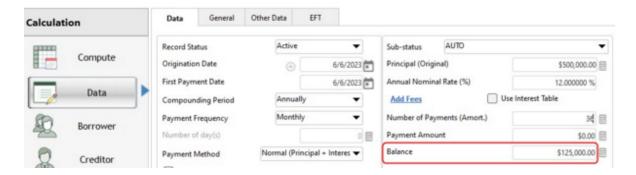
WARNING: A user will have access to portfolio data through reports therefore hiding in the Main window is a very relative confidentiality measure.

Activation of "Amount due" variables

This option allows the activation and calculation of the four (4) "Amount due" variables which are used to obtain, at current date or at date X, the amount that is really past due (including fees, interest, principal and others) and required for the Borrower to be up to date in his payments.

- Amount due at Current Date (For final balance = 0.00)
- Amount due at Current Date (For final balance = original balance)
- Amount due report End Date (For final balance = 0.00)
- Amount due report End Date (For final balance = original balance)

This will calculate the Payment amount in order for the final balance to be 0.00 or the original balance as entered in the Data window.



This calculation is done by iteration to find the appropriate amount and thus, for large databases, requires a longer processing time. For up to current date calculations, it is strongly advised to use the Overnight tasks which compute

totals during the night as opposed to when launching Margill in the morning.

Activation of "Expected Principal"

This option will activate two new columns in the Payment schedule: "Expected Principal" and "Excepted Principal Balance".

This allows you to estimate the amount of Principal that would ordinarily be paid when a regular (expected) payment is made. This amount is theoretical and to provide an indication, like the "Expected Payment" column whether the Borrower is paying well or not as well as the theoretical outstanding Principal amount. The Expected Principal amount may be changed manually.

If the Principal actually paid is less than the Expected Principal, then the Expected Principal Balance will increase. On the contrary, if more Principal is paid than expected, there would be a negative Expected Principal Balance unless the option by which the minimum Expected Principal Balance must be 0.00 or greater is checked.

Line	* Line status	* Pmt Date	* Payment	Paid Principal	Expected Principal	Expected Principal Balance
1	Paid Pmt	6/6/2023	\$13,540.94	\$13,540.94	\$13,540.94	\$0.00
2	Paid Pmt	7/6/2023	\$13,540.94	\$8,676.35	\$8,676.35	\$0.00
3	Paid Pmt	8/6/2023	\$13,540.94	\$8,763.11	\$8,763.11	\$0.00
4	Unpaid Pmt	9/6/2023	\$0.00	\$0.00	\$8,850.74	\$8,850.7
5	Paid Pmt	10/6/2023	\$13,540.94	\$4,113.64	\$8,939.25	\$13,676.3
6	Paid Pmt	11/6/2023	\$13,540.94	\$8,891.88	\$9,028.64	\$13,813.1
7	Add. Pmt	11/6/2023	\$20,000.00	\$20,000.00	\$0.00	\$(6,186.89
8	Paid Pmt	12/6/2023	\$13,540.94	\$9,180.80	\$9,118.93	\$(6,248.76
9	Due Pmt	1/6/2024	\$13,540.94	\$0.00	\$9,210.12	\$2,961.3
10	Due Pmt	2/6/2024	\$13,540.94	\$0.00	\$9,302.22	\$12,263.5
11	Due Pmt	3/6/2024	\$13,540.94	\$0.00	\$9,395.24	\$21,658.8
12	Due Pmt	4/6/2024	\$13,540.94	\$0.00	\$9,489.20	\$31,148.0
13	Due Pmt	5/6/2024	\$13,540.94	\$0.00	\$9,584.09	\$40,732.1
14	Due Pmt	6/6/2024	\$13,540.94	\$0.00	\$9,679.93	\$50,412.0
15	Due Pmt	7/6/2024	\$13,540.94	\$0.00	\$9,776.73	\$60,188.7
16	Due Pmt	8/6/2024	\$13,540.94	\$0.00	\$9,874.49	\$70,063.2
17	Duo Pmt	0/6/2024	¢12 5/0 0/	¢n nn	\$0.072.24	\$80.036.50
otals			\$493,932.86	\$73,166.72	\$375,000.00	

Expected Principal of 375,000 for a 500,000 loan with a balance (residual value) of 125,000 $\,$

The 20,000 additional payment (added after the initial payment schedule calculation) gives an Expected Principal of 0.00 since this amount was not initially expected.

This payment thus brings the Expected Principal Balance to a negative amount.

Thus, so far, more Principal is paid than was initially expected.

In certain situations, as is the case with "Expected Payment", users may want to limit the Expected Principal Balance to 0.00 or more, thus never become negative as in the example above when there is an over payment. To activate this feature, go to the Record's Advanced tab and check "Expected Principal Balance column must always be equal to or greater than 0.00". You can also activate this advanced option via Global changes so it can be applied to all Records or only to some.



Resulting Payment schedule when option is checked:

Line	* Line status	* Pmt Date	* Payment	Paid Principal	Expected Principal	Expected Principal Balance
1	Paid Pmt	6/6/2023	\$13,540.94	\$13,540.94	\$13,540.94	\$0.00
2	Paid Pmt	7/6/2023	\$13,540.94	\$8,676.35	\$8,676.35	\$0.00
3	Paid Pmt	8/6/2023	\$13,540.94	\$8,763.11	\$8,763.11	\$0.00
4	Unpaid Pmt	9/6/2023	\$0.00	\$0.00	\$8,850.74	\$8,850.74
5	Paid Pmt	10/6/2023	\$13,540.94	\$4,113.64	\$8,939.25	\$13,676.35
6	Paid Pmt	11/6/2023	\$13,540.94	\$8,891.88	\$9,028.64	\$13,813.11
7	Add. Pmt	11/6/2023	\$20,000.00	\$20,000.00	\$0.00	\$0.00
8	Paid Pmt	12/6/2023	\$13,540.94	\$9,180.80	\$9,118.93	\$0.00
9	Due Pmt	1/6/2024	\$13,540.94	\$0.00	\$9,210.12	\$9,210.12
10	Due Pmt	2/6/2024	\$13,540.94	\$0.00	\$9,302.22	\$18,512.34
11	Due Pmt	3/6/2024	\$13,540.94	\$0.00	\$9,395.24	\$27,907.58
12	Due Pmt	4/6/2024	\$13,540.94	\$0.00	\$9,489.20	\$37,396.78
13	Due Pmt	5/6/2024	\$13,540.94	\$0.00	\$9,584.09	\$46,980.87
14	Due Pmt	6/6/2024	\$13,540.94	\$0.00	\$9,679.93	\$56,660.80
15	Due Pmt	7/6/2024	\$13,540.94	\$0.00	\$9,776.73	\$66,437.53
16	Due Pmt	8/6/2024	\$13,540.94	\$0.00	\$9,874.49	\$76,312.02
17	Duo Pmt	0/6/2024	¢12 540 Q4	¢n nn	¢0 072 2A	¢86 285 26
tals			\$493,932.86	\$73,166.72	\$375,000.00	

Existing Records

By default, the Expected Principal column is not calculated. To compute the Expected Principal for multiple (or all) Records, in the Main window (Record Summary window), select the desired Records (or all with Ctrl A) and press on Ctrl Alt Shift x. This will take a few minutes or more depending on the size of your database.

When the Expected Principal column is calculated, for Paid type Line statuses (as opposed to upcoming Due payments), the Expected Principal will be the amount that was actually paid in principal. This may not be desired but, given this column is a theoretical amount that really should have been calculated when the loan was originally created (total Expected Principal should be equal to the loan amount if the final loan balance is 0.00), this is the only amount the software can compute. If the Expected Principal is not as desired, a user would have to revise the Expected Principal line by line, estimate the principal amount that should have been paid and enter this amount in the Expected Principal column. This can be an arduous task for past payments. You could recreate the same original loan payment schedule to obtain the originally computed Expected Principal amounts and then manually enter these in the live loan, line by line for past payments. If a payment was not expected (so an extra payment) the Expected Principal should be 0.00.

Once the Expected Principal has been entered for past (Paid) payments manually, you should then use the Ctrl Alt Shift x shortcut in the Payment schedule to recompute the Expected Principal for all future Due payments. Select only the Due payment lines (not the Paid historical lines) and run the shortcut. Here again, in the end, the total Expected Principal should be equal to the loan amount.

New Records

If the option is activated, then the Expected Principal will automatically be calculated for all new Records. Changing/updating a Payment schedule

The Expected Principal amount is a special and slightly unusual amount to be used only in special situations and users must really understand how it is used.

First, it is critical to understand that once calculated, it will never be updated or recalculated without human intervention.

When a payment is changed or even a line changed to another Line status (for example from Due Pmt to Additional Principal) if there was an amount in the Expected Principal column, it will remain unless deleted or changed with human intervention.

When new lines are inserted in of added at the end of a Payment schedule, since the Expected Principal is already calculated in previous lines in order to pay back the full principal amount, the Expected Principal column will remain empty for these new lines.

If for example, additional principal was added in a loan, the Expected Principal may have to be recomputed by selecting all Due Pmts (existing and new lines added case being) and the Ctrl Alt Shift x shortcut used. In theory, the Expected Principal should match the true Principal lent out.

Special Refund Order

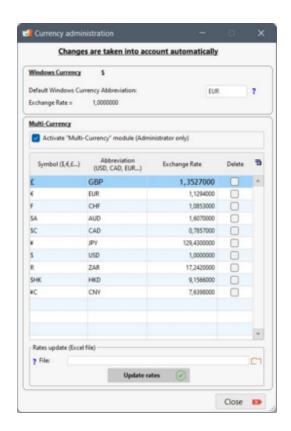
The Expected Principal is also used for the exceptional payment refund order by which Interest is paid first, then Expected Principal, then Column Fees and if the payment is sufficient, more Principal will be paid. This method is not available by default in the system but on special request only.

See Refund order for Interest, Fees and Principal, subsection Refund Order 2.

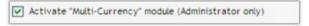
Multi Currency

Margill Loan Manager (MLM) allows for the use of multiple currencies within the same portfolio. A portfolio could thus contain as many currencies as desired and reports could be produced to reflect its value at the base currency or in any other currency.

Only the MLM Administrator(s) can set or change the currencies or activate or deactivate the module. Go to Tools > Settings > System settings (Administrators) > "Modules" section and click on "Currencies". The following window will appear with a few widely used currencies. The Power user may change the exchange rates per se.



In order to activate the module, check "Activate Multi-Currency module". When the module is activated, currency choices will be given in the <u>Record Data</u> window and the option to produce the <u>Record List</u> in various currencies will be displayed.



The first section of the window titled "Windows Currency" lets you specify an abbreviation, usually three letters, for the default Windows currency (Control Panel > Regional Settings). This can be entered because Windows does not include such an abbreviation (only the symbol is available for Windows). This abbreviation is often used by third-party systems to identify the currency. This section also identifies the exchange rate set at 1.0000000. This rate can not be changed.

Other currencies besides the ones included may be added in the next section by placing the cursor on the last line and adding the currency symbol. The three (3) letter international abbreviation should also be entered. These may be found on the Web if not known. Once the currency has been set, press on "Exit". The new currencies will automatically be saved in the database. Currencies may also be deleted if not used.

If you are using, for example, the US and Canadian dollar (\$) in the portfolio, each with a different value, then it is suggested, in order to differentiate the currencies, to add an extra symbol on the less used unit. If your main currency is the US dollar (Windows default currency) and the Canadian dollar the secondary unit, the USD symbol being \$, then the CAD symbol could be C\$.

Once a currency has been set and used in a Record, MLM will not allow the deletion of this currency. A dialog box will provide a warning. To permanently delete a currency, this currency must not be used in the database.

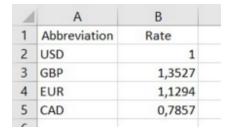
Exchange Rate

The third column of the "Currency administration" window contains a conversion factor (Exchange Rate). These should be updated once in a while depending on when reports are produced and on your accounting policy. These rates can be updated one by one by entering the data directly into the column, or they can be updated via an Excel file.

Spreadsheet Characteristics:

- File in .xls or .xlsx format.
- Only the first tab of the workbook will be included.
- Column titles must be entered in the first line. The name doesn't matter.
- The first column must contain the currency abbreviation (example: USD, GBP, EUR, CAD ...). The second column should contain the exchange rate.
- Data must start on the second line.
- All data will be included, regardless of the number of empty lines.
- It is not possible to add new currencies via the Excel sheet. You must first add them manually by entering the data directly in the table in the "Multicurrency" section.

File example:



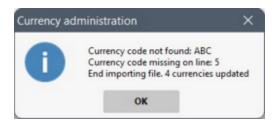
Click on _____. Find the location of the file with the Windows navigation tool. Select the file containing the currency data to update.



Click the

button. An import confirmation message will appear.

If a currency code is not in your currencies list, a message will appear and indicate the various errors:



For the base Windows currency, the rate is 1.00. The other currencies should contain the exchange rate at a chosen point in time. The factor should be the value of the other currency when compared to the base currency. For example, if the base unit is the US dollar and other currencies include the Canadian dollar, the Euro, the UK Pound and the Japanese Yen, then the table should read as follows (1 CAD = 0.91 USD, 1 Euro = 1.37 USD, 1 £ = 1.668 USD, 1 Yen = 0.0098 USD).

USD as base		
USD	1.0000000	

CAD	0.9100000
EUR	1.3700000
GBP	1.6680000
JPY	0.0098000

Other examples:

Euro as base		CAD as base		GBP as base		Yen as base	
USD	0.7280000	USD	1.1100000	USD	0.5995000	USD	102.340000
CAD	0.6572000	CAD	1.0000000	CAD	0.5412000	CAD	92.3780000
EUR	1.0000000	EUR	1.5217000	EUR	0.8235000	EUR	140.570000
GBP	1.2143000	GBP	1.8479000	GBP	1.0000000	GBP	170.780000
JPY	0.0071000	JPY	0.0108000	JPY	0.0059000	JPY	1.0000000

When obtaining base currency results, MLM will multiply the other unit by the factor indicated to obtain the value in the base currency.

Only the MLM Administrator and the Power user may change the exchange rates.

See also Record List for reporting the multi currency portfolio in a selected currency.

Amount Due variables (Activation)

A most appreciated feature in Margill Loan Manager (MLM) is its quick access to four variables, accessible in the reports or in the Main window, that allow the user to instantly see the amount that must be paid by the Borrower to "get back on track" if one or several payments are missed, partial or late.

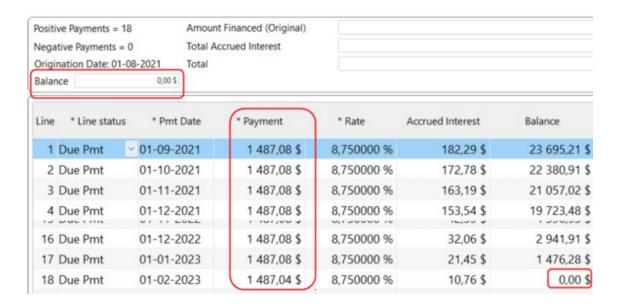
Variables:

- Amount due at Current Date (For final balance = 0.00)
- Amount due at Current Date (For final balance = original balance)
- Amount due report End Date (For final balance = 0.00)
- Amount due report End Date (For final balance = original balance)

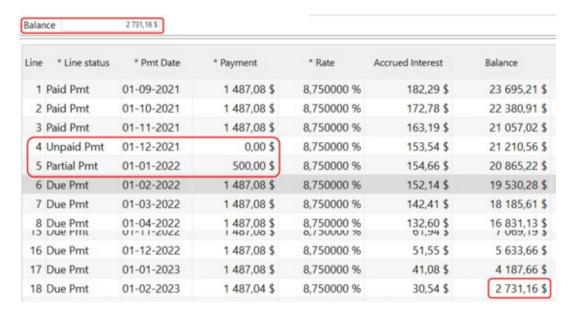
Example:

- Loan amount: 25,000
- Principal and interest payments for 18 months
- Regular payment should be 1487.08 with a last payment of a few cents less.

Below is the payment schedule based on contract that would yield a balance of 0.00 if full payments were made on time:



Let's suppose payment 4 is missed and payment 5 is partial, leading a hypothetical final balance of 2731.16 (in principal, interest and maybe fees had these been added):



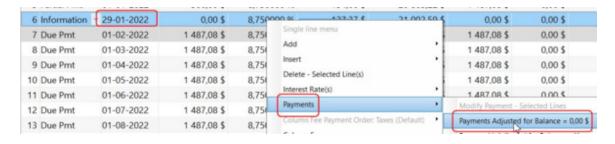
Borrower calls you up today January 10, 2022 to know how much he must pay to be back on track. The amount can be seen in the Main window with the appropriate variable. In this case "Amount due at Current Date (For final balance = 0.00)". So the Borrower would have to pay 2490.25 (today) so that the final balance of 2731.16 (in the year 2023) becomes 0.00. The difference is due to interest accrued on a higher amount if the outstanding amount is paid in the future as opposed to today.



If there had been a residual value, the proper variable would have been "Amount due at Current Date (For final balance = original balance)"

If Borrower wished to know the amount due at another date than today, then a report (Record List) would have been produced to get the data with one of the two variables "Amount due report End Date".

Or you could have gone in the loan itself, inserted a line on the date, right click > Payments > Payments Adjusted for Balance = 0.00 (or Balance = X).



This option in Tools > Settings > System Setting (Admin...) is to activate and calculate these the four "Amount due" variables since the calculation is done by iteration and thus, for large databases, requires a longer processing time.

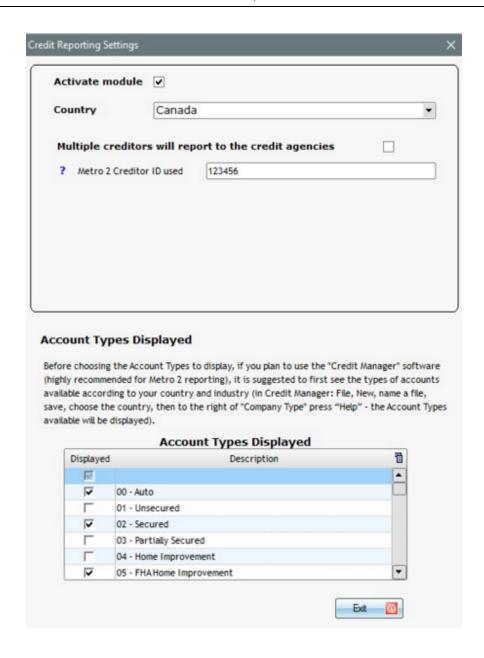
For "up to current date" calculations, it is strongly advised to use the <u>Automatic / Overnight tasks</u> which compute totals during the night as opposed to when launching Margill in the morning.

See also Payments (equal) recomputed to yield a balance = 0.00 or other amount.

Credit Reporting

To activate the "Credit Reporting" module click on the "Credit Reporting" link under the "Modules" section in the System Settings (Administrators).

This window will appear:



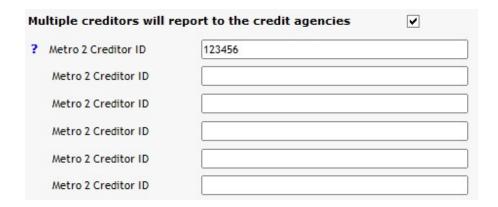
- 1. Check the "Activate Module" box.
- 2. Choose from the drop down menu, the country for which you wish to produce the Credit Reports since each country require different credit reporting data.

Warning: You should not change countries after the initial activation of this module because all the data regarding the credit report will be deleted.

If you decide to change countries, all the Records must be closed by the users.

3. Enter your Creditor ID (also known as "Record ID" in the credit rating industry). This ID is generally provided by Metro 2 software.

It is possible that you have several Creditor IDs. With Margill Loan Manager (MLM) you have the opportunity to add as many as six (6) identification numbers (Metro 2 Creditor ID) by checking "Multiple creditors will report to the credit agencies".



In case several Metro 2 Creditor ID's were entered in the fields provided for this purpose and you uncheck "Multiple creditors will report to the credit agencies", a window will appear. This window will inform you that if this option is unchecked, all the identification data will be erased and substituted by the first (and only) Creditor ID. This operation cannot be canceled.

You must then select the Account Types to be displayed in MLM. Before choosing the Account Types to display, if you plan to use the "Credit Manager" software (highly recommended for Metro 2 reporting), it is suggested to first see the Account Types available according to your country and industry (in Credit Manager: File > New > name a file > save > choose the country > to the right of "Company Type" press "Help" - The Account Types available will be displayed).

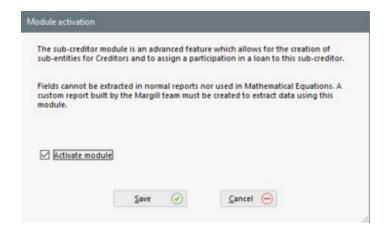
Check or uncheck the options available to select the Account Types displayed.

Sub-Creditors

The Sub-Creditor module is an advanced feature which allows for the creation of sub-entities for Creditors and to assign a participation in a loan to this Sub-Creditor.

Fields cannot be extracted in normal reports nor used in Mathematical Equations. A custom report built by the Margill team must be created to extract data using this module.

Only an Administrator can activate the Sub-Creditor module in Tools > Settings:

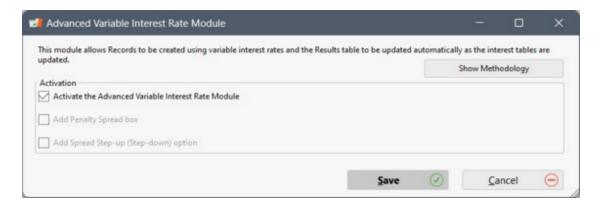


Consult Record Window > Creditor (Lender/Investor) to find out more about managing Sub-Creditors.

Variable Interest Rates

As of version 5.5, the variable interest rate module allows an automatic interest rate update in the Payment schedule when the Interest table linked to it is updated. In previous versions of Margill Loan Manager (MLM), the Interest tables allowed creating the Payment schedule taking into account variable rates but updating the Interest table did not update the Payment schedule interest rates.

For users with versions before 5.5, the new method must be activated specifically by checking "Activate the Advanced Variable Interest Rate Module".



Note that only the ADMIN user can activate this module.

This module is explained in a separate chapter. See Advanced Variable Interest Rates Module.

Electronic Funds Transfer

See <u>Setting up the EFT module</u> in the <u>Electronic Funds Transfer</u> chapter.

Personal Logo Display

See Personal Logo Display in the Introduction chapter.

Master and Affiliate Loans

See the Electronic Funds Transfer chapter > Master and Affiliate Loans - EFT

Custom Report Settings

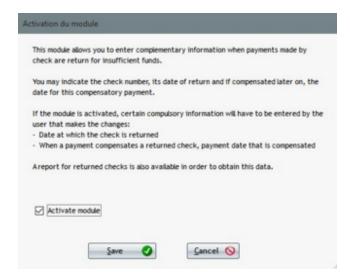
See <u>Custom reports created by the Margill team</u> in the <u>Reports</u> chapter.

Returned Checks

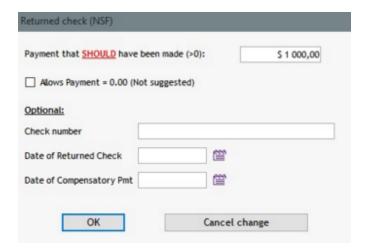
If activated, this module allows you to enter complementary information when payments made by check are returned for

lack of sufficient funds.

To do so, select the Menu Tools > Settings > System Settings tab > Returned Checks. The following window will appear:



When you click on "Activate module", certain compulsory information, such as the date at which the check is returned and the payment date that is compensated, will have to be entered by the user that makes the changes. Thus, each time the "Check returned" Line status is selected, this window will appear:



If the returned check module is activated, a returned check report can be created (<u>Transaction Report</u>) in order to extract this data.

For more information on extraction reports, see Reports > Commonly required reports > Returned checks.

Merge Borrowers and Creditors

This tool performs a "clean up" in the list of Borrowers and Creditors and eliminates duplicates.

What has changed between versions 2.x and 3.x?

The database versions that preceded Margill Loan Manager (MLM) version 3.0 were "flat file" type. As of 3.0, the new

structure is relational, a more powerful form that offers potentially many more options.

In the old structure, based on the Records (or Loans) when the Record was created, a Borrower (or a Creditor) could be included in this Record. If the same Borrower had a second loan in the system, the Borrower's information had to be entered again. If, for example, the Borrower changed phone numbers, each Record had to be opened and the telephone number changed for each file, one by one.

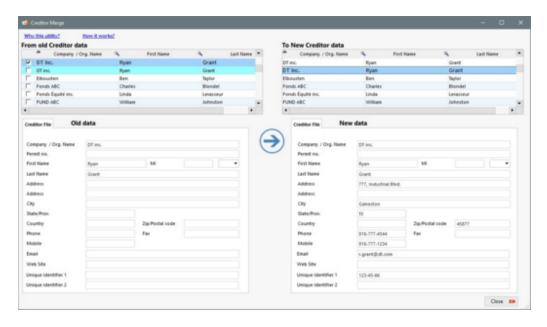
With the new database structure, Borrowers and Creditors are created independently of the loan. The Borrower and the Creditor may be associated (paired) for a loan. A loan may even include multiple Creditors, reflecting a percentage (or amount) of participation. In addition, a loan may also have a Co-Borrower and multiple Borrowers selected from the list of Borrowers. When Borrower information changes, the phone number, for example, the change in the Borrower Information Card will be reflected in all Records (or loans) for that Borrower.

When updating MLM from version 2.x to 3.x the database update tool identifies Borrowers (or Creditors) who have EXACTLY the same data, and in this situation merges the two (or more) information cards in one, then assigns this information to the appropriate Records.

The merge tool allows the system to merge manually if the updates cannot be merged automatically.

How to merge manually

To merge a Borrower's or a Creditor's information card: Tools > Settings > System Settings (Administrators) > section "Special" > Borrower or Creditor Merge.



In the example above, "DT inc." appears twice. The highlighted (and checked) left Record does not contain the data for the address, phone number or the email. The right data is more complete than the left. Other situations may occur as one of the forms includes updated data, while the second contains old data.

To perform a merge, check the Information Card or Cards in the left panel (old data) or the unnecessary Cards that should actually contain exactly the same data as highlighted in the right table. In the example below, we want to replace the information card of the Borrower "Jeean Rablat" (with the wrong name) with the "Jean Rablat" information card that contains the correct data. Any difference, however minor it may be (including an invisible space) would have prevented the automatic merge.

Select the card in the right table that must be preserved. This card will replace each selected cards in the left table.



Left portion of window



Right portion of window



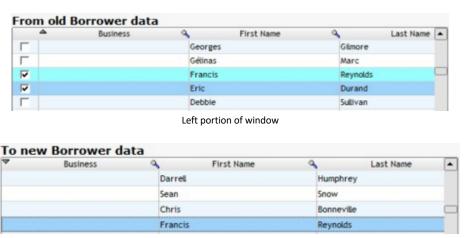
Press the arrow in the center.



By clicking on "Yes", "Jeean Rablat", checked in the left table, will disappear and the good information card for "Jean Rablat" will be assigned to "Jeean Rablat"'s loans.



WARNING! If you select several Borrowers (or Creditors) by mistake in the left table, these will disappear from the system. In the example below, Francis Reynolds and Eric Durand are checked in the left table and Francis Reynolds is selected on the right. Eric Durand will disappear from the system and his loans will now be associated with Francis Reynolds.



Right portion of window

Before performing a merge, <u>always</u> make sure you have chosen the right Borrowers or Creditors.

It is strongly recommended to perform a backup before doing multiple merges.

Electronic Signature

This module allows, if activated and combined with a subscription to the eSignature partner Xodo Sign (formerly Eversign), to send personalized documents by email in order to have them signed electronically to Borrowers, Co-Borrowers, Guarantors and Creditors.



See Reports > Document Merge (Letters, Contracts, Invoices and Statements) > Electronic Signature (eSignature).

Bulk Import of Borrowers, Employers, Creditors and Payment Schedules

The Margill team provides a data import service from an Excel file in addition to helping you configure the Database (custom fields, drop down menus, etc). Contact us for more information on this service. Additional fees apply.

With the help of our team's templates, you can easily, rapidly and regularly import Borrowers, Creditors, Employers and Payment schedule data to Margill Loan Manager.

For more information, see Import_Borrower_Creditor, and Employer_Data and Bulk_import_of_Loans_and_Database_configuration sections.

See also Automated Imports - JSON or Excel files and Salesforce Connection (API).

Automated Imports - JSON or Excel files

This Application Programming Interface (API) enables the automatic import (creation and update) of Borrower, Loan and new Transaction data into Margill Loan Manager (MLM) from third-party software and web application forms in JSON and Excel formats.

Importing or updating data through a Margill Windows Service can be done in near real-time as long as the third-party software has the capability to create the required files, ideally, automatically.

Three automatic imports are available:

- Borrower creation and Borrower data updates
- Borrower and Loan creation and updates (via a single file)
- New transaction imports

A detailed PDF document is available on the Margill web site that explains the module in detail. Please visit: https://www.margill-loan-manager/win_service-api.pdf.

Important Note:

Especially when importing new payments, it is strongly suggested to make a backup copy of the database (DB folder) before any automatic import. The import file should only be copied to the import folder after the backup copy has been done.

Salesforce Connection (API)

This Application Programming Interface (API) allows automatic import (creation and update) of the Borrower data (but not the loan itself - you could use a JSON or Excel file produced by SF for this) into Margill Loan Manager (MLM) from the Salesforce software (CRM).

A detailed PDF document is available on the Margill web site that explains the module in detail. Please visit: https://www.margill.com/margill-loan-manager/Margill API Salesforce.pdf

Important notes:

It is suggested to work in Salesforce Sandbox Mode in order to do some preliminary testing. A Sandbox version should also be used for Margill (contact the Margill Support to do this).

If you are working on a live version of Margill, it is suggested to save the MLM database before importing anything.

A Salesforce expert should do this integration.

Security

The "Security" tab in Tools > Settings, allows for increased internal security in Margill Loan Manager.

The "Security" tab is visible only for the <u>Administrator ADMIN</u> who is the "Super" Administrator. Only this Administrator has access for security reasons.

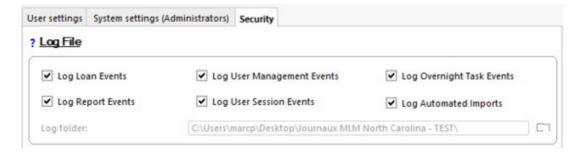
Check out these sections for more information:

- Log File
- <u>Sensitive Information</u>
- Internet Access
- Multi-factor authentification (MFA)
- PGP Encryption Setup

Log File

This option activates an external log in order to generate a text file (.TXT) structured in JSON on a daily basis. The file includes the activities you wish to log.

The selected activities under the **Security** tab accumulate over time in the file.



The following information is added to the JSON file: User name who carried out the event, time stamp, name of the workstation used, user name used in Windows, source (user session, Overnight tasks, etc.), level, reference (depending on the context, is the Record number), start and end time, error message (if applicable), success message (if applicable).

Moreover, for each activity, supplementary precisions on the actions made in MLM, are included:

Loan Events	Activity log in the Records (Loans) Includes for example: Changes in the Payment schedule (payments) Creating and Deleting Records Change of Borrowers in Records		
Report Events	Report Events log Includes the type of report and its name		
User Management Events	User Management Events log Includes for example:		

	 Deleting a User Adding a User as well as the list of granted rights Changes in the rights granted 	
User Session Events	 User Session Events log Includes time of connection to MLM, time of disconnection and session duration 	
Overnight Task Events	Log of Events configured via Background tasks Includes the type of tasks done and error / success messages	
Automated Report Events	Automated Report Events log Includes for example: Type of data imported (Borrower, Employer, etc.) Name of the data file containing the import information Unique ID of the Borrower created or modified during the import	

Simply check the required events, choose a destination folder for the JSON files generated daily and click on the "Save" button.

The files created by these logs can be imported by another analysis software such as Splunk.

WARNING: Logging attempts to include all of the events described above, but although this event capture was done with great care, some events may not have been captured by the logging tool. If you find an event described above that is not included in the log file, please let us know.

Sensitive Information

By checking this option, the enhanced protection of confidential information is activated. This blocks the copy using CTRL + C on tables that contain data that could be confidential and hides the window's data when attempting to take screen shots.

? Sensitive Information
Activate enhanced protection of sensitive information

This mechanism is in no way full-proof in stopping unauthorized data copy by internal staff.

See also: Sensitive Data Module

Internet Access

When this option is checked, any access to external links and the opening of files by launching Windows programs, via MLM, will be prohibited.



This includes:

- Internet, Web addresses
- EFT submissions
- Updates to interest tables / Margill license
- Connections to Salesforce
- Sending emails
- Direct opening of PDF, CSV, TXT etc. (you will have to open the files by launching your other programs (Word, Excel...) independently.

Multi-factor authentification (MFA)

To increase the security of your system, this option enables Multi-factor authentication (MFA) login. This option enables MFA for all system users.

In order to receive the verification code, you will need to install an authenticator app on your smart phone. Apps such as "Authenticator" from Microsoft or Google are usually available for free. Several others are available for various smart phone types.

Your users will simply follow the instructions when launching MLM (scan the QR code or manually enter the unique key generated).



If a user's phone is replaced, the ADMIN will need to regenerate the QR code for this user. See Getting stated >

Administrators and Users > Reset the Multi-factor authentification code

The TOTP (*Time based One Time Password*) algorithm is used. Sometimes, the code is rejected 4 to 5 seconds before expiring. Simply wait for the next code if the first does not work.

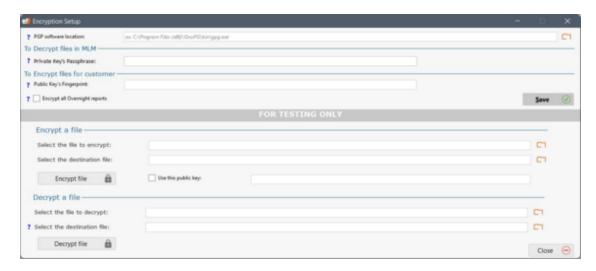
PGP Encryption Setup

This tool allows setting up the encryption of reports produced via the Background (Overnight) Tasks (Automatic reports).

Encryption would be used in highly secured environments. This requires installing Kleopatra, a certificate manager and a GUI for GnuPG. The software backs up your OpenPGP certificates and keys.

Configuration:

- 1. Specify the location of the PGP software.
- 2. In order to decrypt a file, enter the private key password used to decrypt files whose public key has been shared.
- 3. To encrypt a file, indicate the public key fingerprint used for file encryption. The public key must first be imported into your PGP software.
- 4. When checking the "Encrypt all Overnight reports" option, all automatic reports produced overnight (or when desired via Windows Task Scheduler) will be encrypted. There is also an option in the Automatic reports settings that allows you to enable encryption per report.



The "FOR TESTING ONLY" button allows necessary testing to validate that the configuration with the PGP software is working correctly.

Encryption should only be used by a technical team with implementation knowledge. Additional information is available upon request.

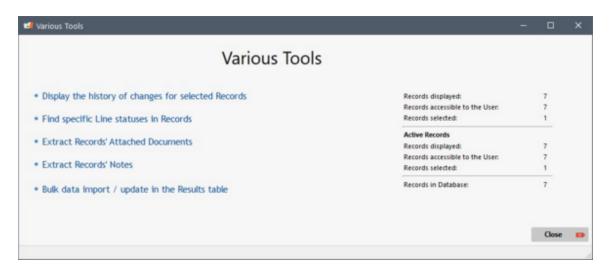
Users

See Getting started > Administrator and Users

Various

The tools located under "Various Tools" are less important one but can be very useful.

- <u>Display the history of changes for selected Records</u>
- History of changes by line in a Payment schedule
- Find specific Line statuses in Records
- Extract Records' Attached Documents
- Extract Notes from Records
- Bulk data import / update in the Payment schedule



Log of Changes for Records

Margill Loan Manager (MLM) includes a log of changes made in a client Record. The log includes who made the change (User), the date and time it was made and what changes were made.

The history can be viewed for changes made in a specific Record, for any dates, or for changes made to multiple Records (consolidated history) for a chosen date or between two dates.

Constraints for the history of Records:

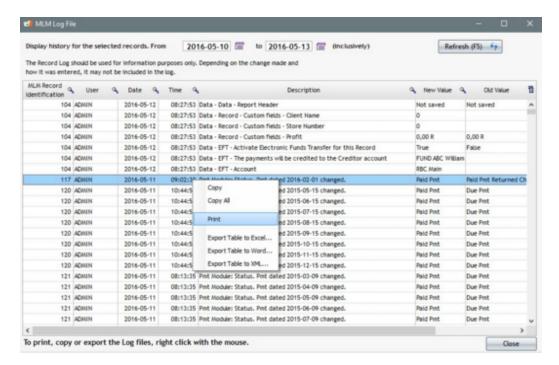
- **CAUTION**: The Record Log should be used for information purposes only. Depending on the change made and how it was entered, it may not be included in the log.
- Only changes related to Record itself will be included in the history. If a change is made to a Borrower Information
 Card for example, those changes or additions will not be included in the history as the change is not directly related
 to the Record. Nevertheless, if a Co-Borrower (or Borrower or Creditor) is added or removed from a Record, the
 change will be included in the history. Included in the history are:
 - Changes to the Payment schedule
 - Changes to the "Data" tab
 - Changes to the custom fields for the Record
 - O Adding, changing or deleting a Borrower, a Co-Borrower, a Creditor or a loan officer
 - Under "Borrower": "Other Info" and "Loan Security"

- Under "Creditor": "Other Info" and "Participation"
- O Changes to the Credit Report tab related to the Record but not to the Borrower
- Changes in the APR tab
- Changes to the Advanced tab
- The consolidated history will identify only changes made to Records. If the change is not included in the history of the Record itself, it will not be included in the consolidated history.
- If a Record is deleted, this will not be reported in the list of changes since the Record's history will be removed with the Record. It is extremely important to make backups regularly, several times a day for larger databases.

Changes to a Record

For a Record, you can view the history from the "Data", "APR" and "Advanced" window of the Record.

The log can be copied or exported to Excel, Word or XML (Web) with the right mouse click and can be printed.



Viewing the changes for the chosen Records (Consolidated History)

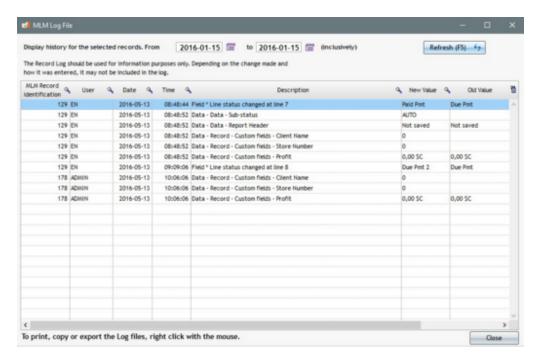
If you would like a list of changes that have been made in several Records, at a specific date or for a given interval (for example, changes made yesterday or in the last week), go to Tools > Various > Display the history of changes for selected Records.

This consolidated history will display the changes made to the SELECTED Records only. Thus, we must choose the desired Records in the Record Summary. You can choose only certain Records or all Records in the portfolio.

To choose all the Records, press on "Ctrl A" in the Record Summary window. Make sure that all Display Filters are at "All", otherwise some Records might be excluded. To ensure that no Records are missing, the number of Records selected will be displayed at the bottom of the image in the "Various Tools" window:



In the "MLM Log File" window if you wish to obtain the history for a date other than the current date, enter the date or dates and press on "Refresh (F5)". By default, the changes for the current date will be displayed without the need to press "Refresh (F5)".



The log can be copied or exported to Excel, Word or XML (Web) with the right mouse click and can then be printed.

See also Security > Log File. Log files may be created in text format on a daily basis and analyzed with log analysis tools such as *Splunk*.

Find specific Line statuses in Records

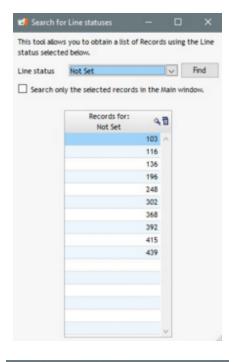
It may be useful to find Records that have particular Line statuses. For example:

- to identify and make corrections to all Records that have the "Not Set" Line status, a Line status which is not supposed to be used;
- to eliminate a Line status from the database that is no longer useful and then be able to delete it from the Line status scroll menu choices in the Payment schedule.

This tool is accessible through Tools > Various > Find specific Line statuses in Records and with the Ctrl Alt Shift L shortcut from the Main MLM window.

Choose the Line status to find and press on "Find". The search will be done among all Records whether these are displayed or not in the Main MLM window.

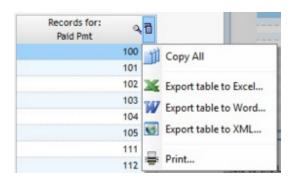
To search only among the selected Records, check "Search only the selected Records in the Main window".





Take note of the MLM Record Identifiers and make the corrections. If multiple Records are displayed, click on for the menu to appear which allows you to copy, export or print the list of Records that contain the Line status.



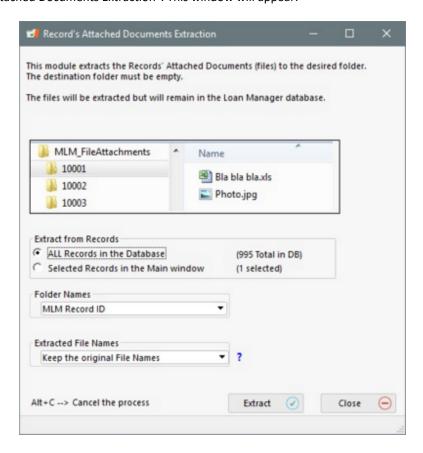


Extract Attached Documents from Records

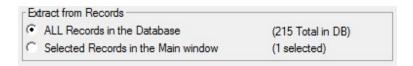
This module allows the user to copy the Records' attached documents to the desired folder outside of Margill Loan Manager (MLM).

The Records' attached documents in MLM will be copied in a folder chosen by the user. They will stay clearly identified as to the Record they belong to.

To do so, click in the Record Summary window then click on click on "Record's Attached Documents Extraction". This window will appear:



It is possible to extract attached documents either for all Records in the database or only for Records selected in the Main window (Record Summary). Simply check the desired option under "Extract from Records". To be safe, MLM will show the number of Records associated with the selected option.



Extracting will generate different folders (under Windows) for each Record. These folders will each have a name. Folder names can be chosen among the following options in the "Folder Names" drop down menu:



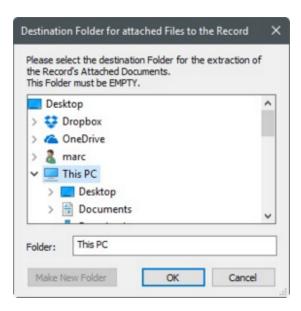
By default, the folder name will be MLM's Record Number.

Next, you will need to determine the each file's name once extracted. By default, the system will keep the original file names. If another option is selected, all file names will end by "_RecordID". Here are the choices offered by MLM in the "Extracted File Names" drop down menu:



Click on and select the destination folder to which the attached documents must be copied. Select an empty folder in order for the operation to succeed (you will have the opportunity to "Make a New Folder" at this stage).

After selecting the folder, click on OK.



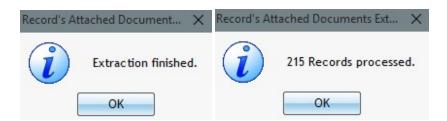
MLM will confirm your choice with the following message based on the extraction choice made for the files from "Records selected in the Main window",



or "ALL Records in the database".



A confirmation is provided when the extraction is finished. A pop-up window will show the number of Records processed:



The extracted files will be located in the chosen Windows destination folder.

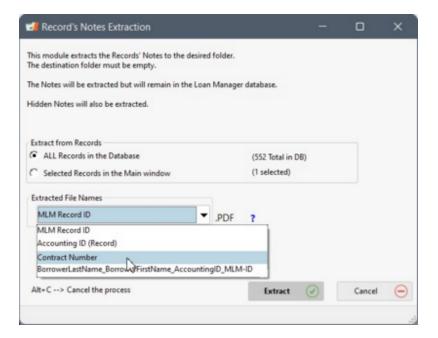
Please note that files will remain attached to the Margill Records. Files are copied during the extraction, they are not deleted.

Extract Notes from Records

This module extracts the Record Notes to the desired folder. The destination folder must be empty.

The Notes will be extracted in PDF format and will include the images if there are some present. The Notes will be extracted but will remain in the MLM database.

Go to Tools > Various > Extract Records' Notes:



You have the option of extracting Notes from all Records or only those selected in the Record Summary window. The file's name will be one of the IDs listed in the scroll menu above or a combination with the Borrower name and other Records IDs. The MLM Record ID is always included since this is the only field that is always present.

Bulk Data import or data update in the Results table

This module allows you to modify or add data in multiple columns for existing lines in the payment schedule from an Excel file and as of a specific start date for the change / addition until an end date or for the duration of the schedule. The data for the desired columns will be modified as of the first date of any of the 5 "Due Pmt" type Line statuses.

For example, you had Column Fees (taxes, insurance, administrative fee, etc.) on each payment line but these are to change at a specific date going forward. Changing line-by-line would be a very long process. This tool allows you to change these amounts (or other data types in the payment schedule) in bulk.

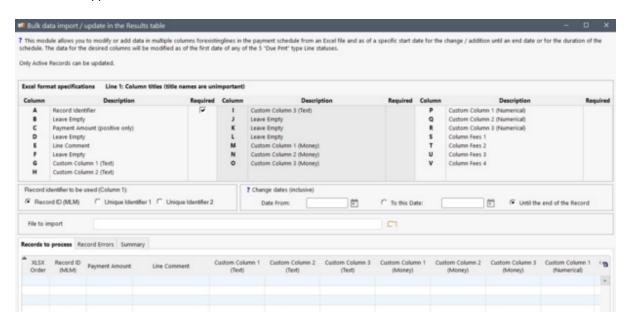
Lines in the past, so those with "Paid" payments or any other type of Line status (Add. Principal, Other X, Fees, Fees Paid)

will NOT be updated. Even lines in the future with Line statuses other than "Due" payments will also be ignored. Even if proper use of the Loan Manager recommends that the past should not contain "Due Pmt" type lines (they should all be Paid, Unpaid, etc), this does not prevent you from changing historical data as long as the Line statuses are of "Due Pmt" type.

Go to Tools > Various > Bulk data import / update in the Payment schedule:



This window will appear:



The tool allows to add or update (replace) the following data contained in these payment schedule columns:

- Payment amount
- Line Comment
- Custom Column 1 (Text)
- Custom Column 2 (Text)
- Custom Column 3 (Text)
- Custom Column 1 (Money)
- Custom Column 2 (Money)
- Custom Column 3 (Money)
- Custom Column 1 (Numerical)

- Custom Column 2 (Numerical)
- Custom Column 3 (Numerical)
- Column Fees 1
- Column Fees 2
- Column Fees 3
- Column Fees 4
- Column Fees 5
- Column Fees 6

Note that multiple columns may be updated at once. For example, an increase in a fee column of 10.00 would usually involve an increase in the Payment amount.

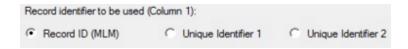
Warning! It is strongly recommended to backup the database before making major changes in the database. See <u>Backup (Data)</u> for the steps to follow.

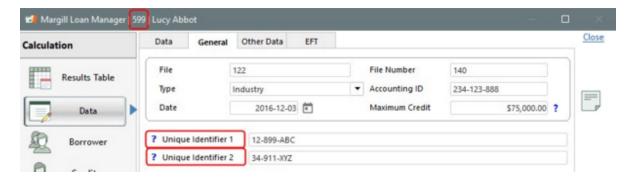
NOTE: Only a Margill with Administrator privileges or a Power user can do such an update since the changes can be substantial.

Only "Active" Records can be updated with this tool.

To import data from an Excel spreadsheet:

- 1) Prepare the Excel spreadsheet with the first compulsory column A (the Record identifier) as well as the data that is to be added or updated:
- The first column (Excel A) is compulsory and serves to identify the Record. Three Record identification methods are
 possible. Choose the desired identification from the list. You can choose the MLM Record ID or from Unique ID 1 or 2
 (as renamed), the latter two assigned by the user.





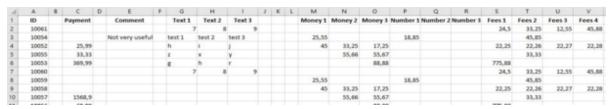
- Some columns in Excel must remain empty since the Excel file format follows that of the <u>Bulk Payment Import</u> tool.
 Data can be entered in any of the the other columns as "mapped" below:
 - Column C: Payment Amount (positive only)
 - Column E: Line Comment

- Column G: Custom Column 1 (Text)
- Column H: Custom Column 2 (Text)
- O Column I: Custom Column 3 (Text)
- Column M: Custom Column 1 (Money)
- Column N: Custom Column 2 (Money)
- O Column O: Custom Column 3 (Money)
- O Column P: Custom Column 1 (Numerical)
- O Column Q: Custom Column 2 (Numerical)
- Column R: Custom Column 3 (Numerical)
- Column S: Column Fees 1
- O Column T: Column Fees 2
- O Column U: Column Fees 3
- O Column V: Column Fees 4
- O Column W: Column Fees 5
- O Column X: Column Fees 6

IMPORTANT NOTE: The column positions (from 1 to 24 (A to X in Excel)) are mandatory. If only certain data is to be imported, you must leave the optional columns blank, in the prescribed order, so that the data to be imported is transferred to the correct place during the import. A header is not required for blank columns.

The first line in the spreadsheet is used to identify your columns, it will not be imported. The names given to the columns do not matter but their order does.

Only the first sheet of the Excel Book will be imported.



Excel spreadsheet example

Notice data can be present in some cells only

2) Choose the identifier to be used to identify the Record:

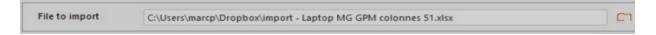


3) Specify the date at which the change/addition is to begin and end, or up to the very last line of each of the payment schedules (end of Record).



Remember, even if you were to enter a date in the past or in the future but with a Line status other than a "Due Pmt" type, the change/addition will be ignored since this will be considered an historical transaction or a special transaction which should not be changed.

4) Click on the orange folder icon in order to select the Excel file to import to MLM.



A preliminary analysis of the spreadsheet is performed and if errors are detected a message will appear:



Errors will appear in red or orange depending on whether the errors are critical for the entire Record or only for some lines of the payment schedule.

Error examples:

Record ID not found in the database	Indicates that the Record does not exist.	Critical error so Record excluded from import
Active Records only	Indicates that Record Status is not "Active".	Critical error so Record excluded from import
Invalid data format	For example a letter entered in a monetary field or a negative number entered in Payment or Column Fees	Critical error so Record excluded from import
Payment amount to be changed and includes a Line Behavior (Tags)	Line Behavior such that Payment amount is automatically recalculated for Interest-only or Fixed principal payment.	Critical error so Record excluded from import
Column fees already present that have formulas	For example, the Column fees are recalculated based on the previous line's balance or are based on the line's accrued interest.	Critical error so Record excluded from import
Line status not accepted	Any Line status other than one of the five "Due Pmt" types	Relative error (orange) thus this specific line will be ignored but data will be entered for all the Due Pmt type Line statuses. All problem lines will be shown in the "Line Errors" tab.
		Line Litois tab.
No Due Pmt type Line status in the Record (for the desired time period)		Relative error (orange) which in fact becomes a critical error since this Record cannot be updated.

If a **critical** error is found, it is recommended to cancel the entire import, to correct the Excel sheet and to proceed with a full new import.

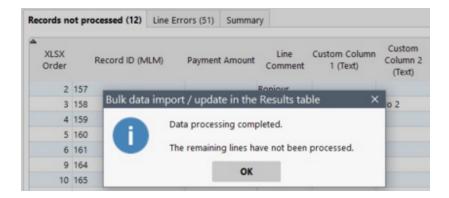
If a **relative** error is found, such as a Paid Line status in the time period entered, then there is no need to correct the Excel sheet.



6) Once the data is validated, and if necessary, corrected, in the preliminary analysis of the "Line Errors" and "Summary" tabs, click on "Apply".



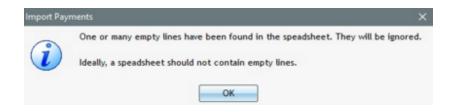
All transactions in the "Summary" tab where the "Record can be processed" column indicates "Yes" will be updated.



Once the processing is complete, a message will indicate that the changes were made except for the lines shown in the "Records not processed" tab, case being.

Additional notes:

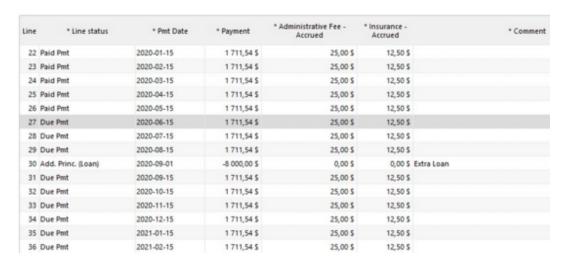
End of import: The import system will process each line of the Excel spreadsheet until it detects an empty line. When it detects an empty line, MLM will assume that the line before is the last transaction. However, as a safety measure, MLM will verify that the next nine (9) lines are also empty. If they are indeed empty, MLM will assume that the sheet is complete and that the import is finished. When MLM detects empty lines in a spreadsheet, this message will appear:



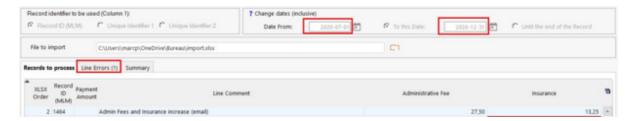
Import Examples

Example #1

Suppose you want to modify the Column Fees amount (Administrative and Insurance) following an increase for the period from 2020-07-01 to 2020-12-31 in the Payment schedule containing monthly payments on every 15th of the month. An additional loan amount (Add. Princ. (Loan)) is also scheduled for 2020-09-01:



Once the Excel file is ready, go to the import tool, enter the data change dates (inclusively for both start and end dates) and select the file to be imported. This window will appear:



Note the "Line Errors (x)" tab ("x" being the number of errors) which means an error was detected. Under this tab, an orange line advises of a relative error simply for you to know that it's there. The error reports that a Line status other than a "Due Pmt" type is present and so data will not be inserted or changed for this line. This does not prevent the submission of modifications for all other Due Pmt lines.



After submission and confirmation that the data has been modified, when reopening the Payment schedule, you will notice that the Fees and Comments have been modified only for the "Due Pmt" lines and only for the desired period. No Fees have been added to the Add. Princ. line and due payments BEFORE 2020-07-01 and AFTER 2020-12-31 have not been modified.

In this example, the payment was not changed, but ordinarily, it would have been increased by the additional accrued amount. The payment could have been changed by adding the new payment amount in Column C of the Excel sheet (payment would have been 1171.54 + 2.50 + 0.75).

ine	* Line status	* Pmt Date	* Payment	* Administrative Fee - Accrued	* Insurance - Accrued	* Comment
22	Paid Pmt	2020-01-15	1 711,54 \$	25,00 \$	12,50 \$	
23	Paid Pmt	2020-02-15	1 711,54 \$	25,00 \$	12,50 \$	
24	Paid Pmt	2020-03-15	1 711,54 \$	25,00 \$	12,50 \$	
25	Paid Pmt	2020-04-15	1 711,54 \$	25,00 \$	12,50 \$	
26	Paid Pmt	2020-05-15	1 711,54 \$	25,00 \$	12,50 \$	
27	Due Pmt	2020-06-15	1 711,54 \$	25,00 \$	12,50 \$	
28	Due Pmt	2020-07-15	1 711,54 \$	27,50 \$	13,25 \$	Admin Fees and Insurance increase (email)
29	Due Pmt	2020-08-15	1 711,54 \$	27,50 \$	13,25 \$	Admin Fees and Insurance increase (email)
30	Add. Princ. (Loan)	2020-09-01	-8 000,00 \$	0,00 \$	0,00 \$	Extra Loan
31	Due Pmt	2020-09-15	1 711,54 \$	27,50 \$	13,25 \$	Admin Fees and Insurance increase (email)
32	Due Pmt	2020-10-15	1 711,54 \$	27,50 \$	13,25 \$	Admin Fees and Insurance increase (email)
33	Due Pmt	2020-11-15	1 711,54 \$	27,50 \$	13,25 \$	Admin Fees and Insurance increase (email)
34	Due Pmt	2020-12-15	1 711,54 \$	27,50 \$	13,25 \$	Admin Fees and Insurance increase (email)
35	Due Pmt	2021-01-15	1 711,54 \$	25,00 \$	12,50 \$	
36	Due Pmt	2021-02-15	1 711,54 \$	25,00 \$	12,50 \$	

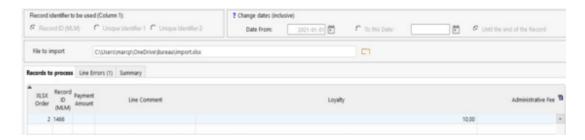
Example #2

This tool can not only be used to replace existing data, but also to add/remove data from existing Payment schedules.

Let's suppose Data must be added on the "Due Pmt" Line statuses of "Due Pmt" from 2021-01-01 and for the duration of the loan. The Fee column was renamed according to Creditor's needs, but does not yet contain an amounts.

Line	* Line status	* Pmt Date	* Payment	* Loyalty - Accrued
34	Paid Pmt - Check	2020-03-05	2 359,42 \$	0,00
35	Paid Pmt - Check	2020-04-05	2 359,42 \$	0,00
36	Unpaid Pmt	2020-05-05	0,00 \$	0,00
37	Paid Pmt - Check	2020-06-05	2 359,42 \$	0,00
38	Due Pmt	2020-07-05	2 359,42 \$	0,00
39	Due Pmt	2020-08-05	2 359,42 \$	0,00
40	Due Pmt	2020-09-05	2 359,42 \$	0,00
41	Due Pmt	2020-10-05	2 359,42 \$	0,00
42	Due Pmt	2020-11-05	2 359,42 \$	0,00
43	Due Pmt	2020-12-05	2 359,42 \$	0,00
44	Information - No impact	2021-01-01	0,00 \$	0,00
45	Rate Change	2021-01-01	0,00 \$	0,00
46	Due Pmt	2021-01-05	2 359,42 \$	0,00
47	Due Pmt	2021-02-05	2 359,42 \$	0,00
48	Due Pmt	2021-03-05	2 359,42 \$	0,00
49	Due Pmt	2021-04-05	2 359,42 \$	0,00
50	Due Pmt	2021-05-05	2 359,42 \$	0,00
51	Due Pmt	2021-06-05	2 359,42 \$	0,00
52	Due Pmt	2021-07-05	2 359,42 \$	0,00
53	Due Pmt	2021-08-05	2 359,42 \$	0,00

The changes will take effect from date x, to, "Until the end of the Record". This ensures that all Records to be modified will be changed up to the last "Due Pmt" type line for each of the payment schedules, regardless of the end date of the loan.



Data that were not yet entered in the Payment schedule when it was first created were added as of the desired date until the end of the loan. Note that the payment has also been increased by 10.00.



Backup

See Backup (data)

Tables

For more information on creating new interest tables or for managing sales tax tables, see sections:

- Interest rate tables (variable interest rates) > <u>Creating new interest tables</u>
- Updates > Interest tables (& Sales tax table) updates

• Margill Loan Manager Calculations > Other calculations > <u>Sales Tax Calculations</u>

List of Applications

See the Useful Features chapter > <u>Lead/Prospect approval and Record (Loan) import via Excel or JSON</u> for more information.

Database Reindexation

The "Reindexation button" , accessible only for the Margill Loan Manager (MLM) Administrators, reorganizes the database indexes and can increase system speed. After reindexing, index access is optimized.

Reindexing may be required following the loss or alteration of the index file. This loss or alteration car render the application unusable, unstable or simply much slower than usual.

Possible causes of loss or corruption of the index: Technical problem (power outage...), abnormal shutdown, physical removal of an index file.

It is crucial that no other user use the software during the reindexing phase.

Reindexation may be done via the <u>Automatic / Overnight tasks</u>. This needs not be run every day. Every few weeks is sufficient.

MLM-Repair.exe

The MLM installation folder (generally the "MLM" folder) contains an application (MLM-Repair.exe) to reindex MLM without launching the Loan Manager itself. This may be necessary if the index becomes corrupted and MLM can not be started.

Warning: Since all users with access to the MLM installation folder can run this tool, and since it is crucial that no other user run the software during the reindexing phase, it is strongly recommended to provide access only to MLM Administrators, thus avoiding potential database corruption.

F1- Help (User's manual)

If you press F1 on your keyboard or on in the "Tools" menu, you will be redirected to the MLM User Guide in PDF format.

The "big" User Guide must first be downloaded from the Margill website.

Useful Features List

Right mouse click

Bulk Import of Loans

Lead/Prospect approval and Record (Loan) import via Excel or JSON

Emails - Sending automatically or in batch with templates

Shortcuts

Search Tools

Global changes to the database (batch changes)

Notes - Record and Borrower

Attached Documents

Undo function

Check for Data Irregularities

System Warnings

Custom Unique Identifiers (Record, Borrower, Creditor)

Record Color

Calendar

Pocket Calculator

Dashboard

Right mouse click

The right button of the mouse provides access to many powerful Margill Loan Manager (MLM) options notably in the Payment schedule (payment schedule) and in many other windows.

Right mouse clickin the "Record Summary" window

Right mouse click in the "Data" window

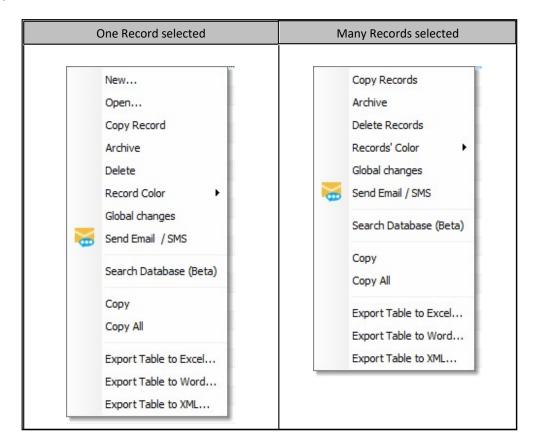
Right mouse clickin the "Borrower" window (under "File")

Right mouse clickin the "Payment schedule"

Right mouse clickin the "Post payments" tool

Right mouse click in the "Record Summary" window

In the "Record Summary" window (Main MLM window), right clicking with the mouse on one or more Records will offer a series of options.



The "Copy Record" (and "Copy Records") option allows the quick <u>duplication</u> of a Record or Records exactly as they are saved and without changes (they may be changed by double clicking on them afterwards).

The "Copy Record" (or Records) will copy the complete Record including Record data, any changes made to the
Payment schedule and the links to the Borrower, Co-Borrower(s) and Creditor(s). You will have the choice to include
or not the unlimited Custom fields and the Record Alerts. However, data pertaining to Electronic Funds Transfer will
not be included, nor the Unique Identifiers.



"Copy" and "Copy All" will only copy the displayed (and/or selected) data (the lines and columns in the Main window), no other data.

Archive - If this feature is enabled, allows Records to be archived in text mode, completely outside the normal framework of the software. Option available only for very large databases.

The "Export to..." options will only copy or export the Record summaries (the data columns in the Main window), no other data.

A user with all the required rights (Tools > <u>Users</u>) can place emphasis on certain special loans and assign these different colors. Select the Record(s) in the Main window, right-mouse click and choose the "Record Color" option.

The "Global Changes" option is a very important development. This tool allows users with the proper permissions to make changes to the database in batches, thus to many Records at a time for various fields, without the need to open each Record one be one. For example, you could add new data in a Custom Field or change many Records from Active to Closed in a few seconds. Consult the <u>Global changes to the database (batch changes)</u> section.

The "Send Email / SMS" option allows you to send emails and SMS for the selected Records with a predefined template. Consult the <u>Mail Merge / Templates</u> section to learn more on this.

Search Database: allows to find any text or number anywhere in MLM.

Right mouse click in the "Borrower" window (under "File")

The "Global Changes" option, allows users with the proper permissions to make changes to the database in batches, thus for many Borrowers (and Co-Borrowers and Guarantors) at a time for various fields, without the need to open each Borrower's data file one be one. Consult the Global changes to the database (batch changes) section.

Right mouse click in the "Data" window

In the "Data" window, if the amortization or the term in number of payments is not specifically known, the right mouse click offers two additional choices:



With the "Specific Date" choice, the window below will open prompting you to enter the end date of the amortization period. Once a date is entered, the number of payments will be calculated in the Data window. A date must have first been entered in the "Origination Date" and the "First Payment Date".

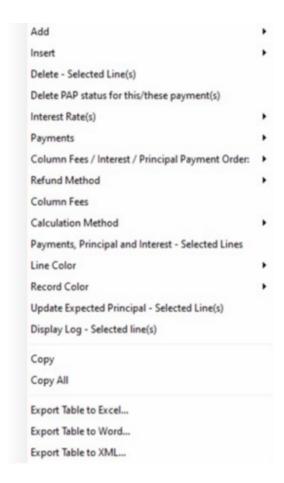


The amortization or term can also be determined based on the number of full years entered:



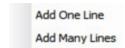
Right mouse click in the "Payment schedule"

In a "Payment schedule", highlight **one** or **many lines** with the Shift key (or Ctrl key) and the keyboard arrows () or the "Shift" key (or "Ctrl" key) and the mouse left click. Then right-click and the menu below will appear. Adjacent or non adjacent lines may be chosen (see <u>TIP</u> box below).



Add

This allows you to add one or many lines at the **end** of a Payment schedule.



Additional Line(s) 5/29/2023 Date Period of Payments Monthly Number of day(s) 10.000000 % Annual Nominal Rate (%) Number of Payments Payment Amount \$ 250.00 Add payment amount to existing line Indexation (Step Payments) (None C Fixed amount Percentage Add Fees Indexation Rate 0.0000 % Indexation Period Annually Calculate Indexation Rate for Balance = \$ 0.00

When "Add Many Lines" is selected, the following window opens providing choices for these additional payments:

Notice the payment Indexation options (that will appear below the "Add Fees" option) so that future payments are indexed based on an amount or a percentage.

Column Fees can also be added by pressing on the "Add Fees" link.

Insert

When one (1) line or many lines are highlighted, the following menu will appear with the "Insert" choice:

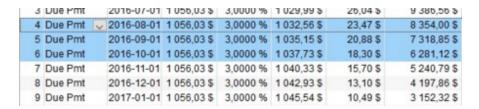


When one or more than one line is highlighted, the "Insert line(s)" choice will appear. Line(s) will be inserted above and in between each of the selected lines.

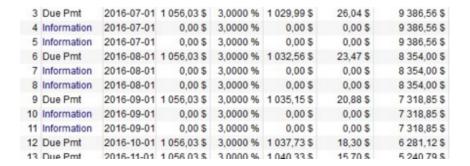
MLM will also ask how many lines are to be inserted between each of the lines selected:



For example, when these three (3) lines are selected (selected lines are highlighted in blue) and you indicate that two (2) lines are to be added between each line:

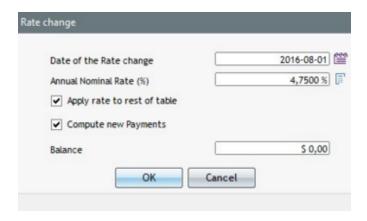


Three set of two lines (total six) new lines with 0.00 payments will be inserted in the table **above** each of the selected lines:



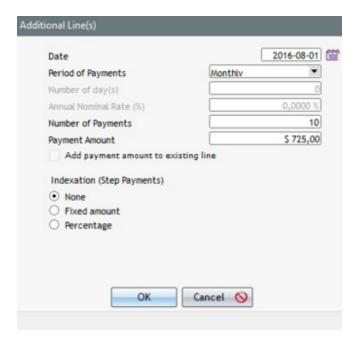
The dates, payments and interest rates may then be modified for each of these lines by first changing the last date (line) in each of the series added in order to respect the compulsory chronological order.

With the "Rate Change" choice, the interest rate may be changed to any date. The rate may be applied to the rest of the Table and the new equal payments recomputed to give a balance = 0.00 or other amount.



For more detail, see Adding or changing interest rates in a Payment schedule.

With the "Payment(s)" choice, additional lines may be added in a table as of the date indicated in the Date line of the window below. Lines will be inserted automatically at the right location in the schedule. If a positive payment is indicated, this will be a refund. If a negative payment is indicated, this will increase the principal (additional loan amount) or an added fee, insurance, tax, etc. The "Annual Nominal Rate (%)" is grayed out since the rate that will apply will be the rate on that payment date.



The payments that are added may also be indexed (step payments) annually, semiannually, quarterly or monthly. For more information on indexed payments or step payments, consult the <u>Step payments</u> section.

Delete - Selected Line(s)

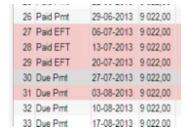
Eliminate one or many lines at the same time in a Payment schedule.

See also: Deleting a line or lines

Delete PAP status for this payment (these payments)

This option only appears when one or more lines are submitted as **Electronic Funds Transfer** payments.

In the example below, only the lines in red are Electronic Funds Transfer payments.

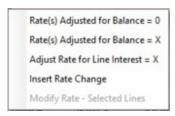


This option will delete the EFT special status. Deleting this status could be done for example, if a due payment (in the example above, the Due Pmt for the amount of 9022.00 due on 03-08-2013) had to be canceled.

Warning: If the status is deleted in MLM, this does not delete the payment at a banking level. The payment must also be canceled with the ETF Processor directly. MLM does not send any directive to delete the payment.

Interest Rates

If only one line is selected, four (4) choices are offered with the "Interest Rates" option:



The first two choices calculate the interest rate for that line only to yield a balance = 0.00 on the last line of the Payment schedule or other balance chosen (also on the last line of the Payment schedule).

Rate(s) Adjusted for Balance = 0 Rate(s) Adjusted for Balance = X

To change the balance from 0.00 to another amount, at the bottom of the Payment schedule, change the balance from 0.00 to another amount.

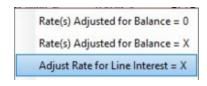


If the balance at the bottom of the window is not the balance desired, choose instead, "Rate Adjusted for Balance = X". The following window will appear in which to specify the desired balance.



See also: Interest rate (equal) recomputed to yield a balance = 0.00 or other amount.

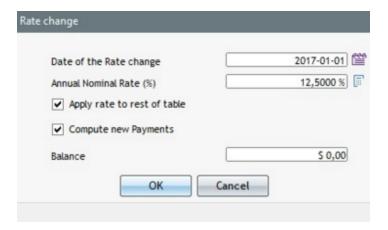
The third choice calculates the required interest rate to yield a desired interest amount for that line specifically. Particularly useful to match the MLM Payment schedule to an old payment schedule.



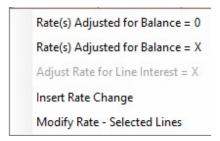


See also Interest Rate recomputed to adjust Line (period) Interest amount.

With the "Insert Rate Change" choice, the interest rate may be changed at any date. The rate may be applied to the rest of the Table and the new equal payments recomputed to give a balance = 0.00 or other amount.



If many lines are selected, the following choices are available:

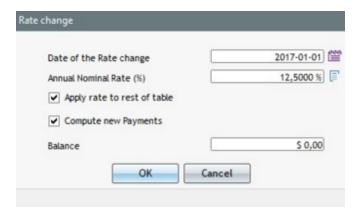


"Rate Adjusted for Balance = 0" calculates the interest rate for the selected lines to yield a balance = 0.00 or other balance indicated at the bottom of the window.

"Rate Adjusted for Balance = X" calculates the interest rate for the selected lines to yield a balance = to the specified balance in the window that will appear.

With the "Insert Rate Change" choice, the interest rate may be changed at any date. The rate may be applied to the

rest of the Table and the new equal payments recomputed to give a balance = 0.00 or other amount.

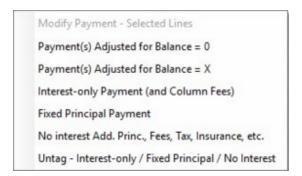


"Modify Rate - Selected Lines", will change the interest rate for the highlighted lines.

See also: Adding or changing interest rates in a Payment schedule

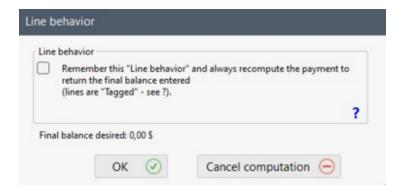
Payments

By highlighting a single line, six choices are offered:



With "Payment(s) Adjusted for Balance = 0" the payment for that line will be adjusted to yield a balance = 0.00 or other amount indicated at the bottom of the window.

Furthermore, a window will open (if this advanced feature is activated), providing the selected line or lines a special behavior by which the payments for the selected lines are always recalculated to return a final balance of 0.00 or X. See: Payments (equal) recomputed to yield a balance = 0.00 or other amount.



With "Payment(s) Adjusted for Balance = X" the payment for that line will be adjusted to yield a balance = to the specified balance in the window that will appear.



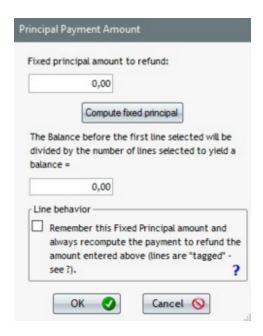
"Interest-only Payment" will calculate the payment to refund the interest only.

If this advanced feature is activated, a window will open, providing the selected line or lines a special behavior by which the payment always refunds only the interest when various payment changes are made above these "special" lines. See the Interest-only payments section.

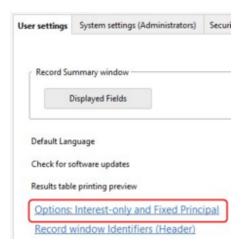


"Fixed Principal Payment" will open the window below allowing you to specify the fixed principal amount to be refunded. The payment will then be computed. The fixed principal amount may also be recomputed to yield a balance = 0.00 or other amount.

If this advanced feature is activated, the window will give the selected line or lines a special behavior by which the payment always refunds the fixed principal amount entered when various payment changes are made above these "special" lines. See the <u>Fixed principal payments</u> section.



The three (3) line "Behavior" advanced options above (automatic payment recalculation) can be activated in Tools > Settings > User settings > Options: Interest-only and Fixed Principal > Display "Behavior" option...



"No Interest Add. Princ., Fees, Tax, Insurance, etc." allows, for the selected line(s), not to charge interest on the principal, fees or other added in the Payment schedule. See <u>Additional principal</u>, fees, penalties, insurance and taxes.

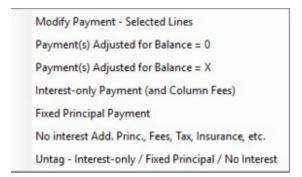
"Untag - Interest-only / Fixed Principal / No Interest" will eliminate the tag added on the selected payment lines. Thus:

- O Payments will no longer be recomputed to refund only interest;
- O Payment will no longer be recomputed to regularly refund a fixed principal amount when changes (payments missed, changed, etc.) are made above these lines;
- O The Fees (or other) will now bear interest;

See <u>Interest-only payments</u>, <u>Fixed principal payments</u> and <u>Additional principal, fees, penalties, insurance and taxes</u> sections.

When multiple lines are selected, an additional choice is offered, that by which the payment for multiple lines may

be changed.



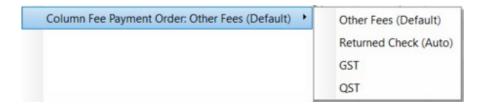
A new payment may be included or an additional amount added or subtracted from the existing payments. In the example below, 500 was subtracted from the original payment amounts for the lines selected.



See also the **Payments** section for more detail.

Column Fee Payment Order or Principal Payment

If you right click with the mouse when the Line status is a "Paid Payment" type, the following option will become available: "Column Fee Payment Order"



By default, MLM refunds the Column fees by chronological order (from 1 to 6). With this option, it is possible to modify the refund order by selecting the fee to be refunded first for the selected line or lines.

For more detail on this, see the <u>Special Refund Order for Column Fees</u> subsection in the <u>Fees</u>, <u>Insurance and Taxes</u> <u>by Column (and Automatics)</u> chapter.

If you right click with the mouse when the Line status is "Paid Principal", the following option will become available: "Principal Payment"



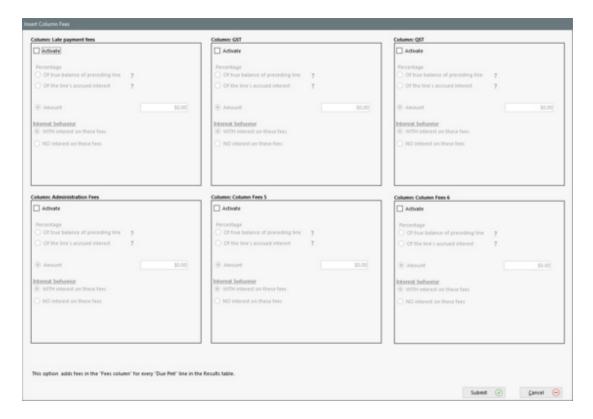
This option determines the desired refund sequence. The default option, Pure Principal + APR Fees Financed and APR Fees Financed are refunded on a pro-rated basis.

For more detail, see the "Principal" Type Line statuses subsection in the "Payment" Type Line statuses chapter.

Column Fees

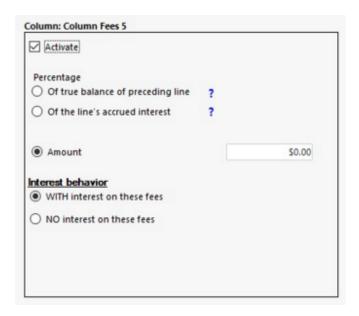
Column fees, are much more sophisticated than Line fees for reporting and are usually used when regular fees (insurance or taxes) are factored in the payment. When a payment is actually made (Paid) these fees are included in **Payment** type Line statuses. For accounting, they are paid before interest and principal.

You will have access to this window:



You will then be able to activate up to six fields. By default, the field names are: "Column Fees 1", "Column Fees 2", "Column Fees 3", etc. These field names can be customized from through Tools > Settings > Custom Column Titles.

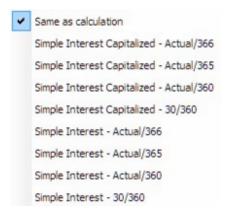
You will have to chose among the following options:



For more information on the "Column Fees" consult: Margill Loan Manager Calculations > How to do... > Fees, Insurance and Taxes > Fees, Insurance and Taxes by Column.

Calculation method

For "short periods" you may chose a special calculation method as opposed to the normal Effective rate method:

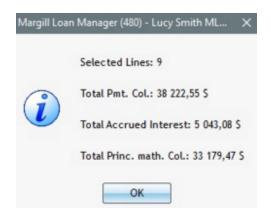


The method will be applied to the specific lines selected.

For more information on "short periods", "long periods" and the default short setting, consult the <u>Short & Long periods</u> section of the <u>Calculation methods</u> chapter.

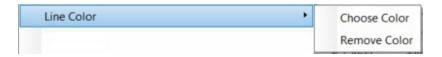
Payments, Principal, Interest - Accumulated / (9a) Payments, Principal, Interest - Selected Lines

Obtain the total of the principal and accrued interest (or totals for specific lines) in a payment schedule. Adjacent or non adjacent lines may be chosen.



Line Color

This option allows you to add or remove a color on selected lines of the Result table.



Record Color

This option allows you to add or remove a highlight color for a Record (the color will be visible in the Main window).

Update the "Expected Principal - Selected Line(s)"

Update the Expected Principal when the option activated in the System Settings (Administrators) > <u>Activation of "Expected Principal"</u> (see the important explanations related to this concept in this section).

Global Changes - Selected Line(s)

Allows you to change the data of several columns including Comment, True Pmt date (Grace/EFT), the Expected Pmt, the nine custom columns, etc. See <u>Global Changes - Payment schedule</u>

Display Log - Selected Line(s)

This option allows you to consult the transaction history on the selected Lines for the changes made after the installation of MLM version 5.6 (summer 2023) on your machine.

Copy and Copy all

Copy the selected line or lines to another program such as a spreadsheet or text editor.

Export Table to...

Export the schedule to Excel, Word or XML (Web). This does not copy the totals, only the Schedule itself. To copy the entire Schedule including header, client data and totals, use the "Print" function that allows the export to other formats such as PDF.

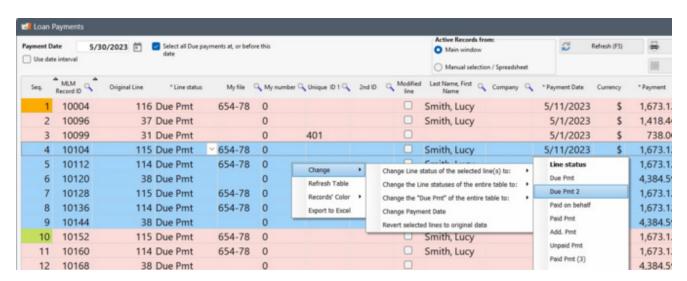
TIP! - Eliminate or modify non adjacent lines

It is possible to eliminate or modify only some non contiguous lines selected in a Table. Use the "Ctrl" key and the left click of the mouse to choose the desired lines. Make the changes. The interest and the principal will be recomputed automatically.

In the example below, only the lines selected (in blue) will be changed or affected by the right mouse click operations.

Start Date	Pmt Date	Payment	Rate	Principal	Interest	Balance
08/08/2006	09/08/2006	\$ 1 000.00	10.0000 %	\$ 166.67	\$ 833.33	\$ 99 833.33
09/08/2006	09/09/2006	\$ 1 000.00	10.0000 %	\$ 972.38	\$ 27.62	\$ 98 860.95
09/09/2006	10/09/2006	\$ 1 000.00	10.0000 %	\$ 176.16	\$ 823.84	\$ 98 684.79
10/09/2006	11/09/2006	\$ 1 000.00	10.0000 %	\$ 177.63	\$ 822.37	\$ 98 507.16
11/09/2006	12/09/2006	\$ 1 000.00	10.0000 %	\$ 179.11	\$ 820.89	\$ 98 328.05
12/09/2006	01/09/2007	\$ 1 000.00	10.0000 %	\$ 180.60	\$ 819.40	\$ 98 147.45
01/09/2007	02/09/2007	\$ 1 000.00	10.0000 %	\$ 182.10	\$ 817.90	\$ 97 965.35
02/09/2007	03/09/2007	\$ 1 500.00	10.0000 %	\$ 683.62	\$ 816.38	\$ 97 281.73
03/09/2007	04/09/2007	\$ 1 500.00	10.0000 %	\$ 689.32	\$ 810.68	\$ 96 592.41
04/09/2007	05/09/2007	\$ 1 500.00	10.0000%	\$ 695.06	\$ 804.94	\$ 95 897.35
05/09/2007	06/09/2007	\$ 1 500.00	10.0000 %	\$ 700.86	\$ 799.14	\$ 95 196.49
06/09/2007	07/09/2007	\$ 1 500.00	10.0000 %	\$ 706.70	\$ 793.30	\$ 94 489.79
07/09/2007	08/09/2007	\$ 1 500.00	10.0000%	\$ 712.59	\$ 787.41	\$ 93 777.20
08/09/2007	09/09/2007	\$ 2 000.00	10.0000 %	\$ 1 218.52	\$ 781.48	\$ 92 558.68

Right mouse click in the "Post payment" tool



Change / Change Line status of the selected line(s) to - changes the Line status or Line statuses of the payments that have been highlighted (now in blue) by one of the Line statuses appearing in the list to the right.

Change / Change Line status of the entire table to - by selecting any line in the table, changes the Line status of the entire table by one of the Line statuses appearing in the list to the right.

Change / Change the "Due Pmt" of the entire table to - by selecting any line in the table, changes the Line status of a "Due Pmt" type by one of the Line statuses appearing in the list to the right.

Change Payment Date - when multiple lines are selected, this allows the user to change the Payment date in bulk. There are constraints such as the date to be changed cannot be before the previous line's date, nor greater than the next date in the Payment schedule.

Change True Pmt Date (Grace/EFT) - when multiple lines are selected, this allows the user to change the True Payment Date Grace/EFT in bulk. This date cannot be before the Record's Origination date.

Display Record change shows changes made to this Record (one line highlighted only) during the session in the Post payment tool.



Revert selected lines to original data - After changes are made in a line (date change, Line status change, Column fees added, etc.), this option allows you to undo these operations without the need to cancel all changes in non-selected lines.

Open Record - will open the selected Record's Payment schedule. The table can then be updated manually. The option is available only when ONE (1) line is selected. This is useful in irregular situations that are not handled in the payment update tool.

Record Color (if the Administrator provides the proper permissions) allows a User to place emphasis on certain special loans and assign these colors. The color will only be posted in the first column in this window (not the whole line).

Refresh Table - will update the table if for example, the "Payment Date" was changed or if "Select all late payments" was changed (checked or unchecked).

Export to Excel - Exports the selected line or lines to Excel.

Bulk Import of Loans (Manually)

Margill Loan Manager (MLM) allows multiple methods for mass data import and data updates. Some methods are manual but as of versions 5.3 and 5.4, processes have been automated via APIs (Application Program Interface).

For the automated import/update of Loans/Borrower/Co-Borrower/Guarantor via API (JSON and Excel files) consult this web PDF document: https://www.margill.com/margill-loan-manager/win_service-api.pdf.

For the Salesforce API (Borrower import and update) consult this web PDF document: https://www.margill.com/margill-loan-manager/Margill_API_Salesforce.pdf

The automated aspects offer greater performance than the manual processes but require upstream information systems to produce the required files as required. This is often less accessible for smaller players.

This section deals with the manual bulk import of Loans via Excel sheets.

This tool is useful when you regularly import many loans from a database or when your clients apply online. The data

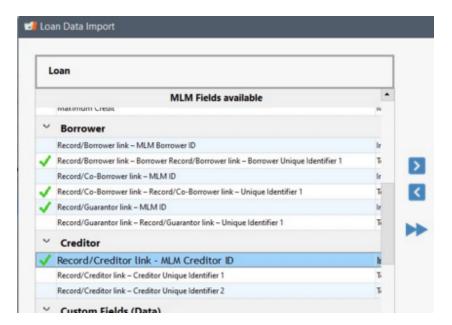
must be previously entered in an Excel sheet.

This not only reduces data entry errors (when loans are entered into MLM manually) but also saves significant time. It is worth using this tool when ten or more loans are to be entered in MLM each day.

Since importing loans involves many subtleties and special codes to take into consideration, we recommend users consult the Margill team for guidance. For example, for monthly interest compounding, the number "4" must be included in the Excel sheet instead of the word "Monthly". This feature should only be used by experienced MLM users.

IMPORTANT: This tool can only import data related to loans (calculation data, loan identification data, custom fields, etc.). Borrowers, Creditors and Employers cannot be imported in MLM with this tool. A Borrower (or any other *actor*) must already be entered in MLM or must be imported beforehand with the "Import Data (Borrowers, etc.)" tool. See Getting Started > Import Borrower, Creditor, and Employer Data.

- O When importing loan data with this tool, a link can be created with the Borrower, the Co-Borrower, the Guarantor and the Creditor for each loan. If not, the link will have to be done manually after the import.
- In order to create this link, one of the unique identifiers must be included in the Excel spreadsheet:



o If some Records are to be imported with credit reporting (Metro 2), we suggest that you communicate with the Margill team for support.

Once the importing template is created, it can be saved and reused regularly.

See Getting started > <u>Bulk import of Loans and Database configuration</u>.

See also Lead/Prospect approval and Record (Loan) import via Excel or JSON

Spreadsheet Features for Importing Loan Data

- .xlsx File format (Excel format).
 - If your file is CSV or Text (.txt), you will have to convert it to an Excel format.

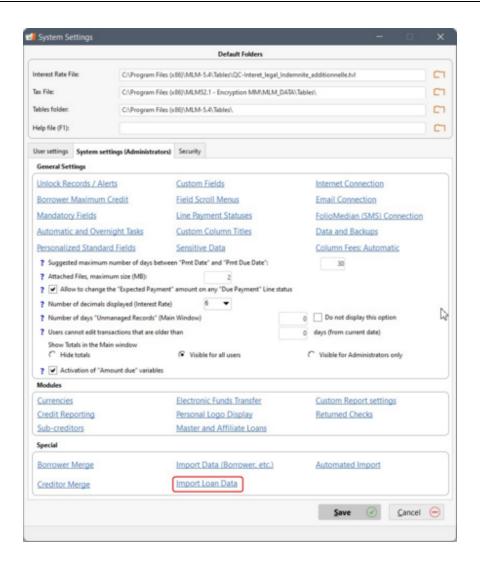
- o It is possible to import files created in various formats in MLM with the help of the Margill team.
- Only the first sheet will be included.
- Column titles must be entered on the first line.
- Data starts on the second line.
- Data will be included up to the first empty line.
- Data will be included up to the first unnamed column.

If your old system includes fields not available in MLM (other than normal fields such as Name, First Name, Address, Email, etc.), create custom fields beforehand in MLM. Go to Tools > Settings > System Settings (Administrators) > Custom Fields > Borrowers (or Creditors) tab and use fields 1 to 9 or the Unlimited fields (Table format).

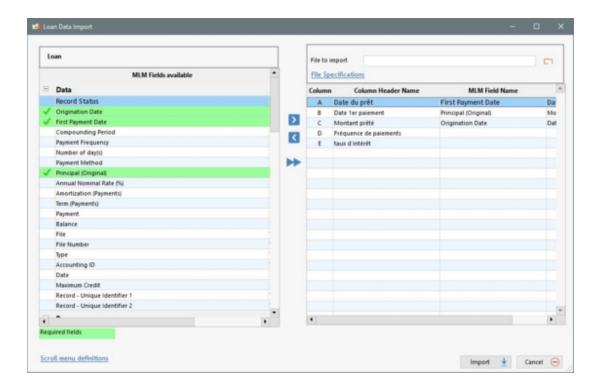
These fields can also include drop down menus you create. Be careful, field types (text, monetary, integer, etc.) must match fields from your Excel sheet. Text fields are the most versatile. See <u>Custom Fields</u> and <u>Scroll menus</u>.

Steps to Follow

To import data to MLM, go to Tools > System Settings (Administrators) > "Special" section > Import Loan Data.



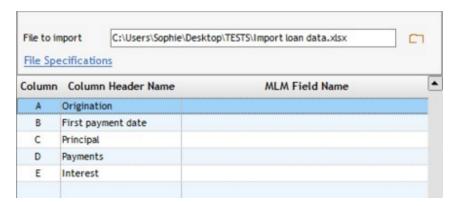
The following window will appear:



First step, select the file to import.

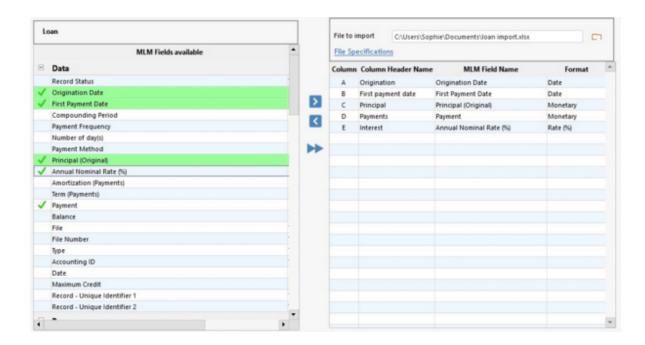


Once selected, fields included on the first line of the spreadsheet will appear in the "Column Header Name" column.



Click on the field in the spreadsheet that you wish to associate with the MLM field (this is called "mapping"). In the example above, "Origination Date" has been selected.

Select the MLM field in the left table that matches the field in the right table and click on the arrow to insert the field in the "MLM Field Name" column. In the example above, "Origination Date" has been selected for "Origination".



The fields on the left highlighted in green are required fields and must be included in you Excel spreadsheet. Without these fields, the Payment schedule cannot be done.

<u>Mandatory fields</u> specified by the Administrator will also appear in red. If these are not entered in the Excel sheet and mapped, the import cannot be completed.

Once the fields' association is completed, click on "Import" ________. It is not necessary to import each field.

If an error is detected in the original file, corrections will have to be made before importing. Verify that the "Excel spreadsheet Features..." above are respected.

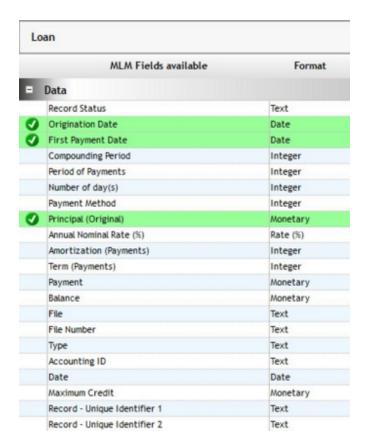
Saving Import Format

A window asking if you wish to save the Import Format will appear. By clicking yes, the format created will be used for all subsequent imports. However, the spreadsheet must be in the exact same format (names, header names, number of columns, data format).



Data Validation:

• The following Data must be entered: Origination Date, First Payment Date and Principal (Original). These are the required fields.

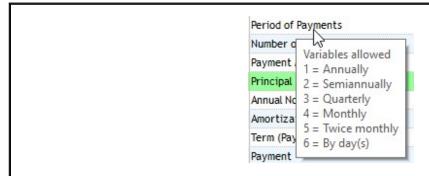


- Field Format (date, monetary, integer, etc.) must be respected:
 - O Date format must be a "Date" type cell in the spreadsheet.
 - O Percentage format must be have a maximum of four decimals.
 - Monetary format cannot include currency and must have a maximum of two decimals.
 - O Note: If some data (monetary, percentage or other) has more decimals than allowed by MLM, they will be rounded during the import.
 - Note: A Text format can include all types of characters (alphanumeric). Text is a very versatile format.

When you scroll your mouse over a field's name in the "MLM Available Fields" column, you will see all the variables allowed for Data import.

You also get the list of variables allowed in the link | Scroll menu definitions | located at the bottom left of the import window

For example, enter the following variables in your spreadsheet: 1=Annually, 2=semiannually, 3=quarterly, etc. for "Payment Frequency".



- A value under "Unique Identifier" must not be repeated.
- When a scroll menu is defined in MLM, imported data must EXACTLY match the data in the scroll menu including capitalization (upper and lower case), accents, special characters, spaces, etc.

Errors will be identified during the import first attempt in the "Import Report Preview" window. In the following example, the date in red, "2999-12-31" does not exist. MLM reports errors and won't allow importing as long as they are not corrected.

File Line	Origination Date (A)	First Payment Date (B)	Principal (Original) (C)	Payment (D)	Annual Nominal Rate (%) (E)
2	2015-01-01	2015-02-01	20 000,00	4,00	12,0000 %
3	2014-06-01	2014-09-01	370 000,00	4,00	4,2500 %
4	2999-12-31	2016-01-01	158 000,00	4,00	2,7500 %

Table to Excel...

The "Table to Excel...

button allows the user to export the table to Excel. However, erroneous data will not be highlighted. It is therefore recommended to note the data in the red cells and to leave MLM's window open before making corrections in the spreadsheet. Make the corrections and then import again using the method described above.



Once all the corrections have been made, click on "Update" to import the data. A message will then confirm the import with the number of Loans imported in MLM.

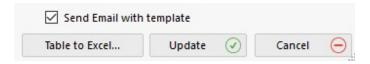


You can close the System Settings window with the Cancel button.

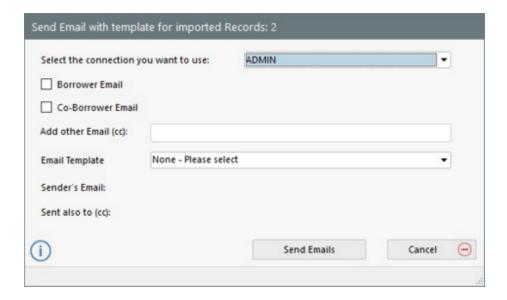
Automatic email after import

After importing Records, some Creditors send a welcome email to their Borrower. In order to avoid performing a second operation, the email can be sent automatically after creating the loan in MLM.

Once the data has been validated, but not yet imported, the data validation window offers the "Send Email with template" box.



By selecting this option, and after you have clicked on "Update", the following window will appear so you can specify from whom the email will be sent, to whom it will be sent as well as a copy if needed, and finally, which Email_Template should be used.



Lead/Prospect approval and Record (loan) import via Excel or JSON

If your web site allows potential customers to apply for loans online, you can bulk import all customer information and their financing needs, while managing the applications (approved, rejected, pending, etc.). You can this with the "List of Applications" tool.

This module was designed to create a link between applications from prospective customer made via the Web (or data captured in some other manner) and Margill Loan Manager (MLM) in order to save time and avoid having to manually re-enter all the potential future customer / Borrower data.

When individuals fill out the application form on your web site, these applications can be quickly and efficiently processed by importing data in Excel or JSON format into MLM. You will also have access to a database of all approved and rejected applications without them being in the main MLM system.

Steps for importing applications

Processing requests imported into MLM

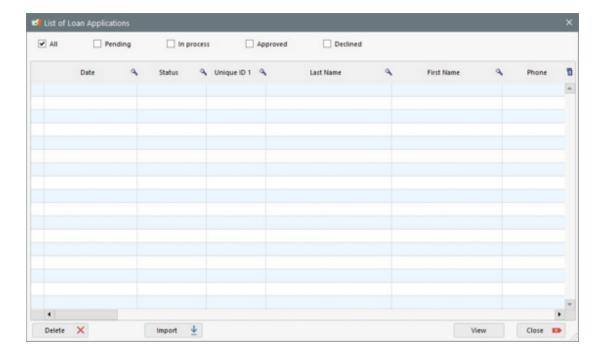
Characteristics of spreadsheets (Excel) and JSON formats for import

Steps for importing applications

To access this module, click on the "List of Applications" button from the "Tools" menu in the Main MLM window.



The following window will open. Click on "Import" in order to import the applications from your web site to MLM.



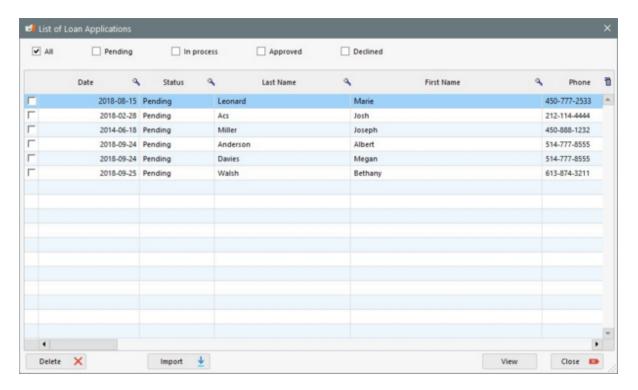
Choose the file format, either Excel or JSON. Consult the sections below in order to properly configure the import files.

Click on "Import".



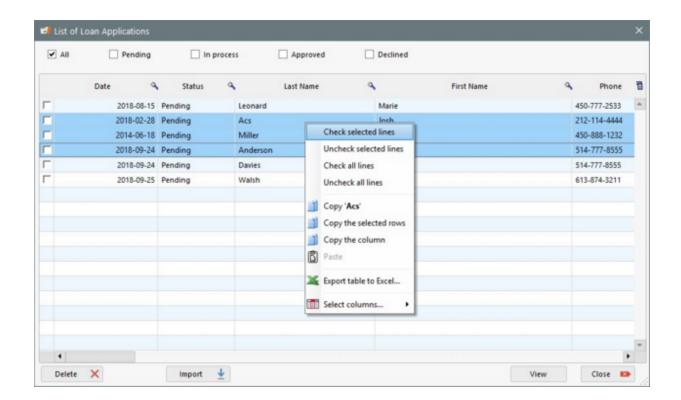
Processing applications imported to MLM

Once imported into MLM, applications are automatically classified under the "Pending" status. In this window, you can decide which applications you wish to show by selecting the desired status ("All", "Pending", "In Process", "Approved", "Declined").

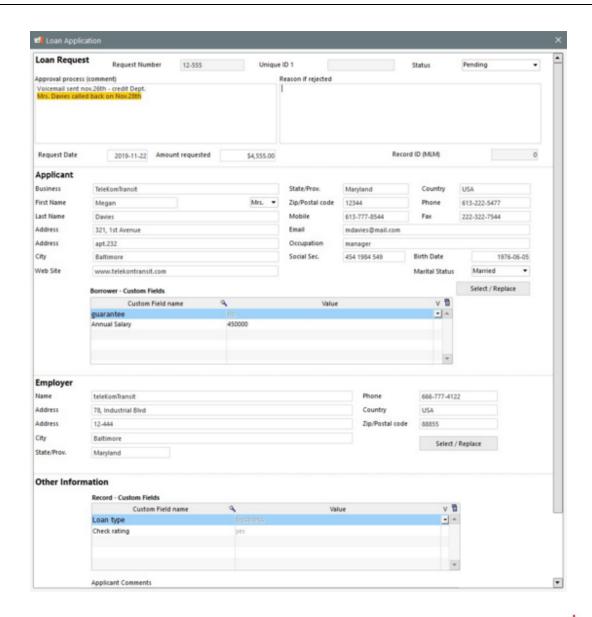


Also, you can delete a application by checking the box located on the left and by clicking on the button. For more efficiency and speed, right-click on the mouse to check / uncheck several lines at once.

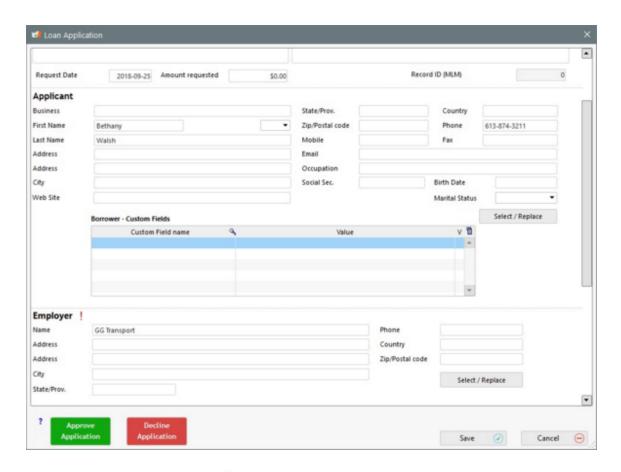
Delete



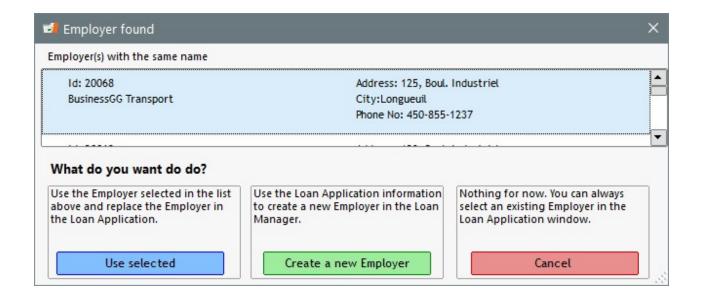
To manage applications and their status, simply select one application at a time and click on the application will be displayed in a window, as shown below. All data can be modified by the user before importing, so if the applicant did not follow the application guidelines, the user can check and correct if necessary. The "Approval process (Comment)" and "Reason if rejected" are useful for tracking these types of applications.



In the following example, two alerts can be seen by the user. The first one, the flashing red exclamation mark beside of the "Employer" title, means that this Employer (applicant's employer if it is a pertinent information for you) is already in the MLM database. To correct the situation, you need to click on the exclamation mark. Duplicates are reported the same way for potential Applicants / Borrowers.



Upon clicking on the red exclamation mark !, the following window will open:



The User has tree options:

1. **Use selected**: The Applicant/Borrower (or Employer) selected in the list will replace the one registered in the list of applications. When creating a loan, if approved, there will be no duplication in the MLM database. In the example above, the loan created will automatically be linked to the Employer with the ID 20068.

- 2. **Create a new Employer**: Information entered in the application form will be used to create a new Applicant/Borrower (or Employer) in the database.
- 3. **Cancel**: With this button, the user will be returned to the application form without taking immediate action concerning the potential duplicate.

Warning! If the exclamation mark is ignored or not processed, there won't be other messages to notify you and if the application is approved, a new Borrower (or Employer) will be created automatically even if this creates a duplicate in the database.

Here are the criteria for identifying duplicates for Applicants/Borrowers:

	Name, First Name	Business	Show the !
Scenario 1	Exists	Exists	Yes
Scenario 2	Exists	Does not exist	Yes
Scenario 3	Does not exist	Exists	Yes
Scenario 4	Does not exist	Does not exist	No

For Employers, only the Business name is verified. If the Business already exists in the system, the exclamation mark will be displayed.

For the Applicant/Borrower and the Employer, complete names must match, otherwise the user will not receive a warning. For example, if an applicant writes the Employer Business: "Inter-Com", and the database, this Employer is already created under the name of "Inter-Com Inc.", you will not get a warning from the lead approval module.

However, there is another tool to manage duplicates in MLM for Borrowers and Creditors only. To find out more, see Settings > System settings (Administrators) > Special > Merge Borrowers and Creditors.

The button can also by used at any time to select an existing Borrower or Employer in MLM. If, for example, an Applicant omits to include his Employer and you later learn, after speaking with him, that he works at the same company as twenty of your Borrowers, it will be quick and easy to click on this button and to select from the list of Employers.



The second warning is the red circle that can appear in certain circumstances beside the "Decline" button. System messages inform you, for example, that the Applicant entered non valid data that is not recognized by MLM during import, or that the imported file has irregularities that must be corrected. Here is an example:



A third warning can also appear like this, for custom fields:

Approve

Other Information



For example, above, we discover a problem: In addition to the "Yes" and "No" choices in the web site's drop-down menu, we also included "Maybe". This third choice had not been configured in MLM, therefore is not recognized during import. The user can therefore make another choice from the drop-down menu in the applicant's form in order to regularize the current form and/or create the missing option in the drop-down menu, via System Settings > <u>Custom fields</u>.

When clicking on , the Borrower and the Employer (if applicable) will be created in the system, unless you have selected existing ones from your database. The user will receive a confirmation of the data entered in MLM.

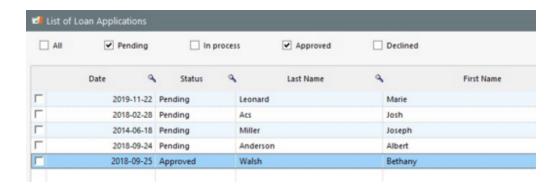




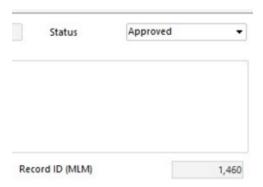
The Record window, used for entering a loan, will open and the information from the application will be entered automatically. You will then have the opportunity to enter the other information necessary for the creation of a Record (loan or other) (dates, interest rates, number of payments, etc.). If necessary, you can also modify any information already entered.

Also, the application status will change from "Pending" to "Approved" in the "List of Applications" management table as long as you complete of creation and saving process of a new Record, otherwise, only the Borrower and the Employer will be created in the MLM database and the application status will remain unchanged.

When the status is "Approved", no information can be modified in the Applicant's form. This is a final status: you cannot go back and modify it. Of course, the user can make changes in the normal MLM database for the Borrower, the Employer and the Record itself.



With the Approved applications, the user can easily find the Record which resulted from this approval by using the "Record ID (MLM)" field.



When clicking on , the application status will change to "Declined", and then, this application can no longer be used. No information can be modified either. **Warning!** This is a final status: you cannot go back and change it.

Another option is available for the application status: "In process" means to the other users that the application is being analyzed. This Status can be selected in the "Status" drop-down menu on the top right side of the "Loan Application" window. This field also allows you to switch from one Status to another. **Warning!** "Approved" and "Declined" statuses are final and cannot be changed.



For more information on how to use this module, please contact Margill customer service by email at support@margill.com.

Characteristics of spreadsheet (Excel) and JSON import formats

Decline

The document specifying the formats and examples is available through Margill customer service.

Emails and SMS - Sending automatically or in batch with Templates

Margill Loan Manager (MLM) allows you to easily communicate by email (and by Email to SMS - if your Borrower's cellular provider allows it) or by SMS directly (subscription required with FolioMedian) with your Borrowers. Many options are available:

<u>Sending automatic emails / SMS</u> based on Line status - for example, email notice that a direct debit will be made in 72 hours; notice that a payment has been declined by the bank, etc.

Sending emails in batch with Templates

- 1. at the time of batch import of loans via spreadsheet
- 2. in the Main window (right click of the mouse)
- 3. in the "Today's Alerts" window
- 4. individually in the Record itself

Sending emails settings

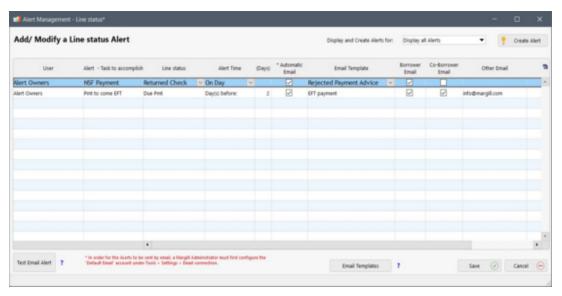
Sending documents attached by email

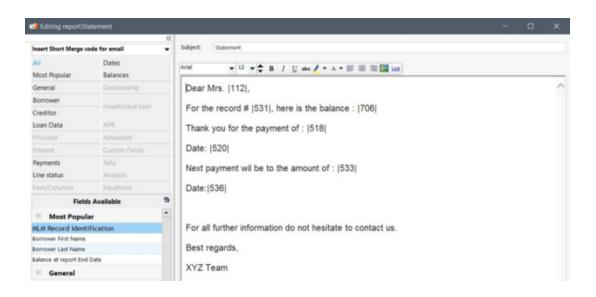
The emails or SMS can be sent to the Borrower, to the Co-borrowers in carbon copy (CC) and to the Guarantors but in blind carbon copy (BCC).

Sending automatic emails / SMS

With no human intervention, it is possible to notify your Borrowers of a particular situation that will occur or has occurred in the Payment schedule. For example, a reminder that a payment is due soon (in the case of pre-authorized payments (EFT)) or notify that a payment has been rejected (no sufficient funds - NSF). Your Borrower can then be encouraged to communicate with the person in charge in order to quickly remedy the situation.

To configure the desired conditions, you need to create Alerts based on the Line statuses. Via the Main window, under Tools > <u>Alerts</u> > Set Alert > Line status, you can configure Alerts that will automatically send emails based on a template, which is automatically personalized to each Borrower and situation using merge codes, if or when one of the Line status conditions occurs. See <u>Alerts</u> for details and instructions.





To create or modify an email or SMS Template, via the Main window, choose Reports and the "Merge / Email Template"



button. Refer to this section in the User Guide to learn more.

Sending emails or SMS in batch with Templates

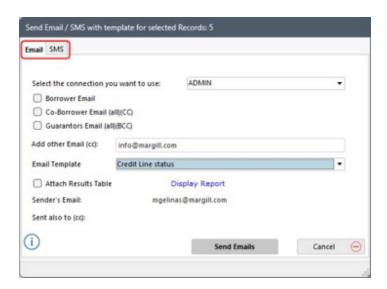
1. At the time of the loan batch import via spreadsheet

When <u>importing new loans</u>, the system can send emails/SMS created with a Template. This allows you to send an email for each imported loan (Record). Simply check the option "Send Email with Template" at the bottom of the import window. When you will click on "Update", the data will import as usual.



Once the import is done, a window for managing emails will appear so that the user can choose the desired options and the email connection (default connection or other) as well as the Template to use. The user can also add other email addresses in order to receive, for example, a copy of the sent emails. When clicking on "Send Emails", a confirmation of the number of Records for which an email will be sent will appear. This number should correspond to the number of imported loans.

Warning! When choosing this option, an email will be sent to each imported Record. To exclude certain Records, a separate import must be done with the "Send Email / SMS with template" option unchecked.



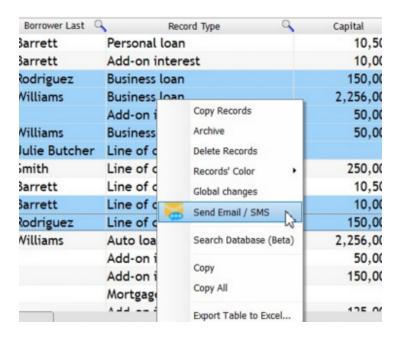
To create of modify an email or SMS Template, choose Reports and than the "Merge / Email Template"

Merge/Email Template button. Refer to this section in the User Guide to learn more.

2. In the Main window (right click of the mouse)

Via the Main Window (Record Summary window), it is possible to send an email based on a template for the selected Records. For example, user could send to all or only to some selected Borrowers and the Co-Borrowers, a change un company policy or some special offer.

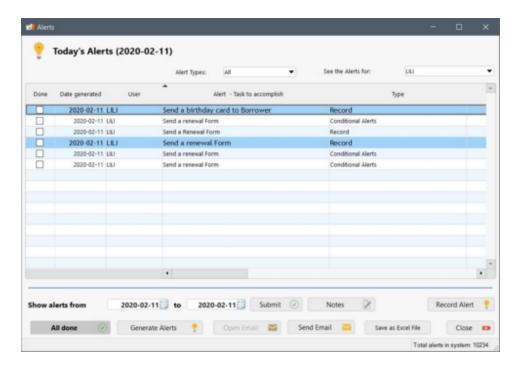
Simply select or highlight the Records for which you wish to send an email, right mouse click and select "Send Email / SMS".



3. In the "Today's Alerts" window

When checking "Today's Alerts", which are accessible when MLM is launched, or by choosing Tools > Alerts > View Alerts

> Current and History, it is possible, for "Record" type Alerts, to send multiple emails at once using an email template. After selecting all of the Alert Lines requiring the same template, simply click on "Send Email" and in the window select to whom to send (Borrower / Co-Borrower / Guarantor), if a carbon copy is to be sent and the email template to be used.

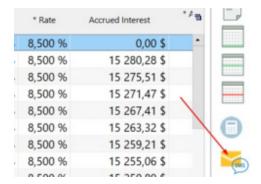


When only one alert is chosen, the "Open Email" button will become active. By clicking on the button, your email software (Outlook, Thunderbird, etc.) will open, allowing you to write an email. No template can be used with this sending method.

If you use Gmail, Hotmail or other browser-based email software, this will not open the Gmail/Hotmail pages since a browser cannot be defined as default email software.

4. Individually in the Record itself

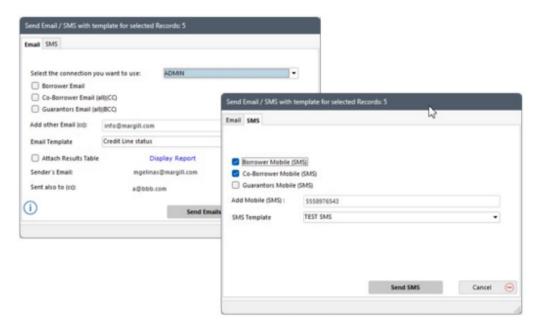
Access to this tool is directly into the Payment schedule of a loan, by clicking on the yellow envelop (with the SMS logo) on the right, under the calculator. Of course, the email or SMS will only be sent for the Record in which you are logged into:



Sending settings

Upon clicking on "Send Email / SMS" from the Main Window scroll menu, in Today's Alerts or on the yellow envelop

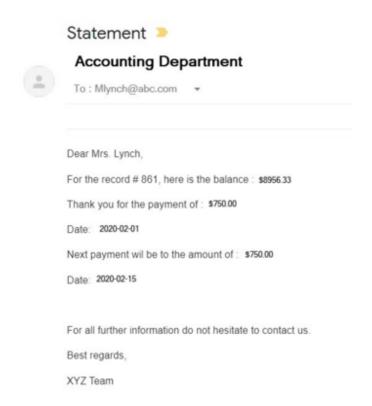
directly in the Record, this window, with Email and SMS tabs will open:



- You can use the Default Email or the one associated to your account. Connection and settings available can be found in Settings > <u>Email: Connection</u>. For SMS configuration see: Settings > <u>FolioMedian (SMS) Connection</u>.
- Email/SMS for Borrower, Co-Borrower(s)(CC) and Guarantor(s)(BCC): check if you wish to include or not.
- Add other Email (cc) / SMS: You can add your email/mobile if you wish to receive a copy of the sent emails/SMS.
- Email / SMS Template: Choose the template you wish to use to send emails or SMS. All merge fields will be replaced by their respective values before sending. See Reports > Merge / Email Template.
- Sender's Email: This email is defined in Settings > Email connection.

The number of selected Records for sending emails/SMS is indicated in the window header.

Here is an example of an email received:

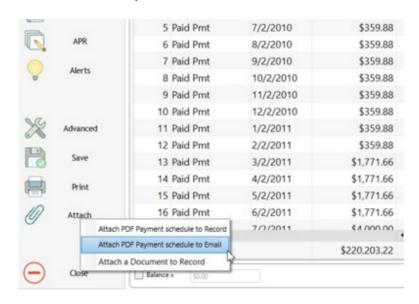


To create or modify an email Template, choose Reports and than the "Merge / Email Template" button. Refer to this section in the User Guide to learn more.



Sending attached documents by email

1) You can send the Payment schedule in PDF format by email. To do so, open the Record and click on "Attach". Choose the "Attach PDF Payment schedule to Email" option.



A document preview will open. Via the "Export" tab, choose the "Email with attached PDF" option. Your default email software will open and you will be able to write your email and subject. The PDF file will already be attached to your

email.

If you use Gmail, Hotmail or other browser-based email software, this will not open the Gmail/Hotmail pages since a browser cannot be defined as default email software.

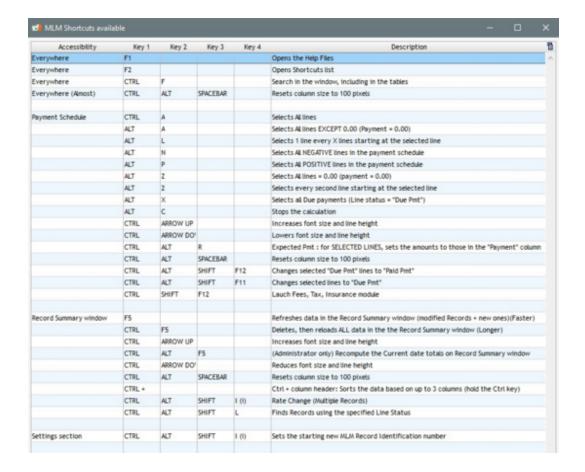
2) A single or multiple Payment schedules can also be sent via the Main window (right click) and with the icon from the Payment schedule. See sections above and check the "Attach Payment schedule". You can also see the Payment schedule (only the first if you are sending multiple schedules at once) by clicking on "Display Report".



3) The Document Merge tool also allows to send emails with templates along with attached Docx or PDF files. See Reports > Merge / Email Template.

Shortcuts

The use of shortcuts greatly facilitates the use of Margill Loan Manager (MLM). All MLM shortcuts are accessible by pressing the **F2** key:



General shortcuts

The **F1** key accessible from anywhere in MLM, displays the <u>User Guide</u> in electronic format as defined in Settings.

Calculations can be aborted by pressing "Alt C" simultaneously. The calculation will stop a few seconds after.

The "Ctrl Alt Space" keys adjust the width of columns in the Main MLM window (Record Summary window) and in the Payment schedule.

The "Ctrl Alt Shift F12" keys allow to modify all of the selected "Due Pmt" type Line status to "Paid Pmt" type Line statuses.

The "Ctrl Alt Shift F11" keys allow to modify all of selected lines to one of the five (5) "Due Pmt" type Line statuses.

The "Atl X" keys allow the selection of the "Due Pmt" Line statuses of your choice.

In the Main window and in the Payment schedule, to obtain a larger font, use "Ctrl". To reduce the size, use "Ctrl". You may reset the original size in Tools > Settings > User setting > Reset text size.

Record / Line selection in a Payment schedule

To select all Records or lines in a Payment schedule, use "Ctrl A". One line should be highlighted.

In a Payment schedule, to select only lines with a payment, thus a payment that is positive or negative, thus excluding payments with a value of 0.00 (such as all lines except a change in interest rate for example) use "Alt A". One line should first be highlighted.

To select one line out of every X lines, use "Alt L". The following window will appear:



By entering 12 for example, one line out of every 12 will be selected starting from the line selected and every 12 lines

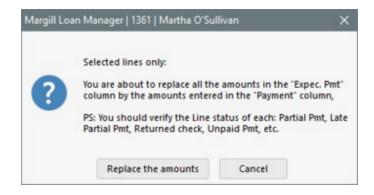
afterwards. You can then add a line above each of these lines with or change the payment of these lines or do any other Right mouse click function that will apply only to these lines.

In a Payment schedule, to select only positive lines, select one line and use "Alt P". To select negative lines, use "Alt N".

"Alt Z" is used to select all rows for which payments are 0.00.

In a Payment schedule, to select every other line, select one line and use "Alt 2". This will select the line selected and every other line after that.

"Ctrl Alt R" should rarely be used. This shortcut is used in the Payment schedule to modify, for the selected lines only, the amount in column "Expec. Pmt" to the amount entered in the Payment column. Thus, the amount in the "Outstanding (Balance)" column is recomputed to reflect this change. See further explanations pertaining to this column in the "Payment schedule columns" section.



Search Tools

There are three options to find data (a customer (borrower), company, loan, loan date, loan amount, etc.) in Margill Loan Manager (MLM).

1) Search in Filter mode in Main window

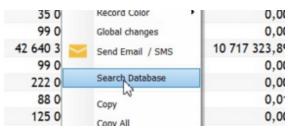
Filter option

- 2) Search mode in Main window
- 3) Full database Search engine

All searches are carried out from the Main window (Record summary) according to the "Filter" mode, or "Search" mode which is selected by each user via the "User settings" tab:



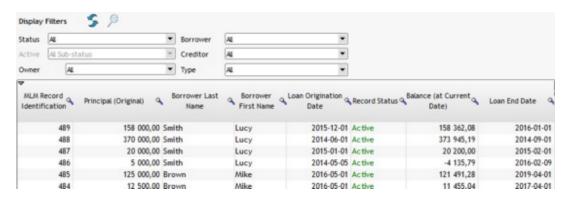
The full database search engine is accessible with the right mouse click (Search Database) in the Main window:



Full database Search engine

1) Search in Filter mode in Main Window

In order to search for a specific client, company, loan, loan date, loan amount, etc. in the Main (Record Summary) Margill Loan Manager (MLM) window, use the column headings to sort the information as desired. MLM will sort by ascending or descending alphabetical, date or numerical order.



A specific search may also be done by pressing on a column's magnifying glass . Then enter one or more letters to search for the desired information.



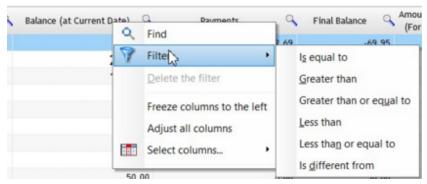
In the example below, "C" was entered for the company and the C Records appeared. More characters may be entered to find an exact match.



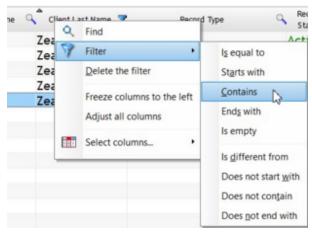
Searches may be done on any column in the Record Summary window. To insert an additional field in this window, see <u>Displayed column selection</u>, name and order.

Filter option

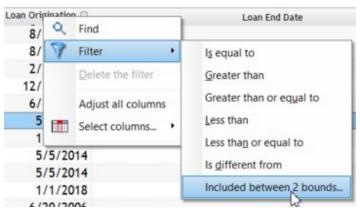
In order to find more "hidden" data, use the "Filter" option with the right mouse click button. This option allows you to perform more detailed searches in each of the columns depending on whether the columns are in numeric, text or date format:



Numerical data options

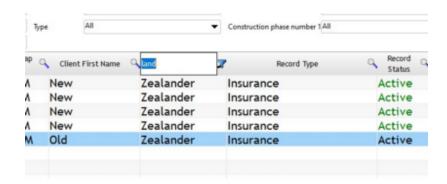


Text data options

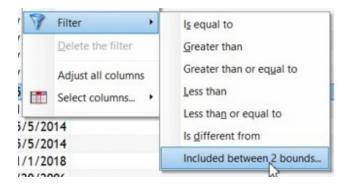


Date format options

For example, we are searching for all Records that contains the letters "land" in Last Name. Right click on the mouse > Filter > Contains > write "land" in the header. Only Records containing these four letters in the Last Name will be displayed, since not only is this a search tool, but primarily a filter.



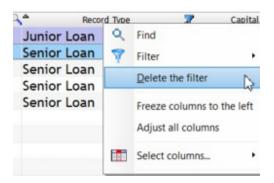
For data in Date format, an interesting option is to search for data between two dates (Included between 2 bounds):



You can then add the dates. Dates entered are included in the results.



In order to display all Records again, simply delete the filter letters or with the right-click mouse button, "Delete the filter".



To learn more about Filter Mode, see Main Window (Record Summary) > Display Filters.

To go to search Mode, click on



2) Search Mode in Main window

Search Mode is useful for large databases (over 1000 loans) because it allows to quickly find data without the need to show all Records.



By default, no search field is selected. Click on the "Search Fields" Search fields link. The following window will appear allowing to choose up to six (6) search fields:



You can specify the order in which fields are displayed in the Main Window. The order in which the fields are displayed in the Main Window can be specified by entering the numbers (1 to 6) in the "Order" column. Choices above allow to display the choices below.



To quickly switch from "Filter" mode to "Search" mode, use the keyboard shortcut CTRL+ALT+M when in the Main window (Record summary).

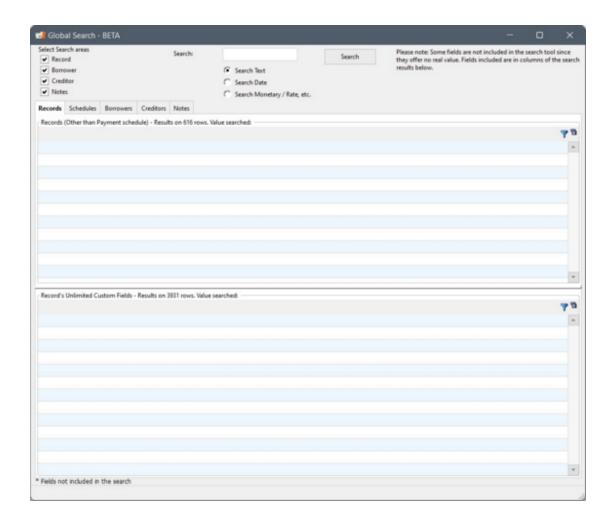
To learn more about Search Mode, see Main Window (Record Summary) > Search Mode.

3) Full database Search engine

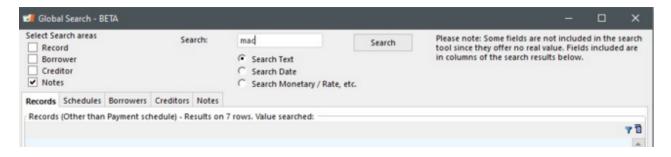
This tool allows to search the entire MLM software for text, dates, rates or amounts. Data will be searched in the Records, the Borrowers' files (including Co-Borrowers and Guarantors), Creditors' files and/or Notes.

In the Main window, right-click with the mouse and choose "Search Database". In version 5.4, the tool is in Beta mode since some improvements may be necessary.



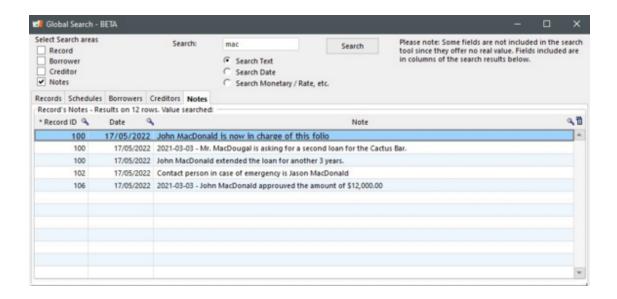


To search for text, enter a minimum of three (3) characters and a maximum of ten (10). A user can select (on the left of the window) a single or several search fields if unsure where to search. After clicking on the "Search" button, the user will be able to view the search results under the tab(s) corresponding to the search field(s).

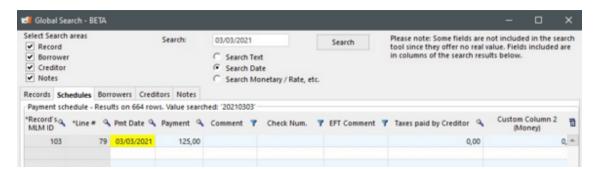


The advantage of searching with a few characters, for example, "mac" instead of "MacDonald" in the following example, allows results that include potential typing errors, truncations and abbreviations on the word searched. On the other hand, the disadvantage is that data may have no relation to what you are looking for. It is therefore recommended to refine the search by adding more characters in the input field.

In the following example, there is a note about Mr. MacDougal. This note has no connection to what the user was looking for. On the other hand, if there had been errors in spelling the name MacDonald, such as "Maconald" (with the D missing), the results would still have been displayed.



For a search by Date, real dates in date format will be found as well as text (in the Notes for example) but on the condition that the date is entered as the Windows short date format of the computer. If, for example, the user was looking for the 03-03-2021 in the Notes and this date was entered there as March 3, 2021 or 2021-03-03 or 2021-3-3 (without the zeros) or even 03/03/2021 (slashes instead of dashes), this date would not be found because the text does not respect the precise format which is 03-03-2021.



With the exception of search results in the Notes, results that match the search criteria will be highlighted in yellow.

Global changes to the database (Batch changes)

Global changes to the database (batch changes) is a very efficient tool that allows authorized users to perform multiple data changes for Records (loans) or for Borrowers.

This is a most useful tool since users are not required to open each Record or Borrower individually to make changes or add new data.

The Administrator must have given <u>users</u> the right to access this utility beforehand - see Getting Started > Administrators and users.

See next sections for more information:

Global Changes - Records

Global Changes - Borrowers

Mass import via spreadsheet

Global Changes - Payment schedule

Mass changes via the Post payment tool

Mass adding/changing Creditors

Global Changes - Records

File Number

0

With the Global changes, it not necessary to open each Record individually to make the following changes.

0	Record Status	0	Compounding
0	Sub-status	0	Grace Period (days)

O Record Type O Day count

Record Owner (Margill User)
 Use Automatic Column Fees

Balance Expected Principal >= 0.00

Currency O APR Names (5 fields)

O File Number (Numeric) O Record Custom Fields (1 to 9)

O Record Date O Record Custom Fields (Unlimited fields - Table format)

Accounting ID

Record Unique Identifier 1

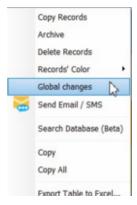
O Record submitted to Metro 2

O Record Unique Identifier 2 O Account Status
O Maximum Credit O ECOA/Code

Alerts: Email/SMS sending Enabled
 EFT active
 Portfolio Type

Doubtful Accounts (%)
 Data for the Interest tables (advanced module)

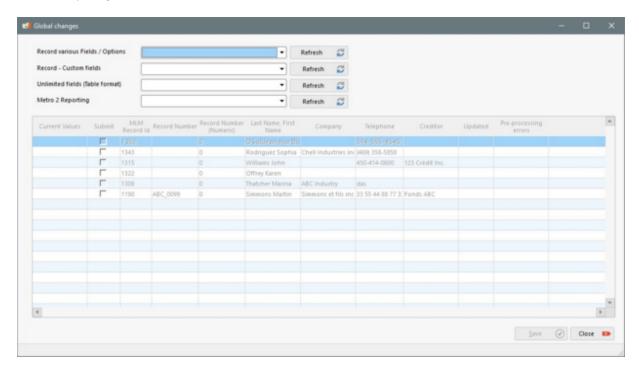
To do this, select Records that need to be changed in the Main Window (Record Summary). Then, right click with the mouse and choose "Global changes".



In the "Global Changes" module, fields that can be changed are classifier in four categories:

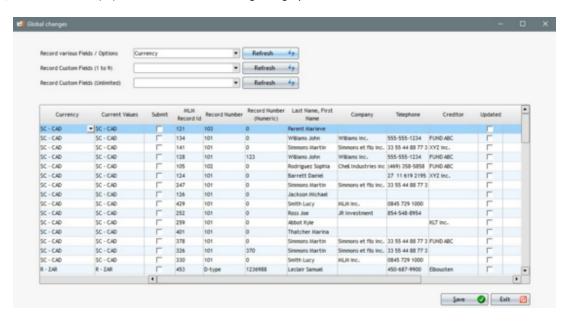
- Record various Fields / Options
- Record Custom fields (1 to 9)
- Record Custom Fields (Unlimited)

Metro 2 Reporting



Global changes for many fields cannot be done simultaneously, but only consecutively.

In this example, the Records' currency is to be changed. Select "Currency" in the drop down menu named "Record various Fields / Options", click on "Refresh" (F5). Chosen Records will no longer be grey.



Under "Currency", select the new value for the Record. The "Current Values" column will indicate the Record's actual value. The "Submit" column indicates that a change has been made. Click on "Save" and the changes will apply.

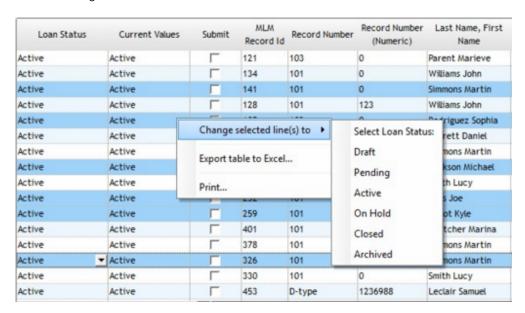
The user will then confirm his choice:



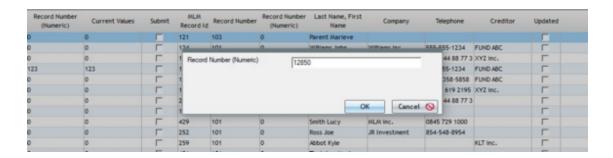
The number of Records changed will be displayed:



In order to change multiple Records at once, choose the desired Records (by highlighting them) and right mouse click. In the example below, the user wishes to change the Loan Status. The user can choose the desired Loan Status for the selected Records from the list.



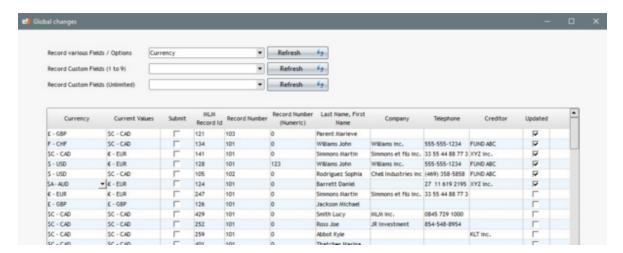
In a case where the user wants a global change of Record Number (Numeric), he will have to enter the desired value in the window because thee is no drop down menu for this field:



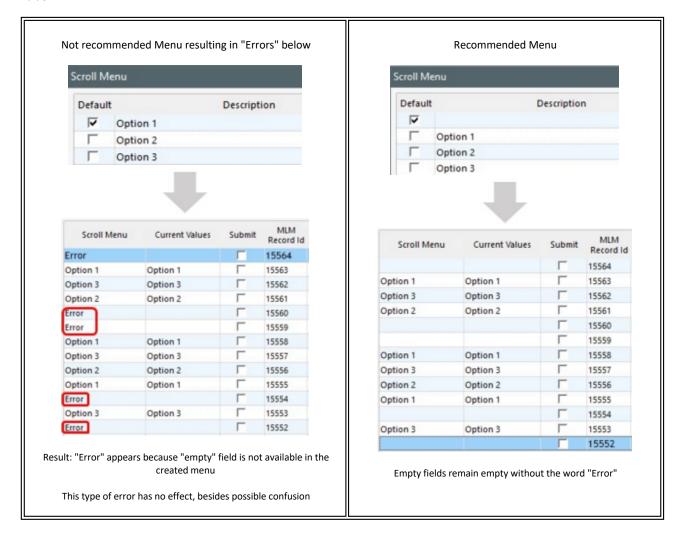
When changing data for multiple Records at the same time, all the selected Records will have the same new value. If the values differ,

the change will have to be done cell by cell.

Once the changes are done, the "Updated" column will be checked to indicate which Records have been changed.



NOTE: For custom fields including drop-down menus, it is strongly suggested to have an **empty (blank)** field among the choices, (generally the default choice) so that an empty field does not appear in error. Moreover, it is always preferable to have an empty field as opposed to false data in a field that is supposed to be empty if the default data choice entered does not correspond to the true value:



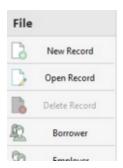
It is also possible to import data or change/update data via spreadsheet (Excel) for Records.

Global Changes - Borrowers

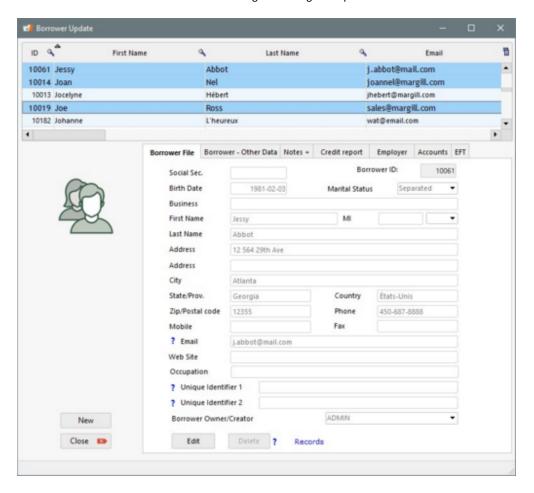
This tool allows authorized users to make multiple changes in Borrower data without the need to open each Borrower one by one.

Data can also be imported or updated via an Excel sheet. See Mass Import/Changes via spreadsheet.

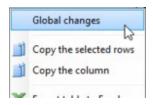
To make Global Changes at the Borrower's level, select "Borrower" under "File":



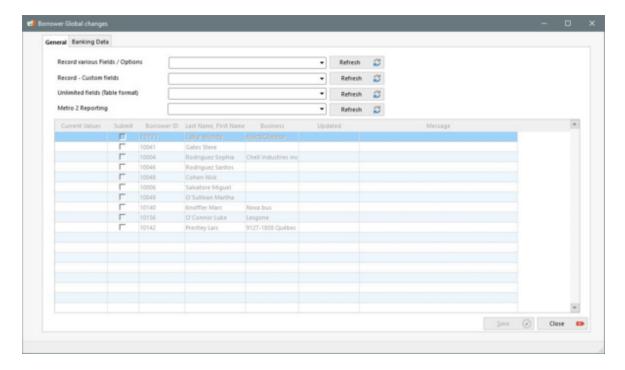
Select in the scroll menu the Borrower or Borrowers for which a global change is required.



Next, right click and select " Global Changes".



The following window appears:



General Tab

In the Global Changes module, under the General Tab, the fields for which is possible to make changes have been arranged in four categories:

- Borrower various Fields / Options
- Borrower Custom Fields (1 to 9)
- Borrower Custom Fields (Unlimited)
- Metro 2 Borrower compulsory fields

The following fields are available for adding new data and changes/updates:

- Social security number
 Birth Date
 Marital Status
 Business (Company) Name
 First Name
- Last Name
- Initial
- Title

- O Mobile / Cell phone
- O Fax
- Email
- Web Site
- Occupation
- O Unique Identifier 1
- O Unique Identifier 2
- O Borrower's Owner/Creator (MLM user)

- Address 1
- O Address 2
- City
- State/Prov.
- Country
- Zip/Postal code
- Phone

- O Borrower Custom Fields (1 to 9)
- Borrower Custom Fields (Unlimited)
- Metro 2 State/Prov.
- Metro 2 Country

Global changes for multiple fields cannot be made simultaneously but one at a time.

Banking Data Tab

The second tab, "Banking Data", allows you to add or change the Borrower banking data for <u>Electronic Funds Transfers</u> (pre-authorized payments) for the US or Canada.

For more information on this subject, see the Electronic Funds Transfer chapter > Adding Bank Account and Activating EFT in Bulk.

In order to understand how to use the module, as well as examples, refer to the "Global Changes - Records" section since the two utilities function exactly the same way for global changes.

Mass Import/Changes via spreadsheet

This tool allows you to mass import new/updated data via an Excel spreadsheet (.xls or .xlsx) to various fields including Custom fields. The spreadsheet should only have two columns and a header for each column.

Powerful <u>automated import tools for data from third-party systems</u> offer a considerable advantage compared to the Global Changes described here, as long you have information systems such as a CRM (Customer Management), an ERP system, etc. These systems must have the capability to automatically create JSON or Excel files. A <u>Salesforce API</u> is also available for Borrower data.

Fields available

Steps to access import via Global changes related to the Records (Loans)

Steps to access import via Global changes related to Borrowers

Steps to import via Global changes

Preparing the spreadsheet before import

Fields available

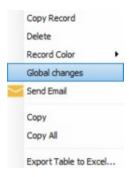
The fields available for importing via Global changes with a spreadsheet (Excel) are exactly the same as those offered in Global changes - Borrowers (the more manual approach).

Steps to access import via Global changes related to the Records (Loans)

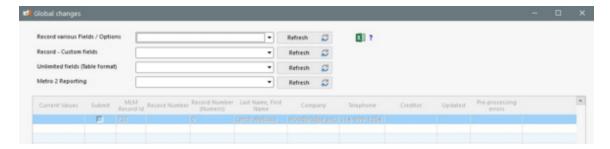
To access this module, select any Record on the Main window (Record summary)



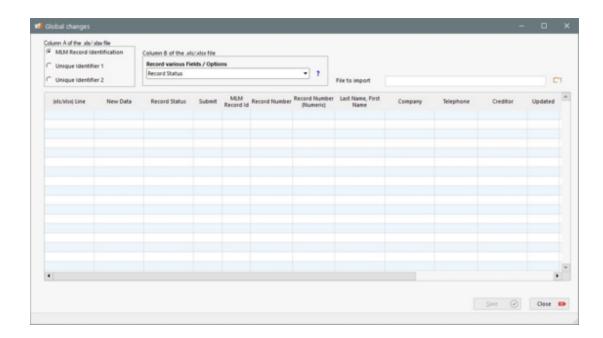
Right click on the mouse and choose "Global changes".



Then, click on the following icon in order to access the import module of the Global changes.



This window will appear:

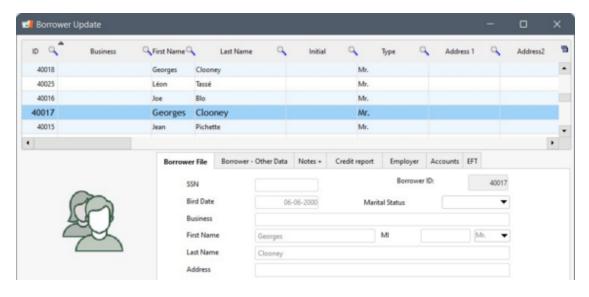


Select the Record identifier that will be used in Column A of the Excel file - this serves to identify to which Record the new or updated data belongs (MLM Record Identification, Unique Identifier 1 or Unique Identifier 2), and choose from the drop-down menu the targeted field.

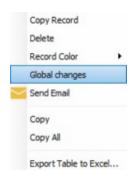


Steps to access import via Global changes related to Borrowers

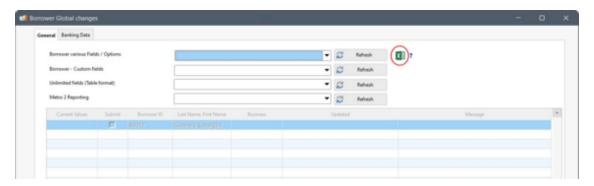
To access this import module, select any Borrower file via File > Borrower, from the Borrower Update table.



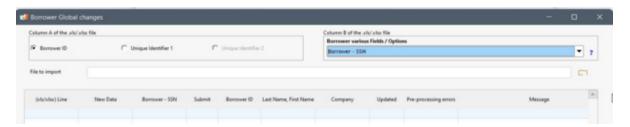
Right click on the mouse and choose "Global changes".



Then, click on the following icon in order to access the import module of the Global changes.



This window will appear:



Select the Borrower identifier that will be used in Column A of the Excel file - this serves to identify to which Borrower the new or updated data belongs (MLM Borrower ID, Unique Identifier 1 or Unique Identifier 2 - the latter two can be renamed), and choose the appropriate field from the drop-down menu.

Steps to import Global changes in MLM

The following steps are essentially the same whether we import data related to Records (Loans) or Borrowers. The principles are the same. The term Record has been used in the following steps in order to simplify the text, but it can be replaced by Borrower in case the data was imported / updated for Borrowers.

Confirm that the format entered in Column B of the spreadsheet corresponds to the values expected by MLM by pressing the ? :

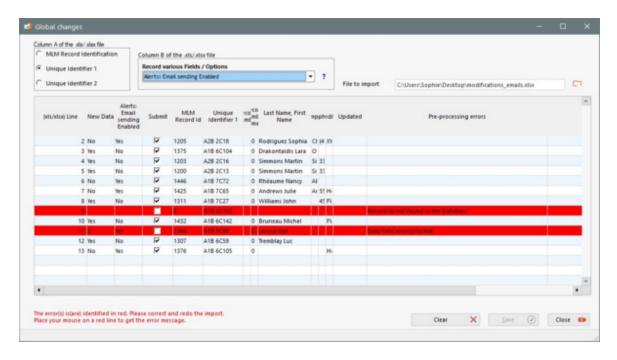


If necessary, adjust the spreadsheet (Column A in the example below is a Unique ID entered by the user).

	Α	В
1	ID GPM	Email sendings
2	A2B 2C18	0
3	A1B 6C104	1
4	A2B 2C16	1
5	A2B 2C13	1
6	A1B 7C72	0
7	A1B 7C65	0
8	A1B 7C27	1
9	A1B 6C143	1

Click on to browse in the Explorer and select the .xls or .xlsx file to import.

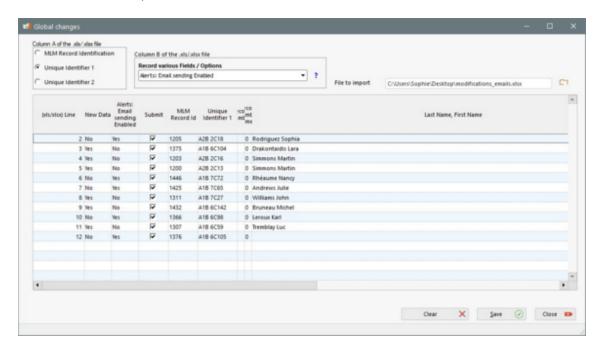
The tool will allow the import only once ALL data is correctly entered. Partial imports are not possible so all errors must be corrected before the actual import. For example, in the case below, at line 11 of the spreadsheet, the value to import was "2" while the allowed and expected values for this field were "0" or "1". On line 13 of the spreadsheet, the Unique Identifier 1 was entered a second time, it was already found on line 3. It is not possible to modify the data for the same Record more than once per import. The lines highlighted in red show there is a problem and details are entered in the "Pre-processing errors" column on the right.



Once the spreadsheet corrected, click on corrected .xls or .xlsx file to import.



and then click on in order to reselect the



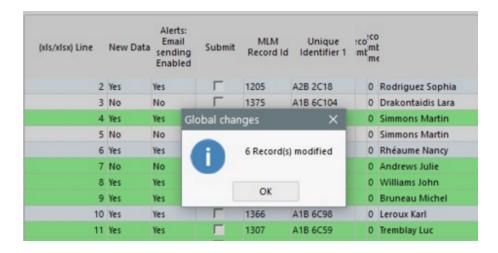
In order to import the changes, click on



. This window will appear:



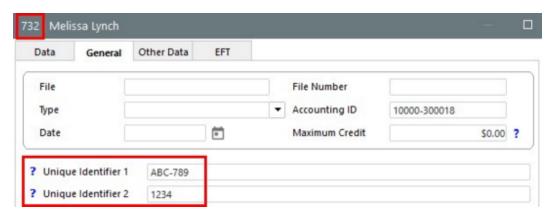
Upon clicking on "Change", a window will appear to confirm the number of Records modified and the lines with the modified Records will be highlighted in green. In the following example, certain lines remained intact because changes were not required since the values entered in the spreadsheet were equal to those already entered in MLM.



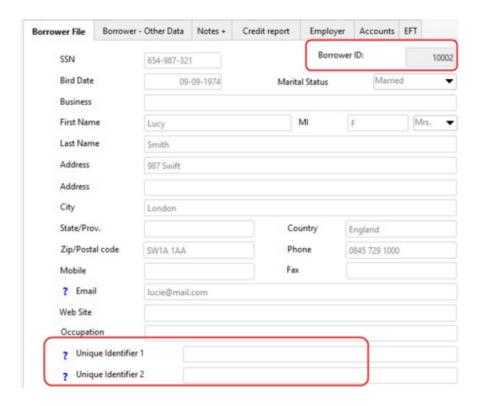
Preparing the spreadsheet before import

Line 1 should be a header; the name is not important.

Column A of the spreadsheet must be one of the three Record Unique IDs.



or one of the three Unique Borrowers IDs:

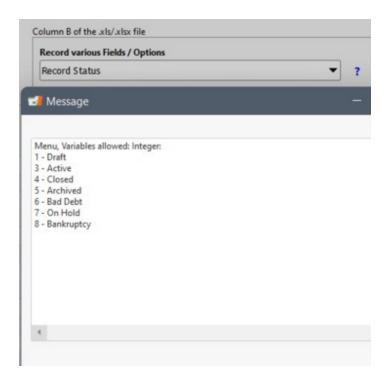


Column B should be the data to be entered.

Specifics:

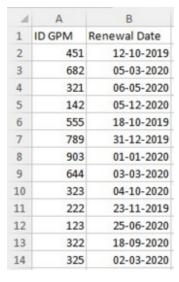
- The data to be entered must match the data format (date, percentage, number, monetary (no need for currency sign) or whole number).
- If scroll menus are used, the data to be entered must also match the scroll menu data exactly (the simple fact of having an extra space or even a capital letter as opposed to a small letter will result in an error message).
- Some scroll menus such as the Record Status (Active, Closed, etc.) require a number to be entered as opposed to the actual text. These "Mappings" are detailed in the ? to the right of the field selected.

For example, if the field in which the user wants to make Global changes is named "Record Status", he will discover by clicking on the , that the allowed variables are of "Integer" type and that the corresponding values to be entered for the different statuses. Therefore, in the spreadsheet, will be entered 7 in order to change the Record Status to "On Hold".



- The interest rate must be entered as in this example: 9.25% should be entered as 9.25, NOT as 0.0925 and without the percentage sign (%).
- A date format must match that of the computer on which the import will be done.

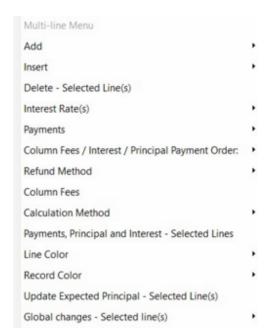
Excel sheet example:



See also: Automated Imports - JSON or Excel files and Salesforce Connection (API) sections.

Global Changes - Payment schedule

Multiple changes can be done in bulk in the Payment schedule with, most of the time, the right mouse click:



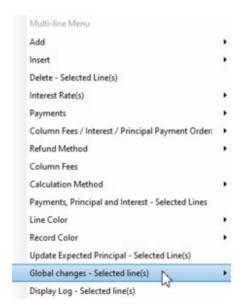
- Lines added at the end of the Payment schedule or inserted between payment
- Changed Payment amounts
- Changed Interest rates
- Column Fees added or changed
- The refund order for Column Fees, Interest and Principal
- Refund method (Special method available upon request)
- Added Line Color
- Updated Expected Principal (recalculation)

Also, the data for 14 other columns can be changed with the "Global Changes - Selected Line(s) option:

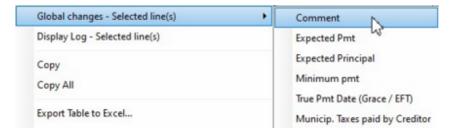
- Comment
- Expected Payment
- Expected Principal (if option is activated in Settings)
- O True Pmt Date Grace/EFT
- Minimum Payment
- 3 custom columns Money
- O 3 custom columns Numerical
- 3 custom columns Text

Global changes for several fields cannot be made simultaneously, but consecutively.

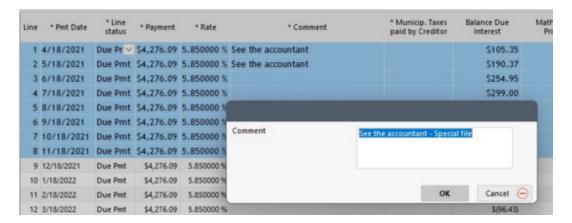
For global changes in the Payment schedule, select the lines that are to be modified. Then, right-click on the mouse and choose "Global changes - Selected Line(s)":



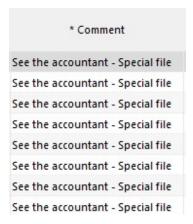
The list of fields that appear will depend on the columns that are visible in the Payment schedule. Columns must not be hidden in the Payment schedule for the Global changes to be available with this module.



For example, by selecting "Comment", a new window will appear to enter the data to add or modify on the selected lines of the Payment schedule.



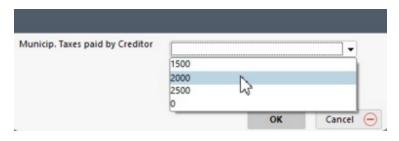
After clicking on the "OK" button, changes will be effective on all selected lines:





To restore the old data use this button:

If drop-down menus have been configured on the nine (9) custom columns, these choices will be offered during the global change:



Some shortcuts allow changes in the Payment schedule:

- Ctrl Alt Shift F12 Changes "Due Pmt" type Line statuses to any of the "Paid Pmt" or "Unpaid Pmt" types.
- Ctrl Alt Shift F11 Changes the selected lines (excluding "Paid" type Line statuses) to one of the "Due Payment" type Line statuses

See the Shortcuts section or press on F2 in Margill in order to consult a list of the shortcuts available.

Mass changes via the Post payment tool

Other than allowing to post payments from "Due" to "Paid" and to add/insert new payments in bulk, the Post payment tool also allows to change the dates in the "Payment Date" and "True Pmt Date (Grace/EFT)" columns in bulk for many Records and lines with the right mouse click.

See Payment Update ("Post Payments")

Mass adding/changing Creditors

The "Ctrl Alt Shift C" shortcut in the Main window allows to bulk add or change Creditors for the Records selected but only for Creditor in first position.

This comes with several constraints:

Conditions and repercussions:

- 1. If there is more than one Creditor, the change will not be done.
- 2. If there is an EFT for the Record, the EFT will be deactivated (it can be reactivated in bulk afterwards).
- 3. If there are Sub-creditors, these and their participation data will all be removed from the Record.
- 4. If there is no Creditor ion the Record, it will be added.

You will need to enter the Margill Creditor Unique identifier that usually begins with 3 and contains five number in all.



Notes - Record and Borrower

Notes may entered by the user for a Record or for a Borrower Notes + Notes are saved by date and time (time stamped) and by user. For compliance reasons, they cannot be changed after 24 hours.

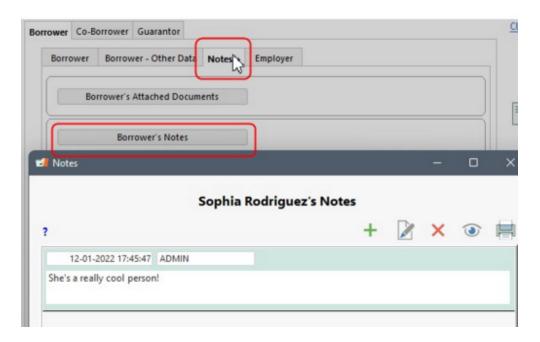
For example, can be added, notes of conversations with the client and any other information for which no field exists.

- It is nevertheless suggested to create <u>Custom_fields</u> to easily find and retrieve data that is used regularly. For example, the fiscal year end date should not be recorded in the Notes, but in the appropriate field of the Borrower. Custom fields including custom Scroll menus can be used as non-standard fields.
- It is not suggested to include an action that must be accomplished in the notes. Alerts should be used for this.

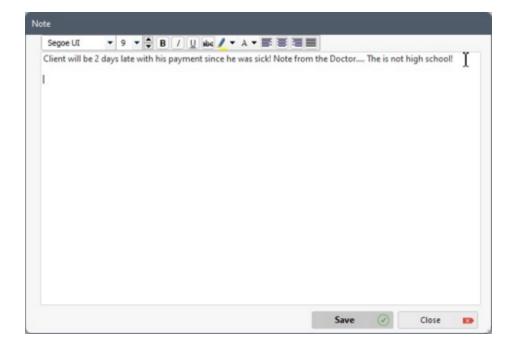
Notes for a Record are accessible with the icon located at the top right of the Record window:



For a Borrower:



To create a new Note, click on the button. This window will open so the user can enter the Note:



Note characteristics and functionalities

- Text can be copied (Ctrl c) from other software and pasted (Ctrl v) to the Notes window.
- Can include carriage returns in order to include paragraphs.
- Can be formatted and include underline, bold, italics and even highlights in various colors.

• Images can be included but it is recommended not to include very large sized pictures.

By clicking the "Save" button, the Note will be saved and time stamped. It will be possible to modify your own notes **but ONLY on the same day** for audit reasons.

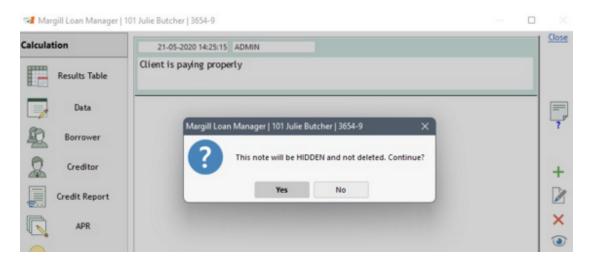
Only an Administrator can modify or delete (on the same day only) notes created by another user. By clicking

on , a "PDF" file will automatically be generated in a "Notes" folder (that could be well *hidden* in a Windows user data folder) and the name will include the MLM Record ID or the Borrower ID.

It is recommended to open in PDF and print immediately (or save in another more accessible folder) since finding the file later on may not be easy (not possible in SAAS mode).

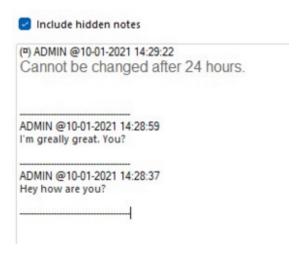


Older Notes cannot be deleted but can be hidden by clicking on the button, 24 hours after the Note has been created.



A summary of all Notes is available by clicking on the icon. This icon also allows the display of hidden notes and to

print a summary of the Notes including the hidden notes if the "Include the hidden Notes" option is checked.



The hidden but displayed Notes are identified with this symbol: $^{(n)}$.

It is possible to extract all Notes from the Records in one single operation. For the procedure, consult > Tools > Various > Extract Notes from Records.

Record Notes

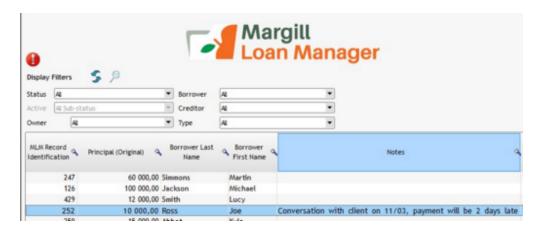
Notes for a Record are entered in the same window as the Record with the window. Notes are available no matter which (tab) is selected. Notes can also be displayed and changed under "Alerts" >

Notes

View Alerts > "Current and History" > "Notes"

The first line of these notes may also be displayed in the Record Summary window. It is thus suggested to insert recent notes at the top of the Notes window since only the first 500 characters will be displayed.

In the example below, we have stretched the "Notes" column to better see the first line of notes from the image above.



When scrolling over the note, a bubble help text appears which displays a large part of the text note.

See also Displayed column selection and order.

Borrower Notes

Notes for a Borrower are available at three locations:

- Go to File > Borrower (and Co-Borrower and Guarantor), under the "Notes + | tab
- In the Record itself in Borrower, under the "Notes +" Notes +
- Under "Alerts" > "View Alerts, "Current and History"" > "Notes"

Notes can be added, edited and printed from any of these locations.

The first 500 characters of the Borrower's Notes are also displayed in the list of Borrowers (File > Borrower), but not in the Record Summary window.

Please note: A note entered in the Borrower will be included in all that Borrower's Records. If the note related more closely to the loan itself, then use the Record notes.

See also Files (Attach)(Documents).

Attached Documents

Documents (files) may be added in MLM for the loan itself (the Record) or for the Borrower (or Co-Borrower or Guarantor).

It is important to differentiate between files attached to the Record from those attached to the Borrower. For example, the loan contract would be attached to the Record and a scan of the Borrower's drivers license would be attached to the Borrower's details.

The files may be attached and retrieved from these locations:

- · For the Record:
 - o "Data" window, under the "General" tab
- For the Borrower (Co-Borrower and Guarantor):
 - O Main window > File > Borrower > under the Notes+ Notes + tab
 - In the Record itself, "Borrower" under the Notes+ Notes | Notes | Tab

The **Attached Documents** button allows for files to be attached to a Record, to a Borrower (Co-Borrower or Guarantor).

The files will be copied (duplicated, not moved) to the database. It is thus recommended, if changes are to be made to these files, that the changes be made through MLM as opposed to the original files which remain in their original

location. Otherwise, the changes will not be included in the MLM Record.

A Record must first be saved in order for the link to work.

Upon clicking on the "Attached Documents" image, the "Attachment Container" window will appear:

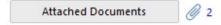


Files and even folders may be added. Nevertheless, it is not recommended to attach very large files nor to add folders with a large number of files. By default, the maximum size of a file is 2 Meg but the MLM Administrator may authorize up to 99 Meg per file. Adding multiple files totalling over 99 Meg is allowed.

The "Extract File(s)" button will extract the file(s) from the database and save to a specified location.

Once the operations (adding files, changing names, etc.) are done, press on the "Save" button. Pressing on "Cancel" will cancel all operations done.

When a document is attached to a Record or to a Borrower, a paper clip logo will appear to the right of "Attached Documents".



A Read-only user may be authorized by the MLM Administrator to add and delete files. See Administrator and Users.

The Payment schedule can be attached quickly to the Record in PDF format by pressing in the Record window as such. This is handy to obtain a Payment schedule at a specific time (especially important to include the original schedule).

Attached documents can be also be extracted (copied to the desired folder) for some or all Records in batch. See Extract Attached Documents from Records.

Undo function

Most changes and deletions made in Margill Loan Manager, under "Data", "Advanced" and most importantly, the "Payment schedule", may be canceled (undone) with the Undo arrow located at the top right of the Record window.



For the "Data" window, only mathematical operations influencing the Payment schedule may be undone. For example, changes of currency, of file number or of a value in a custom field can not be undone with the button.

Changes and deletions made for the Borrower, Creditor, Employer, APR, Credit Report and Alerts cannot be undone.

The button shows the changes made during the current operations and to cancel these changes with Undo button





Check for Data Irregularities

Margill Loan Manager (MLM) offers great flexibility for working with multiple scenarios for loans. However, with more flexibility comes a greater risk of error by users. MLM contains logical constraints that must be met and others that are suggested. See the <u>Data Integrity</u> section which explains the constraints between the payments (positive payments, negative, or 0.00) and the Line status. For example, a Line status "Not set" should never be present, but in some situations, the system generates this Line status and it should be corrected by the user. This section describes the tools that can be used to find these irregularities.

If the irregularities are not corrected, reports, particularly at the accounting level, could be wrong.

1) Post payment Tool

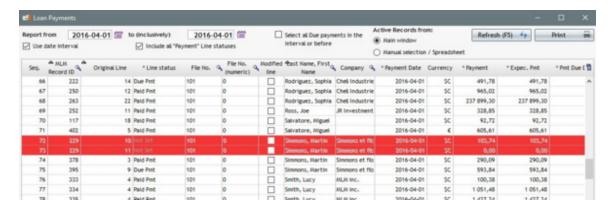
The Post payment tool (accessible under (Tools") will find all "Not Set" Line statuses and highlights these in dark red.

By selecting the "Use date interval" option with "Report from" as an old date, for example 1990, and a date far in the future, let's say 2050 for the "to (inclusively)", all transactions for Active Records (only) in the system will be displayed if the following conditions apply:

- you have the right to view all Records;
- the display filters are at "All";



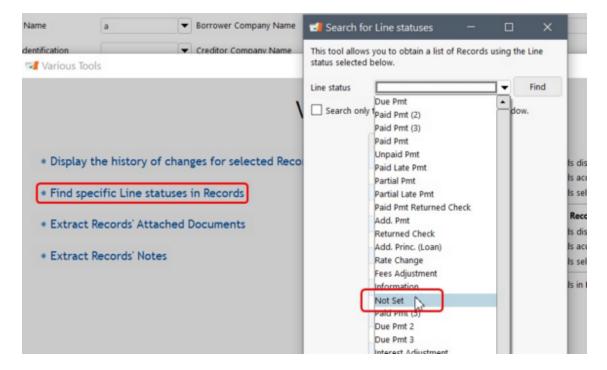
In the example below, two lines for Record 229 have non standard Line statuses (Undefined) which must be corrected before updating these payments.



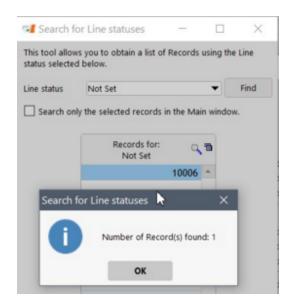
Take note of all the problem Records (use the MLM Record ID), close the Post payment tool and open each Record to make the corrections.

2) Find specific Line statuses Tool

Simpler than using the Post payment Tool, go to Tools > Various > "Find specific Line statuses in Records". This window will appear:

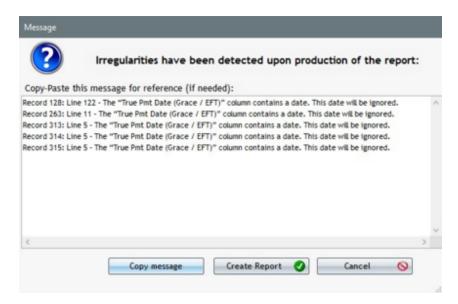


Choose the "Undefined" Line status and press Find. The number of Records with this undesired Line status and the MLM Identifiers will be displayed. Correct problem Records.



3) Export Accounting entries

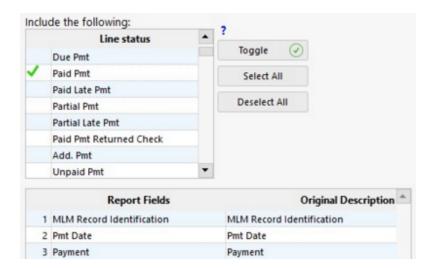
The "Accounting entries" report (accessible by Reports) will display irregularities found for the selected period. It is obviously strongly suggested that these errors be corrected before generating the report.



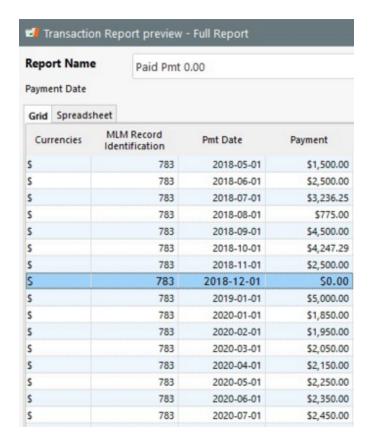
4) <u>Transaction Report</u>

Here is a tip for detecting the "Paid Pmt" Line statuses which were entered with the amount of 0.00.

You simply need to create a transactional report with the following Data (you can also choose the "Paid Pmt (2) to (20)" Line statuses):



It will be then easy to validate if one of the payments were entered by error with the amount of 0.00 and to make the necessary corrections for the Record:



If the transactional report contains thousands of Data, the user will be able to export it in Excel format in order to sort the Payment column and thus easily isolate and view the Data to be verified or modified.

5) Main window (Record Summary)

Finally, in the "Record Summary" window, certain errors related to the <u>Electronic Funds Transfer</u> will be displayed with the icon. See the detailed "<u>System Warnings</u>" section.

See also the Find specific Line statuses in Records tool.

System Warnings

In the Main Margill Loan Manager (MLM) window (Record Summary window) appears Warnings icons (or with varying degrees of urgency to advise the Administrator, the Power User and the Record Owner (and sometimes the Borrower Owner/Creator) of certain incongruities or upcoming issues.

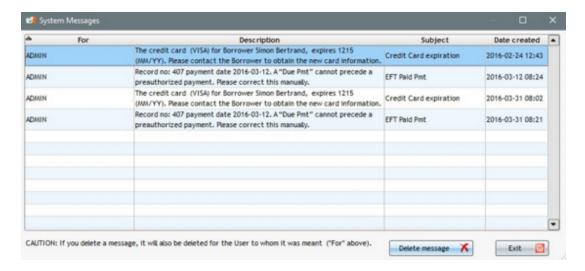
During <u>automatic data import (Loan, Borrower or Transactions)</u>, if a file is not processed, and remains available in the import folder, the orange exclamation mark will appear next time MLM is launched, notifying of a potential problem with the Windows Service for import.

Problems with the red icon that will flash (CRITICAL problems) umust be resolved quickly since these are often related to the pre-authorized payments.

MLM performs the following tests:

 For <u>Electronic Funds Transfers</u> (EFT), that no normal "Due Payments" are present before Due Payments that are submitted for EFT.

The system generates one warning per event, per user who is entitled to receive the warning. This warning, sent to the Record Owner (or to the Borrower Owner/Creator) is also displayed to all Administrators and all Power Users. However, if an Administrator (or Power User) deletes a warning before the User ("To" column in the window) has had a chance to see the warning, it will not be delivered to this User.



Nevertheless, even if the warning is deleted by error and the issue is not fixed by the User, the warning will appear the next day and until the issue is solved.

The System Warnings are not to be confused with the Alerts set by the Users.

Custom Unique Identifiers (Record, Borrower, Creditor)

Custom Unique Identifiers can be created for the Record, the Borrower and the Creditor. These identifiers (or IDs) are special fields in which once an alphanumeric entry is entered, it can not be repeated for any other Record. The same principle applies to the Borrower and the Creditor. They can be useful to link with third-party software that need a unique identifier for the Record, the Borrower or the Creditor.

If the data is already included in the system, the following message appears prohibiting duplicate backup data.



For the Record, to identify the Loan uniquely, go to the tab "General" under "Data".

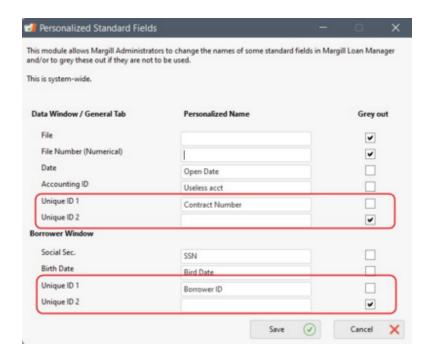


For the Borrower or the Creditor, the Unique Identifier can be entered from the Main MLM window under File > "Borrower" or "Creditor".

In a Record itself, under Borrower, the term "Identifier" was reduced to "Ident.".

- ? Unique Ident. 1
- ? Unique Ident. 2

You can rename these Identifiers (Record and Borrower) in order to reflect the real name used in your business. For example, Unique ID 1 could be renamed "Contract Number". Go to Tools > Settings > System Settings (Administrator) > Personalized Standard Fields. These identifiers, if not required, can also be grayed out, thus preventing them from being populated:



Do not confuse the customized Unique identifiers with <u>Setting the Records' Unique Identifiers</u> (Loan), or the system identifier (ID) for the Borrower and the Creditor:

Borrower ID: 10079 Creditor ID: 30004

Record Color

See the Record Summary Window (Main), Color sub-section.

Archived Records

This module is available only for certain customers with a high volume of very short-term loans.

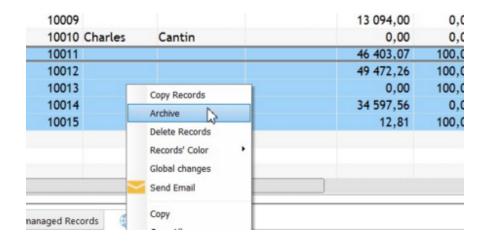
Please note: the word "Archived" is used in two contexts: the "Archived Records" module and the "Archived" Status in the main Margill Loan Manager (MLM) database. These two types of "Archived" Records should not be confused. The "Archived" Records in the main MLM database are Records that could, in theory, become Active again. Records in the "Archived Records" module are completely separated from the main database and cannot be *reversed* back into the main database.

How it works:

When this option is enabled, the user can decide to transfer the desired Records from the main MLM database to a secondary database that would contain the Archived Records.

The selected Records will be archived and permanently removed from Margill's main database without any way of recovering them.

If the module is enabled, in the Main Window, choose the Records to be archived > right mouse click > Archive:



Records that are Closed, Archived or Bad Debt from the main database can be archived. Draft, Pending and Active Records can not be archived - you must change the Status to one of the allowed Statuses.

WARNING, an Archived Record:

- Can only be viewed in Archived mode offering few options
- Will consist exclusively of data that was present at the time of archiving
- Cannot be modified
- Cannot be used for reporting
- Can only be consulted one by one, not in a table as presented in the main database.

An Archived Record:

- Contains the fields relating to the loan and the Borrower including the customized fields
- Saves the name, first name and company name for the Creditors, the Co-borrowers and the Guarantors but no other data relating to these
- Contains the payment schedule (Payment schedule)(including all rows and columns) which can be exported to a spreadsheet
- Contains the Metro 2 data
- Contains Records' Attached documents
- Does not contain the Borrowers' Attached documents

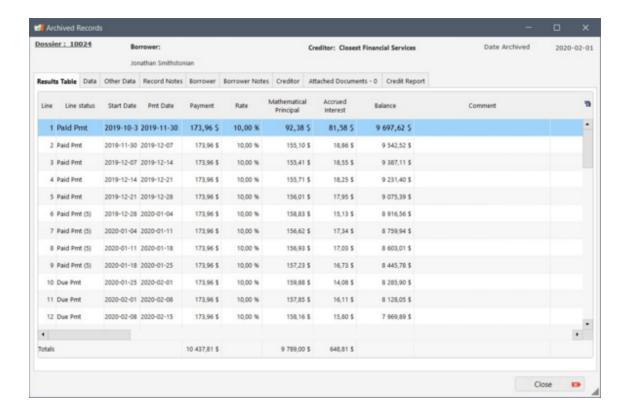
Searching in the Archived Records module is limited a few fields: various Record identifiers, names of the Borrower and Creditor, Record Origination Date, etc.

An Archived Record is essentially a static "photo" or "image" of the Record that is almost but not 100% inclusive of all data at the time of conversion to the Archived status.

Before archiving Records, make sure that the Archive mode suites your needs. Start by archiving a single test Record (duplicate this Record in main database before archiving).

Consulting the Archived Records:

To consult the Archived Records go to Tools > Other > Archived Records. A table will open in which you will see all the Archived Records. By double clicking on one of them, you can view the multiple components of the Record such as the Payment schedule (that's the payment schedule), basic Data, Custom Fields, etc., all in different tabs:



Calendar

For easy referral to time periods, a calendar is included at the end of each date entry box.

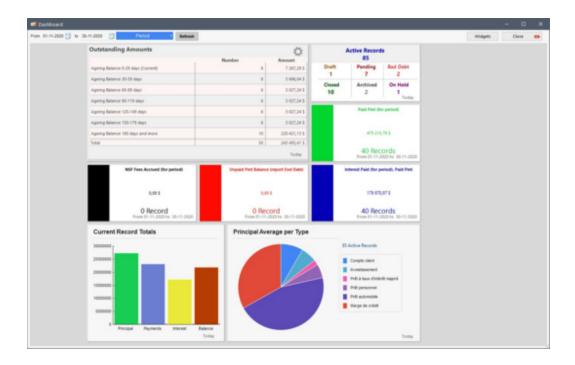
Pocket calculator

A calculatorwill appear by pressing the icon on the right of certain data entry boxes.

The calculatoris also available in the Payment schedule (on the right).

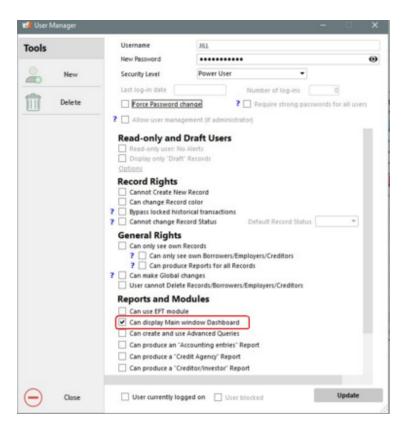
Dashboard

The Dashboard provides a quick activity global perspective and graphics to compare various time periods. The data seen can be personalized according to the needs of each Margill Loan Manager (MLM) user. It is accessible in the Margill's Main window on the Dashboard tab, at the bottom. To see the Dashboard, the option must be accessible to MLM users.

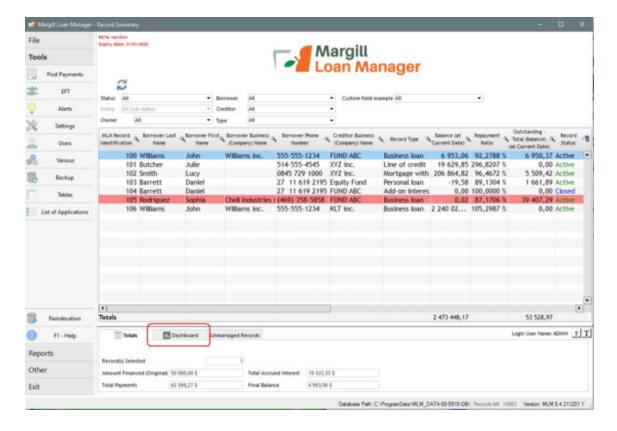


In order to give users the right to view the Dashboard and to configure it, the option "Can display Main window Dashboard" must be checked in the User management window (Tools > Users). Users with "Read only" security level are not authorized to view the Dashboard.

Only a user with the Administrator security level will be able to configure the personalized Widgets that other users will be able to display in their own Dashboard.



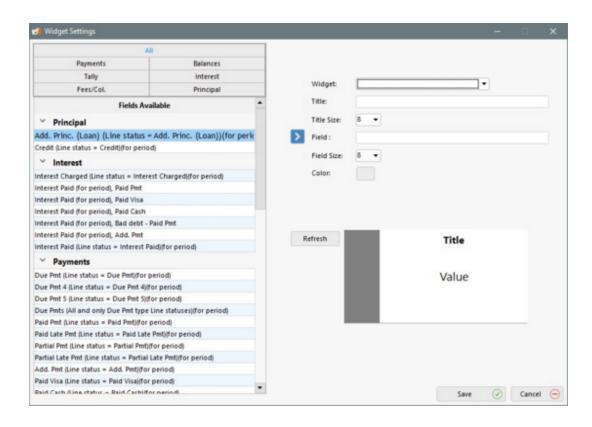
To access the Dashboard management page, from the Main MLM window (Record Summary), click on the "Dashboard" tab at the bottom.



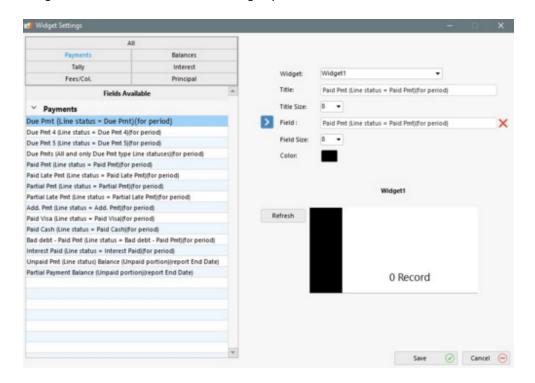
Upon opening for the first time, the Dashboard may be empty or contain some sample widgets. Each user will be personalize their own Dashboard. Only an Administrator will have access to the "Widgets" button located on the top right.

Widgets

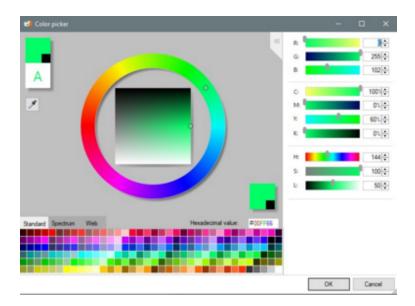
By clicking on the "Widgets" button, this window will open:



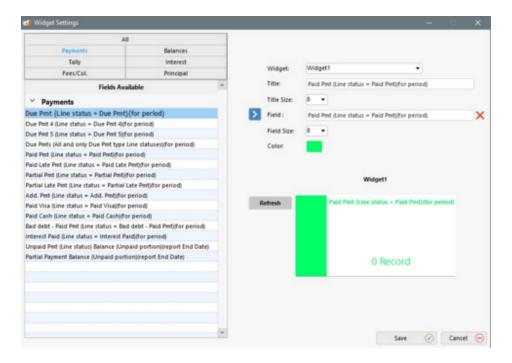
First, from the Widgets drop-down list, choose the widget to be created or modified. On the left, the fields available as widgets are displayed. Chose the field and click on the blue arrow in the center to select the field that is to be used as a widget. These Widgets can be modified later on according to your needs.



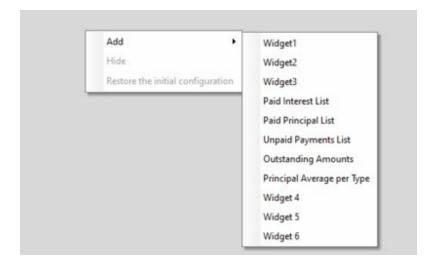
You can customize the Widget title, title size, field size as well as the color.



Click on the "Refresh" button in order to preview the widget according to the title, sizes and colors. When the widget is to your liking, click on "Save". MLM offers the option to customize up to six (6) widgets. Once saved, the widget will be available for display for all users who have a Dashboard access.



To display one or more widgets, click on the right mouse button anywhere in the Dashboard. Select "Add". The personalized widgets from 1 to 6 as well as the predefined widgets (that can be slightly personalized too - see below) are there for your choosing.



Add one of more Widgets according to your needs. They can be positioned by drag and drop with the help of the mouse.

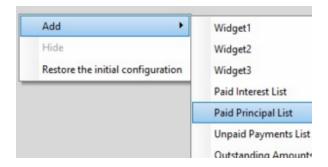


Predefined Widgets:

- Record Types
- Record statuses (except Custom statuses)
- List of paid principal
- List of unpaid payments
- Average Principal by Record Type
- O Number of new Records
- Number of Records by Record Type
- Original Principal per month

These can be resized in the Dashboard by positioning the mouse cursor over any the widget borders.

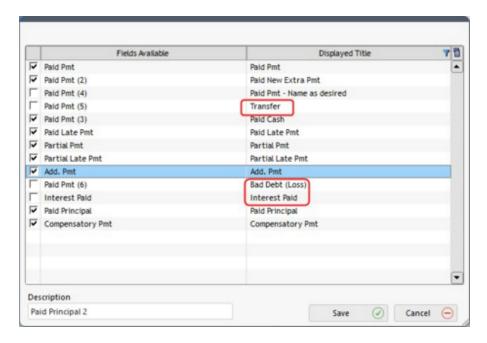
Some widgets may or must be adapted in order to follow your MLM configuration. For example, let's take a look at the Paid Principal widget. First add the widget:



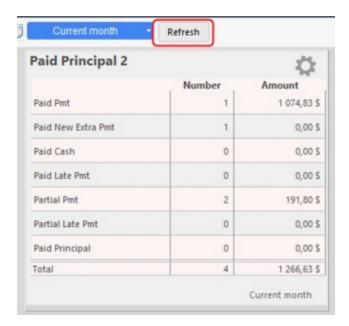


Click on the gear located on the top right. You will have the option to select the desired Line statuses and even change their names (usually not required) by changing the names in the "Displayed title" column. The "Description" is the widget's name. Changing from Paid Principal to another name does not change the calculated amounts. This widget will only display the paid principal, nothing else.

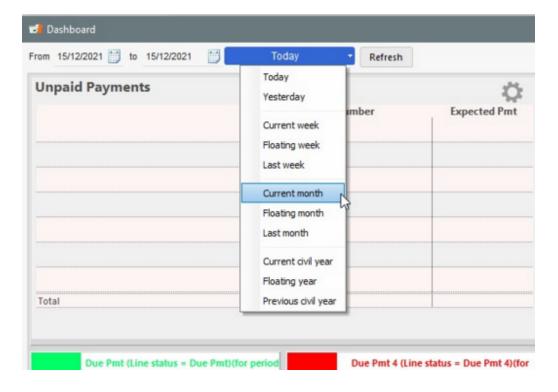
We only want "cash" payments and thus must exclude all <u>Line statuses</u> that are not "cash". "Bad debt" and "Transfers" are "Paid type" Line statuses but both are non-cash transactions. The Paid interest would also be excluded even if it would have given an amount of 0.00, no matter what.



Once the changes are Saved, to display these, click on the "Refresh" button. If there are too many Line statuses, you may have to scroll down to see all of these since the box hight is limited.



Once the Dashboard is organized to your needs, use the date ranges to view the data according to the desired period. Enter the desired period or select the period to display from the drop-down menu:



Take note that certain widgets cannot be displayed with the data of the day. On each of the widgets, the period taken into account for displaying the data is in pale gray at the bottom right of each widget:



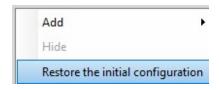
In the following example, NSF fees were charged in 2 Records for a total of 12,013.41 for the "Floating year" (I must admit the fees are excessive for NSFs!).



To remove a widget, place the cursor on the widget header (top portion), right mouse clickand choose "Hide":



"Restore the initial configuration" will restore the five default widgets.



Restoring back to the initial configuration is required if changes are made in the basic MLM settings (Line statuses particularly). The Restore resets the widgets and their names and refreshes Line status names.

Margill Loan Manager Calculations

"Margill Loan Manager Calculations" Content

Amortization & payment schedules (Payment schedules)

How to do...

Other calculations

Refund Options

Amortization & payment schedules

Margill Loan Manager (MLM) can be used to manage a number of different financial *instruments*. For detailed information on each and how to create the MLM schedule, click on the link.

- Loan (personal, car, commercial)
- Add-on Interest Loan
- Rate Adjusted Payments
- Mortgage and Escrow
- Adjustable Rate Mortgage (ARM)
- Reverse Mortgage
- Line of credit
- <u>Collection-Bills,Invoices...</u>
- Lease
- Fees, Insurance and Taxes
- <u>Late and/or unpaid salaries, rent, annuities</u>
- Investment portfolio
- <u>Interest-only (or partly interest-only loan)</u> (see Payment schedule section)
- Fixed principal(or partly fixed principalloan) (see Payment schedule section)
- Loan or other with fees (insurancetaxes, penalties or invoices) not bearing interest
- Irregularinterest compounding
- ParticipatingLoans See the <u>ParticipatingLoan subsection in the Creditor section</u>

How to do...

How to do... Contents

- Loan (personal, car, commercial)
- Add-on Interest Loan
- Rate Adjusted Payments
- Mortgage and Eascrow
- Adjustable Rate Mortgage (ARM)
- Reverse Mortgage
- Line of credit
- Collection Bills, Invoices...
- <u>Lease</u>
- Fees, Insurance and Taxes
- Late and/or unpaid salaries, rent, annuities
- Legal costs and fees collection with interest
- <u>Investment portfolio</u>
- Interest-only (or partly interest-only loan see Payment schedule section)
- Fixed principal (or partly fixed principal loa(see Payment schedule section)
- Loan or other with fees (insurance taxes, penalties or invoices) not bearing interest
- <u>Irregular interest compounding</u>
- ParticipatingLoans See the <u>ParticipatingLoan subsection in the Creditor section</u>

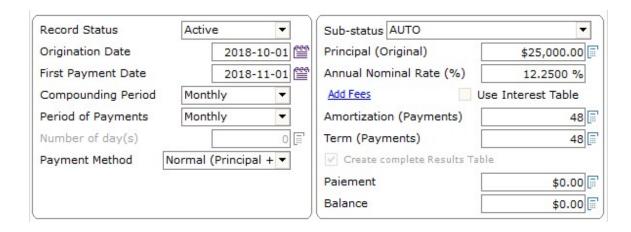
Loan (personal, car, commercial)

These loans are usually quite straightforward. Create a new Record with "File" and "New Record". See also <u>Creating the first Record</u> and <u>Data entry screen Basics</u>.



Data window

In the example below, the loan starts on October 1 and the first payment is a month later. Compounding is monthly, Payment method, Normal (Principal + Interest). The 25,000 loan is paid back in 4 years (48 payments).



Annual Percentage Rate (APR) window

Compulsory fees can be included in the APR window for loans to individuals in order to compute the APR. These may be stated as an amount or as points (percentage of the loan amount).

Advanced window

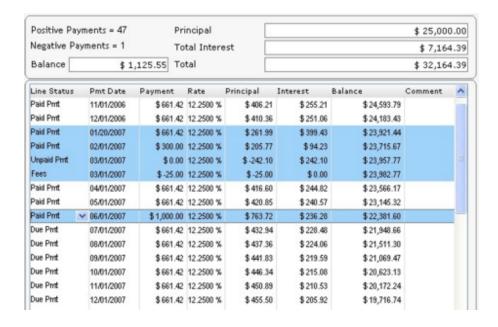
The various Advanced features (Day count, short periods) will depend on the jurisdiction and the industry. Method should usually be Normal - Effective rate Equal Periods (compound interest).

Payment schedule

MLM automatically calculates the payment and produces the preliminary Payment schedule that can be adjusted as one desires to include for example, <u>lump sum payments</u>, <u>interest-only payments</u>, <u>fixed principal payments</u>, <u>step payments</u>, <u>additional principal</u>, <u>fees</u>, <u>taxes and insurance that bear interest or not</u>.

In this example, the Borrower does not respect his/her payment schedule. The five lines in blue are incidents including:

- January 1, 2007 payment is paid only on the 20th of the month;
- February 1 payment is only 300.00;
- March payment is missed;
- Extra fee of 25.00 for the unpaid payment on March 1, 2006.
 - O Note: Interest will accrue on the 25.00 fee (unless otherwise instructed see <u>Loan_or_other_with_fees</u> (insurance taxes, penalties or invoices) not bearing interest);
- 1000.00 payment on May 5, 2007.



Other special repayment options may also be included: <u>lump sum payments</u>, <u>unpaid payments</u>, <u>interest-only payments</u>, <u>fixed principal payments</u>, <u>step payments</u>, <u>additional principal</u>, etc.

See also:

The **very important** "Payment schedule (Amortization, payment schedule)", Payments section for a host of payment options allowing you to create just about any payment scenario.

Add-on Interest Loan Lease

Add-on Interest Loan

Add-on interest is a peculiar calculation by which interest to be paid on a loan is calculated on the total principal amount borrowed for one year then multiplying this amount by the number of years to repayment. The principal is then added to the total interest and divided by the number of monthly payments to be made.

For example, a car dealer advertises a rate of 12.50 per 100 per year on a 20,000 loan to be repaid in monthly payments over 4 years.

Total interest for one year:

 $0.125 \times 20,000 = 2500.00$

Total interest for 4 years = 10,000

The interest portion per month is thus 10,000 / 48 = 208.33.

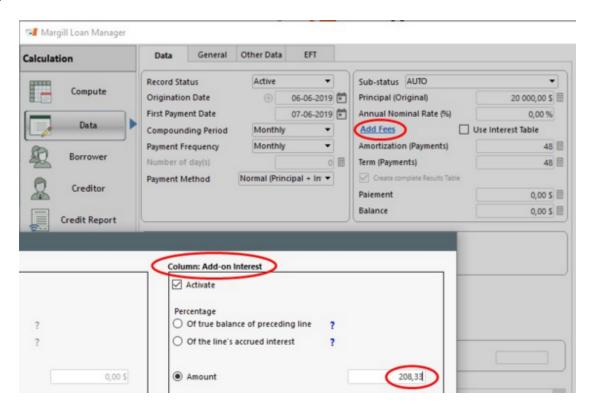
Total principal and interest = 30,000 over 48 months, so payments are 625.00 in principal and interest.

These loans are more expensive than regular amortizing loans since the interest calculation method does not factor in the monthly principal payment. As principal is paid, the monthly interest amount is reduced for amortizing loans, but not for add-on interest loans.

Here is how to enter this method in Margill Loan Manager (MLM):

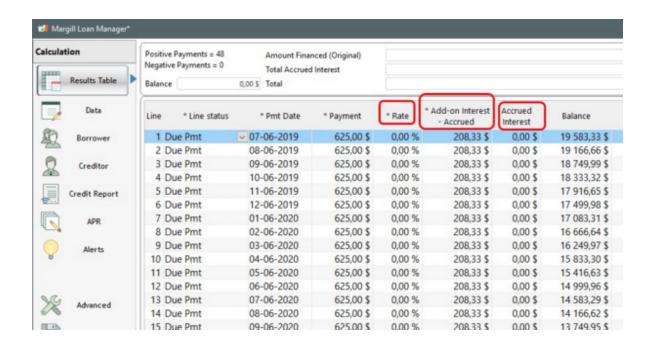
- 1) Calculate the total interest as we did above a very simple calculation without the need to use Margill.
- 2) Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.
- 3) Enter the financial date in the Data tab:

Notice "Annual Nominal Rate (%)" is 0.00% since we will not be charging true interest, but rather will be using <u>Column Fees</u> to add the 208.33 with the "Add Fees" link.



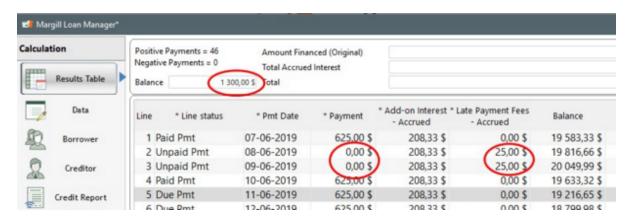
Payment may be left at 0.00 and will be computed automatically. Press on "Compute" to generate the payment schedule.

Notice below true interest Rate is 0.00% so true Accrued interest is 0.00. Our Column Fees, now called "Add-on interest - Accrued" is the same every month.

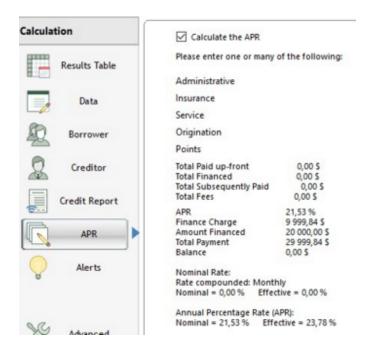


No matter if the Borrower pays or not, is late or makes partial payments, the Add-on interest will remain the same since the amount is not computed but entered manually.

Notice below two missed payments of 625.00 each + automatically added NSF fees (25.00 each) for a total of 1300 due. This is also the final balance since no extra interest is charged even if payments are not made.



The Annual Percentage Rate (APR) can also be computed through the APR tab. Even if no extra fees are charged, the 12.50 / 100 *interest* rate yields an APR of 21.53% (Effective APR of 23.78%):



See the Fees, Insurance and Taxes by Column (and Automatic) section.

Interest Paid in Advance

Some Creditors reduce their risk by having the Borrowers pay the interest at the date of signature (Origination date of the loan). Generally, the Creditor does not want to reduce the Principal to be refunded and often wants this payment to have no effect on the total of interest accrued and to be reimbursed.

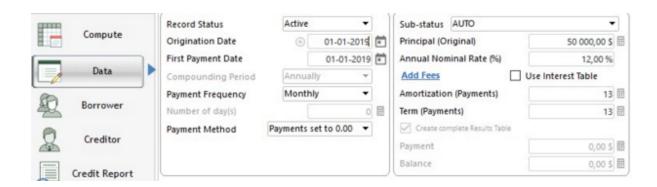
A Line status called "Interest Paid" is available in Margill Loan Manager (MLM) whose purpose is to pay pure interest - nothing else, not even Column fees.

Whereas a Paid Pmt type Line status will first pay Column fees, then Interest and if the payment is sufficient, the Principal, the "Interest Paid" Line status will pay interest even if the due interest balance is 0.00. Thus, "Balance Due Interest" can become negative.

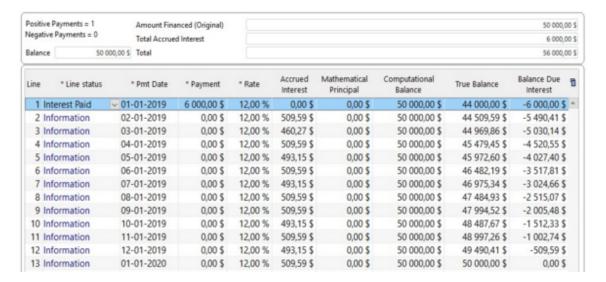
The interest paid in advance may not have the desired results by the Creditor since generally, a payment, whatever its nature, should reduce the amount due and thus reduce the total interest on the loan. The following examples illustrate various scenarios according to the calculation method: simple interest of compound interest. Because of the compounding (or capitalization) effect of interest, only interest paid in advance in a simple interest calculation will not reduce the total accrued interest on the loan.

Interest paid in advance - Simple interest

In the following example, a 50 000 loan with an interest rate of 12% per year, for one year with no Principal reimbursement, would generate 6000 in interest. It is an easy calculation to do in simple interest (50 000 X 0,12 X 1 year = 6000).

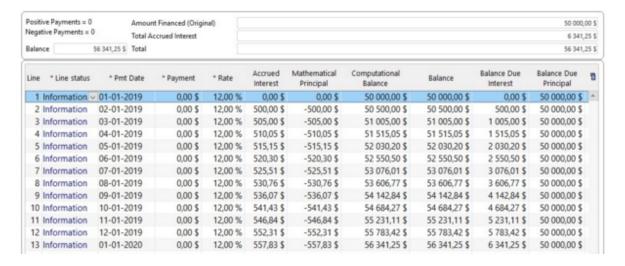


With simple interest, the interest calculated of 6000 can be paid on the Origination date and the final balance remains 50 000 as desired. Gradually, the "Balance Due Interest" increases to 0,00.



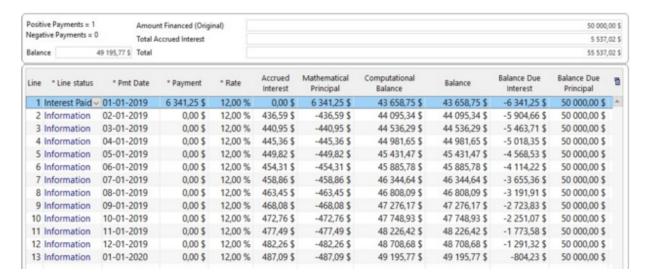
Interest paid in advance - Compound interest, Effective Rate method

With monthly compound interest with no payments, the interest calculated is 6341,25:

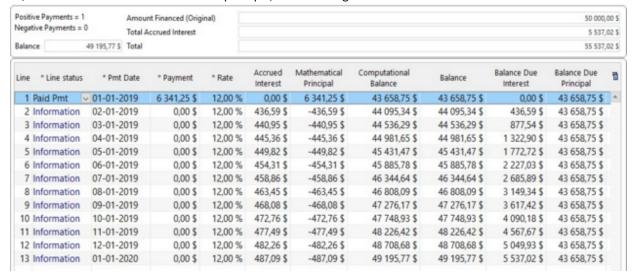


Applying the same method of paying the total of interest in advance, like in simple interest, the 6341,25 interest payment

on the Origination date has the effect of reducing the total accrued interest. This is the result of compounding. Interest paid reduces the calculation balance because this negative paid interest is capitalized.



We end up exactly with the same result with a "Paid Pmt" (which covers the interest first then the principal). The difference is at the accounting level only. With the "Paid interest" Line status, the payment is applied to "Balance Due Interest" (Principal balance remains unchanged at 50 000) while a "Paid Pmt" charges the "Balance Due interest" and the Principal balance. Compounding (interest on interest, as on principal) has the effect of eliminating, at the mathematical level, the distinction between interest and principal, thus affecting the calculation balance.



Interest paid in advance - Compound interest, Simple Capitalized

With Simple capitalized interest, the same general principle with a few subtleties (depending on the frequency of capitalization) applies as in compound interest using the effective rate method. If the capitalization is less frequent, during the capitalization period, the principles of simple interest will apply until a date of capitalization where this will have as a result of adding the accrued interest to the calculation balance that is used for calculating the interest.

See also "Interest" Type Line statuses and Interest-only payments (and Column Fees) and Interest paid in Advance.

Rate Adjusted Payments

See the Adjustable Rate Mortgage (ARM) example. Although applied to a mortgage, the method can be applied to any other type of loan.

Mortgage and Escrow

These are usually quite straightforward. Create a new Record with "File" and "New Record". See also <u>Creating the first Record</u> and <u>Data entry screen Basics</u>.



Data window

In the example below, 25-year the mortgage starts on October 1 and the first payment is a month later. Compounding is monthly, Payment method, Normal (Principal + Interest). The 225,000 mortgage has a five year term.

Mortgages

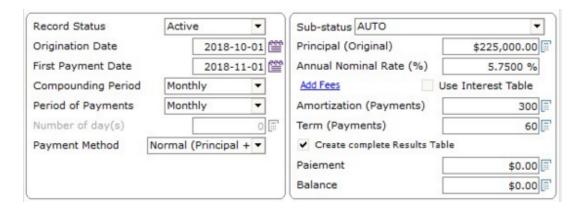
To calculate mortgages in: United States, England, Australia, Hong Kong, South Africa, France, Luxembourg, for monthly payments, the compounding period should be **monthly**.

In Canada, the compounding period should be semi-annually.

For other countries or other unusual mortgages, consult a mortgage professional.

In this example the term is included but the entire schedule (25 years) is produced by checking "Create complete Payment schedule". This allows to compute the <u>Annual Percentage Rate (APR)</u> (if need be) since APR can only be computed if the balance = 0.00 (otherwise not all finance fees are accounted for).

If the APR need not be computed, do not check "Create complete Payment schedule" and leave the term at 60 months. A five year Payment schedule will be produced (as opposed to a fully amortized schedule) calculating the proper payment amount and balance at the end of the term.



Annual Percentage Rate (APR) window

Compulsory fees should be included in the APR window. These may be stated as an amount or as points (percentage of the loan amount).

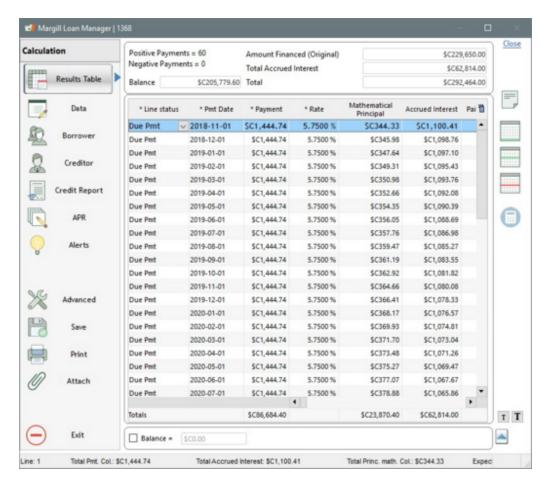
Advanced window

The various Advanced features (day count, short periods) will depend on the jurisdiction. Method should usually be Normal - Effective rate Equal Periods (compound interest).

An interest adjustment payment may also be included through the Advanced window.

Payment schedule

MLM automatically calculates the payment and produces the payment schedule.



Other special repayment options may also be included: <u>lump sum payments</u>, <u>unpaid payments</u>, <u>interest-only payments</u>, <u>fixed principal payments</u>, <u>step payments</u>, <u>additional principal</u>, etc.

Escrow Account

If the Creditor collects and remits property (municipal) taxes and / or insurance, it is possible to:

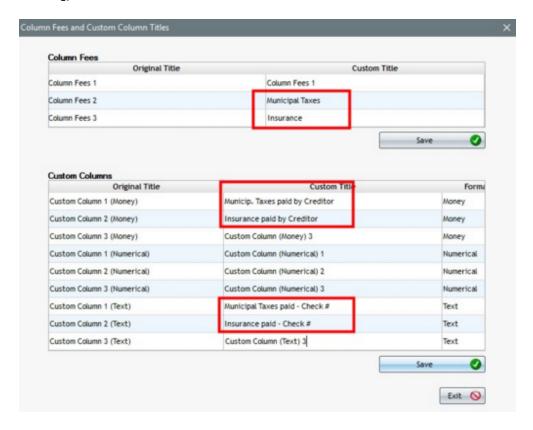
1) Charge the taxes and/or insurance (using Column Fees renamed to Property Tax and / or Insurance) ("Accrued"

columns)

- 2) Collect the taxes and insurance from the payment amount ("Paid" columns) and,
- 3) As version 4.3, specify in the Payment schedule, the Taxes and Insurance payment dates **by the Creditor** to the city and to the insurance company using the "Custom Columns" and; obtain the payments and the balance of this Escrow account using Mathematical Equations and relevant fields (see Escrow Report).

First, in Tools > Settings > Custom Column Titles, adapt the column names according to your needs. Below, Column 2 and 3 Fees are named, respectively "Municipal Taxes" and "Insurance". The amounts charged to the Borrower are included in the total payment amount.

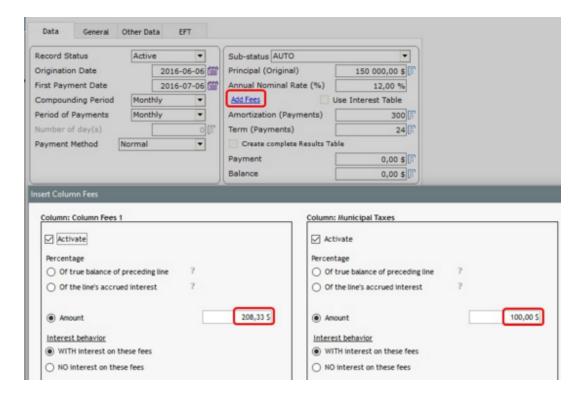
For the "Custom Columns" subsection, Custom Columns 1 and 2 (Monetary) will be renamed respectively "Municipal taxes paid by Creditor" and "Insurance paid by Creditor" (these names could be shortened to avoid having a column header that is too long).



Also, during the implementation, it is suggested to change the Line statuses "Other" and rename them "Municipal Taxes paid by Creditor" and "Insurance Paid by Creditor" (shortened names).

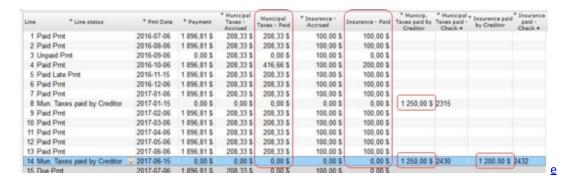


In our example, the Borrower must pay 2500 in municipal taxes (208.33 a month) and 1200 in insurance (100.00 a month). These amounts will be added with the "Add Fees" link.



The Payment schedule is created and the payments below are made by the Borrower. One will notice an unpaid payment and a partial payment, the latter paying only municipal taxes. Taxes and insurance are always accrued but not necessarily paid.

The Creditor, on the other hand, pays Municipal Taxes twice a year (January 15 and June 15) and pays Insurance once a year (June 15) as indicated in the columns below. We have inserted lines in the example below to show these payments by the Creditor. On line 14 (June 15), Taxes and Insurance are paid even if the <u>Line status</u> indicates only the payment of the Insurance. This is not significant since in the Escrow account report, the calculations will be made correctly without taking account the Line status since the Taxes and Insurance paid by the Creditor have no effect on the Payment schedule or Interest.



Taking into account the payments made by the Borrower (to the Creditor) and payments by the Creditor (to the city and to the insurer), a report may be created using <u>Mathematical Equations</u> describing the transactions in the Escrow account and the its balance for multiple Records. See <u>Escrow Report</u>.

Interest Adjustment Date

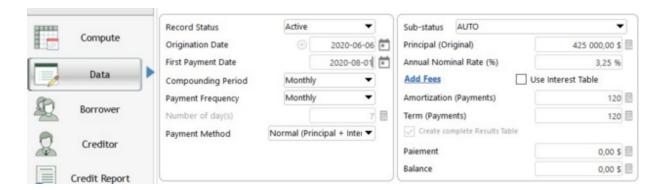
The Interest Adjustment Date is the date from which the Creditor starts calculating the "normal" interest and thus the regular payment to be paid by the Borrower. This option should be used when an interest adjustment date is scheduled (usually for mortgages) since the principal is advanced on another date than the first of the month. Generally, the interest adjustment date falls on the first day of the month after the Borrower's advance.

An Interest Adjustment Date allows, when the precise date of payment from the Creditor is uncertain, to create an amortization table with a final regular payment which can be submitted to the Borrower. If the Origination date changes, only the payment amount on the adjustment date would have to be changed.

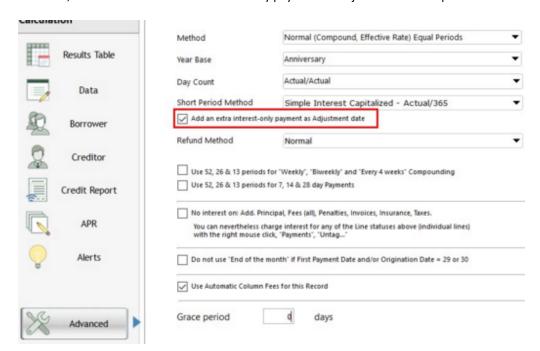
Example:

A loan starts on June 6 and the first REGULAR payment is August 1st.

Data should be entered as in the "Data" window below, for, as an example, monthly payments and an amortization and term of 120 months.



In the "Advanced" tab, check the "Add an extra interest-only payment as Adjustment date" option:



If the Date of first payment is entered as August 1, an extra payment will be added on July 1, which becomes the Interest

Adjustment Date. The following payments (starting on August 1) will be computed normally (interest and principal).

The "Due Pmt" line, which was added automatically, will only pay the accrued interest between the Origination date and the adjustment date. In the following example, the date of the first payment entered by the user was 2020-08-01 and not 2020-07-01. The accrued interest between the Origination date of 2020-06-06 is 946.06, which is the first due payment amount.

Line	* Line status	* Pmt Date	* Payment	* Rate	Accrued Interest
1	Due Pmt	2020-07-01	946,06 \$	3,25 %	946,06 \$
2	Due Pmt	2020-09-01	4 164,31 \$	3,25 %	2 305,20 \$
3	Due Pmt	2020-10-01	4 164,31 \$	3,25 %	1 146,01 \$
4	Due Pmt	2020-11-01	4 164,31 \$	3,25 %	1 137,83 \$
5	Due Pmt	2020-12-01	4 164,31 \$	3,25 %	1 129,64 \$
6	Due Pmt	2021-01-01	4 164,31 \$	3,25 %	1 121,42 \$
7	Due Pmt	2021-02-01	4 164,31 \$	3,25 %	1 113,18 \$
8	Due Pmt	2021-03-01	A 16A 31 \$	3 25 %	1 104 91 \$

For a 120 month loan (entered in "Amortization" and "Term"), when this option is checked, there will be 121 payments, the first one being the smallest.

In compound interest, Effective rate method, when an adjustment date is required, interest between the Origination date and the adjustment date is generally computed with the simple interest not with the Effective rate method. Calculation is therefore easy to do for stakeholders without the need for software.

The user must specify in "Advanced" that the "Short Period Method" will, generally be, "Simple interest Capitalized Actual/365". We use "capitalized" because if the interest payment is not made, interest will be computed on the overdue interest.

Calculation of interest for the "short" period between June 6 and July 1 (25 days):

425 000 x 0,0325 x 25/365 = 946,06

Nowadays, with powerful calculation tools, it is not compulsory to use a special short method, but such is the custom.

Note: If "Column Fees" (regular fees, taxes, insurance (Escrow)) are entered in the "Data" window, no fees will be added to this adjustment payment. If fees were required at this date, they would have to be added manually in the appropriate column of the Payment schedule.

Adjustable Rate Mortgage (ARM)

Margill Loan Manager (MLM) can easily compute adjustable rate mortgages (or other variable rate loans). In these, the payment is adjusted based on the interest rate in force at a certain date.

Rates known or estimated at start of loan

Loan or mortgage adjusted over time as rates become known

Rates known or estimated at start of loan

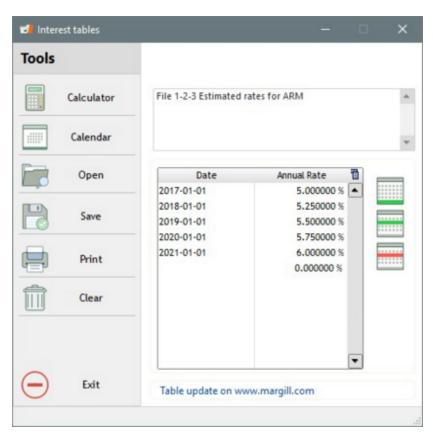
Very often in ARMs the future rates are not known, but MLM may be used to calculate the predicted schedule. To do so, follow these steps:

A future (predicted) variable interest rate table is created. Go to "Tools", "Tables".



"Clear" the existing table and enter the date and rate changes. In this example, the rate in 2015 is

5.00%, 2016: 5.5%, 2017: 6.0, etc. Press on to add the dates and rates.



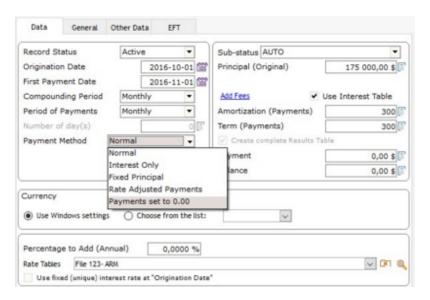
Save the file in order to use it as seen below. We called it "File123-ARM" as seen in the complete table below:



Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics



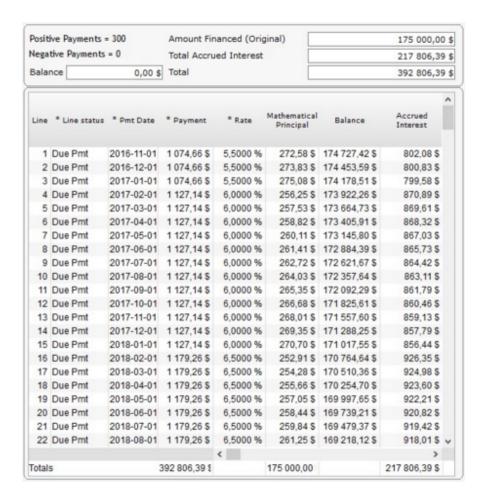
Enter the various elements. For "Payment Method" choose "Rate Adjusted Payments". In order to be able to choose this, you must have checked "Use Interest Table" and have selected an interest table, in this case "File123-ARM". A percentage could be added on top of the rates entered earlier.



Press on "Compute". The window below will appear since the calculation is quite complex. Press on OK. With today's computers and "dual core" technology, the calculation above took about 15 seconds.



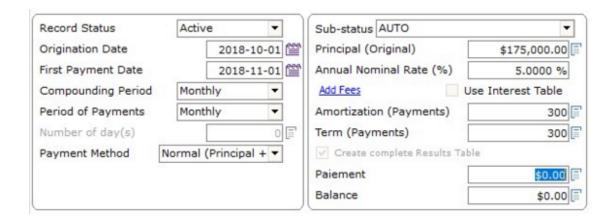
The payments are then automatically adjusted according to the rates. The payments will vary to first cover (refund) interest and the balance of the payment to refund the principal. See the "Payment" column below from the Payment schedule.



Loan or mortgage adjusted over time as rates become known

If a loan starts at a certain interest rate, lets say 5%, and the next year the rate jumps to 6%, the Payment schedule (Payment schedule) may be updated to reflect this change.

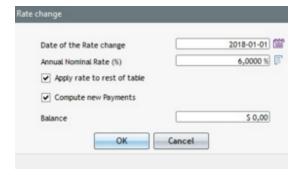
So we created a standard loan at 5% mortgage with a Normal (Principal + Interest) "Payment Method" and an unknown payment (0.00).



We "Compute" and produce a schedule which is saved. One year later, the rate changes to 6%. To insert a new interest rate, select (highlight) any line in the Payment schedule and right click with the mouse. Among the choices in the menu, choose "Insert" and "Rate Change(s)".



With the "Rate Change(s)" choice, the interest rate may be inserted or changed at any date. The rate may be applied to the rest of the table by checking the appropriate box. New equal payments may also be recomputed to give a balance = 0.00 or other amount.



The interest rate may also be changed for multiple loans at once. See the <u>Changing the interest for multiple Records in one operation</u> sub-section in the <u>Adding or changing interest rates in a Payment schedule</u> chapter.

This process, along with other special repayment options (<u>lump sum payments</u>, <u>unpaid payments</u>, <u>interest-only payments</u>, <u>fixed principal payments</u>, <u>step payments</u>, <u>additional principal</u>, etc.) may be continued over time.

Reverse Mortgage

Reverse mortgages have a different purpose than normal *forward* mortgages do. With a reverse mortgage, you are taking the equity out in cash. So with a reverse mortgage, your debt increases and your home equity decreases.

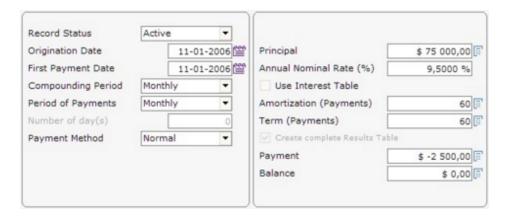
Let's do an example:

The Jones' home equity is about 350,000 and now being at retirement age, they wish to "live a little" without selling their home. They wish to receive 75 000 up front and then 2500 in regular payments for 60 months. The interest rate for the loan is 9.5% annually.

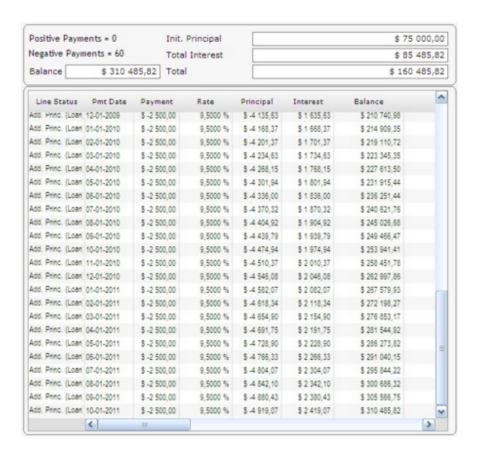
Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.



The Principal is 75,000 since this is the up front amount that was loaned to the Jones and the Payment is **minus** 2500 since the Jones are not reimbursing their loan, but receiving 2500 per month for 60 months.



After 60 months, the Jones would owe 310,485.82.



You can then save the Schedule and include any irregular "incident": larger monthly cash loan (- amount), reimbursement (+ amount) at any time, etc.

Line of credit

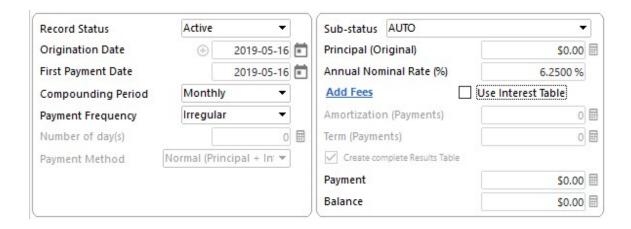
Margill Loan Manager (MLM) allows you to follow a line of credit in which money is lent out and repaid at irregular intervals.

Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.

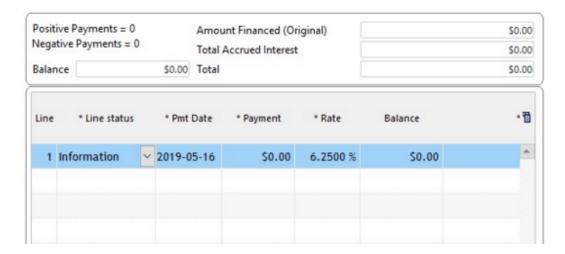


Let's do an example...

On May 16, the line of credit is activated with a withdrawal on the same day of 1500. This could have been our starting principal but instead, we will leave Principal at 0.00 in order to see, in the schedule, each and every withdrawal and refund (including the first one). Below is the Data window with "Payment Frequency" set to "Irregular". Minus (-) 1500 could also have been inserted as the first payment amount.



Press on "Compute" to produce a Payment schedule with only one line.



Modify the "Information" Line status to "Add. Princ. (Loan)". Enter for this line in the Payment column, the first loan amount of 1500. Minus 1500 should be entered.

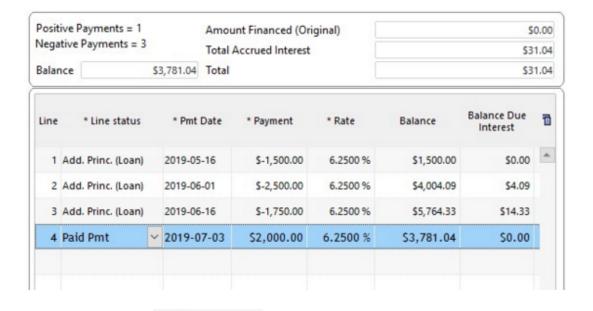
NOTE: For new loans created as of MLM version 5.0, the date for the original first payment line can be modified and the first line be deleted if needed. The Origination date cannot be changed unless the loan or line of credit is recalculated from the start.

A second loan or withdrawal of 2500 is made on June 1st (add a line _____, modify the Line status and enter as a negative amount).



A third withdrawal of 1750 is made on June 16.

The Borrower then refunds 2000 on July 3 (a refund is a positive amount reducing the principal) and so on...



The Schedule may then be saved

in the database and updated as time goes on.

You will notice in the window above that the Line status column indicates the first three lines as "Additional principal" (you could also have used one of the other <u>Additional Principal Line statuses</u> whose names may be customized) and the 4th line as "Due Pmt" which should then be changed to a "Paid Pmt". See also <u>Line status</u>.

Save

Interest automatically recomputed

Compound interest is charged in between each of the payments/refunds. The interest is automatically calculated every day (as provided by the normal Effective rate method) even if the compounding period is not daily.

MLM also allows you to choose, since the payments are irregular, simple interest that is capitalized upon each payment. See Short & Long periods.

Important suggestion for lines of credit

If a loan or line of credit was to contain only one payment (or only a few payments), MLM would consider it terminated on the last line of the Payment schedule and thus, data after this last date would not be obtained.

For such loans or lines of credit (the Borrower pays when he/she is able to or when events such as sales occur), in order to obtain the loan balance and other financial data over time, even if no payments are made, it is suggested to create dummy monthly payments of 0.00 for the next x years or one dummy payment (Line status "Information") of 0.00 a few years later (as in example below).

This will allow you to obtain the true balance due, the accrued interest, etc., at any point in time until the last line of the schedule. The number of years is based on your evaluation of the typical duration of the loan in ordinary circumstances.



Collection - Bills, Invoices...

MLM is great for collection, providing up to date information on the status of each invoice and payment.

Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.



In these examples we will include late and unpaid accounts receivables with regular or irregular payments made by the debtor.

Example 1:

Irregular invoices and irregular payments by debtor

5 billssent to client at various dates - interest always starts 30 days later

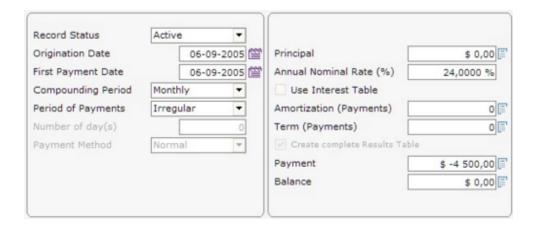
- 4500 May 10, 2005 (interest starts June 9, 2005)
- 3450 June 2, 2005 (July 2)
- 5500 June 2, 2005 (2 bills on same date) (July 2)
- 12,000 October 1, 2005 (October 31)
- 7500 January 15, 2006 (February 14)

Client pays irregularly:

- 2000 August 1, 2005
- 2500 September 15, 2005
- 5000 October 20, 2005 turns out to be NSF with 25 fee
- 7500 January 10, 2006
- 10,000 June 5, 2006

How much is stilled owed on December 1, 2006? Monthly interest of 2% compounded monthly (could also be simple interest).

First enter basic information in the "Data" entry window. In order to have all invoices and payments in a neat table, our starting principal (first amount due of 4500) will not be included as Principal but will be our first "payment" of **minus** 4500.



Press on "Compute". The preliminaryPayment schedule is produced below.

Notice that "Line status" has been changed to "Invoice" (or could have been Add. princ.).

Important note for accounting relating to the Invoice Line status:

• The "Invoice" Line status will add <u>mathematical principal</u> but not <u>accounting principal</u>. For reporting, the distinction is important at the accounting level. To add accounting principal instead, use one of the "Add. Princ." Line statuses whose name can be changed to, for example, "Add. Princ. Invoice". This will add accounting principal. See <u>"Principal"</u> Type Line statuses.

We also added a comment on the far right. In this case we added Invoice 1234 for reference.

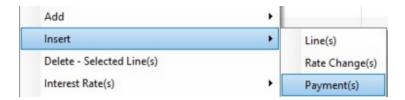


We now simply add lines with the icon on the right that reflect all the events. We first included all the invoices (we also could have added invoices and payments in a chronological order).



Let's now add the payments made by the client. Either position the cursor BELOW where the line is to be inserted and

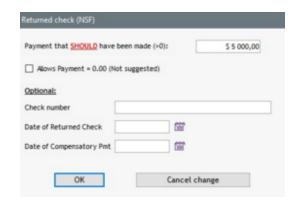
press on . A new line with 0.00 payment will be added. Or, you may <u>right click on the mouse</u> and select "Insert" and "Payment(s)".



The following window will appear from which to insert the payment at the appropriate date and amount.

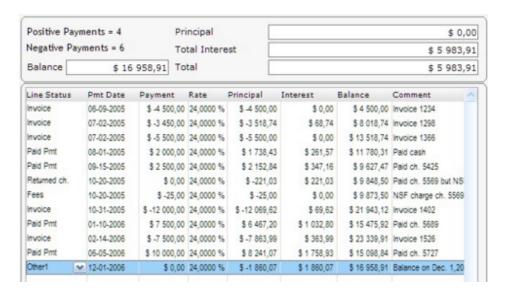


We added each of the payments and Line statuses. The 5000 NSF check on October 20 has the Line status called "Returned Ch.". When this choice is made, the window below appears in which to include the amount that <u>should</u> have been paid (a column to the right will show the 5000.00 that **should** have been paid).



A 25 fee was also charged on that same day (the minus 25 on October 20). These fees will bear interest. If no interest is to be charged on insurance and taxes, select the desired lines, use the right mouse click and under "Payments" select "No interest Add. Princ., Fees, Tax, Insurance, etc.".

Comments were placed at the end of each line.



The balancedue on December 1, 2006 is thus 16,958.91.

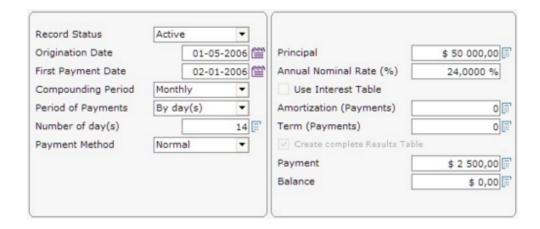
Example 2:

Collection by what should have been regular payments

Debtor owes an amount that cannot be paid in one unique payment. There is an agreement with the collection agency by which the debtor will repay in equal payments BUT the debtor does not respect the payment schedule.

- 50,000 owed on January 5
- Debtor agreed to pay 2500 every 2 weeks starting February 1
- Interest rate of 24% annually, compounded monthly

First enter the normal schedule. We know the 2500 payment but not the number of payments - MLM will calculate automatically when left at 0.



MLM will calculate 23 payments (22 at 2500 and one last payment of a lesser amount).

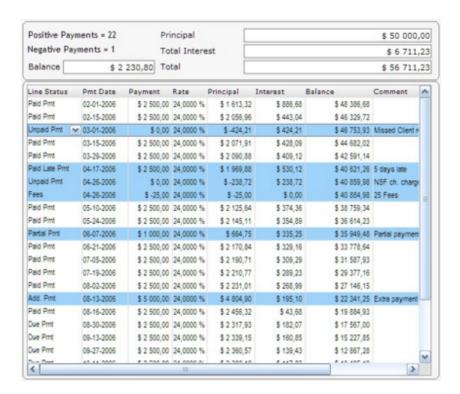
Irregularevents occur in the collection:

- Missed payment on March 1, 2006
- April 12 payment is paid 5 days late
- NSF check on April 26, 2006 which implies the payment of a 25.00 fee
- July 6, 2006 payment of only 1000
- Extra 5000.00 payment on August 13, 2006

These are simply entered one by one in the Payment schedule (the 5 incidents and the fee have been highlighted in blue). The Line statuses "Unpaid Pmt" and "Partial Pmt" will open (for reporting purposes) a window in which to enter the payment that **should** have been made and the date at which the true payment was made:



The "Paid Late Pmt" Line status opens up another window in which to enter the date at which the payment **should** have been paid and the date at which the true payment was made.



The multiple "Outstanding" columns provide valuable data as to the outstanding payments and interest on the outstanding amounts. See "Payment schedule columns".

See also Loan or other with fees (insurance taxes, penalties or invoices) not bearing interest.

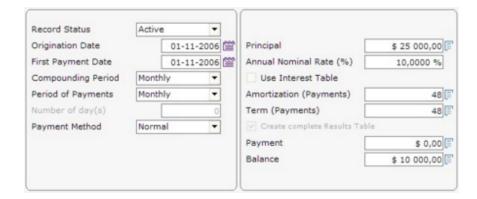
Lease

Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.

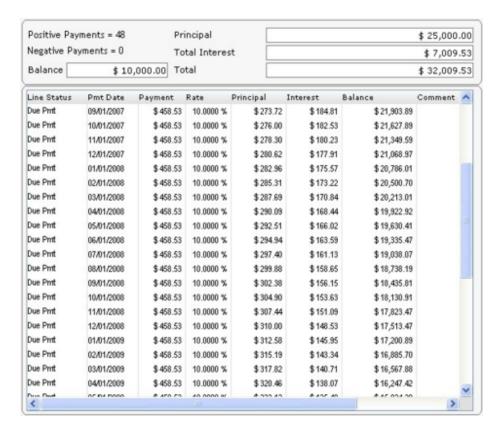


A car is leased for 25,000. The residual value after 4 years is 10,000. What should be the minimum monthly lease amount if the cost of capital is 10%?

Data entry window. The balance is 10,000 to represent the residual value.

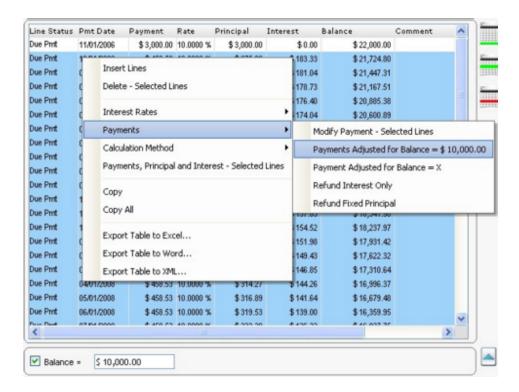


PartialPayment schedule:

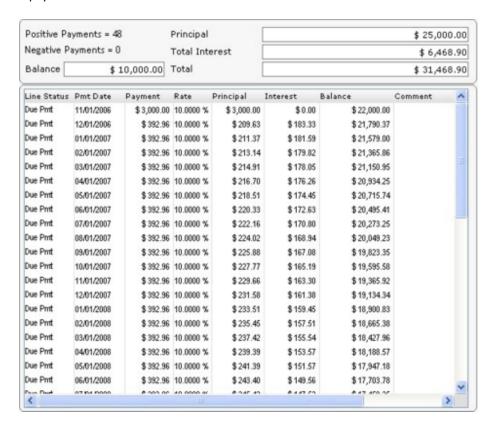


The minimum monthly payment should be 458.53.

What would the payment be if an up-front payment of 3000 was made? MLM can easily recompute each of the other payments upon changing the first payment to 3000. First, enter the 3000 payment on the first line. Then select the lines for which the payment must be recomputed and right click with the mouse (see image below).



The new minimum payment would be 392.96.



Taxes are generally included in addition but as part of the payment amount. This or these taxes can be charged with the renamed Column Fees Tax 1 and Tax 2 (name of your choice) and are paid in the payment amount. See <u>Fees, Insurance and Taxes</u> and the <u>automatic insertion of taxes</u> in that same chapter.

Other special repayment options may also be included: <u>lump sum payments</u>, <u>unpaid payments</u>, <u>interest-only payments</u>, <u>fixed principal payments</u>, <u>step payments</u>, <u>additional principal</u>, etc.

Fees, Insurance and Taxes

Adding Fees, Insurance and Taxes is extremely flexible in Margill Loan Manager (MLM). Four options are available:

- 1. Fees, Insurance and Taxes by Line status (6 types)
- 2. Fees, Insurance and Taxes by Column (4 types)
- 3. APR Fees (5 types)
- 4. Fees included in the interest rate
- 1. Line status Fees should only be used to add sporadic fees (penalty, insurance or tax). They become cumbersome when they are charged every payment. When they are paid, a new line must be inserted in the schedule with a Line status called, for example, "Fees Paid". This way, they can be isolated for accounting. Having to add this extra line when paid is also cumbersome. An alternative is to use the more powerful Column fees.
- 2. **Column Fees** are much more sophisticated than Line fees for reporting and are usually used when regular fees (insurance or taxes) are factored in the payment. When a payment is actually made (Paid) these fees are included in **Payment** type Line statuses. For accounting, they are paid before interest and principal.

MLM offers two (2) options that can become very powerful since these can be:

Automatically RECOMPUTED

These fees are manually added in the Payment schedule by the user. These fees must be in the Payment schedule before being automatically recomputed. For example, 1% monthly Administration fees are charged on the balance. If a payment is unpaid, the balance will increase and the subsequent fees will automatically be recomputed. They are generally regular fees.

Automatically ADDED

These fees did not exist when the Payment schedule was created but were ADDED when a Line status was changed. For example, a returned check generates a 15.00 fee. This fee will only be added if the Line status is changed from "Due Pmt" (or other) to "Returned Check". These fees are exceptions as opposed to regular fees such as the "recomputed" fees above.

3. Fees entered under APR are fees that are either:

- charged and paid in advance or after the end of the loan but only affect the finance charge, but the amortization schedule;
- financed and therefore become a sort of Principal (that can be isolated for accounting purposes).
- 4. **Fees included in the interest rate** are treated simply like interest but can be isolated for accounting purposes when producing reports with <u>Mathematical Equations</u>. See <u>Fees included in the interest rate</u> section.

See also, Additional principal, fees, penalties, insurance and taxes in the Payment schedule (Armortization payment

schedule) chapter.

Fees, Insurance and Taxes by Line status

Line status fees should only be used to add sporadic fees (penalty, insurance or tax) or when a user wishes to pay these fees at a specific time to be determined. They become cumbersome when they are charged every payment. When they are paid, a new line must be inserted in the schedule with a Line status called, for example, "Fees Paid". This way, they can be isolated for accounting. Having to add this extra line when paid is also cumbersome. An alternative is to use the more powerful Column fees.

1) Manually adding fees, insurance and taxes

For example, a 4 year lease includes insurance payable monthly and taxes payable annually.

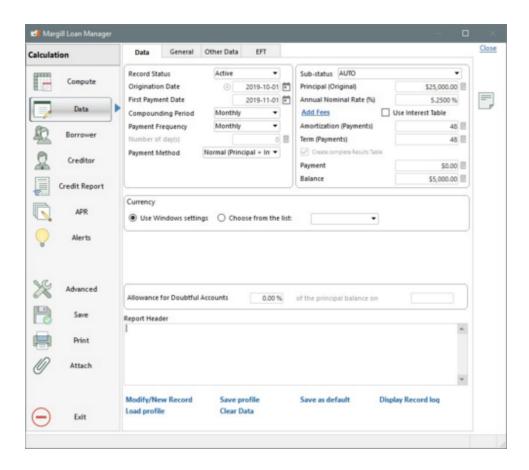
Our example:

- Price of equipment of 25,000
- Residual value of 5,000 after 4 years
- Insurance per year 175.00 (4 payments)
- Taxes payable annually 437.50 (4 payments)
- Monthly payments
- Interest rate 5.25%

Create a new Record with "File" and "New Record". See also Creating the first Record.



PreliminaryData, then press "Compute":

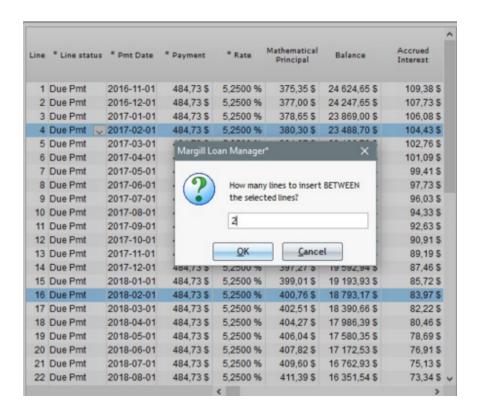


Once the Payment schedule is created, insert the insurance and taxes (assuming that insurance and taxes do not change every year). For fees, insurance or taxes that are calculated taking into account the balance, or if paid each month for example, use <u>Column fees</u> instead.

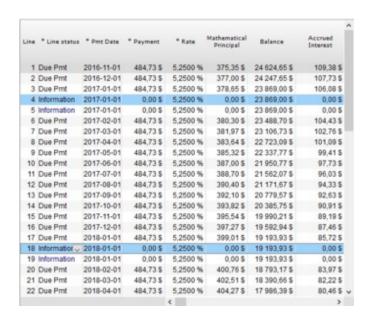
Insert the annual taxes and insurance paid, say, on January 1 of each year. Manually choose the Ctrl key and the left mouse button with the lines 01-02 of each year or choose the line 01-02-2017 and Alt L which allows you to select a line out of 12 (see all <u>Shortcuts</u> with F2).

Press on

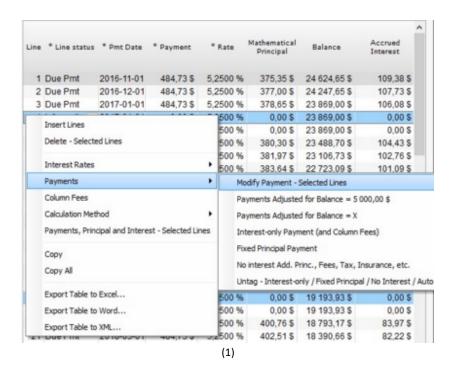
to insert two lines between each of the selected lines (one line for insurance and one for the taxes).

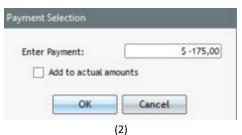


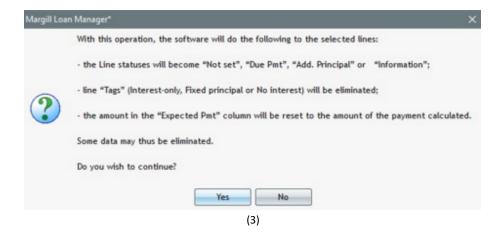
The lines will be inserted above 01-02. These new lines will be identified with the Line status "Information" and will be dated 01-01 of every year.



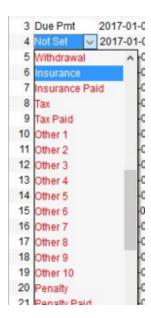
Select the first line of each year (01-01) or use Alt L to select one line out of 14. Edit the payment of these lines (right-click > Payments > Modify Payment button - Selected Lines) (Fig. (1)) to enter the insurance of 175.00 (Fig. (2)). A warning message will appear (Fig. (3)) that you can skip by pressing Yes (explanatory warning required in specific situations).



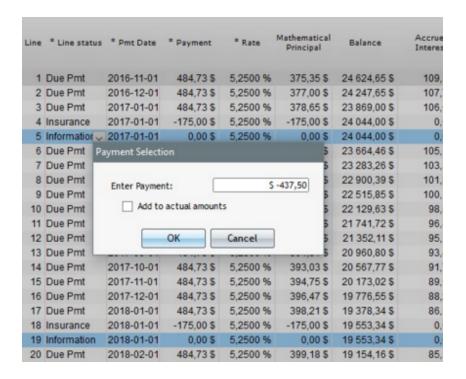




Change the "Not Set" Line statuses to "Insurance".

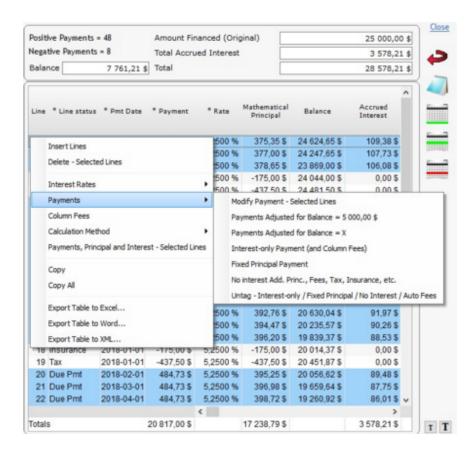


Do the same for annual taxes.

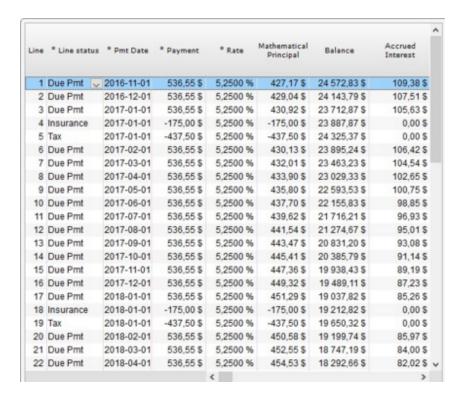


Once all entered, because of insurance, taxes and interest, the new balance increases to 7761.21, but we want a residual value of 5000.

We must therefore recompute the payments to pay the right amount while taking into account the insurance and taxes. Use Alt P which allows you to choose only the positive lines, then recompute the payments to give a balance = 5000:



The payments then become 536.55 and the table is complete.



An alternative would have been not to recompute the payments immediately, but to include actual, true payments over

time as they are received. Thus, when a payment is made, change the Line status from "Due Pmt" to "Paid Pmt". Then

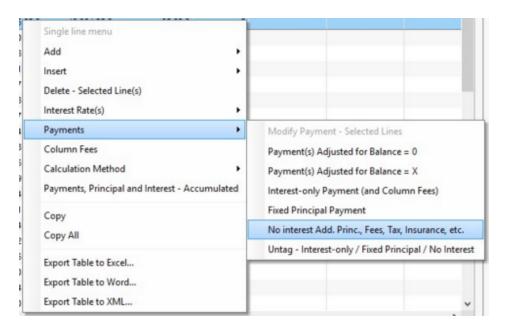
add new payments separately using



with the "Insurance paid" and "Tax paid" Line statuses.

Line	* Line status	* Pmt Date	* Payment	* Rate	Mathematical Principal	Accrued Interest
1	Paid Pmt	2016-11-01	536,55\$	5,2500 %	427,17\$	109,38 \$
2	Paid Pmt	2016-12-01	536,55\$	5,2500 %	429,04\$	107,51\$
3	Paid Pmt	2017-01-01	536,55\$	5,2500 %	430,92\$	105,63 \$
4	Insurance	2017-01-01	-175,00\$	5,2500 %	-175,00\$	0,00\$
5	Tax	2017-01-01	-437,50 \$	5,2500 %	-437,50\$	0,00\$
6	Insurance Paid	2017-01-01	175,00\$	5,2500 %	175,00\$	0,00\$
7	Tax Paid	2017-01-01	437,50 \$	5,2500 %	437,50\$	0,00\$
8	Due Pmt	2017-02-01	536,55\$	5,2500 %	432,81\$	103,74\$
9	Due Pmt	2017-03-01	536,55\$	5,2500 %	434,70\$	101,85\$

If no interest is to be charged on insurance and taxes, select the desired lines, use the <u>right_mouse_click</u> and under "Payments" select "No interest Add. Princ., Fees, Tax, Insurance, etc.". When payments are made, interest is always paid first, followed by the mathematical principal - see the <u>"Principal" Type Line statuses</u> section.



Warning! "Fees (Insurance, Taxes, Penalties)" Line statuses can only be paid and accounted for (isolated for accounting purposes) if the Line status is manually changed to "Paid Fees", not to "Paid Pmt". If you wish to isolate and automatically pay these Fees (or other), use <u>Column Fees</u>.

Fees, Insurance and Taxes by Column (and Automatic)

Column Fees are much more evolved than Line Fees. They are generally used when recurrent fees (Administration fees, Insurance or Taxes) are included in the payment. When a payment (Paid type Line status) is made, these fees are included in "Payment Type" Line statuses. For accounting purposes, the pre-established refund order is the following:

1. Column Fees 1

- 2. Column Fees 2
- 3. Column Fees 3
- 4. Column Fees 4
- 5. Column Fees 5
- 6. Column Fees 6
- 7. Interest
- 8. Principal

Note that the refund order can be modified according to different mechanisms (see below).

It is possible to manually add Fees (hereafter "Manual Fees") or automatically add Fees (hereafter "Automatic Fees") in Records according to rules defined by Margill Administrator. The Automatic Column Fees module allows users to add and change Column Fees that will automatically be generated when a Line status is changed in a Record.

Important: Rename Column Fees in a meaningful manner in order to avoid operational conflicts. Since Column Fees added automatically can conflict with fees added manually, it is important to organize these Fees very well.

It is recommended to reserve the use of some Column Fees strictly for automatic addition and others strictly for manual Fees. The word "AUTO" could even be added in the name for greater safety.

A Column Fee should never be automatic and manual. Otherwise, automatic Column Fees could erase fees inserted manually without the user knowing this was done. MLM gives priority to the last data entered and overwrites previous operations.

Example of well-managed Column Fees:

Rename Column Fees in a meaningful way (see Custom Column Titles)

Column Fees 1: Returned Check Column Fees 2: Insurance Fees (%) Column Fees 3: Administration Fees

etc. (up to 6 types)

The fixed 25.00 fee for a returned check applies to all Loans. It will therefore be programmed as an <u>Automatic Column Fee</u> in MLM. Thus, each time a user changes a Line status for Returned Check, fees will automatically be added to the Payment schedule.

Insurance Fees (%) are mandatory for all loans and represent a percentage of the Loan balance charged each period. It will therefore be added by the user when <u>creating a Record</u> (Manual Fee).

Administration Fees are added manually through the "Administration Fees - Accrued" column when the Borrower asks for a review of his Record (Manual Fee).

Thus, if Column Fees are well managed, they cannot create any conflict.

Please note that only the following Line statuses can include Column Fees:

- Due Pmt
- Due Pmt (2 to 5)

- Unpaid Pmt
- Unpaid Pmt (2 to 10)
- Returned Check

Paid Pmt

- Paid Pmt (2 to 20)
- Paid Pmt Returned Check
- Paid Late Pmt
- Partial Pmt
- Partial Late Pmt
- Add. Pmt
- Compensatory Pmt
- Interest Paid
- Principal Paid

- Add. Princ. (Loan)
- Add. Princ. (2 to 10)
- Other (1 to 10)
- Not Set (this Line status should never be used)

NOTE: If a Column Fee is defined by default (therefore greater than 0.00) and when the payment schedule is created with the "Payments set to 0.00" Payment method ("Data" tab), the Line status will become "Undefined" because a Column Fee is not allowed for an Information line. "Information" is the default Line status for Payments of 0.00.

Contents:

Manual Column Fees

- When creating the Record
- In the Payment schedule with a right mouse click
- In the Payment schedule by entering the Fees one by one in the "Column Fees-Accrued" column
- In the Payment schedule, when adding lines

Automatic Column Fees

- <u>Introduction</u>
- Automatic Fees Unpaid payment
- Automatic Fees based on the Record Type or a Custom Field
- Automatic Fees based on number of days late
- Sales taxes charged and then eliminated

Special Behavior of Column Fees

Special reimbursement sequences for Column Fees

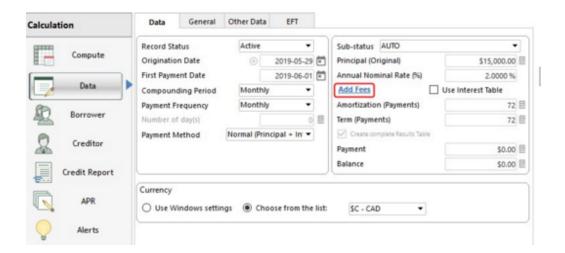
Manual Column Fees

There are four ways to manually add Column Fees in a Record:

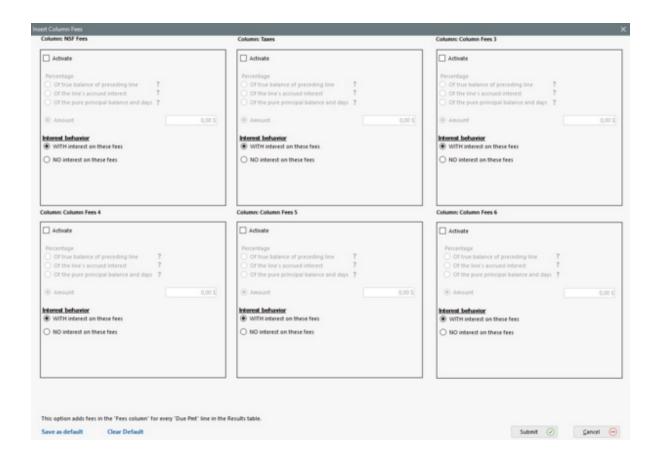
- When creating the Record
- In the Payment schedule with a right mouse click
- In the Payment schedule by entering the Fees one by one in the "Column Fees-Accrued" column
- In the Payment schedule, when adding lines

Add Column Fees when Creating the Record

Column Fees can be added when creating the Record with the "Data" tab and the "Add Fees" Add Fees link.



The following window will open:



When creating the Record, two Fee options are available:

- 1) Add Column Fee to original date only, or
- 2) For all lines in the Payment schedule

When creating a loan, these Column Fees will influence the payment amount or other variable to be calculated.

• On the Origination Date only

If Column Fees are only added on the Origination Date, choose the "At Origination Date only":

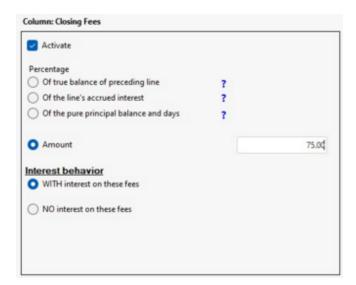


An extra line will be inserted, even if the First Payment Date is the Origination Date. This new line will have one of the "Other" Line statuses (as renamed). It is recommended to name this Line status (Tools > Settings > System settings > Line Payment Statuses > Description (modify) column with the same name as that given to the Column Fee (Tools > Settings > System settings > Custom Column Titles). For example, "Closing Fees".

Payment should be forced to 0 (check the "Payment=0" column) in Settings > Line Payment Statuses in order for there not be be fees added in the "Payment" column by error since the fee amount must be in one of the six (6) Column Fee columns.



Click on "Activate" and enter the amount or a percentage:



Results:



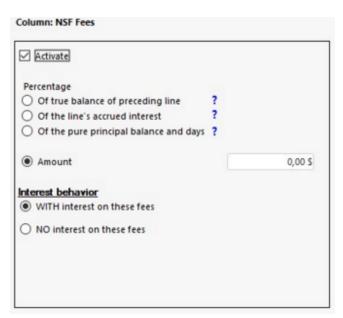
These fees can be entered by default by clicking on "Set as default" at the bottom left of the Column Fees window. This default is by user, not a system default. Each user will thus have to configure his defaults. To clear, press on "Clear Default".

• For all Payment schedule (Due Payments) lines

Six Column Fee types can be activated. By default these fields are: "Column Fees 1", "Column Fees 2", "Column Fees 3", etc. These names can be customized from Tools > Settings > Custom Column Titles.

Click "Activate" for the Record's desired "Column Fees" to automatically add fees in the "Column Fees" column(s) for all "Due Pmt" lines.

You will have to choose from the following options:



Fees can be a percentage or a fixed amount. Fees can include interest or not.

If fees are set as a percentage, two options are available:

Of true balance of preceding line

The Column Fee amount will be calculated on the True Balance of the line preceding the Column Fees inserted (or the accrued interest for the line), unless the payment of this preceding line(s) is 0.00, in which case this or these line(s) will be ignored.

Exceptions to the 0.00 payment rule:

- The True Balance will be used for all "Unpaid payment" or "Payment due" Line statuses even if the payment is 0.00;
- The True Balance will be used, even if the payment is 0.00, if Column Fees are included on this line.

The True Balance of a line payment of 0.00 will be ignored and the calculation will reflect the True Balance of the preceding line for which payment is not equal to 0.00 unless one of the exceptions above is met.

Of the line's accrued interest

If this option is checked, the Column Fee amount will be calculated as the percentage of the accrued interest calculated and displayed for this line.

For example, if the interest displayed for the line is 1000.00, and the percentage entered is 10%, the Column Fee amount will be 100.00.

This option should only be used in regular payment plans. In irregular scenarios, fee amounts should subsequently be reviewed, line by line in the Payment schedule.

Also, if the line's interest is only a fraction of the entire normal period's interest, then the fee amount will only take into account the interest for the line on which it is inserted, not for the entire accrued interest from the previous Column Fee entered.

However, if the payment of one or more of the lines preceding the line where the Column Fees is inserted is 0.00, the accrued interest for each of the 0.00 lines will be added and this sum will be used to compute the Column Fees for the desired line. This special manipulation will not be done in these two situations (the normal computation will be done):

- all "Unpaid payment" or "Payment due" Line statuses even if the payment is 0.00
 ;
- all lines, even if the payment is 0.00, if Column Fees are included on this line.

Of the pure principal balance and days

This type of fee calculates the Column Fees based on the pure Principal (accounting principal) of the previous line and the number of days from that line to the current line. The calculation is done exactly like Simple interest. Pure principal can only be added by the original principal entered in the Data window and with "Additional Principal" type Line statuses. APR Fees Finances are excluded.

These fees will be displayed on all types of Line statuses (including the "Information" lines). Fees cannot be deleted from one line but can be reduced to a percentage of 0% in order to generate fees of 0.00.

These fees are calculated based on a percentage of the balance of the pure real principal. These fees cannot be replaced by Column fees based on other criteria. A monetary amount cannot be entered (you will need to calculate the *interest* rate and enter this rate to calculate an exact amount.

Fees will take into account Day count entered initially in the Record's "Advanced" tab.

If the calculation method is modified for one or several lines (right mouse button and Simple Interest or Simple Interest Capitalized method or a change in Day count), these fees will not be affected when changing methods. Their method and Day count remain unchanged.

No interest is calculated on these fees even if they are overdue. This option could eventually be developed if needed.

If principal balance is negative, fees will be 0.00. These fees can never be negative.

If a calculation uses the Compound interest (Effective rate method or Simple interest capitalized) method, this will not have any effect on the calculation of these fees since they always use the Simple interest method: pure principal balance * annual rate * days for the period / days of the year.

Other notes related to these special fees:

For the period's Day count, as well as for the number of days annually which will be taken into account in the fees calculation (denominator), the rules for Simple interest will be used.

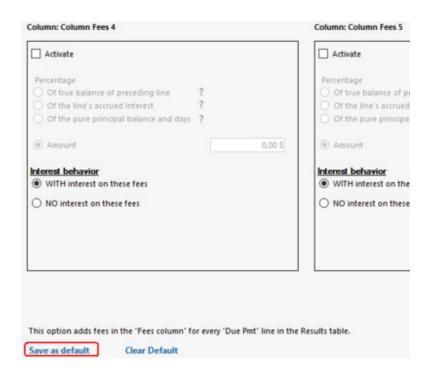
These calculations are always based on the "Year base" and the "Day count" that is entered in the Advanced section, no matter what special method is used for the period (payment line) concerned (for example, loan uses Actual/Actual, but for one specific line, the user chose "Simple Capitalized 30/360". Fees for this line will nevertheless be calculated using Actual/Actual as well as Simple interest, not capitalized interest).

If fees are included by default (Data window), an import of these fees via Excel (specified amount) will take precedence over this default as is the case for the other column Fees.

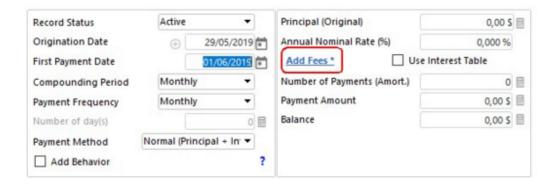
If fees are included by default (Data window) and the user chooses "Irregular" payments, unlike the other Column Fees, these special Column Fees will be added automatically as lines are added.

These types of special fees are not included in the Automatic Fees because this would not be logical. These fees are applied on every line of the Payment schedule, not on an ad hoc basis as for other fees following a Line Status change. These fees are really special fees and REALLY regular.

Once the Fees are set-up, click on "Save as default" and "Submit" in order for these Fees to be activated by default on all new Records.



If Fees are included by default, an asterisk (*) appears beside the "Add Fees" link in the Dat window:



Exception: In the case of "Irregular" payment frequency, if a Payment schedule is pre-filled before calculating the Payment schedule, the Fees set by default will be ignored. Those entered directly in the table will be used as shown in the example below:

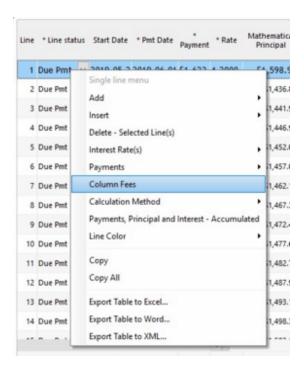


IMPORTANT: Even if fees are left blank, the default fees will be ignored if payments are added as above. If the "Irregular" frequency is used but irregular payments are not entered as above, only one line will be created in the

payment schedule and the default fees WILL be added. It is therefore necessary to properly manage these exceptional situations.

Add Column Fees in the Payment schedule with a right mouse click:

When fees only apply to certain lines, the user can add these fees only to the selected lines in the Payment schedule by right-clicking the mouse and selecting "Column Fees".



The window including the six (6) Column fees will open with essentially the same options that were available when the Record was created. This includes the possibility of automatic recomputing by taking into account balances and accrued interest.

However, two new options become available: 1) "Change/Add Fees (All lines "Due Pmt") or 2) "Change/Add Fees (for the SELECTED LINES ONLY)".

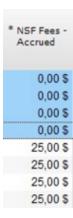
If you choose "Change/Add Fees (for the SELECTED LINES ONLY)", note that only the following Line statuses can include Column Fees: "Due Pmt", all "Paid Pmts" and "Unpaid", all "Additional Principal", Other 1 to 10 (payment amount of 0.00 is recommended for "Other") and "Not Set".

Data present / Empty

When the right mouse click is used to add fees, MLM indicates whether data is present or not in the selected lines.

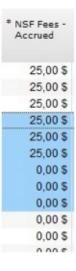
In the following example, 4 lines without fees are selected (highlighted in blue). The word "Empty" will appear indicating that there are no fees in the selected lines. However, it is possible that there are fees in subsequent lines:





In the second example, lines with and without fees are selected. MLM will indicate that Data is present even if it is only for certain lines.





Add Column Fees in the Payment schedule by entering Fees one by one in the "Column Fees - Accrued" Column:

Column Fees can be manually added in the "Column Fees - Accrued" column of the Payment schedule.

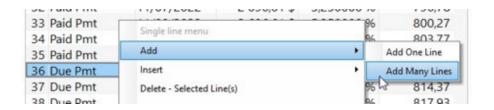
To do so, select the line for which fees are to be added and enter the desired amount in the "Column Fees - Accrued" column.

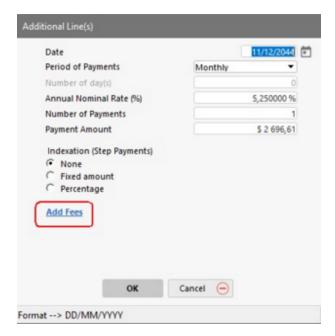


When the Column Fees are manually added, it is strongly suggested to move these columns closer in the Payment schedule for easy access.

In the Payment schedule, when adding lines

Column Fees can be added on lines added in a Payment schedule. Right click:





It is not be possible to add Fees in columns that already contain fees of the "Of pure principal balance and accrued days" type because these types are added to all lines of the loan automatically.

WARNING:

Once a Line status is changed to Paid payment, the fees' behavior label (automatic recomputing on the balance for example) is deleted. If changes are made afterwards to lines preceding these fees, thus changing the Payment schedule's history, Fees will no longer be automatically recomputed.

See also <u>Custom Columns</u> which allow the user to enter complementary notes in regards to these fees.

See also Mortgage and Escrow.

Automatic Fees - Added (automatically ADDED) under various conditions

Introduction

- Automatic Fees Unpaid payment
- Automatic Fees based on Record Type and Custom field
- Automatic Fees based on number of days late
- Different amount Automatic Column Fees based on loan agreement (or loan type)
- Sales taxes charged and then eliminated

Introduction

This module allows the system to add and change Column Fees automatically when a Record's Line status is changed. These automatic fees must be activated for each Record (under the Record's "Advanced" tab). It is also possible to activate automatic fees for multiple Records (even all Records in the database) with the <u>Global changes</u> module in MLM's Main Window (right mouse click).



These fees do not exist when the Record is created but are ADDED when a Line status is changed. For example, a returned check implies a 15.00 fee. This fee will only be added if the Line status is changed from Due Pmt (or other) to "Returned Check". This 15.00 is not a regular fee as opposed to fees entered manually or when the loan is created.

IMPORTANT: Be careful when creating Column Fees rules! It is important to organize these fees well because manual and automatic Column Fees can create conflicts.

See the **IMPORTANT** section above.

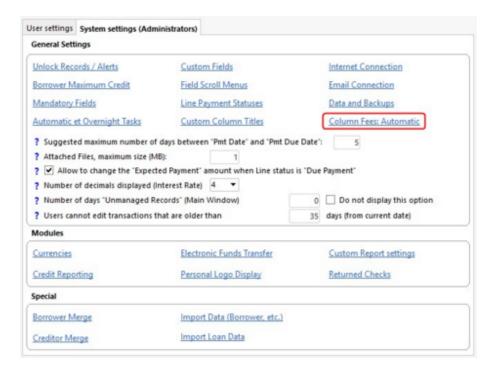
Automatic Column Fees can only be applied to the following Line statuses:

- Unpaid Payments:
 - Unpaid Pmt
 - Returned Check
 - O Unpaid Pmt (2 to 10)
- Particular Paid Payments:
 - Late Paid Pmt
 - Partial Pmt
 - Partial Late Pmt

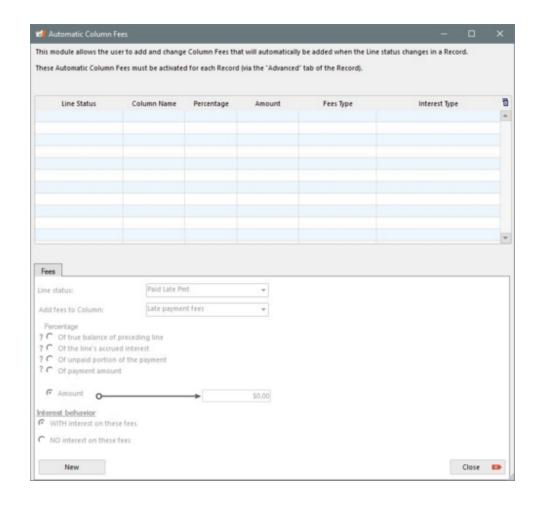
- Paid Pmt Returned Check
- Paid Pmt (2 to 20)
- Interest Paid
- Principal Paid
- Additional Payments:
 - o Add. Pmt
 - Compensatory Pmt
- Additional Principal:
 - Add. Princ. (2 to 10)

They cannot be added to "Due Pmt" type Line statuses, nor to "Paid Pmt", nor to "Add. Princ. (Loan)" since these Line statuses are system defaults (that are generated when a payment schedule is created).

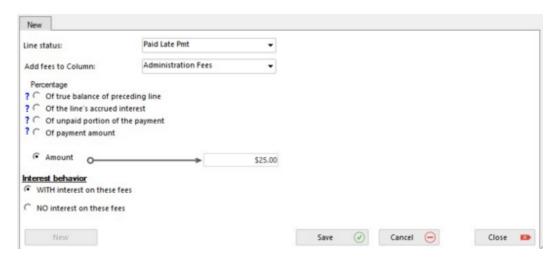
In Settings > System Settings (Administrators) > General Settings, click on "Column Fees: Automatic".



Click on to set a new condition (rule).



Conditions (rules) can be set in the lower section of the window:



Fees can be set as a percentage or as a fixed amount. These fees can include interest or not.

If the fees are set as a percentage, four options are available:

Of true balance of preceding line

The Column Fee amount will be calculated on the True Balance of the line preceding the Column Fees inserted (or the accrued interest for the line), unless the payment of this preceding line(s) is 0.00, in which case this or these line(s) will be ignored.

Exceptions to the 0.00 payment rule:

- The True Balance will be used for all "Unpaid payment" or "Payment due" Line statuses even if the payment is 0.00;
- The True Balance will be used, even if the payment is 0.00, if Column Fees are included on this line.

The True Balance of a line payment of 0.00 will be ignored and the calculation will reflect the True Balance of the preceding line for which payment is not equal to 0.00 unless one of the exceptions above is met.

Of the line's accrued interest

If this option is checked, the Column Fee amount will be calculated as the percentage of the accrued interest calculated and displayed for this line.

For example, if the interest displayed for the line is 1000.00, and the percentage entered is 10%, the Column Fee amount will be 100.00.

This option should only be used in regular payment plans. In irregular scenarios, fee amounts should subsequently be reviewed, line by line in the Payment schedule.

Also, if the line's interest is only a fraction of the entire normal period's interest, then the fee amount will only take into account the interest for the line on which it is inserted, not for the entire accrued interest from the previous Column Fee entered.

However, if the payment of one or more of the lines preceding the line where the Column Fees is inserted is 0.00, the accrued interest for each of the 0.00 lines will be added and this sum will be used to compute the Column Fees for the desired line. This special manipulation will not be done in these two situations (the normal computation will be done):

- all "Unpaid payment" or "Payment due" Line statuses even if the payment is 0.00;
- all lines, even if the payment is 0.00, if Column Fees are included on this line.

Of unpaid portion of the payment

The Column Fee amount will be calculated taking into account a percentage of the amount that should have been paid minus the amount paid.

• "Expect.Pmt" column amount minus "Payment" column amount.

For example, if a 100.00 payment should have been paid and the percentage entered is 10%, the Column Fee will be 10.00 if the payment is unpaid. If a partial payment of 75.00 is made, as opposed to the expected 100.00, the Fee will be $2.50 (100.00-75.00=25.00 \times 10\%)$.

Of payment amount

The column fee amount will be calculated based on the amount in the "payment" column.

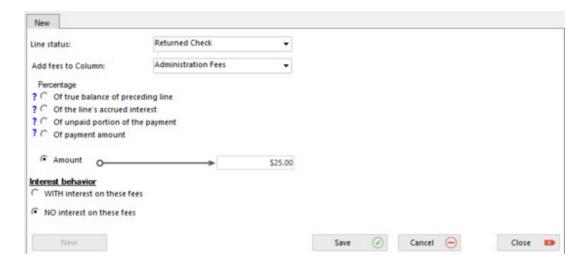
For example, if a payment of 100,00 is paid late and the percentage entered is

10%, the column fee will be 10.00.

Names for "Column Fees 1 to 6" can be changed. To do so, see Settings > System Settings (Administrators) > <u>Custom Column Titles</u>.

Automatic Fees - Unpaid payment:

In the example below, the user wishes a 25.00 fee to be automatically added every time a check is returned. The user renamed "Column Fees 1" to "Administration Fees".



The user wants a fixed amount of 25.00 without interest to be charged each time a "Returned Check" Line status is selected.

By clicking "Save", this condition will be added to the system and ready to be used.

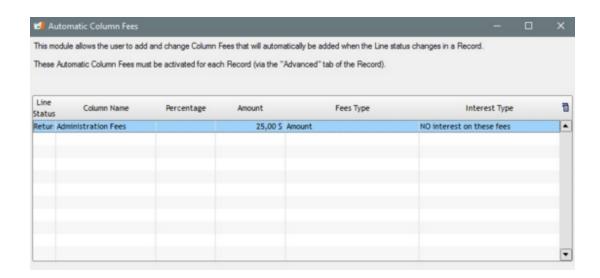
It is possible to add many conditions or to change pre-established conditions by clicking

Delete Fees
.

Edit

or

Note that this rule will ONLY apply to the "Returned Check" Line status, no other. If the rule was to apply to the "Unpaid Pmt" Line status, a special rule would have to be created specifically.

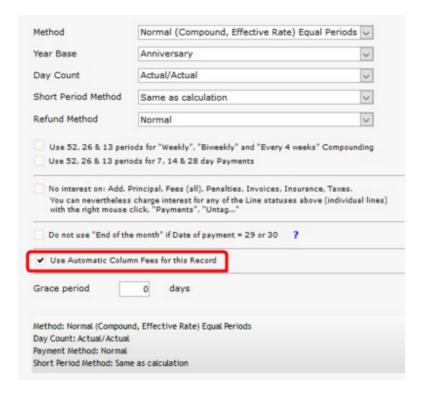


In order for these predefined conditions to apply to Records, you must complete the following procedure for each Record for which Administration fees are applied when a check is returned

Open the Record for which you wish to add the "Automatic Column Fees", click on

Automatic Column Fees for this Record". If you want these fees to be applied to all subsequent Records, click on

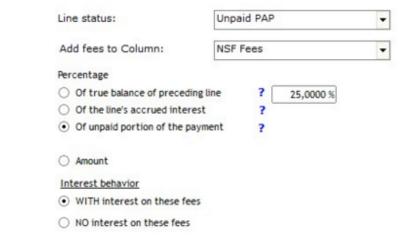
Save as default

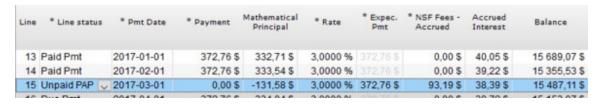


In order to change multiple Records at the same time, use the <u>Global Changes</u> procedure which can be accessed through MLM's Main Window.

In certain situations, different fees may apply. For example, if the penalty fee is greater when a preauthorized payment (PAP)(preset EFT payment) bounces, we could create a new Line status called "Unpaid PAP" (previously named Unpaid

Pmt (2)) and automatically charge 25% of the payment amount that was EXPECTED.





Expected payment is 372,76. 25% = 93.19

Thus, a loan can contain fixed and variable fees of the same type (NSF Fees for example) and a combination of both based on the final Line status of a payment line.

We can also add fees for each disbursement made to the Borrower. A contract could state that a 100.00 fee is charged for each portion of the total loan that is disbursed. Thus, the Line status "Add. Principal 2" (renamed as desired) would be used for this disbursement and the fees will automatically be added. Fees cannot be added to the "Add. Princ. (Loan)" Line status because this Line status is the default for all negative payments.

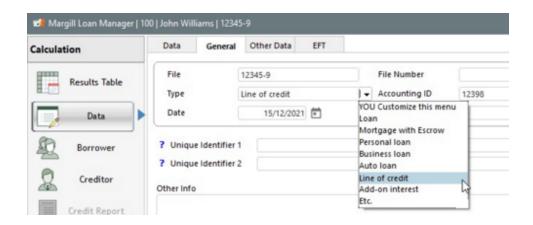
Automatic Fees based on Record Type or Custom field

This option allows the Margill Administrator to create Column Fee rules based on Record Type OR on a Custom field that includes a scroll menu.

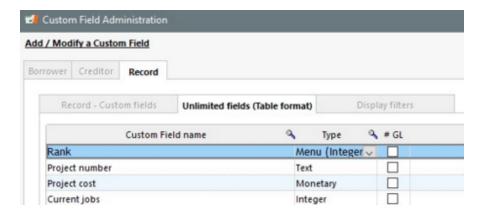
Only one type of filter can be used for the automatic Column Fee rules by combining Line statuses and Fees. Once the filter choice is made between None, Record Type or Custom field, only this filter will be available.

To do so, choose from the list if the Fee is based on:

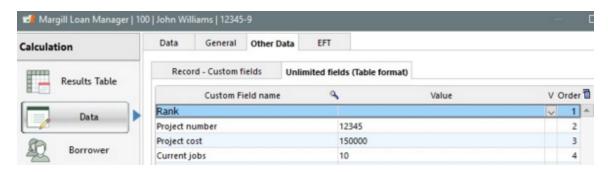
- None: This is the conventional method, as described in <u>Automatic Fees for unpaid payment</u>.
- Record Type: Fees apply automatically if Line status AND Record Type correspond to the specified conditions.
 - The Record Type is defined via the System Settings (Administrators) > Field Scroll Menus.
 - It can be found in the Record, Data > General tab.



- Custom field: Fees apply automatically if Line status AND the Custom field data correspond to the specified
 conditions.
 - The Record Unlimited Custom fields (Table format) are defined through System Settings (Administrators) >
 Custom Fields. In order to use them with Automatic Fees, they must be "Menu" Type.

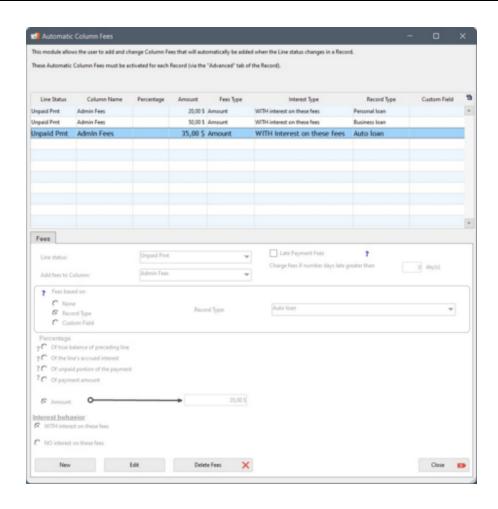


O The fields and their values are located in the Record > "Data" section > "Other Data" tab.



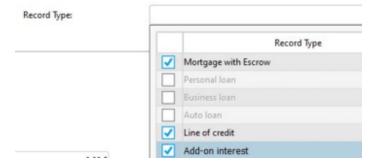
Example:

One could define that a Fee of 20.00 automatically applies for "Personal loans", 50.00 for Business loans and 35.00 for "Auto loans".



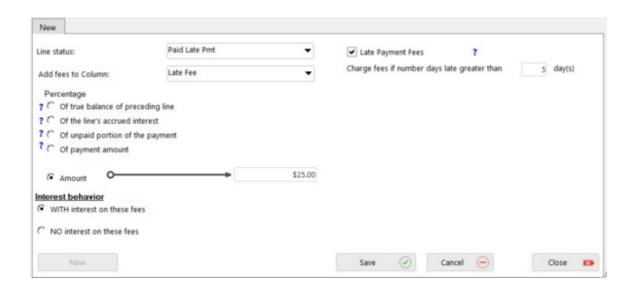
To modify the filter, all fee rules containing this field must be first deleted. A new default filter type can then be chosen.

Multiple Types could also have been chosen for one fee amount by checking the types. Types already used appear in grey and cannot be chosen a second time.



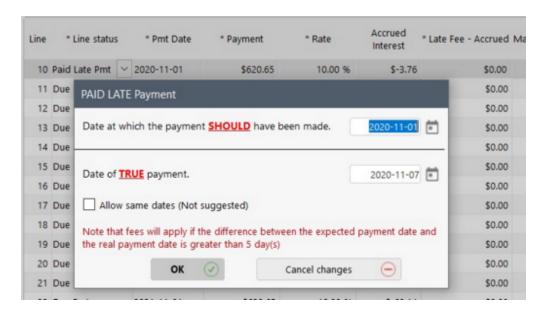
Automatic Fees based on number of days late:

A Creditor would like to apply Fees automatically if a payment is made more than a certain number of days. When a user changes the Line status from "Due Pmt" to "Paid Late Pmt" (or "Partial Late Pmt"), MLM has the ability to count the number of late days and thus apply, or not, rules previously established here. In the example below, if a Borrower makes a payment five (5) days late, a Late fee of 25.00 will be added automatically to the Payment schedule:



When processing the late payment in the Borrower's Record, fees will be automatically added only if the "Pmt Date" is greater than the "Due Pmt" date by the number of days of delay entered.

The user must specify, when changing the Line status from "Due Pmt" to "Paid Late Pmt", the date at which payment is made, the date at which the payment was originally expected being already entered.

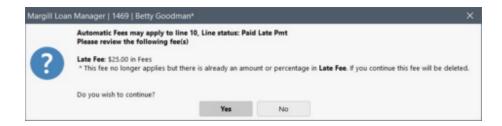


If no date is entered in the "Pmt Due Date", even if the Line status is a "Late" payment type line, no fees will be added since the number of late days is calculated according to the real date of payment compared to the date on which the payment SHOULD have been made.

Payment date is modified in the Payment schedule for the real date on which the payment was made and the 25.00 Fees are added automatically to the Payment schedule in the appropriate column.



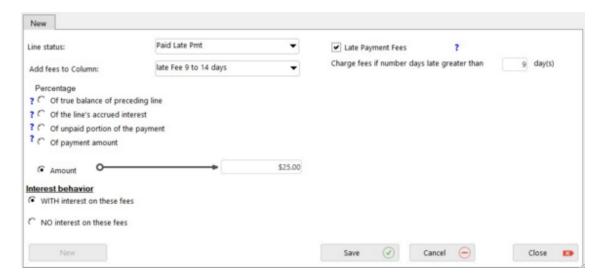
Please note that if a user subsequently changed the date in the "Pmt Date" column of the Payment schedule and that the difference between the date of "Due Pmt" and the real date becomes less than the allowed difference (in this example, five (5) days), then the Fees will be removed from the Borrower's Payment schedule. A message will appear in order to inform the user who can decide whether to continue or not:



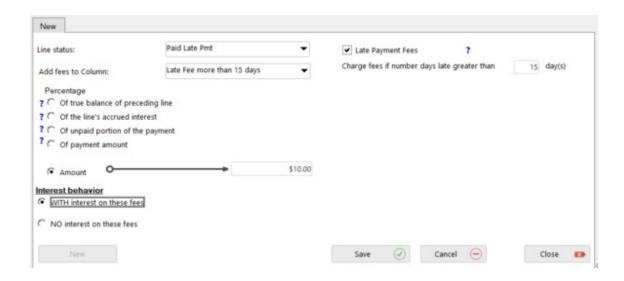
Also note: if the date in the "Pmt Due Date" column is changed, the late Fees will NOT be affected since usually, the payment due date should not be changed since it is due based on contract.

Only one rule can be created by Line status and Column Fees. One cannot, for example, specify that if payment is 9 days late, fees are 25.00 and if payment is 15 days late, fees are 35.00. However, a second rule can be created for the same Line status but with a second Column Fee, as shown in the example below:

Column Fees 1, renamed "Late Fee 9 to 14 days" will apply automatically if the payment is late by more than 9 days (25.00 Fees):



Column Fees 2, renamed "Late Fee more than 15 days", will apply automatically if the late payment is greater than 15 days (we want a total of 35.00 for Fees including the one charged for the late 9-14 days, so a 10.00 supplement is entered, not 35.00, which would have given a total of 60.00 - not a desired result):



A due payment on April 1st that would be paid on the 17th is nine (9) days late (fees 25.00) AND more than fifteen (15) days (fees + 10.00), so, since the two automatic fees conditions are met, the two fees will apply to the Record for a total of 35.00 but in two separate Column Fees.

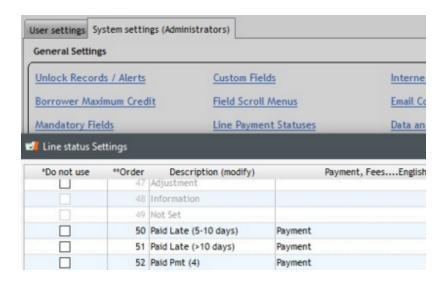


The less automatic method below can also be used.

Fee scale according to the number of late days

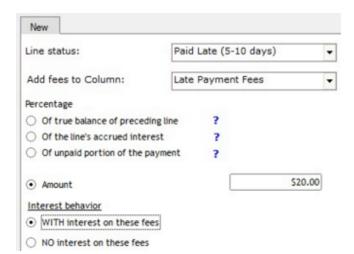
The user would like the Fee to be higher or lower on a pre-established scale, based on the number of days late.

To do this, the user must first rename the "Paid Pmt (2) to (20)" <u>Line statuses</u> based on the rules he wishes to apply. For example, payments 5 to 10 days late and payments more than 10 days late.

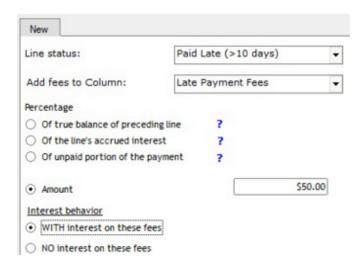


Next, the user will create the Automatic Fee rules he wishes to apply to the Borrowers who pay late:

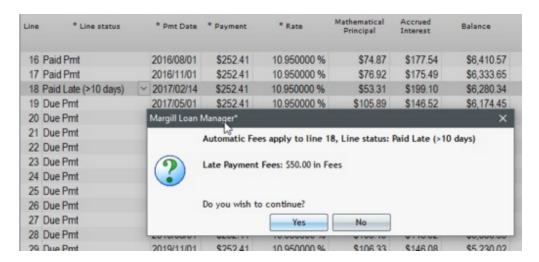
For late payments of 5 to 10 days the fee is 20.00:

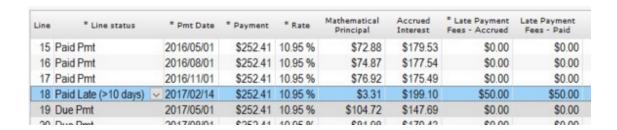


For late payments of more than 10 days, the fee is 50.00:



For example, when a Borrower pays 13 days late, the Creditor will automatically charge 50.00 ("Column Fees 1" renamed to "Late Payment Fees") using the "Pmt made 3" Line status (renamed to "Paid Late (>10 days)"). The system does not automatically calculate the number of days late, the user must specify the appropriate Line status.





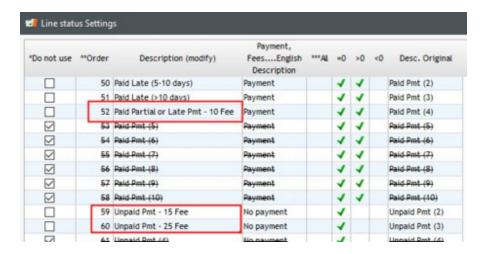
While allowing for a lot of flexibility, this method is less sophisticated than the method by which MLM decides whether or not to add fees according to the number of late days with the "Paid Late Pmt" or "Partial Late Pmt" Line statuses as shown in the previous section.

Different amount Automatic Column Fees based on loan agreement (or loan type)

It may happen that different loans will be charged different fees when payments are unpaid or late. In order to easily

identify the fee amount, Unpaid payment (2 to 10)or Paid Line status names could be changed to reflect the fee amount that will be charged.

In the example below, if a payment is partial or late, fees of 10.00 apply. If unpaid, the fees can be either 15.00 or 25.00. The Line status names were changed consequently and the automatic fees rules would have to be created for each.

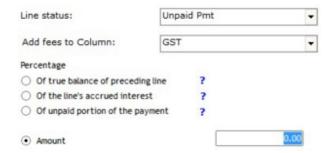


Sales taxes charged and then eliminated (unpaid <u>Lease</u> payment by borrower)

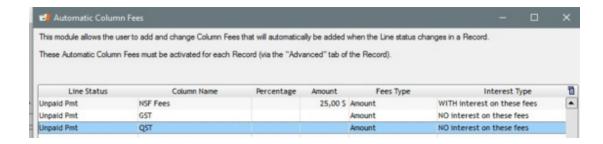
When sales taxes are included in one of the columns, for example, for leases, taxes are included in each payment amount. These taxes are entered in the Column Fees initially, taking into account the payment amount. However, when a payment is not paid, these taxes must not be invoiced to the client. They must be eliminated. This could be done manually, but it is even more efficient to create a rule by which the Column Fees (taxes) are eliminated when a payment is not paid.

In the example below, two taxes are charged (GST and QST) at every payment. Two rules are also created:

- if unpaid, GST = 0.00
- if unpaid, QST = 0.00

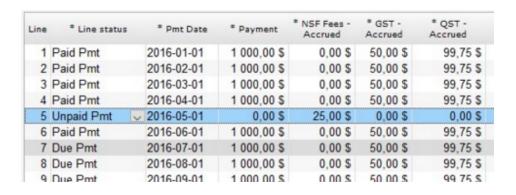


A third rule is also created by which 25.00 is charged for unpaid payments.



Payment schedule at line 5:

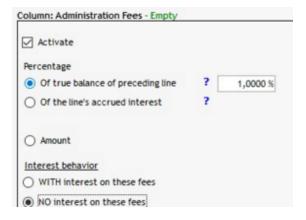
- NSF fees of 25.00
- GST which was 50.00 becomes 0.00
- QST which was 99.75 becomes 0.00



Special Behavior of Column Fees

When Column Fees are based on the the preceding line's balance or on accrued interest, or when these fees do not bear interest, these special behaviors will be displayed in the "Column Fees X - Payment Type" column.

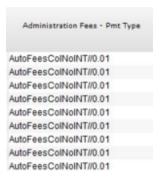
For example, Administration Fees are added in a loan. They represent 1% of the preceding line's balance and do not bear interest.



The "Administration Fees - Pmt Type" column informs us of many elements:

AutoFeesCol: that Fees amount is automatically recomputed based on the events above;

- NoINT: that the Fees do not bear interest (NoINT)
- 0.01: that the Fees represent 1% of the balance or of the accrued interest.



When a payment is paid, the "AutoFees" label will be deleted because the payment has now been managed and we do not want this fee amount to be recomputed. The "NoINT" label, now renamed to "No interest" will remain.



Example:

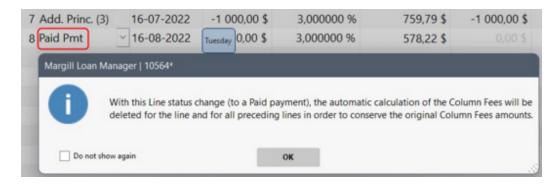
In the following example, the automatic fees rule dictates that if Line Status = Add. Princ. (3), then add Column fees 6 (which could be renamed as desired). This fee is equal to 1% of the previous line balance.

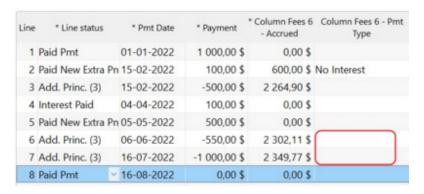
Lines 2 to 7 have been added or imported automatically. Notice on Line 3, that no special "Behavior" is included in the "Column Fees 6 – Pmt Type" column, while on Lines 6 and 7, we see "AutoFeesCol//0.01". This instructs lines 6 and 7 to recalculate Fee 6 based on the balance, should that previous balance change.

Why recalculate lines 6 and 7 but not line 3? Margill has a certain intelligence. When importing a Paid type Line status (line 5 in this case), if it is inserted, the software assumes that all of the lines above are historical and therefore, we would not want to recalculate fees already accrued and probably billed. On the contrary, for lines 6 and 7, no payment follows, so Margill cannot assume that these lines are historical. It is possible that a payment will be added upstream, thus reducing the balance and consequently reducing the fees for lines 6 and 7.



By adding a "Paid payment" (as opposed to a "Due Pmt" that is not yet certain) on Line 8, a message appears which explains that the Behavior will now be deleted for the lines above since we are quite certain that Lines 6 and 7 are historical since a payment was already made on 16-08-2022.



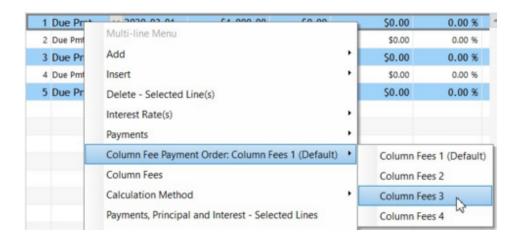


Special Refund Order for Column Fees

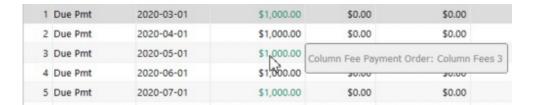
By default, Column Fees refund is done chronologically: Column Fees 1, Column Fees 2, Column Fees 3, Column Fees 4, Column Fees 5 and finally Column Fees 6 (with the name given in the <u>Settings</u>). Interest is then paid and finally, the principal (and APR Fees financed if applicable, on a pro-rated basis of the accounting Principal).



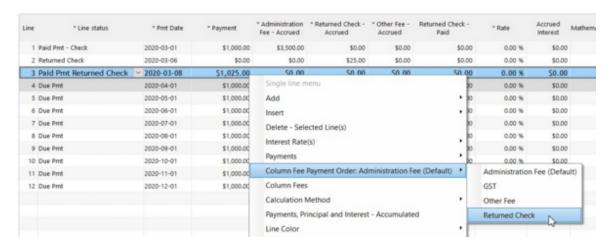
However, you can specify, as na exception, that a Column Fee be paid in priority and the others will follow the normal sequence. Simply choose one (or several) lines for you wish to change the regular refund order, right click of the mouse and choose "Column Fee Payment Order: Column Fees 1 (Default)". A list will appear with Column Fees 1 to 6. Select the one you wish to be paid first. The others will follow the chronological order: for example, Column Fees 3 is first, so the sequence will be: Column Fees 3, 1, 2, 4, 5 and 6, NOT 3, 4, 5, 6, 1, 2.



The amounts entered in the "Payment" column of the Payment schedule will change to green in order to let the user know that the default refund order was modified:



For example, a Borrower has to pay Fees of 25.00 plus interest because his check bounced. The Borrower sends another check and adds the fees to the payment amount (total 1025 instead of 1000). In order to apply the amounts to the appropriate accounting revenue category, exceptionally, the MLM user applies the payment on the fees for Returned Check BEFORE applying the residual amount according to the usual refund order (Administration Fee, followed by GST, then PST as shown in the example below).



See also the Refund order for Interest, Fees and Principal section in the Calculations Methods chapter.

Fees included in the interest rate

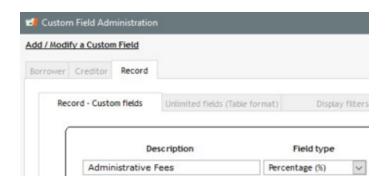
If the fees are to be computed exactly as interest, these fees, as a percentage, could be included in the total interest rate.

For example, the interest rate is 6% a year and the Creditor charges 1% annual administrative fees on top of the normal interest. So the Nominal Interest Rate entered should be 7%.

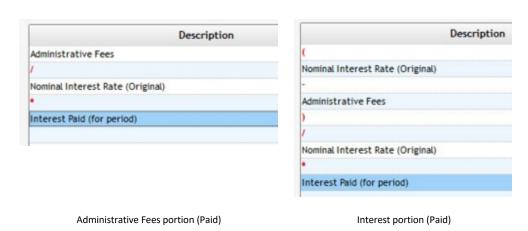
Annual Nominal Rate (%) 7.0000 %

Even if the interest rate is made up of multiple fees (all added to the "Annual Nominal Rate (%)") each portion can be isolated for reporting purposes using the <u>Mathematical Equations</u> and used in <u>Record list</u>. Mathematical Equations cannot be used in all reports (cannot be used in the Accounting report for example).

First create a custom field for the loan called "Administrative Fees (%)" as a percentage field. For our example, 1% will be entered here.



Then create the Mathematical Equations to report either the Paid Administrative Fees or the Accrued Administrative Fees as well as the corresponding interest component. The first equation should take the Admin. Fee proportion (as a percentage of the total finance percentage) multiplied by the Interest Paid for the period. The second equation will be the true interest amount paid (Interest rate minus Admin Fee divided by the total finance percentage) multiplied by the Interest Paid for the period.



If 100.00 in "interest" (total finance charge) was paid for one month, the Equations would provide the following numbers:

Administrative: $1/7 \times 100 = 14.29$ Interest: $(7-1)/7 \times 100 = 85.71$ Total: 100.00

These would be reported in the Record List report. The Equations are in the third and fourth columns below. The last

column is the total of the two Equations (to test that our Equations are properly created). This is actually the 'Interest paid for period" renamed to "Total finance charge - Paid...".



If the fee percentage is to change, do not forget to change the custom field value.

CAUTION: This technique is usually used only if the interest rate does not change. The proportion would no longer be valid once the interest rate changes. A work-around could be to create a custom field for the interest rate (as opposed to using the Annual Nominal Rate field) and when the rate changes, the value for this custom field would be changed accordingly along as the interest rate in the Payment schedule. Changing custom fields for multiple Records at the same time is much easier with the <u>Global changes</u> tool.

APR Fees

See the **Annual Percentage Rate (APR)** section.

Loan with Fees (Insurance, Taxes, etc.) not bearing interest

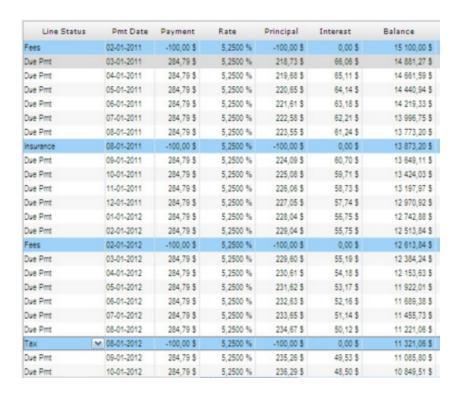
Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.



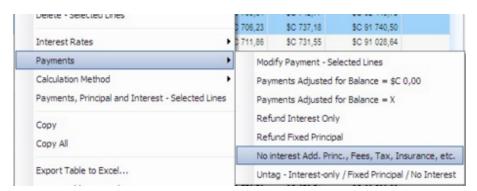
Enter the required financial data in the "Data" window. See for example, Loan (car, personal, commercial).

Line Fees

Once the Payment schedule is produced, add the fees (or other) in the schedule. In this example, Fees, Insurance and a Tax were added (see blue lines). The description for "Fees" (and corresponding "Fees Paid") may be changed based on the type of fees charged - see the <u>Line status</u> section). By default, interest is charged on these.



In order for these not to bear interest, right click with the mouse, "Payments" and "No interest Add. Princ., Fees, Tax, Insurance, etc."



The last column of the Payment schedule will identify these lines as "No interest" and the Line statuses will appear in a dark blue in order to see the special statuses of these lines.



As for repaying these Fees, see the "Paid fees, paid Penalties, paid Taxes, paid Insurance and paid Invoices" subsection of the <u>Additional principal, fees, penalties, insurance and taxes</u> section for detailed explanations.

It is also possible, as the default setting for a specific Record or for all Records, for Fees (and other) not to bear interest. In a Record, go to the "Advanced" tab and check the "No interest on..." box. To set this as the <u>default</u> for all Records, press on "Save as default". A <u>Profile</u> could also be set for certain types of loans.

No interest on: Add. Principal, Fees (all), Penalties, Invoices, Insurance, Taxes.

You can nevertheless charge interest for any of the Line statuses above (individual lines) with the right mouse click, "Payments", "Untag..."

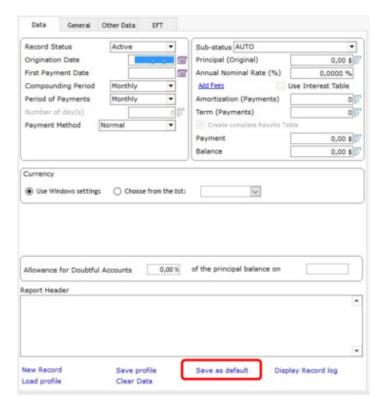
Column Fees

In order not to charge interest on <u>Column Fees</u>, choose the lines in which fees must be entered then right click on the mouse > Column Fees. In the "Interest behavior" section, choose "No interest on these fees".



Column Fees with no interest are paid with "Payment" type Line statuses before Column Fees that bear interest.

These Fees and their specifications (amount, percentage, with or without interest) can become default settings when creating a new Record. Once the proper fees are set, click on "Save as default" under "Data".



Balances

Because these fees do not bear interest, the "Balance" and "Computational Balance" columns in the Payment schedule will usually no longer be equal. The Computational balance takes into account only the principal (and other fee types) that bear interest.

See also, Loan without interest on part of the principal only.

Arrears: Late and/or unpaid salaries, rent, annuities

Margill Loan Manager (MLM) can also manage late or unpaid salaries, rent or other annuities (such as support payments or alimony).

Arrears are similar to loans but instead of the principal diminishing over time, it accrues over time. A loan starts at a certain loan amount and usually finishes at 0.00 over the amortization period. Unpaid annuities usually start at 0.00 and grow over time.

Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.



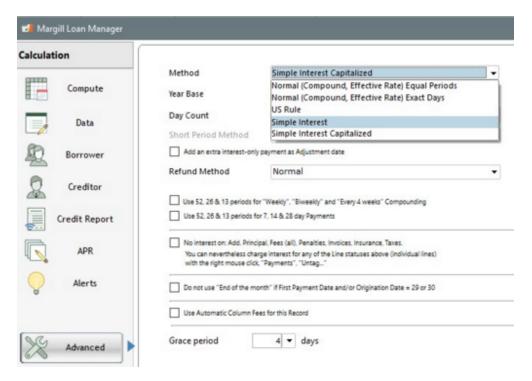
Let's do an example with a late and unpaid rent:

- The tenant did not pay his June rent
- The August and September rents were also not paid
- The November rent was only paid on November 18
- Rent is 1500 per month

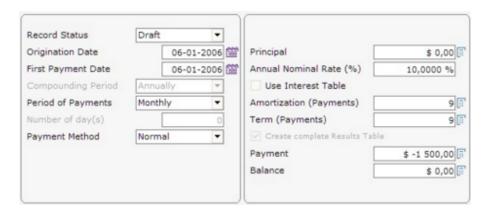
How much is owed on January 1 if the late rent interest rate is 10% annually with simple interest (could also be monthly compounding if allowed by law). The rates can also be <u>variable legal interest rates</u> depending on the jurisdictions.

First change, in the "Advanced" window, the "Method" to "Simple Interest".

Year base (to take into account the small effect of leap year) may be left at "Anniversary" or changed to "Civil year" depending if a calculation norm exists. See the distinction in the <u>Simple interest section</u>.



The preliminaryData window would look like this:

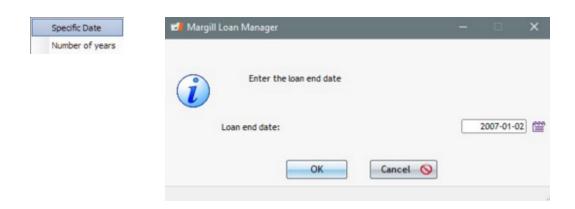


The principal was left at 0.00 but could have been 1500 for the June 1 unpaid rent (but be careful not to count this rent twice). Instead, in order for all rents due to be neatly detailed in the Payment schedule, minus 1500 was entered as the payment (this will create a Payment schedule as if ALL rent amounts were unpaid for these 9 periods).

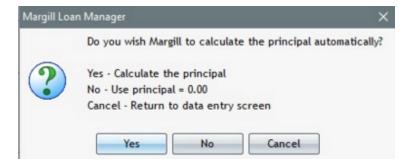
The Amortization period was 9 payments to create a table that includes the interest up to and including January 1. Instead of manually counting the number of payments, in the "Amortization (Payments)" box, (

Amortization (Payments)

) right click with mouse, chose "Specific Date" and in the window that opens, enter January 2, 2007.

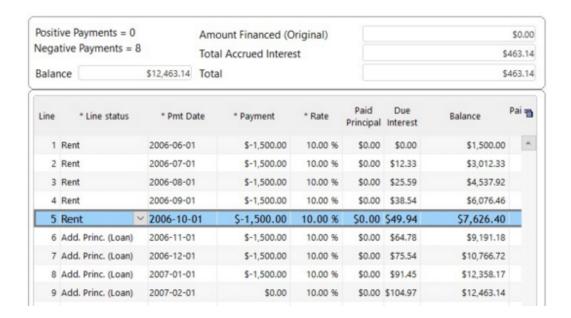


Press on "Compute". The following window will appear. Click on "No" (our initial principal is 0.00 and should not be computed).



The preliminary Payment schedule below must now be edited to reflect our true situation. These would have been the results had each of these monthly payments not been made. Since the computation is performed with simple interest, the "Computational balance" in the Payment schedule window is the balance used to calculate the interest as opposed to the true balance reported at the bottom right of the window, in a column to the right, and in the printed report (see <u>Balance column in schedule</u> for further information on this topic).

By default, amounts of -1500 have the "Add. Princ. (Loan)" Line status. These Line statuses could be modified (not an obligation and there is no mathematical effect), for "Add. Princ. 3" which would be renamed "Arrears" or "Rent". There is no quick way to change these Line statuses in bulk, therefore, they must be changed one by one.



In the window below, the first three lines in blue represent the unpaid rent (June, August, September). The July and October rents are at 0.00 since these were paid (thus are not due).

The 4th and 5th lines in blue represent, respectively, the unpaid November 1 rent (-1500) which was then paid (+1500) (Payment type Line status renamed to "Paid rent") on November 18. The -1500 and +1500 payment cancel, leaving only the interest portion to be accounted for during the 18 days.

Finally, no amounts were due for December and January thus the 0.00 payments. We then changed the final date to January 2 instead of February 1 ("Pmt Date" column) to get total interest up to January 1 inclusively.



The very same methods can be applied to late or unpaid salaries and alimony (support payments). For unpaid salaries, if

salaries are paid every two (2) weeks, then the "Payment Frequency" should be "By day(s)" and "Number of day(s) 14:



Legal costs and fees management and collection with interest

Many law firms, particularly, personal injury lawyers will finance their client costs and fees until the settlement occurs, at which time they will deduct these fees, costs and interest, from the settlement.

Margill Loan Manager (MLM) can, using data from with your other systems, create the actual Case (more or less a loan), import case costs and fees (transactions) in bulk, and calculate the interest throughout the lifecycle of the Case. In some situations, a line of credit is afforded to the client where costs and fees (invoices) are added and payments made occasionally by the client to reduce the balance owed. This latter situation does not factor in success/non-success, so is simply client finance.

For litigation finance based on success, if a case is successful, interest will be charged to the client and fees reimbursed. If the case is not successful, no interest or fees will usually need to be paid back by the client, but the law firm will know its cost of capital, case by case. Most often, the cost of capital to the law firm (so the interest rate its bank charges) will be the same rate as the rate charged to the client, but the rate charged to the client could also be higher (margin) to generate a little extra revenue. The interest rate could also be fixed or tied to the bank rate (variable interest rate loans) and could include a spread (so Prime + x%). Simple or compound interest can be used as the calculation method.

We recommend using "Additional Principal" type Lines statuses since we will consider the Fees or Costs to be *principal* (since this is kind of a loan) as opposed to *fees* as Margill would see them. So change one or many "Add. Princ (X)" Line statuses to the desired names (Tools > Settings > Line Payment Statuses):



You could create only one "Fee" or multiple fees (up to 9 different names if needed).

If you are dealing with relatively high volume (for transaction (Fees) input certainly), Data can be imported though and Excel file. See <u>Bulk Payment (Transaction) Import</u> as well as the <u>Bulk Import of Loans</u> options (manually or automatically via Excel or JSON files).

A host of special situations can be handled by MLM (the numbers correspond to the red numbers in the image below):

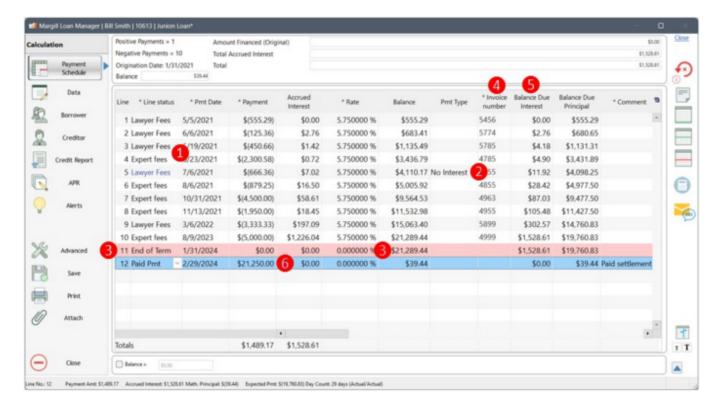
- (1) One or many, up to nine (9) Fee types (Lawyer Fees and Expert Fees could be named as you wish Medical Expense, Expert Expense, Medical Expense no interest, etc.).
- (2) Line 5 shows the 666.36 Lawyer Fees that do not bear interest (blue Line status and "Pmt Type" column).
- (3) As of 1/29/2023, interest is no longer charged on all amounts since maximum 3 year Term (optional of course). Line color was changed to red to highlight the End of Term.

- (4) An Invoice number was added for each invoice.
- (5) A Comment may be added on any line.
- (6) Final settlement 21,250. All interest got paid first but we could have paid the 19,760.83 in Principal (the Fees) and there would have been an interest balance of 39.44 instead of Principal balance for this amount you have the options with the Line statuses.

Interest can start 30 days after the expense/invoice date so the Pmt Date entered would be the expense/invoice date + 30 days. The actual expense/invoice date could be in another column (not shown below).

The Case can also be lost in which case, instead of a Payment at the very end, there would be a Line status that could be called "Loss" or "Bad debt" to bring the balance to 0.00 and to isolate the fees and interest as unrecoverable for your accounting (not shown below).

Many other options are available...



Investment portfolio

An investment portfolio for one or multiple clients is simple to create and the reports can provide up to date or annual totals in a snap.

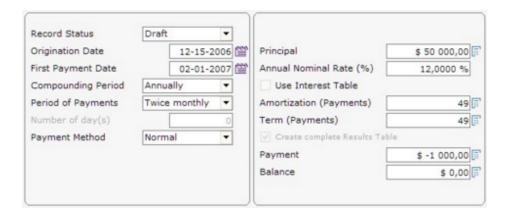
In this example, we will recreate one investment that includes investments and cash withdrawals over time.

Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.

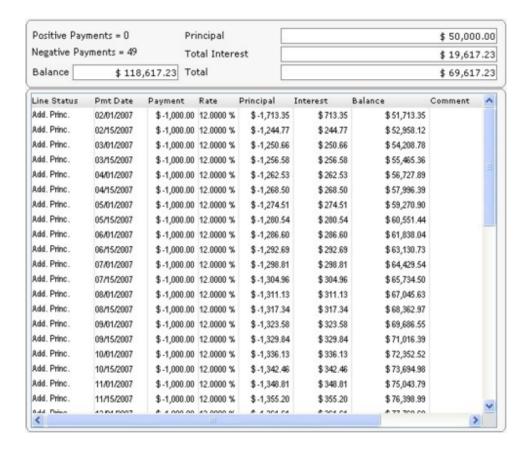


On December 15, a couple invests 50,000. Their goal is to contribute to their retirement plan 1000 twice monthly for the next two years (starting Feb. 1) and to reevaluate in two years their return on investment. To make it slightly more interesting, they will sometimes invest a greater amount and also take out an amount to pay off some debt (they shouldn't have done this but nobody's perfect!).

The Data window looks like this for the normal situation. The Annual Nominal Rate is not really pertinent at this point since we don't know what the ROI will be. But just to get an idea, since the couple would like a 12% return, we will enter 12%.



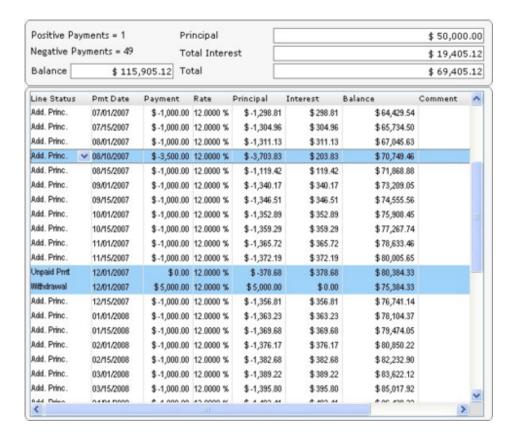
Press on "Compute" to produce a Payment schedule over 2 years with a 12% return. Their theoretical balance at 12% would be 118,617 after 2 years.



Time goes by and the couple invests an extra 3500 on August 10, 2007 (first highlighted line in the screen shot below). So we insert a line by highlighting the line whose Pmt Date is BELOW where we want to insert (thus Pmt Date of 08-15-2007)

and press on . A payment may also be added with the <u>right mouse click</u> (Select any line, press on "Insert" and "Payment(s)". A window will appear to add at the specific date and with the various criteria desired - in this case 1 payment of minus 3500).

Planning for an expensive Christmas, the couple must draw 5000 from the account on December 1st 2008 and will not pay the usual 1000 on December 1. Thus change the December 1 payment from -1000 to 0.00 and add a new line with 5000 to represent a withdrawal (second and third highlighted lines below).

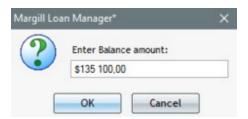


These are the only changes made until the maturation date of February 1, 2009.

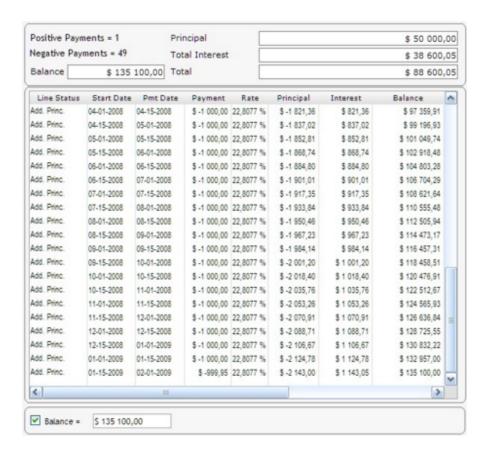
On the maturation date the value of the investment is really 135,100. What is the true return on investment? This can easily be figured out by selecting all lines (Ctrl-A), right clicking with the mouse and choosing "Interest rates" and "Rates Adjusted for Balance = X".



A window will appear in which to specify the balance of 135,100.



Click on OK and the rate will be recomputed for all selected lines. The final ROI is thus 23.8077% (pretty good investment!). See also <u>Interest rate (equal) recomputed to yield a balance = 0.00 or other amount</u>.



The schedule should be saved



in the database and updated as time goes on.

Interest automatically recomputed

Compound interest is charged in between each of the payments/refunds. The interest is automatically calculated every day (as provided by the normal Effective rate method) even if the compounding period is not daily.

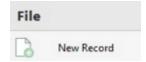
To obtain the true annual, non compounded return, it may be wise to use simple interest as oppose to compound interest for this calculation.

Loan without interest on part of the principal only

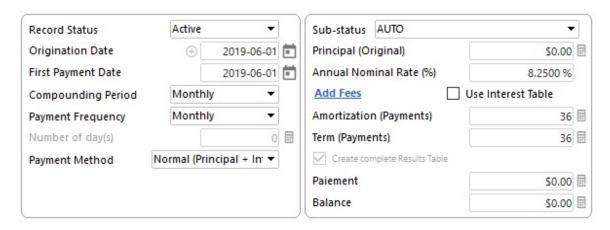
Margill Loan Manager (MLM) allows you to create a loan in which only part of the principal generates interest.

For example, in a loan of 125,000, the first 100,000 does not bear interest but the rest does.

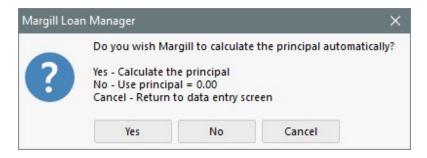
Create a new Record with "File" and "New Record". See also Creating the first Record and Data entry screen Basics.



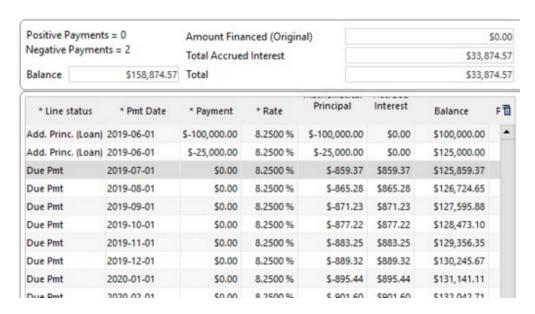
Enter the required financial data in the "Data" window but since our loan is special, leave the Principal at 0.00. We will add the principal in the Payment schedule afterwards.



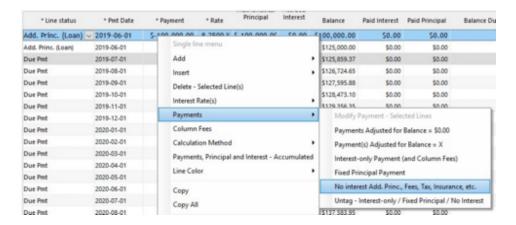
Click on "Compute" to produce the payment schedule. Click on "No" to avoid the principal from being calculated automatically.



The Payment schedule must then be adapted by inserting a second line dated June 1st, 2011 . An "Add. Princ (Loan)" of 100,000 is added at line 1 and the second portion of the 25,000 is added on line 2.



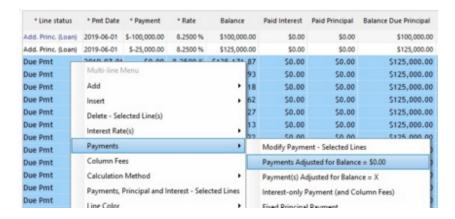
We must now specify, for the 100,000, that this portion of principal does not bear interest. Highlight the line, right click with the mouse and select "No interest Add., Princ, Fees..." under "Payments".



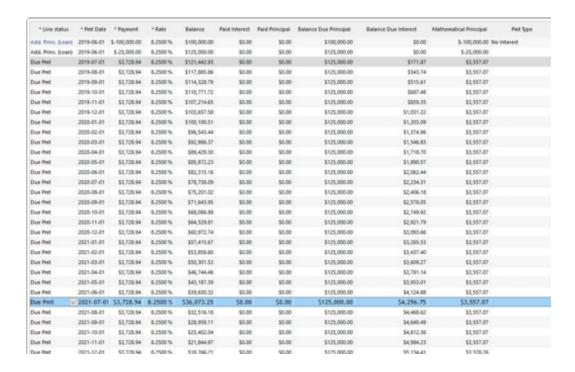
The last column "Pmt Type" indicates "No interest" for the 100,000 but not for the 25,000 that does bear interest. The Line status is also in dark blue to show that this principal amount is particular.



The payments must then be calculated. Select all lines with payments = 0.00 (the Alt Z shortcut will only choose the 0.00 payments), right click with the mouse select "Payments" and "Payments adjusted for Balance = 0.00".



The result, a complete table with the monthly repayment amounts. The table includes a column titled "Computational Balance" (we moved it in the example below) that indicates the amount on which interest is calculated. As of line 21, the interest-free 100,000 principal is fully repaid since the non interest-bearing principal is always repaid before the interest-bearing principal.

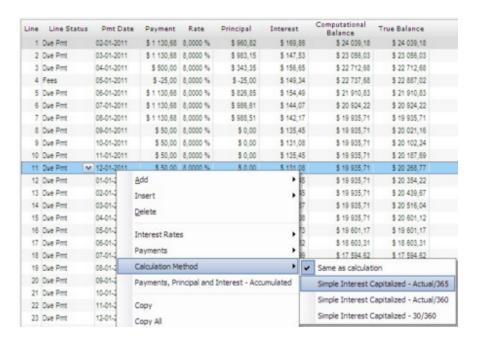


See also Loan or other with fees (insurance taxes, penalties or invoices) not bearing interest.

Irregular interest capitalization

In a calculation with simple interest, interest may be capitalized (or compounded) at one or more dates as required.

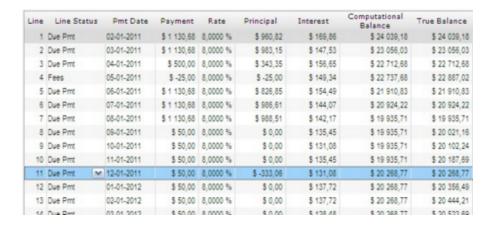
Select the capitalization line (line 11 in the example below) or insert a line at the desired capitalization date (the "Pmt Date" may be changed but the table's chronological order must be followed). Use the right mouse click, then select "Calculation Method". Choose one of the "Simple Interest Capitalized...." methods.



By performing this operation, any accrued interest and **non bearing interest Column Fees** (interest bearing Column Fees are already in the computational balance) not reimbursed by the payment will be capitalized on this particular line.

Column fees not reimbursed are included in the capitalization because they are similar to interest, generally financing fees that have similar behavior to interest. Margill does NOT allow not to capitalize Column Fees when interest is capitalized.

In the example below, the principal of -333.06 comes from: accrued interest that is not refunded (135.45 + 131.08 + 135.45 + 131.08 = 533.06). The 50.00 payments are insufficient to refund the accrued interest.



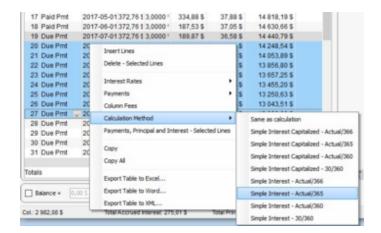
You will notice that the interest rate is in blue. This indicates that the line is particular. A comment could be inserted here to indicate the capitalization.

See also Simple interest (capitalized) (Calculation methods chapter) and Simple Interest for specific lines only.

Simple Interest for specific lines only

In certain special calculations, we could combine simple interest and compound interest. This happens when an existing calculation must be replicated or when interest must match (whether the initial calculation is right or wrong).

Choose the desired line(s), right mouse click > Calculation Method > Simple Interest - Day count.



The "Rate" column for Simple interest will be displayed in green since they are "special" in a compound interest table. Capitalized simple interest rates will be in blue and for normal lines, using the normal method of calculation (unchanged), rates will be black (Advanced Options).

ment	* Rate	Mathemat Principa
66.42	9.25 %	\$61
66.42	9.25 %	\$59
66.42	9.25 %	\$59
66.42	9.25 %	\$60
66.42	9.25 %	\$60
66.42	9.25 %	\$61
66.42	9.25 %	\$61
66.42	9.25 %	\$61
66.42	9.25 %	\$62
66.42	9.25 %	\$62
66.42	9.25 %	\$63
66.42	9.25 %	\$63
66.42	9.25 %	\$64
00 40	0.25.0/	001

If the normal calculation method chosen is simple interest and the calculation method chosen by right mouse click is also non capitalized interest rate, *special* lines will still be displayed in green even if they are not special compared to normal lines.

See also Simple interest (capitalized) (Calculation methods chapter) and Simple Interest for specific lines only.

Participation Loan

See the <u>Participation Loan subsection in the Creditor section</u> and Reports > Commonly required reports > <u>Participation Loans</u>.

Also known as a syndicated loan.

A special module is also available for irregular syndicated loans where investments are done at irregular intervals. Please contact Margill customer support.

Other calculations

Other calculations contents

Nominal / Effective Interest Rate Converter

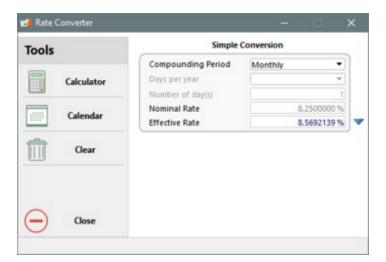
Sales Tax Calculations

Date Calculations

Nominal / Effective Interest Rate Converter

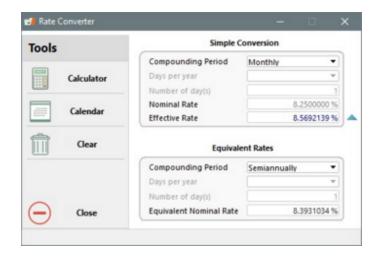
Margill Loan Manager (MLM) can determine the effective (real) rate (also known as Annual Percentage Yield (APY)) when the nominal rate and the compounding frequency are known. MLM also allows you to insert an effective (real) rate and the compounding frequency to determine the nominal rate.

- In MLM, choose "Nominal / Effective Rate Converter" from the "Other" menu. Select the compounding frequency: annually, semiannually, quarterly, monthly, every 4 weeks, twice monthly, biweekly, weekly, daily or by day(s). By choosing "By Day(s)", the day count (360, 365, 365.25 or 366-day year) must be specified as well as the compounding period from one (1) day (daily compounding) up to 999 days in the "Number of Days" field.
- Specify either the nominal rate or the (real) rate (APY) first, and the second one will be calculated automatically.



Equivalent Rates - "Nominal / Effective Rate Converter"

The calculation can also take an interest rate quoted on a particular basis (monthly or other) and convert this rate on a different basis (semi-annually or other). This utility is accessed through the "Rate Converter" window by clicking the arrow () to the right of "Effective Rate". For example, a nominal annual rate of 8.25% compounded monthly equals an annual nominal rate of 8.393% compounded semi-annually (the effective rate in both cases is identical at 8.569%). Banks will often use different nomenclatures for which comparisons may be difficult unless these can be converted to an effective interest rate.

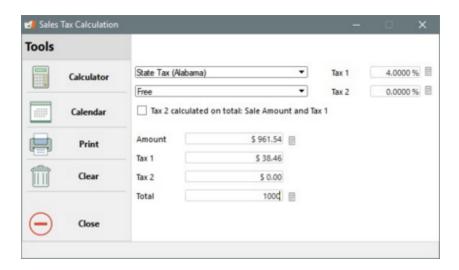


Sales Tax Calculations

This function calculates the salestax or taxes on an amount or the salestax or taxes included in a total amount.

Margill Loan Manager (MLM) includes several American, Canadian, European and Australian sales taxes. Other taxes may be added or existing tax rates modified through "Tools" and "Sales Tax Table" (see <u>Interest tables (& Sales tax table)</u>).

The rate can also be changed for a calculation (as opposed to a permanent change) by modifying the rate in Tax 1 or Tax 2.



The default sales tax table may be changed from the "Tools" menu, in the "Sales Tax Table" window (see <u>Default settings</u> and <u>Interest tables (& Sales tax table)</u>). The first two lines in the table, in red, are the rates used by default in the calculation.

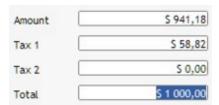
The scroll-downmenus allow you to choose the desired tax or taxes. A rate of 0% can be used if only one tax is to be calculated.

The section (Tax 1 and Tax 2) allows to temporarily change a rate without affecting the default choices. It can be used for

the calculation of a rarely-used foreign tax for example.

The section on the bottom allowsyou to:

- 1) enter the purchase amount (sales price) to determine the tax(es) and the total, or
- 2) enter the total of the amount <u>and</u> the taxes to obtain the purchase amount (sales price excluding the taxes).

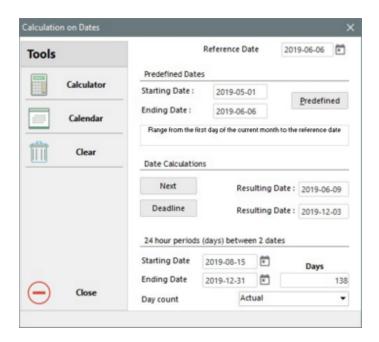


By placing the mouse cursor on the "Tax 1" text, the total of the Amount and Tax 1 is obtained. By placing the cursor on the "Tax 2" text, the total of the Amount and Tax 2 is obtained.

See also in the update section: Interest tables (& Sales tax table).

Date Calculations

MargillLoan Manager (MLM) can carry out various calculation between dates.



"Predefined Dates"

This tool determines the date taking into account various predetermined periods, based on the reference date specified. Each of these calculations is well defined in MLM.

"Date Calculations"

The "Next" button:

This button determines the dates of the coming Monday, Tuesday, Wednesday, Thursday, Friday, Saturday or Sunday, based on the reference date specified.

"Deadline" button:

This button determines the deadline date which follows the reference date specified. These maturity dates are: 30 days, 30 days – month end, 60 days, 60 days – month end, 90 days, and 120 days.

"24-hour periods (days) between two dates"

This function calculates the number of 24-hour periods between two identical hours on these two dates. For example, between 5 PM on June 4th, 2013 and 5 PM on June 7th, 2013, three (3) 24-hour periods have passed. It is not necessary to indicate the hour (exact time).

It is also possible, by specifying the "Starting Date" and the number of "Days", to obtain the corresponding "Ending Date" based on one of the three day counts available: Actual days (including leap year), 365 days and 360 days.

Refund options

Margill Loan Manager (MLM) offers a number of refund options for a loan:

- Refund order or sequence:
 - O Normal refund (Principal and Interest)(P&I payment)(and Column Fees)
 - Order 2 (available upon special request only)
- Interest-only (and Column Fees)
- Current interest vs. Capitalized interest
- Fixed principal
- Rate adjusted payments
- Payments set to 0.00 (so no payment)

MLM is very powerful allowing you to produce a schedule with one or many payment methods within the same schedule. Thus, for example, a loan may be interest-only for the first year, then the payments recomputed with the normal payment method. It could also include a fixed principal refund for a period of time and lump sum payments.

Refund order or sequence

Normal refund method:

Refunds <u>Column Fees</u> first, followed by Interest and the balance of the payment will be applied to reduce the Principal (and proportional <u>APR type Principal</u>).

Refund order 2:

This refund order, available upon special request only, will first refund Interest, the the Expected Principal, then the Column Fees and finally some more Principal.

See detailed explanations in the Refund order for Interest, Fees and Principal section.

Interest-only:

MLM will calculate the payment required to refund only the interest accumulated and the Column Fees Accrued. Using this method, the balance will remain unchanged. This can be used for the entire length of the loan or for part of it.

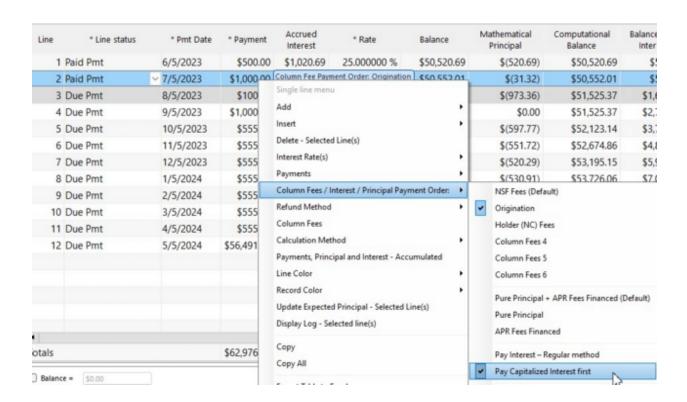
When interest-only is selected in the Data window or in the Payment schedule (right mouse click > Payments > Interest-only Payment and Column Fees)), the lines may or may not include a special *behavior* called interest-only. If you decide to assign this special behavior, no matter what change is made ABOVE these special lines, the payment for these lines will automatically be adjusted to continue refunding only the interest. For more detail on this option consult the Interest-only payments section.

Current interest vs. Capitalized interest

By default, when interest is paid, MLM first pays the accrued interest for payment this payment line, followed by the interest that is due (overdue). In Compound interest (effective rate method), the refund order has no real effect since interest generates interest. But in Simple interest, when interest is capitalized (but be careful, capitalized interest remains interest and does not become principal) it generates interest - therefore is added to the Computational balance. If non-capitalized interest is paid first, the Computational balance does not decrease. On the contrary, if capitalized interest is paid before the *younger*, non-capitalized interest, then the Computational balance will be reduced more quickly, thus reducing the total interest accrued on the loan.

A second option, which should only be used in specific situations, allows the user to repay the capitalized interest (older interest) first and then to repay the more recent, non-capitalized interest. Of course, the calculation method used should be either <u>Simple interest capitalized</u> or a <u>manual capitalization</u> must be inserted in a <u>Simple interest</u> calculation in order to see the effect of this method.

In order to deviate from the default MLM method, in the Payment schedule, highlight one or more lines > right click on the mouse > Column Fees / Interest / Principal Payment Order > section completely at the bottom "Pay Capitalized Interest first".



You can see the exception to the default method as the Payment amount turns green and a balloon help indicates the special method.



Fixed principal:

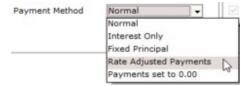
The "Fixed Principal" payment method in the Data window allows you to specify the amount of principal that must be regularly reimbursed. By entering "Principal Payment Amt" and the other variables, MLM will compute the payment that will include the refund of the fixed principal amount and the accumulated interest. The payment will thus be variable and will generally decrease over time (depending on the interest rate if variable interest rates are used). This can be used for the entire length of the loan or part of it.

When fixed principal is selected in the "Data window" or in the Payment schedule (right mouse click), the lines may or may not include a special *behavior* called fixed principal. If you decide to assign this special behavior, no matter what change is made ABOVE these special lines, the payment for these lines will automatically be adjusted to continue refunding only the fixed principal amount entered plus the accrued interest. For more detail on this option consult the <u>Fixed principal payments</u> section.

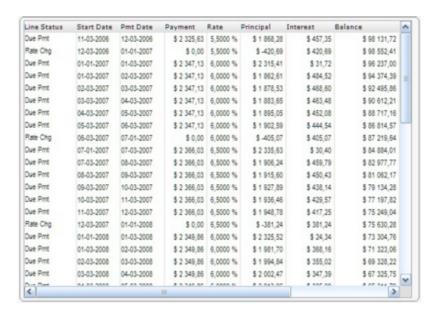
Rate adjusted payments:

For variable interest rate calculations only, MLM can calculate the exact payments required to first refund the interest accumulated and then the principal. The payment amount will be based on the interest rates that vary over time. This method applies for example, in variable rate mortgages.

In the Data entry window, choose "Rate Adjusted Payments" for the Payment Method. MLM will calculate the appropriate adjusted payments for the entire length of the loan. Thus, the amount of the payment need not be specified.



In the example below, the rates change every six (6) months. The payments are thus automatically adjusted to first refund interest due and then the principal.



PLEASE NOTE: Considering the complex nature of this calculation, the system may require a few minutes (not seconds) if the loan is amortized over many years. See also <u>Adjustable Rate Mortgage</u>.

Payments set to 0.00:

If a payment schedule is to be produced with payments of 0.00, choose the last option from the Payment method (Record Data tab). This will set all payments in the Payment schedule to 0.00. These can then be changed to other amounts in the Payment schedule.

See the Defining Line (Payment) Statuses chapter > Principal payment and Interest payment.

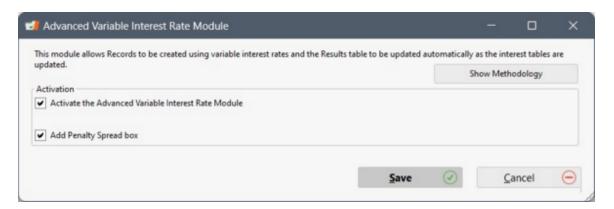
Variable interest rate module - Introduction and Methods

Introduction and Methods

This module allows Records (loans or others) to be created using variable interest rates and the Payment schedules to be updated automatically as the interest tables are updated. This is possible as of version 5.5. In previous versions, Rate tables could be used to create the Payment schedules using the variable interest rates but the Payment schedule could not automatically be updated.

Activating the module

For users of version preceding MLM version 5.5, the new method must specifically be activated by checking "Activate the Advanced variable interest rate module" under Tools > Settings > Systems settings tab > Modules section > Variable Interest Rates:

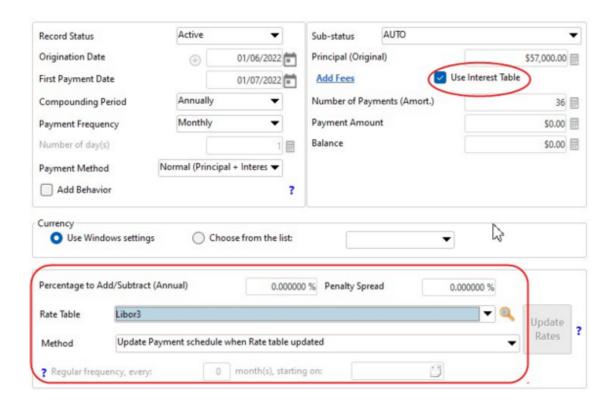


Linking Record to a Rate table

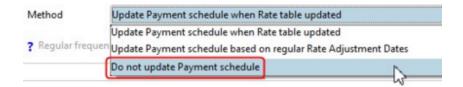
First, at least one Rate table must be created in Margill Loan Manager. See the next section <u>Creating new interest tables</u> <u>and updating these</u>.

When creating a new Record (loan), under "Data" check "Use Interest Rate Table" and the variable rate section will appear.

- 1) The <u>"Percentage to Add/Subtract" (Spread)</u> can be entered.
- 2) Chose the Interest Rate Table using the pull-down menu.
- 3) Choose which Method is to be used to update the Payment schedule from then on. The Methods are explained in the <u>Payment schedule Interest rate update Methods</u> section below.



The Payment schedule is now linked to its Interest rate table and will be updated over time unless the third option in Method is chosen by which the Payment schedule is linked to its Rate table but where the user wishes for the Record to be created with the variable rates but is not updated over time. This would be rather unusual.

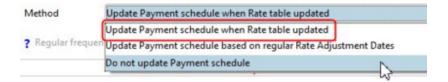


When importing loans in bulk either manually with an Excel sheet or automatically via the Margill Service (*Hot* folder with Excel of JSON files), the Rate table, the Spread and the Method can all be included in the import files. See <u>Bulk import of Loans and Database configuration</u> under Getting started and <u>Automated Imports - JSON or Excel files</u> under the Settings section.

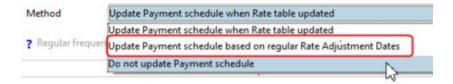
Payment schedule Interest rate update Methods

There are two interest rate update methods:

i) When the Interest rate table is updated, the Payment schedule is updated on this precise date.



ii) Rates are updated based on a Interest Rate Adjustment Date and at a regular monthly (every x months) frequency as of this date. Rate changes in the Interest rate table between these Adjustment Dates will be ignored except for the last rate immediately preceding the Adjustment Date that will become the effective rate for the latest Adjustment Date.



iii) A third option creates the Payment schedule based on the Rate table, but rates will not be updated over time.

IMPORTANT: In both Payment schedule rate update scenarios, the updates will only take place if the last line of the Payment schedule is after the rate change date of the Interest rate table. It is therefore highly recommended to include an "Information" (Pmt of 0.00) line far into the future for irregular, non-fixed amortization loans/lines of credit, etc.

Variable interest rate module auto update rules:

There are only 2 ways to "trigger" a Payment schedule update:

1) When the Interest rate table is updated, the Payment schedule will be changed based on the method chosen above.

Even if interest rates are changed manually in a Payment schedule, when the Interest rate table is updated, the Payment schedule will also be updated. Manual rate changes will be ignored since the rule for the Payment schedule is to update based on one of the two methods. For the Payment schedule not to be updated, the "Do not update the Payment schedule when updating the Rate table" option should be selected.

2) When lines are added to a Payment schedule (manually, via Excel or automatically). These new lines will be updated to the new interest rates based on the chosen method.

For example, the Payment schedule ends July 1 but the Interest rate table includes rates for August and September. Of course, since the last line of the Payment schedule is in July, the August and September rate changes will not be added. If a new line is added in the Payment schedule for November 1, then the two rate changes will be added in the Payment schedule (or updated when required if the rates changes are based on a regular frequency Rate Adjustment Date (method ii) above).

Interest rate table change / Spread change / Method change

Over time, you may need to change the Interest rate table, the Spread or the Method (i or ii above) for one or multiple Records. Consult the detailed text on Rate such changes in Changing Rate tables, Spread or Rate Update Method in a Record and the important "trigger" mechanisms by which the Payments schedules can be updated. If Global changes (Main window, right mouse click) is used to make Rate table / Spread / Method changes (only to Do not update table, not Method change from i) to ii) and vice versa at this point) for multiple Records at once, an effective date for the change cannot be entered. The Payment schedules will be updated when the Rate table is updated, the "trigger".

You may also decide to apply the new variable interest rate method to loans created before version 5.5. This can be done Record by Record or through Global changes (Main window, right mouse click). With this method, the Payment schedules will only be updated when the corresponding Rate table is updated.

Creating new interest tables and updating these

You can create new variable Interest Rate Tables with Margill Loan Manager (MLM). A Table can contain a unique interest rate and up to an almost unlimited number of rates.

Only Administrators and Power Users can update Rates Tables in MLM (if the right is given to them).

Under "Tools", go to the "Tables" > Interest Rate Tables

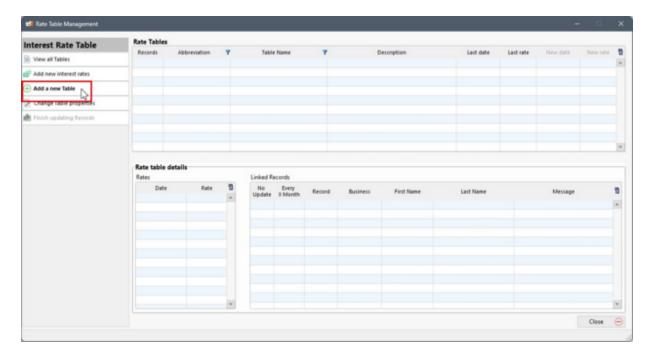


Method as of MLM version 5.5

First make sure the module is activated by checking "Activate the Advanced variable interest rate module" under Tools > Settings > Systems settings tab > Modules section > Variable Interest Rates.

1) Create the Interest Rate table

In the Interest Rate tables management window that will appear, choose "Add a new Table".

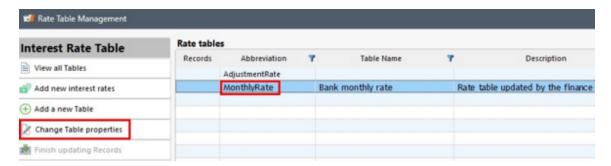


In the "New Rate table" section, enter an abbreviation name for the Rate table. The abbreviation name will be the name used in MLM to identify the Rate table used, but please note that it cannot be modified later. This field is required. It is optional to add a Table Name and a Description. Afterwards, click on "Save".

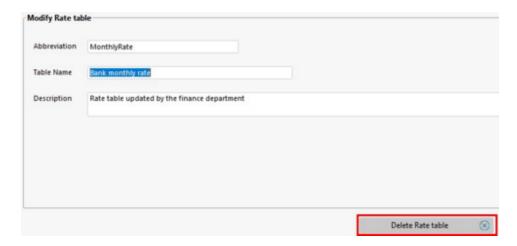
Special characters cannot be used, nor a space. You can use A to Z (upper or lower case), the numbers 0 to 9 and the underscore ().



At any time after saving the Name or the Description (but not the Abbreviation) of the Table can be changed by selecting the table in the Rate tables list and by choosing "Change Table properties":



Under this heading, you can also delete an existing Table using the "Delete Rate table" button as long as this Table is not linked to a Record.



A TVL table, the old Margill format, can also be created in a new format by clicking on "Add new interest rates". If the abbreviation does not exist, a new table will be created with this name. If the abbreviation exists, then the rates will be updated.

2) Add / Update Interest rate

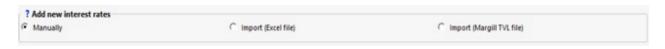
All new rates will be:

- Added to various Rate tables.
- Applied to linked Records (so the Payment schedule will be updated) to these different Tables.

WARNING! These changes cannot be undone and therefore you must be doubly careful before entering a new interest rate. Is it strongly suggested to make a backup copy of the database when rate additions are made.



Rates can be updated i) Manually, ii) by importing an Excel sheet, or iii) by importing a TVL file (old Margill format):



i) Manually

Enter the rate(s) manually. The date entered must be greater than the last date entered. The rate must be positive.



ii) Import (Excel sheet)

Select the Excel sheet that must follow the specifications below.



Note: Only existing Interest Rate tables can be updated.

The file may contain several Interest Rate tables to be updated at the same time. Only rates whose date is greater than the last date entered in the file will be imported.

File Specifications (.xls or .xlsx):

- Only the first tab of the file will be included.
- Line 1: Column headings (column heading names are not important)
- Column A (mandatory): Rate Table Abbreviation (Unique identifier)
- Column B (mandatory): Date (Windows format from your computer)
- Column C (mandatory): Rate which must always be positive or 0.00. Maximum of 6 decimals without the percentage sign (%). Example: for 5.2534987%, enter 5.253299 (round to 6 decimals).

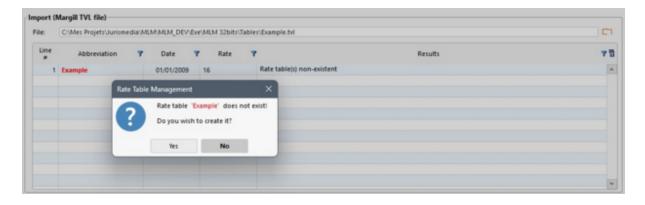
1	Α	В	С
1	Abbreviation	Date	Rate
2	AdjustmentRate	2023-03-05	14.236666
3	AdjustmentRate	2023-10-10	17.22
4	AdjustmentRate	2023-11-01	18.22236
5	MonthlyRate	2023-08-08	3.55
6	MonthlyRate	2023-10-01	4.01

iii) Import (TVL file - Margill)

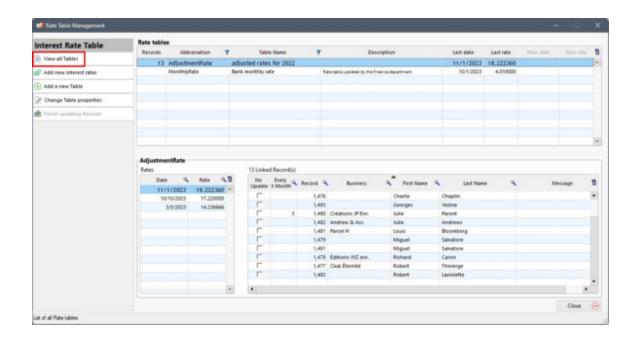
This is the old Margill format (version 5.4 and earlier).

Allows you to create the new format Interest Rate table if it does not exist. If the Interest Rate table already exists, the file name should match the Interest Rate table abbreviation. The Interest tables in .tvl format are usually found in the MLM_Data > Tables folder, next to the DB folder that contains the database.

It is strongly suggested, if the Table did not exist, before the import, to rename the old TVL table to include only the allowed characters since the abbreviation of the Interest Table will be the old name.



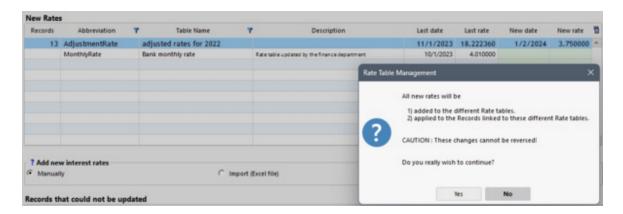
To find out the details of the Rate table, simply select "View all tables" in the menu to the left and choose the Rate table in order to display the dates and rates as well as the Records linked to this Table and their update conditions.



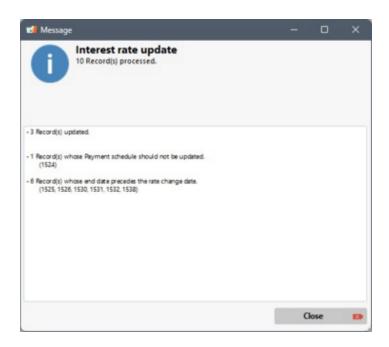
Updating Rates in the Payment schedule:

When updating an Interest table, regardless of which of the three methods is used to update the Table, the Records linked to it will ordinarily be updated.

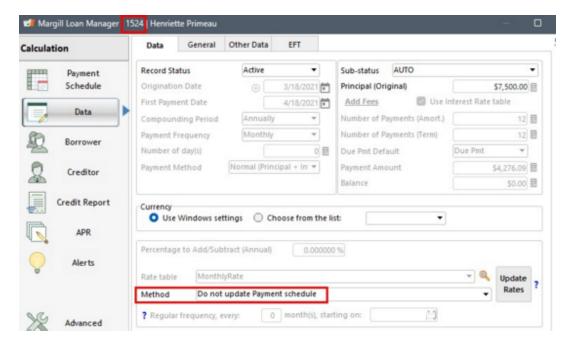
In the following example, a 3.75% rate was added manually to the "AdjustmentRate" table on the 01-02-2024. By clicking on "Yes":



We obtain the number of Records processed. Records whose last date in the Payment schedule precedes the date of the rate change are not included in the processing, they are ignored, hence the importance of including, depending on the scenario, an "Information" Line status in the remote future. Note however, that when a line is added to the Payment schedule, the new rates will be entered automatically.

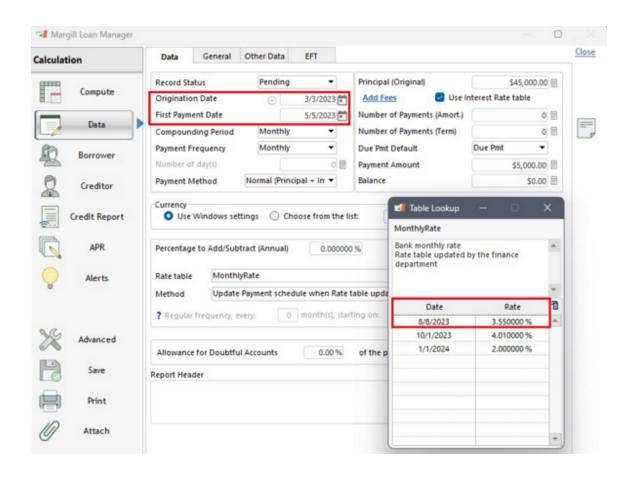


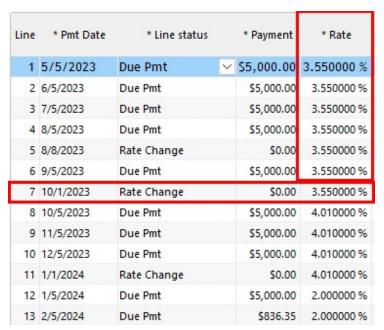
Record ID 1524 should not be updated because the "Do not update Payment schedule" method was selected:



Exceptions and special cases:

If, for example, a Schedule starts in May and the associated Interest Rate table starts only in November, the loan will be created with the first available rate despite the fact that the rate, in theory, takes effect only in November according to the Rate table.





WARNING: Even if the history change blocking option is enabled (Tools > Settings > System settings > "Users cannot edit transactions older than X days (from the current date)"), a user with the rights to change Interest Rate tables will have the right to add an interest rate even if the rate precedes the current date by more than the X days allowed.

IMPORTANT: To reduce the risk of error when updating Interest Rates, it is STRONGLY suggested to prohibit rate changes to all but one trusted user. In Tools > Users, you should therefore uncheck the "Can change interest rates in

bulk and update Interest rate tables" option.

	Reports and Modules
	Can use EFT module
	 Can display Main window Dashboard
	Can produce Reports for all Records
	✓ Can create and use Advanced Queries
	✓ Can produce an "Accounting entries" Report
	✓ Can produce a "Credit Agency" Report
	✓ Can produce a "Creditor/Investor" Report
?	 Can import Records/Borrowers/Employers/Creditors
?	✓ Can in Bulk: post payments and Data import /update
(Can change interest rate in bulk and update Interest rate tables

Method before MLM version 5.5 (should no longer be used sincethe launch of version 5.5)

To create a new table:

- "Clear" the existing default table.
- To add a rate, select the icon. Enter the date at which the rate came into effect in the first column, in the format indicated at the bottom of the window, and the desired interest rate in the second column (up to six (6) decimal points, depending of your System settings > Number of decimals displayed (Interest Rate)).
- To save, click on the "Save" icon . You must specify the name of the file to be saved.
- The saved table can be modified afterwards, if necessary. Use the iconsto the right of the table to insert a line at the end of the table or between two periods, or to eliminate a line. See Updating / changing interest tables.
- After you have made the desired changes, the table can be saved under the same name or under a new name. To save the file under the same name, click to confirm the replacement of the initial table.

TIP!

Custom tables can easily be created directly in MLM, from a word processor (Word, Wordperfect) or from a spreadsheet (Excel).

To do this, obtain the data and place in two columns (date and rate). The date (increasing down the table) must follow the YYYYMMDD format and the rate the XX.XXXX (without the %) format. The two columns must be separated by a Tab. Do not include the headings in red below. Save the table in text format (.txt).

 Date
 tab
 Rate

 20020101
 10.5250

 20020106
 9.2500

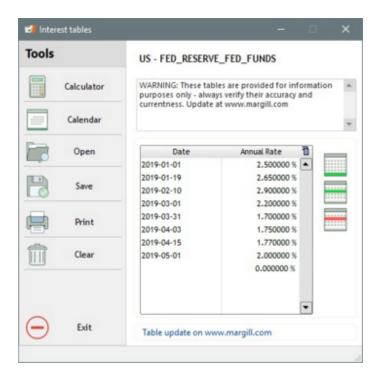
 20030101
 8.2750

Save to the "Tables" subfolder (in the MLM Data folder) and change the file

extension to .tvl by replacing .txt.

If the data is originally in Excel (or other spreadsheet software), using the spreadsheet software directly, convert the date format to YYYYMMDD (select date cells, Format > Number > Customized and create the "YYYYMMDD" format). Select all lines, choose the "Data" and "Sort" option to sort the latest dates at the END of the spreadsheet. Copy the date and rate columns to Word, Wordperfect, Notepad, etc. The table should have the "Date" "Tab" "Rate" format. Then follow the instructions above for saving and retrieval in MLM.

Go to Tools > Tables > Interest Rate Tables. The following window will appear:



To add a new interest rate at the END of the table, click on . Then insert the date and rate that can include up to 6 decimal points. Press on "Save". You will be prompted to select the table name. If the existing file is updated, keep the same name and replace the existing file. A new file may also be created by changing the name of the file.

The icon serves to insert a line in between two existing lines or at the top of an interest table. Highlight the line below where you wish to insert the new line.

The icon deletes one line at a time.

A comment may be written at the top of the table to properly describe each table.

Variable rates + or - x% (Spread)

A calculation may be done using variable interest rates plus or minus a certain percentage (called the Spread).

For example:

Fed Funds plus 2.5%
Bank XYZ Prime plus 1.75%
Preferential rate minus 0.50%

In the Record's "Data" window, check "Use Interest Table". The rate table selection will appear. The appropriate rate table may be chosen (or default table) and the percentage to add indicated on an annual basis (all percentages in Margill Loan Manager (MLM) should be indicated on an annual basis).

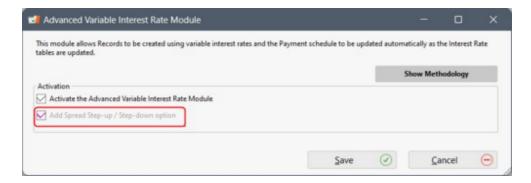


A **negative** rate (variable rate minus x%) may also be included by placing a minus sign (-) before the rate in the "Percentage to Add (Annual)" field. For example -2.5%. The user should nevertheless be careful not to include a rate that subtracted from the variable rates would yield a negative interest rate. If the variable rate minus the rate subtracted gives less than 0.00%, MLM will compute at a rate of 0.00% as opposed to a negative rate.

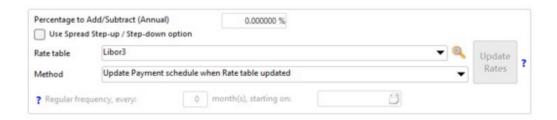
Step-up / Step-down Spread

A Step-up or Step-down Spread is a Spread that varies over time. For example, at the loan's Origination Date the Spread could be 2.0% and in three years change to 2.5% and again increase three years later to 3.0% and so forth. A Spread could also decrease over time.

To enable this advanced feature, a Margill Administrator must enable the module in Tools > Settings > Variable Interest Rates module. Check "Add Step-up (Step-down) option".



Once the option is activated, you sill see the option in the Data window:



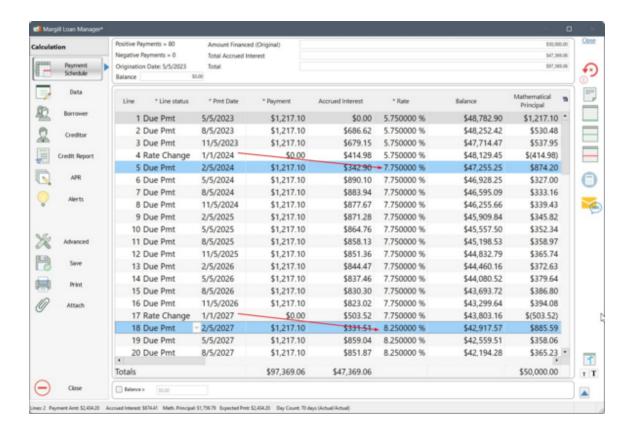
Check the "Use Spread Step-up/Step-down Option" in the Data window and click on the "Spread Step-up / Step-down" link.



This window will allow you to add the rate by clicking on the "Add Spread" button. For a Step-down, enter a negative percentage. If the resulting rate is negative, MLM will use 0.00%, not a negative rate.



In the example below, that base rate in 2023 was 5.75%. We see two of the three rate increases on January 1.



In this example, later in 2023, when new rate becomes known and is entered in the Interest Rate table, the Payment schedule will automatically be updated and will factor in the Step-up rates. For example, if the rate was to increase by 0.25% on 12/15/2023, the rate on 01/01/2024 would automatically become 8% and on 01/01/2027, 8.5% and so forth.

Adding or Changing Rate tables, Spread or Rate Update Method in a Record

It may happen that a Record is not linked to an already existing Interest table and that the link must now be made (for example for Payment schedules created with an old version of Margill). Once a Record (loan) is set up with variable interest rates, you can also change, over time, the Interest rate table, the Spread (plus or minus x% of the Interest rate table (Rate table or Base rate)) and the Method by which the Payment schedule (Payment schedule) will be changed (at every Rate table change or on regular date intervals, no matter the rate changes in between these dates).

The change can be done either manually, Record by Record, or with Global changes in order to change several Records at once. If the changes are made with Global changes, only Trigger 1) may be used (Interest rate table update) in order to update the rates in bulk.

Change Record by Record

Change in bulk via Global changes

Change Record by Record

If a change is made for any of the above, there are two "Triggers" to operate the rate change in the Payment schedule. The Payment schedule will include the new rates when 1) the Interest Rate table is updated (default method) or 2) at a date specified by the user.

Trigger 1): When Interest rate table is updated

No matter which type of change is required (Rate table, Spread or Method), this change will only affect the Payment schedule interest rates when the active Rate table is itself updated (an update can include adding the same interest rate on a new date to "trigger" the Payment schedule rate update).

For example:

We are September 23, 202x and the Payment schedule contains payments for the next five years.

The current Rate table (last changed July 1 of this year) has a rate of 5%. This rate is applied to the rest of the payments of the Payment schedule since this is the last known rate.

The newly selected Rate table is currently at 7%. This rate will NOT be applied today, nor for the next payments until the next interest rate change in this Rate table. If the rate change of the new Rate table is only a year from now, then the current rate will remain at 5% until that rate change a year from now (evidently, even if the old Rate table changes, the payment schedule will not be updated since there is no longer a link to this Rate table).

A change in the Spread (+ or - x% of the Rate table) will also not take effect when the change was made. This change will only affect the Payment schedule rates when the Rate table is itself updated. It may thus be wiser to use the second rate change "trigger" below for a Spread change.

A change in Methods will also take effect based on the trigger, that is, a change in the Rate table.

If you are changing from the Method that is based on all interest rate changes to the Method based on changes on a regular basis every x months, the next rate change in the Payment schedule will only take effect if the Rate table is updated, not on the next regularly scheduled rate change date since no trigger has occurred.

If you change from the Method by which rates in the Payment schedule are updated on regular basis every x months, to the Method based on all Rate table changes, the Payment schedule will remain the same until the next Rate table update.

If you decide to no longer update the Payment schedule rates (third Method in the pull-down menu), this will take effect immediately, no trigger required.

Trigger 2): At a date specified by the user

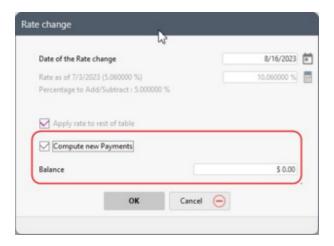
Margill offers a second option that may be more suitable depending on your needs. The trigger for any of the three possible rate change options (Rate table, Spread, Method) takes place at the date specified by the user (today or any other date in the future or in the past but cannot precede the last rate change of the Rate table selected).

When saving the Record or upon pressing on the "Update Rates" button, a window will appear in which you can enter the date at which the change will apply.





You will also have the option to recompute the payments after this date to give a final balance of 0.00 or another amount. Be very careful with this last option since, if there are Paid payments after the trigger date entered, these payments will also be recomputed and their Line status changed to "Not set" since Paid payments should NOT be changed as they have already been paid (as opposed to simply be expected). You will have to fix this manually.





If a rate change occurs on the same day as a payment, make sure that the mechanics are as desired (if there is one payment on the rate change date, it will not be recalculated but if there are two, this second one will be – these are odd exceptions that would have to be managed manually depending on need).

If the date specified by the user is after the last line of the Payment schedule, two Rate change lines will be added at this date with the rate change included.

Exceptional situation: if the rate change is made for a date in the past and the Payment schedule included rate changes after this date, the "Rate change" lines will not be deleted. They will remain in the Payment schedule but the "Rate" column may/will remain unchanged. These lines, that no longer have value, could be eliminated by the user, but with care.

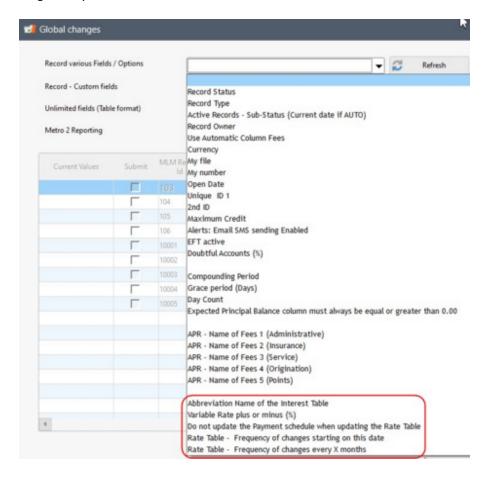
Change in bulk via Global changes

Multiple Records can be updated to reflect an Interest table and/or Margin change as well as the special Rate change frequency option. For example, Records using the old method (pre version 5.5), using a fixed rate or even using a base rate which is no longer used (change from LIBOR to SOFR for example) could all be updated in bulk. This avoids the need

to make Tables/Margin/Method changes Record by Record.

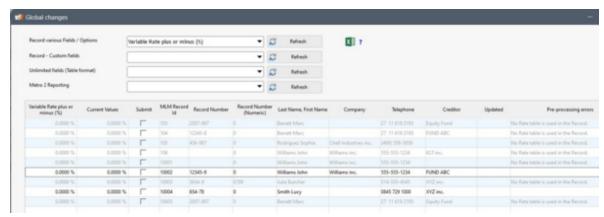
Changes must be done in steps, not in one operation, with Global changes. Below is the order of operations to appropriately modify the Records:

- 1 Abbreviation Name of the Interest table
- 2 Interest rate Margin (%)
- 3 Frequency of changes starting on this date
- 4 Frequency of changes every X months



So, first, include the Abbreviation of each of the Interest rate tables and then "Save". Then, if a Margin is to be included, enter the percentages (or use an Excel sheet) then "Save". If necessary, do step 3 above followed by step 4.

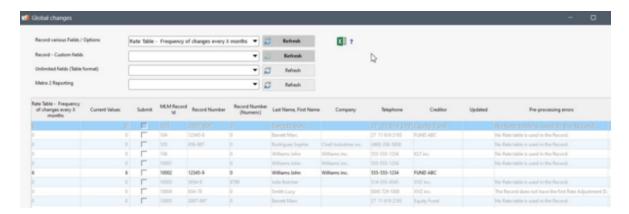
The Rate table Abbreviation name must absolutely be specified in order to be able to modify the Margin and the Frequency of the changes. Records that are not associated with an Interest table will be grayed out. The "Pre-processing errors" column will indicate that No Rat table is used in the Record, thus cannot be updated. This does not mean that the Abbreviation must be re-entered every time with Global changes. If an Interest table is already present you can simply change the Margin without needing to go through step 1 above.



The Margin can only be added to two of the Records above (in black) since no Rate table is specified for the others

If an Interest Table was included by default for creating new Records (this default is by user, not system wide) but a different Table was specified in Global changes, the default Interest table would be ignored and the new Table would be used.

Please note, if you wish to add or modify a "Frequency of changes every X months" via Global Changes, only Records containing a first Rate Adjustment Date may be modified. IF not date is included, the Record will be grayed out and the "Pre-Processing Errors" column will specify that "The Record does not have the first Rate Adjustment Date". You will then have to go through step 3 (adding the first Rate Adjustment Date) before going to step 4.



IMPORTANT: Once Global changes are made, no updates to the Payment schedule rates will occur, nor any recalculations performed until a Trigger has been activated. The Records will simply include the information that an Interest table is associated (and other settings related to the Interest table - Margin, Update Method).

The Trigger could be manual (Trigger 1 above) or, in order for all Schedules be updated with the new rates (and recalculations), the Interest table(s) will need to be updated by entering an interest rate (Trigger 2 above). The rate entered in the Interest table could be unchanged and entered on the current date simply to trigger the Payment schedule update.

Changing the interest for multiple records in one operation

If you wish to change the interest rate for multiple loans at once without using the automatic rate change options, tools were created to quickly update all the desired Records with the desired interest rate.

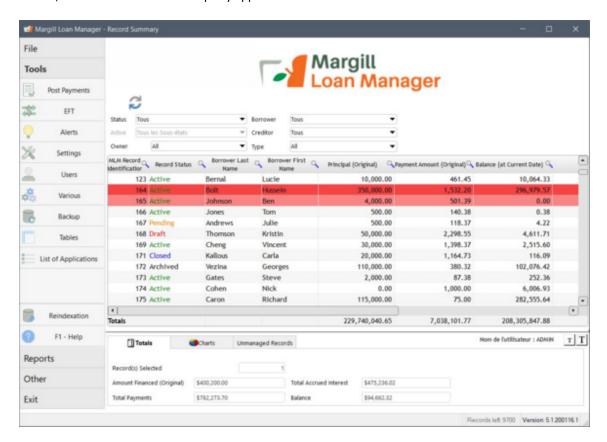
See Changing the interest for multiple Records in one operation in the "Payment schedule (Amortization, payment)"

chapter, Adding or changing interest rates in a Payment schedule section.

Record Summary Window (Main)

The Main Margill Loan Manager (MLM) window, known as the "Record Summary" window provides the user with a global view of all Records in the system. It is by this window that:

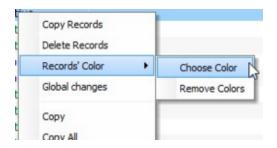
- New Records are created;
- Multiple Records can be opened simultaneously;
- Existing Records may be updated, changed, deleted;
 - O Change the interest rate of multiple Records at once
 - Make multiple changes with the <u>Global changes</u> (most important module)
- New Borrowers, Creditors and Employers are created and edited;
- Various <u>Tools</u> accessed (<u>Post payments</u>, <u>Electronic Funds Transfers</u>, <u>Alerts</u>, <u>MLM Settings</u>, <u>User Administration</u>, <u>MLM Backup</u>, <u>Interest rate table creation and update</u>, <u>Sales tax table update or new rate</u>, <u>User Guide</u>);
- Records are chosen to Report on;
- Other calculations available (nominal/effective rate converter, date calculation, sales tax calculation);
- Totals for monetary or numeric fields for the Records displayed can be seen;
- Search tool for Records using various criteria with the magnifying glass
 and <u>full database Search engine</u>;
- <u>Filter</u> Records
- Assign a <u>color code</u> for special loans and sort by this color;
- <u>Dashboard</u>;
- Sending <u>Emails and SMS to Borrowers</u>;
- <u>Unmanaged Active Records</u> can be consulted quickly;
- Websites, documents and even third party application can be launched.



The font size of the Record Summary window may be increased with the Alt shortcut or decreased with Alt or with the icons to the lower right of the window.

Column widths may be changed, column order changed, columns hidden and data sorted, displayed or searched:

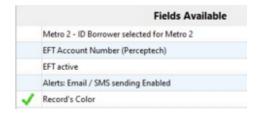
- To change the width of a column, click on the vertical line that separates the columns and widen or reduce with the
 mouse.
- To change column order, click on the column header and drag the column with the mouse.
- To hide or display a column, right click with the mouse on any header, then uncheck the column title(s). To add new columns from among more than 900 fields, see <u>Displayed column selection and order</u>.
- To sort the data, click on the desired header. Sorting can be done on 2 to 3 columns by pressing on Ctrl and the column headers. See Shortcuts or F2.
- See also <u>Displayed column selection and order</u> and <u>Search tool</u>.
- The Administrator can allow <u>Users</u> to highlight special loans and assign different colors to these. Select the Record(s) in the Main Window, right mouse click, then choose the "Records' Color".

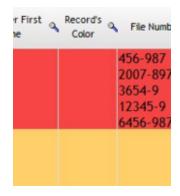






It is also possible to sort by Record color with the "Record's Color" field. To do this, go to Tools > Settings > User Settings > Record Summary Window > General tab > Record's Color. An empty column will appear in the Main Window and sorting will be from red to pale violet and vice versa. To find ou more about how to apply filters for the color, consult the <u>Display Filters</u> section.

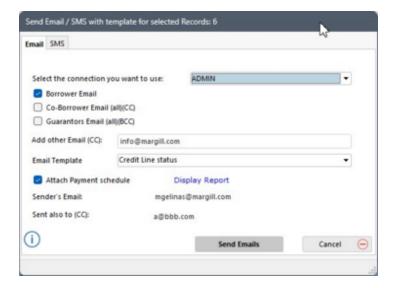




• Mass sending of Emails and SMS can be done via the Main Window. To do this, select the Record(s) to whom to send an Email/SMS and right click on the mouse. Choose "Send Email / SMS":

This window will appear allowing you to choose among the following options in order to send Emails/SMS to

Borrowers and/or Co-Borrowers (carbon copy - cc) and/or Guarantors (blind carbon copy - bcc) for the selected Records. The Payment schedule can be added in a PDF format as an attachment (emails only). See Reports > Emails - Sending automatically or in batch with Template.



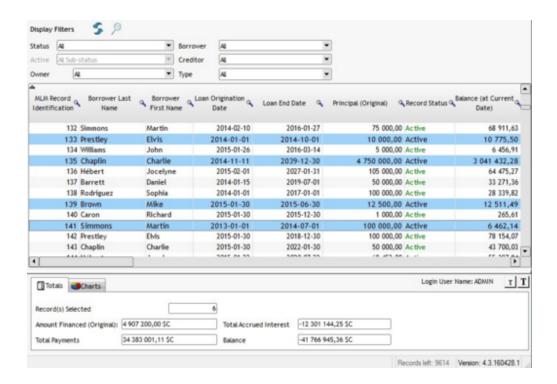
See also <u>Displayed column selection, name and order</u> and <u>Database Search engine</u> under Useful features > Search Tools.

Most fields (over 900, custom fields and <u>Mathematical Equations</u>) contained in MLM can be displayed in the Record Summary window. To choose the fields, go to Tools > Settings > User settings tab > Record Summary window section > click on "Displayed Fields". You will then be able to change the default fields displayed and choose the ones that are to be displayed in this window. See the next section <u>Displayed column selection and order</u> and in the <u>Reports</u> chapter the <u>Fields</u> that can be displayed.

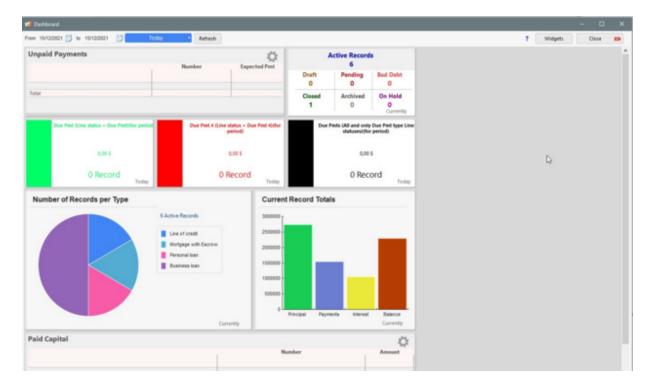
See also **Display Filters** in the current chapter.

The bottom half of the window provides a quick view of the selected Records. To choose all Records, use "Ctrl-A" (select all). To choose non-contiguous Records use the "Ctrl" key and the left mouse click.

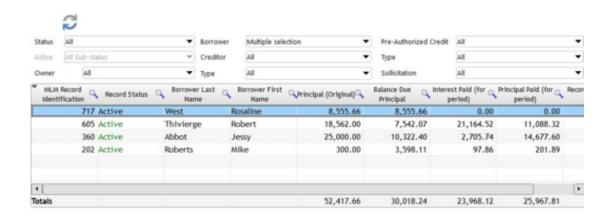
The number of Records, total starting principal, total payments, total interest and the **end balances** are indicated. For much more detailed data, including hundreds of reporting fields with calculations done at various dates, consult the <u>Reports</u> section.



The Dashboard tab provides a portfolio overview and trends with various standard and customized Widgets. See Useful Features > <u>Dashboard</u> for more details on how to use this tab.



In addition, it is possible to see the totals for the displayed Records in the Main window. They are available for monetary, numeric and whole number fields, including custom fields.



Please note that the totals reflect all of the displayed Records and not only the selected Records as is the case in the lower part of the window:



It is possible to hide the totals shown at the bottom of the columns and the displayed totals at the bottom of the window (for example, if you do not wish your employees to see an overview of your portfolio too easily). To do so, go to Tools > Settings > System settings (Administrator) tab > General Settings section:

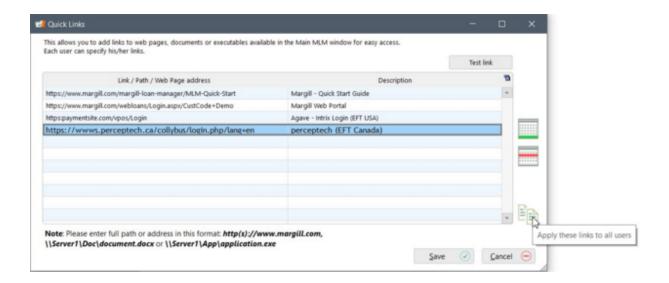


You have the option to hide or display totals for all users or to display these only for Margill Administrators.

With "Quick Links", you can access a web site, a document or even launch an application that would be pertinent when using MLM.



To add, modify or delete links, go to Tools > Settings > User settings tab > Quick Links. Add links with this button Enter the link or path according to the instructions in the "Note":



Before saving the link, test the link by clicking on

Test link

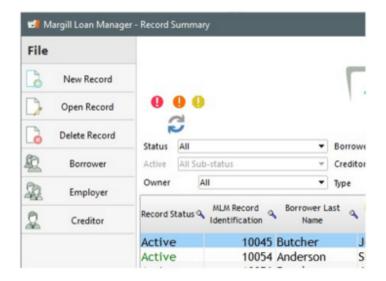
The button allows the Margill Administrator to copy links for all users. If the Administrator uses this button, other users' existing links will be replaced. A user can also replace or delete the links that were configured by the Administrator.

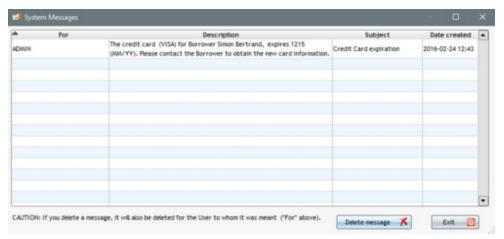
To delete a link, use this button:



Problems with the red icon (CRITICAL problems) • must be resolved quickly since these are often related to the pre-authorized payments.

The warnings cover irregularities for <u>Electronic funds transfers</u>, credit card expiration dates, <u>Alerts</u> and notices about Borrowers' exceeded <u>credit limits</u>.





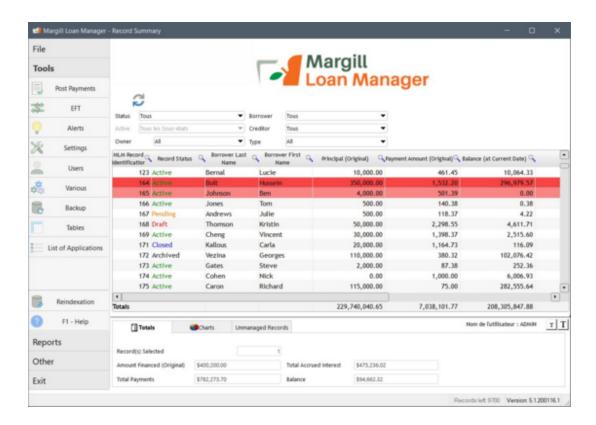
See System Warnings

It is possible to open multiple Records at the same time. This makes it possible to compare two or more Records side by side. A maximum of four Records can be opened by a user at a time.

The Payment schedule presentation settings will be those of the last closed window when multiple windows are open at the same time. To change the order of the columns or to hide certain columns, it is therefore suggested to open a single Payment schedule window, to adapt the presentation and to close. This presentation will become the default presentation for this user.

Displayed column selection, name and order

The Margill Loan Manager (MLM) Record Summary window (Main window) provides a snapshot of the user's portfolio as seen below. Various loan information will be displayed in the table. A scroll bar appears to see all the data available to the right.



Choosing the fields that appear in the window

Most fields (over 900, custom fields and <u>Mathematical_Equations</u>) contained in MLM may be displayed in the Record Summary window. This choice is made by individual users according to his needs and thus is not exclusive to the Administrator.

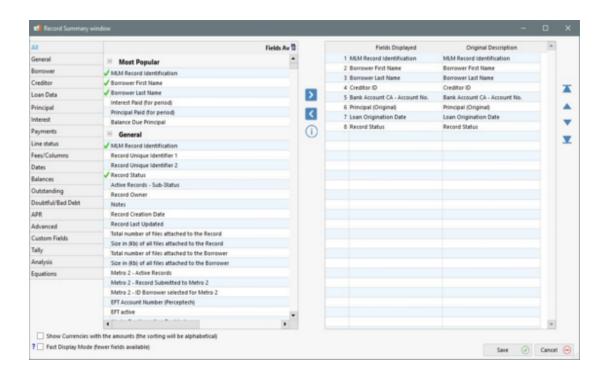
To choose the fields, go to Tools > Settings and under "User settings" click on the "Record Summary Window" button

"Displayed Fields"

. You will then be able to change the default fields displayed and choose

the ones that are to be displayed in the Main MLM window. The fields are classified by theme.

See descriptions for each field in the very important <u>Reporting Fields</u> section (Reports chapter). The descriptions are also available with a mouse-over the field in MLM.



Some fields appear by default . To add fields to the Main MLM window (Record Summary), choose (highlight) the

field or fields (Press "Shift" or "Ctrl" and the mouse) then click on the arrow pointing to the second column may also be added by double clicking on the desired field with the mouse). The fields will be copied to the second column and will be displayed in this same order in the Main window.



To remove a field from the Record Summary, select, in the second column, the field or fields to remove and click In the example below, the field "Creditor Name" will no longer appear in the Record Summary window.



Upon clicking twice on a field, the field will be added (left column) or deleted (right column).

Once the field has been added in the right column, the user can rename the fields by clicking on the names in the "Fields Displayed" column. These changes will only affect the Record Summary window for this user. All other menus in MLM will keep the same original names.



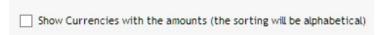
The default column display order in the Record Summary window can be modified by clicking on the arrows to the right of the second column.



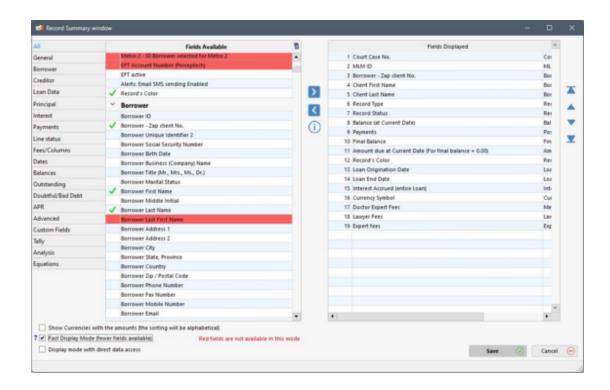
The arrow will move the selected field to the top (will be the first column to appear in the Record Summary

window) and the arrow will move the field to the bottom (will be the last column to appear in the Record Summary window). The fields' order can also be changed directly in the Record Summary window by moving the columns manually.

It is recommended not to check the "Show currencies with the amounts..." box since if the currency symbol is shown, amounts will no longer appear as numbers, but as text. Thus, sorting will be done based on a text method as opposed to the normal number-based method which we are used to. For example, when sorting from smallest to greatest, \$100,250.00 would appear before \$131.00 since the second number that appears is 0 in the larger amount and 3 (1"3" 1.00) in the latter.



For larger databases (more than 1000 loans), it is possible to significantly speed up the refresh speed for the Records in the Main Window by checking "Fast Display Mode (fewer fields available)" or the "Display mode with direct access", this mode being almost instantaneous for populating the Main window.



Fast Display Mode

When "Fast Display Mode" is checked, data display in the Main window is greatly accelerated. However, there are fewer fields available in order to reduce calculation time. This is the ideal display mode for databases with over 1000 Records or when the network speed is not optimal. If you had selected fields for the "Normal" display method while in the Fast Display Mode, the fields that are not available will appear in red in your list and will simply be ignored when displayed. You can go from one mode to the next any time without th need to change your field selection.

Please note that when using this mode, MLM will not take into account Co-Borrowers, Guarantors and Creditors 2, 3, etc., when applying the display filters, or when searching in the Records of the Main window. Only the Borrower and the first Creditor will be considered among the search criteria for a Record.

For example, the filter below will only display the Records in which Marina Thatcher is Borrower but not if he is Co-Borrower or Guarantor. However, in regular mode display, all the Records in which Marina Thatcher "participates" are displayed.



Direct Access Display Mode

This mode displays data much faster than Fast mode.

Will be documented soon.

Many data are available at the current date that are calculated daily and viewed in the Main MLM window:

- Balance (at Current date)
- Interest Accrued from last payment Paid (at Current Date)(0.00 if no payment)
- Interest Accrued from last payment Paid (at Current Date)
- Interest Accrued from last payment Paid/Unpaid (at Current Date)(0.00 if no payment)
- Interest Accrued from last payment Paid/Unpaid (at Current Date)
- Outstanding Total (Balance)(at Current Date)
- Active Records Sub-Status (Current date if AUTO)
- Various Ageing Balances (0-29 days, 30-59 days and the usual ageing periods)

See descriptions of each field in the very important Reporting Fields section (Reports chapter).

You may include these fields by using the above instructions. This extra data requires more processing time and thus may result in slower display time.

Of particular interest:

The "Interest Accrued from the last payment Paid/Unpaid (at Current Date)" (many variants) may also be displayed. These data are interesting to quickly inform a Borrower how much is owed in Principal ("Balance Due Principal" should be displayed) and the amount of interest accrued since the last paid or unpaid payment.

Fields at "Current date" reflect reality, as of today, unless the loan is terminated, in which case data from the last line of the Payment schedule will be displayed. If there is a balance on the last line of the Payment schedule, in order for the interest calculation to continue over time, an "Information" line, with a payment of 0.00 should be added at the end of the Payment schedule and a far away date inserted as the Payment Date (for example 2030-01-01). Adding such a line simply keeps the accrued interest calculation going and has no "dangerous" effect on the loan.

Making changes in the Record Summary window

Once the fields are selected, the user may decide to change the data displayed for each Record in the Record Summary window by right clicking on any of the headings. "Select columns" will appear allowing you to uncheck unnecessary data.



Even once the initial column order is chosen (see above), MLM allows you to change this order directly in the Record Summary window. The important information for you may thus appear in the first columns that can be seen easily without scrolling.

To do this, simply select the column heading that should be placed elsewhere and drag the column to the left or right.

This method is not as efficient as using the Settings > User settings. In large databases, columns hidden by "Select columns" are still loaded in the Main window, requiring additional display time unnecessarily.

Display Filters

Various data Display filters are available in Margill Loan Manager:

1) Main Display filters

- i) Display with only one field
- ii) Display with multiple fields
- iii) Display filters using Custom fields
- iv) Display filters using Record Colors

2) Column header Display filters (that act as a search tool)

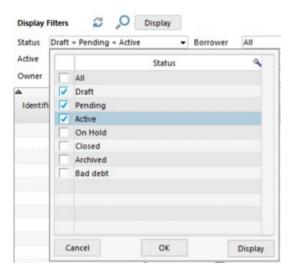
1) Main Display filters

The Display filters, at the top of the Record Summary window, display the Records based on various criteria and a combination of these (thus progressively reducing the number of Records displayed):

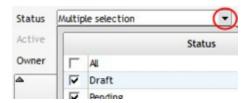
- Status (Record)
- Sub-statuses(Ageing) for Active Records only
- Record Owner
- Colors
- Borrower
- Creditor
- Record Type (a scroll menumust be defined for this field)
- Six (6) optional filters based on Record Custom fields



Filtering also allows to choose multiple data elements and multiple fields to display the desired Records (example: display Draft, Pending and Active Records):



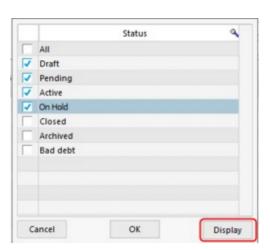
To display multiple data to display, click on the arrow in order to show the scroll menu.



Display

i) Display with only one field

If only one display field is required, check the data to display in the Main window and click on

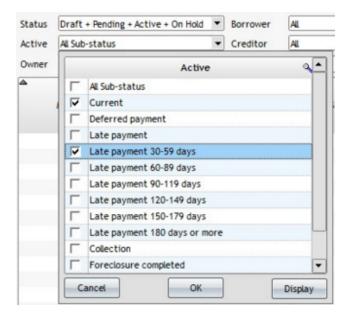


ii) Display with multiple fields

If multiple display fields were required, check the data to display and click on user will then be able to select other display fields.

In the example below, the Record "Status" (Draft, Pending and Active) were previously selected followed by the "OK"

button. Before the "Status" filter is activated, the user will add some other Record "Sub-statuses". By pressing "Display", the selected "Statuses" and the "Sub-statuses" will be displayed.



It is therefore possible to select several filters before clicking on command is activated and only the corresponding Records, based on the selected criteria, will be displayed in the Main window.

An additional "Display" button is available at the top of the Main window next to the magnifying glass when several fields have been selected if the user has not yet updated the Records to be displayed (thus has only clicked on the "OK" button without pressing "Display").

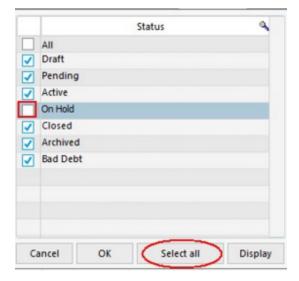


By clicking on the button, the user deletes the latest selections made and by default, MLM resets the menu to the previous selections.

When multiple data criteria are selected, MLM attempts to list them in the field window, separating the selected data with the "+" sign, but when space is insufficient, "Multiple selection" is displayed.



Tip: You need to select numerous criteria for one filter? By clicking on the "Select all" button, all the criteria from the list will be selected. Then you can uncheck the criteria that are not needed by unchecking each.



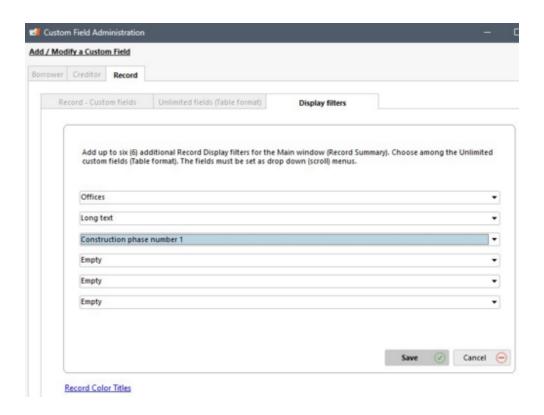
iii) Display filters using Custom fields

The Administrator can set up to six (6) Custom fields which can then be used as display filters in the Record Summary window. Once created, these filters will appear to the right of the window. By default they do not appear.



For Filters to appear, they must be configured: Tools > Settings > System settings (Administrators) > Custom Fields. A <u>Custom field</u> must first be assigned to the Record (as opposed to the Borrower or Creditor) and include a scroll menu.

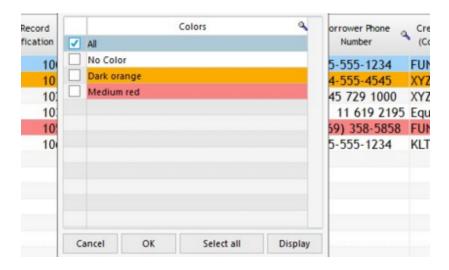
Record Custom fields with a scroll menu will be included among the choices of six menus that allow the user to select the fields to be used as filters. By default, the six menus are set to "Empty". Select the field and press "Save". The Filter will be displayed in the Main MLM window.



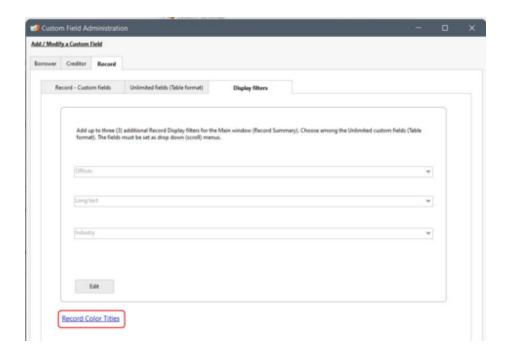
A custom Filter may be changed at any time. Note however, that ALL users will have the same filters. The configuration is not per user, but system wide.

iv) Display filters using Record Colors

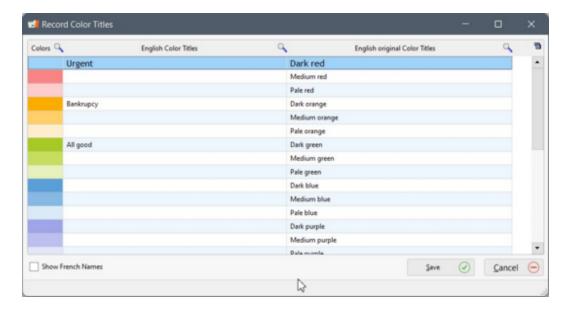
Only colors used as Record colors will be available in the Color filter list. In the example below, only two colors among the 30 available are displayed, since they are the only two used in the database so far.



The Administrator can rename the Color for a more descriptive name (color label), for example "Dark red" renamed as "Urgent". To do so, click on "Color Titles of Record" under Tools > Settings > System Settings (Administrators) tab > Custom Fields (located here since some filters are in this section) > Record tab > Display Filter tab:



This window will appear:

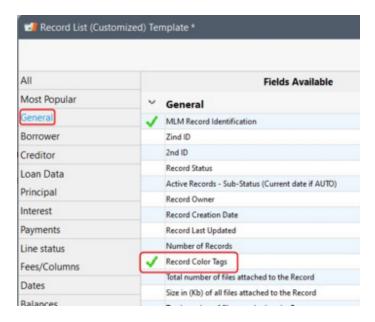


Simply enter a custom name in the "English Color Titles" column and save the changes. It is possible to designate Color Titles in English and French, depending of the language used in the settings. Simply click on the "Show French Names" option to access this:



If no color Title is entered by the Administrator, default values will be displayed:

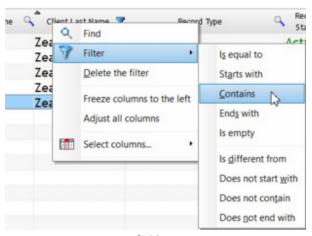
Color Names (labels) are available for producing "Record List" type reports under the "General" theme and the field name "Record Color Tags":





2) Column header Display filters

These filters, available with the right mouse click, also act as data search tools:



Text field options

See the <u>Search Tools</u> section in the Useful Features chapter.

Data not found

There may be several reasons why a searched item is not found:

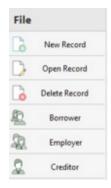
- Make sure all Display Filters are at "All".
 - Note: In the image below, the three Filters (up to six are available) on the far right are custom fields defined by the user.



• If either option "Can only see own Records" or "Can only see own Borrowers/Employers/Creditors" is checked (Tools > Users), that user will only see the Records (Loans) and Borrowers/Employers/Creditors for which he is Responsible/Creator. This substantially limits the results.



Only Creditors, Borrowers, Employers and Loan Officers (Creditor loan officers) that have loans will be displayed in
the Record Summary window (provided of course that the user has included this data in the window, see <u>Displayed</u>
column_selection_and_order). A Borrower for example may be registered in the system but not have any loans
associated with him. So, to find a Borrower (Creditor, Employer or Loan Officer) or any data connected to him, go to
the desired list under "File" and then choose among one of the three choices: Borrower, Employer or Creditor.



A search is performed exactly the same way as in the Record Summary window by sorting by column or using the magnifying glass. All fields connected to a Borrower or Creditor, including custom fields are included in each list.

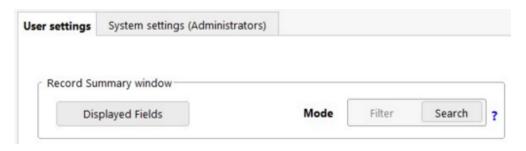


When MLM is used in a multi-user environment, the "Refresh" button, refreshes the window to include the latest changes made by other users.

Search Mode

Margill Search mode allows users to display only relevant Records according to multiple criteria. This is usually used only for larger databases (more than 1000 Records).

To go from "Search" mode to "Filter" or vice-versa, go to "User Settings" and choose the desired mode:



Search Mode Configuration

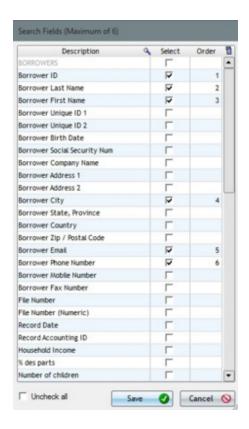
Perform a Search

Search Mode Configuration

For the initial configuration, click on "Search Fields".



In the "Search Fields" window, you can select up to six (6) search criteria by checking the "Select" box.



Besides the regular fields, custom fields (only <u>Custom fields 1 to 9</u>) may also be included in the search fields selection.

Please note that the following fields are excluded from the selection:

- Custom fields with drop down menus;
- <u>Unlimited Custom fields (Table format)</u>.

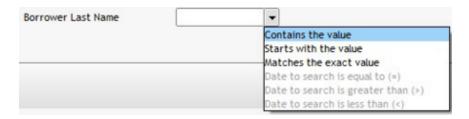
Enter the number sequence in the "Order" column and click on "Save" to establish the order in which search fields will be displayed in Search Mode.



Six (6) choices are available:

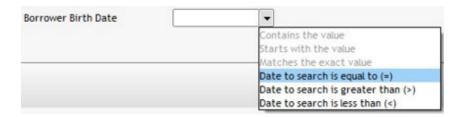
- "Contains the value"
- "Starts with the value"

"Matches the exact value"



For date fields:

- "Date to search is equal to (=)"
- "Date to search is greater than (>)"
- "Date to search is less than (<)"



With the mouse over the icon , the user can see which type of search fields have been configured:



Perform a Search

A search can be performed on one or many fields at a time. If data is entered in several search fields, the search tool will find Records that include each of this search data.

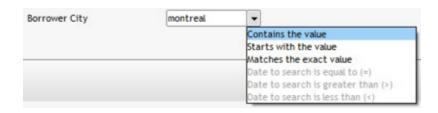
The tool will add "AND" in between search fields.

For Borrowers and Creditors: Borrower search fields will find all Records associated with this Borrower even if he is a Co-Borrower or a Guarantor.

Same goes for Creditors when several Creditors exist in a Record.

Be careful! Search fields are case-sensitive (except first and last names). If you are not sure about some data's spelling, select "Contains the value" as opposed to "Matches the exact value".

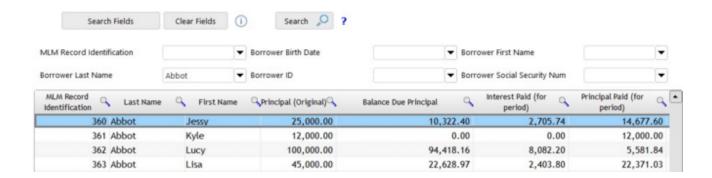
For example, if "Montreal" and "montreal" (capitalized and non capitalized) were entered in the database, you will have to choose "Contains the value" in order to get all the data related to these two (2) criteria:



Search Examples:

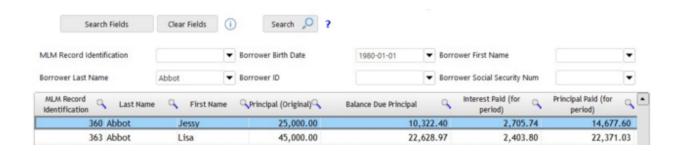
In order to find all clients named "Abbot":

- Enter "Abbot" in the "Borrower Last Name" field and select the "Matches the exact value" criteria in the drop down menu;
- Click on



To find all clients named "Abbot" born after January 1st 1980:

- Enter "Abbot" in the "Borrower Last Name" field and select the "Matches the exact value" criteria in the drop down menu:
- Enter the date in the "Borrower Birth Date" field and select "Date greater than (>)" "01-01-1980" in the drop down menu;
- Click on Search :



Record Window

Record Window contents

What is a Record?

Record Data

Changing the basic loan data in a Record Doubtful accounts

Borrower (Client) information

<u>Co-Borrower</u> <u>Guarantor</u> <u>Security (Guarantee)</u>

Creditor (Lender)

<u>Loan officer</u> <u>Participation loans</u>

Credit Report

Annual Percentage Rate (APR)

Alerts (Record specific)

Advanced functions

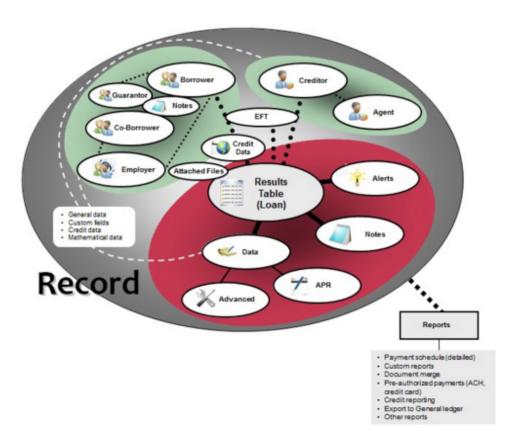
Notes

Print

Attach

What is a Record?

In Margill Loan Manager (MLM), a Record is made up of a number of elements that, depending on your particular needs, may or not contain data.



Components

- Record Data all basic loan information such as the loan identifiers, the original loan amount (principal), the interest rate or rates, the number of payments and their frequency, the payment amount, the maximum credit allowed and if there is an allowance in case the loan is doubtful.
 - If a <u>variable_interest_rate</u> table is used, the interest table is first associated with the Record, but once the Payment schedule is created, the interest table itself is no longer required. Even if the interest table is updated, the interest rates in the Record are not automatically updated. It is nevertheless possible to update rates in the Payment schedule directly or to update multiple loans at once through the Main window. See <u>Adding or changing interest rates in a Payment schedule</u>.

To each Record is linked:

- Borrower, Co-Borrower and Guarantor information (including custom fields and credit data for this Borrower, Co-Borrower or Guarantor).
 - An Employer may be assigned to each.
 - Notes, <u>Attached documents</u>, <u>Maximum credit</u> and <u>special Notes</u> (automatic warnings about this *actor*) can also be included for each.
- Data linked to the <u>Credit report</u> can also be included.
- <u>Creditor information</u> (one or many) (including custom fields of this(ese) Creditor(s))
 - A Loan Officer may be assigned to a Creditor.
 - Many Creditors may "own" a loan (participation loan).
- <u>Custom fields</u> (for the Record (the Loan) itself).

- Annual Percentage Rate (APR) information (fees and points associated with that Record).
- "Advanced"_loan_settings such as interest calculation method (compound, simple interest or simple interest (capitalized), Day count, short period method between the Origination Date and the First Payment Date, number of weeks in a year.
- Alerts allowing you to be advised that tasks must be done on a specific date.
- At the heart of it all, is the <u>Payment schedule</u> (amortization schedule).
 - O A variety of reports can be calculated based on the Payment schedule or on other data.
 - <u>Electronic Funds Transfer</u> may be entered in a Payment schedule for automatic payments by ACH (electronic bank account debit) or credit card.
- <u>Documents (files) may be attached</u> to a Record via the Data window.
- Notes allow the user to include, from any Record window, notes pertaining to the Record. The first line of these
 notes can also be displayed in the Record Summary window see <u>Displayed column selection and order</u>. Notes can
 also be consulted, edited and new notes inserted with the <u>Alerts</u> module.

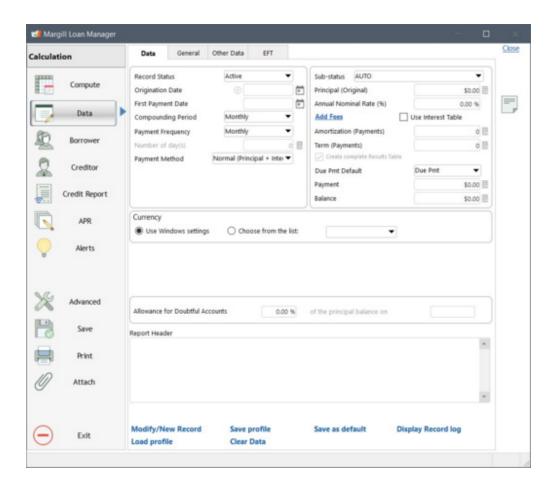
A Record may be <u>saved</u> and updated over time as the true payment scenario evolves (paid, unpaid, late, partial payments, etc.).

Record Data

The "Data" window is the first step in producing the detailed payments table. Loan details are included in this window to produce a normal, regular loan.

If a more complex loan is to be created, this first window should first be filled in with preliminary data and the exact payment details customized in the "Payment schedule" once the "Compute" button has been pressed.

See also "Fundamental principles of operation".



The "Data" window includes mathematical and other data to describe the loan itself. The window contains four tabs, each providing information of different nature:

- "Data" tab
- "General" tab
- "Other Data" tab
- "EFT" tab (Electronic Funds Transfer)



"Data" tab

The "Data" tab contains the most important data for a Record:

Record Status: A Record will be assigned one of the following seven statuses:



"Active" Records also include multiple Sub-statuses to identify Records with payments that are current, late or that meet other criteria. This data is often required by <u>credit agencies</u>. The various sub-statuses are identified below as well as the corresponding collection agency Metro 2 format codes:

Name	Metro 2 Code
AUTO	-
Current	(0)
Deferred payment	=
Late payment	-
Late payment 30-59 days	(1)
Late payment 60-89 days	(2)
Late payment 90-119 days	(3)
Late payment 120-149 days	(4)
Late payment 150-179 days	(5)
Late payment 180 days or more	(6)
Collection	(G)
Foreclosure completed	(H)
Voluntary surrender	(1)
Repossession	(K)

By default, a loan sub-status for a Record is "AUTO". This means the sub-status is calculated and updated automatically taking into account the outstanding amounts and the dates of the unpaid payments. Static choices, which are not updated automatically, are available in the scroll menu. For the calculation of ageing payments, see Ageing of Accounts.

These sub-statuses are also displayed in the Main window (Record Summary).

The "Active" status is required for certain tools and reports: <u>Payment_update (Post_payments)</u> and <u>Export_accounting transactions_to_the_General_Ledger</u>. For these tools and reports, only "Active" Records are included in the results provided.

If "Bad Debt" is selected, to the right will appear "Date of bad debt" in red. This will serve to produce a Bad debt report with the balance of the loan on that date or on the previous payment.



Origination Date: Date at which the loan (or other financial instrument) starts. In the calculation, the Origination date is included in the calculation and the final date is <u>excluded</u>.

The date format to use will appear at the bottom of the window:

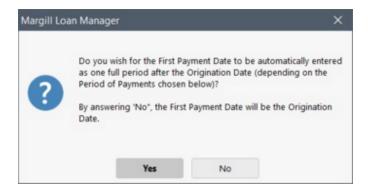
Format --> DD/MM/YYYY

This date format may be changed in the Windows Control Panel.

The date may be entered manually or with the calendar
at the right of the field.

First Payment Date: The First Payment Date can either be the date at which the first payment is made by the Borrower or when **any other event** occurs such as a second loan or cash outlay (represented by a negative amount in the Payment schedule).

• The First Payment Date can be entered automatically as exactly one Payment period after the Origination Date (click on on the right of Origination Date in the Data window). For monthly payments, for example, the first payment entered automatically would be entered one month after the Origination Date:



Compounding Period: The Compounding Period only applies to normal (compound) interest loans.

This will be gray and cannot be changed when Simple Interest or Simple Interest (capitalized) (see Advanced functions) is chosen.

If a weekly, biweekly or "every 4 weeks" compounding period is chosen, MLM may be adjusted for weekly compounding 52, 52.1428 or 52.2857 (or 51.4286 for a 360-day year) times a year in the <u>Advanced functions</u> window.

Mortgages

To calculate mortgages in: United States, England, Australia, Hong Kong, South Africa, France, Luxembourg, for monthly payments, the compounding period should be **monthly**.

In Canada, the compounding period should be semi-annually.

For other countries or other unusual mortgages, consult a mortgage professional.

Payment Frequency: Specify the frequency at which the payments are made.

If a loan is to be totally or partially irregular (for example, a <u>line of credit</u> or an special loan), chose "Irregular". This will create a Payment schedule with only one line in which dates and payments (or negative payments) may then be added. A one-line schedule will be created unless payments are entered in the preliminary irregular payments window (see "<u>Irregular Payments</u>' box below).

Annually
Semiannually
Quarterly
Monthly
Twice monthly
By day(s)
Irregular

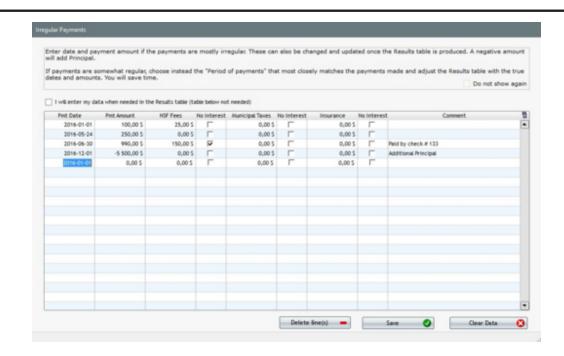
Important: MLM considers a loan to be finished on the last line of the Payment schedule and thus, data after this last date cannot be obtained. In order to obtain the loan balance and other financial data over time, even if no payments are made, it is suggested to create a *dummy* payment of 0.00 (Line status "Information") a few years later (in the year 2025 in example below).



For a partially irregular loan, to create a table faster than with the "Irregular" choice, chose the closest payment period and then adapt the table afterwards.

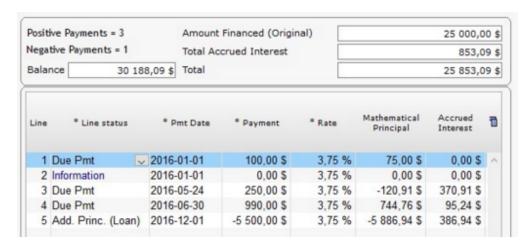
Irregular Payments

When the user selects the "Irregular" payment frequency, he can, without having to precompute the Payment schedule, enter irregular payments by adding payments in the Irregular Payments window. The data entered in this table may be changed in the Payment schedule afterwards. A negative amount entered here will add Additional principal.



This window also allows to add irregular <u>Column Fees</u> (up to six types). These Column fees can be added later in the computed Payment schedule

Irregular payments Payment schedule based on the pre-filled table above:



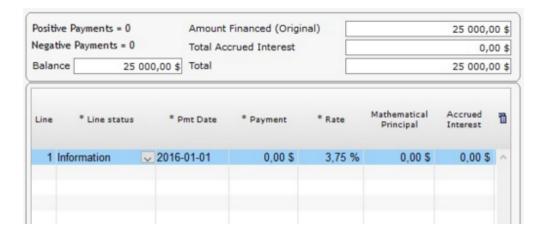
Entering payments in this table is optional since the data can also be updated directly in the Payment schedule that will be created ("Compute" button) by checking this:

✓ I will enter my data when needed in the Results table (table below not needed)

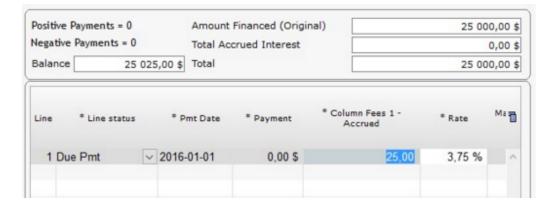
With this selection, the Payment schedule will be produced taking into account the Start Date, the First Payment Date, the original Interest Rate only (if variable rates), the Compounding Period, the Principal and the Payment amount (first payment, optional).

After entering the Principal and the Payment amount (optional), press Compute (F5).

The Payment schedule will thus be created. It will contain only one line whose Line status will be "Information" (or "Due Pmt" if a Payment amount was entered).



If the user wishes to manually add Column Fees, on this line of the Payment schedule, he will have to select the "Due Pmt" Line status (or other compatible Line status (with an amount of 0.00 in the "Payments" column).



The customized Payment schedule can be created by inserting new lines containing the corresponding dates and payments.

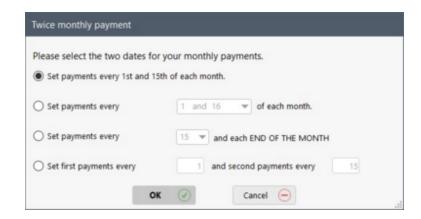
The Number of payments (Amortization) and the Balance can not be specified with this option.

If "By day(s)" is chosen, the "Number of days(s) becomes an editable field. The frequency of payments, expressed in days may then be included. If a payment is to be made weekly, specify 7 (for 7 days in a week), if every two weeks, then 14, etc. Any number may be chosen.



If a 7, 14 or 28-day payment period is chosen, MLM may be adjusted for weekly payments made 52, 52.1428 or 52.2857 (or 51.4286 for a 360-day year) times a year in the <u>Advanced functions</u> window.

For "Twice monthly" payments, a window will provide you the option to chose the repayment dates during the month.

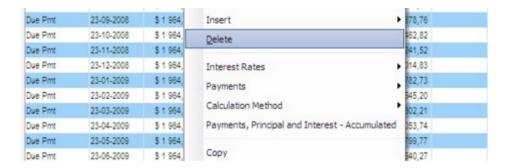


Thus, "Twice monthly" payments can be scheduled on any dates of the month as shown in the last option in the window above.

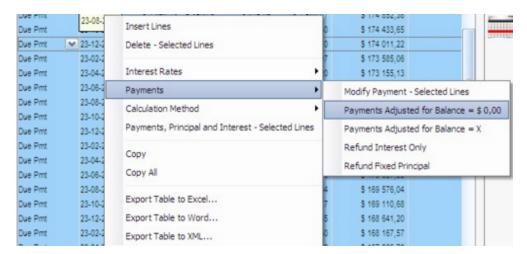
If payments are to be made every other period (for example every two months) choose monthly payments, produce the Payment schedule and in the schedule use the "Alt 2" shortcut. This will choose every other line. Delete the highlighted

lines with

or with the right mouse click:



Then right click with the mouse to recompute the payments:



The same method applies for other unusual payment periods. Use the "Alt L" <u>shortcut</u> to choose every x lines, delete lines and recompute.

Number of day(s): See "Payment Frequency" above.

Payment Method: The Payment Method allows you to choose among the five payment methods below for the entire duration of the loan. Nevertheless, in the Payment schedule, the payment method may be changed for any number of lines so that, for example, a loan may have interest-only for x periods then a normal reimbursement (interest and principal) afterwards.

Normal (Principal + Interest)
Interest Only
Fixed Principal
Rate Adjusted Payments
Payments set to 0.00

"Norma (Principal + Interest)!" will calculate the precise payment to refund interest and column fees (the case being) and the balance going to the principal.

 If the "Display 'Behavior' option when creating a new Record (Automatic recomputation if payment amount)" is activated (Tools > Settings > User settings > Options: Interest-only and Fixed Principal),

✓ Display "Behavior" option when creating a new Record (Data windows) (Automatic recomputation of payment amount)

the "Add Behavior" check box will appear. If this box is checked, payments with "Due Pmt" type Line statuses will be automatically recalculated taking into account the upstream activity (previous unpaid, partial payments, added principal, etc.) in order to arrive at a final balance of 0.00 or other amount.

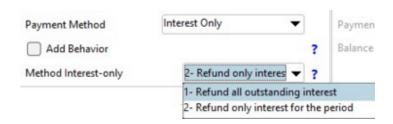


"Interest-only" will only refund the interest and Column fees, leaving the balance unchanged as long as the <u>Refund order</u> remains the default order (where interest is paid before principal).

If the "Display 'Behavior' option when creating a new Record (Automatic recomputation if payment amount)" is activated (Tools > Settings > User settings > Options: Interest-only and Fixed Principal), the "Add Behavior" check box will appear. If this box is checked, payments with "Due Pmt" type Line statuses will be automatically recalculated to refund interest only, taking into account the upstream activity (previous unpaid, partial payments, added principal, etc.). See Interest-only payments.



If the "Display 'Behavior' option when creating a new Record (Automatic recomputation if payment amount)" is
activated (Tools > Settings > User settings > Options: Interest-only and Fixed Principal), the "Method Interest-only"
scroll menu will be displayed so the user can select the desired refund option for the current Record. See
Interest-only Payments.

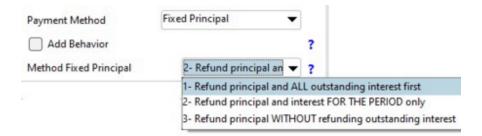


"Fixed Principal" will refund a fixed principal amount.

• If the "Display 'Behavior' option when creating a new Record (Automatic recomputation if payment amount)" is activated (Tools > Settings > User settings > Options: Interest-only and Fixed Principal), the "Add Behavior" check box will appear. If this box is checked, payments with "Due Pmt" type Line statuses will be automatically recalculated to refund the desired fixed principal amount, taking into account the upstream activity (previous unpaid, partial payments, added principal, etc.). See Fixed principal payments.



• If the "Display 'Behavior' option when creating a new Record (Automatic recomputation if payment amount)" is activated (Tools > Settings > User settings > Options: Interest-only and Fixed Principal), the "Method Fixed Principal" scroll menu will be displayed so the user can select the desired refund option for the current Record. See Fixed Principal Payments.



This fixed principal amount to be refunded is indicated in the second column under Principal Payment Amt. MLM will
automatically divide the principal by the number of payments to automatically calculate, unless otherwise wanted,
the fixed principal amount.



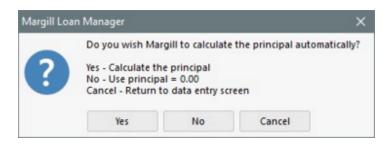
"Rate Adjusted Payments" can only be used with an interest table in which the rates change, for an <u>adjustable rate</u> <u>mortgage (ARM)</u> for example. This will compute the adjusted payments based on the interest rate and column fees (the case being) in force throughout the loan period. In a normal scenarios (see <u>Refund order for Interest, Fees and Principal</u>) the interest is always first repaid and the balance of the payment will refund principal.

"Payments set to 0.00" allows the user to create a Payment schedule that include lines on desired dates with payments of 0.00 ("Information" Line statuses).

Date of bad debt (seen only when File Status is "Bad debt"): See "Record Status" above.

Principal: The original loan amount should be indicated here. If the loan consists of multiple successive loans, the "Payment" field may contain a negative number sign to include successive loan amounts. If successive loans are irregular, then a normal schedule may be calculated and the additional principal simply added manually in the Payment schedule as negative amounts with one of the "Additional principal" <u>Line statuses</u>.

If 0.00 is indicated as the principal amount, when the Payment schedule is calculated, the following window will appear allowing you to choose whether the principal is to be calculated or if it is in fact 0.00 to start off.

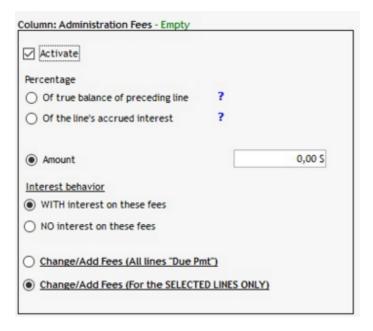


Compute the unknown variable

MLM will automatically calculate the unknown variable among Principal, Annual Nominal Rate, Amortization (Payments) and Payment. Simply leave the unknown amount (very often the Payment amount) blank and it will be calculated automatically.

Annual Nominal Rate (%)(hidden when "Use Interest Table" is checked"): The nominal interest rate should be included here (from 0 to 999.9999%). The nominal rate is the rate quoted and does not factor in compounding. MLM will use this rate and factor in the compounding period entered to obtain the effective interest rate. See also <u>Definitions and Glossary</u>

Add Fees: Allows to add fees, insurance or taxes (hereafter "fees") by Column. Up to six Column Fees can be added. A window will open allowing the user to enter the percentage or the fees' fixed amount:



These fees can also be added or changed directly in the Payment schedule afterwards.

See the detailed Fees, Insurance and Taxes by Column section in the How to do Chapter...

Use Interest Table: If a loan or financial instrument is to use variable interest rates (for example, <u>ARM</u>, <u>post-judgment</u> <u>interest</u>, etc.), check the "Use Interest Table" box. A new section will appear allowing you to choose the rate table to use and to add (or subtract) a percentage rate to this table. See also "<u>Variable rates + or - x%</u>"



Some tables in MLM may include a single fixed interest rate (not variable) such as the legal interest rate for certain countries, states or provinces.

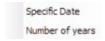
See also, Interest rate tables (variable interest rates).

Amortization (Payments): In this field, include the amortization period of the loan or leave blank if unknown. The amortization period is the full period required for the loan, through its payments, to reach a balance most often equal to zero or some other residual value.

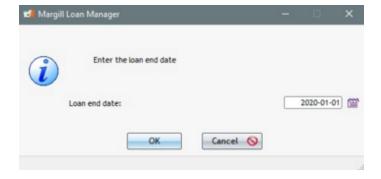
Mortgages often have a 25 year amortization period whereas some loans may have an amortization period of only a few years and equal to the term (see below).

Insert the number of periods in the field - for example a 25 year mortgage would have 300 monthly payments.

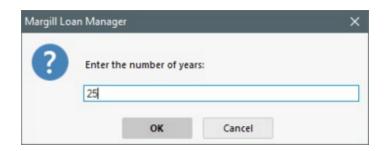
The right mouse click offers other features if the amortization is not specifically known in number of payments:



With the "Specific Date" choice, the window below will open prompting you to enter the end date of the amortization period. Once a date is entered, the number of payments will be calculated in the Data window. Dates must first have been specified in the "Origination Date" and the "First Payment Date".



The amortization can also be specified in number of years based on the "Payment Frequency" (payment frequency).



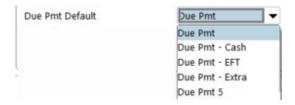
Term (Payments): The term of the loan represents the period for which a loan is granted. For example, a 25 year mortgage may have a term of 5 years, after which the mortgage contract may have to be renegotiated.

The <u>right mouse click</u> offers the same options as for the Amortization period.

When a term that is not equal to the amortization period is entered, the payment amount and the balance at the end of the term will be calculated automatically.

If you do not intend to use this option, you may hide it. See Settings > User Settings Record "Data" window: Display / Hide Loan "Term" and "Due Pmt" Type for more information on this subject.

The "Due Pmt Default" option allows the user to define, when creating the payment schedule, the <u>Line status</u> to be used for the Borrower's future Due payments. Thus, a Payment schedule could consist of "Due Pmt" or be more precise, for example with the Line status "Due Pmt - EFT" for payments to be drawn by Electronic Funds Transfer. Five (5) "Due Pmt" type Line statuses are available and the last four can be renamed.



Take note also that once the Payment schedule is created, it is possible to modify the Line statuses to another type of "Due Pmt" one by one or in batch with the "Ctrl-Alt-Shift-F11" shortcut. You can have Due payments for EFT, cash, by check, extra payment, etc. See "Due Payment" Type Line statuses.

If you do not intend to use this option, you may hide it. See Settings > User Settings Record "Data" window: Display / Hide Loan "Term" and "Due Pmt" Type for more information on this subject.

Payment: Enter the payment amount or leave blank if the payment is unknown. If the payment is unknown and the other loan data is entered, the loan payment amount will be computed automatically. In the "Data" window, only a fixed amount may be entered, but the loan may be customized in the Payment schedule. This can include lump sums, zero payment, negative payment (increase in principal), fees (negative payments), step payments (according to an amount or a percentage), etc. The right mouse click is a very powerful tool to customize payment schedules. Each payment line may also have its own Line status and comment.

Balance: The balance may include any amount including a balance greater that the original principal. In this latter case, negative payments will be computed which will increase the total loan or investment instead of reducing it.

A balance may also include a residual value such as is the case in a lease.

If no amount is entered, the balance will automatically be 0.00.

If a negative amount is entered, the payments will continue until the negative balance is reached which inverses the loan - the lender will now owe the amount to the Borrower.

Currency: If the Multi Currency option is activated, MLM displays the "Currency" section, thus allowing the use of the default Windows currency (Windows Control Panel), or, by clicking the "Choose from the list" option, a scroll menu will allow the user to choose the desired currency. The MLM Administrator may determine the currencies included in MLM (Tools > Settings).



Percentage to Add (Annual), Rate Tables, Use Fixed (unique) interest rate at "Origination Date": See "Use Interest Table" above and Interest Rate Tables.

Allowance for Doubtful Accounts: This allows you to tag part of the loan as doubtful. Thus enter the percentage of the loan's balance on a certain date (date is inclusive) which you estimate will not be recovered.

It is not required to include a date. If no date is indicated, in the Doubtful accounts report, the doubtful accounts will be computed based on the percentage indicated here and on the final balance (last payment) or on the balance at the date entered for the report.

See <u>Doubtful Accounts</u>, <u>Doubtful accounts report</u> and <u>Record List</u> for more detail.

Report Header: A header can be inserted here. This may be useful to add a header (company name, address, logo, etc.) in the <u>Detailed schedule (Payment schedule) report</u>.

Please note that detailed client information or other data pertaining to the Record itself should be inserted in the "Borrower" window or in one of the specifically created "Custom fields". This approach allows for an easy extraction of data since any data contained in the "Report Header" box are **not** included in any report except the Detailed schedule report as a header. If the header is used in the Detailed schedule report and too much data is entered in the "Report Header" field, the Detailed schedule header can become messy.





allows basic text formatting.



For more complete formatting, you may import a text directly from Word (or other word processor). Most images are supported.

See the Special header for Detailed schedules section of the Detailed schedules report.

Multiple functions appear at the bottom of the Data window:



Modify / New Record: This very important link allows you 1) to modify an existing Record using the existing data or
 2) to create a blank new Record. See also <u>Changing the basic loan data in a Record</u> and <u>Duplicating Records</u>.

Modify/New Record



Clear Data: This link clears the data in the window. Brings up a blank window taking into account or not the default settings. This is only available when no Payment schedule has yet been produced. In order to clear the Payment schedule, press on New Record and choose among the two choices offered (see image above).

Save profile: In order to reduce data entry to a minimum, MLM allows you to create multiple "default" settings called "Profiles". These allow you to enter the settings and save them under a Profile which can then be loaded with the "**Load profile**" button. See further explanations in <u>Profiles</u>.

Load profile : This link will retrieve a Record profile among the profiles that were previously saved. See "Save profile" above.

Save as default: If some data is used regularly in your loans, you may set the financial settings as default for the next calculations. For example, a Record could always be Active (instead of the "Draft" system default) and "Compounding Period" and "Payment Frequency" could be set to Monthly (instead of "Annually"). See also "Save profile" below and the General defaults and Profiles sections of this user guide.

Display Record log: This displays this Record's log that includes changes made to it and by which user. See Record log.

The Administrator can set <u>Mandatory fields</u> for the Record's "Data" tab. The user will not be able to save as long as these fields are not filled in.

[&]quot;General" tab

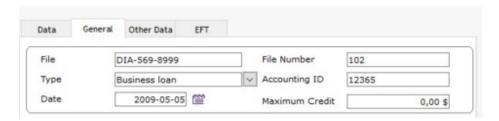
The General tab leads to a window with additional information about the Record:

File: This field usually contains the loan number assigned by the lender. This number can be based on the numbering system used by the Creditor and can include text or numbers. If numbers are used, sorting in the Main window may not meet the desired sort order because sorting will not be done numerically (e.g. loan 1000 would appear before loan 900, since as text data, 1 is smaller than 9).

File Number is a numeric field and can be used when the loan numbering is numeric-only with no other characters. Letters, dashes, spaces and other characters are not allowed. The field can contain up to 15 digits.

These fields should not be confused with the Record unique identifier that is automatically assigned to any Record created (MLM Record Identification).

The "File" and "File Number" (in addition to the Record unique identifier and the names of the Borrower) appear in the window header. In the example below, the "File" is "DIA-3456" and the "File Number" is "654987".



Unique Identifier may be entered in order to establish a link with the unique customer number from your accounting software. Custom fields can also be used for this purpose when identified as General Ledger numbers. See <u>Custom fields</u> and Export accounting transactions to the General Ledger

Type may be the loan type: personal loan, car loan, mortgage, reverse mortgage, investment, collection, lien of credit, type of fund from which the loan comes from, etc. Records can then be sorted in the Record Summary Window depending on the Record type.

The "Type" field can be defined as a scroll field allowing you to enter only predefined standardized data. Go to Tools > Settings > System settings (Administrator) > Field Scroll Menus. For more information, see the Scroll Menus (under Tools > Settings) section to create menus and to define the standardized data (very simple). When a scroll menu is created, it is possible to display (and not just a sort) only certain Record types in the Main MLM window.

Date: This field can be used to enter, for example, the date the Record was created.

Maximum Credit: If a credit limit is imposed on the loan, enter the amount here. A <u>Conditional Alert</u> can be created to be alerted when the total loan amount (principal, additional principal and unpaid interest balance when required) exceeds the Maximum Credit amount entered. This Conditional Alert must be created by the MLM Administrator.

Note: A credit limit can be added to a Borrower for all his loans. See <u>Borrower (Client) Information</u>.

Other Info: This field allows you to enter a clarification about the Record that is not standardized or predefined in other fields. This field **can not** be extracted in the reports.

Record Owner: identifies the Record's Owner or the user "Responsible" for the Record. The Owner can be modified at

any time by another registered MLM user. The Record Owner can also be changed for multiple Records in a single operation by the Administrator.

Record Window Header

The header of the Record window Header can be adapted to the needs of each user in order to see only the relevant identifier.

See Record Window Header (Settings > User Settings).

"Other Data" tab

Under the "Other Data" tab you will find the "Record - Custom fields" and "Unlimited fields (Table format)" sub-tabs which allows you to enter additional data not included in the normal Record fields. To understand the benefits of one type over the other, see <u>Custom fields</u>.

Record - Custom fields

Unlimited fields (Table format)

For example, it may be of interest to create a field that indicates the number of jobs created (expected) as a result of this funding, or a loan risk factor.

It is important to understand that these custom fields are linked to the loan itself and not directly to the Borrower. We would not put the Borrower's license number in one of these custom fields. Such a field is a custom field that should be related to the Borrower.

You can create or edit these fields in the MLM Settings. You can also assign a default value and a <u>scroll_menu</u> to standardize the information associated with the fields. Some scroll menu fields may also be used asDisplay filters in the Main MLM window.

For more detail on custom fields, see Custom fields and Scroll menus.

Some fields can be identified as mandatory fields which must be completed before the Record can be saved. See Settings > System settings (Administrator) > Mandatory Fields. Mandatory fields allow the creation of a more standardized loan portfolio.

"EFT" tab

The EFT tab (preauthorized payments) allows:

- to activate the EFT for this specific Record;
- to submit ALL upcoming Due payments of the loan for futur debit;
- to specify which Creditor (bank) account will be credited;
- specify which Borrower account (or credit card) will be debited;

• for Records that are already EFT-enabled, the number of transactions submitted as EFT (upcoming, accepted and rejected payments).



If the tab appears in grey, you must enable the EFT module by Tools > Settings > System settings (Administrator) > Modules.

When trying to activate the EFT, several messages may appear, depending on the preliminary steps that have not yet been completed:

- 1) a Creditor must be assigned to the Record and the information pertaining to their EFT file must be entered (File > Creditor > "EFT" tab).
- 2) a Borrower must be assigned to the Record and the information pertaining to their EFT file must be entered (File > Borrower > "Accounts" and "EFT" tabs).

Once the choices are made, press Save



See the **Electronic Funds Transfer** section.

See also Changing the basic loan data in a Record, Default settings and Profiles.

Changing the basic loan data in a Record

Upon creating a loan and producing a Payment schedule, if you wish to change some of the loan settings afterwards (in

order to try various hypotheses - date, amount, compounding or rate changes, number of payments, etc.), press on the "Data" tab, and on the "Modify / New Record" link (bottom left):

Modify/New Record

This window will appear allowing you to either:



1) Clear Results Table creates a new Record using the new data displayed in the "Data" window (but will not include the changes made in the Payment schedule - these will be lost),

This option will **not** change the information in the "Borrower", "Creditor" "Custom fields", "Credit Report", "APR" and "Advanced" windows. This should be done separately if need be.

Important Notice for <u>Preauthorized Payments</u> (PAP) already submitted: If some payments have already been submitted as (PAP), since a new schedule (Payment schedule) is to be created, a message will appear indicating that the lines that were submitted as PAP will be eliminated. This is not suggested unless you are really creating a new Record as opposed to a replacement of the existing Record. Eliminating PAP lines in MLM does not eliminate payments already submitted to the EFT Processor.

See also Change of compounding or calculation methods without affecting the existing Payment schedule.

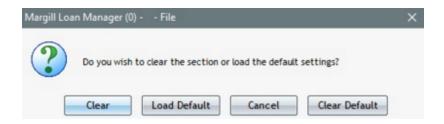
OR

creates a new Record while clearing all data in the "Data" window. If default settings were set for the Data window, these will appear as opposed to a blank window. The "Borrower", "Creditor", "Credit Report", "Custom fields", "APR" and "Advanced" data will also be cleared or set to the <u>default settings</u>.

Change only the required data if need be and press on "Compute".

If the default Data settings are not wanted, press on the "Clear Data" link Clear Data and MLM will prompt you to clear the window or to load the default settings.

See also above, the Important Notice for Preauthorized Payments (PAP) already submitted.



See also **Duplicating Records**

Doubtful accounts

A Record may contain an allowance for doubtful accounts. This may be useful when a Borrower is in financial difficulty and does not meet his/her payment deadlines. Some of the loan may be considered doubtful.

A percentage of the loan's balance on a certain date may be considered doubtful. A <u>doubtful accounts report</u> is available in Margill Loan Manager.



It is not required to include a date. If no date is indicated, in the Doubtful accounts report, the doubtful accounts will be computed based on the percentage indicated here and on the final balance (last payment) or on the balance at the date indicated in the report request itself.

If a date is included, the date indicated will include the balance up to and including that date.

The <u>Doubtful accounts report</u> provides detailed information as to the reporting aspects and explains the three doubtful accounts scenarios:

- 1) Doubtful account based on the balance at the date indicated in the "Data" window (thus x% of the balance on date y).
- 2) Doubtful account based on the balance at the end of the Record last payment of the schedule (even if balance = 0.00). This will be the case if no date is indicated in the "Data" window but if a percentage is included.
- 3) Doubtful account based only on the date entered in the report.

This data is also included in **Record List**.

Borrower (Client) Information

The "Borrower" window allows you to select or create the Borrower, Co-Borrower(s) and Guarator(s) for the Record.

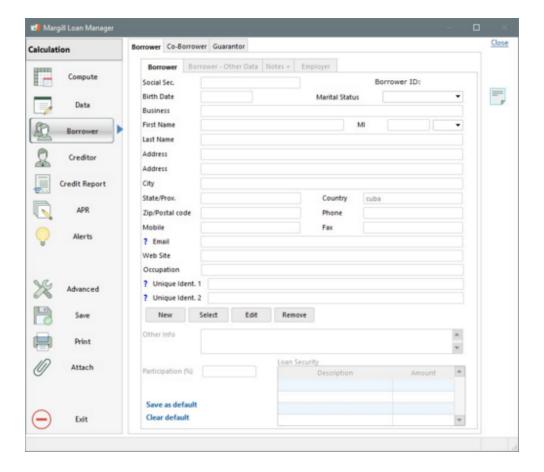
The data for the Borrower or Co-Borrower are ideally entered in the system via File > Borrower from the Main window. The data can also be Recorded in the "Borrower" window of the Record of Margill Loan Manager (MLM)) by pressing the

"New" button.

See Creating and modifying a Borrower, Creditor, Employer or a Loan Officer.

"Borrower" tab

"Borrower" sub-tab



Special Notes:

The Borrower identification number ("Borrower ID") is automatically assigned by MLM for each Borrower entered (entries numbered 10000). This number is different from the Record Unique Identifiers ("MLM Record Identification") number.

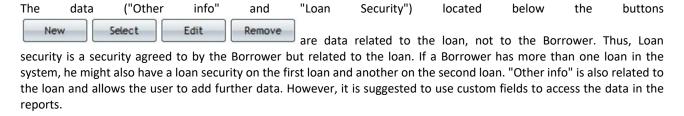
The fields "State/Prov." and "Country" may be configured as scroll menus. Go to Tools > Settings > System settings (Administrator) > Field Scroll Menus. See the Scroll Menus section (under Tools and Settings) for further explanations on how to create the menus and define the standardized data.

Unique Ident. 1 and 2: can be used to bridge the gap with a third-party software. An identifier entered may not be reused for another Borrower.

Several emails may be entered in the "Email" field. Simply separate these with a semicolon (;) without spaces. This is particularly useful when the user wishes to send emails via the <u>Document Merge</u> tool to all these email adresses.



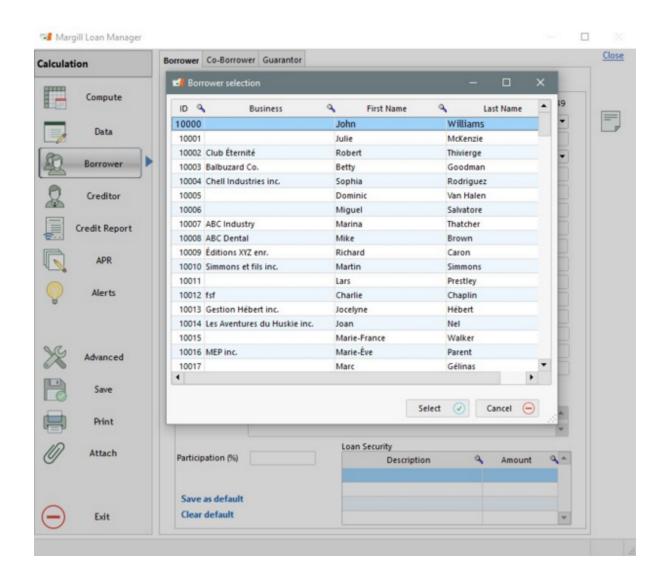
Special fields "Other info" and "Loan Security"



If data have been entered in these two fields and the Borrower or Co-Borrower is removed from the loan, the data would be deleted from the database but remain Recorded in the <u>Record's History</u>. See also <u>Security (Guarantee)</u>.

"New" Button: creates a new Borrower directly in this window (instead of going through the Main window > File > Borrower.

"Select" Button: among the MLM list of Borrowers selects the Borrower for the current loan. If the Borrower is not in the list, you can use the "New" button to create the Borrower.



"Edit" Button: adds or removes information in the Borrower's Information Card.

If a Borrower has multiple loans in the portfolio (or is a Co-Borrower in other loans), all modifications made to this Borrower's data applies to all his other loans. The Borrower should have only one entry in the "Borrower" database and this entry should be linked to each Record.

"Remove" button: without destroying the information about the original Borrower for this loan, removes the link between the Record and this Borrower.

If <u>Preauthorized Payments</u> (PAP) were submitted in this Record, the system would not allow the removal of this Borrower unless all PAPs were first deleted from the Payment schedule (a cancellation of payments should follow with the EFT Provider). If information pertaining to PAPs was present in the "Data" window > "EFT" tab, this data would be deleted since new data will be required once a new Borrower is chosen.

"Save as default" link: if (almost) all the Records are attached to the same client, you can click "Save as default" (in the window lower left corner). Information pertaining to the Borrower in this window will be applied to all new Records created, but it can still be modified in any future Record created.

"Clear default" link: removes data entered by the user for the Borrower by default and becomes blank.

The Administrator can set mandatory fields for the Borrower. The user will not be able to save as long as these fields are

not filled in.

"Borrower - Other Data" sub-tab

In the "Borrower - Other Data" sub-tab, two types of custom fields are available. The "Borrower - Custom fields" sub-tab which contains (9) custom fields are displayed as boxes, while the second "Unlimited fields (table format)" sub-tab contains an unlimited number of custom fields, but in table format. To understand the benefits of one type over the other, see the Custom fields section.

These fields are useful for including information not present in regular fields. These can be used, for example, to include the client's fiscal year end date, the individual risk factor, etc. The data can then be manipulated (exported to third party software such as Excel or to banking applications) through the powerful Record List.

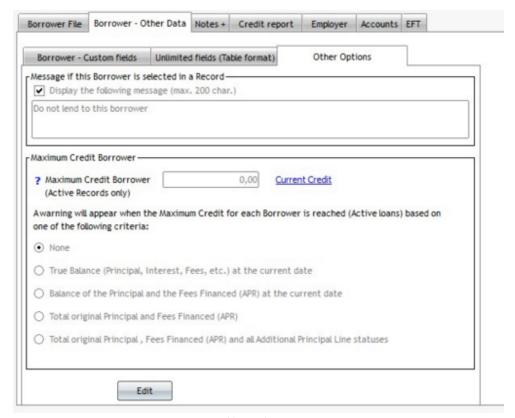
Specific names and data types can be customized in Tools > Settings > <u>Borrower - Custom fields</u>. To customize field names, see the <u>Custom fields</u> section.

These fields can be defined as scroll fields. To create menus and standardized data, see the <u>Scroll menus</u> section (under Tools and Settings).

Special Borrower warning/message

The third sub-tab "Other Options", only visible through File > Borrower, allows the user to enter a special message that will then appear if a Borrower is selected in a Record as a Borrower, as a Co-Borrower or as a Guarantor (when linked to a loan). For example, a Borrower can be labeled as "Bad payer - do not lend to..." (or any other message). The message can be customized for each Borrower.

For example: Do not lend to this person.



Accessible via File > Borrower

When choosing this Borrower, Co-Borrower or Guarantor in a Record, a window will appear displaying the message entered under the "Other Options" sub-tab.



This message is only a warning and will not prevent the Borrower, Co-Borrower or Guarantor from being selected for a Record.

Maximum credit by Borrower

It is also possible to specify the maximum credit for a Borrower. Previously, a maximum amount could be specified only for a loan in the "Credit Limit" field (Data > General).

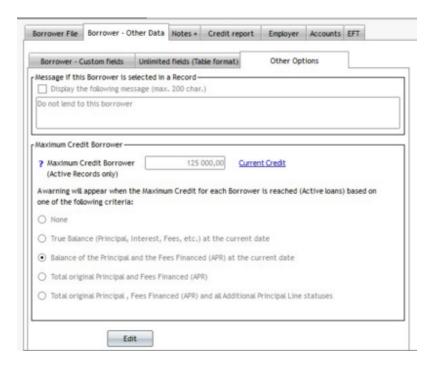
The amount can be specified based to the following amounts:

- True Balance (Principal, Interest, Fees, etc.) at the current date
- Balance of the Principal and the Fees Financed (APR) at the current date
- Total original Principal and Fees Financed (APR)
- Total original Principal, Fees Financed (APR) and all Additional Principal Line statuses

After entering an amount in the "Maximum Credit Borrower", MLM will compile all Active Records for this Borrower to confirm that all loans do not exceed the credit limit. Closed, Pending, Draft, On Hold, etc., Records will not be included in the calculations.

If the credit limit is exceeded, the Record can still be saved as this is just a warning.

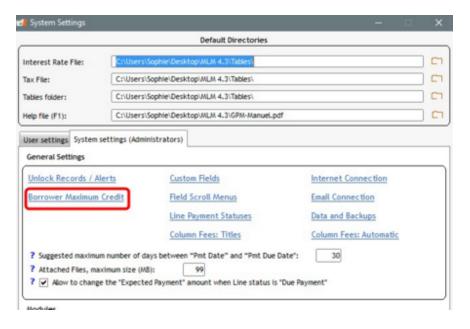
Credit limits will only be computed for Borrowers. It will not be computed if the Borrower acts as a Co-Borrower or as a Guarantor for a loan. Furthermore, if a Borrower has a participation percentage in a loan, the percentage will be ignored and the full amount (or balance) of the loan will be considered in the credit limit.



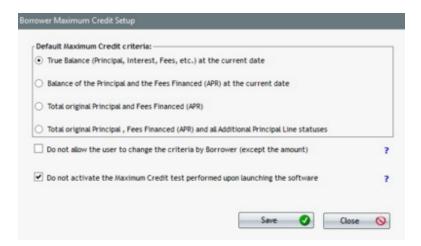
By clicking on the current credit amount will be displayed for this Borrower's Active Records, but only as a Borrower, not as a Co-Borrower or Guarantor.



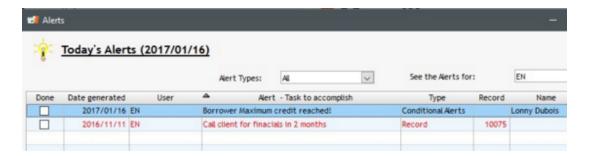
In System Settings (Tools > Settings), under "Borrower Maximum Credit", the Administrator has some options that can be activated as default settings for all users.



The Administrator can choose the default maximum credit criteria that will be followed when users enter an amount in the "Borrower Maximum Credit" box. The Administrator can prohibit the user from changing the criteria by checking the "Do not allow the user to change the criteria by Borrower (except the amount)". Thus, if this option is checked, the user will have to use the default maximum credit criteria chosen by the Administrator. If the option is not checked, the user can choose the desired criteria for each Borrower. A unique system-wide criteria is usually and should be used.



If the option "Do not activate the Maximum Credit test performed upon launching the software" is not deactivated (it is activated by default), a second Credit Limit test will be performed for all Borrowers that have a Credit Limit. When launching MLM, an automatic computation will be performed to examine if the Credit Limit has been exceeded. Exceeded credit limits will be displayed in the "Alerts" display module. In this module, no Record is displayed, only the Borrower name is displayed. The computation will only be performed once a day (upon software launch) and the Alert will be displayed daily so long as the limit is exceeded.



"Notes+" sub-tab

The "Notes+" sub-tab allows the user to add Notes and attach documents to the Borrower's (Co-Borrower's and Guarantor's) Information Card.

See under Tools & Settings, sections Notes - Record and Borrower and Files (Attach)(Documents).

"Employer" sub-tab

The "Employer" tab allows the user to enter information about the Borrower's Employer. The "New", "Edit" and "Remove" options offered are the same as in the Borrower tab. The "Select" button opens a list of Employers already registered in the system.

Employer Information Cards are ideally created via the Main MLM window > File > Employers.

Employer data is often used for credit reports.

The Administrator can set <u>mandatory fields</u> for the Employer. The user will not be able to save as long as these fields are not filled in.

"Co-Borrower" sub-tab

The "Co-Borrower" window allows you to select one or more Co-Borrowers for a Record ("Select / New"). The "New", "Edit" and "Remove" options offered are the same as in the Borrower tab.

A Co-Borrower can also be created with the "New" button, although it should ideally be created via the Main MLM window > File > Borrower. The system does not include a separate database for Co-Borrowers, the latter being included in the "Borrower" database. Thus, a Borrower can easily be a Co-Borrower for another loan without having to create a new Information Card.

See the **Co-Borrower** sub-section for more detail.

"Guarantor" sub-tab

One or many Guarantors may be chosen for a Record ("Choose/Add" button) in the "Guarantor" window. A Guarantor can be chosen from the Borrower database and all the Co-Borrower's features apply to the Guarantor.

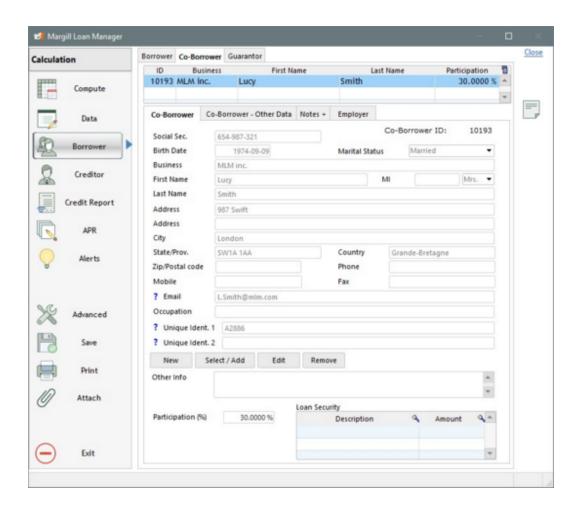
To see all the loans a Borrower may have, go to File > Borrower > "Borrower File" tab and press the "Records" blue link.



Or use the Display Filters in the Main window, "Record Summary".

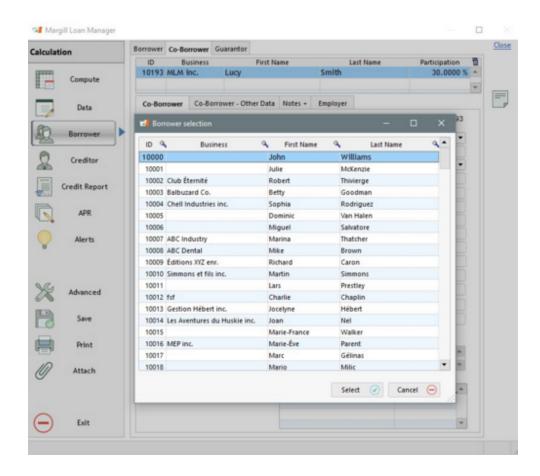
Co-Borrower

The "Co-Borrower" tab of the "Borrower" window allows you to select or create one or more Co-Borrowers, as thoroughly as those main Borrowers.



See <u>Borrower (Client) information</u> for more detail on how to enter the data.

You can associate multiple Co-Borrowers to a loan. By clicking on the "Co-Borrower" window, the list of Borrowers already in the system appear, allowing you to choose one or more Co-Borrowers previously entered.



If more than two Co-Borrowers are entered, a vertical scroll bar will appear allowing you to see the other Co-Borrowers.

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It is possible to enter a new Co-Borrower in MLM from the Co-Borrower window by clicking the button and completing the appropriate fields.

Warning! The system does not include a separate database for Co-Borrowers, the latter being included in the "Borrower" database. Thus, a Borrower could be a Co-Borrower or a Guarantor for another loan without creating a new entry.

For reporting, most data pertaining to the main Borrower is available. However, only the normal data (name, address, phone, email, etc.) can be reported for up to nine (9) Co-Borrowers. Custom fields cannot be reported for Co-Borrowers.

For the <u>Credit Report</u>, only the first Co-Borrower will be included in the report, but only as a Co-Borrower and not as a main Borrower.

To find all loans that may have a Co-Borrower, from the Main window > File > Borrower > "Borrower File" tab > press the "Records" blue link.



Guarantor

A Guarantor can be included in a loan.

A Guarantor is not a Borrower and does not have to pay back the loan as long as the Borrower and/or the Co-Borrower are fulfilling their obligations. A Guarantor will have to pay back a loan if the Borrower and/or Co-Borrower do not reimburse their loan. His role is therefore different from a Co-Borrower's.

One or many Guarantors may be chosen for a Record ("Choose /Add" button) by the "Guarantor" window. A Guarantor can be chosen from the Borrower database and all the Co-Borrowers' features apply to the Guarantor.

See Co-Borrower and Borrower (Client) Information for more detail.

Security (Guarantee)

For loans or mortgages that involve securities or guarantees (asset-based lending), these may be included in the "Security" section of the "Borrower" window. Although shown under "Borrower", (Co-Borrower or Guarantor) the "Loan Security" is related to the loan, not to the Borrower. Thus, a security is a security agreed by the Borrower but relating to the loan. If a Borrower had more than one loan in the system, he might also have a guarantee on the first loan and another on the second loan.



A description of the security may be included, as well as the estimated value of this security. If no value is assigned, simply leave the "Amount" field blank. The securities may be listed in alphabetical order or value by clicking on the "Description" or "Amount" columns, use Record List to list all securities in the portfolio. To include this field in the Record List or Document Merge (Letters, Contracts, Invoices and Statements), you will find the field under the "Loan Data" theme, not under "Borrower".

Some clients choose to create <u>Custom fields</u> for these guarantees, thereby gaining greater flexibility when exporting data via the reports. If multiple guarantees are included, multiple Custom fields can be created and named Guarantee 1, Guarantee 2, Guarantee 3, etc.

See also: Client (Borrower) information.

Creditor (Lender/Investor)

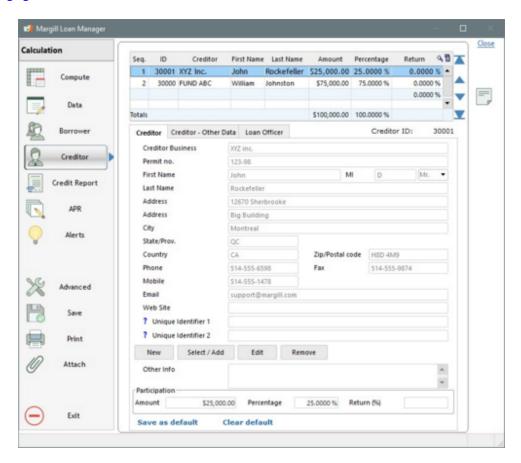
The "Creditor" window allows you to select or create the Creditor for the Record.

The data for the Creditor is ideally entered in the system via File > Creditor. The data can also be entered in the "Creditor" window of the Record by pressing the "New" button.

See Creating and modifying a Borrower, Creditor, Employer or a Loan Officer.

If only one legal entity is a Creditor for the whole portfolio, it is suggested that you enter the Creditor information and then press the "Set as default" button (bottom left). Thus, all future loans will be linked to this Creditor. This does not preclude the possible addition of a second Creditor in the system. The "Clear Default" link removes data that has been entered for the Creditor by default by the user.

Mass or bulk adding/changing Creditors with the "Ctrl Alt Shift C" shortcut from the Main window. See <u>Mass</u> adding/changing Creditors.



Some of our users use the Creditor window to identify the Fund as opposed to the Creditor as such.

In addition, some companies may lend money while being Borrowers to finance these loans (double role in Margill). These companies can enter their Creditors and have themselves as Borrowers in the database. When reporting, be careful to sort or view Records based on the user role to obtain precise data based on the Borrower or Creditor context. The "Type" field can also be used to distinguish the Creditor role from that of the Borrower.

"Creditor" Tab

Special Notes:

The Creditor identification number ("Creditor ID") is automatically assigned by MLM for each Creditor entered (entries numbered 30000). This number is different from the <u>Records' Unique Identifier</u> ("MLM Record Identification") number.

The fields "State/Prov." and "Country" may be configured as scroll menus. Go to Tools > Settings > System settings (Administrator) > Field Scroll Menus. See the <u>Scroll Menus</u> section (under Tools and Settings) for further explanations on how to create the menus and define the standardized data.

Unique Ident. 1 and 2: can be used to bridge the gap with a third-party software. An identifier entered may not be reused for another Creditor.

Several emails may be entered in the "Email" field. Simply separate these with a semicolon (;) without spaces.

The Data ("Other info") located below the data linked to the loan, not to the Creditor, allowing the user to add further data. However, it is suggested to use custom fields to access the data in the reports.

"Edit" Button: to add or remove information in the Creditor Information Card.

If a Creditor has multiple loans in the portfolio (and this is usually standard), all modifications made to this Creditor's data apply to all its other loans. The Creditor should have only one entry (Information Card) in the "Creditor" database and this entry should be linked to each Record.

"Remove" button: removes the virtual link between the Record and this Creditor without destroying the information about the original Creditor for this Record.

If <u>Preauthorized Payments</u> (PAP) were submitted to debit this loan, the system would not allow removal of this Creditor unless all PAPs were first deleted from the Payment schedule (and a cancellation of payments should follow with the EFT Provider). If information pertaining to PAPs was present in the "Data" window > "EFT" tab, this data would be deleted, since new data would be required once the choice of a new Creditor is made.

The Administrator can set Mandatory fields for the Creditor. The user will not be able to save as long as these fields are not filled in.

"Creditor - Other Data" sub-tab

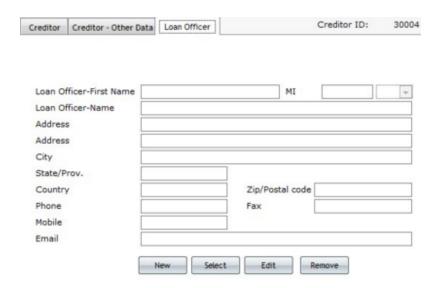
In the "Creditor - Other Data" tab, two types of custom fields are available. The "Creditor - Custom fields" sub-tab, which contains (9) personalized fields, are displayed as boxes, while the second "Unlimited fields (table format)" sub-tab contains an unlimited number of custom fields, but in table format. To understand the benefits of one type over the other, see the Custom fields section.

"Loan Officer" sub-tab

The "Loan Officer" sub-tab allows a Creditor with multiple loan officers (responsible, in charge or account manager), to choose the officer responsible for the current Record. One can only enter the name of the loan officer or his details (e.g. other address, if it is not located at the same address as the Creditor).

Selection, modification, etc. of a loan officer is exactly the same way as the Creditor or the Borrower (

New Select / Add Edit Remove buttons).



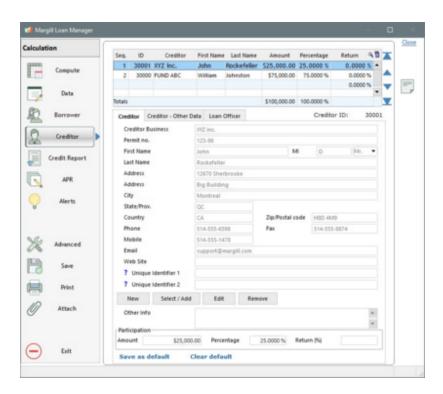
Loan Officer entries are ideally created via the Main MLM window > File > Creditors. A load officer must be assigned to a Creditor.

Participation Loans

Each Record can be individually assigned to a Creditor (lender) or to a fund. It may also be attributed, in varying proportions, to several Creditors or funds. Such loans are known as "participation loans" or "syndicated loans".

In this case, to assign each Creditor his participation in a Record, choose the "Select / Add" button to select the main Creditor and its Participation (by placing the allocated amount or percentage (up to 8 decimal places) of the total loan) at the bottom of the Creditor window. Determine, if applicable, the return, as a percent (%) for each Creditor. Then choose the other Creditors or funds with the "Select / Add" button, indicating the participation and the return of each. These all appear in the Creditor table of the at the top of the window. This window also allows you to quickly view the totals in the "Amount" and "Percentage" columns for all Creditors for the loan. The total Amount for all Creditors should equal the amount of the loan. If not, a correction should be made. A report can quickly be created to ensure that the total Creditor participation is equal to the total loan amount including Additional principal (as a Line status). Total percentage should always be 100%.

These fields can be used when creating <u>Mathematical Equations</u> and when combined with the "Creditors (All)" fields, they allow you to get an overview of the participating loan portfolios (such as accrued or paid interest, paid principal, total participation, each, by creditor).



Importance of the display order in multi-Creditor Records

The order is very important since the first Creditor of the list will be the main Creditor for the Record, and so:

- 1. the first Creditor will be the "Creditor" returned when producing reports and only for this Creditor can all data (including Custom fields the case being) be extracted.
 - For Creditors in the second and third positions in the Record's Creditor table, the following data can be extracted for each loan:



- O For all other Creditors (the first three Creditors are also included with these fields), only the following data can be extracted, based, not on the order in the Record's Creditor window, but on the Creditor MLM ID:
 - Creditor MLM ID
 - Business (Company) Name
 - First and Last Name (If the Creditor is a person)

- Participation Amount
- Participation Percentage
- Possibility of using <u>Mathematical Equations</u> to extract hundreds of other accounting data.

The "Creditor (All)" fields are used to extract the data:



2. For the <u>Credit Report</u>, the first Creditor of the list will be the entity that reports to the credit reporting agencies for that Borrower / Record.

To change Creditor order, use the arrows:



Notwithstanding the above, you can add as many Creditors as you wish in a Record. It is possible to extract several accounting and mathematical data for each Creditor according to their respective proportions. These data (participation in terms of principal, interest, etc.) can be extracted with the <u>Record List</u> report along with <u>Mathematical Equations</u>. Consult the Reports section > Commonly required reports > <u>Participation Loans</u>.

Sub-Creditors

The Sub-Creditor module is an very specialized feature which allows the creation of sub-entities for Creditors and to assign a participation in a loan to this Sub-Creditor.

Fields cannot be extracted in normal reports nor used in Mathematical Equations. A custom report built by the Margill team must be created to extract data using this module.

In order to add participation by Sub-Creditor to the Creditors already involved in the Loan, the module must first be activated by an Administrator in Tools > System Settings (Administrators) > <u>Sub-Creditors</u>.

Once the Sub-Creditor module is activated, the "Add Sub-Creditors" link will be added in the Record's Creditor section, under "Participation":

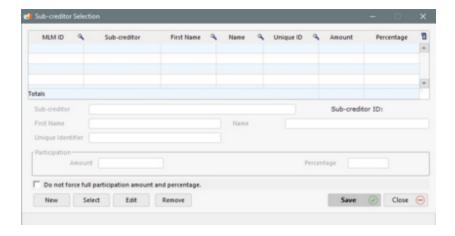


For each Creditor added to the Loan, it will be possible to add Sub-Creditors. In the following example, two Creditors are assigned to the Record. For ABC Funds, which owns 40,000 of the portfolio, three Sub-Creditors must be added. To do

Margill Loan Manager | 2703 Calculation ID Creditor First Name Seq. **Last Name** 1 30000 ABC Funds \$40,000.00 William Johnston Results Table A 2 30001 XXZ inc. John Rockefeller \$60,000.00 Data Borrower Creditor Creditor - Other Data Loan Officer Creditor Business Creditor Permit no. First Name Credit Report Last Name Johnston Address 46875, Long rd APR Address New Orleans City Alerts State/Prov Country Zip/Postal code USA 987-854-8965 Fax Mobile 345-698-4563 Email Web Site Save ? Unique Identifier 1 ? Unique Identifier 2 Print Participation Amount \$40,000.00 Percentage Return (%)

this, select the desired Creditor in the table on top of the window and its information will become available:

Then click on "Add Sub-Creditors". This window will appear:



Click on "New" to create the Sub-Creditor and its information. Available data are:

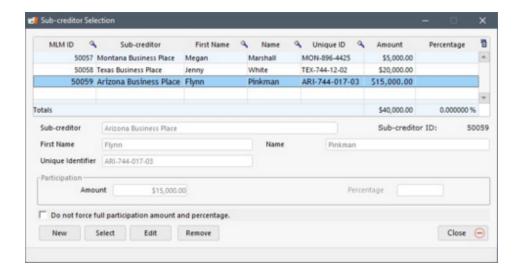
Save as default

- Sub-Creditor
- First Name
- Last Name
- Unique ID
- A Sub-Creditor unique identification number will be generated automatically (in the 50,000)

It is mandatory to have at least one Sub-Creditor (entity name) or a First Name or a Last Name in order to save the

Sub-Creditor.

If the Creditor participation is entered as an amount, you will need to enter an amount for the Sub-Creditor participation as well, as opposed to a percentage (and vice-versa). The Sub-Creditor participation as a percentage will otherwise be blocked:



It is not possible to exceed the participation amount of the Creditor. In the example, Creditor ABC Funds owns 40,000 of the portfolio, therefore the total Sub-Creditor amount should also be 40,000. However, if there is missing information which would have to be entered later, you can click the "Do not force full participation amount and percentage" which allows the user to save and leave the window without needing to specify the amounts or percentages.

For the percentage participation, the Sub-Creditor's parts should be equal to 100%, but could be less if the exception box is checked.

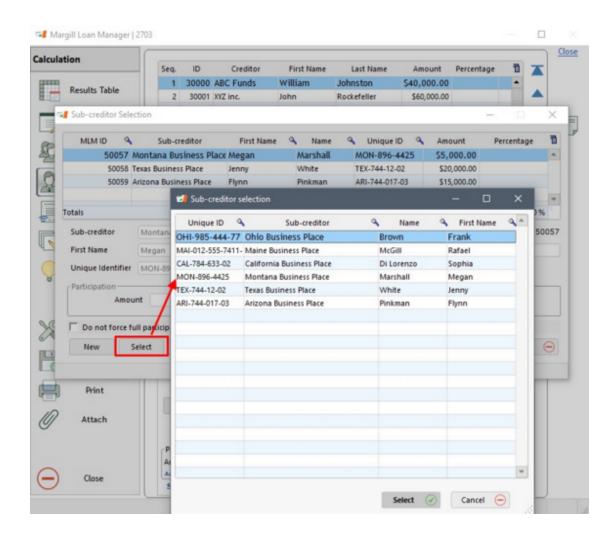
▼ Do not force full participation amount and percentage.

It is the user's responsibility to return to the Record in order to enter the missing Sub-Creditor data, since no other warning will be sent to the user.

Upon clicking on "Modify", the user will be able to modify the Sub-Creditor information. These changes will be effective in all other Records in which the Sub-Creditor is involved, not only the current one (does not apply to participation of course that is unique to each loan).

Upon clicking on "Remove", the user will be able to remove the Sub-Creditor from the current Record, but will still remain available for the other Records where he is involved. It will be saved as a Sub-Creditor of the selected Creditor and will remain available for future use with the "Choose" button.

In the following example, ABC Funds has six "branches" or "departments" as Sub-Creditors. Based on the Records in which ABC Funds owns shares, it can select the desired branches.



When information is entered for the Sub-Creditor of the Record, an asterisk (*) is added to the link to indicate that data is present:



To see all loans of a Creditor, from the Main window > File > Creditor > "Creditor File" tab and press the "Records" blue link.



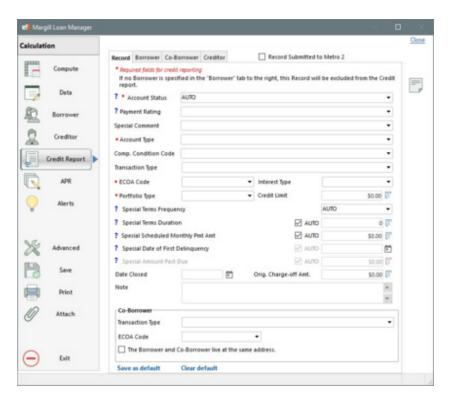
Or use the **Display Filters** in the Main window.

Credit Report

The "Credit report" window allows you to enter numerous information required for reporting the payment habits of consumers to credit agencies such as Equifax.

Reporting consumer repayment habits to credit agencies is not the responsibility of all lenders. There is often a minimum number of loans required for reporting, as well as aspects specific to each industry. Understanding the intricacies related to the reports can take months.

This module is available for the United States and Canada and is used in conjunction with the Credit Manager 4 or (CM4 or CM5 - CM5 was launched in December 2019) software developed by The Service Bureau (www.tsbsoftware.com). Margill provides the raw repayment habits data to the CM4/5 software for compliance verification, which is then sent to the agencies in a "Metro 2" standardized format.



Data for the credit report is required at several levels:

Loan as such:

- "Record" tab
- This describes the loan according to several criteria. The data evolves over time according to payments (paid on time or late, unpaid).
- O Required data (marked with *).
- Several fields (marked "AUTO") can be calculated and updated automatically by MLM when producing the report (which will be sent to the CM4/5 software). These calculations are performed based on the Payment schedule and the Borrower's payments.
- If a Co-Borrower is present, certain other information must be included at the bottom of the window.

Borrower (and Co-Borrower if applicable):

- "Borrower" and "Co-Borrower" tabs.
- O The data can also be entered by the Main MLM window > File > Borrower > "Credit report" tab.
- O Although data has already been registered for the Borrower, the Metro 2 format requires you to select some standardized data from menus. For example, although the state is already registered for the

Borrower, you have to choose among the available choices for the credit report.

- Employer of the Borrowers:
 - "Employer" sub-tab of the "Borrower" or "Co-Borrower".
 - O The data can also be entered by the Main window > File > Employer > "Credit Report" tab and File > Borrower > "Employer" tab > "Credit reporting module: Other compulsory data" section.
 - It is not necessary to specify the Employer.
- Creditor:
 - "Creditor" tab.
 - o "Creditor ID" is the only required field and is provided by the Credit Manager 4 or 5 software.

See the Credit Reporting Module section in the Reports chapter for detailed explanations.

Annual Percentage Rate (APR)

See the complete APR section.

Alerts (Record specific)

Four types of alerts may be created for a Record:

- Record Alerts: general Alerts relating to a specific Record. Each Record being different (payment and renewal dates, required documents, payment of insurance, etc.), this type of alert can specify for this Record, only that which should be done or requested.
- Record Alerts, specific lines: In the Payment schedule for each Record, an alert included on any payment line. These alerts are inserted on a specific line in the Payment schedule and are generated for the Record Owner only.
- Conditional Alerts: alerts that take into account mathematical conditions and that compare two fields and/or <u>Mathematical Equations</u> (greater than, less than, equal to, etc.).
- Line status Alerts: Send or do not send <u>Automatic Emails / SMS to Borrowers in a Record</u>.

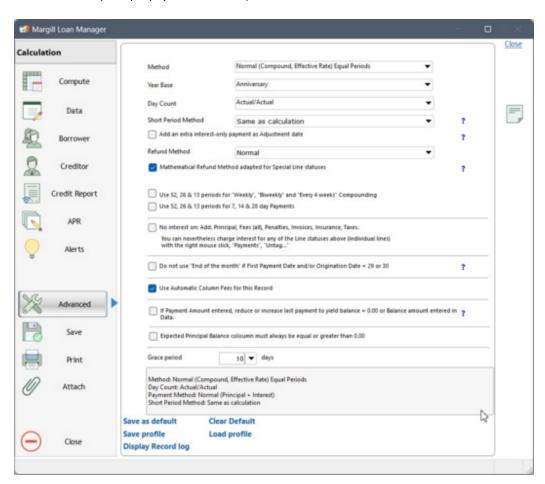
See the Alerts section to obtain an overview and detailed information about the Alerts module.

Advanced Functions

The Advanced window available for each Record, allows you to set or change the Record's specifics that include:

- The calculation Method (Compound, Simple interest or Simple interest capitalized);
- The year base for Simple interest;
- Day count;

- Short period method between the Origination Date and the First Payment date;
- Refund Order/Sequence (Normal order or Special order available by request only):
 - Normal: Column Fees > Interest > Principal
 - Special: Interest > Expected Principal > Column Fees > Principal
- Advanced mathematical refund method for special Line statuses
 - By checking this option, the additions to the balance by negative payments other than Additional Principal
 and Interest Charged (therefore the Fees, Penalties, Invoices, Insurance, Taxes, Investments, Withdrawals,
 Adjustment and Other Line statuses the "Special Group") will only be paid, at the mathematical level, by
 positive payments from this Special Group of Line statuses.
 - This method, available since version 5.3, will be more precise in advanced scenarios when interest-bearing and non-interest amounts are added to the balance.
 - We suggest to always check this option
- Interest adjustment date
- Number of weeks in a year for the Record (for compounding and number of payments);
- Whether, by default for this Record, there is to be interest charged or not on additional principal, on fees, etc.;
- Payment schedule to be computed taking into account whether payments are to be made on the very last day of the month or not (when payment date is the 29th or 30th);
- Activation of <u>Automatic Fees</u>;
- Default Grace period for the Record;
- Expected Principal Balance must always be equal to or greater than 0.00:
 - If you are using the "Expected Principal" concept in your portfolio, if a payment pays more than the Expected Principal for the transaction, the Expected Principal Balance will never be negative (so will not factor in extra principal payment amounts).



Settings of a mathematical nature (Method, Year base, Day count, Short periods, Weekly periods per year) are explained in detail in the <u>Calculation Methods section</u>.

Add an extra interest-only payment at Interest Adjustment Date

Particularly with mortgages, when the first payment date is more than a full period from the Origination date, the Creditor will often add a payment, usually on the first day of the month before the regular payment which will pay the accrued interest up to that day. This is called the Interest adjustment date. For more information on this option, see the Margill Loan Manager Calculations chapter > Mortgages and Escrow > Interest adjustment date).

No interest on various types of principal added (including principal, fees, insurance, taxes, invoices, penalties)

Normally, interest is charged on various types of mathematical principal added in a Payment schedule. If by default, no interest is to be charged on Add. Princ. (and Add. Princ. 2 to 10), Fees (and Fees 2 to 6), Insurance, Taxes, Invoices and Penalties, check the "No interest on..." box. This avoids having to use the <u>right mouse click</u> in order for the fees not to bear interest.

This can be the default setting for a specific Record or for all Records. To set this as the <u>default</u> for all Records, check the box and press on "Save as default". A <u>Profile</u> could also be set for certain types of loans.

Upon checking "No interest on..." **existing** additional principal and various fees in the Payment schedule for that Record will not be changed to become interest free, but any new principal added subsequently will not bear interest unless otherwise specifically desired by the user.

For more detail, see the Additional principal, fees, penalties, insurance and taxes section.

End-of-month payments

For end-of-month monthly payments (28th and 29th for February and 30th for other months), this option forces MLM to use the exact date entered in the "First Payment Date" to generate the next payment dates and thus does not automatically adjust all subsequent payment dates to the last day of the month.

For example if you entered April 30 (30 day month) in "First Payment Date", and the option is checked, the following monthly payments will be on the 30th of each month (except February) as opposed to being adjusted to the last day of the month (would be if the case if not checked).

Automatic Column Fees

Automatic Column Fees, applied when changing Line statuses, will be added only if this box is checked. This way, you can apply automatic fees only to some Records not all.

If you wish all Records to include automatic fees, check the option and press on "Save as default". This will apply to all new Records created only, not to already existing Records. To add automatic fees to already existing Records in bulk, as opposed to individually, one by one, use the powerful <u>Global changes</u> tool.

See: Fees, Insurance and Taxes by column (and Automatic)

Grace period

Indicates the number of days by which a payment may be late without interest being charged.

When using the grace period, do NOT change the date in the "Pmt Date" column because this is the date used for the

computation of interest. Instead enter the true payment date in the "True Pmt Date (Grace/EFT)" column. This way, no interest will be charged, but you will obtain the true payment date.

For more detail, see the <u>Grace period</u> section.

This field may also be configured as a scroll menu. Go to Tools > Settings > System settings (Administrator) > Field Scroll Menus. See the <u>Scroll Menus</u> section (under Tools and Settings) for further explanations on how to create the menu and define the standardized data.

If a specific loan setting is used most of the time, then press on the "Save as default" link at the bottom left of the window. This data will then be set for each of the new Records. This information may nevertheless be changed subsequently Record by Record.

"Save profile" allows you to create a number of profiles (loan types in this case) to avoid entering the same advanced settings data time after time.

For more information on defaults and profiles, see <u>Default settings</u> and <u>Profiles</u>.

The "Display Record log" link displays the log for the Record (changes made over time).

PLEASE NOTE: Considering the number of different calculation methods, it is best to use an existing calculation you know to be accurate and adjust the MLM calculation settings based on the MLM results that equal the calculation used as a reference.

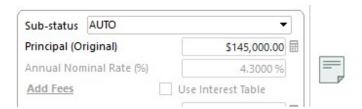
Notes

A Record may contain detailed **Notes** in a window reserved for these. Notes are now time-stamped and by user. They cannot be changed after 24 hours.

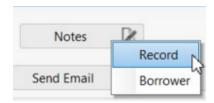
Text in the Notes may be formatted, images added and the Notes printed.

Click on

located at the top right of any of the Record windows.



Record and Borrower Notes can also be displayed and changed via the Alerts module.

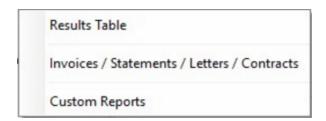


For more detail on the Notes and how these can be viewed in the <u>Record Summary window</u>, see <u>Notes - Record and Borrower</u>.

Notes can also be entered for the Borrower (see Notes - Record and Borrower).

Print

The "Print" button allows the user to print directly three types of reports:



- Payment schedule
 - This is the amortization table or schedule.
- Invoices / Statements / Letters / Contracts
 - This directs the user in the Reports module, so that he can generates a <u>Document merge</u>.
- Custom reports (created by the Margill team)
 - Special reports, usually tailored to the Margill clients needs, provide various details on the loan.
 This may include contracts, Record summaries, etc.
 - $_{\odot}$ The Payment schedule is included as an "Appendix" format to print on 8.5 x 11 or A4 paper.

See also the Reports section.

Attach

The button allows the user to attach a saved Payment schedule to the Record, as a PDF format. This is recommended in order to keep a Payment schedule history as significant changes are made to it.

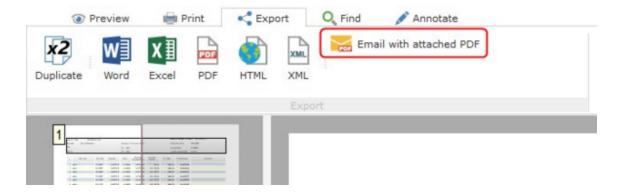
The Payment schedule will then be accessible in "General" tab of the "Data" window, with the

Attached Documents

button.

"Attach" also offers the option to attach this PDF document to an email. An overview of the Payment schedule will

appear and the "Email PDF" button, which, if your computer is configured correctly, will open your email program. This will not be possible if you use a browser for your emails.



Annual Percentage Rate (APR)

Introduction

Annual Percentage Rate (APR) (also known as Total Charge of Credit (TCC)) is based on the interest rate charged and the various administrative fees charged for the loan.

The APR can be computed up to 10,000% no matter what the final balance is and the fees (or others) can be paid in advance, financed or subsequently paid.

The APR calculation respects country-specific legislation such as the Truth in Lending Act (USA), Cost of Borrowing Regulations (Canada) and the British and European Union Directives (European Consumer Credit Directive 98/7/CE and other country-specific regulations for APR or TCC).

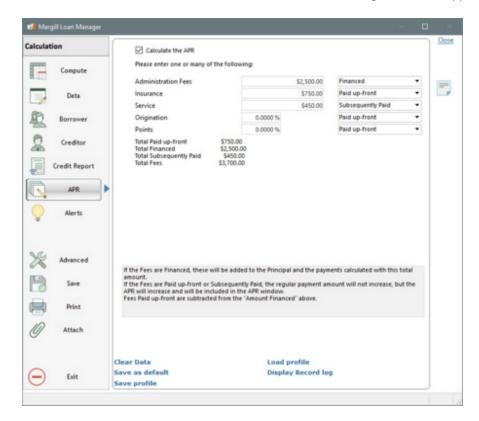
The user should only include fees that actually influence the APR as opposed to all fees and extra services that do not affect APR. For example, if the Borrower requires optional loan insurance (not compulsory), then this amount most probably should NOT be included in the APR amounts. Since optional, these fees should not influence APR. Country-specific legislation are very similar but may include exceptions. Consult the pertinent legislation which applies to your industry.

APR calculation with Margill Loan Manager (MLM)



Fees may be entered for a Record with the

button. The following window will appear:



Check the "Calculate the APR" box and enter the appropriate fee amounts and fee names (tags). Also choose if these fees

are 1) Paid up-front, 2) Financed ou 3) Subsequently paid. See the <u>Fees paid up-front, Financed or Paid subsequently</u> section.

Before entering the APR information for a Record, it is suggested to first enter the loan mathematical information in the "Data" window. This then allows MLM to calculate the fees expressed as a percentage of the loan and eliminates an error message which may appear if the fees financed are greater than the loan amount. Even if APR information is entered first and the principal afterwards, MLM will nevertheless calculate the APR correctly.

In the APR window, each of the tags (names for each type of fee) may be named according to your needs. These are usually Administrative fees, Insurance (compulsory), Origination fees and Points on loan. These names may be changed directly in the APR window.

The tag names, the amounts entered and whether the fees are paid up front, financed or paid subsequently may then be saved either as default settings - press on "Save as default" or as a "Profile".

With the "Save as default" link at the bottom left of the window, the fees expressed in monetary units (\$, \$, \$, F or any other unit) or in percentage (%) will then be set for each of the new Records. This information may nevertheless be changed subsequently for any Record.

The "Save profile" allows you to create a number of <u>profiles</u> (APR tag names, rates and how they are paid) to avoid entering the same data time after time.

For more information on defaults and profiles, see **Default settings** and **Profiles**.

For the US Truth-in-lendingAct (TILA), MLM produces the Disclosureboxes. See APR Report.

Disclosed APR versus ongoing APR

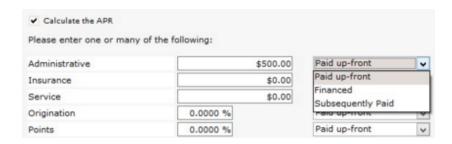
As the true payment scenario evolves over time, if payments are missed or late, if late fees are charged, etc., MLM will constantly recompute the APR since the total finance charge changes with these irregular events. A lender may not necessarily want this for reporting purposes over time. Once the initial APR is computed, this APR should remain the disclosed APR for the entire duration of the loan even if the actual, true payment scenario is different than the theoretical one (see <u>Fundamental principles of operation</u>). It is thus suggested to include a <u>Custom field</u> that will state the original APR rate. Once computed, the user should manually enter the original APR in this field that will remain unchanged. This rate can then be used in monthly <u>Statements</u> for example.

See "IMPORTANT FOR APR CALCULATIONS" section of Line status.

See also: Fees paid up-front, Financed or Paid subsequently, Additional fees, Nominal & Effective APR, APR undefined, APR tags (fee names), APR report.

Fees paid up-front, Financed or Paid subsequently

Three options are available when fees are charged to the borrowers. The fees can be 1) Paid up-front, 2) Financed or 3) Subsequently paid. Depending on the option chosen, the APR and the cost of credit will change.

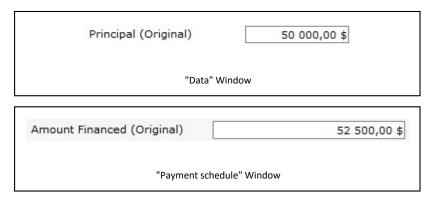


Paid up-front: This implies that fees are charged but will be paid by the borrower without affecting the interest amount. Even if paid in advance, they will affect the APR and the cost of credit.

Financed: When fees are financed, they will be added to the "Mathematical Principal". The following message will appear:



For example, a 50,000 loan, with Fees financed of 2,500 will keep a "Principal (Original)" of 50,000 but the "Amount Financed (Original)" (mathematical principal) will be increased by 2,500 and the computation (payment computation, number of payments or rate) will take into account a 52,500 mathematical principal. The unknown variable will therefore be increased in order to finance these fees.



When a payment is paid, these "Fees financed APR" are paid on a pro rated basis of the original Principal. In the example above, for a 1000.00 mathematical principal refund, the portion of the accounting principal paid will be 952.38 (95.24%) and the portion of Paid Fees financed APR will be 47.62 (4.76%) since:

Principal Portion: 50 000 / 52 500 = 95.24% Fees Portion: 2500 / 52 500 = 4.76%

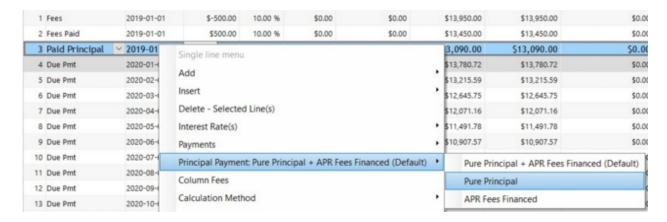
See the <u>Refund order for Interest, Fees and Principal</u> section in the Calculations Methods chapter for further information and examples.

Exclusion of payment of he APR Fees financed

In some situations, one might wish to apply the payment amount to pure (accounting) Principal as opposed to the payment of the APR Fees financed along with the pure Principal on a pro rated basis, or wish that the payment apply first to pay the Fees financed, therefore before the pure Principal.

The "Paid Principal" Line status offers three options with the right mouse click:

- 1) Default (usual method): payment of pure Principal and pro rated Fees financed.
- 2) Payment of pure (accounting) Principal only
- 3) Payment of APR Fees financed (paid in priority, before pure Principal)



In the following example:

- Line 5 default method which pays pure Principal and pro rated Fees financed
- Line 6 pure Principal payment where the 400 is only applied to pure Principal (see "Paid Principal column)
- Line 7 payment of Fees financed where the 400 is applied only for Fees Financed (see "Paid Fees Financed (APR)" column)
- Line 8 payment of Fees financed is too high:
 - o the balance of Fees financed is paid in priority to give Fees financed balance of 0.00 (cannot be negative)
 - o the rest of the payment is then used to pay pure Principal (3000.00 2648.28 = 351.72). This amount, being a Principal payment, cannot be used to pay interest or other fees (Column fees)
- Line 9 default method which pays pure Principal and Fees financed on a pro rated basis (balance of 0.00 for Fees financed in the example, therefore applied 100% to pure Principal). The pure Principal balance becomes negative, even if there was an interest balance
 - In this scenario, the three methods would lead to the same result including the priority payment of the Fees financed since these are already at 0.00 (would not be a logical method to use in this example). Method 3) (Payment of Fees financed) is not an exclusive payment but a priority payment of those Fees financed before the pure Principal.

Line	* Line status	* Pmt Date	* Payment	Paid Principal	Paid Fees Financed (APR)	Balance Fees Financed (APR)	Balance Due Principal
1	Paid Pmt	2020-02-01	\$400.00	\$214.07	\$73.85	\$3,376.15	\$9,785.93
2	Paid Pmt	2020-03-01	\$400.00	\$215.85	\$74.47	\$3,301.68	\$9,570.08
3	Paid Pmt	2020-04-01	\$400.00	\$217.65	\$75.09	\$3,226.59	\$9,352.43
4	Paid Pmt	2020-05-01	\$400.00	\$219.46	\$75.71	\$3,150.88	\$9,132.97
5	Paid Principal	2020-06-01	\$400.00	\$297.40	\$102.60	\$3,048.28	\$8,835.57
6	Paid Principal	2020-07-01	\$400.00	\$400.00	\$0.00	\$3,048.28	\$8,435.57
7	Paid Principal	2020-08-01	\$400.00	\$0.00	\$400.00	\$2,648.28	\$8,435.57
8	Paid Principal	2020-09-01	\$3,000.00	\$351.72	\$2,648.28	\$0.00	\$8,083.85
9	Paid Principal	2020-10-01	\$9,000.00	\$9,000.00	\$0.00	\$0.00	\$-916.15

When a special method is used, the payment becomes green in order to show that it is a special payment. With the mouse-over, you can see which method is used:

6 Paid Principal 2020-07-01 \$400.00 Principal Payment: Pure Principal	5 Paid Principal	2020-06-01	\$400.00	\$297.40	\$102.60
1.3	6 Paid Principal	2020-07-01	\$400,00	Principal Payment: Pure Principal	
7 Paid Principal 2020-08-01 \$400.00 \$0.00 \$0.00	7 Paid Principal	2020-08-01	\$400.00		\$ 4 00.00
8 Paid Principal 2020-09-01 \$3,000.00 \$351.72 \$2,648.	8 Paid Principal	2020-09-01	\$3,000.00	\$351.72	\$2,648.28

See the <u>Refund order for Interest, Fees and Principal</u> section in the <u>Calculation Methods</u> chapter for more information and examples.

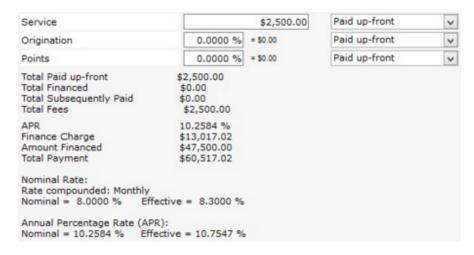
See also "Principal" Type Line statuses and "Payment" Type Line statuses

Subsequently Paid: This payment is excluded from the Payment schedule. These fees should only be used in particular situations such as multiple phase loans (construction loans). It is very similar to "Paid up-front" fees. APR and credit fees will be identical but by legal definition, the "Financed Amount" and the "Total Payment" computed by MLM, will be different.

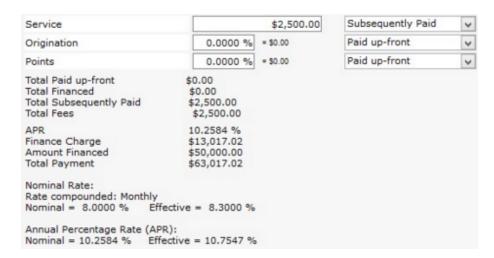
This subtlety exists in the United States (when the APR disclosure statement is done in accordance with the *Truth in Lending Act*). It does not necessarily exist or is not required in other jurisdictions.

If a subsequently paid fee was paid on the last payment of the Payment schedule instead of truly being paid subsequently (not even in the calculation), then the APR will factor this in. It will not be considered as paid subsequently because it is included in the Payment schedule. Not to be twice accounted for, it would have to be excluded from the APR tool and added via <u>Column Fees</u>, not forgetting to adjust the payment to reach a balance of 0.00.

In the following example, fees are either paid in advance or subsequently paid on a 50,000 loan. Notice that the only differences lie in "Amount Financed" and "Total Payment":



When fees are paid in advance, they are subtracted from "Amount Financed" and "Total Payment"



When fees are subsequently paid, they are not subtracted from "Amount Financed" and "Total Payment"

Subsequently paid fees are not subtracted from "Amount Financed" and "Total Payment" because they will generally be paid in another contract. These fees are mostly used in construction loans. A first loan is granted for construction with fees to be paid subsequently when another contract is signed for financing with amortization.

These subtleties are explained in the APR window:

If the Fees are Financed, these will be added to the Principal and the payments calculated with this total amount.

If the Fees are Paid up front or Subsequently Paid, the regular payment amount will not increase, but the APR will increase and will be included in the APR window.

For Disclosure information, Paid up-front Fees are subtracted from the Amount Financed from the Total of payments.

Additional fees

Margill Loan Manager (MLM) offers the possibility of adding fees (or insurance or other) as columns or by Line status.

Adding a negative payment (for example a 20.00 fee for a late payment) and specifying its Line status as a "Fee" will not affect the APR as if it were a fee. This negative payment will affect the APR calculation because it will be wrongly collected as being additional principal (thus actually reducing the APR). When fees are included as Line statuses in the Payment schedule, a message in red will indicate that this solution should not be used.

WARNING: At least one line has been entered in the Results table as a negative amount OTHER than Additional Principal. The APR calculation should not be used when fees or other negative amounts (other than Additional Principal) are entered as lines in the Results table since the APR will be inversely influenced.

It is thus strongly recommended **not** to use Fees (Insurance) Line statuses to calculate APR. We suggest the use of <u>Column Fees</u> for a more precise calculation.

Column Fees usually increase the payment in order to correctly increase the APR, without unduly affecting the amount financed.

If additional principal (not Fees as such) is added via "Additional Principal" type Line statuses, the APR will be computed properly.

Nominal & Effective APR

Margill Loan Manager includes various APR information such as the equivalent APR rates (nominal and actuarial APR rates) as well as the total finance charge.

Nominal APR includes all compulsory administrative and finance fees **but does not** take into account the compounding period.

Effective APR includes all compulsory administrative and finance fees and does take into account the compounding period.

Once a loan has been computed, by pressing on the APR button, the APR information will be posted below the fee entry fields. The information will include the nominal and effective APR figures:

Total Paid up-front Total Financed Total Subsequently Paid Total Fees	\$2,500.00 \$0.00 \$0.00 \$2,500.00
APR Finance Charge Amount Financed Total Payment	13.2850 % \$2,507.64 \$51,500.00 \$54,007.64
Nominal Rate: Rate compounded: Wee Nominal = 8.0000 %	
Annual Percentage Rate Nominal = 13.2850 %	

APR undefined

In certain situations, the APR computation may not be determined:

- 1. APR is undetermined or undefined when the rate is less than 0.00% or greater than 10,000% or when the loan fees (excluding interest fees) are greater than the principal.
- 2. When the balance is not 0.00, a warning message will appear:

Undefined	
233 068,81 \$	
56 490,00 \$	
71 889,13 \$	
237 269,68 \$	APR Warning
	233 068,81 \$ 56 490,00 \$ 71 889,13 \$

APR Warning indicates that MLM detected a problem:

- In order to obtain a proper APR calculation, it is highly recommended to reach an end balance of 0.00 (or off by only a few cents).
- If the balance is negative, Margill will assume that the Borrower paid too much and thus will increase the APR. Nevertheless, the true Finance change will be shown as well as the balance.
- If the balance is positive, Margill will assume that the Borrower did not pay enough, and thus got a rebate on the loan, which is not necessarily true since a balance is owed.
- Only by entering all payments leading to a 0.00 balance can the true APR be computed.
- If there is a balance left, APR computation may not be consistent because the total of payments actually paid and due or overpaid payments are not managed.

APR tags (Fee names)

Tags and default amounts and rates (%) may be set in the APR window for each Record. Thus, each Record can have its own APR information.

If needed, it is possible to set this information as the default for all subsequent loans. Thus, it won't be necessary to manually add them for each Record. Simply change the table (label names, amounts, percentages and fee type with the drop down menu) and click on "Save as default" located in the bottom left of the APR window. This operation will not affect the labels defined in existing Records.



[&]quot;AdministrationFees" are set-up fees for example.

"Insurance" is usually compulsory insurance. Optional insurance bought by the Borrower is usually not included in the APR calculation.

"Origination Fees" are the fees paid to the entity originating the loan to cover their costs associated with creating, processing, and closing the loan or mortgage. Fees are mainly expressed as a percentage of the amount borrowed.

"Points Paid". Banks and other financial institutions often charge points when lending money. Points are a form of prepaid interest and are typically calculated as a percentage of the loan amount. Each point is equivalent to one percent of the amount borrowed (excluding the APR fees financed).

Finally, "Services-Other" may include any other loan fees or charges.

See APR General.

APR report

Margill Loan Manager, through the <u>Document Merge (Letters, Contracts, Invoices and Statements)</u> can produce the US Federal Truth-in-Lending Act (TILA) box as shown below. The numbered codes are mere fields.

FEDERAL TRUTH-IN-LENDING DISCLOSURE

ANNUAL	FINANCE	AMOUNT	TOTAL OF
PERCENTAGE RATE	CHARGE	FINANCED	PAYMENTS
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf	The amount you will have paid after you have made all payments as scheduled assuming the annual percentage rate does not change
215	[217]	[201]	[216]

Through the RTF Report Editor

Through the Report Editor

Choose the Report Description called "TILA APR Box (USA)":

Reports

Reports



The merge codes are already inserted in the template which can also be modified to fit your specific needs.

You will notice that the formatting is odd (because of centering and the boxes) but when first saved and then printed, the formatting will be perfect. If you print directly, the boxes may not show up properly. You should save in RTF format first and then print from your word processor.

It is also possible to generate reports on APR data. This data extraction can be done in most MLM customized reports. See section Reports for more information.

Payment schedule (Amortization, payment schedule)

Content of Payment schedule (Amortization, payment)

Introduction

Line status

- "Due Payment" Type Line statuses
- o <u>"Payment" Type Line statuses</u>
- o "Principal" Type Line statuses
- o "Interest" Type Line statuses
- O Accounting data and Line status

Data Integrity

Line Comment

Payment schedule columns

Change of compounding or calculation methods

Payments

- Fundamentals
- Unpaid payments
- Late or partial payments
- Grace period
- Additional payments
- Step payments
- Rate adjusted payments
- Interest-only payments (and Column Fees)
- Fixed principal payments
- Changing one or multiple payments
- Lump sum payments / Prepayments
- Adding lines (payments, principal, fees, etc.)
- O Payments (equal) recomputed to yield a balance = 0.00 or other amount

Changing the date of a payment

Deleting a line or lines

Adding or changing interest rates in a Payment schedule

Interest rate (equal) recomputed to yield a balance = 0.00 or other amount

Interest rate recomputed to adjust Line (period) Interest amount

Calculation method for "short" periods

Additional principal, fees, penalties, insurance and taxes

Total payments, interest, principal

Introduction

To create a Payment schedule (amortization, payment, investment or collection table)(also known as "schedule"), enter the appropriate data in the "Data" window and press on "Compute". See also <u>Fundamental principles of operation</u> and <u>Creating the first Record</u>.



Once a regular schedule is created, it can be completely edited to include:

- Irregular payments
- Late payments
- Missed payments
- Additional or Compensatory payments
- Lump sums
- Step payments (indexed by an amount or by a certain percentage)
- Interest-only payments
- Fixed or principal-only payments
- Payments specifically identified according to the source (check, cash, credit card, preautorized payments, etc.)
- Recomputed equal payments to yield a balance = 0.00 or other amount x
- Recomputed uniform interest rate (ROI, IRR) to yield a balance = 0.00 or other amount
- Additional principal (negative amount) and various types of additional principal
- Additional fees (negative amount) and fees paid
- Insurance (negative amount) and insurance paid
- Taxes (negative amount) and tax paid
- Penalties (negative amount) and penalty paid
- Invoices (negative amount) and invoice paid
- Investments (negative amount)
- Principal, fees and other bearing interest or not
- Column Fees added automatically according to the Line status selected
- Etc.

The Payment schedule columns, for which data can be changed, are identified with an asterisk (*).

Changes to a schedule may be done line by line, or many lines many at once (Shift of Ctrl keys and left mouse click to select the lines) with the very powerful <u>right mouse click</u> menu.

Any change made in the table will automatically recompute the interest, principal reimbursement and balance. No need to press on any button.

See also: Line status, Payment schedule columns, Change of compounding or calculation methods, Payments.

Line status

In a Payment schedule, Margill Loan Manager (MLM) provides each line with a Line status. Over 95 Line statuses are available in MLM, thus allowing the user to obtain a precise detail of each transaction or line in a Payment schedule.

General

Changing Line status from "Due Pmt" to "Paid Pmt" (or other type of payment type)

Changing Line status from "Due Pmt" to "Unpaid Pmt" (or other type of custom unpaid payment type)

Line status name change, choice and order

Accounting data and Line status

Effect of Line status on Annual Percentage Rate (APR)

Normal payment history

General

When a payment history is properly detailed, it is thus possible to obtain, for any date, precise reports of outstanding and delinquent payments, late or partial payments, additional payments, fees, non sufficient funds (NSF) checks, additional principal in a loan, etc. Line status also allows you to determine, usually for accounting purposes, the actual interest paid versus accrued interest, as well as due interest, paid principal, due principal and the balance for all other Line statuses (fees, tax, insurance, etc.). See also Payment schedule Columns and Accounting data and Line status.

Line statuses follow rigorous data integrity constraints. For example, a payment cannot be negative and a Line status cannot be changed from "Due Pmt" to "Paid Pmt" if the previous line has the status "Due Pmt". Many other constraints are imposed. See these conditions in the <u>Data Integrity</u> section.

The **names** of over 60 of the 95 or so Line statuses can be changed in order to precisely describe the transactions and isolate them for accounting purposes. The following Line status names can be changed:

- 5 "Due payment"
- 1 "Due payment Unpaid"
- 19 "Paid payment"
- 9 "Unpaid payment": payment that was NOT paid (the names should match the corresponding type of payments "paid": for example "Paid Visa" and "Unpaid Visa")
- 9 "Additional principal"
- 6 fees charged
- 6 fees paid (the names should match the corresponding type of fees charged: for example "Fees Annual" and "Fees Paid Annual")
- 2 "Interest charged"
- 1 "Paid Principal"
- 10 "Other" Line status.

Examples: "Paid by check", "Paid PAP" (electronic funds transfer - EFT), "Paid Amex", "Unpaid - Amex", "Fees - Admin", "Fees - Late", "Due pmt - CASH"...

When renaming a Line status that may be changed, be vigilant in maintaining their true status (or purpose) and use a good thoughtful nomenclature. To avoid problems, only MLM Administrators can change Line statuses.

In conjunction with the <u>Export accounting transactions to the General ledger</u> module, this becomes a very powerful tool to precisely export the type of payment (fee or other) to the proper General Ledger account.

Line statuses:

Line	e status name	Description	Name may be customized
Due Pmt		Default status. Payment is not overdue yet but should be coming on the indicated date.	
Due Pmt	(2) to (5)	These Line statuses can be renamed and customized.	Yes
		Payment is not yet overdue yet but should be paid on the specified date.	
		Allows the user to indicate that a special due payment must be collected. For example, a client (not a very good payer), who usually pays by pre-authorized payments, must pay his next payment by cash or by certified check.	
		See how useful Due Pmt (2) to (5) can be in the Unpaid Payments section, "Working with the "Expec. Pmt" column " sub-section.	
• Due pay	ment - Unpaid"	"Due Pmt - Unpaid" is a special Line status that can be used when a borrower notifies the creditor that he will not be able to meet a payment at a later date but will be able to meet the next closer upcoming payment(s).	
		For more information on this see <u>"Due_Payment"_Type</u> <u>Line statuses</u>	
Paid Pmt		Full payment is paid on the required date.	
Paid Pmt	(2) to (10)	You can rename and customize these Line statuses (for example, Paid Pmt Cash, Paid Pmt Visa, etc.).	Yes
		It is possible to isolate principal, interest, APR Fees Financed and Column Fees, for each "Payment" type Line status. See the <u>Accounting Data and Line status</u> section.	
Payment may		Payment may be in full, partial, late or even partial and late.	
		For a partial payment, it is suggested to manually change the "Expec. Pmt" column to obtain the right data for the outstanding amounts.	
		For a late payment, it is suggested to manually change the "Pmt Due Date" column to keep the original date of the payment.	
		For a late partial payment, it is suggested to manually change the "Expec. Pmt" and "Pmt Due Date" columns.	
Paid Pmt	(11) to (20)	You can rename and customize these Line statuses (for example, Paid Pmt Cash, Paid Pmt Visa, etc.).	Yes
		Unlike the "Paid Pmt 1 to 10" Line statuses, it is not possible to isolate the sub-components for each of these payment types: principal, interest, APR Fees Financed and Column fees.	
		These Line statuses do not have their corresponding "Unpaid" Line status types.	
Paid Late	e Pmt	Full payment but that is paid late.	

Partial Pmt	Partial payment but paid on time.	
Partial Late Pmt	Partial payment that is also paid late.	
Paid Pmt Returned Check	Payment that compensates a returned check.	
Add. Pmt	Additional payment made at any time when no payment was expected.	
Compensatory Pmt	Compensatory payment made at any time when no payment was expected.	Yes
	IMPORTANT	
	an important effect that no other Line statuses have. These nting matters - Interest Paid, Column Fees Paid, Principal Paid,	
See <u>"Payment" type Line statuses</u> , <u>"Pr</u> sections.	incipal" type Line statuses and Accounting data and Line status	
Unpaid Pmt	Unpaid payment thus = 0.00.	
• Unpaid Pmt (2) to (10)	Unpaid Pmt thus = 0.00.	Yes
	By changing "Paid Pmt (X)" descriptions, it is suggested to have the equivalent for these unpaid payments (eg, Unpaid Cash Pmt, Unpaid Visa Pmt corresponding to the examples given above). Thus, you will be able to obtain, for accounting purposes, the unpaid portion for this specific type of payment.	
Returned check	Must be 0.00 since the check was returned. Fees or a Penalty may be added on the same date by adding a line below (on the same date if desired).	
	Three new columns are available to enter: Check number, Date of Returned Check, Date of Compensatory Payment.	
	New module available to manage NSF checks: see Tools & Settings > Tools > Tools Menu > Settings > Returned Checks	
• Fees, Fees 2 to 6	Fees charged, thus a negative amount (may bear interest or not).	Yes
	The names of these Line statuses may be customized to make them more descriptive (e.g. "Late Fees" or "Annual Fees").	
	See also <u>Fees, Insurance and Taxes</u> and the <u>Automatically adding fees, insurance and taxes and recomputation</u> subsection which automatically adds fees (insurance or taxes) and recomputes these as well as the balances.	
• Fees Paid, Fees 2 Paid to Fees Paid 6	Fees that are paid (as opposed to charged). You should not refund more fees than the Fees charged.	Yes
	The names of these Line statuses may be customized but should correspond to its equivalent "Fees".	
	It is recommended to use Column Fees, which are much more	

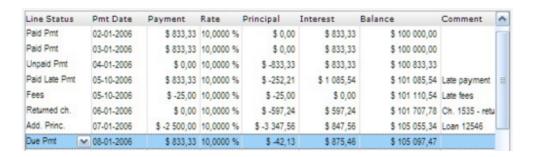
	efficient since they are automatically paid with Paid Payments, without having to specify that they are actually "paid".	
Add. Princ. (Loan)	Additional principal. Thus a negative amount. Particularly useful for lines of credit or for a loan disbursed in instalments.	
	May bear interest or not.	
	See the "Principal" Type Line statuses.	
• Add. Princ. (2) to (10)	Additional principal. Thus a negative amount.	Yes
	The names of these Line statuses may be customized to make them more descriptive (for example, additional principal other than a normal loan).	
	May bear interest or not.	
	See the <u>"Principal" Type Line statuses</u> .	
Interest charged, Interest	Interest charged, a negative amount.	Yes
charged (2)	The name of these Line statuses can be customized so they are more descriptive (for example, an interest charged of another type than a normal loan).	
	Useful when integrating existing loans in MLM to ensure the loan starts with the right interest balance.	
	The Margill Team can create customized reports for you for a more in-depth and specialized use of this option.	
Interest Paid	Payment (positive amount) of pure interest (no Column fees) without the need of an interest balance.	
	Consult Payment schedule > Line status > "Interest" Type Line statuses. Several subtleties exist, since paying in advance is an exception to the normal interest calculation rules.	
Paid Principal Payment of pure Principal and APR Fees Financed only		Yes
	Additional option for pure Principal payment or Fees Financed	
Rate Change	Interest rate change.	
	Appears in red if not = 0.00.	
• Invoice	MLM can also manage invoices. This amount must be negative. Multiple invoices are possible on one date (thus insert multiple lines with the same date).	
	May bear interest or not.	
	If an Invoice should be considered as <u>accounting principal</u> (as opposed to <u>mathematical principal</u>), it is suggested to use one of the Additional principal type Line statuses and to rename this Line status as desired.	
Invoice Paid	Paid invoice (positive amount).	
Withdrawal	This is an increase in mathematical principal and thus must be negative.	

		If a Withdrawal should be considered as <u>accounting principal</u> (as opposed to <u>mathematical principal</u>), it is suggested to use one of the Additional principal type Line statuses and to rename this Line status as desired.	
•	Insurance	If insurance is charged, it may be entered with this Line status as a negative amount.	
		May bear interest or not.	
		See also <u>Fees, Insurance and Taxes</u> and the <u>Automatically adding fees, insurance and taxes and recomputation</u> subsection which automatically adds fees (insurance or taxes) and recomputes these as well as the balances.	
•	Insurance Paid	Paid insurance (positive amount). You should not refund more than the Insurance amount charged.	
•	Tax	If tax is charged, it may be entered with this Line status as a negative amount.	
		May bear interest or not.	
		See also <u>Fees, Insurance and Taxes</u> and the <u>Automatically adding fees, insurance and taxes and recomputation</u> subsection which automatically adds fees (insurance or taxes) and recomputes these as well as the balances.	
•	Tax Paid	Tax paid (positive amount). You should not refund more than the Tax amount charged.	
•	Penalty	If a penalty is charged, it may be entered with this Line status as a negative amount.	
		May bear interest or not.	
•	Penalty Paid	Paid penalty (positive amount). You should not refund more than the Penalty amount charged.	
•	Investment	These should be used only for investment situations as opposed to loan scenarios. An investment increases the initial investment. This amount must be negative.	
•	Investment - Withdrawal	This is a decrease in the investment. Thus a withdrawal by the investor.	
•	Adjustment	This can be a positive or negative amount. Is used to make adjustments. Often used to enter a payment amount to reach a certain balance at a point in time.	
		If an Adjustment should be considered as <u>accounting principal</u> (as opposed to <u>mathematical principal</u>), it is thus suggested to use one of the Additional principal type Line statuses (increase in principal) or a Payment type Line status (decrease in principal) and to rename this Line status as desired.	
•	Information	An extra line may be added anywhere in the payment schedule to obtain, for example, the balance or any other information at that particular date. The payment must be 0.00.	
		This Line status usually will not have any influence on the accrued interest calculated but could have an effect in certain special cases since its insertion in the payment schedule could	

	influence the reference periods and calculation methods.	
Information without impact	This Line status was created in order to have no impact on the accrued interest even in special calculations. However, in very specific calculations, when the Day count is 30/360, the way the periods of calculations are divided could have an influence on the Day count for the two periods created	
	thus modify the accrued interest calculated.	
• Other 1 to 10	Ten (10) other statuses (Other 1, 2, 3 10) to be used as desired by the user.	Yes
	The names of these Line statuses may be customized to easily explain their exact purpose. See Warning below.	
	IMPORTANT: "Other" statuses should be used carefully and in a consistent manner. These lines do not refund accounting principal and interest.	
	If Other should be considered as <u>accounting principal</u> (as opposed to <u>mathematical principal</u>), it is suggested to use one of the Additional principal type Line statuses (increase in principal) or a Payment type Line status (decrease in principal) and to rename this Line status as desired.	
• Not set	When a new line is added in certain situations, in order not to lead to illogical situations, MLM will not automatically assign a "Due Pmt" or "Add. Principal (Loan)" Line status but rather a "Not set" status. No lines should however remain with a "Not set" status.	
	"Not set" appears in red.	

WARNING: Changing the description of a Line status has no effect on the constraints of the Line status, nor on the effect these have from an accounting perspective. When changing a name, be very careful to leave a descriptive word such as "Payment" or "Fees" in order to avoid any confusion with other Line statuses. The "Other" Line statuses have no effect on the *accounting* principal or interest. See <u>Accounting Data and Line status</u>.

By default, all lines (or payments) are considered Due (outstanding) unless in the "Data" window the "Payment" is negative in which case the status will be "Additional principal". It is thus up to the user to update these statuses as payments are received, late or unpaid when due.





See also the **Data Integrity** section.

Changing Line status from "Due Pmt" to "Paid Pmt" (or other type of custom payment type)

As mentioned above, when a Payment schedule is first calculated, most of the time, all lines will bear the "Due Pmt" Line status (or any one among the five (5) "Due Pmt" type Line statuses). The schedule should be updated as payments are made or not.

The change from "Due Pmt" to a "Paid payment", the most common situation for normal portfolios, may be done in several ways:

- 1. Manually in the schedule, line by line. This is a long process that should usually not be done, unless a "Paid Pmt" is an exception as opposed to the norm.
- 2. In a schedule by selecting (highlighting) the desired payment lines and using the shortcut: "Ctrl Alt Shift F12". This shortcut changes "Due Pmt" type Line statuses to any of the "Paid Pmt" type Line statuses. You could change all the desired lines to a Line status with a custom name (Paid Pmt 2 to 20) like "Paid Pmt EFT" for example.
- 3. A much more efficient method is to update many Records at once through the Post Payments tool. Please consult the Payments") section in the Tools & Settings section).
- 4. If <u>Electronic Funds Transfers</u> are used, the software will automatically change the Line statuses from "Due Pmt" to "Paid Pmt" or another custom name (determined by the Administrator), the day on which payments are payable.

See also the very important <u>Fundamental principles of operation</u> section and the <u>"Payment" type Line statuses</u> section.

Changing Line status from "Due Pmt" type to an "Unpaid Pmt" type

The change from Due Pmt to an unpaid payment can be done directly in the schedule, line by line or through the Payment update tool.

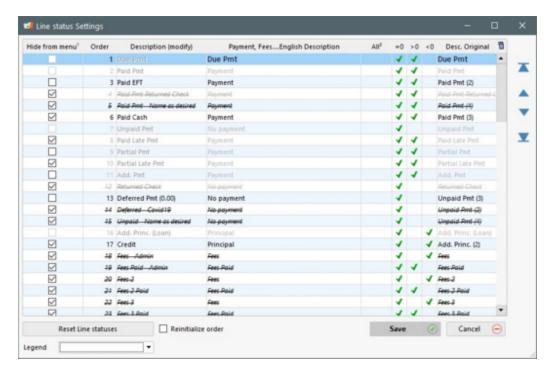
Please consult the <u>Payment update ("Post Payments")</u> section in the Tools & Settings section.

Line status name change, choice and order

It is possible to:

- 1. Change the names of several Line statuses.
- 2. Select only the Line statuses relevant to your needs, and thus eliminate, from the scroll menu, the Line statuses that are not useful for you. Also, the choice is faster and the risk of error is reduced. This also allows the Administrator to hide certain "obsolete" Line statuses even if they are used in the system ("Hide from menu" option).
- 3. Change the display order in the Line status scroll menu.

The custom changes are very easy to make. Go to Tools > Settings > System settings (Administrator) > Line Payment Statuses. The following window will appear:

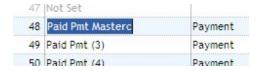


This window allows the three operations above and displays some of the constraints of each Line status (columns with \checkmark). For more detail on all the constraints, see the <u>Data Integrity</u> section.

Explanations for the Line status settings window:

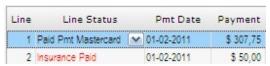
• The Line status names in grey can not be changed. Only the names of the lines in black can be changed.

To change a name, click on a black text and enter the desired name. In the example below, Line status "Paid Pmt (2)" will be changed to "Paid Pmt Mastercard" (not completed in the image below).



Be careful not to enter an overly long name since the "Line status" column in the Payment schedule will be too wide and take up too much prime screen space.

The Line status names may be different in English and French. Upon running MLM in English, renaming a Line status will only apply to the English version. Thus, the name change from "Paid Pmt (2) to "Paid Pmt Mastercard" will be displayed in English, but by running the French version of MLM, the Line status name will remain "Pmt fait (2)".



English version of the Payment schedule

Ligne	État ligne		Date paiem.	Paiement
1	Pmt fait (2)	v	01-02-2011	\$ 307,75
2	Assurances payées		01-02-2011	\$ 50,00

French version of the Payment schedule

WARNING: Changing the description of a Line status has no effect on the constraints of the Line status, nor on the effect these have from an accounting perspective. When changing a name, be very careful to leave a descriptive word such as "Payment" or "Fees" in order to avoid any confusion with other Line statuses. The "Other" Line statuses have no effect on the accounting principal or interest. See Accounting Data and Line status.

- You may decide to display only a few Line statuses, thus providing a scroll menu in the Payment schedule which is
 much shorter and with only the Line statuses relevant to your operations. Some Line statuses cannot be eliminated
 as they are essential to the system (Due Pmt, Paid Pmt, Add. Princ. (Loan), Rate Change, Information, Information No impact and Not Set).
- If the "Hide from Menu" column is checked and the description is crossed out, this means the Line status is not used anywhere. If column is checked but the description is not crossed out, this means the Line status is used somewhere

but will be hidden in the Payment schedule "Line status" menu column. The "Check if used" button displays the "Used in:" column that shows where the Line status is used. If the Line status is used in the Records and if it is necessary to know in which specific Record(s), go to Tools > Find specific Line Statuses in Records in order to obtain the list of the Records in which the Line status is present.

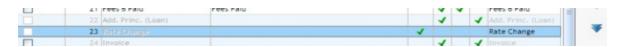
Check if used



- If the "Expected Pmt = 0" option is checked, the "Expected Pmt" column of the Payment schedule will be set to 0.00 for these Line statuses. This simplifies the calculation of outstanding amounts.
- If the "Payment = 0" option, available for Line statuses "Other" 1 to 10, is checked, the "Payment" and "Expected Pmt" columns of the Payment schedule will be forced to 0.00 for these Line statuses. This can be useful particularly in order to allow the entry of data in other columns of the Payment schedule without the risk of a Payment amount being entered by error.
- To change the Line status display order in the Payment schedule menu, choose the Line status to prioritize (bring up) or to lower by using the arrows to the right.



In the example below, if I rarely use variable interest rates, I would position the "Rate Change" Line status at the bottom of the very table with the



- The "Reset Line statuses" button resets the Line status descriptions and the display order back to the default settings. The Line status names will also be changed back in the Payment schedule.
- The "Reinitialize order" option simply sets the default order back to the original order but keeps the Line status personalized Descriptions.

Accounting data and Line status

See the special section Accounting data and Line status.

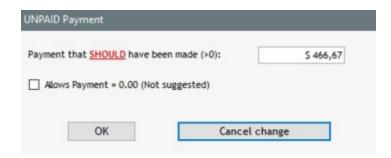
Normal payment history

When a Line status is changed from the default setting (usually "Due Pmt") to one of the following statuses:

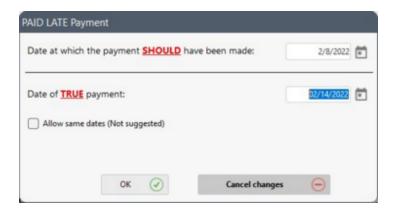
- "Unpaid payment", "Partial payment", "Partial late payment", "Returned check" or
- Custom Line statuses "Paid Pmt (X)" and "Unpaid Pmt (X)",

the amount that **should** have been paid (and date if late payment) may be entered to determine the outstanding amounts and the original payment dates. The outstanding amounts are also used to determine the <u>Ageing of accounts</u>.

For example, in a loan with payments of 1000.00, if the payment was not made, you should enter 0.00 for that payment. When the Line status is changed to "Unpaid Pmt" and you click out of the status, the following window will appear with the amount that **should** have been paid. This amount may be changed if required. The number and amounts of unpaid payments, partial payments, and returned checks may then be obtained in the <u>reports</u>.



If a payment is late, MLM will ask, for reporting purposes, to enter the date at which the normal payment **should** have been made as well as the date at which the payment was actually paid.



See also Partial or Late payments

When a variable interest rate table is used for a calculation, for lines with a change of interest rate, Line status is automatically set to "Rate Chg" (Rate change) unless a payment is made on that specific date (Payment greater or less than 0.00). If a payment other than 0.00 is made on that date, Line status will usually be "Due Pmt" (if positive payment) or "Add. Princ. (Loan)" (if negative payment).

Effect of Line status on Annual Percentage Rate (APR)

IMPORTANT FOR APR CALCULATIONS: Changing the status of a line to a **fee** (or adding a new fee line) will not affect the APR as desired, since the MLM calculation engine does not, except for some accounting data, process the fees any differently from other lines. The engine processes the fees, represented by a negative amount, as additional mathematical principal thus actually lowering the APR.

To properly compute the new APR, see the <u>Annual Percentage Rate (APR)</u> section, <u>Additional fees</u> subsection.

See also Alerts, Line status Alerts, Find specific Line statuses in Records

"Due Payment" type Line statuses

By default, Payment schedules are created with the "Due Pmt" Line status. It indicates to the system and to the user that payments of a certain amount are expected on specific dates. These payments are theoretical because the real world shows that Borrowers often do not pay as they should.

Margill Loan Manager (MLM) allows six "Due Pmt" type Line statuses:

- Due Pmt (Default Line status for positive payments)
- Due Pmt (2) to (5) (names can be changed)
- Due payment Unpaid payment (special type)

Description (modify)	Desc. Original	Payment, FeesEnglish Description	
Due Pmt	Due Pmt	Due Pmt	
Due Pmt - Additionnal	Due Pmt 2	Due Pmt	
Due Pmt - Cash	Due Pmt 3	Due Pmt	

Due Pmt 2 to 5 Line statuses could be used to isolate special payments that are due. For example, a normal payment, Due Pmt, is not paid by the Borrower. The Borrower and the Creditor agree that a compensatory cash payment will be made in 25 days. Thus, this new payment will be inserted in the Payment schedule but with the Line status "Due Pmt - Cash" in order to isolate it from normal payments. The Expected Payment ("Expec. Pmt") column should also be changed to 0.00 by the user since this payment is additional, not expected in the "normal" Payment schedule.

Line	* Line status	* Pmt Date	* Payment	* Expec. Pmt
18	Paid Pmt	2016-06-01	250,00 \$	250,00 \$
19	Paid Pmt	2016-07-01	250,00\$	250,00 \$
20	Unpaid Pmt	2016-08-01	0,00\$	250,00 \$
21	Paid Pmt	2016-08-01	250,00\$	0,00\$
22	Paid Pmt - Cash	2016-08-15	250,00\$	0,00\$
23	Unpaid Pmt	2016-09-01	0,00\$	250,00 \$
24	Due Pmt	2016-10-01	250,00\$	
25	Due Pmt - Cash 🔍	2016-10-25	250,00 \$	0,00\$
26	Due Pmt	2016-11-01	250,00 \$	250,00 \$
27	Due Pmt	2016-12-01	250,00\$	250,00 \$
28	Due Pmt	2017-01-01	250,00\$	250,00 \$

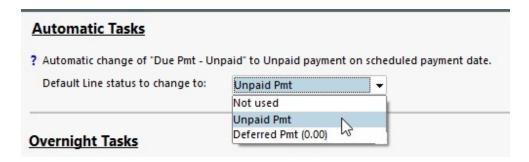
In order to be allowed to change the Expec. Pmt column, this must be authorized by the Administrator in Tools > Settings > System Settings (Administrator) > General > Allow to change...

? 🗸 Allow to change the "Expected Payment" amount when Line status is "Due Payment"

A "Due Pmt - Unpaid" is a special Line status that can be used when a borrower notifies the creditor that he will not be able to meet a payment at a later date but will be able to meet the next closer upcoming payment(s).

- For example, we are on June 15 and the borrower informs the creditor that the August 1 payment can not be respected (end of employment for example) but that the funds will be available for the July 1 payment.
- Ordinarily, upon learning this, we would like to change this "Due Pmt" to a "Unpaid Pmt" but since this Line status is
 not allowed after a "Due Pmt" (only before, chronologically), the special Line status "Due Pmt Unpaid" resolves the
 issue since allowed after a "Due Pmt".

- However, in order to avoid logical chronological problems, since "Due Pmt Unpaid" ("Due Pmt" type Line status) is not allowed before a "managed" payment ("Due Pmt" changed to "Paid Pmt", "Unpaid Pmt", etc.), it must be changed to one of the "Unpaid" Line statuses on the scheduled date of non-payment. In Tools > Settings > Automatic / Overnight tasks, an automatic task allows you to specify to which Line status the "Due Pmt Unpaid" will be changed on the scheduled date, automatically. IMPORTANT: the software must have been closed and opened for this to occur.
 - O In the example below, the "Due Pmt Unpaid" Line status will automatically be changed, at the right payment date ("Pmt Date" column) to "Unpaid Pmt



O The change can only take place if no "Due Pmt" is present before this payment. If such a Line status is present, a warning will appear in the Main window (!).

Other notes:

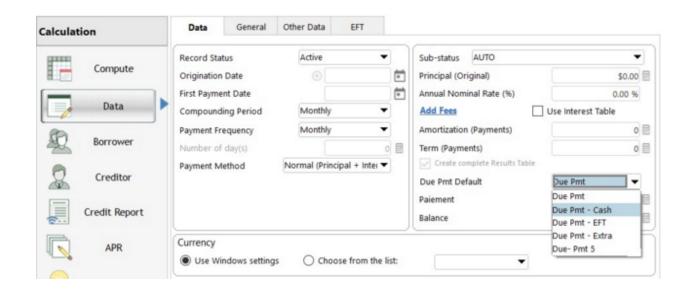
- The amount entered in the "Payment" column for this Line status must = 0.00.
- Once the payment is managed, the usual conditions for this Line status will apply such as automatic fees.
- O The amount in the "Expec. Pmt" column will ordinarily be the payment originally scheduled and thus should automatically increase the outstanding amount.

See Allow to change the "Expected Payment" amount when Line status is "Due Payment".

"Due Pmt" type when creating the Payment schedule

When creating the Payment schedule, an option allows the user to specify the default "Due Pmt" to be included. This allows, for example, to differentiate whether the normal payments for this loan are to be paid by Electronic Funds Transfer (EFT), by check or in cash.

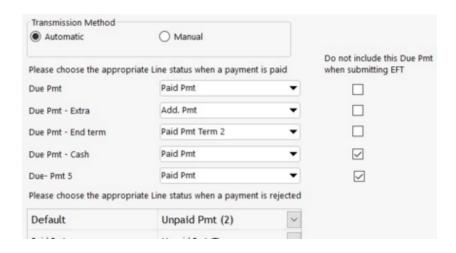
When creating the loan, the "Due Pmt" can be selected with the following option in the "Data" window:



The Payment schedule is then created:



If the <u>Electronic Funds Transfer payments (EFT)</u> module is used, the Margill Administrator can decide to exclude certain payments from these EFT. For example, by checking the box under "Do not include this Due Pmt when submitting EFT", the "Due Pmt - Cash" (and Due Pmt 5) will not be displayed nor sent when submitting the EFT.



Batch change of "Due Pmt" type Line statuses in the Payment schedule

Sometimes, a user might want to modify the "Due Pmt" Line statuses to another "Due Pmt" type once the Payment schedule is created. The "CTRL-ALT-SHIFT-F11" shortcut allows you to do this in bulk instead of line by line.

Choose the lines to be modified followed by CTRL-ALT-SHIFT-F11. In the following example, the "Due Pmt" lines and one "Non Set" will all be modified to "Due Pmt - Cash".



Please note that, for security reasons, "Payment" Line statuses cannot be changed in batch back to "Due Pmt" type status.

For more information, see "Payment" Type Line statuses, Unpaid Payments and Additional Payments.

"Payment" type Line statuses

Of all the Line statuses available in Margill Loan Manager (MLM), the "Payment" type Line statuses distinguish themselves since they are the only ones that refund, **for accounting purposes**, interest, principal (pure principal and Fees financed (APR)) and Column fees (as opposed to fees added as lines - see example below). Their presence also influences many computed fields in the reports.

Note: In order to lighten the text, we use "I+P+FFA+CF" to name the four components that are normally reimbursed by the "Payment" type Line status:

I = Interest
P = Principal
FFA = Fees financed APR
CF = Column Fees

"Payment" type Line statuses:

- Paid Pmt
- Paid Late Pmt
- Partial Pmt
- Partial Late Pmt
- Paid Pmt Returned Check
- Add. Pmt
- Compensatory Pmt*
- Paid Pmt (2)* to Paid Pmt (10)*
- Paid Pmt (11x)** to Paid Pmt (20x)**
- Interest Paid ***
- Interest Paid (2) to (4) * and ***
- Principal Paid ****
- Principal Paid (2) to (4) * and ****

- *** Allows to pay the interest in advance without the need for an interest balance.
 - "Due interest balance" can become negative.

The "Payment" type of Line status (which reimburse I+P+FFA+CF) should not be confused with "Paid Fees" type Line statuses which reimburse only their equivalent in Fees charged by Line status. In the example below, line 3 "Fees Paid" does not refund interest ("Paid Interest" column) nor Principal ("Paid Principal" column). The "Balance Due Principal" column thus remains at 100,000.

The "Paid Pmt" on line 5 of 500, refunds 500 in interest ("Paid Interest" column), but since the due interest ("Balance Due Interest" column) is more than 500, no principal is be paid since interest is normally paid before principal (exceptions can be configured in MLM - see "Interest" Type Line statuses and the Interest-only payments section, Interest-only Payment Adjustment - Simple Interest subsection).

Only the payment on line 6 pays all the due interest plus an amount of principal. Thus, the "Balance Due Principal" column decreases by 142.07 since that principal amount is paid back.

^{*} Line status names that can be customized.

^{**} Line status names that can be customized and only include, for the reports, the amounts per se. The reporting fields that subdivide Interest, Principal, Column fees and APR Fees financed portions are not included.

^{****} Allows to pay pure Principal only and/or APR Fees financed.

Regardless of the Line status, the "Mathematical Principal" column includes an amount (positive or negative), but this amount is mathematical principal, not accounting principal. The "Interest" column represents the accrued interest from the previous line only to this line.



You can rename multiple Line statuses. The simple fact of renaming a Line status that is not a Payment type Line status (for example renaming "Other 1" to "Paid Payment XYZ") does not change its behavior.

Other "Payment" type Line statuses, but for which the payment MUST be = 0.00 are the "Unpaid" types:

- Unpaid Pmt
- Returned check
- Unpaid Pmt (2)* to Unpaid Pmt (10)*

When a payment SHOULD have been made but was not, select the "Unpaid Pmt" corresponding to the payment that should have been made (eg, "Unpaid Pmt - Visa" corresponds to the "Paid Pmt - Visa" Line status). This is critical for many reasons:

- so that the data collected for accounting purposes, may be entered in the General ledger
- to establish the <u>Outstanding</u> amounts
- to determine the <u>Ageing of accounts</u>
- to calculate the required <u>Credit Report</u> codes

"Unpaid Pmt" Line statuses will also indicate to the system that a payment should have been made, thus calculating the "due" interest as opposed to "accrued" interest. Interest is considered "due" when a payment was due but was not paid or when a partial payment pays only a portion of accrued interest for the period. This important accounting field is calculated and is available in Record List report, Document Merge (Letters, Contracts, Invoices and Statements) and for exporting transactions to the General ledger.

For accounting purposes, it is possible to isolate PAID amounts for Column Fees (1 to 6), interest, principal and the Fees financed (APR) (pro-rated) in the reports for all "Payment" type Line status (of which those whose name can be changed).

See also Accounting data and Line status and the definitions of accounting principal and mathematical principal.

Refund exclusivity and priorities

By default, if <u>Column_Fees</u> are present, they will be "paid" (or refunded) with "Payment" type Line statuses before interest and before principal. The normal reimbursement order for Column Fees is as follows: Column Fees 1 (as renamed), Column Fees 2, 3, 4, 5 and finally 6.

^{*} Line status names that can be customized and should correspond to their counterpart "Paid Pmt (X)".

Also, if <u>APR Fees Financed</u> are present, these "fees" (which are considered in Margill to be of "Principal" type since they are part of the amount financed) will be paid on a pro-rated basis of the total paid principal.

Exceptions to these rules are however possible with the "Paid Interest" and "Paid Principal" Line statuses and even for the Column Fees priority, with the "normal" "Payment" type Line statuses.

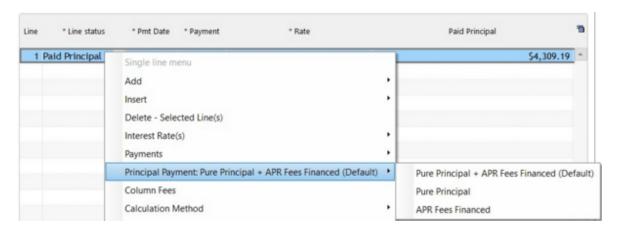
"Paid Interest" Line status

- The "Paid Interest" Line statuses (4 in all, 3 of which the names can be personalized) will only pay interest, nothing
 else.
- See the important <u>Interest paid in advance</u> section.

"Paid Principal" Line status

• The "Paid Principal" Line statuses (4 in all, 3 of which the names can be personalized) will only pay Principal (pure accounting Principal and APR Fees financed) with the possibility of only paying the pure accounting Principal or to pay, in priority, the APR Fees financed. These Line statuses thus allow the user to choose between three refund options.

In the payment schedule, for the "Paid Principal" type Line statuses, right click with the mouse. Under "Paid Principal", three options are available:



The default option is: "Pure Principal + APR Fees Financed". This means that the amount in the "Payment" column will be allocated on a pro-rated basis to pure Principal and APR Fees financed. Here are simple examples to illustrate this: if the amount financed is 9000, the APR Fees financed are 1000 and an amount of 1000 is paid in principal, 900.00 will reimburse pure Principal and 100.00 will reimburse APR Fees financed.



If the "Pure Principal" option is chosen, the amount of 1000 becomes green which means the default option is not used. The amount is allocated 100% to the reimbursement of pure accounting Principal.



If the amount in the "Payment" column excess the due "pure" Principal, the extra amount will not be used to reimburse the balance of the APR Fees financed. The extra amount will then be allocated to the "Balance Due Principal" which will become negative.

Line	* Line status	* Pmt Date	* Payment	Paid Principal	Paid Fees Financed (APR)	Balance Due Principal	Balance Fees Financed (APR)
1	Paid Principal	2020-01-01	\$10,500.00	\$10,500.00	\$0.00	\$-1,500.00	\$1,000.00

Finally, if the "APR Fees Financed" option is chosen, the amount of 1000 becomes green which means the default option is not used. The amount is allocated in priority to reimburse the APR Fees financed.

Line	* Line status	* Pmt Date	* Payment	Paid Principal	Paid Fees Financed (APR)	Balance Fees Financed (APR)
1	Paid Principal	2020-01-01	\$1,000.00	\$0.00	\$1,000.00	\$0.00

If the amount in the "Payment" column exceeds the Balance Fees Financed (APR), the extra amount is used to reimburse the pure Principal because APR Fees Financed is not allowed to have a negative balance. This third option is thus a *priority* for reimbursement, not an *exclusivity* as is the case in option 2 above.

Line	* Line status	* Pmt Date	* Payment	Paid Principal	Paid Fees Financed (APR)	Balance Fees Financed (APR)
1	Paid Principal	2020-01-01	\$1,500.00	\$500.00	\$1,000.00	\$0.00

See also Fees paid up-front, Financed or Paid subsequently

Column Fees payment order with exceptional priority

• The normal refund order for Column Fees is as follows: Column Fees 1 (as renamed), Column Fees 2, 3, 4, 5 and finally 6. However, a "Payment" type Line status offers, with the right mouse click, the option to change this order:

In the following example, Column Fees 1 (renamed "Other Fees") would be paid in priority, followed by Column Fees 2 (renamed Returned Check (Auto)), and so on. This is the default order. However, with the choice in blue, Column Fees 3 (renamed GST) would be paid in priority, before Column Fees 1 and 2. If the payment amount exceeds the balance in Column Fees 3, this extra amount would then pay Column Fees 1, followed by Column Fees 2, Column Fees 4, Column Fees 5, Column Fees 6 Interest and finally the Principal.



The user can change the priority of the first Column fees to be paid, but the normal order is always applied after. This normal order can only be modified by the methods explained in this section and with option 3 of Principal payment only).

A larger payment on a particular date could also be subdivided into several payment lines in order to assign specific amounts to the various Column Fees, Interest and Principal. In the following example, the October 20, 2019 payment for a total of 1625 (split in 3 payments) pays 500 in Principal (and APR Fees financed), followed by interest 125 and 1000 will be used to pay the Column Fees 4, followed by the Column Fees 1, 2, 3, 5 and 6 if applicable (and if all Column Fees and interest are paid, Principal will be refunded - this can become very complex if you wish!).



See also the following sections: <u>"Principal" Type Line statuses</u>, <u>"Interest" Type Line statuses</u>, <u>Accounting Data and Line status</u> and also <u>Refund order for Interest</u>, <u>Fees and Principal</u> of the <u>Calculation Methods</u> chapter.

"Principal" type Line statuses

Among the Line statuses that allow negative payments (Fees, Insurance, Taxes, Invoice, Withdrawal, Investment, Adjustment, Interest charged, Other, Undefined and the 10 "Additional principal"), the "Additional Principal" Line statuses differ because only these add **pure**, **accounting** principal. Their presence also affects several calculated fields in the reports.

In the example below (no interest to simplify), the 250.00 charged as Fees influence the "Principal" column that is mathematical principal and also the balance of the loan. The fees, however, don't add any amount in column "Balance Due Principal" which remains at 4712.70.

However, the following line "Add. Princ. (loan)" (3000.00) increases the "Balance Due Principal" to 7712.70.



Margill Loan Manager (MLM) contains ten (10) Additional Principal Line statuses including nine (9) of which names can be customized:

Add. Princ. (2)
Add. Princ. (3)
Add. Princ. (4)
Add. Princ. (5)
Add. Princ. (6)
and 7 to 10...

This way, you can identify the specific types of "investments" within the loan.

You can rename multiple Line statuses. Simply renaming a Line status that is not "Principal" type, for example "Other", to "Principal second payment" does not change its behavior.

See also Accounting data and Line status and the definitions for accounting principal and mathematical principal.

"Paid Principal" type Line statuses

These Line statuses make it possible to pay Principal (pure accounting Principal and/or APR Fees financed - pro rated).

See instructions in the "Payment" type Line statuses section, under "Paid Principal" Line status.

"Interest" type Line statuses

Two "Interest" Type Line statuses are available in Margill Loan Manager (MLM):

- 1) Interest Charged (2 of these)
- 2) Interest Paid (5 of these)

1) "Interest Charged" type Line statuses

Among the Line statuses that allow negative payments (Fees, Insurance, Taxes, Invoice, Withdrawal, Investment, Adjustment, Others, Undefined and the 10 "Additional principal"), the two (2) "Interest Charged" Line statuses stand out because only these will add "accrued" interest.

The name of these two Line statuses can be changed in order to identify and to report, in complex situations, the

"artificially" added interest.

Adding interest manually should be an exception since usually, accrued interest should be computed automatically taking into account the balance, the interest rate and the time factor. We often see additional interest in order to make an adjustment, especially at the start of a existing loan imported into MLM without the full transactional history. See Integrating Existing Loans.

Some advanced users, in more complex calculations, will add interest with these Line statuses when the balance of the loan becomes negative, therefore generating negative interest. Manually adding positive interest compensates for this negative interest which, for example, should not be accumulated. Often, special custom reports must be created by the Margill team to account for these exceptional situations.

An "Interest Charged" Line status must be entered as a negative amount in the "Payment" Line status and this amount will also be displayed in the "Accrued Interest" column.



Normal accrued interest of 1047.62 between 2021-01-01 and 2021-02-01 without adding any additional interest



Accrued interest of 1047.62 between 2021-01-01 and 2021-02-01 plus 500.00 in additional interest for a total of 1547.62 in accrued interest.

2) "Interest Paid" Line statuses

The "Interest Paid" Line statuses, four (4) of which the name can be adapted, will only pay interest, without paying the Column Fees. In addition, these Line statuses will pay the desired amount of interest even if the accumulated or due interest balance is less than the amount entered. The interest balance can thus be negative.

For more detail and important subtleties, see the <u>Interest Paid in Advance</u> section in the <u>How to do...</u> chapter.

Accounting Data and Line status

Line status also allows you to determine, usually for <u>accounting</u> purposes, the actual interest paid versus accrued interest, as well as due interest, paid principal, due principal and the balance due for all other Line statuses (fees, tax, insurance, etc.). This information is contained in the <u>Payment schedule columns</u> and is available in the <u>Record List</u> report and when <u>Exporting to the General ledger</u>.

Only true payments will pay off interest or principal. Fees, insurance and all other "non payment" Line statuses will reduce the total balance (mathematical) but not the true principal (accounting principal). See "Payment" Type Line statuses and "Principal" Type Line statuses.

In the example below, please note that some columns were hidden in order to properly see only the pertinent columns.

For the first payment with Line status "Due Pmt", the "Paid Interest" and "Paid Principal" columns are at 0.00.

Line Status	Payment	Rate	Principal	Interest	Balance	Paid Interest	Paid Principal	Due Interest	Balance Due Interest	Balance Due Principal	Balance all others
Due Pmt 💌	\$ 1 000,00	10,0000 %	\$ 601,29	\$ 398,71	\$ 49 398,71	\$ 0,00	\$ 0,00	\$ 398,71	\$ 398,71	\$ 50 000,00	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 606,09	\$ 393,91	\$ 48 792,62	\$ 0,00	\$ 0,00	\$ 393,91	\$ 792,62	\$ 50 000,00	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 610,92	\$ 389,08	\$ 48 181,70	\$ 0,00	\$ 0,00	\$ 389,08	\$ 1 181,70	\$ 50 000,00	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 615,79	\$ 384,21	\$ 47 565,91	\$ 0,00	\$ 0,00	\$ 384,21	\$ 1 565,91	\$ 50 000,00	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 620,70	\$ 379,30	\$ 46 945,21	\$ 0,00	\$ 0,00	\$ 379,30	\$ 1 945,21	\$ 50 000,00	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 625,65	\$ 374,35	\$ 46 319,56	\$ 0,00	\$ 0,00	\$ 374,35	\$ 2 319,56	\$ 50 000,00	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 630,64	\$ 369,36	\$ 45 688,92	\$ 0,00	\$ 0,00	\$ 369,36	\$ 2 688,92	\$ 50 000,00	\$ 0,00

Only when Line status is changed to "Paid Pmt" (or other "Paid" status) do the "Paid interest" and "Paid Principal" change as seen below:

Line Status	Payment	Rate	Principal	Interest	Balance	Paid Interest	Paid Principal	Due Interest	Balance Due Interest	Balance Due Principal	Balance all others
Paid Pmt M	\$ 1 000,00	10,0000 %	\$ 601,29	\$ 398,71	\$ 49 398,71	\$ 398,71	\$ 601,29	\$ 0,00	\$ 0,00	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 606,09	\$ 393,91	\$ 48 792,62	\$ 0,00	\$ 0,00	\$ 393,91	\$ 393,91	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 610,92	\$ 389,08	\$ 48 181,70	\$ 0,00	\$ 0,00	\$ 389,08	\$ 782,99	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 615,79	\$ 384,21	\$ 47 565,91	\$ 0,00	\$ 0,00	\$ 384,21	\$ 1 167,20	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 620,70	\$ 379,30	\$ 46 945,21	\$ 0,00	\$ 0,00	\$ 379,30	\$ 1 546,50	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 625,65	\$ 374,35	\$ 46 319,56	\$ 0,00	\$ 0,00	\$ 374,35	\$ 1 920,85	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 630,64	\$ 369,36	\$ 45 688,92	\$ 0,00	\$ 0,00	\$ 369,36	\$ 2 290,21	\$ 49 398,71	\$ 0,00

If only a partial payment is made, on the second line, outstanding interest will first be paid off followed by the principal if the payment is sufficient. In the example below, the partial payment of 200.00 will first pay off 200.00 in outstanding interest and the 193.91 in outstanding interest will go to the "Due Interest" and "Balance Due Interest" columns. The "Paid Principal" and "Balance Due Principal" columns will remain unchanged for accounting purposes although the loan balance (sixth column in this example) does increase by the unpaid interest amount.

Line Status	Payment	Rate	Principal	Interest	Balance	Paid Interest	Paid Principal	Due Interest	Balance Due Interest	Balance Due Principal	Balance all others
Paid Pmt	\$ 1 000,00	10,0000 %	\$ 601,29	\$ 398,71	\$ 49 398,71	\$ 398,71	\$ 601,29	\$ 0,00	\$ 0,00	\$ 49 398,71	\$ 0,00
Partial Pmt 💌	\$ 200,00	10,0000 %	\$ -193,91	\$ 393,91	\$ 49 592,62	\$ 200,00	\$ 0,00	\$ 193,91	\$ 193,91	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 604,54	\$ 395,46	\$ 48 988,08	\$ 0,00	\$ 0,00	\$ 395,46	\$ 589,37	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 609,36	\$ 390,64	\$ 48 378,72	\$ 0,00	\$ 0,00	\$ 390,64	\$ 980,01	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 614,22	\$ 385,78	\$ 47 764,50	\$ 0,00	\$ 0,00	\$ 385,78	\$ 1 365,79	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 619,12	\$ 380,88	\$ 47 145,38	\$ 0,00	\$ 0,00	\$ 380,88	\$ 1 746,67	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 624,06	\$ 375,94	\$ 46 521,32	\$ 0,00	\$ 0,00	\$ 375,94	\$ 2 122,61	\$ 49 398,71	\$ 0,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 629,03	\$ 370,97	\$ 45 892,29	\$ 0,00	\$ 0,00	\$ 370,97	\$ 2 493,58	\$ 49 398,71	\$ 0,00

Now if fees are charged (25.00) and 15.00 is paid off 5 days later (date column is hidden here), this will not affect the "Paid Interest" nor the "Paid Principal" columns, but will affect the last column, "Balance all others". This will also affect the loan balance (sixth column). The fourth column ("Principal")(mathematical principal as opposed to accounting principal) is adjusted no matter what Line status is chosen since the "Principal" column takes into account the payment amount (positive, negative or 0.00) and the accrued interest.

Line Status	Payment	Rate	Principal	Interest	Balance	Paid Interest	Paid Principal	Due Interest	Balance Due Interest	Balance Due Principal	Balance all others
Paid Pmt	\$ 1 000,00	10,0000 %	\$ 601,29	\$ 398,71	\$ 49 398,71	\$ 398,71	\$ 601,29	\$ 0,00	\$ 0,00	\$ 49 398,71	\$ 0,00
Partial Pmt	\$ 200,00	10,0000 %	\$ -193,91	\$ 393,91	\$ 49 592,62	\$ 200,00	\$ 0,00	\$ 193,91	\$ 193,91	\$ 49 398,71	\$ 0,00
Fees M	\$ -25,00	10,0000 %	\$ -420,46	\$ 395,46	\$ 50 013,08	\$ 0,00	\$ 0,00	\$ 395,46	\$ 589,37	\$ 49 398,71	\$ 25,00
Fees Paid	\$ 15,00	10,0000 %	\$ -37,99	\$ 52,99	\$ 50 051,07	\$ 0,00	\$ 0,00	\$ 52,99	\$ 642,36	\$ 49 398,71	\$ 10,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 654,28	\$ 345,72	\$ 49 396,79	\$ 0,00	\$ 0,00	\$ 345,72	\$ 988,08	\$ 49 398,71	\$ 10,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 606,10	\$ 393,90	\$ 48 790,69	\$ 0,00	\$ 0,00	\$ 393,90	\$ 1 381,98	\$ 49 398,71	\$ 10,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 610,94	\$ 389,06	\$ 48 179,75	\$ 0,00	\$ 0,00	\$ 389,06	\$ 1 771,04	\$ 49 398,71	\$ 10,00
Due Pmt	\$ 1 000,00	10,0000 %	\$ 615,81	\$ 384,19	\$ 47 563,94	\$ 0,00	\$ 0,00	\$ 384,19	\$ 2 155,23	\$ 49 398,71	\$ 10,00

Below is a summary of the rules applied:

	Line status name	Rule
•	Due Pmt Due Pmt (2) to (5)	Since the amount will become due and thus is not yet paid, no effect on "Paid Interest" and "Paid Principal".
•	Paid Pmt, Paid Late Pmt, Partial Pmt, Partial Late Pmt, Paid Pmt Returned Check, Add. Pmt Paid Pmt (2) to (20)	Will first reduce the interest due then reduce the principal due if payment is sufficient to refund all outstanding and current interest. If Column Fees are present, they are paid before the accrued interest.
•	Unpaid Pmt, Returned check Unpaid Pmt (2) to (10)	Is always be 0.00 thus will increase the "Due Interest" and "Balance Due Interest" columns.
•	Add. Princ. (Loan) Add. Princ. (2) to (10)	Will increase "Balance" and "Balance Due Principal" columns.
•	All Fees, Insurance, Taxes, Penalties, Invoice, Withdrawal	Will increase the "Balance" and "Balance all others" columns.
•	All Paid Fees, Insurance, Taxes, Penalties, Invoice, Withdrawal	Will decrease the "Balance" and the "Balance all others" columns.
•	Adjustment, Information, Other (1 to 10), Not Set, Rate Change	Will increase or decrease the "Balance" and the "Balance all others" columns (respectively, if payment is negative or positive). Have no effect if payment is 0.00. We strongly suggest that you only use these Line statuses to add other information in the Payment schedule (Column Fees, data in one of the nine informational type columns, etc.) and therefore that the payment always be 0.00 (an option in Settings > Payment Line statuses allows to force the Payment to 0.00).

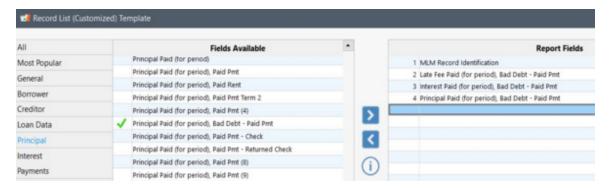
For accounting purposes, it is possible to isolate PAID amounts for Column Fees (1 to 6), interest, principal and the APR principal (pro-rated) in the reports for all "Payment" type Line status (of which those whose name can be changed). See Reports > Personalized Reports > Reporting Fields > APR, Fees, Interest and Principal.

For example, the "Paid Pmt 5" Line status is renamed "Bad Debt". This Payment type Line status, will pay the Column fees balance, followed by the Interest balance and then the Principal balance, and generally, it will give a balance of 0.00 (the complete balance on a determined date becomes a bad debt). You can then use these different fields in the reports in order to isolate the non cash payment from the real cash payments.

In the following example, the lines 1 to 6 are cash payments while line 10 is a Bad Debt (non cash).



In the reports, we can isolate for the month of April 2021, the losses in Column Fees, in Interest and in Principal by choosing the corresponding Line status types:



Report of losses for the month of April 2021 (our example, Record 1447):

	MLM Record	Late Fee Paid (for	Interest Paid (for	Principal Paid (for	
Currencies	Identification	period), Bad Debt - Paid Pmt	period), Bad Debt - Paid Pmt	period), Bad Debt - Paid Pmt	
>	1468	\$0.00	\$0.00	\$0.00	
\$	1469	\$0.00	\$0.00	\$0.00	
\$	1470	\$0.00	\$0.00	\$0.00	
\$	1471	\$0.00	\$0.00	\$0.00	
\$	1472	\$0.00	\$0.00	\$0.00	
\$	1473	\$0.00	\$0.00	\$0.00	
\$	1474	\$0.00	\$366.55	\$133.45	
\$	1475	\$0.00	\$0.00	\$0.00	
S	1476	\$0.00	\$0.00	\$0.00	
\$	1477	\$75.00	\$3,851.18	\$353,978.30	
\$	1478	\$0.00	\$0.00	\$0.00	

75.00+3851.18 + 353 978.30 = Payment of 357 979.48

Please note that we can not isolate these data for the "Paid Pmt 11 to 20" Line statuses.

See Reports > Personalized Reports > Reporting Fields > Principal, Fees, Interest and APR sub-sections.

See also <u>"Payment" Type Line statuses</u> and <u>"Principal" Type Line statuses</u> and <u>Accounting Data</u> in the Reports section.

Data Integrity

Margill Loan Manager (MLM) has a data integrity component to verify if the <u>Line status</u> is correctly associated with the corresponding positive or negative payment and if the status follows a logical order. For example, an "Add. Princ." <u>Line status</u> can only be a negative amount and a Line status cannot be changed from "Due Pmt" to "Paid Pmt" if the status of the preceding line is "Due Pmt".

All data integrity constraints are explained below: When the word "Must" is used under normal conditions, the system prohibits the unauthorized condition. When the word "Should" is used, the system will inform you of what you should do, however, there is always a way around this condition in order not to add too much burden to the user.

Line status name	Rule
Due PmtDue Pmt (2) to (5)	Must be positive or = 0.00. Cannot be before : Any "Paid" type payments. A "Paid" payment includes the following six (6) Line statuses: "Paid Pmt", "Paid Late Pmt", "Partial Late Pmt", "Returned Check Paid Pmt", "Add. Pmt", "Compensatory Pmt", the nineteen (19) other Line statuses "Paid Pmt (2) to (20)" whose names can be changed, as well as "Interest Paid" and "Paid Principal".
	 "Unpaid Pmt", "Returned check". Payments of fees, penalties, invoices, insurance and taxes. "Investment - Withdrawal".
Unpaid Pmt	Must be 0.00. Cannot be after a "Due Pmt".
Returned check	Must be 0.00. Cannot be after a "Due Pmt".
Unpaid Pmt (2) to (10)	Must be 0.00. Should be the counterpart of the "Paid Pmt" Line statuses whose name can be modified. For example, if the name of "Paid Pmt (1)" is renamed "Paid Pmt Visa", the counterpart of unpaid should be "Unpaid Pmt Visa". Cannot be after a "Due Pmt".
● Paid Pmt	Must be positive or = 0.00. Should be equal to or greater than the amount entered in the "Due Pmt" Line status. Should also be on the same date or before the date entered when the Line status was "Due Pmt".

	Cannot be after a "Due Pmt".
Paid Late Pmt	Must be positive or = 0.00.
	Should be the same amount as of when Line status was "Due Pmt".
	Should not be the same date that was originally entered (when the Line status was "Due Pmt").
	Cannot be after a "Due Pmt".
Partial Pmt	Must be positive or = 0.00.
	Should be the same date as of when Line status was "Due Pmt".
	Should not be the same amount that was originally entered (when the Line status was "Due Pmt").
	Cannot be after a "Due Pmt".
Partial Late Pmt	Must be positive or = 0.00.
	Should not be the amount originally entered (when the Line status was "Due Pmt").
	Should not be the same date that was originally entered (when the Line status was "Due Pmt").
	Cannot be after a "Due Pmt".
Returned check Paid Pmt	Must be positive or = 0.00.
	Should ideally be the counterpart of "Returned Check".
	Cannot be after a "Due Pmt".
Add. Pmt	Must be positive or = 0.00.
Compensatory Pmt	Cannot be after a "Due Pmt".
• Paid Pmt (2) to (10)	Must be positive or = 0.00.
	Can be a complete, partial and/or late payment.
	Cannot be after a "Due Pmt".
• Paid Pmt (11) to (20)	Must be positive or = 0.00.
	Can be a complete, partial and/or late payment.
	Cannot be after a "Due Pmt".
	Unlike the Line statuses "Paid Pmt 2 to 10", it is not possible to isolate the Principal, the Interest, the APR Fees financed and Column Fees for each type of Line status.
	These Line statuses do not have their counterparts in the "Unpaid" type of

	Line statuses.
Interest Paid (5 in all)	Must be positive or = 0.00.
	Can be a complete, partial and/or late payment.
	Cannot be after a "Due Pmt".
Paid Principal (5 in all)	Must be positive or = 0.00.
	Can be a complete, partial and/or late payment.
	Cannot be after a "Due Pmt".
Rate Change	Should be = 0.00 but if positive or negative, will be indicated in red to display the problem.
• Fees 1 to 6	Must be negative or = 0.00.
• Fees Paid 1 to 6	Must be positive or = 0.00.
	Should not be greater than the corresponding "Fees" (charged) amount. If greater, the Line status will be displayed in red to indicate a potential problem.
	Cannot be after a "Due Pmt".
• Add. Princ. (Loan)	Must be negative or = 0.00.
• Add. Princ. (2) to (10)	Must be negative or = 0.00.
• Invoice	Must be negative or = 0.00.
Invoice Paid	Must be positive or = 0.00.
	Should not be greater than the corresponding "Invoice" (charged) amount. If greater, the Line status will display in red to indicate a potential problem.
	Cannot be after a "Due Pmt".
Interest ChargedInterest Charged (2)	Must be positive or = 0.00.
Returned check	Must be 0.00.
Withdrawal	Must be negative or = 0.00.
• Insurance	Must be negative or = 0.00.
Insurance Paid	Must be positive or = 0.00.

	Should not be greater than the corresponding "Insurance" (charged) amount. If greater, the Line status will display in red to indicate a potential problem. Cannot be after a "Due Pmt".
● Tax	Must be negative or = 0.00.
• Tax Paid	Must be positive or = 0.00. Should not be greater than the corresponding "Tax" (charged) amount. If greater, the Line status will display in red to indicate a potential problem. Cannot be after a "Due Pmt".
Penalty	Must be negative or = 0.00.
Penalty Paid	Must be positive or = 0.00. Should not be greater than the corresponding "Penalty" (charged) amount. If greater, the Line status will display in red to indicate a potential problem. Cannot be after a "Due Pmt".
Investment	Must be negative or = 0.00.
Investment - Withdrawal	Must be positive or = 0.00. Cannot be after a "Due Pmt".
Adjustment	No constraints.
Information Information - No Impact	Can only be 0.00 since this Line status is for information purposes only.
Other 1 to 10	No constraints.
• Not Set	No constraints. Should never be used or present. This is the default Line status when system cannot determine the proper Line status.

The "Line status Settings" window (Tools > Settings > System Settings (Administrators) > Line Payment Statuses) displays the different Line status constraints.

Changing payment amounts (positive, negative) in the payment schedule

If a 0.00 or positive payment is changed to a negative payment, the Line status will usually change to "Add. Princ. (Loan)". This can later be changed to other Line statuses such as Fees, Penalties or other appropriate Line statuses.

If several lines are changed at the same time with positive payments, the Line statuses will be either "Due Pmt" or "Not Set", depending on their original Line status. The "Not Set" Line status should be changed afterwards.

The following **Shortcuts** can be useful to quickly change several Line statuses at once:

- Ctrl Alt Shift F11 Changes the selected lines to "Due Pmt" or to any of the "Due Pmt (2) to (5)" Line statuses.
- Alt X Selects all the "Due Pmt" lines (and "Due Pmt (2) to (5)").
- Ctrl Alt Shift F12 Changes the selected "Due Pmt" (and "Due Pmt (2) to (5)") to "Paid Pmt" or to any of the "Paid Pmt 2 to 20" Line statuses.

Here are, in general, the Line status changes when changing payment sign:

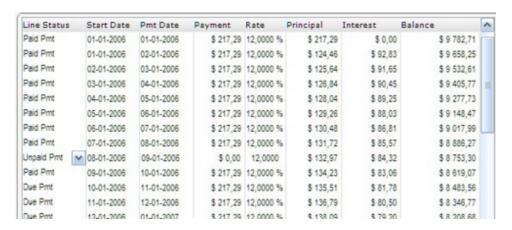
Sign of original payment	Sign of new payment	New Line status
+ or 0.00	-	"Add. Princ. (Loan)" or "Not set"
- or 0.00	+	"Not set" or "Due Pmt"
+	0.00	"Information" or "Not set"
-	0.00	"Information"

See the Check for Data Irregularities section which explores the tools available to eliminate data integrity issues.

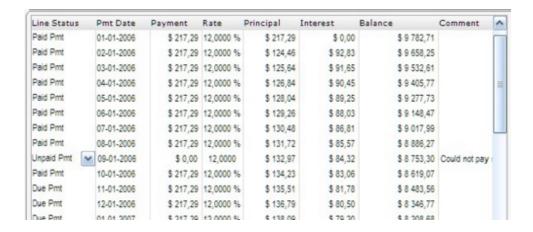
Line Comment

Line comments may be added for all lines in a Payment schedule. Because of constraints in the printed report space, comments may not exceed 100 characters (and spaces).

If you do not see the comment at the far right of the Payment schedule window, scroll to the right with the scroll bar. This may happen if the "Start Date" column is included in the Payment schedule as seen below:



By default however, the "Start Date" column is not included (to include, see "Payment schedule columns") thus in the default settings, we can see the "Comment" column.



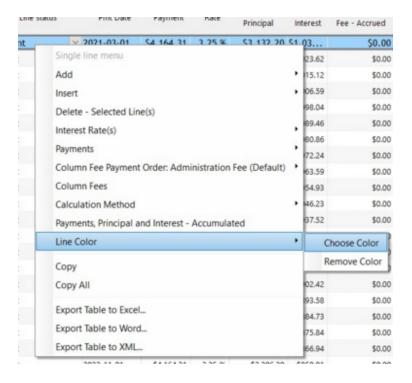
Line comments may also be added in "batch" through the "Payment Update" tool.

See also Alerts and in particular Record Alerts, specific lines.

Comments can be extracted by the <u>Transaction Report</u> or by the <u>Special Events Report</u>.

Line Color

Colors can be added to the lines in the Payment schedule in order to place emphasis on certain lines of the loan. To do so, select the desired lines, right mouse click and choose "Line Color".





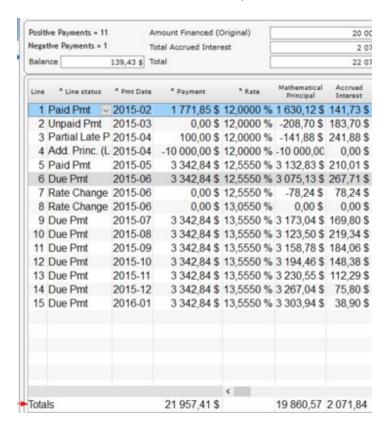
Colors can be eliminated with the "Remove Color" option.

The line colors will also be visible in the <u>Payment Update "Post payment"</u> tool.

Payment schedule columns

By default, a Payment schedule includes over 60 columns described in the table below. These may be viewed with the horizontal scroll bar.

Totals of monetary data columns are entered at the bottom of the Payment schedule.



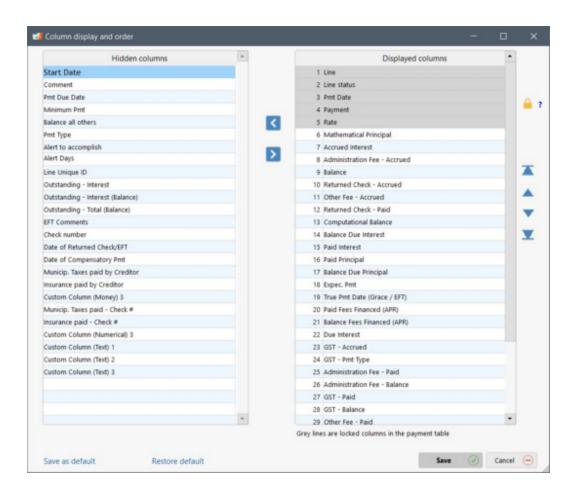
Columns: hide, show, move, lock widen and narrow

The columns can be hidden, widened or narrowed, moved and locked in order to see only data pertinent to your operations. Once you set up an order and column widths, these preferences will be saved for your next calculation and upon your next use of MLM.

A more efficient method is available instead of manually moving columns and hiding them with the right mouse click.

Click on the icon on the lower right corner of the Payment schedule. A table will appear in which you can select the columns to display or hide, using the arrows and place them in the order you wish with the following arrows:





You can also freeze the left columns you wish to keep visible when scrolling horizontally by clicking on the lock the example above, the grayed-out choices: "Line" (always visible by default and always frozen), "Line status", "Pmt Date", "Payment" and "Rate" will always be visible on the left when navigating to the right in the Payment schedule. It is

possible to unlock columns by placing the mouse over a grayed-out column header name and clicking on



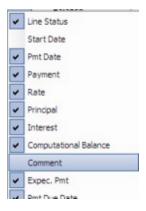
It is recommended to click on "Save as default" (bottom left) in order to keep your choices for the long term and then by clicking on "Save", your changes will become effective for all of your Records. Refresh time can be up to 30 seconds or more

If you wish to temporarily change the column display order, make your changes without choosing "Save as default" and then click on "Save". The "Restore Default" link will allow you to return to your normal default configuration.

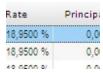
Methods described below also remain available but are often slower and less permanent:

To change column order, click on the heading of the column (and keep pressing on the mouse key) to drag the column to the desired location.

To hide a column, right click on the header and under "Select column" uncheck the column(s) to hide. In the example below, the "Comment" column will be hidden.



To widen or narrow a column, click on the light grey line separating columns and keep the left button of the mouse pressed.



Columns and Descriptions

Column name	Description
• Line	Line number.
• Line status	Multiple Line statuses are included. The <u>Line status</u> should reflect the true payment history. By default, lines will have the "Due Pmt" status. Only change this to another status when the payment has been made, is late, is unpaid, or when other amounts are added over time: additional principal, fees, insurance, taxes, etc.

	Line status will have an effect on <u>accounting data</u> (see the "Other columns" section below) and are subject to some <u>Data integrity</u> constraints.
	Over 70 Line statuses are available including 40 or so whose names may be adapted.
	If some Line statuses are not useful, these may be hidden and their order changed to reflect your needs. See the <u>Line status name change, choice and order</u> subsection in the <u>Line status</u> chapter.
Start Date	Does not appear by default.
	Based on the previous line's payment date. May be useful when variable rates are used. This column thus shows at which date the new interest takes effect.
	The Start date may not be changed.
	With mouse over, the day of the week corresponding to the date is displayed.
Pmt Date	The date at which the payment is made. This date should be changed when a payment is not made on time or should remain unchanged but a payment of 0.00 entered if the payment is not paid on the expected date.
	See further explanations below for the "True Pmt Date (Grace / EFT)" column when a grace period is granted or when pre-authorized payments are made.
	With mouse over, the day of the week corresponding to the date is displayed.
 Payment 	The actual payment amount. The amount should be changed to reflect the true payment amount.
	This may be a positive amount (refund) or a negative amount to reflect an increase in balance (principal, fees, or other).
	The Line status must match the type of payment (positive, negative or 0.00).
• Rate	The interest rate that applies for this period.
	The rate may be changed for one or many lines and the rate recomputed automatically (see Right mouse click options).
	The interest rate of multiple Records can also be modified in batch. See: Adding or changing interest rates in a Payment schedule.
Mathematical Principal	Mathematical principal amount (as opposed to accounting principal) that is computed based on the payment amount entered (positive or negative), the interest generated and other amounts added (Fees or other) at this date.
	This is the column that, based on the amounts above, will either increase the true balance or reduce it. It is useful in order to see the effect of the payment on the balance.
	 A payment that is too low to pay any accrued interest and fees charged will generate a negative Mathematical principal and increase the true balance.
	 A payment that is greater than the accrued interest and fees charged will generate a positive Mathematical principal and decrease the true balance.
	Amount cannot be changed manually.
Accrued Interest	Accrued interest from the line "Start date" to the payment date.
	Will include interest added with the "Interest Charged" and "Interest Charged 2" (as renamed) Line statuses.

	Amount connet he shanged manually unless the interest rate is shanged
	Amount cannot be changed manually unless the interest rate is changed.
Balance, or"Computational	True Record balance on the payment date at 0:00 AM but taking into account that day's payment. Does not include the interest for the day.
Balance" in Simple interest	In Simple interest, column name changes to "Computational Balance". Provides the balance that is used for the calculation since no interest is calculated on interest.
• Comment	Comment for that line.
	Other columns
Expec. Pmt	Payment that SHOULD have been made. This may be entered through the pop-up box or directly in the column.
	The amount is in light grey in order not to be confused with the true payment.
	The amount may only be changed for "Due Pmt" and "Payment" type Line statuses and for "Other 1 to 10" Line statuses. Otherwise, the amount of this column = amount of the Payment column.
	The keys "Ctrl Alt R" allows to modify, for the selected lines only, the amount in column "Expec. Pmt" to the amount entered in the "Payment column". Thus, the amount in the "Outstanding (Balance)" column is recomputed to reflect this change.
	Expected Pmt should usually be equal to the Payment amount when the Line status is Due Pmt (or Due Pmt (2) to (5)). Therefore, if the Payment amount is changed when the Line status is Due Pmt, the Expected Pmt will also change except if an option is activated allowing Payments and Expected Pmts not to be equal. This is useful when the Creditor and the Borrower agree in advance on a next payment (higher or lower). The user must activate the Allow to change the "Expected Payment" amount when Line status is "Due Payment" option.
Pmt Due Date	Date at which the payment was due initially.
	Will be the date corresponding to the payment date when Line status was "Due pmt".
	The date is in light grey in order not to be confused with the true payment date.
	The date may be changed for the following Line statuses only: "Paid Late Pmt", "Partial Late Pmt" and for the "Paid Pmt" from (2) to (20).
 Outstanding - Payment (Balance) 	Cumulative balance of the payment amount that should be paid (Payment column) but that is overdue. This column subtracts the amount entered in the "Payment" column from the amount entered in the "Expec. Payment" column.
	The minimum outstanding amount is 0.00. The outstanding amount cannot be negative even if the payment made is greater than the outstanding balance. In addition, the calculation of the overdue amount always starts from a positive balance or 0.00, never from a negative balance (overpayment).
	For example, a payment of 1000.00 ("Due Pmt") should have been made. Only 300.00 ("Payment") was paid. The "outstanding (balance) therefore becomes 700.00. The next payment which should have been 1000.00 is 1200.00. The amount in "Due Pmt" should be 1000.00 and the "Payment" should be 1200.00. The outstanding (balance) therefore becomes 300.00 less 200.00 = 100.00. The next payment is of 1500.00 while 1000.00 was expected. The "outstanding (balance)" becomes 0.00, not 100.00 less 500.00 = -400.00.
	Used to compute the <u>ageing of accounts</u> .
Outstanding - Interest	Interest calculated on the outstanding balance and on the interest on this amount when the calculation is done using compound interest (effective rate method) or when a line or lines use the "Simple Interest Capitalized" method. Interest is calculated using the "Outstanding - Total (Balance)" column.

		For a calculation using simple interest, the interest amount excludes interest on interest. Interest is calculated using the "Outstanding - Payment (Balance)" column.
•	Outstanding - Interest (Balance)	Cumulative amount of the interest on the Outstanding amount (and interest on interest for compound interest).
•	Outstanding - Total (Balance)	Total of the "Outstanding - Payment (Balance)" and "Outstanding - Interest (Balance)" columns.
•	True Pmt Date (Grace / EFT)	If a grace period is given to the Borrower, the true payment date should be entered here. If the true payment date were entered in the "Pmt Date" column, interest would be charged as of this date. Thus the need to leave the "Pmt Date" column with the original payment date and the true date entered in the "True Pmt Date (Grace) / EFT" column for transaction date purposes.
		For pre-authorized payments, there may be a two to four day lapse between the Borrower's account debit date and the deposit date to the Creditor's account. For bank reconciliation, the deposit date can be entered in the "True Pmt Date (Grace / EFT)" column.
		When a date is entered in the "True Pmt Date (Grace / EFT)" column, this date will be used only in the <u>Accounting entries</u> report, no other.
•	Alert to accomplish	For the Alerts module, description of what must be done or accomplished on or close to the date entered in the "Pmt Date" column. The Record Owner will be alerted of this on the day itself or days before or after this date, depending on the number of days entered in the "Alert Days Before - / After +" column.
•	Alert Days Before - / After +	For the Alerts module, the Record Owner will be alerted on the date entered in the "Pmt Date" if the column is left blank. The Owner will be alerted x days before if the number entered is negative (for example, to be alerted 2 days before the "Pmt Date", enter minus 2 (-2)). To be alerted after the date in the "Pmt Date" column, enter a positive amount (to be alerted 2 days after, enter 2 with no sign).
•	Minimum Pmt	Minimum payment that should be paid.
		This amount must be entered manually.
•	Balance before Pmt	Balance on the payment date at 0:00 AM BEFORE that day's payment.
•	Computational	Balance that is used for the calculation.
	Balance or "Balance" in Simple	In Simple interest, column name changes to "Balance" to indicate the true balance.
	interest	As of MLM version 4.0, the "Computational Balance" column on the last line of the Payment schedule displays the balance used in the computation as opposed to the previous versions where it used the true balance in Simple interest.
		Principal amounts, fees or others that do not bear interest were always excluded and still are in versions 4.0 and up.
•	Paid Interest	Interest that is actually paid following one of the Payment type Line statuses.
		For any other Line status, Paid Interest will be 0.00.
•	Paid Principal	Principal that is actually paid following one of the Payment type Line statuses.
		For any other Line status, "Paid Principal" will be 0.00.
•	Due Interest	Accrued interest minus Paid interest for the period.
•	Balance Due Interest	Balance of all Due interest from the start of the loan (taking into account the accrued and paid interest).

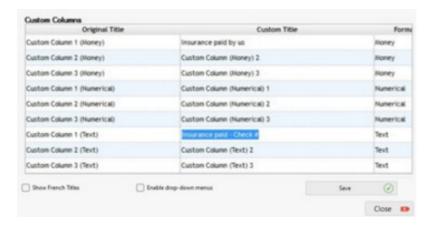
•	Balance Due Principal	Balance of the actual (accounting) principal only, that factors in the initial principal and any additional principal added over time (Additional principal type Line statuses).
•	Balance all others	Portion of the total loan balance due to increases in "Fees", "Penalties", "Insurance", "Tax" and all other Line statuses EXCLUDING Payment type and Additional principal type Line statuses.
		Balance will increase with negative payments for these Line statuses but will decrease when these are paid (positive payments).
•	Pmt Type	Indicates that lines have a special behavior and an automatic recomputation of the payment amount: <u>Interest-only</u> , <u>Refund Fixed Principal</u> , <u>automatic fees</u> .
		When the tag is added to a line, the payment amount will be recomputed when payment amounts are changed above these "special" lines.
		To remove a tag, highlight the line(s), right click with the mouse, and under "Payments", choose "Untag - Interest-only / Fixed Principal / No Interest)".
•	EFT Comments	Displays the Batch number sent to the ACH Processor for this line's payment.
		APR/TCC Column Fees and Column Fees
•	Paid Fees Financed (APR)	APR Fees Financed are a type of principal and are added to the mathematical principal but isolated for accounting purposes. Thus, they are paid at the pro rata of the paid accounting principal.
		See the APR chapter, Fees paid up-front, Financed or Paid subsequently section.
•	Paid Fees Financed Balance (APR)	Remaining balance of the Fees Financed (APR).
•	Column Fees	Columns indicating Accrued Fees (billed/charged). Fees can also be Insurance or Taxes.
	(Accrued) 6 Column Fees whose	An amount may be entered by the user or a Fee can be automatically entered in these columns with <u>Automatic Column Fees</u> .
	names can be changed	Data is these columns can be changed in batches with a right mouse click > Column Fees
		Their names can also be changed (Tools > Settings).
•	Column Fees - Paid	Column Fees - Paid Amount
		A regular payment ("Payment" Type Line statuses) will pay Column Fees 1 first, then Column Fees 2, Column Fees 3, Column Fees 4, Column Fees 5, Column Fees 6, interest, then principal.
•	Column Fees - Balance	Each Column Fee's Balance.
•	Column Fees - Pmt Type	Indicates if these Column Fees bear no interest or are computed according to different criteria (previous line balance, according to interest, etc.).
		Other Columns related to "Returned Check" Line status
		Returned checks data can be generated in the <u>Transaction Report</u> .
•	Check Number	Allows the user to enter the Check Number of the Returned Check.
•	Date of Returned Check	Allows the user to enter the Date of Returned Check.
•	Date of	Allows the user to enter the date of the Compensatory payment.

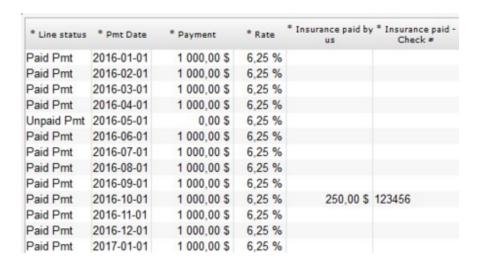
	Compensatory Pmt	
		Custom Columns (see detailed explanations below)
		The names of these nine columns can be changed (Tools > Settings)
		These can all have a scroll menu to force only certain data in these
•	3 Columns Monetary format	Information / Transaction taking place at "Pmt Date"
•	3 Columns Numerical format	Information / Transaction taking place at "Pmt Date"
•	3 Columns Text format	This column may be used to enter comments regarding the corresponding Monetary or Numerical column.
		Comments entered here can only be obtained through the <u>Transaction Report.</u>

Custom Columns

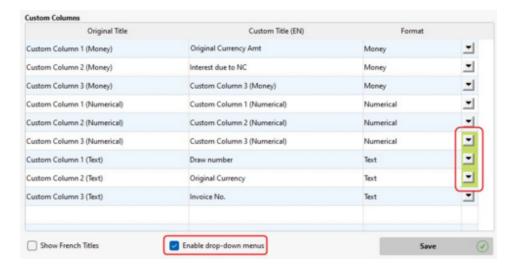
Nine (9) columns allow additional information or special transactions for information purposes in addition to the Comments column. The columns are located to the right of the Payment schedule and can be moved further to the left and widened as required.

Column names can be customized according to your needs in Tools > Settings > Custom Column Titles (where you can change the names for Column Fees as well).

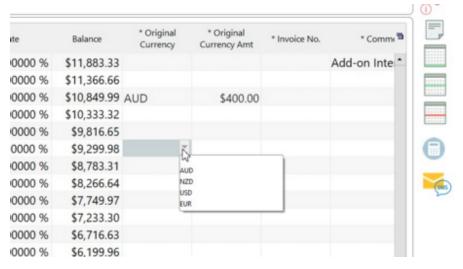




The nine (9) columns can each include a scroll menu to force the entry of only specified values in these. Columns with scroll menus are shown in green:



Result in the Payment schedule:



The data included in these columns can be obtained individually in the <u>Transaction report</u> and/or amounts added for the report period in the <u>Record List (Personalized)</u>.

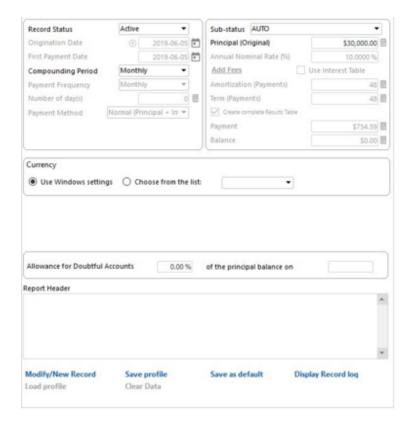
See also Margill Loan Manager Calculations > How To > Mortgage / Escrow.

Change of compounding or calculation methods

Once a Payment schedule has been created and adapted, Margill Loan Manager (MLM) allows you to keep this table and change some of its settings. This allows you to create various scenarios such as the impact of the compounding period, the day count or of simple or compound interest.

Only some of the mathematical settings may be changed: Compounding Period, Principal and all the settings in the "Advanced" window. Settings such as "Origination date", Payment Frequency, "Amortization period", etc., will affect the Payment schedule to such an extent that it cannot be recreated without a complete recomputation.

Below is the "Data" window. Settings in gray cannot be changed without pressing on "New Record", which will create a new Record.



See also Changing the basic loan data in a Record

Payments - Fundamentals

Fundamentals

A preliminary schedule may be completely edited in order to adapt it to one's peculiar needs and to the actual payment scenario.

Changes to a schedule should be made in two different ways:

- First, to establish the theoretical payment schedule (along with fees, insurance, tax and other special events)
- Second, to integrate the true payments over time
- 1. First: If the loan is to be adapted to meet special repayment needs (interest-only for a few months, lump sum payments, no payments for a few months, fees, tax, insurance, additional principal, changing interest rates, etc.), then the schedule produced through the Data window should be adapted to reflect the theoretical (proposed) payment plan along with *special events* (additional principal, taxes, fees, etc.) over time. All these theoretical changes should be made with <u>Line status</u> as "Due Pmt". Other special events such as fees, insurance, additional principal, etc., (all negative amounts) may also be added. <u>Column Fees</u> can also be added.
- 2. Second: The payment schedule works on a *what you see is what you have* format so only change a Line status from "Due Pmt" to the new Line status when a payment or other event is actually made. Thus, the data that appears in a payment schedule along with the Line status should reflect what has, what is, and in the future, what should happen over time.

See also the <u>Fundamental Principles of Operation</u> in the Introduction.

Payments contents

Unpaid payments

Late or partial payments

Grace period

Additional payments

Step payments

Rate adjusted payments

Interest-only payments

Fixed principal payments

Changing one payment or multiple payments

<u>Lump sum payments / Prepayments</u>

Adding lines (payments, principal, etc.)

Payments (equal) recomputed to yield a balance = 0.00 or other amount

Unpaid payments

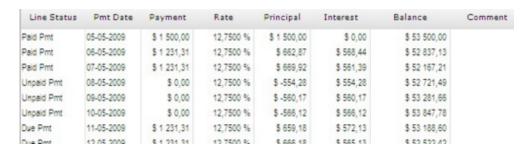
Lines with payments of 0.00 may be found in two circumstances:

- 1) They serve for information purposes only (thus no payment is to be made on these).
- 2) Payments should have been made but the Borrower did not pay.

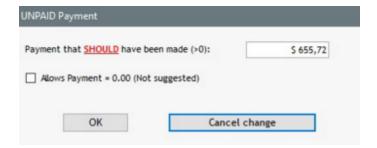
In the first situation, the <u>Line status</u> should be "Information". By default, when multiple lines are changed at once to 0.00, then the Line status is automatically changed to "Information".

In the second situation, the payments were not made and Line status should then be "Unpaid Pmt", "Returned Check" or one of the nine (9) "Unpaid Pmt" custom Line statuses.

In the Payment schedule, an unpaid payment can be represented by a 0.00 amount. In the table below, 3 payments are unpaid:



For unpaid payments, a window will appear in which to enter the payment that **should** have been paid.



If many payments are unpaid, it is suggested to use the <u>Payment update ("Post Payments")</u> tool which will change the payment to 0.00 and the Line status to the desired "Unpaid" (or partial or late) status in one step. The payments that SHOULD have been paid will automatically be set ("Expec. Pmt" column) to obtain the <u>Outstanding</u> payment amounts.

Comments may also be added for each individual line.

Even Column Fees can be added manually or automatically when the Line status is changed from "Due Pmt" to "Unpaid Pmt", "Partial Pmt", "Late Pmt", etc. You create your own rules (for example, 25.00 fee or a penalty according to a percentage of the payment that should have been paid). See <u>Fees, Insurance and Taxes by Column</u>.

Working with the "Expec. Pmt" column

The Expected Payment column ("Expec. Pmt") contains VERY IMPORTANT data and must be properly dealt with in order

to generate the true Outstanding amounts along with the Ageing report.

By default, the amount entered in the "Expec. Pmt" is the same as the one in the "Payment" column when the Line status is "Due Pmt" (or Due Pmt (2) to (5)).

If the payment amount is changed, when the Line status is "Due Pmt", the amount entered in the "Expec. Pmt" column will follow. This allows you to change the Payment schedule as you like.

In the example below we were expecting a 5000 payment on 12-01 (format is Day-Month in the example below) but the payment was not made. We should thus have 0.00 as the payment yet expecting 5000 ("Expec. Pmt" column).

On 19-02 and 26-01, normal payments were made. Payments of 5000 with Expected payments of 5000.

On 02-02, an extra payment (unexpected) was made to compensate the 12-01 unpaid payment. Since we were not expecting the 02-02 payment, 0.00 should appear in the Expec. Pmt column even if this payment merely compensated for the unpaid payment of 12-01.

Finally, on 09-02 we were expecting 5000 but 6500 was paid. So 5000 should appear in the Expec. Pmt column. This amount is sufficient to pay off all outstanding amounts.

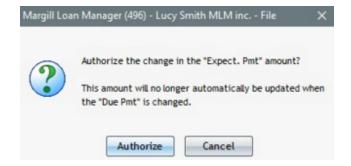
Line	Line Status	Pmt Date	Payment	Expec. Pmt	Outstanding - Payment (Balance)	Outstanding - Interest	Outstanding - Interest (Balance)	Outstanding - Total (Balance)
1	Paid Pmt	05-01-2013	5 000,00 \$					
2	Unpaid Pmt	12-01-2013	0,00\$	5 000,00 \$	5 000,00 \$			5 000,00 \$
3	Paid Pmt	19-01-2013	5 000,00 \$		5 000,00 \$	11,54 \$	11,54 \$	5 011,54 \$
4	Paid Pmt	26-01-2013	5 000,00 \$		5 000,00 \$	11,57 \$	23,11\$	5 023,11 \$
5	Add. Pmt	02-02-2013	4 000,00 \$	0,00 \$	1 000,00 \$	11,59 \$	34,70 \$	1 034,70 \$
6	Paid Pmt	09-02-2013	6 500,00 \$	5 000,00 \$		2,39 \$		
7	Paid Pmt	16-02-2013	5 000,00 \$					

The "Ctrl Alt R" shortcut changes, for the selected lines only, the amount in column "Expec. Pmt" to the amount entered in the Payment column. Thus, the amount in the "Outstanding (Balance)" column is recomputed to reflect this change. See further explanations of this column in the "Payment schedule columns" section.

As of Margill Loan Manager (MLM) 4.0, it is possible to change the payments' amounts of the "Expec. Pmt" column while the Line status is still "Due Pmt" (or Due Pmt (2) to (5)). This is not possible by default, therefore the MLM Administrator must activate this right via Tools > System Settings (Administrators) > Allow to change the "Expected Payment" amount when Line status is "Due Payment".

? ✓ Allow to change the "Expected Payment" amount when Line status is "Due Payment"

When the "Expected Payment" is changed, this message will appear indicating that once the "Due Pmt" is changed, it will no longer automatically be updated, regardless if the amount in the "Payment" column is changed when the Line status is "Due Pmt". This special condition will only apply to the affected line but not to the entire Payment schedule.



This option can be useful when an unpaid payment must be compensated by a compensatory payment that is not expected in the Payment schedule. For example, a client calls you on May 2 because he missed his payment on May 1. He tells you that he will send you a 500.00 check on May 5. You will can insert a line for May 5 (Due Pmt) with a 500.00 Payment. Since it was an unexpected payment, the "Expec. Pmt" column should be 0.00 (not 500.00) in order to reduce the outstanding amount. Therefore, you will have to manually change "Expec. Pmt" to 0.00.

Also, four new Line statuses are available: Due Pmt 2 to 5, whose names can be changed. Thus, back to our example, regular payments are usually made by pre-authorized payments (<u>Electronic Funds Transfer</u>) but this particular May 5 payment will be paid by check. Instead of naming this new line "Due Pmt", the user should use "Due Pmt (2)" and rename it "Due Pmt - Check" (or "Due Pmt - Extra Pmt"). Thus, this special payment could be easily found with the very important payment update tool, <u>Payment update ("Post Payments")</u>). The payment can therefore be treated separately from the preauthorized payments.

By updating the payment when it's actually paid, the Line status could be "Paid Pmt - Check" (customized name) or "Add. Pmt". This allows you to identify special payments if needed. The default "Paid Pmt" could also be used.

Unpaid payments carried forward

Your Borrower should have made his usual monthly payment but does not pay (bad check for example). To compensate, he agrees to carry this payment forward on one or more subsequent payments.

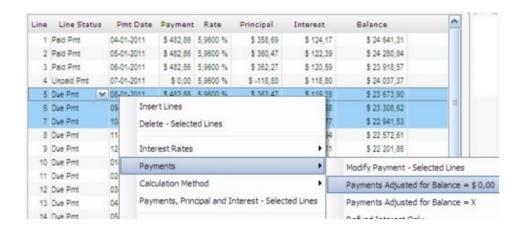
In the example below, the first three payments are made. The balance thus remains at 0.00.



However, the fourth payment is missed and so the Line status is changed to "Unpaid Pmt" and payment becomes 0.00. By default, the amount of the missed payment and the additional interest generated will be added to the final balance of the schedule (637.28).



If the Borrower wishes to pay over one or more subsequent payments (three (3) in this example), select the lines on which the amount due will be refunded and then right click on mouse. Select "Payments" and "Payments Adjusted for Balance = 0.00" or "Payments Adjusted for Balance = X" if the final balance is to be other than 0.00.



The three payments will be recomputed and the balance will return to 0.00 (plus or minus a few cents).



Only one line could have been selected to carry the payment forward on to the next payment. Instead of selecting three lines, select only one and do the same procedure as above. Notice that the payment is 968.11, that is 2.39 more than twice the regular payment ($482.86 \times 2 = 965.72$) because of accrued interest for the month.

The amount in the "Due Pmt" column could also be changed manually in order to eliminate the outstanding amount.



One or more missed payment(s) can also be paid at a later date with additional payments of the same amount or an amount of your choice. Simply add one or more lines at the end of the Payment schedule with a right mouse click or click





See also <u>Late or partial payments</u>, <u>Additional payments</u> and the very important <u>Line status</u> section.

Late or partial payments

A Borrower may make partial payments, late payments or even partial late payments. There are multiple methods of dealing with these in Margill Loan Manager (MLM) with the various <u>Line statuses</u> available.

Late payment versus unpaid payment

Fundamentally, a late payment is an unpaid payment until it becomes paid. The Creditor must take a decision as to when an unpaid payment is considered unpaid in MLM as opposed to simply late. This decision is important since the user must clearly take a decision as to which <u>Line status</u> applies to this late/unpaid/repaid payment and at what date.

For example, the Line status for a late payment could be "Late Pmt" at which point the payment date must also be changed to reflect the true payment date (and extra interest calculated automatically by the system). The user could also decide to change the Line status to Unpaid (with a payment of 0.00) for this line and then insert a new line when the payment actually becomes paid. The Line status could be "Additional pmt" or "Compensatory Pmt" on the new payment date since no payment was due (expected) on this new date.

This is particularly important as this affects the <u>Ageing report</u> since the "Paid Late Pmt" and "Partial Late Pmt" Line statuses will not generate an Outstanding amount. An Outstanding amount must be present in order for there to be a computation of late days. Thus the "Paid Late Pmt" and "Partial Late Pmt" Line statuses should be used only for payments late by only a few days as opposed to true unpaid payments.

The decision as to when a payment becomes unpaid as opposed to only late, is based on each Creditor's methodology. Below are a few *recommended* solutions:

- General principle: A payment should be considered unpaid when it is not paid by the time the next due payment comes along.
 - For example, if payments are weekly, a payment should be considered unpaid six or seven days after it is due.
 - O If a payment is monthly, if it is paid within the month, then it could be changed to "Paid late pmt" (and the payment date changed) anytime before the next payment.
- Exception: Payments that are to be paid every two months, quarterly or other lengthy intervals. Credit agencies consider payments as Current if they are paid within 30 days. The same principle could apply to these payments. It is thus recommended, if a payment is over 30 days late, to consider it unpaid (change it to one of the "Unpaid" Line statuses). When the payment is actually made, insert a new line with one of the "Paid" Line statuses, making sure that the "Expected Pmt" column contains a 0.00 since no payment was due on this new date even if this payment merely compensates for the unpaid payments.

These Line statuses are suggested for partial payments, late payments or even partial late payments:

If only slightly late:

- Paid Late Pmt
- Partial Pmt
- Partial Late Pmt
- Paid Pmt (2) to (20) (customized names such as "Paid late < 10 days" and an automatic column fee could created for this special late payment see <u>Automatic Column Fees</u>)

If considered Unpaid then Paid:

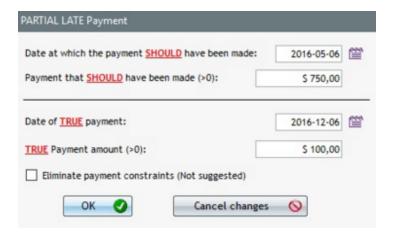
- First change Line status to:
 - Unpaid, Returned Check or Unpaid Pmt (2) to (20)(customize names)
- Then insert line with the following Line status:
 - Add. Pmt, Compensatory Pmt, Paid Pmt, Paid Pmt Returned Check or Paid Pmt (2) to (20) (customized names)

If a payment using one of the nineteen custom "Paid" Line statuses (e.g. "Paid Pmt - Visa") is late and/or only partial (should be 500 but was only 300), enter the actual payment manually in the "Payment" column (300.00) and manually change the amount in the "Expec. Pmt" column (500). The Outstanding amounts will be calculated as well.

For proper Ageing of accounts reporting, always make sure that the amount in the "Expected Pmt" column is either 0.00 or the amount that **should have been paid on that specific line** (see <u>Working with the "Expec. Pmt" column</u> sub-section in the <u>Unpaid payments</u> section).

Working with "Paid Late Pmt", "Partial Pmt" and "Partial Late Pmt" Line statuses

When a scheduled payment ("Due Pmt") is paid only partially or is slightly late, after changing the Line status, a window opens asking you the enter the payment amount that **should** have been made and/or the expected date as well as the true payment amount and its true payment date.



The Payment schedule will be adjusted accordingly (principal, interest, balance, outstanding, etc.).

The amounts and dates in the four columns can also all be changed manually if a data entry error was made in the

pop-up window.



It is not mandatory to use the "Partial Pmt" Line status in order to obtain the partial payment data (amount that is outstanding) for reporting. For accounting purposes, to obtain the <u>debits and credits</u> of particular payments (for example, payments made by Visa as opposed to payments by pre-authorized debit), enter the true payment amount and the amount that should have been paid using one of the nine custom "Paid Pmt" Line statuses.

See also Unpaid Payments, Additional payments and the very important Line status section.

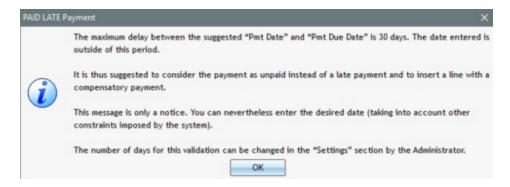
IMPORTANT: It is possible to update partial payments, late payments and late payments in batches with the <u>Payment Update</u> tool. This avoids the need to open each Record to manage these loans. Thus, all "Due Pmt" (and Due Pmt (2) to (5)) can be displayed and the payments can be "managed" to become Paid Pmt, Partial Pmt, Late Pmt, etc. This tool is certainly the most important in MLM!

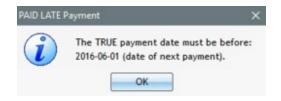
Even Column Fees can be added manually or automatically when the Line status is changed from "Due Pmt" to "Unpaid Pmt", "Partial Pmt", "Late Pmt", etc. You create your own rules (for example, 25.00 fee or a penalty according to a percentage of the payment that should have been paid). See <u>Fees, Insurance and Taxes by Column</u>.

Distinction between Late payments and Unpaid payments that are paid later

Since the credit agencies consider a payment to be late when unpaid within 30 days, a payment which is not paid within 30 days should be considered unpaid and the proper "Unpaid" Line status entered along with a payment of 0.00. The amount that SHOULD have been paid must be entered in the "Expec. Pmt" column thus calculating an Outstanding amount. Thus, the "Late" Line status should not be used in these circumstances.

If a "Late" Line status is used and the "Expected Pmt Date" column indicates more than 30 days late, the following warning will appear, suggesting the status line be changed to "Unpaid" and an "Add. Pmt" or a "Compensatory Pmt" line be inserted when the payment is made. This payment will compensate for the missed payment and eliminate or reduce the outstanding amount (the amount shown in the "Expec. Pmt" column should be 0.00 since we did not expect this particular payment, even if it is meant to offset the unpaid payment).





This message is for information purposes only and can be ignored. **However, we suggest establishing an internal policy to standardize the definition of a late payment versus unpaid payment.**

It is possible in Tools > Settings > System settings (Administrators) to specify that time period. For example, if your portfolio is composed of weekly payments (every 7 days), then the number of days should be changed to 6 or 7 days. For quarterly payments, 30 days or more may be the norm. If the portfolio has loans with various frequencies of payments, 30 days could be used taking into account that no warning will be given in this case, for example, of unpaid weekly payments.

? Suggested maximum number of days between "Pmt Date" and "Pmt Due Date": 30

If the field is empty (or 0), no validation will be done. See the ? for further explanation.

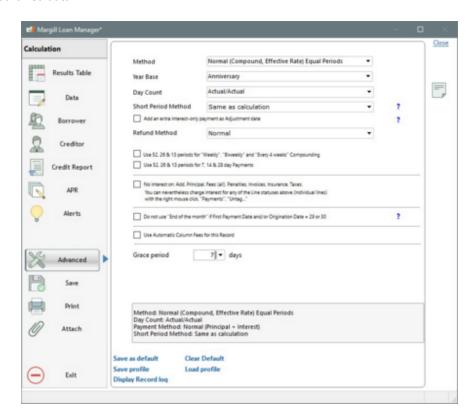
Grace period

The "Grace period" feature in Margill Loan Manager (MLM) is developed rather basically.

A grace period may be granted if a payment is late. So even if a payment is a few days late, no interest will be charged because of the grace period granted.

The grace period may be entered, in days, in a Record's "Advanced" tab. This grace period may be set by default for all Records by pressing "Set as default" or a profile can be created for this grace period.

This field may also be configured as a scroll menu. Go to Tools > Settings > System settings (Administrator) > Field Scroll Menus. See the <u>Scroll Menus</u> section (under Tools and Settings) for further explanations on how to create the menu and define the standardized data.



When using the grace period, do NOT change the date in the "Pmt Date" column since this is the date used for computing interest. Instead, enter the true payment date in the "True Pmt Date (Grace / EFT)" column. This way, no interest will be charged, and the true payment date will be noted for reference purposes.

In the example below, the payment date should be 12-01-2013 but the payment was only done on 12-10-2013. By entering a date in the "True Pmt Date (Grace / EFT)", column MLM indicates the suggested number of grace days, and if you are within this period ("Difference"). The number of days entered in "Grace" should be equal to or greater than the number of days calculated for "Difference".



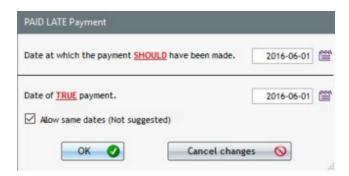
If the payment is not made within the grace period, the following message will warn you. You will nevertheless be allowed to enter the desired date.



This message will only appear when the Line status is "Paid Pmt" (and "Paid Pmt 2 to 20"), "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt" or "Paid Pmt Returned Check". It appears for no other Line status, but the "Difference" appears nevertheless to the right of the date entered in "True Pmt Date (Grace / EFT)".

Depending on your use of the <u>Line status</u>, a late payment, within the grace period, can either be considered a regular payment, "Paid pmt" or a "Paid Late Pmt" - the latter offering more information about the reliability of your Borrower.

If you decide to consider the payment late (Line status, "Paid Late Pmt") the following window will appear requesting the true payment date. If you change this date, interest will be calculated. You should not change the "Date of TRUE payment" and thus must check "Allow same dates (Not suggested)". You should then enter the true payment date in the "True Pmt Date (Grace / EFT)" column. These more or less elegant *acrobatics* allow you to not charge interest for a late payment, yet have reliable data.



Important note: If the grace period is changed in the "Advanced" tab, this change will not affect the transactions already completed (late paid payments) and no warning will be given if the date in the "True Pmt Date (Grace / EFT)" column exceeds the grace period indicated in the "Advanced" tab.

This column is also used to enter the true date at which a payment is received when <u>Electronic Funds Transfers</u> are used, thus the "EFT" after "Grace". See the "<u>Debit date (money from Borrower account)</u> versus <u>Credit date (money to Creditor account)</u>" box in the <u>Selecting and Submitting Payments</u> EFT chapter.

Additional payments / Compensatory payments

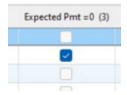
When payments have not been made, it is possible to add additional payments to compensate. Additional payments can also be done simply to repay the loan faster.

When additional payments are made, it is suggested (but not required) to select the Line status as "Add. Pmt", "Compensatory Pmt" (name may be changed) or "Paid Pmt Returned Check" in the case of a returned check (see Returned Checks (under Tools > Settings) and Reports.

If an additional payment is not paid yet but is EXPECTED, thus agreed upon between the creditor and the borrower, use one of the Line statuses Due Pmt 2 to 5 (renamed) to identify this special payment. See the "Due Payment" Type Line statuses section.

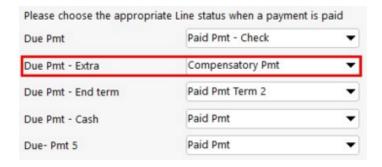
When one of these Line statuses is used, the amount in the "Expect. Pmt" column will automatically be 0.00 since the payment was not expected. It thus reduces the outstanding amount due. The amount in the "Expect. Pmt" column can still be changed if necessary.

"Paid Pmt (X)" Line statuses which can be renamed, may also be chosen as additional payments. Make sure that the amount in the "Expect. Pmt" is 0.00 or the desired amount. It is possible in Settings > Line Payment Statuses, to force the Expected payment to 0.00.



Electronic Funds Transfers (EFT)

For those using pre-authorized payments (US and Canada), when a Borrower agrees that a past unpaid payment will be offset in the future, it is recommended to insert this payment with the "Due Pmt X" Line status (renamed "Due Pmt - Extra" (or "Due Pmt - Compensatory Pmt") for example). Thus in Tools > Settings > Electronic Funds Transfer, the user can specify that this "Due Pmt" be modified, at the scheduled date of payment, automatically to "Compensatory Pmt" (or "Pmt add.").



The amount in the "Expected Pmt" column of the Payment schedule will automatically be 0.00 and so the compensatory payment would reduce the outstanding amount.

See also <u>Unpaid payments</u>, <u>Late or partial payments</u> and the very important <u>Line status</u> section.

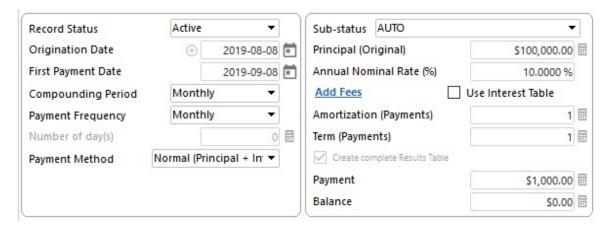
Step payments

Margill Loan Manager (MLM) can create a payment schedule that will automatically index payments according to a monetary increase or an increase expressed as a percentage.

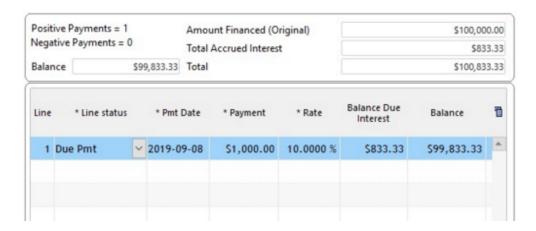
A step payments (indexed payments) schedule can be created in 2 simple steps. First enter the pertinent data in the "Data" entry window.



If the entire schedule is to be made up of step payments, include only one (1) payment for the number of payments in "Amortization (Payments)". The other step payments will be added subsequently in the Payment schedule.



Also enter the amount of the first payment. A payment schedule containing only one line will be created:

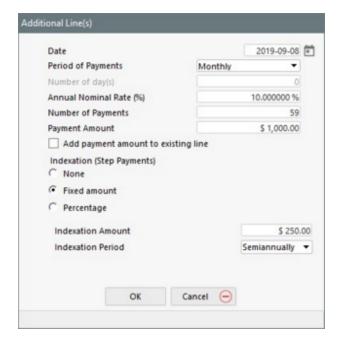


Either click on and select "Add Many Lines" or highlight the only line in the table and <u>right_click</u> with the mouse. Select "Insert" and "Payments":

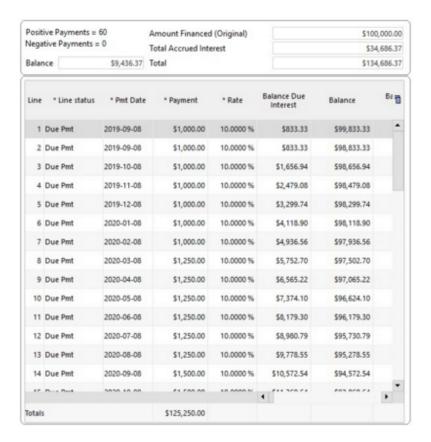


The window below will appear. Enter the date of the next payment or the Start date (08/08/2006 in this example) if the indexation is to occur on the *anniversary* date.

In this example, the loan will be for 5 years, thus the first payment and 59 others. The 1000 payment will be indexed semiannually by 250 on the loan anniversary date (08-08-20xx) and every 6 months after that.



After pressing on OK, the table will be created:



The indexation may also be included as a percentage of the payment:



In this example, the 1000 payment will be increased by 10% semiannually, thus starting 03/08/2020.

The "Calculate Indexation Rate for Balance = ____" is a pretty advanced feature. By taking into account the number of

payments, an initial amount for these payments and a payment indexation frequency, the indexation rate required for the payment amount to reach a final determined balance (often 0.00) will be computed along with the next payment amounts.

In the following example, we added 24 monthly payments, the first one being 1000 with a Quarterly indexation period.



By checking "Calculate Indexation Rate for Balance = 0,00", MLM will compute and display the indexation rate:



It will also compute the next payment amounts. We see that the 1000 becomes 1063.79 a quarter later, then 1131.65, and so forth until the balance reaches as close as possible to 0.00 (the last payment amount could be adjusted to eliminate the -0.26):

Line	* Line status	* Pmt Date	* Payment	* Rate	Mathematical Principal	Accrued Interest	Balance
24	Due Pmt	2020-01-01	\$1,702.74	4.65 %	\$1,587.11	\$115.63	\$28,251.61
25	Due Pmt >	2020-05-01	\$1,000.00	4.65 %	\$559.55	\$440.45	\$27,692.06
26	Due Pmt	2020-06-01	\$1,000.00	4.65 %	\$892.69	\$107.31	\$26,799.37
27	Due Pmt	2020-07-01	\$1,000.00	4.65 %	\$896.15	\$103.85	\$25,903.22
28	Due Pmt	2020-08-01	\$1,063.79	4.65 %	\$963.42	\$100.37	\$24,939.80
29	Due Pmt	2020-09-01	\$1,063.79	4.65 %	\$967.15	\$96.64	\$23,972.65
30	Due Pmt	2020-10-01	\$1,063.79	4.65 %	\$970.90	\$92.89	\$23,001.75
31	Due Pmt	2020-11-01	\$1,131.65	4.65 %	\$1,042.52	\$89.13	\$21,959.23
32	Due Pmt	2020-12-01	\$1,131.65	4.65 %	\$1,046.56	\$85.09	\$20,912.67
33	Due Pmt	2021-01-01	\$1,131.65	4.65 %	\$1,050.61	\$81.04	\$19,862.06
34	Due Pmt	2021-02-01	\$1,203.83	4.65 %	\$1,126.86	\$76.97	\$18,735.20
35	Due Pmt	2021-03-01	\$1,203.83	4.65 %	\$1,131.23	\$72.60	\$17,603.97
36	Due Pmt	2021-04-01	\$1,203.83	4.65 %	\$1,135.61	\$68.22	\$16,468.36
37	Due Pmt	2021-05-01	\$1,280.63	4.65 %	\$1,216.82	\$63.81	\$15,251.54
38	Due Pmt	2021-06-01	\$1,280.63	4.65 %	\$1,221.53	\$59.10	\$14,030.01
39	Due Pmt	2021-07-01	\$1,280.63	4.65 %	\$1,226.26	\$54.37	\$12,803.75
40	Due Pmt	2021-08-01	\$1,362.32	4.65 %	\$1,312.71	\$49.61	\$11,491.04
41	Due Pmt	2021-09-01	\$1,362.32	4.65 %	\$1,317.79	\$44.53	\$10,173.25
42	Due Pmt	2021-10-01	\$1,362.32	4.65 %	\$1,322.90	\$39.42	\$8,850.35
43	Due Pmt	2021-11-01	\$1,449.22	4.65 %	\$1,414.92	\$34.30	\$7,435.43
44	Due Pmt	2021-12-01	\$1,449.22	4.65 %	\$1,420.41	\$28.81	\$6,015.02
45	Due Pmt	2022-01-01	\$1,449.22	4.65 %	\$1,425.91	\$23.31	\$4,589.11
46	Due Pmt	2022-02-01	\$1,541.66	4.65 %	\$1,523.88	\$17.78	\$3,065.23
47	Due Pmt	2022-03-01	\$1,541.66	4.65 %	\$1,529.78	\$11.88	\$1,535.45
48	Due Pmt	2022-04-01	\$1,541.66	4.65 %	\$1,535.71	\$5.95	\$-0.26

Rate adjusted payments

See the "Rate adjusted payments" sub-section in the <u>Refund options</u> chapter.

Interest-only payments (and Column Fees) and Interest paid in Advance

Very often, especially in corporate loans, a lender may give a Borrower a principal refund exemption for a certain period of time. The Borrower thus pays only interest. "Interest-only" also usually refunds Column Fees (up to six types) since they are closely tied to interest. In another scenario, a payment could refund only pure interest even if this interest was not yet accrued (interest paid in advance).

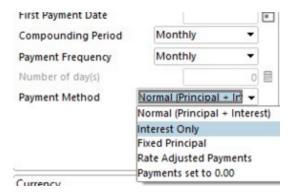
There are two options for interest refunds in Margill Loan Manager (MLM):

- 1) Calculation of the interest amount and Column Fees
- 2) Payment of pure interest with the "Interest Paid" Line status

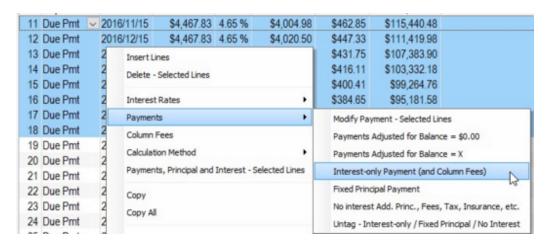
1) Calculation of the interest amount and Column Fees

Payments for a special loan can be done in two steps: interest-only payments (and Column Fees since these are often regular credit fees or sales taxes in the case of leases) for a given period, followed by normal principal and interest payments and can include lump sums, missed payments, extra principal, fixed principal refund, etc.

If the entire loan is interest-only, choose "Interest-only" (and Column Fees) for the "Payment Method" in the "Data" tab.



In order for only one or many payments to refund only the interest (and Column Fees) in a Payment schedule, select one or many lines that will be interest-only and right click with the mouse.



With this choice, MLM will compute the appropriate payment amount to refund only the interest and Column Fees. Please note that by default, Column Fees and outstanding interest will always be refunded first, followed by accrued interest (of the same line). However, an option is available allowing you to either refund:

- 1) all outstanding interest (and outstanding Fees); or
- 2) only the interest (and Fees) for the period.

See the $\underline{\mbox{Advanced options for interest and Column Fees reimbursement}}$ section.

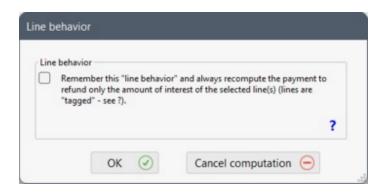
Automatic recomputation of interest-only (and Column Fees) payment

An advanced line "Behavior" feature is also available that will automatically recompute the interest-only payment amount for the selected lines when changes are made above these lines that consequently affect the amount of accrued interest payable afterwards.

Since this is an advanced option, it is not activated by default. To activate this option, go to Tools > Settings > User settings > and check: "Display "Behavior" option (Interest-only and Fixed Principal in the Payment schedule)".

Display 'Behavior" option (Interest-only and Fixed Principal in the Results Table)

When this feature is activated and "Refund Interest-only" is selected for a number of lines, the following window will appear:



With this interest-only "behavior" or "tag", no matter what change is made ABOVE (missed, late payments, additional principal, fees, etc.), the payment for the tagged interest-only lines will be adjusted to continue refunding only the interest. If "Line behavior" is not checked there will be an initial recomputation of an interest-only payment but no automatic recomputation afterwards.

The "Int Only" tag may be seen on one of the columns to the right (column called "Pmt Type"). The tag may not be deleted manually from this column but is automatically deleted when the actual payment is changed or with the right mouse click (see explanation below).



The following example shows the effect of the "Int Only" tag:

The first 12 months of the loan are interest-only and the Borrower pays the two first payments (Line status - "Paid Pmt"):

Line Status	Pmt Date	Payment	Rate	Principal	Interest	Balance
Paid Pmt	06-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Paid Pmt	07-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	08-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	09-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	10-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	11-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	12-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	01-05-2009	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	02-05-2009	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	03-05-2009	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	04-05-2009	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	05-05-2009	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Due Pmt	06-05-2009	\$ 1 000,00	5,2500 %	\$ 562,50	\$ 437,50	\$ 99 437,50
Due Pmt	07-05-2009	\$ 1 000,00	5,2500 %	\$ 564,96	\$ 435,04	\$ 98 872,54
Due Pmt	08-05-2009	\$ 1 000,00	5,2500 %	\$ 567,43	\$ 432,57	\$ 98 305,11
Day Day	00.05.0000	* * ***	F 0500 N	* **** ***	0.400.00	0.07.705.40

However, on the third payment, the Borrower does not pay at all. We then change the Line status to "Unpaid payment" and enter an amount of 0.00. Since the following lines have been tagged as interest-only, the payment is recomputed automatically to again refund only the interest (we are supposing the loan contract states that the payments are to remain interest-only for the first 12 months even if some payments are missed). The interest amount was 437.50 and now increases to 439.41 (payment option only for the current accrued interest, not the past due interest). The other payments (1000.00) are not affected since they do not have the special behavior.

Line Status	Pmt Date	Payment	Rate	Principal	Interest	Balance
Paid Pmt	06-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Paid Pmt	07-05-2008	\$ 437,50	5,2500 %	\$ 0,00	\$ 437,50	\$ 100 000,00
Unpaid Pmt	08-05-2008	\$ 0,00	5,2500 %	\$ -437,50	\$ 437,50	\$ 100 437,50
Due Pmt	09-05-2008	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	10-05-2008	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	11-05-2008	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	12-05-2008	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	01-05-2009	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	02-05-2009	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	03-05-2009	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	04-05-2009	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	05-05-2009	\$ 439,41	5,2500 %	\$ 0,00	\$ 439,41	\$ 100 437,50
Due Pmt	06-05-2009	\$ 1 000,00	5,2500 %	\$ 560,59	\$ 439,41	\$ 99 876,91
Due Pmt	07-05-2009	\$ 1 000,00	5,2500 %	\$ 563,04	\$ 436,96	\$ 99 313,87
Due Pmt	08-05-2009	\$ 1 000,00	5,2500 %	\$ 565,50	\$ 434,50	\$ 98 748,37
Due Post	00.05.2000	\$ 1,000,00	5 2500 %	\$ 567.08	\$ 432.02	\$ 02 420 30

If a payment amount is changed, the line loses its interest-only tag. In order to delete some or all the interest-only tags, so the payments are NOT automatically recomputed, choose the desired lines, right click with the mouse and under "Payments" choose "Untag - Interest-only / Fixed Principal / No Interest / ...". Thus, the payments will no longer be recomputed even if changes (payments missed, changed, etc.) are made above.

Modify Payment - Selected Lines

Payments Adjusted for Balance = 0,00 \$

Payments Adjusted for Balance = X

Refund Interest Only

Refund Fixed Principal

No interest Fees, Tax, Insurance, etc.

Untag - Interest-only / Fixed Principal / No Interest

In order to reduce the possibility of error, when the true payments are made (thus no longer hold the "Due Pmt" Line status) and the schedule is updated to reflect these, the lines cannot be tagged as interest-only. **Only the "Due Pmt" type Line statuses can be given the interest-only tag.**

We suggest to tag lines only when working on the theoretical payment schedule (see <u>Fundamental_principles_of operation</u>) and then, once the theoretical schedule produced, to untag the lines (see explanation above) so that the payments are not recomputed automatically. Thus, even if the Borrower does not pay the scheduled amounts, in order to respect the initial contract payment amount, the payments will not be changed (the final balance will however). In another scenario, the contract could specify that, no matter what, the interest must be paid on a regular basis. Therefore, these payment lines should continue to *behave* so the payments are recomputed and equal the accrued interest (or past due interest) which would then be paid.

When a Due Pmt is changed to a Paid payment (or unpaid or other Line status based on the true payment scenario), a message will appear stating that the special Tag will be removed. This logical constraint is imposed since once the true payment is set, il should not be adjusted automatically afterwards if for some reason changes were made above it. The message is not displayed when the <u>Post payments tool</u> is used to update payments.

The same principles apply to Fixed principal payments.

See also when interest-only applies for part of the loan and the subsequent payments are to be recomputed: <u>Payments</u> (equal) recomputed to yield a balance = 0.00 or other amount.

Behavior before creating the Payment schedule

It is also possible to add the "Interest only" (and column Fees) Behavior for all of the lines of the Payment schedule before creating it in the "Data" window. This saves a step for the rest of the process. The "Payment Method" must be "Interest Only". Check the "Add Behavior" box.



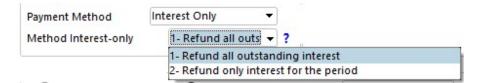
The option must be activated by the User in Tools > Settings > "User settings" tab > Options: Interest-only and Fixed Principal:

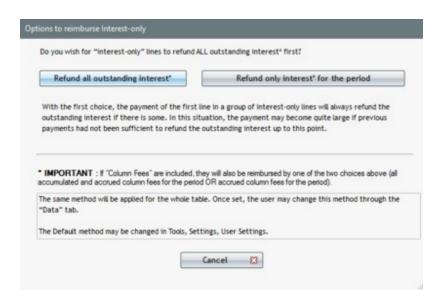
✓ Display "Behavior" option when creating a new Record (Data windows) (Automatic recomputation of payment amount)

Advanced Options for Interest and Column Fees Reimbursement

By default, an interest (and Column Fees) reimbursement will refund the outstanding interest and the accrued interest (and Column Fees) for the period. However, if the "Options_to_refund_Interest-only_and_Fixed_Principal" option is activated (Tools > Settings > User Settings tab), MLM will give you two choices:

- 1. Refund all outstanding interest (and Column Fees)
- 2. Refund only interest for the period (and Column Fees)





The first choice (Refund all outstanding interest), is the default choice and the most common option.

The impact of each choice is explained in the example below, in **Simple interest**. In the payment schedule we moved the "True Balance" column to the right of the "Computational Balance" to more easily see the impact of each choice.

For lines 5 and 6 partial payments are made and no payment is made on line 7 (thus interest accumulates). The "Computational Balance" increases only by the Column Fee amounts since there is no interest on interest, yet the "True Balance" column increases since payments are insufficient to refund the accrued interest and Fees. The contract then states that for the following 3 months the payments are to be interest-only (and Fees).

The first choice (Refund all outstanding interest) refunds all outstanding interest on line 8. Thus on this line is refunded:

Outstanding interest	313.63
Outstanding Fees	125.00
Interest for the period	107.61
Fees for the period	10.00
Payments (lines 5 and 6)	(20.00)
Total payment line 8	536.24



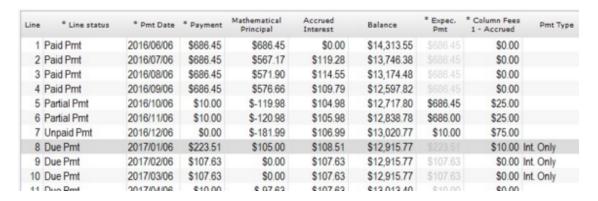
The second choice (*Refund only interest for the period*) will only refund the interest and Fees for the current period (107.61 + 10.00 = 117.61). Thus, the true Balance will remain at 13,018.15 as opposed to reducing to the 12,599.52 as with the first option. The "Computational Balance" will not change until the payments are sufficient to refund all

outstanding interest and current interest and Column Fees.

Line	* Line status	* Pmt Date	* Payment	Mathematical Principal	Accrued Interest	* Expec. Pmt	* Column Fees 1 - Accrued	Pmt Type	True Balance	Computational Balance
1	Paid Pmt	2016/06/06	\$686.45	\$686.45	\$0.00		\$0.00		\$14,313.55	\$14,313.55
2	Paid Pmt	2016/07/06	\$686.45	\$569.13	\$117.32		\$0.00		\$13,744.42	\$13,744.42
3	Paid Pmt	2016/08/06	\$686.45	\$570.04	\$116.41		\$0.00		\$13,174.38	\$13,174.38
4	Paid Pmt	2016/09/06	\$686.45	\$574.86	\$111.59		\$0.00		\$12,599.52	\$12,599.52
5	Partial Pmt	2016/10/06	\$10.00	\$-15.00	\$103.27	\$686.45	\$25.00		\$12,717.79	\$12,614.52
6	Partial Pmt	2016/11/06	\$10.00	\$-15.00	\$106.84	\$686.00	\$25.00		\$12,839.63	\$12,629.52
7	Unpaid Pmt	2016/12/06	\$0.00	\$-75.00	\$103.52	\$10.00	\$75.00		\$13,018.15	\$12,704.52
8	Due Pmt	2017/01/06	\$117.61	\$105.00	\$107.61		\$10.00	Int. Only	\$13,018.15	\$12,599.52
9	Due Pmt	2017/02/06	\$106.72	\$0.00	\$106.72	\$106.72	\$0.00	Int. Only	\$13,018.15	\$12,599.52
10	Due Pmt	2017/03/06	\$96.65	\$0.00	\$96.65	\$96.65	\$0.00	Int. Only	\$13,018.15	\$12,599.52
11	Due Pmt	2017/04/06	\$10.00	\$0.00	\$107.01	\$10.00	\$0.00		\$13 115 16	\$12 599 52

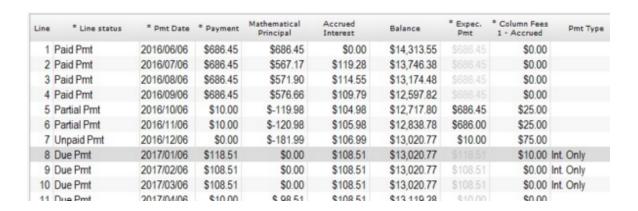
In **Compound interest**, the impact is not as significant since the unpaid interest is capitalized (is added to the balance and to the mathematical principal, but stays isolated for accounting purposes). Thus, no matter what you choose (choice 1 or 2), the computed payment will clear the accrued interest of that period only and not the interest in arrears. The impact is more noticeable when Column Fees are added. The first choice (refund all) will refund, not only current fees, but all unpaid fees too.

Example with choice 1, Refund all outstanding interest:



Line	Outstanding Interest	Column Fees	Payment	To be included in line 8 payment
5	104.98 capitalized	25.00	10.00	15.00
6	105.98 capitalized	25.00	10.00	15.00
7	106.99 capitalized	75,00	0.00	75.00
8	108.51 to be included	10.00	Computed	108.51 + 10.00
8			223.51	Total: 223.51

Example with choice 2, Refund only interest for the period:

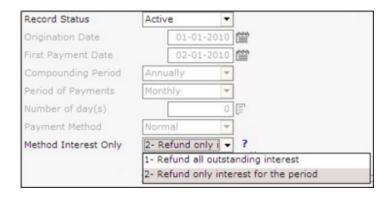


Line	Outstanding Interest	Column Fees	Payment	To be included in line 8 payment
5	104.98 capitalized	25.00	10,00	0.00
6	105.98 capitalized	25.00	10,00	0.00
7	106.99 capitalized	75.00	0,00	0.00
8	108.51 to be included	10.00	Computed	108.51 + 10.00
8		_	118.51	Total: 118.51

Changing methods (between methods 1 and 2 above)

If you wish to change from one method to another (1. Refund all outstanding interest (and Column Fees) and 2.

Refund only interest (and Column Fees) for the period), click on Data and change the "Method Interest Only" from one to another and go back to the Payment schedule. If the lines are tagged as "Interest-only" you will immediately see the effect of your choice. If the lines are not tagged, then you must right click and recompute the interest-only amount.



A change in the method will impact ALL payments that have this special behavior. Different payment methods cannot be specified for individual payment lines.

Note for negative accrued interest: In exceptional cases, if the interest becomes negative for a period of time (for example, the loan balance becomes negative therefore the accrued interest becomes negative too), recomputing will not be precise. This function should be avoided in these exceptional cases. Always verify the line-by-line payments in these situations by looking at the important "Due Interest Balance" column.

2) Payment of pure interest with the "Interest Paid" Line status

The previous section, "1) Calculation of the interest amount and Column Fees" presents the tool that allows for computing the required amount in order to refund the interest and the Column Fees. As soon as the payment is greater than the accrued and past due interest and Column Fees, the additional payment amount will pay the Principal.

On the contrary, the "Interest Paid" Line statuses, will only refund pure interest without paying any Column Fees, regardless of the accrued and past due interest. So, if the payment is greater than the accrued and past due interest, interest balance will become negative.

See Interest Paid in Advance section.

See also:

"Interest" Type Line statuses

"Payment" type Line statuses and its Column Fees payment order with exceptional priority sub-section that explains how to change, exceptionally, which Column Fees are paid first.

Payments (equal) recomputed to yield a balance = 0.00 or other amount

Right mouse click

Fixed principal payments

Some loans may include fixed principal payments throughout the loan or for some of the payments only.

There are two options to refund Principal in Margill Loan Manager (MLM):

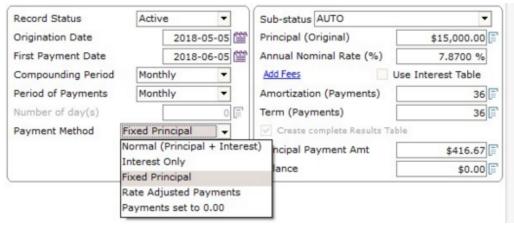
- 1) Refunding the interest first (and Column Fees) followed by a fixed principal amount for all payments
- 2) Refunding principal only (regardless of interest and Column Fees balances) with the "Paid Principal" Line status

1) Refunding the interest first (and Column Fees) followed by a fixed principal amount for all payments

In standard loans, the regular payment is a fixed amount that refunds principal and interest. The principal and interest amounts change at every payment since the principal balance decreases, reducing the interest portion and increasing the principal portion. Less common loans, seen most often in commercial loans, allow to refund a fixed principal amount, but as a result, the payment amounts vary and generally decrease over time.

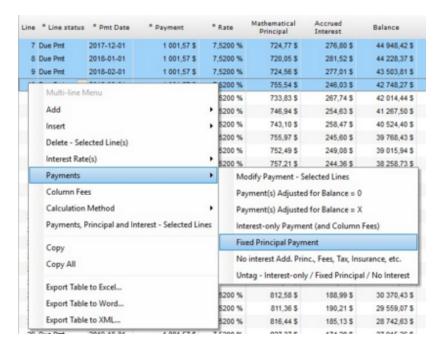
In order for the entire loan to be Fixed principal, choose "Fixed principal" in "Payment Method" in the "Data" window or, once the Payment schedule is created, select all lines in the Payment schedule and use the right mouse click as explained below.

In the "Data" window, if the Principal amount and the number of payments (Amortization) are entered, MLM will automatically divide the principal by the number of payments to refund the proper amount of principal. This *suggested* amount may be changed. If another fixed principal amount was entered, 500.00 for example, then to obtain a Balance = 0.00 it is thus suggested to leave the number of payments blank. MLM will compute the number of payments automatically.

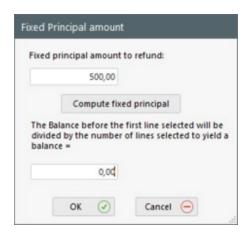


"Data" window

If only some of the payments are to refund a fixed principal amount, once the Payment schedule is computed, select one or many lines for which a fixed principal will be refunded and right click with the mouse.



"Refund Fixed Principal" will open the window below allowing you to specify the fixed principal amount to be refunded or, by pressing on ________, MLM will compute the fixed principal amount to refund the loan so that the balance will = 0.00 (or another balance amount entered).



This choice allows MLM to calculate, by default, the amount required to refund the interest and Column Fees first and then the desired principal amount. However, an option is available to refund:

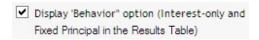
- 1) principal and ALL outstanding interest (and Column Fees) first;
- 2) principal and interest (and Column Fees) FOR THE PERIOD only; or
- 3) Refund principal WITHOUT refunding outstanding interest (and Column Fees) (see also: 2) Refunding principal only...).

See the Fixed Principal Payment Adjustment section below.

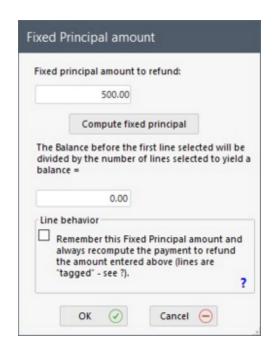
Automatic recomputation of the fixed principal payment

An extra line "Behavior" feature is also available that will automatically recompute the fixed principal payment amount for the selected lines when changes are made above these lines that thus affect the amount of accrued interest payable afterwards.

Since this is an advanced option, it is not activated by default. To activate this option, go to Tools > Settings > User settings > and check: "Display "Behavior" option (Interest-only and Fixed Principal in the Payment schedule)".



When this feature is activated and "Refund Fixed Principal" is selected for a number of lines, the same window will appear but with the option, at the bottom of the window, to add this special behavior:



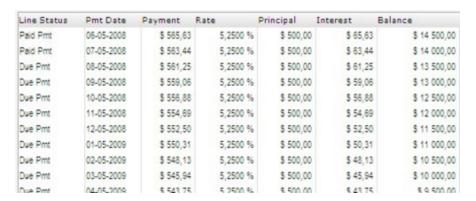
With the "Line behavior" option, no matter what change (missed, late payments, additional principal, fees, etc.) is made ABOVE the selected special behavior lines, the payment for the tagged fixed principal lines will be adjusted to continue refunding only the fixed principal amount specified. If "Line behavior" is not checked, there will be an initial recomputation to refund the fixed principal amount but no automatic recomputation afterwards.

The tag, "Fixed Princ.||500" (500 being the amount of fixed principal) may be seen in a column to the right (column called "Pmt Type"). The tag may not be deleted manually from this column but is automatically deleted when the actual payment is changed, or with the right mouse click (see explanation below).



The following example shows the effect of the "Fixed-Princ. | | xxx.xx" tag:

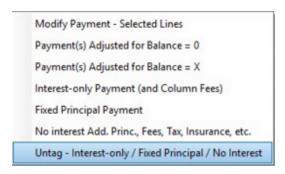
The entire loan is fixed principal of 500.00 and the Borrower pays the two first payments (Line status - "Paid Pmt"):



However, on the third payment, the Borrower does not pay at all. We then change the Line status to "Unpaid payment" and enter an amount of 0.00. Since the following lines have been tagged as fixed principal, the payment is recomputed automatically to again refund 500.00 in principal (we are supposing the loan contract states that the payments are to refund a fixed principal of 500.00 even if some payments are missed). The next payment amount (line 4 - in blue below) was originally 559.06 (see image above) and now increases to 561.52 since more interest is accrued.

Line Status	5	Pmt Date	Payment	Rate	Principal	Interest	Balance
Paid Pmt		06-05-2008	\$ 565,63	5,2500 %	\$ 500,00	\$ 65,63	\$ 14 500,00
Paid Pmt		07-05-2008	\$ 563,44	5,2500 %	\$ 500,00	\$ 63,44	\$ 14 000,00
Unpaid Pmt		08-05-2008	\$ 0,00	5,2500 %	\$ -61,25	\$ 61,25	\$ 14 061,25
Due Pmt	~	09-05-2008	\$ 561,52	5,2500 %	\$ 500,00	\$ 61,52	\$ 13 561,25
Due Pmt		10-05-2008	\$ 559,33	5,2500 %	\$ 500,00	\$ 59,33	\$ 13 061,25
Due Pmt		11-05-2008	\$ 557,14	5,2500 %	\$ 500,00	\$ 57,14	\$ 12 561,25
Due Pmt		12-05-2008	\$ 554,98	5,2500 %	\$ 500,00	\$ 54,96	\$ 12 061,25
Due Pmt		01-05-2009	\$ 552,77	5,2500 %	\$ 500,00	\$ 52,77	\$ 11 561,25
Due Pmt		02-05-2009	\$ 550,58	5,2500 %	\$ 500,00	\$ 50,58	\$ 11 061,25
Due Pmt		03-05-2009	\$ 548,39	5,2500 %	\$ 500,00	\$ 48,39	\$ 10 561,25
Due Dwt		04.05.2000	\$ 546.24	5 2500 %	\$ 500.00	\$ 46.24	\$ 10.061.25

If a payment amount is changed, the line loses its fixed principal tag. In order to delete some or all the fixed principal tags, so the payments are NOT automatically recomputed, choose the desired lines, right click with the mouse and under "Payments" choose "Untag - Interest-only / Fixed Principal / No Interest / ...". Thus, the payments will no longer be recomputed even if changes (payments missed, changed, etc.) are made above.



In order to reduce the possibility of error, when the true payments are made (thus no longer hold the "Due Pmt" Line status) and the schedule is updated to reflect these, the lines cannot be tagged as interest-only. Only the "Due Pmt" Line status should be given the fixed principal tag.

We suggest to tag lines only when working on the theoretical payment schedule (see <u>Fundamental_principles_of operation</u>) and then, once the theoretical schedule produced, to untag the lines (see explanation above) so that the payments are not recomputed automatically. Thus, even if the Borrower does not pay the scheduled amounts, in order to respect the initial contract payment amount, the payments will not be changed (the final balance will however).

When a Due Pmt is changed to a Paid payment (or unpaid or other Line status based on the true payment scenario), a message will appear stating that the special Tag will be removed. This logical constraint is imposed since once the true payment is set, il should not be adjusted automatically afterwards if for some reason changes were made above it. The message is not displayed when the <u>Post payments tool</u> is used to update payments.

The same principles apply to <u>Interest-only payments</u>.

See also, when fixed principal applies for part of the loan and the subsequent payments are to be recomputed: Payments (equal) recomputed to yield a balance = 0.00 or other amount.

Behavior before creating the Payment schedule

It is also possible to add the "Fixed Principal" Behavior for all of the lines of the Payment schedule before creating it in the "Data" window. This saves a step for the rest of the process. The "Payment Method" must be "Fixed Principal". Check the "Add Behavior" box.



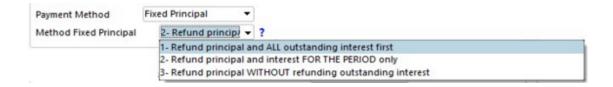
The option must be activated by the User in Tools > Settings > "User settings" tab > Options: Interest-only and Fixed Principal:

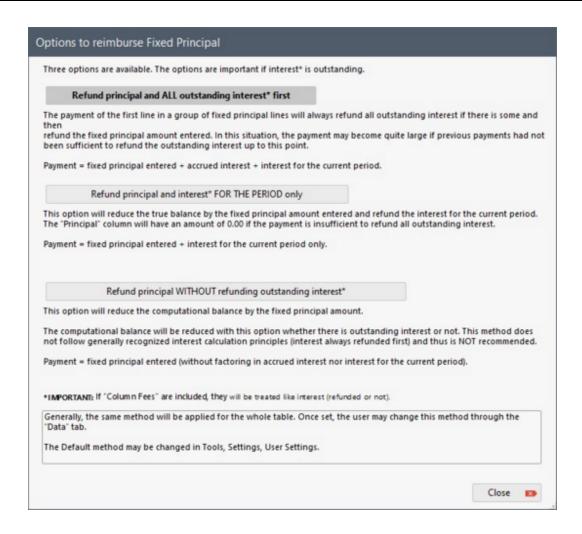
☑ Display "Behavior" option when creating a new Record (Data windows) (Automatic recomputation of payment amount)

Fixed Principal Payment Adjustment

By default, a fixed principal refund will always reimburse the outstanding and accrued interest for the period and all outstanding and accrued Column Fees for the period. However, if the "Interest-only and Fixed Principal Options" option is activated (Tools > Settings > User Settings tab), MLM will offer three choices.

- 1. Refund principal and ALL outstanding interest first
- 2. Refund principal and interest FOR THE PERIOD only
- 3. Refund principal WITHOUT refunding outstanding interest
- 4.





The impact of each choice is explained in the example below. In the payment schedule, we moved the "True Balance" column to the right of the "Computational Balance" to more easily see the impact of each choice. Remember that Column Fees are also treated like interest.

For the first 6 months, no payment was to be made (thus interest accumulates). The "Computational Balance" remains at 25,000 since there is no interest on interest, yet the "True Balance" increases since no payments are made (or in other scenarios, payments may be insufficient to refund the accrued interest). The contract then states that for the following 6 months the payments are to be 500.00 fixed principal.

The first choice (*Refund principal and ALL outstanding Interest first*) refunds all outstanding interest in the first selected payment (08-01-2010). Thus on this line is refunded:

Outstanding interest	898.80
Interest for the period	153.94
Principal for the period	500.00
Total payment	1552.74

Line Status	Pmt Date	Payment	Rate	Principal	Interest	Computational Balance	True Balance
Information	02-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 153,94
Information	03-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 139,04	\$ 25 000,00	\$ 25 292,98
Information	04-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 446,92
Information	05-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 148,97	\$ 25 000,00	\$ 25 595,89
Information	06-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 749,83
Information	07-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 148,97	\$ 25 000,00	\$ 25 898,80
Due Pmt 💌	08-01-2010	\$ 1 552,74	7,2500 %	\$ 500,00	\$ 153,94	\$ 24 500,00	\$ 24 500,00
Due Pmt	09-01-2010	\$ 650,86	7,2500 %	\$ 500,00	\$ 150,86	\$ 24 000,00	\$ 24 000,00
Due Pmt	10-01-2010	\$ 643,01	7,2500 %	\$ 500,00	\$ 143,01	\$ 23 500,00	\$ 23 500,00
Due Pmt	11-01-2010	\$ 644,70	7,2500 %	\$ 500,00	\$ 144,70	\$ 23 000,00	\$ 23 000,00
Due Pmt	12-01-2010	\$ 637,05	7,2500 %	\$ 500,00	\$ 137,05	\$ 22 500,00	\$ 22 500,00
Due Pmt	01-01-2011	\$ 638,54	7,2500 %	\$ 500,00	\$ 138,54	\$ 22 000,00	\$ 22 000,00
Due Pmt	02-01-2011	\$ 774,69	7,2500 %	\$ 639,22	\$ 135,47	\$ 21 360,78	\$ 21 360,78
Due Pmt	03-01-2011	\$ 774,69	7,2500 %	\$ 655,89	\$ 118,80	\$ 20 704,89	\$ 20 704,89
Due Pmt	04-01-2011	\$ 774,69	7,2500 %	\$ 647,20	\$ 127,49	\$ 20 057,69	\$ 20 057,69

The second choice (*Refund principal and interest FOR THE PERIOD only*)(default method) will only refund the interest for the current period (153.94) and 500.00 in principal that will reduce the "True Balance" by 500.00 (True balance goes from 25,898.80 to 25,389.80). Thus, the "True Balance" reduces by 500.00 as opposed to reducing to the original 25,000 principal as with first option. The amount indicated in the "Principal" column is 0.00 since in fact the 500.00 served to reduce the interest portion of the balance as opposed to *true* principal.

Only in the second blue line does true principal get refunded (101.20) since the payment becomes sufficient to refund all outstanding interest.

Line Status	Pmt Date	Payment	Rate	Principal	Interest	Computational Balance	True Balance
Information	02-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 153,94
Information	03-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 139,04	\$ 25 000,00	\$ 25 292,98
Information	04-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 446,92
Information	05-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 148,97	\$ 25 000,00	\$ 25 595,89
Information	06-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 749,83
Information	07-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 148,97	\$ 25 000,00	\$ 25 898,80
Due Pmt 💌	08-01-2010	\$ 653,94	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 398,80
Due Pmt	09-01-2010	\$ 653,94	7,2500 %	\$ 101,20	\$ 153,94	\$ 24 898,80	\$ 24 898,80
Due Pmt	10-01-2010	\$ 648,37	7,2500 %	\$ 500,00	\$ 148,37	\$ 24 398,80	\$ 24 398,80
Due Pmt	11-01-2010	\$ 650,24	7,2500 %	\$ 500,00	\$ 150,24	\$ 23 898,80	\$ 23 898,80
Due Pmt	12-01-2010	\$ 642,41	7,2500 %	\$ 500,00	\$ 142,41	\$ 23 398,80	\$ 23 398,80
Due Pmt	01-01-2011	\$ 644,08	7,2500 %	\$ 500,00	\$ 144,08	\$ 22 898,80	\$ 22 898,80
Due Pmt	02-01-2011	\$ 774,69	7,2500 %	\$ 633,69	\$ 141,00	\$ 22 265,11	\$ 22 265,11
Due Pmt	03-01-2011	\$ 774,69	7,2500 %	\$ 650,86	\$ 123,83	\$ 21 614,25	\$ 21 614,25
Due Pmt	04-01-2011	\$ 774,69	7,2500 %	\$ 641,60	\$ 133,09	\$ 20 972,65	\$ 20 972,65

The third option (*Refund principal WITHOUT refunding outstanding interest*) is **not suggested** since it does not respect generally recognized interest calculation methods by which outstanding interest is always refunded before principal. As seen below, the 500.00 in fixed principal will immediately reduce the "Computational Balance".

Line Status	Pmt Date	Payment	Rate	Principal	Interest	Computational Balance	True Balance
Information	02-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 153,94
Information	03-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 139,04	\$ 25 000,00	\$ 25 292,98
Information	04-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 446,92
Information	05-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 148,97	\$ 25 000,00	\$ 25 595,89
Information	06-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 153,94	\$ 25 000,00	\$ 25 749,83
Information	07-01-2010	\$ 0,00	7,2500 %	\$ 0,00	\$ 148,97	\$ 25 000,00	\$ 25 898,80
Due Pmt M	08-01-2010	\$ 500,00	7,2500 %	\$ 500,00	\$ 153,94	\$ 24 500,00	\$ 25 552,74
Due Pmt	09-01-2010	\$ 500,00	7,2500 %	\$ 500,00	\$ 150,86	\$ 24 000,00	\$ 25 203,60
Due Pmt	10-01-2010	\$ 500,00	7,2500 %	\$ 500,00	\$ 143,01	\$ 23 500,00	\$ 24 846,61
Due Pmt	11-01-2010	\$ 500,00	7,2500 %	\$ 500,00	\$ 144,70	\$ 23 000,00	\$ 24 491,31
Due Pmt	12-01-2010	\$ 500,00	7,2500 %	\$ 500,00	\$ 137,05	\$ 22 500,00	\$ 24 128,36
Due Pmt	01-01-2011	\$ 500,00	7,2500 %	\$ 500,00	\$ 138,54	\$ 22 000,00	\$ 23 766,90
Due Pmt	02-01-2011	\$ 774,69	7,2500 %	\$ 0,00	\$ 135,47	\$ 22 000,00	\$ 23 127,68
Due Pmt	03-01-2011	\$ 774,69	7,2500 %	\$ 0,00	\$ 122,36	\$ 22 000,00	\$ 22 475,35
Due Pmt	04-01-2011	\$ 774,69	7.2500 %	\$ 163,87	\$ 135,47	\$ 21 836.13	\$ 21 836,13

It will also reduce the "True Balance" by 500.00 less the interest for the period. For the first blue line above:

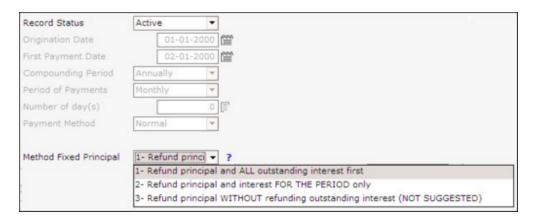
True balance 07-01-2010	25,898.80
Principal for the period (refunded thus subtracted)	500.00
Interest for the period (not refunded thus added)	153.94
True balance 08-01-2010	25,552.74

This method may lead to odd scenarios in which the "Computational Balance" reaches 0.00 (or even a negative amount) before the "True Balance" does. If a negative amount is reached in the "Computational Balance", negative interest will be computed, thus actually refunding principal.

Principal can also be refunded without paying interest first with the "Paid Principal" Line status. See section 2) below.

Changing Fixed principal methods

If you wish to change from one method to another (not usual), click on Data and change the "Method Fixed Principal" from one to another and go back to the Payment schedule. If the lines are tagged as "Fixed Principal" you will immediately see the effect of your choice. If the lines are not tagged, then you must right click and recompute the fixed principal amount.



A change in the method will impact ALL payments **that have this special behavior**. Different payment methods cannot be specified for individual payment lines.

2) Refunding principal only (regardless of interest and Column Fees balances) with the "Paid Principal" Line status

Generally, outstanding and accrued interest are paid before principal. In exceptional cases, one might want to pay principal even when there is an interest (and Column Fees) balance.

Two methods can be used to refund the principal without paying the interest and Column Fees.

- 1. "Fixed Principal Payment Adjustment" method with option 3, as described previously.
- 2. With the "Paid Principal" Line status. See details in the "Payment" Type Line statuses chapter, under the "Paid Principal" Line status section.

See also:

Payments (equal) recomputed to yield a balance = 0.00 or other amount

Right mouse click

"Payment" Type Line statuses

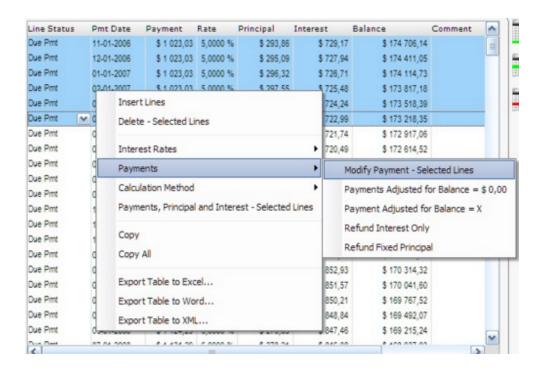
"Principal" Type Line statuses

Changing one or multiple payments

In a Payment schedule, to change a payment, simply click on the payment which will become blue (sometimes gray on certain laptops) and change the payment.

Pmt Date	Payment	Rate	Principal	Interest	Balance
11-01-2006	1023,03	5,0000 %	\$ 293,86	\$ 729,17	\$ 174 706,14
12-01-2006	\$ 1 023,03	5,0000 %	\$ 295,09	\$ 727,94	\$ 174 411,05
01-01-2007	\$ 1 023,03	5,0000 %	\$ 296,32	\$ 726,71	\$ 174 114,73
02-01-2007	\$ 1 023,03	5,0000 %	\$ 297,55	\$ 725,48	\$ 173 817,18

To change multiple payments at once, as in to add lump sums every year for example, in the Payment schedule, select the appropriate lines (Shift and scroll for contiguous lines and Ctrl and click on each desired line for non contiguous lines) and right click with the mouse to obtain the menu below. Choose "Payments" and "Modify Payment - Selected Lines".



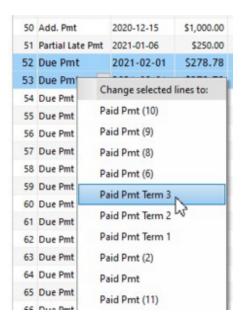
The "Payment Selection" window will open and allow you to enter the new payment amount. By checking "To add to the actual amounts" the payment entered will be added to the actual payment whether these are uniform of not. This feature may be interesting if a Borrower wishes to increase or decrease his/her monthly payment for example.



If these are the payments actually made (as opposed to an initial setup of a loan), then the Line status should be changed to the proper status.

The change from Due Pmt to Paid Pmt, the most common situation for normal portfolios, may be done in various ways:

- 1. Manually in the schedule, line by line. This is a long process that should not be done usually unless a "Paid Pmt" is an exception, as opposed to the norm.
- 2. In a schedule by selecting (highlighting) the desired payment lines and using the shortcut: "Ctrl Alt Shift F12". This shortcut will change the "Due Pmt" (and Due Pmt (2) to (5)) to "Paid Pmt" or any other Payment-type Line statuses whose name can be customized (Paid Pmt 2 to 20). The "Partial Pmt" type Line statuses or "Late Pmt" cannot be chosen because the payment amounts or the dates must be entered in the Payment schedule.



3. A much more efficient method is to update many Records at once through the Payment update tool. Please consult the Tools > Payment update ("Post Payments") section.

See also the very important <u>Fundamental principles of operation</u> section.

If by contract or otherwise, a payment was supposed to be made but was not made or made only partially, then the payment that SHOULD have been made may be entered in the column called "Expec. Pmt". This information may be useful in order to determine the overdue amounts.



See the example in Lump sum payments / Prepayments

See also Line status and Shortcuts (F2) that offer various options for line selection and payment line attributes.

Lump sum payments / Prepayments

Lump sum payments or prepayments may be included in an Payment schedule at any point in time. Once these are included, it is also possible to recompute the other regular payments to yield a particular balance (usually 0.00).

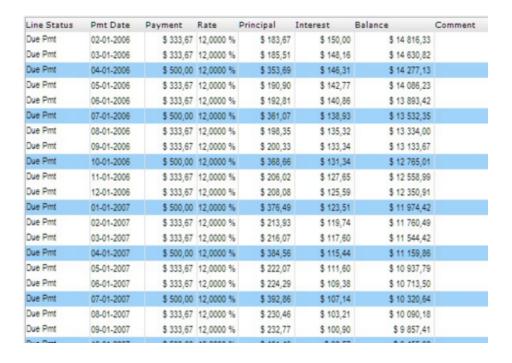
In the example below, every three months the Borrower wishes to pay 500.00 instead of the normal 333.67. Select the appropriate lines (in this case Ctrl and click on the lines or Alt L).



Right click, Payments > Modify Payment - Selected Lines and enter a payment of 500.00.



Resulting window where each of the selected payments is now 500.00:



Given these lump sum payments, the 333.67 payment may also be recomputed. See the <u>Payments (equal) recomputed to yield a balance = 0.00 or other amount</u> section where the example is continued.

Special lump sum payment / Prepayment

When a payment is of a special nature, for example an early full repayment of the loan or in the case of a default on the loan, the user may wish to write-off the balance (thus obtaining a balance of 0.00 or other amount), it is suggested to name this special payment one of the "Payment" Type Line statuses (Paid Pmt (2) to (20)) with a name like "Final Pmt" or "Write-off amount". Thus, these amounts (transactions) can be easily identified and posted in the GL. See also Export accounting transactions to the General Ledger. It is not recommended to use the "Paid Pmt 11 to 20" Line statuses since the fields which separate the sub-amounts paid (Column Fees, interest and principal) are not available in the reports.

When a loan is paid off before its original due date, you can delete all the lines that follow this special payment which should bring the balance to 0.00. Before doing so, it is suggested to attach the Payment schedule (before the special payment and before deleting the lines) to the Record by clicking on "Attach", in order to keep the loan's history. We could therefore evaluate the "loss" in potential interest caused by the early pay-off.



Adding lines (payments, principal, fees, etc.)

Any Payment schedule may be customized, updated and changed by adding new lines at the END of the table or anywhere IN the table.

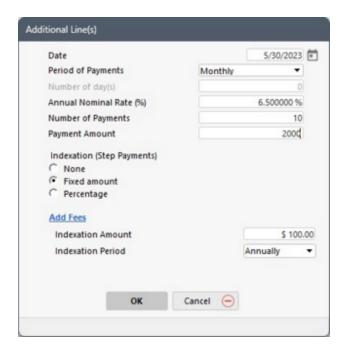
Adding lines at the end of a Payment schedule

To add lines at the end of a table, press on or right click with the mouse. The following menu will appear:

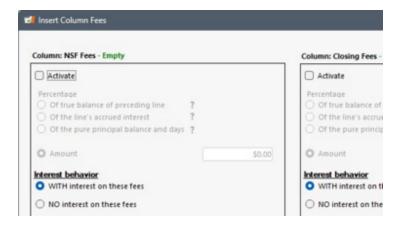
If "Add One Line" is selected, a single line will be added at the end of the table one period after the last line. If that date is not the desired date, simply change the date by clicking on it.

Add Many Lines

If "Add Many Lines" is selected, the window below will appear allowing you to add payments as of a certain date and with many options including rate change, indexation (step payments), etc.

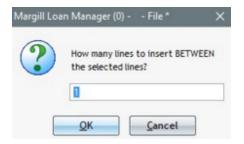


You can add <u>Column fees</u> on lines added. By clicking on the "Add Fees" link, the window allowing the addition of the six (6) Column fees will appear:



Insert lines in a payment table (between existing lines)

To insert lines between existing lines click on or right click with the mouse. The following window will appear.



If only one line is to be added, leave at "1".

The line will be added above the selected line or lines so always select the line below where you wish to insert.

If many lines are selected, one or many lines will be inserted above the first line, above the second line and so forth.

For example, when these three (3) lines are selected (selected lines are highlighted in blue) and the user indicates that 2 lines are to be added between each line:

5	Due Pmt	01-05-2014	\$1 250,00	10,0000 %	\$861,46	\$388,54	\$45 763,31
6	Due Pmt 🔍	01-06-2014	\$1 250,00	10,0000 %	\$868,64	\$381,36	\$44 894,67
7	Due Pmt	01-07-2014	\$1 250,00	10,0000 %	\$875,88	\$374,12	\$44 018,79
8	Due Pmt	01-08-2014	\$1 250,00	10,0000 %	\$883,18	\$366,82	\$43 135,61
9	Due Pmt	01-09-2014	\$1 250,00	10,0000 %	\$890,54	\$359,46	\$42 245,07
10	Due Pmt	01-10-2014	\$1 250,00	10,0000 %	\$897,96	\$352,04	\$41 347,11
11	Due Pmt	01-11-2014	\$1 250,00	10,0000 %	\$905,44	\$344,56	\$40 441,67
12	Due Pmt	01-12-2014	\$1 250,00	10,0000 %	\$912,99	\$337,01	\$39 528,68

Three sets of two lines, total six new lines with 0.00 payments lines will be inserted in the table **above** each of the selected lines. Notice that Line status becomes "Information". This will have to change as the payment amount is entered (positive or negative amount):

5	Due Pmt	01-05-2014	\$1 250,00	10,0000 %	\$861,46	\$388,54	\$45 763,31
6	Information	01-05-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$45 763,31
7	Information	01-05-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$45 763,31
8	Information	01-05-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$45 763,31
9	Due Pmt	01-06-2014	\$1 250,00	10,0000 %	\$868,64	\$381,36	\$44 894,67
10	Information	01-06-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$44 894,67
11	Information	01-06-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$44 894,67
12	Information	01-06-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$44 894,67
13	Due Pmt	01-07-2014	\$1 250,00	10,0000 %	\$875,88	\$374,12	\$44 018,79
14	Information	01-07-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$44 018,79
15	Information	01-07-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$44 018,79
16	Information	01-07-2014	\$0,00	10,0000 %	\$0,00	\$0,00	\$44 018,79
17	Due Pmt	01-08-2014	\$1 250,00	10,0000 %	\$883,18	\$366,82	\$43 135,61
18	Due Pmt	01-09-2014	\$1 250,00	10,0000 %	\$890,54	\$359,46	\$42 245,07
19	Due Pmt	01-10-2014	\$1 250,00	10,0000 %	\$897,96	\$352,04	\$41 347,11

The dates, payments and interest rates may then be modified for each of these lines.

See also the very powerful features for adding lines with the <u>Right mouse click</u>. The "Insert" (one line selected) or "Insert lines" choices, followed by "Payment(s)" will add new lines in a table as of the date indicated. Lines will be inserted automatically at the proper places in the schedule. If a positive payment is indicated, this will be a refund. If a negative payment is indicated, this will increase the balance.

See also <u>Shortcuts</u> (F2 key in MLM) offering multiple line selection options including Alt 2 which selects every second line and Alt L that selects one line every X lines.

Payments (equal) recomputed to yield a balance = 0.00 or other amount

Equal payments may need to be recomputed to yield a balance = 0.00 or another amount if, for example, lump sum payments are made, if additional principal is added during the loan, or if a loan consists partially of interest-only payments.

Two options are available in the software:

Manual payment amount recalculation

Automatic payment amount recalculation (Behavior)

Manual payment amount recalculation

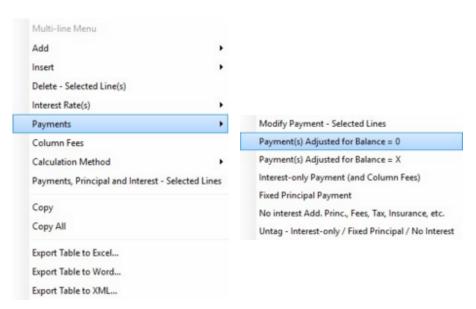
Let's continue the example of lump sum payments started in the <u>Lump sum payments / Prepayments</u> section. "Normal" payments (333.67) must be recomputed since 500.00 lump sum payments are made every three months. The table was changed as seen below and the new balance (now minus 4483.34 instead of 0.00 with regular payments) is recomputed automatically.

Line Status	Pmt Date	Payment	Rate	Principal	Interest	Balance	Comment
Due Pmt	02-01-2006	\$ 333,67	12,0000 %	\$ 183,67	\$ 150,00	\$ 14 816,33	
Due Pmt	03-01-2006	\$ 333,67	12,0000 %	\$ 185,51	\$ 148,16	\$ 14 630,82	
Due Pmt	04-01-2006	\$ 500,00	12,0000 %	\$ 353,69	\$ 146,31	\$ 14 277,13	
Due Pmt	05-01-2006	\$ 333,67	12,0000 %	\$ 190,90	\$ 142,77	\$ 14 086,23	
Due Pmt	06-01-2006	\$ 333,67	12,0000 %	\$ 192,81	\$ 140,86	\$ 13 893,42	
Due Pmt	07-01-2006	\$ 500,00	12,0000 %	\$ 361,07	\$ 138,93	\$ 13 532,35	
Due Pmt	08-01-2006	\$ 333,67	12,0000 %	\$ 198,35	\$ 135,32	\$ 13 334,00	
Due Pmt	09-01-2006	\$ 333,67	12,0000 %	\$ 200,33	\$ 133,34	\$ 13 133,67	
Due Pmt	10-01-2006	\$ 500,00	12,0000 %	\$ 368,66	\$ 131,34	\$ 12 765,01	
Due Pmt	11-01-2006	\$ 333,67	12,0000 %	\$ 206,02	\$ 127,65	\$ 12 558,99	
Due Pmt	12-01-2006	\$ 333,67	12,0000 %	\$ 208,08	\$ 125,59	\$ 12 350,91	
Due Pmt	01-01-2007	\$ 500,00	12,0000 %	\$ 376,49	\$ 123,51	\$ 11 974,42	
Due Pmt	02-01-2007	\$ 333,67	12,0000 %	\$ 213,93	\$ 119,74	\$ 11 760,49	
Due Pmt	03-01-2007	\$ 333,67	12,0000 %	\$ 216,07	\$ 117,60	\$ 11 544,42	
Due Pmt	04-01-2007	\$ 500,00	12,0000 %	\$ 384,56	\$ 115,44	\$ 11 159,86	
Due Pmt	05-01-2007	\$ 333,67	12,0000 %	\$ 222,07	\$ 111,60	\$ 10 937,79	
Due Pmt	06-01-2007	\$ 333,67	12,0000 %	\$ 224,29	\$ 109,38	\$ 10 713,50	
Due Pmt	07-01-2007	\$ 500,00	12,0000 %	\$ 392,86	\$ 107,14	\$ 10 320,64	
Due Pmt	08-01-2007	\$ 333,67	12,0000 %	\$ 230,46	\$ 103,21	\$ 10 090,18	
Due Pmt	09-01-2007	\$ 333,67	12,0000 %	\$ 232,77	\$ 100,90	\$ 9 857,41	
Dur Davi	10.01.0007	A 700.00	40 0000 N	A 404 40	4.00.57	40 455 00	

Choose all the lines with payments of 333.67. A trick to select these lines is to select all lines (Ctrl-A) and then with the Ctrl key and the mouse, click on the 500.00 lines to deselect them. This will be faster than doing the opposite.

Line Status	Pmt Date	Payment	Rate	Principal	Interest	Balance	Comment
Due Pmt	06-01-2009	\$ 333,67	12,0000 %	\$ 299,75	\$ 33,92	\$ 3 092,66	
Due Pmt	07-01-2009	\$ 500,00	12,0000 %	\$ 469,07	\$ 30,93	\$ 2 623,59	
Due Pmt	08-01-2009	\$ 333,67	12,0000 %	\$ 307,43	\$ 26,24	\$ 2 316,16	
Due Pmt	09-01-2009	\$ 333,67	12,0000 %	\$ 310,51	\$ 23,16	\$ 2 005,65	
Due Pmt	10-01-2009	\$ 500,00	12,0000 %	\$ 479,94	\$ 20,06	\$ 1 525,71	
Due Pmt	11-01-2009	\$ 333,67	12,0000 %	\$ 318,41	\$ 15,26	\$ 1 207,30	
Due Pmt	12-01-2009	\$ 333,67	12,0000 %	\$ 321,60	\$ 12,07	\$ 885,70	
Due Pmt	01-01-2010	\$ 500,00	12,0000 %	\$ 491,14	\$ 8,86	\$ 394,56	
Due Pmt	02-01-2010	\$ 333,67	12,0000 %	\$ 329,72	\$ 3,95	\$ 64,84	
Due Pmt	03-01-2010	\$ 333,67	12,0000 %	\$ 333,02	\$ 0,65	\$ -268,18	
Due Pmt	04-01-2010	\$ 500,00	12,0000 %	\$ 502,68	\$ -2,68	\$ -770,86	
Due Pmt	05-01-2010	\$ 333,67	12,0000 %	\$ 341,38	\$ -7,71	\$ -1 112,24	
Due Pmt	06-01-2010	\$ 333,67	12,0000 %	\$ 344,79	\$ -11,12	\$ -1 457,03	
Due Pmt	07-01-2010	\$ 500,00	12,0000 %	\$ 514,57	\$ -14,57	\$ -1 971,60	
Due Pmt	08-01-2010	\$ 333,67	12,0000 %	\$ 353,39	\$ -19,72	\$ -2 324,99	
Due Pmt	09-01-2010	\$ 333,67	12,0000 %	\$ 356,92	\$ -23,25	\$ -2 681,91	
Due Pmt	10-01-2010	\$ 500,00	12,0000 %	\$ 526,82	\$ -26,82	\$ -3 208,73	
Due Pmt	11-01-2010	\$ 333,67	12,0000 %	\$ 365,76	\$ -32,09	\$ -3 574,49	
Due Pmt	12-01-2010	\$ 333,67	12,0000 %	\$ 369,41	\$ -35,74	\$ -3 943,90	
Due Pmt	01-01-2011	\$ 500,00	12,0000 %	\$ 539,44	\$ -39,44	\$ -4 483,34	

Once the lines are selected, right click with the mouse and choose Payments > Payments Adjusted for Balance = 0.00 or Payments Adjusted for Balance = X.



For "Payments Adjusted for Balance = 0", the 0.00 may be another amount if the amount at the bottom left of the window is another amount. In the examples below, when the balance at the bottom is changed, and the box checked, the right mouse click menu will adjust consequently:



For "Payments Adjusted for Balance = X" this window will appear allowing you to enter the desired balance.



To continue our example, we can choose "Payments Adjusted for Balance = 0" since our balance is 0.00 at the end. The payments will then be recomputed. In this example, the payments will become 251.74.

Line Status	Pmt Date	Payment	Rate	Principal	Interest	Balance	Comment
Due Pmt	06-01-2009	\$ 251,74	12,0000 %	\$ 190,71	\$ 61,03	\$ 5 912,19	
Due Pmt	07-01-2009	\$ 500,00	12,0000 %	\$ 440,88	\$ 59,12	\$ 5 471,31	
Due Pmt	08-01-2009	\$ 251,74	12,0000 %	\$ 197,03	\$ 54,71	\$ 5 274,28	
Due Pmt	09-01-2009	\$ 251,74	12,0000 %	\$ 199,00	\$ 52,74	\$ 5 075,28	
Due Pmt	10-01-2009	\$ 500,00	12,0000 %	\$ 449,25	\$ 50,75	\$ 4 626,03	
Due Pmt	11-01-2009	\$ 251,74	12,0000 %	\$ 205,48	\$ 46,26	\$ 4 420,55	
Due Pmt	12-01-2009	\$ 251,74	12,0000 %	\$ 207,53	\$ 44,21	\$ 4 213,02	
Due Pmt	01-01-2010	\$ 500,00	12,0000 %	\$ 457,87	\$ 42,13	\$ 3 755,15	
Due Pmt	02-01-2010	\$ 251,74	12,0000 %	\$ 214,19	\$ 37,55	\$ 3 540,96	
Due Pmt	03-01-2010	\$ 251,74	12,0000 %	\$ 216,33	\$ 35,41	\$ 3 324,63	
Due Pmt	04-01-2010	\$ 500,00	12,0000 %	\$ 466,75	\$ 33,25	\$ 2 857,88	
Due Pmt	05-01-2010	\$ 251,74	12,0000 %	\$ 223,16	\$ 28,58	\$ 2 634,72	
Due Pmt	06-01-2010	\$ 251,74	12,0000 %	\$ 225,39	\$ 26,35	\$ 2 409,33	
Due Pmt	07-01-2010	\$ 500,00	12,0000 %	\$ 475,91	\$ 24,09	\$ 1 933,42	
Due Pmt	08-01-2010	\$ 251,74	12,0000 %	\$ 232,41	\$ 19,33	\$ 1 701,01	
Due Pmt	09-01-2010	\$ 251,74	12,0000 %	\$ 234,73	\$ 17,01	\$ 1 466,28	
Due Pmt	10-01-2010	\$ 500,00	12,0000 %	\$ 485,34	\$ 14,66	\$ 980,94	
Due Pmt	11-01-2010	\$ 251,74	12,0000 %	\$ 241,93	\$ 9,81	\$ 739,01	
Due Pmt	12-01-2010	\$ 251,74	12,0000 %	\$ 244,35	\$ 7,39	\$ 494,66	
Due Pmt	01-01-2011	\$ 499,61	12,0000 %	\$ 494,66	\$ 4,95	\$ 0,00	

Automatic payment amount recalculation (Behavior)

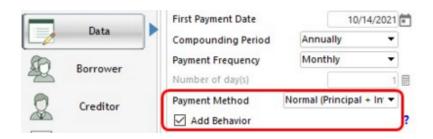
As of version 5.4, it is possible to automatically recompute payments in order to have a final balance = 0.00 or another amount (X), regardless of the transactions above (missed or partial payment, additional principal, interest rate change, etc.). This can be done with a "Line behavior".

The option is available upon creating the loan or once the Payment schedule is created. This advanced option must be activated for a user in Tools > Settings > Options: Interest-only and Fixed Principal. The first box below must be checked for this choice to be offered when first creating the Payment schedule and the second to add the "Behavior" after the loan (Payment schedule) is created.

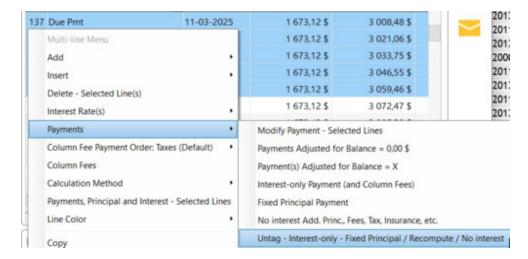
✓ Display "Behavior" option when creating a new Record (Data windows) (Automatic recomputation of payment amount)
✓ Display "Behavior" option in Results table

1) Behavior added when creating the loan

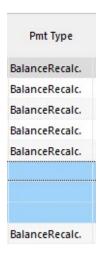
In the tab Data, choose "Normal (Principal + Interest) as the Payment Method and check "Add Behavior". All the "Due Pmt" lines will include the label "BalanceRecalc." in the "Pmt Type" column of the Payment schedule and will automatically be adjusted throughout the life of the loan to give a final balance of 0.00 or X.



It is possible to eliminate this Behavior for one or more lines. In the Payment schedule, select the lines > right mouse clic > Payments > "Untag - Interest-only / Fixed Principal / Recompute / No interest":



The "BalanceRecalc." label will be eliminated from the "Pmt Type" column (3 blue lines in the following example):

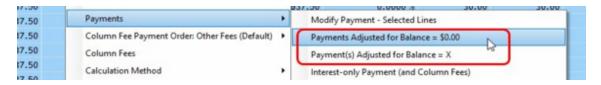


The Behavior will be automatically eliminated when a "Due Pmt" is "managed" and becomes a "Paid Pmt", "Unpaid Pmt", etc., because once the real payment is entered, we do not want this payment to be recomputed, regardless of the changes in the Payment schedule prior to this payment.

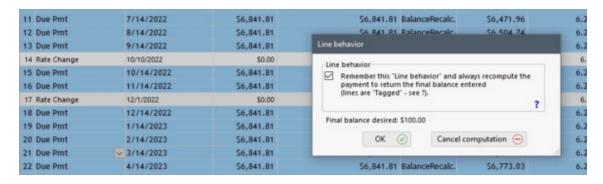
2) Behavior added in the Payment schedule

In the Payment schedule, select all of the payment lines that must be recomputed for a balance of 0.00 or X. Right mouse

clic > Payments > Payment(s) adjusted for balance =



This window will appear if the option is activated for the user (can be with final balance = 0.00 or X). X = 100.00 in this example):



Check "Remember this "Line behavior" and always recompute..." box. Payments will always be adjusted automatically unless the Behavior is eliminated (see explanation above).

Only the "Due Pmt" and "Undefined" Line statuses (by exception in order to deal with non-compliant situations) can include this Behavior. Be careful not to change the lines that do not allow this Behavior because some data could be lost. A warning will be displayed - please read the warning carefully!

See also: Amount Due variables (Activation).

Changing the date of a payment

The date of any payment may be changed easily, simply by clicking on it in a Payment schedule. The date becomes blue (or gray on certain laptops) and can be changed to any date as long as it is a date in between the payment date above and below (the chronological order must be followed).



The date may also be changed to the same payment date as that above or below, thus allowing multiple lines with the same payment date (for example multiple payments on one day or a payment, a fee, additional principal, etc.).

Payment date and Line status

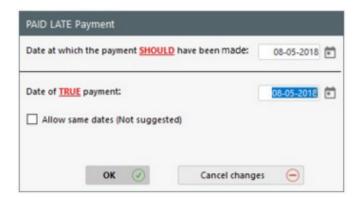
If a payment was due on a certain date but was late, <u>Line status</u> could be changed to "Unpaid Pmt" and another line added when the payment is actually received. This new line could have a "Late Pmt" or "Partial Late Pmt" status.

Alternatively, the actual late payment date line can also be changed to the true payment date and the status changed to "Late Pmt" or "Partial Late Pmt". A pop up window will ask for the date at which the payment SHOULD have been paid. This tracks late payments and provides a history of a client's trustworthiness.

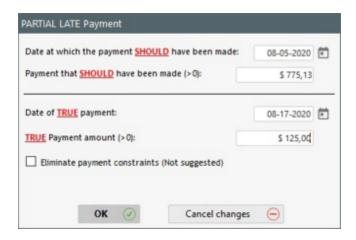
A column called "Pmt Due Date" is contained to the right of the "Expect. Pmt" column. A date may be entered in this column ONLY IF Line status is "Late Pmt" or "Partial Late Pmt".



When a payment's Line status is "Paid Late Pmt" the following window will ask for a date at which the payment SHOULD have been paid and the TRUE payment date:



When a payment's Line status is "Partial Late Pmt" the following window will ask for the date at which the payment SHOULD have been made, the payment amount that SHOULD have been paid as well as the TRUE payment date and amount:



Note: The true payment amount and the true payment date may also be changed directly in the payment line per se.

Payment dates can also be changed for several Records with the Payment update ("Post Payments") tool.

See the important <u>Late or partial payments</u> section.

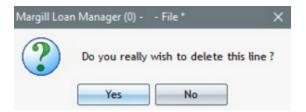
To change payment dates for many Records (loans) at once, so in bulk, see Tools > Payment update (Post Payments") > Change payment dates in bulk for many Records at once subsection.

Deleting a line or lines

Any line or lines may be deleted in a Payment schedule except the very first original line since it serves as a reference. Records **created** with version 5.0 or later of Margill Loan Manager are no longer subject to the latter rule. The original first line may be deleted or its date modified. A Record created before version 5.0 even if it is now in version 5.0 or later does not allow the first line to be modified since the calculation uses the old method.

Select the line or lines to be deleted and use either the click. A confirmation window will appear:

at the right of the Payment schedule or the <u>right mouse</u>



NOTE: In order to maintain maximum record information, it is suggested, once a theoretical schedule is produced (see <u>Fundamental Principles of Operation</u>), never to actually delete a line but rather assign the proper <u>Line status</u> based on the type of transaction. For example, an unpaid payment should be given the "Unpaid Pmt" status and the expected payment amount entered in the "Expect. Pmt" column. One can then better evaluate if a Borrower respects his commitments and also obtain data that becomes valuable for <u>credit rating agencies</u>.

Another type of line that cannot be deleted is a Capitalization line (green line) when this line is not the last line in the Payment schedule. If this were allowed, the mandatory computing method would no longer be taken into account. Only the last line of Capitalization can be deleted in order to reduce the duration of the loan.



Adding or changing Interest rates in a Payment schedule

A Payment schedule may include one or many interest rates and these may be changed or added at any point in time either:

Manually - one rate at a time

Manually - multiple rates

Adding a new rate in the Payment schedule

Changing the interest rate for multiple Records in one operation

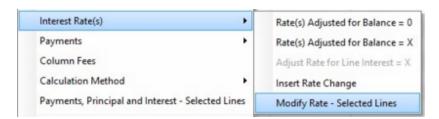
Advanced variable Interest rate tables

Manually changing one rate at a time

Click on a interest rate in the Payment schedule. The rate will become blue. Simply replace the existing rate.

Manually changing multiple rates

To change multiple rates at once in a Payment schedule, select the lines to change (Shift or Ctrl key and mouse click) and right click with the mouse. In the menu that appears, choose "Interest Rate(s)" and "Modify Rate - Selected Lines".



Then enter the rate that is to be applied for the selected lines.



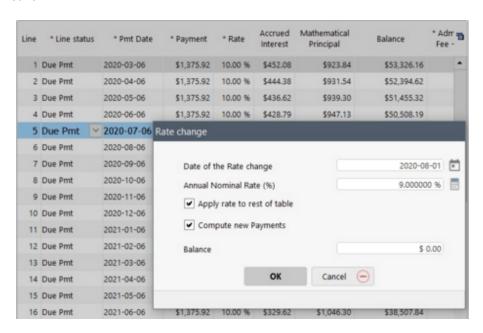
A rate may also be added or subtracted (-x%) to the existing rates (practical when dealing with variable interest rates). Check "To add to actual rates".

Adding a new rate in the Payment schedule

Select (highlight) any line in the Payment schedule and right click with the mouse. Among the choices in the menu, choose "Insert" (or "Interest Rates") and "Rate Change":



With the "Rate Change" choice, the interest rate may be inserted or changed at any date. The rate may be applied to the rest of the table by checking the appropriate box. New equal payments may also be recomputed to give a final balance = 0.00 or other amount.

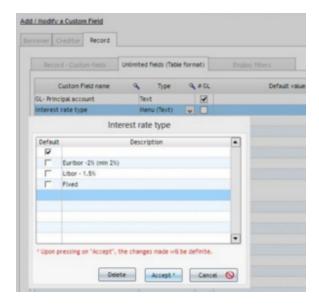


With this function, when a new rate is inserted in the Payment schedule, the "Rate Chg." (Rate change) <u>Line status</u> will be included. If a rate change line has any other amount than 0.00 as its payment, the Line status should be changed to reflect what type of payment is actually made (see also <u>Data Integrity</u>).

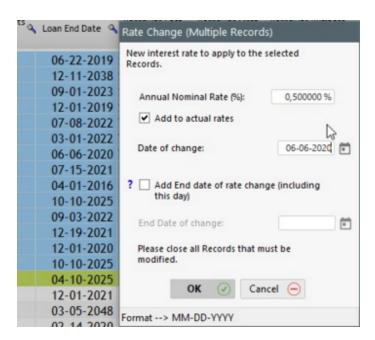
Changing the interest rate for multiple Records in one operation

If, for example, a fixed interest rate is applicable to some loans and the interest rate changes every year for another set of loans, it is possible to change the rates only for this last set of loans in one simple operation.

- First, the loans to change must be selected in the Main MLM window. The loans must thus be isolated from the others. This can be done by sorting or with a <u>display filter</u> along with a custom field to indicate the interest rate type.
 - A <u>custom field</u> can be created by the Administrator through Settings > System settings (Administrator) >
 Custom fields. This custom field must be linked to the **Record**. It is recommended to create a scroll menu for the interest rate type (see <u>Scroll menus</u> section).

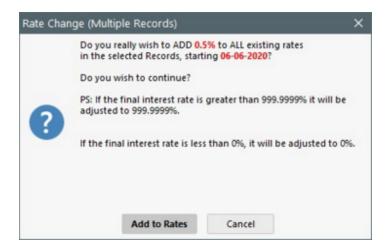


- The "Interest rate type" custom field should be displayed in the Main MLM window in order to sort the Records using this criteria.
 - To add this field to the Main window, go to Tools > Settings > User Settings > "Record Summary Window" button (see the <u>Record Summary Window</u>, <u>Displayed column selection and order</u> section).
 - One of three custom field <u>Display Filters</u> can also be used to display only the Records having the desired characteristic.
- In the Main MLM window, click on the "Interest rate type" (custom field name) header to sort the Records by type. Select (highlight) only the desired Records.
 - O Warning: set the various display filters to "All", otherwise some Records may not be displayed and thus be ignored when updating the rates.
- In the following example, we wish to increase the interest rate by 0.5% as of June 6, 2020. The "Ctrl / Alt / Shift / I" shortcut will display the window in which to specify the percentage to be added to the current rate, and the date at which the rate change will occur. If -0.5% (negative 0.5%) had been entered, then the interest rate would have been reduced by 0.5%.



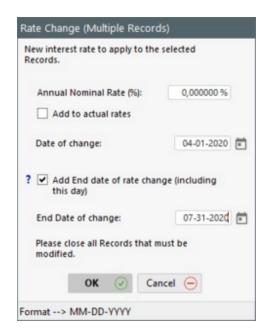
We can also enter a new rate without selecting the "Add to actual rate" option. This will change all selected Records to the same interest rate which may not always be desired.

The "Apply" button automatically changes the rate for all the Records selected. A confirmation will be required as this operation CANNOT be canceled.



You will also be prompted to make a backup before updating. This is strongly suggested. The user must have the appropriate read/write permissions in the MLM data backup folder.

It is also possible to change the interest rate only for a specific time period, as opposed to as of a date and for the rest of the schedule. Check "Add End date of rate change...". In this example, the rate was changed from April 1, 2020 to July 31 (inclusively) to 0.00%. The rate could also have been temporarily reduced or increased.



Notice that two "Rate Change" lines were added in the payment schedule. One could think the "Rate Change" indication on line 12 is wrong since the rate is still 10% but this indicates simply that the 10% is closing up (on 03-31-2020 at midnight minus one second the rate is still 10% but changes to 0% on 04-01-2020 at 0:00+). By displaying the "Start Date" column, this is easier to conceptualize...



Advanced variable Interest Rate table module

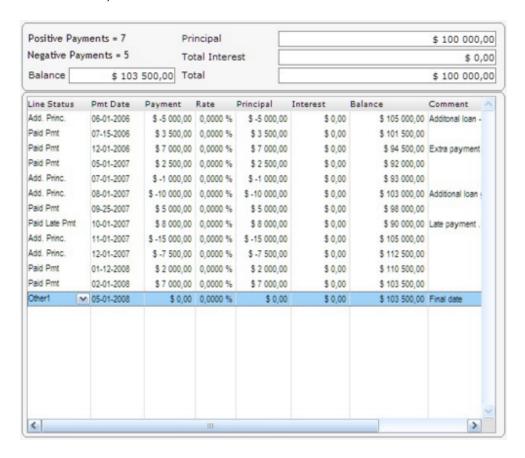
This module allows Records (loans or others) to be created using variable interest rates and the Payment schedules to be updated automatically as the interest tables are updated. See detailed information on this in the <u>Variable interest rate</u> module - Introduction and Methods and following sections.

Interest rate (equal) recomputed to yield a balance = 0.00 or other amount

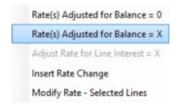
Margill Loan Manager (MLM) may be used to compute the interest rate of a loan or investment that includes regular and irregular money inputs and outputs. If the interest rate (or the return on investment (ROI) or internal rate of return (IRR)) is not known, it may easily be figured out no matter how complex the loan or investment.

In this example, an initial 100,000 investment is made on June 1, 2006. Various pay-ins (positive payments) and pay outs (negative payments) are made over time with a balance of 135,100 24 months later. What is the ROI (IRR) for this investment?

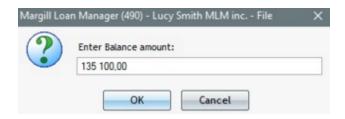
Below is the preliminary schedule created. A 0.00% interest rate is included but is of no pertinence since on 05-01-2008, the balance is known to be 135,100.



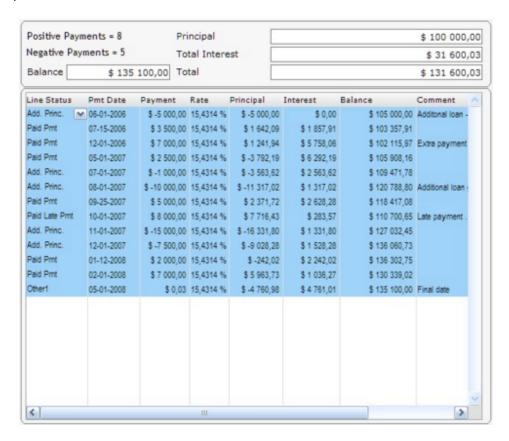
To calculate the interest rate, select all lines (Ctrl-A), right click with the mouse and choose "Interest rates" and "Rates adjusted for Balance = X".



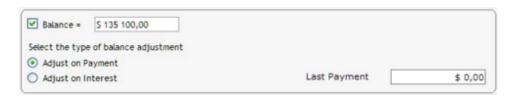
A window will appear in which to specify the balance of 135,100.



Click on OK and MLM will automatically compute the appropriate interest rate (ROI or IRR) for this investment. The nominal rate is 15.4314%. To obtain the true annual, non compounded return, it may be wise to use simple interest as oppose to compound interest for this calculation.



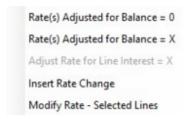
The last payment of 0.03 may be eliminated with the button at the bottom right of the window which adjusts rounding either on the payment or on the interest portion.



With "Adjust on Interest", the last payment becomes 0.00 and the interest is increased by 0.03. A note appears in the window (and in the printed report) to explain this.



Distinction between "Rates Adjusted for Balance = 0" and "Rates Adjusted for Balance = X"



For "Rates Adjusted for Balance = 0", the 0.00 may be another amount if the amount at the bottom left of the window other than 0.00. In the examples below, when the balance at the bottom is changed, and the box checked, the right mouse click menu will adjust consequently:



If "Rates Adjusted for Balance = X" is chosen, then this window will appear allowing you to enter the balance desired.



See also:

Payments (equal) recomputed to yield a balance = 0.00 or other amount

Interest Rate recomputed to adjust Line Interest amount

Interest rate recomputed to adjust Line Interest amount

When a previously existing loan (calculated by hand, with other software or in a spreadsheet) is replicated in the Margill Loan Manager (MLM), it is possible that the interest amount for certain lines and balances are not exactly the same in

both schedules, particularly in irregular scenarios. A Creditor may wish to change interest rates of one or more lines to reach the same amounts.

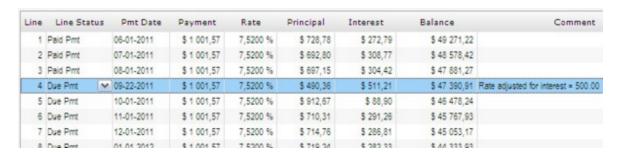
If multiple lines are to be recomputed to obtain a final balance of X, use the tool described in the previous section, Interest rate (equal) recomputed to yield a balance = 0.00 or other amount.

However, if the amount of interest in a particular line should be a specific amount, the tool "Adjust Rate for Line Interest = X" will recompute, in a fraction of a second, the appropriate interest rate to obtain the amount of interest required.

Example:

In our scenario, all calculations performed with the previous calculator correspond to MLM's calculations up to the interest amount calculated on line 4 on which the payment is made on 09-22 instead of the 1st of the month. With the old calculator, the amount of interest was, hypothetically, 500.00 whereas with MLM, the amount is at 511.21. We need to adjust the interest rate to correspond to the old schedule already provided to the Borrower (and in order not to change the accounting data even if erroneous initially).

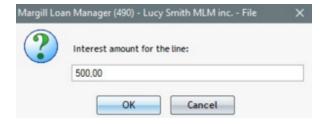
We could manually adjust by trial and error, changing the interest rate gradually. To expedite the process, use the "Rates Adjusted for Balance = X" tool to calculate the interest rate.



Line 4 is highlighted (thus in blue), right mouse click, select "Interest Rate" and "Adjust Rate for Line Interest = X".

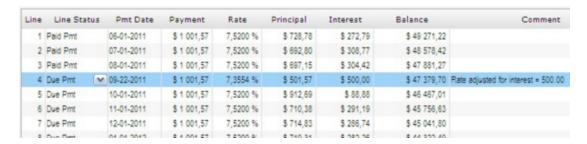


Enter the desired interest amount for the period, 500.00 in our case, and press OK.



The rate will be recomputed in a fraction of a second and the interest, principal and balances adjusted for the rest of the

table to take into account this change. The rate thus becomes 7.3554% for the period from 08-01 to 09-22.



Notes:

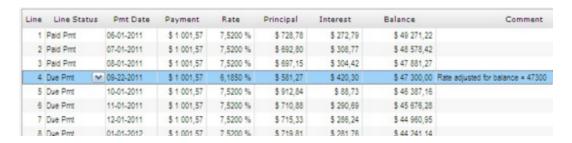
- The tool is available if only one line is selected.
- The amount of interest must be 0.00 or more (cannot be negative).
- If a line contains a special behavior by which the payment must be recomputed under certain circumstances (
 Interest-only or Fixed principal), a rate change will also involve a change in the payment amount. MLM will prompt you whether to remove the line behavior or not.
- In some situations, rounding to 6 decimal places may not sufficient to obtain exactly the desired amount. A message will appear if the precise amount entered cannot be reached. You will have the choice to apply the corresponding rounded interest rate or not.
- The maximum rate is 999.9999% and the minimum rate is 0.00%. If the rate is not within range, the calculation will be aborted. A warning will be given.

Desired balance is known (but unknown interest amount)

If the amount of interest is unknown, but the balance on that date (09-22 in our example) is known, a simple subtraction will first determine the interest amount to then make use of the tool.

In the same example, the balance on line 4 should be 47,300.00. To achieve this balance, the interest of 500.00 must be decreased by 79.70 (47,379.70 to 47,300.00 = 79.70). Thus the interest for the period will be 500.00 minus 79.70 = 420.30.

The new rate for that period then becomes 6.1850%.



Calculation method for Short periods

For "Short Periods" or regular periods, your are not limited to use the effective rate compound interest calculation methods. You can choose a special calculation method at any given time. You can even have a "mix" of compound interest (effective rate method) and simple interest with interest that is capitalized or not.

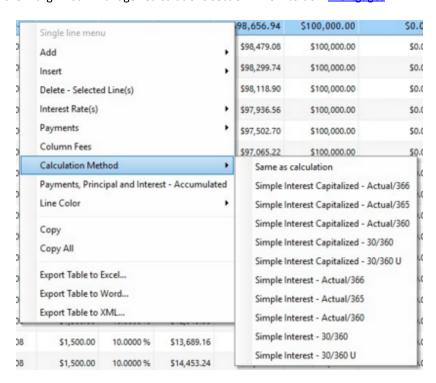
This choice is offered to comply with certain laws and practices which state that if a payment period is less than a normal

reimbursement period, (for example, an additional monthly payment made on another date, creating two short periods (18 and 13 days)) the interest for that "short" period will be computed using simple interest then compounded or capitalized on the next payment date as opposed to normal compound interest. This is used particularly for the interest calculated on the first payment that is made after the origination date but before a full period. For example, origination date is 01/26 and first payment is 02/01, six days apart. Some will calculate interest as such: Principal x interest rate x 6/365 for these 6 days even for a compound interest loan.

Ten alternative methods are allowed:

- Simple Interest Capitalized Actual/366
- Simple Interest Capitalized Actual/365
- Simple Interest Capitalized Actual/360
- Simple Interest Capitalized 30/360
- Simple Interest Capitalized 30/360 U
- Simple Interest Actual/366
- Simple Interest Actual/365
- Simple Interest Actual/360
- Simple Interest 30/360
- Simple Interest 30/360 U

These calculation methods can apply to one or several lines chosen by the user in the Payment schedule. It can also be set in the "Advanced" tab for the short period between the Origination date and the First Payment Date. See <u>Interest Adjustment Date</u> in the Margill Loan Manager Calculations section > How to do > <u>Mortgages</u>.



The method will be applied to the specific lines selected with a right mouse click.

For more information on "short periods" and the default short setting, consult the <u>Short & Long periods</u> section of the <u>Calculationmethods</u> chapter.

[&]quot;Actual/366" should only be used during leap years.

Additional Principal, Fees, Penalties, Insurance and Taxes

It is possible to add additional principal and fees (insurance and taxes) to a payment table at any time. This principal and these fees can bear interest or not.

Additional Principal

Fees financed (charged)

- 1) Line status Fees
- 2) Column Fees

Fees paid

- 1) Line status Fees paid
- 2) Column Fees paid

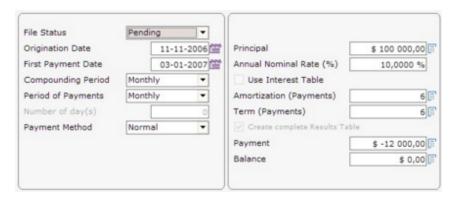
Refund order for Interest, Fees and Principal

Principal and Fees with no interest

Additional Principal

A loan or investment may comprise multiple loans / investments over time. In Margill Loan Manager (MLM), these are always indicated as negative payments.

In the "Data" window (partial screen shot) below, there is an initial 100,000 loan on November 11, 2006 followed by monthly loans (minus 12,000) starting on March 1, 2007.



By pressing on "Compute", the Payment schedule appears:



The "Due Pmt" <u>Line status</u> will automatically change to "Add. Princ. (Loan)" (for Additional principal) when a negative amount is entered in the payment.

The amounts and dates may be changed for any line. Payments may be added between lines or regular payments computed for a normal amortization schedule.

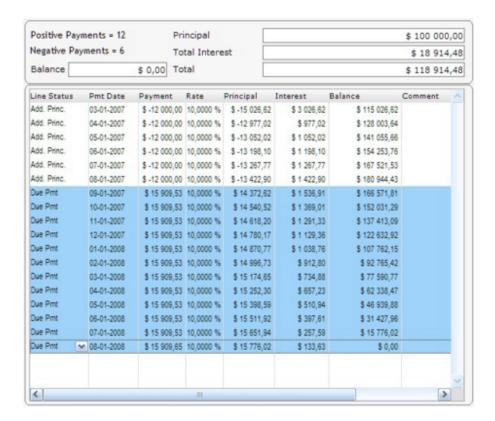
"Add. Princ. (Loan)" Line status will have an effect on the <u>Accounting data</u>. This will add principal to the "Balance Due Principal" column. This, and the nine (9) other "Add. Princ." Line statuses (whose name may be customized by the User) are the only Line statuses that add to this column.

In the example below, the balance after 6 months is to be refunded in 12 equal payments. 12 lines are thus added with

the icon to the right.



The payment amount entered, if unknown, could be 0.00 or ideally 1.00 in order to generate a "Due Pmt" Line status instead of "Information". Once the lines have bee added, the 12 lines will be recomputed with the right mouse click and the <u>Payments (equal) recomputed to yield a balance = 0.00 or other amount</u> function.



The schedule is thus made up of negative payments (additional principal) and positive amounts (refunds by the Borrower).

Principal that bears no interest may also be added in a loan (see section below).

It is possible to create a Line status that specifies the type of additional principal to be added. This is done with the Add. Princ. (2) to (10) Line statuses. These Line statuses can be renamed (e.g. "Loan 2") in Settings > Line Payment Statuses to distinguish them from each other, depending on the principal type (or the type of loan). Thus, for accounting purposes, these amounts can be isolated to create individual reports.

Using custom Additional principal names: Refinanced loan

A typical example would be a loan (that includes a balance) that is renegotiated and transferred to a new loan. We must thus close one loan and open a new one.

In Tools > Settings, the Line status "Paid Pmt (2)" could be renamed "Paid Pmt transfer" and accompanied by Line status "Add. Princ. (2)" renamed "Add. Princ. Balance transfer".

The last line of the payment schedule would be "Paid Pmt transfer" that would repay the balance of a loan (e.g. 15,850).

A new loan with an Original Principal of 0.00 would include for its first line, a negative amount of 15,850 with the "Add. Princ. Balance transfer" Line status. The origination principal would have been 0.00 unless another amount had been loaned (cash loan).

A customized report produced by the user would identify all amounts throughout the year including the balance that was transferred to another loan. This amount is non-monetary and therefore would not be accompanied by a bank transaction.

See the Line status and Export accounting transactions (Debits and Credits) to the General Ledger sections.

Fees (penalties, invoices, taxes and insurance)

Fees can be added (charged or financed) in the Payment schedule by two methods: 1) Fees by Line status and 2) Column Fees.

1) Fees, penalties, taxes and insurance entered as Line statuses are, like Additional principal, represented as a negative payment which will increase the loan balance. These may be entered on the same date as another transaction such as the non payment of an amount due.

Six (6) fee descriptions by Line statuses are available (Fees, Fees 2 to Fees 6) as well as one called Penalty. The description of fees may be customized to a more descriptive name to precisely reflect the type of fee charged. See the <u>Line status</u> section for more detail. The other Line statuses, "Taxes", "Insurance" and "Invoices" may be added at any time.

2) Column Fees are much more sophisticated that the Line status Fees since they can be entered in batches, even be automatically added according to rules established by the Margill Administrator and paid with a normal payment ("Payment" type Line status). Six (6) Column Fees are available. See the important section Fees, Insurance and Taxes in How to do

Paid Fees, paid Penalties, paid Taxes, paid Insurance and paid Invoices

Fees, penalties, taxes and insurance are first charged and then can be paid. This allows MLM to distinguish, for accounting purposes, when interest and true principal (accounting) are paid by the Borrower versus these other fee-type charges.

1) Paid Line status Fees

To pay the Fees charged, a "Fees paid" Line status must absolutely be added to the Payment schedule otherwise these fees will be charged but never paid from an accounting perspective even if they are paid mathematically.

For <u>data_integrity</u> reasons, a "Paid" Line status (or Paid penalty, insurance or tax) should never be larger than its equivalent negative counterpart. For example, two fees are charged (Line status "Fees"), the first for 100.00 and the second a month later for 150.00 for a total of 250.00. Further down the payment schedule you try to enter 300.00 as "Fees Paid". The following message will appear indicating that the maximum amount of fees should be 250.00.



By pressing on "Enter 250.00", this amount will be entered for you in the schedule. By pressing on "No thanks" your payment amount will remain in the schedule but the "Fees Paid" Line status will appear in red to highlight the potential problem.

Once the "Fees Paid" is entered at 250.00 and you attempt to lower the fees charged above (thus total fees less than 250.00), the "Fees Paid" Line status will appear in red until they are changed and correspond to a maximum of the total fees charged above. MLM will not change any amount. The flag is raised with the Line status in red.

Paid Pmt	09-15-2005	\$ 872,36	12,0000 %	\$ 791,67	\$ 80,69	\$ 7 124,83
Paid Pmt	10-15-2005	\$ 861,94	12,0000 %	\$ 791,67	\$ 70,27	\$ 6 333,16
Fees	11-15-2005	\$ -100,00	12,0000 %	\$ -164,55	\$ 64,55	\$ 6 497,71
Fees Paid	12-15-2005	\$ 250,00	12,0000 %	\$ 185,92	\$ 64,08	\$ 6 311,79
Due Pmt	01-15-2006	\$ 840,08	12,0000 %	\$ 775,75	\$ 64,33	\$ 5 536,04
Due Pmt	02-15-2006	\$ 832,01	12,0000 %	\$ 775,58	\$ 56,43	\$ 4 760,46

PLEASE NOTE: A positive payment made with the "Fees paid" type Line status will reduce the loan balance (mathematical principal) but not the <u>accounting principal</u>. Only the "Payment" type Line status (Paid Pmt, Partial Pmt, Paid Pmt 6, etc.) can refund the interest and the principal. Likewise, a Line Fee is never paid by a "Payment" type Line status.

IMPORTANT NOTE: Even if the Line status is "Fees" (or other fee type or "Paid" fee status), for Annual Percentage Rate (APR) calculation purposes, this will not be computed as a fee but rather as additional principal for which interest will be charged. See "IMPORTANT FOR <u>APR</u> CALCULATIONS" in the <u>Line status</u> chapter.

The "Fees" and "Fees Paid" Line statuses may be renamed in order to properly describe these. It is critical that the name given to "Fees Paid" correspond to the matching "Fees". For example, when renaming "Fees 2" to "Fees - Admin" the "Fees 2 Paid" Line status should be "Fees Paid - Admin", maintaining the link between these statuses.

Line status Fees offer an advantage compared to the Column Fees, when their payment MUST be made on a date determined by the user as opposed to the system's normal refund order. Line status Fees work for more unique situations, when fees are charged occasionally for example. Column Fees are used when fees are regular or must be charged according to different situations such as unpaid payments and are therefore added automatically by the system according to various user-defined rules.

2) Paid Column Fees

Column Fees substantially reduce management challenges and accounting problems because a Payment ("Payment" type Line status) will pay Column Fees automatically without having to specify so, all the while paying interest and principal in the same transaction.

The refund order by a "Payment" type Line status is established as such in MLM:

- 1. Column Fees 1
- 2. Column Fees 2
- 3. Column Fees 3
- 4. Column Fees 4
- 5. Column Fees 5
- 6. Column Fees 6
- 7. Interest
- 8. Principal

This order can partially be modified. See <u>Column Fees payment order with exceptional priority</u> in the <u>"Payment" type Line statuses</u> section.

You can see the Column Fees paid in the Payment schedule for each of the four types of Column Fees. Other than the partial modification allowed in the previous paragraph, the Fees paid amount cannot be changed in this column since it is automatically computed.

See important section <u>Fees, Insurance and Taxes</u> in <u>How to do...</u> and section <u>Refund order for Interest, Fees and Principal</u> in Calculation methods.

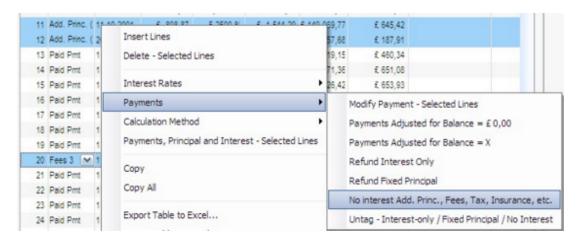
Refund order for Interest, Fees and Principal

See the Calculations Methods chapter, <u>Refund order for Interest, Fees and Principal</u> section for further information and examples as to what is refunded when payments are made.

Principal and Fees not bearing interest

By default, interest is charged on additional principal and these various fees (Line status Fees and Column Fees). However, MLM allows additional principal (Add, Princ. (Loan), Add. Princ. (2) to (10)), fees (Fees, Fees 2 to 6), Invoices, Penalties, Insurance, Taxes and Column Fees (1 to 6) not to bear interest.

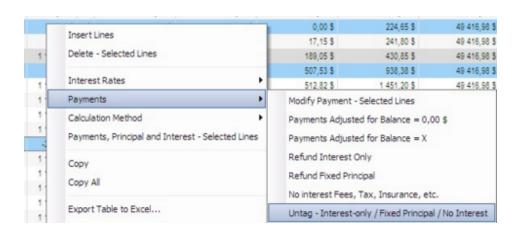
To do this, change the Line status to the desired type (negative amount). Select (highlight) the desired lines that should not bear interest (Ctrl or Shift key and click on the mouse). With the right mouse button select "Payments" and "No interest Add. Princ., Fees, Taxes, Insurance, etc.".



With this choice, no interest will be charged on the negative amounts entered for the selected lines. The Line statuses will be dark blue to indicate that these are "special" lines and in the last column of the Payment schedule (Pmt Type), the lines will have the "No Interest" tag.



To delete this special "behavior" (no interest), choose the lines (highlight) and with the right click of the mouse choose "Payments" then "Untag - Interest-only / Fixed Principal / No Interest / ...". The "No Interest" tag will be deleted and interest will be calculated on the amounts. Interest is always recomputed automatically.



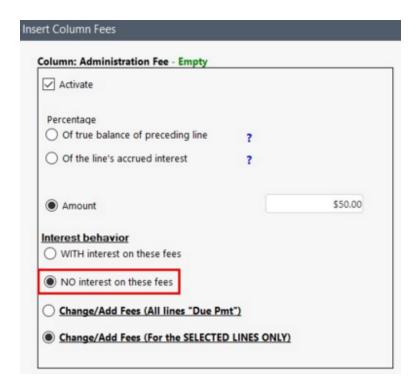
It is possible, as the default setting for a specific Record or for all Records, for additional principal (and Fees and other, by Line status) not to bear interest. In a Record, go to the "Advanced" tab and check the "No interest on..." box. To set this as the default for all Records, press on "Save as default". A Profile could also be set to be used for certain types of loans.



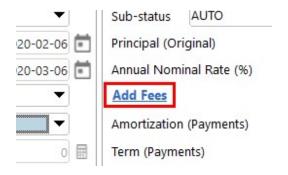
Upon checking "No interest on...", **existing** additional principal or fees in the Payment schedule for that Record will not be changed to become interest-free but any new principal or fees added consequently will not bear interest.

Please note that even if this box is checked, if a Principal amount is entered in the "Data" window (thus, the original principal), interest will be charged on the amount entered. In order for there not to be interest on a principal amount, in the "Data" window, insert identical dates for the "Origination Date" and "First Payment Date" and enter 0.00 as the "Principal". In the Payment schedule, insert a line on the desired date with the principal amount (negative amount) and "Add. Princ." Line status. Make sure that "No Interest" is indicated in the "Pmt Type" column.

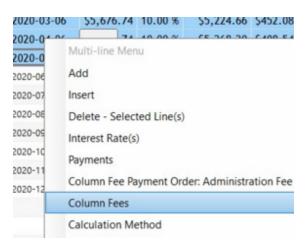
In order for the Column Fees not to bear interest, you must specify so in the "Insert Column Fees" window:



You can access this window either by the "Data" window:



Or, in the Payment schedule, with the right mouse click:



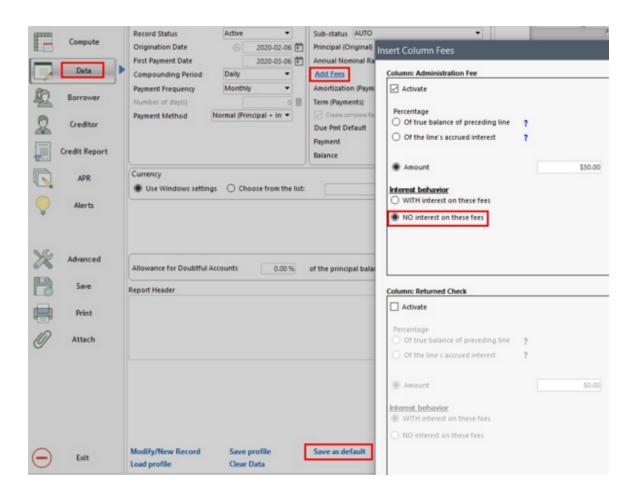
We see that these Column Fees do not bear interest when the "Fees X - Pmt Type" column has the "No Interest" mention:

Administration Fee - Paid	Administration Fee - Pmt Type
\$0.00	
\$0.00	
\$0.00	
\$0.00	
\$0.00	No Interest
\$0.00	
*0.00	

In order for these Column Fees to start bearing interest again, open the "Insert Column Fees" window and enter the Fees amount without checking the "NO interest on these fees" box.

In order for these Column Fees never to bear interest, in the "Data" window, click on "Add Fees" > "Insert Column Fees" window > Select "Activate" > check "NO interest on these fees" > close the "Insert Column Fees" window with the "Submit" button > then click on "Save as default" at the bottom of the Data window.

The "Amount" in the Column Fees should ordinarily be 0.00 unless you want a Fee to be added to each payment.

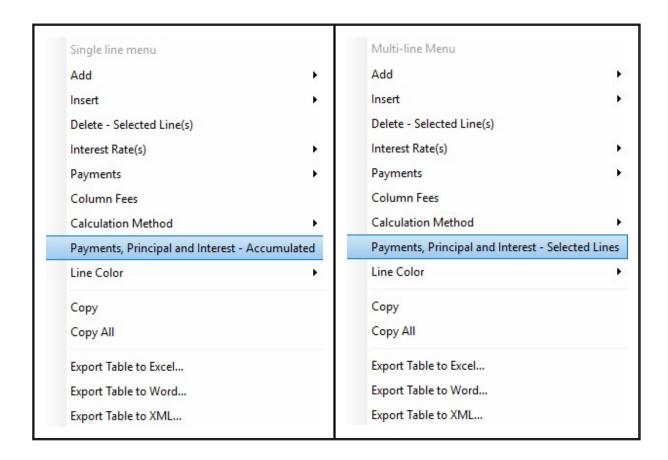


Total payments, interest, principal

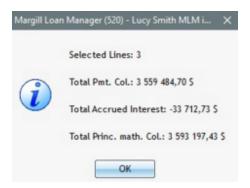
Obtain the total of the principal and **accrued** interest (or totals for specific lines) in a payment schedule. Adjacent or non adjacent lines may be chosen.

If only one line is selected, the totals will be for the lines above and including the selected line.

If multiple lines are selected, the totals will be for those selected lines only



Upon clicking on the choice, totals will show up in the window:



The totals may also be seen at the bottom of the Payment schedule window:

Total Payments: \$ 18 239,61 Total Interest: \$ 4 795,70 Total Principal: \$ 13 443,91

See also the powerful Right mouse click functions.

Unknown interest rate

Unknown interest rate contents

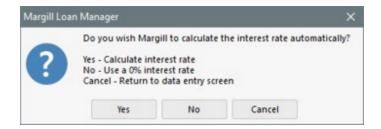
Regular loan

Irregular loan (determination of rate in completed schedule)

Regular loan

For calculations at a unique fixed interest rate, in the "Data" window, it is possible to leave the interest rate at 0.00% so that the rate is calculated automatically.

By indicating a rate of 0.00%, Margill Loan Manager will ask you if a rate of 0.00% should be used (thus no interest) or if the interest rate should be calculated if all other variables are specified (principal, number of payments, payment amount).



Irregular loan (determination of rate in payment schedule)

When a loan or investment is reimbursed with various regular and irregular payments and investments, Margill Loan Manager can determine the precise interest rate (or internal rate of return (IRR) or return on investment (ROI)).

To obtain the true annual, non compounded return, it may be wise to use simple interest as oppose to compound interest for this calculation.

See the detailed section Interest rate (equal) recomputed to yield a balance = 0.00 or other amount.

See also Interest rate (equal) recomputed to yield a balance = 0.00 or other amount.

Balance options & information

Balance options & information contents

Balance other than 0.00 in Data entry window

Compute final payment for balance = 0.00 or other amount

Ignore small loan balance (add to interest fee)

Balance columns in Payment schedule

Balance other than 0.00 in Data entry window

In the "Data" entry window if the balance of the loan is other than 0.00, indicate the desired balance in the "Balance" field.



This is often used for a residual value in a lease or the terminal value of an investment (for example insurance policy) at its term.

See also Interest rate (equal) recomputed to yield a balance = 0.00 or other amount.

Automatic payment amount recalculation (Behavior) for balance = 0.00 or other amount

See the <u>Manual payment amount recalculation</u> subsection of the <u>Payments (equal) recomputed to yield a balance = 0.00 or other amount section.</u>

Compute final payment for balance = 0.00 or other amount

In certain situations, a balance will appear on the last line. By checking at the bottom left of the Payment schedule window, "Balance = x", Margill Loan Manager (MLM) will simply adjust the last payment to yield a balance = 0.00 or any other amount.



It is strongly suggested to check the box to compute the last payment but then to uncheck it in order for MLM **not** to recompute the last payment any time a change is made in the Payment schedule. This 0.00 balance (or other amount) may otherwise become misleading since the adjustment will constantly be done on the last payment amount.

An automatic adjustment is not possible when the last Line status in the Payment schedule is other than "Due Pmt" or "Undefined" or is an EFT Payment. Labeled lines too (Interest Only, Fixed Principal...), cannot include this automatic adjustment. An adjustment can not be done on a "Paid Pmt", for example. In this case, a message will indicate the

inability to adjust the balance.

See also Ignore small loan balance (add to interest fee).

The "Ctrl Alt Shift Z" shortcut in the Main window will bulk check the "Balance = 0 (or other amount)" box for the selected Payment schedules in order to adjust the last "Due Pmt" amount. Only for Records whose last line is of "Due Pmt" type.

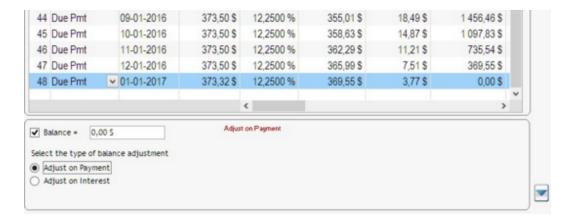
Ignore small loan balance (add to interest fee)

In most regular loans comprising equal payments, the very last payment may vary by a few cents or a few dollars because of money rounding to two (2) decimal places. Some lenders require equal payments throughout the loan all the while yielding a balance = 0, thus the adjustment option below.

MargillLoan Manager offers two options to compensate for this rounding:

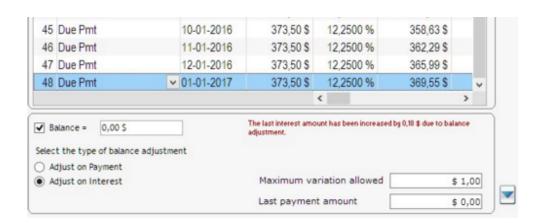
- 1. Last payment is increased or decreased to give a balance = x (default setting)
- 2. Last interest amount is increased or decreased to give a balance = x with the last payment equal to all others or another desired amount.

This option is available by pressing on the button at the bottom right of the Payment schedule window. This will expand the end of window and include these choices. By default, by checking "Balance = x," the adjustment will be made on the payment:



If the choice "Adjust on Interest" is made, the desired uniform last payment amount should be entered on the bottom right ("Last payment amount") as well as the "Maximum variation allowed" for this interest adjustment. For example, it would be inappropriate to adjust on interest if this resulted in a 10.00 interest adjustment.

In the example below, all payments should be 373.50. The adjustment on interest will also be included as a note in the Payment schedule and in the printed detailed report.



The "Last Payment amount" is available only for the "Adjust on Interest" option.

The "Adjust on Interest" option does not work if the amount exceeds the "Maximum variation allowed". In the example above, the maximum variation is 1.00 and the adjustment was 0.18 for the last payment to be exactly 373.50. If the variation was too large, the following message would appear:



Reduce / Increase the last payment to adjust final balance (Advanced)

When this option is selected in the Record's "Advanced" window and the Payment (Amount) is entered in the "Data" window (so not automatically computed), the last payment amount will be adjusted to yield a balance of 0.00 or X (if a Balance other than 0.00 is entered in the Data window).

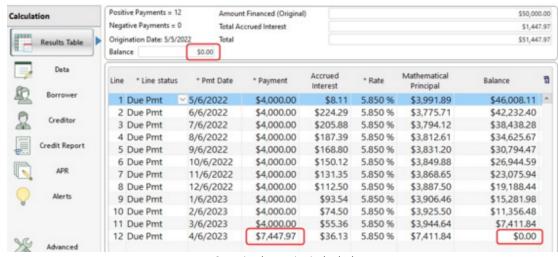


If the "Number of payments (Amort.)" is not entered in the Data window, the number of payments will be calculated to amortize the principal amount, taking into account the payment amount entered and reducing the last payment for the desired balance.

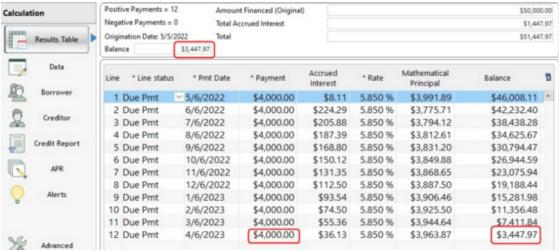
If the number of payments (Amort.) and the Payment (Amount) are entered in the Data window, only the last payment will be adjusted for the desired balance.

For example, here is a 50,000 loan with 12 payments of 4000:





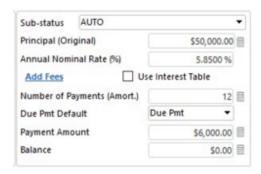
Scenario when option is checked



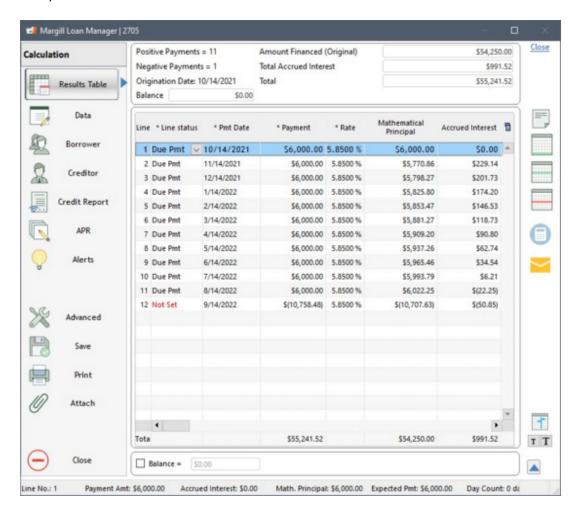
Regular scenario

If the loan is "over-amortized" (would be a negative final balance), the last payment would become negative and the Line status would be "Undefined" (in red). No warning will be given once the Compute button has been clicked. However, with bulk imports (via Excel), a warning will be given as this result is usually not desired.

For example, here is a 50 000 loan with 12 payments of 6000:



Upon checking the option "If payment (Amount) entered, reduce or increase last payment to yield balance = 0.00...", the last line of the Payment schedule would be negative and the Line status "Undefined". Corrections would have to be made as this is usually not a desired situation.



If the Term is less than the Number of payments (Amort.), this option will be ignored.

Balance columns in Payment schedule

The Margill Loan Manager (MLM) Payment schedule contains 13 Balance columns:

- **Balance** (or **True Balance** for Simple interest calculations): the true balance of the loan. This is the balance at 0:00:01 AM thus right after the payment has been made but excluding the day's interest.
- Balance before Pmt (or True Balance before Pmt for Simple interest calculations): the true balance of the loan but BEFORE that day's payment has been made (also excludes the day's interest).
- Computational Balance: the balance used for computational purposes in Simple interest and/or when fees and other
 are added later but do not bear interest.
- Balance Due Interest: the interest portion of the total balance.
- Balance Due Principal: the principal portion of the total balance.
- Balance all others: the portion of the total balance that is any other type of fee, penalty, taxes, insurance and any other <u>Line status</u> other that a true payment or additional principal (thus including Invoice, Investment, Adjustment, Other 1 to 5, etc.). This is a type of *melting pot* balance column for all other increases or decreases in balance due to Line statuses other than payments and additional principal.

Balance Due Interest
+ Balance Due Principal
+ Balance all others
= Balance

• Outstanding - Payment (Balance): Cumulative balance of the Payment amount that should be paid (Payment column) but that is overdue. This column subtracts the amount entered in the Column "Payment" from the amount entered in the column "Expec. Payment".

The minimum outstanding amount is 0.00. The outstanding amount cannot be negative even if the payment made is greater than the outstanding balance. In addition, the calculation of the overdue amount always starts from a positive balance or 0.00, never from a negative balance (overpayment).

For example, a payment of 1000 ("Due Pmt") should have been made. Only 300 ("Payment") was paid. The "outstanding (balance) therefore becomes 700. The next payment which should have been 1000 is 1200. The amount in "Due Pmt" should be 1000 and the "Payment" should be 1200. The outstanding (balance) therefore becomes 300 less 200 = 100. The next payment is of 1500 while 1000 was expected. The "outstanding (balance)" becomes 0.00, not 100 less 500 = -400.

Outstanding - Interest (Balance): Cumulative balance of the interest calculated on the outstanding balance and on
the interest on this amount when the calculation is done using compound interest (effective rate method) or when a
line or lines use the "Simple Interest Capitalized" method. Interest is calculated using the "Outstanding - Total
(Balance)" column.

For a calculation using simple interest, the interest amount excludes interest on interest. Interest is calculated using the "Outstanding - Payment (Balance)" column.

- Outstanding Total (Balance): Total of the "Outstanding Payment (Balance)" and "Outstanding Interest (Balance)" columns.
- Column Fees 1 to 6 Balance (as renamed): Four columns are included in the Payment schedule. A payment (Paid Pmt and others therefore "Payment" type Line statuses) decreases this balance.
- Balance Fees Financed (APR): When APR Fees are Financed, these fee amounts appear in this column. Payments
 ("Payment" type Line statuses) decrease the balance when the payment is sufficient to refund principal (accounting).
 The Fee amount is therefore reduced on a pro-rated basis of the accounting principal's reduction. See Fees Paid

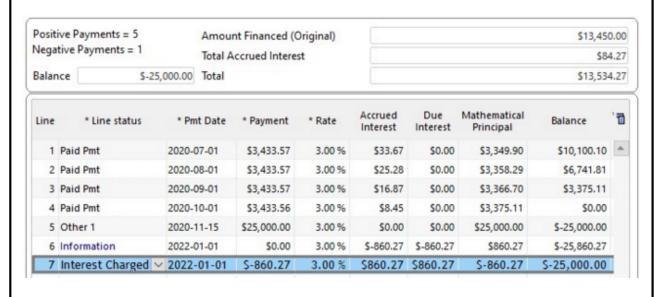
up-front, Financed or Paid subsequently in he Annual Percentage Rate (APR) chapter.

Negative balance

If for some reason, it is necessary for the user to manage loans whose balance becomes negative, two Line statuses will be useful:

The "Interest Charged" and/or "Interest Charged (2)" Line statuses can "refund" the negative interest. These Line statuses isolate the interest from the principal.

In the following example, the amount of (860.27) will be used to refund the negative accrued interest:

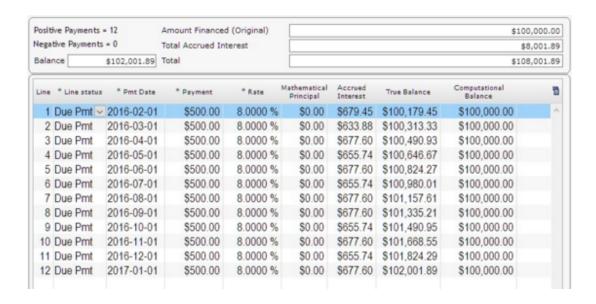


Please note, only the true balance of the loan prints out in a <u>Detailed report</u>. To obtain all columns, use the <u>Right mouse click</u> to export the payments table to another format and print.

Simple interest calculation

In a **Simple interest** Payment schedule **only** (not applicable for compound interest), if the payment is less than the accrued interest, the amount of accrued interest will be increased but will not bear interest. In MLM, the balance displayed in the "Computational Balance" column indicates the amount used to compute interest in the following line (known as the "computational balance") The true balance is displayed in the "True Balance" column.

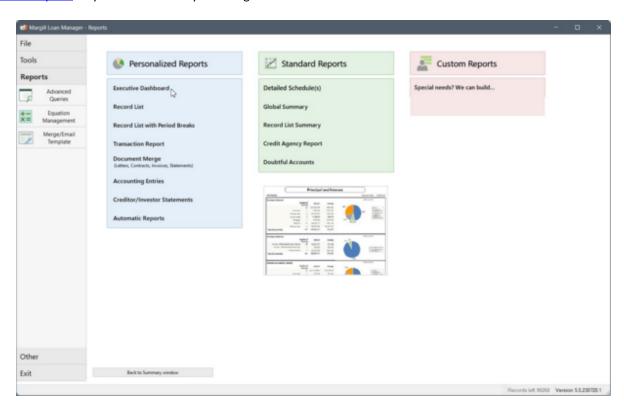
In the following example, the payments of 500.00 are not sufficient to cover the interest displayed in the "Interest" column, however, the balance used for the calculation of the next interest amounts remains 100,000.00. The true balance is displayed in the "True Balance" column and in the <u>Detailed printed report</u>.



See the "Refund scenarios when principal, fees (or other) bearing interest, or not, are included" sub-section in Additional principal, fees, penalties, insurance and taxes and its effect on the Computational Balance column (Calculation methods chapter).

Reports

Multiple standard reports and reports personalized by the user are available in Margill Loan Manager (MLM). Creating personalized reports takes seconds and offers great flexibility to the user. This flexibility is greatly increased with the help of Mathematical_equations that allow the user to add, subtract, multiply and divide any number fields. More complex custom reports may also be created by the Margill team based on the user's needs.



In order to reduce of risk of forgetting non-displayed Records when producing reports, the number of Records selected in the "Record Summary" window is displayed before report production.



In the example above, 85 out of the 87 Records in the database are selected. Two Records are excluded from the report. If this is not what is intended, return to the "Record Summary" window, change the <u>Display Filters</u> as needed, then select all the Records (Ctrl A).

The number of Active Records is also displayed. If a report using only Active Records is wanted, in the "Record Summary" window, you can use the Display Filters to display only the Active Records and then select all Records (Ctrl A) or use very

powerful Advanced Queries which will report only the desired Records based on the inclusion or exclusion criteria.

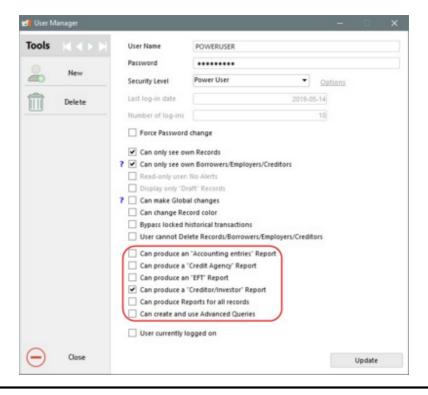
Limit access to Records and reports

In certain situations, some users might not have access rights to all Records (see "Can only see own Records" in <u>Administrator and Users</u>).

The "Records accessible to the User" line identifies the maximum number of Records that can be selected by the specific user.



However, for some reports, all Active Records are accessible, making some possibly confidential data accessible to a user who does not have the necessary rights. To assure the correct segregation of Records, the choices outlined in red should not be checked in the User Manager window.



For information about <u>Irregular Data Verification</u>, see the <u>Useful Features</u> chapter.

Reports chapter contents:

Reporting Fields

Advanced Queries

Personalized Reports

- Executive Dashboard
- Record List
- Record List with Period Breaks
- Transaction Report
- <u>Document Merge (Letters, Contracts, Invoices and Statements)</u>
- Creditor Report
- Export of transactions to accounting package General Ledger
- Special Events Reports

Standard Reports

- Detailed Schedules (Payment schedule)
- Global Summary
- Record List- Summary
- <u>Doubtful Accounts Report</u>
- Credit Reporting Module

Commonly required reports

- <u>List of Borrowers, Creditors or Employers</u>
- Due, Outstanding and Unpaid Payments Reports
- Ageing of Accounts
- Portfolio Analysis
- APR disclosure box (USA only)
- Returned checks

Participation Loans

Custom Reports created by the Margill team

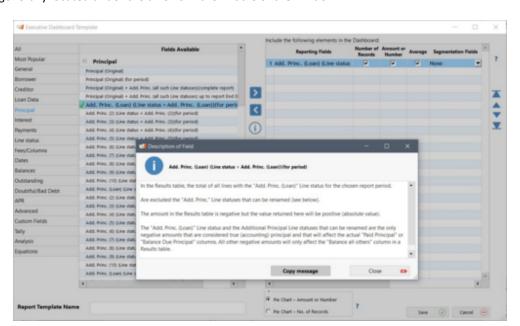
Additional information about Reports

- Mathematical Equations
- Accounting Data
- <u>Time required to produce reports</u>

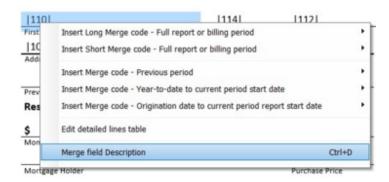
Reporting Fields

Margill Loan Manager (MLM) contains close to 1000 fields in addition to custom fields that can be used to produce various reports and displayed in the Main MLM window (Record_Summary_Window). The names, descriptions and themes below are standard in most sections of the software to easily find the desired fields.

Descriptions of each of the fields are available directly in MLM, in each report configuration window by clicking on This icon is generally located under the arrows in the middle of the window.



Fields descriptions used to create Merge and Email templates are usually available. Simply highlight the merge code, right-click on the mouse and choose "Merge field Description" (or use Ctrl D).



If a field is not available, you can use the <u>Mathematical Equations</u> to create your own fields. You can add fields together or perform sums, subtractions, multiplications, etc. You can also contact the Margill team for <u>custom reports</u> created specifically for you.

These descriptions thus apply to:

- Record Summary Window (descriptions are often shortened)
- Executive Dashboard
- Transaction Report
- Record List
- <u>Document Merge (Letters, Contracts, Invoices and Statements)</u>". The corresponding "Rich Text Format" (RTF) merge codes and their short versions are given in the third and fourth columns respectively in the tables below.
- Export accounting transactions to the General Ledger

Nomenclature (usually at the end of the name with parentheses):

- "Entire Loan" will report full loan data even if the start and end dates are entered for the report.
- "For period" and "in period" except in certain limited exceptions in the tables below, will only return data between the start and end dates for the report. For a full report (without adding dates), the period is for the entire duration of the loan and for reports until a certain date, the period shall be from the loan's "Origination Date" until the end date entered.
- "Report End Date" usually for balances, will report the balance at the report end date.
- Others:
 - "Pmt" is used for the term "payment" when there is insufficient space to write it completely.
 - "Paid" type Line statuses: includes Paid Pmt, all Paid Pmt (2 to 20), Partial, Partial late, Add. Pmt,
 Compensatory Pmt and Paid pmt Returned check
 - As of version 4.0, "Principal (Original)" usually includes the "APR Fees Financed". The Principal (Original) plus APR Fees Financed, in the software is now referred to as "Amount Financed (Original)". Before version 4.0, the APR fees could not be financed and so Principal (Original) was pure Principal. As of 4.0, in most descriptions below, the Principal (Original) includes APR Fees Financed since these are very close to Principal since part of the total amount financed. In the descriptions we have not updated the term to "Amount Financed (Original)".
 - Fields with data returned at current date reflect the reality, as of today, unless the loan is terminated. In
 this case, the data of the last line on the Payment schedule will be displayed. For the interest calculation to
 continue, you must add an "Information" line at the end of the Payment schedule and enter a distant date
 (for example 2030).

Note: This nomenclature does not apply to the <u>Accounting report (Export accounting transactions to the General Ledger)</u> since transactions or balances, as opposed to totals are reported.

IMPORTANT: In some situations, no data will be reported for certain Records. Even data that is not associated to a date (for example, the file number or the full name of the Borrower) will be excluded from the list when:

- A Record is in the system but the original date falls after the report's end date. So on the requested date, the loan does not exist yet.
- The last line of the Result table comes before the report's start date, therefore the loan is finished. To avoid this situation, desired or not, add a line with a payment of 0.00 (with a Line status "Information") with a date 10 or 15 years after the current date. For example, for an active loan with little or no recent transactions, adding a last line on January 1, 2030 would report loan data, while continuing to calculate the theoretical interest.

The tables below are listed in alphabetical order according to the themes in MLM and respecting the order of the fields as they appear in the software. The alphabetical order is not followed within the themes since the presentation order is based on the similarity between the fields themselves.

Themes:

- Advanced
- Analysis
- APR
- <u>Balances</u>
- Borrower
- Creditor
- Custom Fields
- Dates
- <u>Doubtful/Bad Debt</u>
- Fees/Columns

- General
- <u>Interest</u>
- Line status
- Loan Data
- Outstanding
- Payments
- Principal
- <u>Tally</u>
- Fields at Current Date
- Special fields <u>Payment schedule</u> in RTF Reports (Document Merge)

List updated: June 1, 2022

Advanced				
Field name	Description	Merge Code	Short Merge Code	
Calculation Method	Allows to differentiate, notably, between simple and compound interest. Entered in the "Advanced" window.	&&CalculationMet hode&&	901	
Day Count	Allows to show the day count indicated in the "Advanced" window.	&&Day-Count&&	902	
Short Period Method	Allows to show if <u>short periods</u> are calculated according to the normal method or using simple interest capitalized and the corresponding <u>Day count</u> . Entered in the "Advanced" window.	&&ShortPeriodMet hod&&	904	
Year Base	Allows to show, for simple interest computations, which of the <u>Anniversary or Civil year</u> methods is used. Entered in the "Advanced" window.	&&Year-Base&&	905	
Grace period (Days)	Grace period, in days, entered in the "Advanced" window.	&&GRACEPERIOD& &	903	

Analysis				
Field name	Description	Merge Code	Short Merge Code	
Repayment Ratio	Total of Paid payments divided by Total Expected Payments for the period selected. Particular scenarios:	&&RepayRatio&&	998	
	 If Total Expected Payments = 0.00 and Paid Payment > 0.00 then Repayment Ratio = 100% If Total Expected Payments = 0.00 and Paid Payment = 0.00 then Repayment Ratio = 0.00% 			
	Only "Payment" type (and the corresponding Unpaid) Line statuses are included.			
Internal Rate of Return (IRR)	Calculates the Internal Rate of Return (IRR) for a set of payments.	&&RATEofRETURN &&	998-1	
	Caution: If a negative payment a Line status as Fee or other, it will be considered Principal, reducing as opposed to increasing the IRR. Only fees added in the APR window and as Column Fees are considered true fees for this calculation. The calculated IRR will therefore usually be false if a Line status with a negative payment (other than Additional Principal) is included in the Payment schedule.			
	Uses the same formula as the Effective APR. See the detailed APR explanations in the APR window and in the User Guide.			
	The IRR that cannot be determined will have an empty value (not 0.00) in the report.			

	APR		
Field name	Description	Merge Code	Short Merge Code
APR - Fees 1 (Administrative)(in \$, £, €)	Fee amount entered in the first of five types of fees in the "APR" window.	&&APR-1-AMOUNT&&	203
APR - Fees 2 (Insurance)(in \$, £, €)	Fee amount entered in the second of five types of fees in the "APR" window.	&&APR-2-AMOUNT&&	204
APR - Fees 3 (Service)(in \$, £, €)	Fee amount entered in the third of five types of fees in the "APR" window.	&&APR-3-AMOUNT&&	205
APR - Fees 4 (Origination)(in \$, £, €)	Fee amount entered in the fourth of five types of fees in the "APR" window.	&&APR-4-AMOUNT- Money&&	206
APR - Fees 4 (Origination)(in %)	Fee in percentage entered in the fourth of five types of fees in the "APR" window.	&&APR-4-AMOUNT&&	207
APR - Fees 5 (Points)(in \$, £, €)	Fee amount entered in the last type of fees in the "APR" window.	&&APR-5-AMOUNT- Money&&	208
APR - Fees 5 (Points)(in %)	Fee in percentage entered in the last type of fees in	&&APR-5-AMOUNT&&	209

	the "APR" window.		
APR - Name of Fees 1 (Administrative)	Name of the first of five types of fees in the "APR" window. By default the name is "Administrative". This name may be changed.	&&APR-1-LABEL&&	210
APR - Name of Fees 2 (Insurance)	Name of the second of five types of fees in the "APR" window. By default the name is "Insurance". This name may be changed.	&&APR-2-LABEL&&	211
APR - Name of Fees 3 (Service)	Name of the third of five types of fees in the "APR" window. By default the name is "Service". This name may be changed.	&&APR-3-LABEL&&	212
APR - Name of Fees 4 (Origination)	Name of the fourth of five types of fees in the "APR" window. By default the name is "Origination". This name may be changed.	&&APR-4-LABEL&&	213
APR - Name of Fees 5 (Points)	Name of the last type of fees in the "APR" window. By default the name is "Points". This name may be changed.	&&APR-5-LABEL&&	214
APR Proportion Fees 1 Financed (Administrative) Available for the 5 Financed Fees	Proportion expressed as a percentage, of the Fees Financed entered in the second of five types of fees in the "APR" window on the total of the Fees Financed exclusively.	&&APR-1-Financed-Rate& & &&APR-2-Financed-Rate& & &&APR-3-Financed-Rate& &	228 229 230 231 232
	Generally used in Mathematical Equations in order to obtain various other data (total of these fees paid, balance of these fees, etc.	&&APR-4-Financed-Rate& & &&APR-5-Financed-Rate& &	
APR - Nominal Rate	The Nominal APR rate that does not factor in the compounding effect. This is often the rate used in the United States but not in Europe.	&&APR-RATE&&	215
APR - Effective Rate	The APR rate that factors in the compounding effect. This gives a true APR rate since a greater compounding period (thus compounding more often) will increase the true interest rate. This is often called the Annual Percentage Yield (APY).	&&APR-EFFRATE&&	202
APR - Total Fees APR	The total amount of fees (Fees 1 to 5) entered in the APR window. This excludes the interest fees and Column Fees. Fees included in the Payment schedule, thus Line status "Fees 1, 2, 3" are not included.	&&APR-TOTALFEES&&	219
APR - Total Cost of Credit (Interest + Fees)	The total of all fees (Fees 1 to 5) plus the total interest plus all six Column Fees. Does not include any fees added (with Line statuses) in the Payment schedule. Even if these fees were compulsory, they cannot be used to compute the APR. Also known as "Finance charge" in the US <i>Truth in Lending Act - TILA -</i> disclosure boxes.	&&APR-TOTALCOST&&	217
	Lettuing Act TIEA disclosure boxes.		

	T		
	these fees are subtracted from the "Amount Financed" (as dictated in the <i>Truth in Lending Act - TILA</i>).		
APR - Total Fees Financed	The total amount of fees (Fees 1 to 5) entered in the APR window that are financed, thus added to the Principal (Original) and used for calculation purposes.	&&APR_Total_Financed&&	222
APR - Paid Fees Financed (for period)	Amount of the Fees Financed entered in the APR window actually paid when a Line status is of a Payment type.	&&ACC_PAID_PRINC_F&&	429
	The Line status must be one of the following, otherwise the Fees Financed will NOT be considered PAID: "Paid Pmt", "Paid Pmt (2) to (20)", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check" or "Add. Pmt", "Compensatory Pmt". All other Line statuses will have no effect on the Fees Financed paid.		
APR - Paid Fees Financed 1 (Administrative) (for period)	Amount of the Fees Financed entered in the APR window actually paid when a Line status is of a Payment type.	&&ACC_Fees_Paid_Admin && &&ACC_Fees_Paid_Assur& &	431 432 433 434
Available for the 5 financed Fees	The Line status must be one of the following, otherwise the Fees Financed will NOT be considered PAID: "Paid Pmt", "Paid Pmt (2) to (20)", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check" or "Add. Pmt.", "Compensatory Pmt". All other Line statuses will have no effect on the Fees Financed paid.	&&ACC_Fees_Paid_Service && &&ACC_Fees_Paid_Comm && &&ACC_Fees_Paid_Points &&	435
Fees Financed Paid (APR)(for period), Paid Pmt X (Paid Pmt, Paid pmt 2 to 10)	In the Payment schedule, the APR - Fees financed Paid of all lines with the "Paid Pmt" - or "Paid Pmt (2) to (10)- Line status exclusively for the chosen report period.	&&ACC_APR_FeesPaid_Pm t1&& &&ACC_APR_FeesPaid_Pm t2&& &&ACC_APR_FeesPaid_Pm t3&& &&ACC_APR_FeesPaid_Pm t4&& &&ACC_APR_FeesPaid_Pm t5&& &&ACC_APR_FeesPaid_Pm t6&& &&ACC_APR_FeesPaid_Pm t7&& &&ACC_APR_FeesPaid_Pm t7&& &&ACC_APR_FeesPaid_Pm t8&& &&ACC_APR_FeesPaid_Pm t8&& &&ACC_APR_FeesPaid_Pm t9&& &&ACC_APR_FeesPaid_Pm t9&& &&ACC_APR_FeesPaid_Pm t10&&	601 602 603 604 605 606 607 608 609 610
Fees Financed Paid (APR)(for period), Paid Pmt Returned check	In the Payment schedule, the APR - Fees financed Paid of all lines with the "Paid Pmt Returned check" Line status exclusively for the chosen report period.	&&ACC_APR_FeesPaid_Pm tCheck&&	611
Fees Financed Paid (APR) (for period), Add. Pmt	In the Payment schedule, the APR - Fees financed Paid of all lines with the "Add. Pmt" Line status exclusively for the chosen report period.	&&ACC_APR_FeesPaid_Pm tAdd&&	612
Fees Financed Paid (APR) (for period), Compensatory Pmt	In the Payment schedule, the APR - Fees financed Paid of all lines with the "Compensatory Pmt" Line status exclusively for the chosen report period.	&&ACC_APR_FeesPaid_Co mpPmt&&	6120
Fees Financed Paid (APR) (for period) -	In the Payment schedule, the APR - Fees financed	&&ACC_APR_FsPaid_PmtL atePart&&	618

Partial and Late Payments only	Paid of all lines with the "Partial Pmt", " Late Pmt" and "Partial Late Pmt" Line statuses exclusively for the chosen report period.		
APR - Fees Financed to be paid at the next Due Pmt (as if Paid) (entire loan)	Amount of the Fees Financed entered in the APR window that WILL actually be paid if the next "Due Pmt" is paid in full.	·-	562
	To find this amount, MLM identifies the next line whose Line status is "Due Pmt" regardless of the date, simulates paid payment and reports the amount of Fees Financed that would be paid.		
APR - Next Due Payment - Balance Due Fees Financed (as if Paid)(entire Loan)	Balance on the date of the next payment with a "Due Pmt" Line status regardless of the report dates.	&&NXDUPAY_BalduePrinA sPaid_F&&	561
	To find this amount, MLM identifies the next line whose Line status is "Due Pmt" regardless of the date, simulates a paid payment and reports the Fees Financed balance.		
APR - Balance Due Fees Financed at 0:00 at report Start Date (before transactions on that day)	For a report between two dates, balance of the Fees Financed due, entered in the APR window at the report start date before any transaction (i.e., 0:00 in the morning).	he ST-DATE_F&&	428
	Particular cases:		
	Report between two dates: If the report Start date = Origination date: returns Fees financed entered in the APR window. If the report Start date < Origination date: returns 0.00		
	"Full" and "Up to date" reports: returns Fees financed entered in the APR window.		
	See also the variable "APR - Balance Due Fees Financed at 0:00 at report Start Date (excl. these fees and before transactions on that day)".		
APR - Balance Due Fees Financed at 0:00 at report Start Date (excl. these fees and before transactions on that	For a report between two dates, balance of the Fees Financed due, entered in the APR window at the report start date before any transaction (i.e., 0:00).		4901
day)	Particular cases:		
	Report between two dates: if the report Start date < = Origination date: returns 0.00.		
	"Full" and "Up to date" reports: report returns Fees financed entered in the APR window		
	See also the variable "APR - Balance Due Fees Financed at 0:00 at report Start Date (before transactions on that day)".		
APR - Balance Fees Financed at report End Date	Balance of all Fees Financed entered in the APR window, as they are paid.	&&ACC_BAL_DUEPRINC_F &&	427
APR - Balance Fees Financed (at Current Date)	See <u>Fields at Current Date</u>		

APR - Paid Fees Financed - Year-to-date (from January 1 to report End Date)	Fees Financed that are paid from January 1 at 0:00 up to that end date entered for the report.	&&INV_PRINCPAID_YTD_F &&	835
	The year for January 1st is determined based on the end date of the report entered.		
	For example, for a report from June 1, 2014 to June 30, 2014, paid Fees Financed will be from January 1, 2014.		
	If a complete report is requested, the amount reported will be 0.00.		
APR - Total Fees Paid subsequently	The total amount of fees (Fees 1 to 5) entered in the APR window that are paid subsequently during the loan.	&&APR_Total_Subseq.&&	223
APR - Principal (Original) + Fees Financed	Total of Principal (Original) plus all Fees Financed entered in the APR window.	&&APR- OrigPrincPlusFinFees&&	224
	Called "Amount Financed (Original)" in the MLM interface.		
	Excludes any Additional principal added in the Payment schedule.		
	Not to be confused with the "Amount Financed" used for APR disclosure purposes.		
APR - Principal (Original) + Fees Financed (for period)	Total of Principal (Original) plus all Fees Financed entered in the APR window only if the Origination date is within the start and end dates entered for the report. If not within these dates, 0.00 will be reported.	es&&	227
	Called "Amount Financed (Original)" in the MLM interface.		
	Excludes any Additional principal added in the Payment schedule.		
APR - Amount Financed	Original Principal plus all "Add. Princ." Line statuses minus Fees Paid up front entered in the APR window.	&&APR-AMTFINANCED&&	201
	This provides the amount of the loan in the consumer's pocket, taking into account that interest and/or other fees are charged or accumulated and are to be paid later on.		
	As defined in the US Truth in Lending Act (TILA).		
APR - Total Cost of Credit (Interest + Fees) + Total Principal	Total Principal (Principal (Original) plus all "Add. Princ." Line statuses plus total of all APR fees plus the total interest plus all six Column Fees.	&&APR-TotCOST +TotPRINC&&	218
	Thus provides the consumer's total financial commitment.		
	Does not include any fees added (with Line statuses) in the Payment schedule. Even if these fees were compulsory, they cannot be used to compute the APR.		
APR - Payment Amount	Total of all positive payments in the Payment schedule no matter their Line status but not including		216

	"Add. Princ." Line statuses.		
	This should only be used for regular payment schedules, before any changes are made.		
	In an irregular payment table that includes fees, insurance, penalties, etc. and other non <i>payment</i> related payments (fees paid, insurance paid, etc.) the APR cannot be computed since the fees are not necessarily compulsory.		
APR - Total of Payments (TILA - USA)	Original Principal, plus all "Add. Princ." Line statuses, plus total of APR fees Financed and Paid subsequently entered in the APR window, plus total interest, plus all six Column Fees, minus Fees Paid up front entered in the APR window.	&&APR-TOT_PMT_TILA&&	226
	Does not include any fees added (with Line statuses) in the Payment schedule. Even if these fees were compulsory, they cannot be used to compute the APR.		
	As defined in the US Truth in Lending Act (TILA).		
APR - Total Fees minus Fees 2 (Insurance)(in \$, L, E)	Total of fees minus Fees 2 that are usually insurance fees.	&&APR- TOTALFEESNoFEES2&&	220
	This is useful for contracts and reporting (example IRS 1098 reports) in order to give a total amount of fees less the insurance. This can be done in the RTF Report Editor.		
APR - Fees 1 (Administrative) paid upfront (for period)	Fee amount entered in the first of five types of fees in the "APR" window if paid up-front and the Origination date is within the given report start and end dates. If not within these dates or other than paid up-front, 0.00 will be reported.	&&APR-1-AMOUNT- PERIOD&& &&APR-2-AMOUNT- PERIOD&& &&APR-3-AMOUNT- PERIOD&&	233 234 235 236 237
Available for the 5 paid up-front Fees		&&APR-4-AMOUNT- PERIOD&& &&APR-5-AMOUNT- PERIOD&&	

Balances				
Field Name	Description	Merge Code	Short RTF Code	
Balance (at Current Date)	See <u>Fields at Current Date</u>			
Final Balance	Balance at the very end of the loan.	&&LOANBALANCE &&	514	
Original Balance from Data window	See <u>Loan Data</u>			
Last Paid payment (all Paid Line statuses)(entire Loan) - Balance	See <u>Payments</u>			

Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Balance	· ·		
Last Paid payment (all Paid Line statuses)(in period) - Balance	See <u>Payments</u>		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Balance	See <u>Payments</u>		
Last Transaction (in period) - Computational Balance	Computational Balance of the last Transaction in the period taking into account any type of Line status, but only on or before the end date entered in the report. If no transaction is found in the period, returns 0.00.	&&INV_LastTransB al_IP_True&&	853
Last Transaction (in period) - True Balance	Balance of the last Transaction in the period taking into account any type of Line status, but only on or before the end date entered in the report. If no transaction is found in the period, returns 0.00.	&&INV_LastPaidUn pdBallP_comp&&	851
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Computational Balance	Computational Balance of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses, but only on or before the end date entered in the report.If more than one "Paid" line type appears on the same payment date, only the amount of the LAST "Paid" line type will be returned.	&&INV_LastTransB al_IP_comp&&	852
Balance at report End Date	For reports between two dates and Up to a certain date, this will be the true Balance on that day taking into account one of the three options for including or excluding payments and interest for the last day. For the "Complete report" the true balance will be that on the very last day of the loan (final balance)(including transactions for the day but excluding the interest for the day).	&&INV- BALLASTDAY0h&&	706
Balance computational at report End Date	Computational Balance is the portion of the true balance that does not bear interest. In simple interest, unpaid interest does not bear interest and so is not added to the computational balance. Furthermore, if no interest is payable on additional principal (or on fees, insurance, taxes, etc.), this mathematical principal will be excluded from the balance reported. For reports between two dates and Up to a certain date, this will be the computational balance on that day taking into account one of the three options for including or excluding payments (transactions) and interest for the last day. Certain transactions may nevertheless not influence computational balance. For the "Complete report" the balance reported will be the true balance on the very last day of the loan (final balance) (including transactions for the day but excluding the interest for the day).	&&INV-BALLASTDA Y0h_CALC&&	834
Balance at 0:00 at report Start Date (before transactions on that day)	For a report between two dates, true Balance on that day at 0:00 in the morning, before any transaction is made on that day.	&&INV- BALFIRSTDAY&&	705

	Particular cases: Report between two dates:		
	If the report Start date = Origination date: returns Original Principal + Additional Principal type Line statuses entered at the Origination Date only + Fees financed entered in the APR window. If the report Start date < Origination date: returns 0.00		
	 "Full" and "Up to date" reports: returns Original Principal + Additional Principal type Line statuses entered at the Origination Date only + Fees financed entered in the APR window. 		
	NOTE: Ordinarily, "Additional Principal" type Line statuses are deemed added at 0:00+ (so would be a transaction of the day, but excluded) but a logical exception was created assuming the user does not differentiate between an Original Principal and "Additional Principal" type Line statuses when this "Add. Princ." is entered on the Origination date. Both are thus deemed inserted at 0:00, not at 0:00+.		
	See also the variable: "Balance at 0:00 at report Start Date (before transaction on that day and excl. Principal (Original))".		
Balance computational at 0:00 at report Start Date (before transactions on that day)	Computational Balance is the portion of the true balance that bears interest. For more detailed explanations on what is the computational balance, see "Computational Balance at report End Date".	&&INV-BALFIRSTD AY_CALC&&	833
	For a report between two dates, this will be the computational balance on that day at 0:00 in the morning, before any transaction is made on that day.		
	Particular cases:		
	Report between two dates: If the report Start date = Origination date: returns Original Principal + Additional Principal type Line statuses (bearing interest) entered at the Origination Date only + Fees financed entered in the APR window. If the report Start date < Origination date: returns 0.00		
	 "Full" and "Up to date" reports: returns Original Principal + Additional Principal type Line statuses (bearing interest) entered at the Origination Date only + Fees financed entered in the APR window. 		
	NOTE: Ordinarily, "Additional Principal" type Line statuses are deemed added at 0:00+ (so would be a transaction of the day, but excluded) but a logical exception was created assuming the user does not differentiate between an Original Principal and "Additional Principal" type Line statuses when this "Add. Princ." is entered on the Origination date. Both are thus deemed inserted at 0:00, not at 0:00+.		
	See also the variable: "Balance computational at 0:00 at		

	report Start Date (before transactions on that day and excl. Principal (Original))".		
Balance Due Principal at 0:00 at report Start Date (before transactions on that day)	See <u>Principal</u>		
Balance at 0:00 at report Start Date (before transaction on that day and excl. Principal (Original))	For a report between two dates, true Balance on that day at 0:00 in the morning, before any transaction is made on that day. Particular cases: Report between two dates: if the report Start date < = Origination date: returns 0.00. "Full" and "Up to date" reports: returns Original Principal + Additional Principal type Line statuses entered at the Origination Date only + Fees financed entered in the APR window. NOTE: Ordinarily, "Additional Principal" type Line statuses are deemed added at 0:00+ (so would be a transaction of the day, thus excluded) but a logical exception was created assuming the user does not differentiate between an Original Principal and "Additional Principal" type Line statuses when this "Add. Princ." is entered on the Origination date. Both are thus deemed inserted at 0:00, not at 0:00+. See also the variable; "Balance at 0:00 at report Start Date (before transactions on that day)".	&&INV-BALFIRSTD AY2&&	[7900]
Balance computational at 0:00 at report Start Date (before transactions on that day and excl. Principal (Original))	Computational Balance is the portion of the true balance that bears interest. For more detailed explanations on what is the computational balance, see "Computational Balance at report End Date". For a report between two dates, this will be the computational balance on that day at 0:00 in the morning, before any transaction is made. Particular cases: Report between two dates: if the report Start date < = Origination date: returns 0.00. "Full" and "Up to date" reports: returns Original Principal + Additional Principal type Line statuses (bearing interest) entered at the Origination Date only + Fees financed entered in the APR window. NOTE: Ordinarily, "Additional Principal" type Line statuses are deemed added at 0:00+ (so would be a transaction of the day, thus excluded) but a logical exception was created assuming the user does not differentiate between an Original Principal and "Additional Principal" type Line statuses when this "Add. Princ." is entered on the Origination date. Both are thus deemed inserted at 0:00, not at 0:00+. See also the variable: "Balance computational at 0:00 at	&&INV-BALFIRSTD AY_CALC2&&	[8900]

	report Start Date (before transactions on that day)".		
Balance Due Principal at 0:00 at report Start Date (before transactions on that day and excl. Principal (Original))	For a report between two dates, cumulative amount of the due principal at the report start date entered before any transaction (i.e., 0:00 in the morning). Particular cases:	&&ACC_BAL_DUEP RINC- STARTDATE2&	[4900]
	- Report between two dates: if the report Start date < = Origination date: returns 0.00.		
	- "Full" and "Up to date" reports: returns Original Principal + Additional Principal type Line statuses entered at the Origination Date only.		
	Excludes, case being, the Fees financed (APR) portion, thus only pure (accounting) principal is reported.		
	NOTE: Ordinarily, "Additional Principal" type Line statuses are deemed added at 0:00+ (so would be a transaction of the day, thus excluded) but a logical exception was created assuming the user does not differentiate between an Original Principal and "Additional Principal" type Line statuses when this "Add. Princ." is entered on the Origination date. Both are thus deemed inserted at 0:00, not at 0:00+.		
	See also the "Balance Due Principal at 0:00 at report Start Date (before any transaction on that day)" reporting field.		
Balance Due Principal at report End Date	See <u>Principal</u>		
Balance Due Principal (at Current Date)	See <u>Fields at Current Date</u>		
Next Due Pmt - Balance (as if Paid) (entire Loan)	See <u>Payments</u>		
Next Due Pmt - Balance Due Principal (as if Paid)(entire Loan)	See <u>Principal</u>		
Balance Due Interest at 0:00 at report Start Date (excluding any transaction on that day)	See <u>Interest</u>		
Balance Due Interest at report End Date	See <u>Interest</u>		
Balance Due Interest (at current date)	Cumulative amount of the due interest at the current date. The balance indicated when using this field is the balance on the current date no matter what the Lines statuses are before the current date. Thus, if several payments are due (so unpaid and not changed to 0.00), the balance reported will not be true because the data was improperly updated or maintained. Provides a theoretical balance based on the payments that should be made. Excludes, case being, the Fees financed (APR) portion.	&&ACC_BAL_DUEI NT_ToDate&&	4990
Balance all Other (all Line statuses other than Payment and Principal types)(report End Date)	Balance for ALL Line statuses except true payments ("Paid Pmt", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check", "Add. Pmt" or Compensatory	&&ACC_BAL_AllOt her&&	413

	Will factor in positive and negative payments.		
Balance Column Fees at report End Date	See <u>Fees/Columns</u>		
Column Fees 1 to 6 as renamed			
Balance Column Fees sat 0:00 at report Start Date	See <u>Fees/Columns</u>		
Column Fees 1 to 6 as renamed			
Unpaid Pmt (Line status) Balance (Unpaid portion)(report End date)	See <u>Line status</u>		
Unpaid Pmt (2) to (10) as renamed			
Partial payment Balance (Unpaid portion) (report End Date)	See <u>Line status</u>		
Returned Checks Balance (unpaid portion) (report End Date)	See <u>Line status</u>		
Balance total Unpaid portions (All unpaid Pmts, Partial, Returned checks)(report End Date)	See <u>Line status</u>		
Outstanding - Total (Balance) at Current Date	See <u>Outstanding</u>		
Outstanding - Total (Balance) at report End Date	See <u>Outstanding</u>		
Outstanding - Payment (Balance) report End Date	See <u>Outstanding</u>		
Outstanding - Payment (Balance) report Start Date (before transactions on that day)	See <u>Outstanding</u>		
Outstanding - Total (Balance) at report report Start Date (before transactions on that day)	See <u>Outstanding</u>		
Interest Balance on Outstanding Balance at report Start Date (before transactions on that day)	Balance of the interest that is calculated on the total outstanding balance at the report start date entered, at 0:00 in the morning, thus before any transaction on that day.	&&Outst_IntBAL_St artDate&&	415
	For simple interest, no interest is charged on outstanding interest.		
	Particular cases:		
	• Report between two dates: if the report Start date < = Origination date: returns 0.00.		
	"Full report" and "Report up to": returns 0.00.		
Interest Balance on Outstanding Balance at report End Date	Balance of the interest that is calculated on the total outstanding balance at the report end date entered.	&&Outst_IntBAL_E ndDate&&	414
	For simple interest, no interest is charged on outstanding interest.		
Interest on Outstanding Balance (for	Interest calculated on the outstanding balance and on the	&&Outst_INT_total	418
	•		

interest on this amount when the calculation is done using compound interest (effective rate method) or when a line or lines use the "Simple Interest Capitalized" method. Interest is calculated using the "Outstanding - Total (Balance)" column. For a calculation using simple interest, the interest amount excludes interest on interest. Interest is calculated using the "Outstanding - Payment (Balance)" column.	_period&&	
See <u>Line status</u>		
See <u>Doubtful/Bad Debt</u>		
See <u>Doubtful/Bad Debt</u>		
See <u>Doubtful/Bad Debt</u>		
See <u>Outstanding</u>		
See <u>Principal</u>		
See <u>Fields at Current Date</u>		
See <u>APR</u>		
See <u>APR</u>		
See <u>APR</u>		
See <u>Principal</u>		
See <u>Principal</u>		
See <u>Interest</u>		
See <u>Interest</u>		
	compound interest (effective rate method) or when a line or lines use the "Simple Interest Capitalized" method. Interest is calculated using the "Outstanding - Total (Balance)" column. For a calculation using simple interest, the interest amount excludes interest on interest. Interest is calculated using the "Outstanding - Payment (Balance)" column. See Line status See Doubtful/Bad Debt See Doubtful/Bad Debt See Outstanding See Principal See Principal See APR See APR See APR See APR See Principal	compound interest (effective rate method) or when a line or lines use the "Simple Interest Capitalized" method. Interest is calculated using the "Outstanding - Total (Balance)" column. For a calculation using simple interest, the interest amount excludes interest on interest. Interest is calculated using the "Outstanding - Payment (Balance)" column. See Line status See Doubtful/Bad Debt See Doubtful/Bad Debt See Doubtful/Bad Debt See Outstanding See Principal See Principal See APR See APR See APR See Principal See Principal See Principal See Interest

	Borrower		
Field Name	Description	Merge Code	Short Merge Code
Borrower ID	ID generated by MLM. Numbers in the 10000.	&&BorrowerID&&	111
Borrower Unique Identifier 1	Identifier allowing to create a link for a Borrower to third party software. This identifier must be unique, thus can not be repeated.	&&CLT_UniqueID1 &&	121
Borrower Unique Identifier 2	Identifier allowing to create a link for a Creditor to third party software. This identifier must be unique, thus can not be repeated.	&&CLT_UniqueID2 &&	122
Borrower Social Security Number	Self explanatory (hereafter entered as -).	&&CLT- SOCIALSEC&&	118
Borrower Birth Date	-	&&CLT-BDAY&&	104
Borrower Business (Company) Name	-	&&CLT- BUSINESS&&	105
Borrower Business (Company) Name or if empty, First Last Name	First and Last Name concatenated.	&&CLT-SocietyORFi rstLastNAME&&	1120.2
Borrower Title (Mr., Mrs., Ms., Dr.)	-	&&CLT-TITLE&&	120
Borrower Marital Status	-	&&CLT_MARIT_ST& &	194
Borrower First Name	-	&&CLT- FIRSTNAME&&	110
Borrower Language	-	&&CLT- Language&&	1995
Borrower Middle Initial	-	&&CLT-MI&&	114
Borrower Last Name	-	&&CLT- LASTNAME&&	112
Borrower Last First Name	First and Last Name concatenated.	&&CLT-First_LastN AME&&	1120.1
Borrower Address 1	-	&&CLT- ADDRESS1&&	102
Borrower Address 2	Second part of address if needed.	&&CLT- ADDRESS2&&	103
Borrower City	-	&&CLT-CITY&&	106
Borrower State, Province	-	&&CLT-STATE&&	119
Borrower Country	-	&&CLT- COUNTRY&&	107
Borrower Zip / Postal code	-	&&CLT-ZIP&&	123
Borrower Phone Number	-	&&CLT-PHONE&&	117
Borrower Fax Number	-	&&CLT-FAX&&	109
Borrower Mobile Number	-	&&CLT-MOBILE&&	115
Borrower Email	-	&&CLT-EMAIL&&	108
Borrower Web Site	-	&&CLT_WEB&&	195
Borrower Occupation	-	&&CLT_OCCUP&&	196

Borrower Other information	"Other information" field under "Borrower". These data are associated to the loan as such, not directly to the Borrower.	&&CLT-OTHER&&	116
Bank Account CA - Description	Warning: In order to be able to extract bank data, the Electronic Funds Transfer (EFT) module must be activated for the Records.	&&CLT-BNK-Desc& &	176
Bank Account CA - Institution	It is through the EFT mechanism that the correct account can be extracted since several accounts can be present for a Borrower.	&&CLT-BNK-Institut ion&&	177
Bank Account CA - Branch Number	Borrower.	&&CLT-BNK-Branch Num&&	178
Bank Account CA - Account Number		&&CLT-BNK-AccNu m&&	179
Co-Borrower X - MLM Identification (Co-Borrower 1 to 9)	Data on the Co-Borrowers (1 to 9) and on the Guarantors (1 to 9) for each Record's Co-Borrower and Guarantor list.	&&CLT-CoBorr1-ML M-ID&& &&CLT-CoBorr2-ML M-ID&& &&CLT-CoBorr3-ML	182 183 184 1250 1266
		M-ID&& &&CLT-CoBorr4-ML M-ID&& &&CLT-CoBorr5-ML M-ID&& &&CLT-CoBorr6-ML M-ID&& &&CLT-COBORR7-ML M-ID&& &&CLT-COBORR8-ML M-ID&& &&CLT-COBORR8-ML M-ID&& &&CLT-COBORR8-ML M-ID&&& &&CLT-COBORR8-ML M-ID&&& &&CLT-COBORR8-ML M-ID&&&	1282 1298 1314 1330
Co-Borrower X - Social Security Number (Co-Borrower 1 to 9)	-	&&CLT-Coborr1-SO CIALSEC&& &&CLT-Coborr2-SO CIALSEC&& &&CLT-Coborr3-SO CIALSEC&& &&CLT-Coborr4-SO CIALSEC&& &&CLT-Coborr5-SO CIALSEC&& &&CLT-Coborr6-SO CIALSEC&& &&CLT-Coborr6-SO CIALSEC&& &&CLT-Coborr7-SO CIALSEC&& &&CLT-Coborr8-SO CIALSEC&& &&CLT-Coborr8-SO CIALSEC&& &&CLT-Coborr9-SO CIALSEC&&	124.1 130.1 160.1 1250.1 1266.1 1282.1 1298.1 1314.1 1330.1
Co-Borrower X - Business (Company) Name		&&CLT-CoBorr1-BU SINESS&&	124 130
(Co-Borrower 1 to 9)		&&CLT-CoBorr2-BU SINESS&& &&CLT-CoBorr3-BU SINESS&& &&CLT-CoBorr4-BU SINESS&& &&CLT-COBorr5-BU	160 1251 1267 1283 1299 1315 1331

		1
	SINESS&& &&CLT-Coborr6-BU SINESS&& &&CLT-Coborr7-BU SINESS&& &&CLT-Coborr8-BU SINESS&& &&CLT-Coborr9-BU SINESS&&	
Co-Borrower X - Title (Mr., Mrs., Ms., Dr.)	&&CLTCoBorr1-TITI E&&	135
(Co-Borrower 1 to 9)	&&CLTCoBorr2-TITI E&& &&CLTCoBorr3-TITI E&& &&CLTCoBorr4-TITI E&& &&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&	1252 1268 1284 1300 1316 1332
Co-Borrower X - First Name	- &&CLT-CoBorr1-FIR	125
(Co-Borrower 1 to 9)	STNAME&& &&CLT-CoBorr2-FIF STNAME&& &&CLT-CoBorr3-FIF STNAME&& &&CLT-CoBorr4-FIF STNAME&& &&CLT-CoBorr5-FIF STNAME&& &&CLT-CoBorr6-FIF STNAME&& &&CLT-CoBorr6-FIF STNAME&& &&CLT-CoBorr8-FIF STNAME&& &&CLT-COBorr9-FIF STNAME&& &&CLT-COBORR8-FIF STNAME&& &&STNAME&&	1253 1269 1285 1301 1317 1333
Co-Borrower X - Middle Initial (Co-Borrower 1 to 9)	- &&CLT-CoBorr1-MI && && &&CLT-CoBorr2-MI && && &&CLT-CoBorr3-MI && && &&CLT-CoBorr5-MI && && &&CLT-CoBorr6-MI && && &&CLT-CoBorr7-MI && && &&& &&&&&&&&&&&&&&&&&&&&&&&&&&	134 163 1254 1270 1286 1302 1318 1334
	&&	

Ca Barrawan V. Last N.	Τ	0 0 CIT C-D 4 1 4	[436]
Co-Borrower X - Last Name	-	&&CLT-CoBorr1-LA STNAME&&	126
(Co-Borrower 1 to 9)		&&CLT-COBORT2-LA STNAME&& &&CLT-COBORT3-LA STNAME&& &&CLT-COBORT4-LA STNAME&& &&CLT-COBORT5-LA STNAME&& &&CLT-COBORT6-LA STNAME&& &&CLT-COBORT7-LA STNAME&& &&CLT-COBORT7-LA STNAME&& &&CLT-COBORT8-LA STNAME&& &&CLT-COBORT8-LA STNAME&& &&CLT-COBORT9-LA	132 164 1255 1271 1287 1303 1319 1335
		STNAME&&	
Co-Borrower X - Address 1 (Co-Borrower 1 to 9)	-	&&CLT-CoBorr1-AD DRESS1&& &&CLT-CoBorr2-AD DRESS1&& &&CLT-CoBorr3-AD DRESS1&& &&CLT-CoBorr4-AD	140 151 166 1256 1272 1288 1304
		DRESS1&& &&CLT-CoBorr5-AD DRESS1&& &&CLT-CoBorr6-AD DRESS1&& &&CLT-COBORR7-AD DRESS1&& &&CLT-COBORR8-AD DRESS1&& &&CLT-COBORR8-AD DRESS1&& &&CLT-COBORR9-AD DRESS1&&	1320 1336
Co-Borrower X - Address 2	Second part of address if needed.	&&CLT-CoBorr1-AD DRESS2&&&&CLT-C oBorr1-ADDRESS2&	141 151
(Co-Borrower 1 to 9)		& &CLT-CoBorr2-AD DRESS2&& &&CLT-CoBorr3-AD DRESS2&& &&CLT-CoBorr4-AD DRESS2&& &&CLT-CoBorr5-AD DRESS2&& &&CLT-CoBorr6-AD DRESS2&& &&CLT-CoBorr7-AD DRESS2&& &&CLT-COBorr8-AD DRESS2&& &&CLT-CoBorr8-AD DRESS2&& &&CLT-COBorr8-AD DRESS2&& &&CLT-COBorr8-AD DRESS2&& &&CLT-COBorr9-AD	167 1257 1273 1289 1305 1321 1337
Co-Borrower X - City	-	&&CLT-CoBorr1-CIT Y&&	142
(Co-Borrower 1 to 9)		&&CLT-CoBorr2-CIT Y&& &&CLT-CoBorr3-CIT Y&& &&CLT-CoBorr4-CIT	152 168 1258 1274 1290 1306

	Y&& &&CLT-CoBorr5-CIT Y&& &&CLT-CoBorr6-CIT Y&& &&CLT-CoBorr7-CIT Y&&	1322 1338
	&&CLT-CoBorr8-CIT Y&& &&CLT-CoBorr9-CIT Y&&	
Co-Borrower X - State, Province	- &&CLT-CoBorr1-ST ATE&&	143
(Co-Borrower 1 to 9)	&&CLT-CoBorr2-ST ATE&& &&CLT-CoBorr3-ST ATE&& &&CLT-CoBorr4-ST ATE&& &&CLT-CoBorr5-ST ATE&& &&&CLT-CoBorr5-ST ATE&& &&&CLT-CoBorr6-ST ATE&& &&&CLT-CoBorr7-ST ATE&& &&&&CLT-CoBorr7-ST ATE&& &&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&	153 169 1259 1275 1291 1307 1323 1339
Co-Borrower X - Country	- &&CLT-CoBorr1-CO UNTRY&&	144
(Co-Borrower 1 to 9)	&&CLT-CoBorr2-CO UNTRY&& &&CLT-CoBorr3-CO UNTRY&& &&CLT-CoBorr4-CO UNTRY&& &&CLT-CoBorr5-CO UNTRY&& &&&CLT-CoBorr6-CO UNTRY&& &&&CLT-CoBorr6-CO UNTRY&& &&&CLT-COBORR7-CO UNTRY&& &&&CLT-COBORR9-CO UNTRY&& &&&CLT-COBORR9-CO UNTRY&&	154 170 1260 1276 1292 1308 1324 1340
Co-Borrower X - Zip / Postal code (Co-Borrower 1 to 9)	- &&CLT-CoBorr1-ZIP && && && &&CLT-CoBorr2-ZIP && && && &&&CLT-CoBorr3-ZIP && && &&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&	145 155 171 1261 1277 1293 1309 1325 1341

	&&	
Co-Borrower X - Phone Number (Co-Borrower 1 to 9)	- &&CLT-CoBorr1-PH ONE&& &&CLT-CoBorr2-PH ONE&& &&CLT-CoBorr3-PH ONE&& &&CLT-CoBorr4-PH ONE&& &&CLT-CoBorr5-PH ONE&& &&CLT-CoBorr5-PH ONE&& &&CLT-CoBorr6-PH ONE&& &&CLT-CoBorr6-PH ONE&& &&CLT-CoBorr7-PH ONE&& &&CLT-CoBorr9-PH ONE&& &&CLT-COBORR9-PH ONE&& &&CLT-COBORR9-PH ONE&&	146 156 172 1262 1278 1294 1310 1326 1342
Co-Borrower X - Fax Number (Co-Borrower 1 to 9)	- &&CLT-CoBorr1-FA X&& &&CLT-CoBorr2-FA X&& &&CLT-CoBorr3-FA X&& &&CLT-CoBorr4-FA X&& &&CLT-CoBorr5-FA X&& &&CLT-CoBorr5-FA X&& &&CLT-CoBorr6-FA X&& &&CLT-CoBorr6-FA X&& &&CLT-COBorr8-FA X&& &&CLT-COBorr8-FA X&& &&CLT-COBorr8-FA X&& &&CLT-COBorr8-FA X&& X&& &&CLT-COBorr9-FA X&& X&&	147 157 173 1263 1279 1295 1311 1327 1343
Co-Borrower X - Mobile Number (Co-Borrower 1 to 9)	- &&CLT-CoBorr1-M OBILE&& &&CLT-CoBorr2-M OBILE&& &&CLT-CoBorr3-M OBILE&& &&CLT-CoBorr4-M OBILE&& &&CLT-COBorr5-M OBILE&& &&CLT-COBorr6-M	148 158 174 1264 1280 1296 1312 1328 1344
Co-Borrower X - Email (Co-Borrower 1 to 9)	- &&CLT-CoBorr9-M OBILE&& - &&CLT-CoBorr1-EM AIL&& &&CLT-CoBorr2-EM AIL&& &&CLT-CoBorr3-EM AIL&& AIL&&	149 159 175 1265 1281 1297

	&&CLT-CoBorr4-EM AIL&& &&CLT-CoBorr5-EM AIL&& &&&CLT-CoBorr6-EM AIL&& &&&CLT-CoBorr7-EM AIL&& &&&&CLT-CoBorr7-EM AIL&& &&&&CLT-CoBorr8-EM AIL&& &&&CLT-CoBorr9-EM AIL&& &&&&CLT-CoBorr9-EM AIL&&	1313 1329 1345
Guarantor X - MLM Identification (Guarantor 1 to 9)	- &&CLT-Guarantor1- MLM-ID&& &&&CLT-Guarantor2- MLM-ID&& &&&&CLT-Guarantor3- MLM-ID&& &&&&&CLT-Guarantor4- MLM-ID&& &&&&&CLT-Guarantor5- MLM-ID&& &&&&&CLT-Guarantor6- MLM-ID&& &&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&	185 186 187 1146 1162 1178 1194 1210 1226
Guarantor X - Social Security Number (Guarantor 1 to 9)	- &&CLT-Guarantor1- SOCIALSEC&& &&CLT-Guarantor2- SOCIALSEC&& &&CLT-Guarantor3- SOCIALSEC&& &&CLT-Guarantor4- SOCIALSEC&& &&CLT-Guarantor5- SOCIALSEC&& &&CLT-Guarantor6- SOCIALSEC&& &&CLT-Guarantor7- SOCIALSEC&& &&CLT-Guarantor7- SOCIALSEC&& &&CLT-Guarantor8- SOCIALSEC&& &&CLT-Guarantor8- SOCIALSEC&& &&CLT-Guarantor9- SOCIALSEC&&	1115.1 1130.1 1145.1 1161.1 1177.1 1193.1 1209.1 1225.1 1241.1
Guarantor X - Business (Company) Name (Guarantor 1 to 9)	- &&CLT-Guarantor1- BUSINESS&& &&CLT-Guarantor2- BUSINESS&& &&CLT-Guarantor3- BUSINESS&& &&CLT-Guarantor4- BUSINESS&& &&CLT-Guarantor5- BUSINESS&& &&CLT-Guarantor5- BUSINESS&& &&CLT-Guarantor6- BUSINESS&& &&CLT-Guarantor7- BUSINESS&& &&CLT-Guarantor8- BUSINESS&& &&CLT-Guarantor9- BUSINESS&&	1101 1116 1131 1147 1163 1179 1195 1211 1227

Constant Tile (Man Mar Ma	O O C I T C	144001
Guarantor X - Title (Mr., Mrs., Ms., Pr.)	&&CLT-Guarantor1- TITLE&&	1102 1117
	&&CLT-Guarantor2-	1117 1132
(Guarantor 1 to 9)	TITLE&&	1148
	&&CLT-Guarantor3-	1164
	TITLE&&	1180
	&&CLT-Guarantor4- TITLE&&	1196
	&&CLT-Guarantor5-	1212 1228
	TITLE&&	1220
	&&CLT-Guarantor6-	
	TITLE&&	
	&&CLT-Guarantor7- TITLE&&	
	&&CLT-Guarantor8-	
	TITLE&&	
	&&CLT-Guarantor9-	
	TITLE&&	
Guarantor X - First Name -	&&CLT-Guarantor1-	1103
(Cyarantar 1 to 0)	FIRSTNAME&& &&CLT-Guarantor2-	1118 1133
(Guarantor 1 to 9)	FIRSTNAME&&	1149
	&&CLT-Guarantor3-	1165
	FIRSTNAME&&	1181
	&&CLT-Guarantor4- FIRSTNAME&&	1197 1213
	&&CLT-Guarantor5-	1213
	FIRSTNAME&&	12227
	&&CLT-Guarantor6-	
	FIRSTNAME&&	
	&&CLT-Guarantor7-	
	FIRSTNAME&& &&CLT-Guarantor8-	
	FIRSTNAME&&	
	&&CLT-Guarantor9-	
	FIRSTNAME&&	
Guarantor X - Middle Initial -	&&CLT-Guarantor1-	1104
	MI&& &&CLT-Guarantor2-	1119 1134
(Guarantor 1 to 9)	MI&&	1154
	&&CLT-Guarantor3-	1166
	MI&&	1182
	&&CLT-Guarantor4-	1198
	MI&& &&CLT-Guarantor5-	1214 1230
	MI&&	1230
	&&CLT-Guarantor6-	
	MI&&	
	&&CLT-Guarantor7- MI&&	
	&&CLT-Guarantor8-	
	MI&&	
	&&CLT-Guarantor9-	
	MI&&	
Guarantor X - Last Name -	&&CLT-Guarantor1- LASTNAME&&	1105 1120
(Cuaranter 1 to 0)	&&CLT-Guarantor2-	1120 1135
(Guarantor 1 to 9)	LASTNAME&&	1155
	&&CLT-Guarantor3-	1167
	LASTNAME&&	1183
	&&CLT-Guarantor4- LASTNAME&&	1199 1215
	&&CLT-Guarantor5-	1215 1231
	LASTNAME&&	12201
	&&CLT-Guarantor6-	
	LASTNAME&&	
	l .	

Guarantor X - Address 1 (Guarantor 1 to 9)	-	&&CLT-Guarantor7- LASTNAME&& &&CLT-Guarantor8- LASTNAME&& &&CLT-Guarantor9- LASTNAME&& &&CLT-Guarantor1- ADDRESS1&& &&CLT-Guarantor2- ADDRESS1&& &&CLT-Guarantor3- ADDRESS1&& &&CLT-Guarantor4- ADDRESS1&&	1106 1121 1136 1152 1168 1184 1200 1216
		&&CLT-Guarantor5- ADDRESS1&& &&CLT-Guarantor6- ADDRESS1&& &&CLT-Guarantor7- ADDRESS1&& &&CLT-Guarantor8- ADDRESS1&& &&CLT-Guarantor9- ADDRESS1&&	1232
Guarantor X - Address 2 (Guarantor 1 to 9)	Second part of address if needed.	&&CLT-Guarantor1- ADDRESS2&& &&CLT-Guarantor2- ADDRESS2&& &&CLT-Guarantor3- ADDRESS2&& &&CLT-Guarantor4- ADDRESS2&& &&CLT-Guarantor5- ADDRESS2&& &&CLT-Guarantor6- ADDRESS2&& &&CLT-Guarantor7- ADDRESS2&& &&CLT-Guarantor7- ADDRESS2&& &&CLT-Guarantor8- ADDRESS2&& &&CLT-Guarantor8- ADDRESS2&& &&CLT-Guarantor9- ADDRESS2&&	1107 1122 1137 1153 1169 1185 1201 1217 1233
Guarantor X - City (Guarantor 1 to 9)	-	&&CLT-Guarantor1- CITY&& &&CLT-Guarantor2- CITY&& &&CLT-Guarantor3- CITY&& &&CLT-Guarantor4- CITY&& &&CLT-Guarantor5- CITY&& &&CLT-Guarantor5- CITY&& &&CLT-Guarantor6- CITY&& &&CLT-Guarantor7- CITY&& &&CLT-Guarantor7- CITY&& &&CLT-Guarantor8- CITY&& &&CLT-Guarantor8- CITY&& &&CLT-Guarantor9- CITY&&	1108 1123 1138 1154 1170 1186 1202 1218 1234
Guarantor X - State, Province (Guarantor 1 to 9)	-	&&CLT-Guarantor1- STATE&& &&CLT-Guarantor2- STATE&& &&CLT-Guarantor3- STATE&&	1109 1124 1139 1155 1171 1187

	&&CLT-Guarantor4- STATE&& &&CLT-Guarantor5- STATE&& &&CLT-Guarantor6- STATE&& &&CLT-Guarantor7- STATE&& &&CLT-Guarantor7- STATE&& &&CLT-Guarantor8- STATE&& STATE& STATE STATE	1203 1219 1235
Guarantor X - Country (Guarantor 1 to 9)	- &&CLT-Guarantor1- COUNTRY&& &&&CLT-Guarantor2- COUNTRY&& &&&&&CLT-Guarantor3- COUNTRY&& &&&&CLT-Guarantor4- COUNTRY&& &&&&CLT-Guarantor5- COUNTRY&& &&&&CLT-Guarantor6- COUNTRY&& &&&&CLT-Guarantor7- COUNTRY&& &&&&CLT-Guarantor8- COUNTRY&& &&&&CLT-Guarantor9- COUNTRY&&	1110 1125 1140 1156 1172 1188 1204 1220 1236
Guarantor X - Zip / Postal Code (Guarantor 1 to 9)	- &&CLT-Guarantor1- ZIP&& &&&CLT-Guarantor2- ZIP&& &&&&CLT-Guarantor3- ZIP&& &&&&CLT-Guarantor4- ZIP&& &&&&CLT-Guarantor5- ZIP&& &&&&&CLT-Guarantor6- ZIP&& &&&&&&CLT-Guarantor7- ZIP&& &&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&	1111 1126 1141 1157 1173 1189 1205 1221 1237
Guarantor X - Phone Number (Guarantor 1 to 9)	- &&CLT-Guarantor1- PHONE&& &&CLT-Guarantor2- PHONE&& &&CLT-Guarantor3- PHONE&& &&CLT-Guarantor4- PHONE&& &&CLT-Guarantor5- PHONE&& &&&CLT-Guarantor5- PHONE&& &&&CLT-Guarantor6- PHONE&& &&&CLT-Guarantor7- PHONE&& &&&CLT-Guarantor7- PHONE&& &&&CLT-Guarantor8- PHONE&& &&&CLT-Guarantor9- PHONE&&	1112 1127 1142 1158 1174 1190 1206 1222 1238

Guarantor X - Fax Number	-	&&CLT-Guarantor1- FAX&&	1113 1128
(Guarantor 1 to 9)		&&CLT-Guarantor2-	1143
(FAX&&	1159
		&&CLT-Guarantor3- FAX&&	1175 1191
		&&CLT-Guarantor4-	1207
		FAX&&	1223
		&&CLT-Guarantor5-	1239
		FAX&& &&CLT-Guarantor6-	
		FAX&&	
		&&CLT-Guarantor7-	
		FAX&& &&CLT-Guarantor8-	
		FAX&&	
		&&CLT-Guarantor9-	
		FAX&&	
Guarantor X - Mobile Number	-	&&CLT-Guarantor1-	1114
		MOBILE&&	1129
(Guarantor 1 to 9)		&&CLT-Guarantor2- MOBILE&&	1144 1160
		&&CLT-Guarantor3-	1176
		MOBILE&&	1192
		&&CLT-Guarantor4- MOBILE&&	1208 1224
		&&CLT-Guarantor5-	1224
		MOBILE&&	1== .01
		&&CLT-Guarantor6-	
		MOBILE&& &&CLT-Guarantor7-	
		MOBILE&&	
		&&CLT-Guarantor8-	
		MOBILE&&	
		&&CLT-Guarantor9- MOBILE&&	
Guarantor X - Email	_	&&CLT-Guarantor1-	1115
Guarantor X - Linan	-	EMAIL&&	1130
(Guarantor 1 to 9)		&&CLT-Guarantor2-	1145
		EMAIL&& &&CLT-Guarantor3-	1161
		EMAIL&&	1177 1193
		&&CLT-Guarantor4-	1209
		EMAIL&&	1225
		&&CLT-Guarantor5- EMAIL&&	1241
		&&CLT-Guarantor6-	
		EMAIL&&	
		&&CLT-Guarantor7-	
		EMAIL&& &&CLT-Guarantor8-	
		EMAIL&&	
		&&CLT-Guarantor9-	
		EMAIL&&	
Borrower Loan Security (Description	This usually contains the amount and description of	&&CLT-SECURITIES	113
and Amount)	the loan security. The two elements will appear in a	&&	
	single cell.		
	These data are associated with the loan as such, and not directly to the borrower.		
Co-Borrower X - Loan Security (Description and Amount)	"Security" field for the Co-Borrower.	&&CLT-SECURITIES _CoBor1&&	127
	These data are associated with the loan as such, and	0.0 CLT CECLUSITIES	133
(Co-Borrower 1 to 9)	not directly to the Co-borrower.	&&CLT-SECURITIES _CoBor2&&	165 188
	1	_======	, 200

		&&CLT-SECURITIES _COBOT3&& &&CLT-SECURITIES _COBOT4&& &&CLT-SECURITIES _COBOT5&& &&CLT-SECURITIES _COBOT6&& &&CLT-SECURITIES _COBOT7&& &&CLT-SECURITIES _COBOT8&& &&CLT-SECURITIES _COBOT8&& &&CLT-SECURITIES _COBOT9&&	189 190 191 192 193
Total number of files attached to the Borrower	Borrower tab > Notes+ > Borrower's Attached Documents button.	&&AttachedFilesBO RR_Num&&	180
Size in (Kb) of all files attached to the Borrower	Borrower tab > Notes+ > Borrower's Attached Documents button.	&&AttachedFilesBO RR_size&&	181
Employer Business (Company) Name Co-Borrower 1	Data on the Employer	&&EMP-BUSINESS && &&CoBORR-EMP-B USINESS&&	1500 1500.1
Employer First Name Co-Borrower 1	-	&&EMP-FIRSTNAM E&& &&CoBORR-EMP-FI RSTNAME&&	1501 1501.1
Employer Last Name Co-Borrower 1	-	&&EMP-LASTNAME && &&CoBORR-EMP-L ASTNAME&&	1502 1502.1
Employer Middle Initial Co-Borrower 1	-	&&EMP-MI&& &&CoBORR-EMP-M I&&	1503 1503.1
Employer Title (Mr., Mrs., Ms., Dr.) Co-Borrower 1	-	&&EMP-TITLE&& &&CoBORR-EMP-TI TLE&&	1504 1504.1
Employer Address 1 Co-Borrower 1	-	&&EMP-ADDRESS1 && &&CoBORR-EMP-A DDRESS1&&	1505 1505.1
Employer Address 2 Co-Borrower 1	-	&&EMP-ADDRESS2 && &&CoBORR-EMP-A DDRESS2&&	1506 1506.1
Employer City Co-Borrower 1	-	&&EMP-CITY&& &&CoBORR-EMP-CI TY&&	1507 1507.1
Employer State, Province Co-Borrower 1	-	&&EMP-STATE&& &&CoBORR-EMP-ST ATE&&	1511 1511.1
Employer Country Co-Borrower 1	-	&&EMP-COUNTRY && &&CoBORR-EMP-C OUNTRY&&	1508 1508.1
Employer Zip / Postal Code Co-Borrower 1	-	&&EMP-ZIP&& &&CoBORR-EMP-ZI P&&	1514 1514.1
Employer Phone Number Co-Borrower 1	-	&&EMP-PHONE&& &&CoBORR-EMP-P	1510 1510.1

		HONE&&	
Employer Fax Number Co-Borrower 1	-	&&EMP-FAX&& &&CoBORR-EMP-F AX&&	1509 1509.1
Employer Unique Identifier 1	-	&&EMP_UniqueID1 &&	1512
Employer Unique Identifier 2	-	&&EMP_UniqueID2 &&	1513

Creditor			
Field name	Description	Merge Code	Short Merge Code
Creditor ID	ID generated by MLM. Numbers in the 30000.	&&CreditorID&&	326
Creditor Unique Identifier 1	Identifier allowing to create a link for a Creditor to third party software. This identifier must be unique, thus can not be repeated.	&&CRD_UniqueID1 &&	336
Creditor Unique Identifier 2	Identifier allowing to create a link for a Creditor to third party software. This identifier must be unique, thus can not be repeated.	&&CRD_UniqueID2 &&	337
Creditor Business (Company) Name	This could also be a fund as opposed to a Creditor. If you lend and borrow, and use MLM to manage your assets and liabilities, in the first scenario you would be the Creditor and in the second scenario you would be the Borrower. Your Creditor would be entered here in the second scenario.	&&CRD- CREDITOR&&	321
Creditor Permit Number	-	&&CRD-PERMIT&&	333
Creditor Title (Mr., Mrs., Ms., Dr.)	Self explanatory (hereafter entered as -).	&&CRD-TITLE&&	304
Creditor First Name	-	&&CRD- FIRSTNAME&&	301
Creditor Middle Initial	-	&&CRD-MI&&	303
Creditor Last Name	-	&&CRD- LASTNAME&&	302
Creditor Address 1	-	&&CRD- ADDRESS1&&	319
Creditor Address 2	Second part of address if needed.	&&CRD- ADDRESS2&&	320
Creditor City	-	&&CRD-CITY&&	322
Creditor State, Province	-	&&CRD-STATE&&	335
Creditor Country	-	&&CRD- COUNTRY&&	323
Creditor Zip / Postal code	-	&&CRD-ZIP&&	338
Creditor Phone Number	-	&&CRD-PHONE&&	334
Creditor Fax Number	-	&&CRD-FAX&&	325
Creditor Mobile Number	-	&&CRD-MOBILE&&	329

Creditor E-mail	-	&&CRD-EMAIL&&	324
Creditor Web Site	-		
Creditor Other information	"Other information" field under "Creditor". These data are associated to the loan, not directly to the Creditor.	&&CRD-OTHER&&	330
Creditor Participation Amount	When a loan has more than one Creditor, a participation amount can be assigned to each Creditor. The amount in this field is the amount entered for the first Creditor in the Creditor list for the loan.	&&CRD- AMOUNT&&	331
	These data are associated with the loan, while also being related to the Creditor.		
Creditor Participation Percentage	When a loan has more than one Creditor, the percentage of participation can be assigned to each Creditor. The percentage in this field is the percentage entered for the first Creditor in the Creditor list for the loan.	&&CRD- PERCENT&&	332
	These data are associated with the loan, while also being related to the Creditor.		
Creditor Return (%)	Return percentage this Creditor receives for his investment in a loan.	&&CRD-RETURN&&	361
	For example, a loan is provided to the borrower at 12% yearly interest. The investor receives 8% yearly interest.		
	These data are associated with the loan, while also being related to the Creditor.		
Creditor Loan Officer First Name	-	&&OFF- FIRSTNAME&&	327
Creditor Loan Officer Last Name	-	&&OFF- LASTNAM&&	328
Creditor 2 Business (Company) Name	-	&&CRD- CREDITOR_2&&	305
Creditor 2 First Name	-	&&CRD- FIRSTNAME_2&&	306
Creditor 2 Last Name	-	&&CRD- LASTNAME_2&&	307
Creditor 2 Participation Amount	The amount in this field is the amount entered for the second Creditor in the Creditor list for the loan.	&&CRD- AMOUNT_2&&	310
Creditor 2 Participation Percentage	The percentage in this field is the percentage entered for the second Creditor in the Creditor list for the loan.	&&CRD- PERCENT_2&&	311
Creditor 2 Return (%)	Return percentage this Creditor receives for his investment in a loan.	&&CRD-RETURN_2 &&	362
	For example, a loan is provided to the borrower at 12% yearly interest. The investor receives 8% yearly interest.		
	These data are associated with the loan, while also being related to the Creditor.		
Creditor 2 Loan Officer First Name	-	&&OFF- FIRSTNAME_2&&	308
Creditor 2 Loan Officer Last Name	-	&&OFF- LASTNAME_2&&	309
Creditor 3 Business (Company) Name	-	&&CRD- CREDITOR_3&&	312

Creditor 3 Last Name Creditor 3 Participation Amount The amount in this field is the amount entered for the third Creditor in the Creditor list for the loan. The percentage in this field is the percentage entered for the third Creditor 3 Participation Percentage The percentage in this field is the percentage entered for the third Creditor in the Creditor list for the loan. Return percentage in this field is the percentage entered for the third Creditor in the Creditor list for the loan. Return percentage this Creditor list for the loan. For example, a loan is provided to the borrower at 12% yearly interest. These data are associated with the loan, while also being related to the Creditor. Creditor 3 Loan Officer First Name Creditor 3 Loan Officer Last Name Creditor 3 Loan Officer Last Name These data are associated with the loan, while also being related to the Creditor. Creditor (All) - ID For participating loans (multiple creditors each owning, a fraction of a loan), reports the ID generated by MLM (Numbers in the 30000) of each of the Creditors individually. Creditors (All) – Business (Company) Name For participating loans (multiple Creditors each owning, a fraction of a loan), reports the Company name of each of the Creditors individually. Creditors (All) – First Name For participating loans (multiple Creditors each owning, a fraction of a loan), reports the Company name of each of the Creditors individually. Creditors (All) – Last Name For participating loans (multiple Creditors each owning, a fraction of a loan), reports the Loan pane of each of the Creditors individually. Creditors (All) – Participation For participating loans (multiple Creditors each owning, a fraction of a loan), reports the Last Name of each of the Creditors individually. For participating loans (multiple Creditors each owning, a fraction of a loan), reports the Last Name of each of the Creditors individually. For participating loans (multiple Creditors each owning, a fraction of a loan), reports the amount ente				
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Creditor 3 Loan Officer Last Name -				
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in a loan. For example, a loan is provided to the borrower at 12% yearly interest. The investor receives 8% yearly interest.		order to multiply this participation percentage by any of the numerous fields available to obtain each Creditor's portion (for example, principal portion, interest portion, balance		
yearly interest. The investor receives 8% yearly interest.	Creditor (All) – Return (%)		&&_123132_&&	364
Most useful when used with Mathematical Equations to		· · ·		
		Most useful when used with Mathematical Equations to		

	determine the interest to be paid to the investor. Equation example: 8% / 12%* Interest Paid. If multiple investors participate in the loan, a different return can be indicated for each investor. The Participation (%) is then added to the Mathematical Equation.		
Creditor - Total Participation Amount all Creditors	For participating loans (multiple creditors each owning a fraction of a loan), reports the total amount entered in the "Amount" field ("Participation" section > Creditor window > Record) for all Creditors.	&&CRD_AMOUNT_ TOTAL&&	339.1

	Custom Fields		
Field name	Description	Merge Code	Short Merge Code
Custom Fields (Data)			
1-9	Custom Fields related to the Loan.	&&CUS-Field1&&	1 to 9
Unlimited (Table Format)	Custom Fields related to the Loan.	&&CUSFI-1&&	C28
Custom Fields (Borrower)			
1-9	Custom Fields related to the Borrower.	&&CUSBr-Field11& &	10 to 18
Unlimited (Table Format)	Custom Fields related to the Borrower.	&&CUSFI-1&&	C29
Custom Fields (Creditor)			
1-9	Custom Fields related to the Creditor.	&&CUSCr-Field21& &	18 to 27
Unlimited (Table Format)	Custom Fields related to the Creditor.	&&CUSFI-1&&	[C30]

Dates			
Field name	Description	Merge Code	Short Merge Code
Date - Today (Windows Short Date Format)	Current date in short format, such as 23/10/2014. Based on your Window's format.	&&INV-TODAYS- DATE&&	712
Date - Today (Windows Long Date Format)	Current date in long format, such as October 23, 2014. Based on your Window's format and it's install language.	&&INV-TODAYS- DATE_LongFormat& &	711
Date - Today (Format: January 20, 2020)	Current date in long format.	&&INV-TODAYS- DATE_LongEN&&	710
Date - Today (Format: 20 January, 2020)	Current date in long format (French style).	&&INV-TODAYS- DATE_LongFR&&	709
Date - Record Creation Date	Date at which the Record was originally created, saved for the first time	&&LoanCreationDat e&&	591
Loan Origination Date	Date entered by the user as the origination date in "Data".	&&ORIGINDATE&&	529
529	Date entered by the user as the First Payment date in "Data".	&&FIRSTPMTDATE &&	529.1

Loan Origination + 12 months	Reports the date that is exactly 12 months after the Origination date of the loan (with the exception of February 29).	&&ORIGINDATE+1y ear&&	530
Loan End Date	Very last date of the loan no matter if the payment is positive, negative or 0.00.	&&LOANENDDATE &&	528
	See also "Last Payment Date (Pmt > 0.00)".		
Record Date	See <u>Loan Data</u>		
Borrower Birth Date	See <u>Borrower</u>		
First positive transaction - Date	See <u>Payments</u>		
First negative transaction - Date	See <u>Payments</u>		
Last positive transaction - Date	See <u>Payments</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Date	See <u>Payments</u>		
Last Paid payment (all Paid Line statuses)(in period) - Date	See <u>Payments</u>		
Last Paid Payment (all Paid Line statuses)(in period) - True Pmt Date (Grace)	See <u>Payments</u>		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Date	See <u>Payments</u>		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Date	See <u>Payments</u>		
Last Paid/Unpaid Payment (only Paid and Unpaid Line statuses)(in period) - True Pmt (Grace)	See <u>Payments</u>		
Last Unpaid payment (all Unpaid Line statuses)(entire Loan) - Date	See <u>Payments</u>		
Next Due Pmt - Date (entire Loan)	See <u>Payments</u>		
Days (number) in Loan (up to last line of Payment schedule)	See <u>Loan Data</u>		
Days (number) in Loan (up to last line of Payment schedule)(Payment >0)	See <u>Loan Data</u>		
Doubtful Accounts (Date from Record)	See <u>Doubtful/Bad Debt</u>		
Bad Debt (Date)(from Record)	See <u>Doubtful/Bad Debt</u>		
Date - report Start Date	For a report between two dates, the start date entered by the user when generating the report.	&&INV-START- DATE&&	714
	May be useful particularly in RTF merged documents (Invoices and Statements) to indicate the period of the report (from to) or the date of a specific balance.		
Date - report End Date	For a report between two dates, the end date entered by the user when generating the report.	&&INV-END- DATE&&	713
	May be useful particularly in RTF merged documents (

<u>Invoices and Statements</u>) to indicate the period of the report (from to) or the date of the balance at the end of the month for example.		
Date and time at which the Record was last updated.	&&LOANLASTMOD &&	547
This date is only reported when a Record is changed to Closed, no other Record Status. If a Record is changed from Closed to Archived for example, the date will be deleted. If a Record is changed from Active to Closed, then Active again, the original Closed date will be lost even if the change was only temporary. This field does not keep the history of the Closed dates. The Record Log would have to be consulted for this. If a personalized Record Status was created, even if named "Closed too", the date will not be reported since "Closed too" is not, for Margill, a Closed Record.	&&DateRecordClos ed&&	5993
See Interest		
	report (from to) or the date of the balance at the end of the month for example. Date and time at which the Record was last updated. This date is only reported when a Record is changed to Closed, no other Record Status. If a Record is changed from Closed to Archived for example, the date will be deleted. If a Record is changed from Active to Closed, then Active again, the original Closed date will be lost even if the change was only temporary. This field does not keep the history of the Closed dates. The Record Log would have to be consulted for this. If a personalized Record Status was created, even if named "Closed too", the date will not be reported since "Closed too" is not, for Margill, a Closed Record. See Interest See Interest See Interest See Interest	report (from to) or the date of the balance at the end of the month for example. Date and time at which the Record was last updated. This date is only reported when a Record is changed to Closed, no other Record Status. If a Record is changed from Closed to Archived for example, the date will be deleted. If a Record is changed from Active to Closed, then Active again, the original Closed date will be lost even if the change was only temporary. This field does not keep the history of the Closed dates. The Record Log would have to be consulted for this. If a personalized Record Status was created, even if named "Closed too", the date will not be reported since "Closed too" is not, for Margill, a Closed Record. See Interest See Interest See Interest See Interest See Interest

Doubtful/Bad Debt			
Field name	Description	Merge Code	Short Merge Code
Doubtful Accounts (%)	Percentage of doubtful accounts as entered in the "Data" window ("Data" tab).	&&DOUTACC- RATE&&	923
Doubtful Accounts (Date from Record)	Date entered in the "Data" window ("Data" tab). Will be blank if no date is entered in the "Data" window.	&&DOUTACC- DATE&&	926
Doubtful Accounts (Balance from Record date)	Will give the doubtful accounts balance (based on the percentage entered in the "Data" window) at the date entered in the "Data" window including the transactions of the day but excluding the interest of that day. Takes the percentage entered and multiplies by the balance on this date. Will give 0.00 if no date is entered in the "Data" window.	&&DOUTACC- BALRecordDate&&	924
Doubtful Accounts (Balance from report End date)	Will give the doubtful accounts balance (based on the percentage entered in the "Data" window) at the end date of the report (thus a percentage of the balance on that day), no matter what date is entered in the "Data" window. For the "Complete report", will give the doubtful accounts balance based on the Record's final date balance (often 0.00	&&DOUTACC- BALReportDate&&	925

	for completely amortized loans). Will / will not give the same results as the Doubtful accounts report.		
Bad Debt (Date)(from Record)	Date entered in the "Data" window when the Record is considered (changed to) "Bad Debt".	&&BADDebt- DATE&&	922
Bad Debt (Balance)(Record Date)	Record Balance on the Bad Debt date entered in the "Data" window.	&&BADDebt-BAL&&	921

Fees and Columns			
Field name	Description	Merge Code	Short Merge Code
Six(6) Column Fees, six (6) Line Fe by the user.	ees and nine (9) Custom Columns are available for which	the names can be	e modified
Column Fees Amount (Original)	Original amount of the Column Fees entered in the "Add fees" window in the "Data" tab. Even if these fees are changed later on in the Payment schedule, only the original amount will be reported.	&&Fees1Col_Amou nt&& &&Fees2Col_Amou nt&& &&Fees3Col_Amou nt&& &&Fees4Col_Amou nt&& &&Fees5Col_Amou nt&& &&Fees6Col_Amou nt&&	565 566 567 5670 5671 5672
Column Fees Percentage (Original)	Original percentage (of the balance or interest accrued for the line) of the Column Fees entered in the "Add fees" window in the "Data" tab. Even if this percentage is changed later on in the Payment schedule, only the original percentage will be reported.	&&Fees1Col_Perce nt&& &&Fees2Col_Perce nt&& &&Fees3Col_Perce nt&& &&Fees4Col_Perce nt&& &&Fees5Col_Perce nt&& &&Fees6Col_Perce nt&&	568 569 570 5700 5701 5702
Column Fees Accrued (for period)	Accrued Column Fees (as opposed to Paid or Due) for the given report dates.	&&Fees1Col&& &&Fees2Col&& &&Fees3Col&& &&Fees4Col&& &&Fees5Col&& &&Fees6Col&&	836 837 838 8380 8381 8382
Column Fees Accrued (entire Loan)	Accrued Column Fees (as opposed to Paid or Due) for the full loan.	&&Loan_Fees1Col && && &&& &&Loan_Fees2Col && &&& &&Loan_Fees3Col && && &&Loan_Fees4Col && &&& &&Loan_Fees5Col && &&& &&&Loan_Fees6Col &&& &&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&&	571 572 573 5730 5731 5732
Column Fees Paid (for period)	Paid Column Fees (as opposed to Accrued) for the given	&&Fees1ColPaid& &	839 840

	roport datas	&&Fees2ColPaid&	[044]
	report dates.	&&Fees2ColPaid& & &&Fees3ColPaid&	841 8410
		&	8411 8412
		&&Fees4ColPaid& &	
		&&Fees5ColPaid& &	
		&&Fees6ColPaid& &	
Column Fees 1 Paid (for period), Paid Pmt X	In the Payment schedule, the total Column Fees 1 Paid of all lines "Paid Pmt" - "Paid Pmt (2) to (10)"- Line status exclusively for the chosen report period.	&&ACC_Fees1ColP aid_PaidPmt1&&	462
(Paid Pmt, Paid Pmt 2 to 10)	endenter, ret and anosem epont period.	&&ACC_Fees1ColP aid_PaidPmt2&&	463
		&&ACC_Fees1ColP aid_PaidPmt3&&	464
		&&ACC_Fees1ColP aid_PaidPmt4&&	465
		&&ACC_Fees1ColP aid_PaidPmt5&&	466
		&&ACC_Fees1ColP aid_PaidPmt6&&	467
		&&ACC_Fees1ColP aid_PaidPmt7&&	468
		&&ACC_Fees1ColP aid_PaidPmt8&&	469
		&&ACC_Fees1ColP aid_PaidPmt9&&	470
		&&ACC_Fees1ColP aid_PaidPmt10&&	471
Column Fees 2 Paid (for period), Paid Pmt X	In the Payment schedule, the total Column Fees 2 Paid of all lines "Paid Pmt" - "Paid Pmt (2) to (10)"- Line status	&&ACC_Fees2ColP aid_PaidPmt1&&	474
(Paid Pmt, Paid Pmt 2 to 10)	exclusively for the chosen report period.	&&ACC_Fees2CoIP aid_PaidPmt2&& &&ACC_Fees2CoIP	475
		aid_PaidPmt3&& &&ACC_Fees2ColP	476
		aid_PaidPmt4&& &&ACC_Fees2ColP	477
		aid_PaidPmt5&& &&ACC_Fees2ColP	478
		aid_PaidPmt6&& &&ACC_Fees2ColP	479
		aid_PaidPmt7&& &&ACC_Fees2ColP	480
		aid_PaidPmt8&& &&ACC_Fees2ColP	481
		aid_PaidPmt9&& &ACC_Fees2CoIP	482
		aid_PaidPmt10&&	483
Column Fees 3 Paid (for period), Paid Pmt X	In the Payment schedule, the total Column Fees 3 Paid of all lines "Paid Pmt" - "Paid Pmt (2) to (10)"- Line status	&&ACC_Fees3ColP aid_PaidPmt1&&	486
(Paid Pmt, Paid Pmt 2 to 10)	exclusively for the chosen report period.	&&ACC_Fees3ColP aid_PaidPmt2&&	487
(. a.a + m.) + ala + m.c 2 to 10/		&&ACC_Fees3ColP aid_PaidPmt3&&	488
		&&ACC_Fees3ColP aid_PaidPmt4&&	489
		&&ACC_Fees3ColP aid_PaidPmt5&&	 490
		&&ACC_Fees3ColP aid_PaidPmt6&&	491
		&&ACC_Fees3ColP aid_PaidPmt7&&	492
		&&ACC_Fees3ColP aid_PaidPmt8&&	493

		&&ACC_Fees3CoIP aid_PaidPmt9&& &&ACC_Fees3CoIP aid_PaidPmt10&&	494 495
Column Fees 4 Paid (for period), Paid Pmt X (Paid Pmt, Paid Pmt 2 to 10)	In the Payment schedule, the total Column Fees 4 Paid of all lines "Paid Pmt" - "Paid Pmt (2) to (10)"- Line status exclusively for the chosen report period.	&&ACC_Fees4ColP aid_PaidPmt1&& &&ACC_Fees4ColP aid_PaidPmt2&& &&ACC_Fees4ColP aid_PaidPmt3&& &&ACC_Fees4ColP aid_PaidPmt4&& &&ACC_Fees4ColP aid_PaidPmt5&& &&ACC_Fees4ColP aid_PaidPmt5&& &&ACC_Fees4ColP aid_PaidPmt6&& &&ACC_Fees4ColP aid_PaidPmt7&& &&ACC_Fees4ColP aid_PaidPmt8&& &&ACC_Fees4ColP aid_PaidPmt9&& &&ACC_Fees4ColP aid_PaidPmt9&& &&ACC_Fees4ColP aid_PaidPmt10&&	4902 4903 4904 4905 4906 4907 4908 4909 4911 4912
Column Fees 5 Paid (for period), Paid Pmt X (Paid Pmt, Paid Pmt 2 to 10)	In the Payment schedule, the total Column Fees 5 Paid of all lines "Paid Pmt" - "Paid Pmt (2) to (10)"- Line status exclusively for the chosen report period.	&&ACC_Fees5ColP aid_PaidPmt1&& &&ACC_Fees5ColP aid_PaidPmt2&& &&ACC_Fees5ColP aid_PaidPmt3&& &&ACC_Fees5ColP aid_PaidPmt4&& &&ACC_Fees5ColP aid_PaidPmt5&& &&ACC_Fees5ColP aid_PaidPmt5&& &&ACC_Fees5ColP aid_PaidPmt6&& &&ACC_Fees5ColP aid_PaidPmt7&& &&ACC_Fees5ColP aid_PaidPmt7&& &&ACC_Fees5ColP aid_PaidPmt9&& &&ACC_Fees5ColP aid_PaidPmt9&& &&ACC_Fees5ColP aid_PaidPmt10&&	4916 4917 4918 4919 4921 4922 4923 4924 4925 4926
Column Fees 6 Paid (for period), Paid Pmt X (Paid Pmt, Paid Pmt 2 to 10)	In the Payment schedule, the total Column Fees 6 Paid of all lines "Paid Pmt" - "Paid Pmt (2) to (10)"- Line status exclusively for the chosen report period.	&&ACC_Fees6ColP aid_PaidPmt1&& &&ACC_Fees6ColP aid_PaidPmt2&& &&ACC_Fees6ColP aid_PaidPmt3&& &&ACC_Fees6ColP aid_PaidPmt4&& &&ACC_Fees6ColP aid_PaidPmt5&& &&ACC_Fees6ColP aid_PaidPmt5&& &&ACC_Fees6ColP aid_PaidPmt6&& &&ACC_Fees6ColP aid_PaidPmt7&& &&ACC_Fees6ColP aid_PaidPmt8&& &&ACC_Fees6ColP aid_PaidPmt9&& &&ACC_Fees6ColP aid_PaidPmt9&& &&ACC_Fees6ColP aid_PaidPmt9&& &&ACC_Fees6ColP aid_PaidPmt10&&	4931 4932 4933 4934 4935 4936 4937 4938 4939 4941
Column Fees X Paid (for period), Paid Pmt Returned check	In the Payment schedule, the total Column Fees X Paid of all lines "Paid Pmt Returned check" Line status exclusively for	&&ACC_Fees1ColP aid_PmtCheck&&	472 484

(Column Fees 1 to 6)	the chosen report period.	&&ACC_Fees2CoIP aid_PmtCheck&& &&ACC_Fees3CoIP aid_PmtCheck&& &&ACC_Fees4CoIP aid_PmtCheck&& &&ACC_Fees5CoIP aid_PmtCheck&& &&ACC_Fees6CoIP aid_PmtCheck&&	496 4913 4927 4942
Column Fees X Paid (for period), Add. Pmt (Column Fees 1 to 6)	In the Payment schedule, the total Column Fees X Paid of all lines "Add. Pmt" Line status exclusively for the chosen report period.	&&ACC_Fees1CoIP aid_PmtAdd&& &&ACC_Fees2CoIP aid_PmtAdd&& &&ACC_Fees3CoIP aid_PmtAdd&& &&ACC_Fees4CoIP aid_PmtAdd&& &&ACC_Fees5CoIP aid_PmtAdd&& &&ACC_Fees6CoIP aid_PmtAdd&&	473 485 497 4914 4928 4943
Column Fees X Paid (for period), Compensatory Pmt (Column Fees 1 to 6)	In the Payment schedule, the total Column Fees X Paid of all lines "Compensatory Pmt" Line status exclusively for the chosen report period.	&&ACC_Fees1ColP aid_CompPmt&& &&ACC_Fees2ColP aid_CompPmt&& &&ACC_Fees3ColP aid_CompPmt&& &&ACC_Fees4ColP aid_CompPmt&& &&ACC_Fees5ColP aid_CompPmt&& &&ACC_Fees5ColP aid_CompPmt&& &&ACC_Fees6ColP aid_CompPmt&&	4730 4850 4970 4915 4929 4944
Column Fees X Paid (for period) - Partial and Late Payments only (Column Fees 1 to 6)	In the Payment schedule, the total Column Fees X Paid for the "Partial Pmt", "Late Pmt" and "Partial Late Pmt" Line statuses exclusively, for the chosen report period.	&&ACC_F1ColPaid _PmtLatePart&& &&ACC_F2ColPaid _PmtLatePart&& &&ACC_F3ColPaid _PmtLatePart&& &&ACC_F4ColPaid _PmtLatePart&& &&ACC_F5ColPaid _PmtLatePart&& &&ACC_F5ColPaid _PmtLatePart&& &&ACC_F6ColPaid _PmtLatePart&&	615 616 617 6170 6171 6172
Fees Financed Paid (APR) (for period) Paid Pmt X	See <u>APR</u>		
(Paid Pmt, Paid Pmt 2 to 10)			
Fees Financed Paid (APR) (for period) Paid Pmt Returned Check	See APR		
Fees Financed Paid (APR) (for period) Add. Pmt	See <u>APR</u>		
Fees Financed Paid (APR) (for period) Compensatory Pmt	See <u>APR</u>		
Fees Financed Paid (APR) (for period) - Partial and Late Payments only	See <u>APR</u>		
Column Fees X Accrued (Total from Record Origination Date to report End Date)	Total of Column Fees Accrued from the Record Origination Date to report End Date.	&&Fees1Col_UpTo Date&& &&Fees2Col_UpTo Date&&	872 873 874 8740

		,	
(Column Fees 1 to 6)		&&Fees3Col_UpTo Date&& &&Fees4Col_UpTo Date&& &&Fees5Col_UpTo Date&& &&Fees6Col_UpTo Date&&	8741 8742
Column Fees X Paid (Total from Record Origination Date to report End Date) (Column Fees 1 to 6)	Total of Column Fees Paid from the Record Origination Date to report End Date.	&&Fees1ColPaid_U pToDate&& &&Fees2ColPaid_U pToDate&& &&Fees3ColPaid_U pToDate&& &&Fees4ColPaid_U pToDate&& &&Fees5ColPaid_U pToDate&& &&Fees6ColPaid_U pToDate&&	875 876 877 8770 8771 8772
Balance Column Fees X at 0:00 at report End Date (Column Fees 1 to 6)	For reports between two dates and Up to a certain date, this will be the Column Fees balance on that day, taking into account one of the three options for including or excluding payments (transactions) and interest for the last day. For the "Complete report" the balance reported will be the Column Fees balance on the very last day of the loan (final balance)(including transactions for the day).	&&Fees1Col_BALE ndDate&& &&Fees2Col_BALE ndDate&& &&Fees3Col_BALE ndDate&& &&Fees4Col_BALE ndDate&& &&Fees5Col_BALE ndDate&& &&Fees6Col_BALE ndDate&&	842 843 844 8440 8441 8442
Balance Column Fees X at 0:00 at report Start Date (Column Fees 1 to 6)	For a report between two dates, the Column Fees Balance on that day at 0:00 in the morning, before any transaction is made. Column Fees entered at the report Start date would thus be excluded in the balance since these are entered at 0:00+. Particular cases: Report between two dates: if the report Start date < = Origination date: returns 0.00. "Full report" and "Report up to": returns 0.00.	&&Fees1Col_BALSt artDate&& &&Fees2Col_BALSt artDate&& &&Fees3Col_BALSt artDate&& &&Fees4Col_BALSt artDate&& &&Fees5Col_BALSt artDate&& &&Fees6Col_BALSt artDate&&	845 846 847 8470 8471 8472
Fees X (Line status) (for period)	See <u>Line status</u>		
(Fees 1 to 6)			
Fees Paid X (Line status) (for period) (Fees 1 to 6)	See <u>Line status</u>		
Total Fees (All Fees) (for period)	See <u>Line status</u>		
Total Fees Paid (All Fees Paid) (for period)	See <u>Line status</u>		
Penalty (Line status) (for period)	See <u>Line status</u>		
Penalty Paid (Line status) (for period)	See <u>Line status</u>		
Insurance (Line status) (for period)	See <u>Line status</u>		
Insurance Paid (Line status) (for period)	See <u>Line status</u>		

		-	1
Tax (Line status) (for period)	See <u>Line status</u>		
Tax Paid (Line status) (for period)	See <u>Line status</u>		
Amount Due: Due Pmt + Outstanding + all Fees + Penalties (for period)	See <u>Line status</u>		
Custom Column (Money) (for period) Three columns	Total of amounts entered in the Costum Column (Money) column of the Payment schedule for the given report dates.	&&CustCol_Money 1&& &&CustCol_Money 2&& &&CustCol_Money 3&&	860 864 868
Custom Column (Numerical) (for period) Three columns	Total of amounts entered in the Costum Column (Numerical) column of the Payment schedule for the given report dates.	&&CustCol_Num1 && &&CustCol_Num2 && &&CustCol_Num3 &&	862 866 870
Custom Column (Money) (Total from Record Origination Date to report End Date) Three fields	Total of the amounts entered in the Custom Column (Money) column of the Payment schedule from the Record Origination Date to the report End Date.	&&CustCol_Money 1_UpToDate&& &&CustCol_Money 2_UpToDate&& &&CustCol_Money 3_UpToDate&&	861 865 869
Custom Column (Numerical) (Total from Record Origination Date to report End Date) Three fields	Total of the amounts entered in the Custom Column (Numerical) column of the Payment schedule from the Record Origination Date to the report End Date.	&&CustCol_Num1_ UpToDate&& &&CustCol_Num2_ UpToDate&& &&CustCol_Num3_ UpToDate&&	863 867 871

General			
Field name	Description	Merge Code	Short Merge Code
MLM Record Identification	See <u>Loan Data</u>		
Record Unique Identifier 1	See <u>Loan Data</u>		
Record Unique Identifier 2	See <u>Loan Data</u>		
Record Status	See <u>Loan Data</u>		
Active Records - Sub-Status (Current date if AUTO)	See <u>Loan Data</u>		
Record Owner	User name indicated in MLM who is the Owner of the Record. The Owner is under the General tab in the Data window.	&&fi_User&&	549
Record Creation Date	See <u>Dates</u>		
Record Last Updated	See <u>Dates</u>		
Record Color Tags	Record Color Name	&&RecordColor&&	577.1
Number of Records	Number of Records in the "Record List" report. Displays "1" for each of the lines, but useful for the total number of Records when "Show totals" is selected.	NA	NA
Total number of files attached to the Record	Data tab > General > Attached Documents button.	&&Loan_AttachedFil es_Num&&	575

Size in (Kb) of all files attached to the Record	Data tab > General > Attached Documents button.	&&Loan_AttachedFil es_size&&	576
Total number of files attached to the Borrower	Borrower tab > Notes+ > Borrower's Attached Documents button.	&&AttachedFilesBO RR_Num&&	180
Size in (Kb) of all files attached to the Borrower	Borrower tab > Notes+ > Borrower's Attached Documents button.	&&AttachedFilesBO RR_size&&	181
Metro 2 - Active Records	Metro 2 code based on the Active Record's sub-status.	&&LoanActiveMetro 2&&	501
	In MLM's Main window (Record Summary window) and in all reports, if the sub-status is calculated (set to "AUTO" in the "Data" tab of the "Data" window) the sub-status calculation and the corresponding Metro 2 code will be on the current date, regardless of the report date.		
Metro 2 - Record submitted to Metro 2	See <u>Loan Data</u>		
Metro 2 - ID Borrower selected for Metro 2	Returns the Borrower's ID selected for Metro 2.	NA	NA
EFT Account Number (Perceptech)	Active EFT Account Number for the Record. This is the unique account identifier used to link between the bank account in Margill with the EFT provider (Perceptech "Reference").	&&M2_BorrID&&	595
EFT Active	Indicate if the EFT is activated in the Record.	&&EFT_Active&&	599
Record's Color	Allows to sort Records by color (Main window only)	NA	NA
Line Unique ID		NA	NA
Date of change to the "Closed" Record Status	See <u>Dates</u>		

Interest			
See also the very important "Accounting Data" section			
Field name	Description	Merge Code	Short Merge Code
Nominal Interest Rate (Original)	Interest rate that was entered (no compounding factor). Given on an annual basis.	&&NOMINALRA TE&&	537
Effective Interest Rate	Interest rate computed based on the nominal rate and the compounding frequency. Given on an annual basis.	&&EFFECTIVERA TE&&	512
Nominal Interest Rate (Monthly Rate)	Nominal Interest Rate entered in MLM divided by 12.	&&MonthlyNOM INALRATE&&	539
Nominal Interest Rate (Daily Rate)	Nominal Interest Rate entered in MLM divided by 365 even for leap years.	&&DailyNominal RATE&&	538
Effective Interest Rate (Monthly Rate)	Effective Interest Rate entered in MLM divided by 12.	&&MonthlyEFFE CTIVERATE&&	513
Variable Rate plus or minus (%)	When an interest table is chosen, the rate added or subtracted in the "Data" window, "Data" tab.	&&RATEADDED &&	557
Nominal Interest Rate at report End Date	Nominal interest rate at the report end date.	&&INV_Interest Rate_EndDate& &	849

Nominal Interest Rate (at Current Date)	Nominal interest rate at the current date (today's date).	&&INV_Interest Rate_ToDate&&	850
Interest Accrued (entire Loan)	Total accrued interest for the entire length of the loan regardless of the report dates.	&&LOANTOTALI NT&&	517
Interest Accrued (for period)	Accrued interest (as opposed to paid or due interest).	&&INV- INTEREST&&	715
Interest Accrued from last payment Paid (entire Loan/report End Date) (0.00 if no payment)	Accrued interest from the last payment that is "Paid" (Line status = "Paid Pmt", "Paid Pmt 2 to 20", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check" or "Add. Pmt"), at 0:00 (so interest for that first day is included) until the end date of the report.	&&INV_ACCRUE D-INT&&	719
	Amount "Paid" must not necessarily be greater than 0.00, so be careful.		
	If a report between two dates is requested and no "Paid" payment is included in the report time period, then MLM will "search" for the last "Paid" payment before the report start date and include the accrued interest as of this payment until the report end date.		
	If the entire loan contains no "Paid" Line status or if the payment is paid after the report end date, 0.00 will be returned.		
	Lines with any other status ("Due Pmt", "Unpaid Pmt", "Fees", "Fees paid", "Information", "Add. principal", "Other", etc.) are not factored in.		
	See the diagrams that explain the various scenarios for Accrued interest in the "Accounting Data" section.		
Interest Accrued from last payment Paid (entire Loan/report End Date)	Same explanations as above (Interest Accrued since last payment Paid (entire loan/report End Date)(0.00 if no payment)) taking into account the fact that if the loan contains no "Paid" type Line statuses, the TOTAL accrued interest for the report period will be returned.	&&INV_ACCRUE D-2-INT&&	718
Interest Accrued from last payment Paid (at Current Date (0.00 if no payment)	Accrued interest from the last payment tagged as "Paid" (Line status = "Paid Pmt", "Paid Pmt 2 to 20", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check", "Add. Pmt" or "Compensatory Pmt"), at 0:00(so interest for that first day is included) up to the current date.	&&INV_ACCRUE D-INT_TODATE& &	717
	Amount "Paid" must not necessarily be greater than 0.00 so be careful.		
	Lines with any other status ("Due Pmt", "Unpaid Pmt", "Fees", "Fees paid", "Information", "Add. principal", "Other", etc.) are not factored in.		
	If the entire loan contains no "Paid" type Line status 0.00 will be returned.		
Interest Accrued from last payment Paid (at Current Date)	Same explanation as above with the exception that if the entire loan contains no "Paid" Line status type, the amount of interest accrued up to the current date will be returned.	&&INV_ACCRUE D-2-INT_TODAT E&&	716

Interest Accrued from last payment	Same explanations as above (Interest Accrued since last	&&INV_ACCRUE D-INT-2&&	721
Paid (for period/report End Date)(0.00 if no payment)	payment Paid (entire loan/report End Date)(0.00 if no payment)) but reporting interest amounts as described below:	D-IN1-2&&	
	1) if the last "Paid" payment is within the report period, the accrued interest portion as of such "Paid" payment, up to the report end date;		
	2) if the last "Paid" payment is before the report start date, the accrued interest for the entire period;		
	3) if the last "Paid" payment is after the report end date, the accrued interest for the entire period;		
	4) if the entire loan does not contain a "Paid" type Line status, 0.00 will be returned.		
	See explanatory diagram the "Accounting Data" section.		
Interest Accrued from last payment Paid (for period/report End Date)	Same explanations as above (Interest Accrued since last payment Paid (for period/report End Date)(0.00 if no payment)) with the exception of item 4) that would return the accrued interest for the entire period.	&&INV_ACCRUE D-2-INT-2&&	720
Interest Accrued from last payment Paid/Unpaid (0.00 if no payment) (entire Loan/report End Date)	Same explanations as above (Interest Accrued since last payment Paid (entire loan/report End Date)(0.00 if no payment)) but including all the "Unpaid" Line statuses.	&&INV_ACCRUE D- INT_GRPMT_OU T&&	722
Interest Accrued from last payment Paid/Unpaid (entire Loan/report End Date)	Same explanations as above (Interest Accrued since last payment Paid (entire loan/report End Date)) but including all the "Unpaid" Line statuses.	&&INV_ACCRUE D-2- INT_GP_OUT&&	725
Interest Accrued from last payment Paid/Unpaid (at Current Date)(0.00 if no payment)	Same explanation as above while including all "Unpaid" Line statuses.	&&INV_ACCRUE D-INT_GPTODAT E&&	724
	If the entire loan contains no "Paid" type Line status, 0.00 will be returned.		
Interest Accrued from last payment Paid/Unpaid (at Current Date)	Same explanation as above while including all "Unpaid" Line statuses and if the entire loan contains no "Paid" or "Unpaid" type Line statuses the amount of interest accrued up to the current date will be returned.	&&INV_ACCRUE D-2-INT_GPTOD ATE&&	723
Interest Accrued from last payment Paid/Unpaid (for period/report End Date)(0.00 if no payment)	Same explanations as above (Interest Accrued since last payment Paid (for period/report End Date)(0.00 if no payment)) but including all the "Unpaid" Line statuses.	&&INV_ACCRUE D- INT_GRPMT_IN &&	727
Interest Accrued from last payment Paid/Unpaid (for period/report End Date)	Same explanations as above (Interest Accrued since last payment Paid (for period/report End Date)) but including all the "Unpaid" Line statuses.	&&INV_ACCRUE D-2- INT_GRPMT_IN &&	726
Interest Accrued - Year-to-date (from January 1 to report End Date)	Interest Accrued from January 1 at 0:00 until the report End Date entered.	&&INV_INT_ACC RUED_YTD&&	701
	The year for January 1 is determined based on the report End Date entered for the report.		
	For example, for a report from June 1, 2014 until June 30, 2014, interest accrued will be effective as of 1 January 1, 2014.		
	If a full report is requested, then the amount of interest will be 0.00.		

Interest Due between Expected Payments (for period)	Interest which is due when a payment that should have been paid was not paid or was partial and insufficient to pay the accrued interest since the last paid payment or payment that should have been paid.	&&ACC_DUE_IN T&&	416
	"Due Pmt" Line statuses are NOT taken into account when determining the "Expected" payments.		
	See a more detailed explanation and an example in the " Accounting Data" section.		
Interest Charged (Line status)(for period)	See <u>Line status</u>		
Interest Charged 2 (Line status)(for period)			
(Names can be changed)			
Interest Paid (Line status)(for period)	See <u>Line status</u>		
Interest Paid (for period)	Interest actually paid as opposed to accrued interest.	&&ACC_PAID_IN T&&	417
	The Line status must be one of the following, otherwise the interest will NOT be considered PAID: "Paid Pmt", "Paid Pmt (2 to 20)", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check", "Add. Pmt" or "Compensatory Pmt". All other Line statuses will have no effect on the interest paid.		
Interest Paid (for period), Paid Pmt X (Paid Pmt, Paid Pmt 2 to 10)	In the Payment schedule, the total Interest Paid of all lines with the "Pmt Paid" -or Pmt paid (2) to (10)- Line status exclusively, for the chosen report period.	&&ACC_PaidInt_PaidPmt1&& &&ACC_PaidInt_PaidPmt2&& &&ACC_PaidInt_PaidPmt3&& &&ACC_PaidInt_PaidPmt4&& &&ACC_PaidInt_PaidPmt5&& &&ACC_PaidInt_PaidPmt5&& &&ACC_PaidInt_PaidPmt6&& &&ACC_PaidInt_PaidPmt7&& &&ACC_PaidInt_PaidPmt7&& &&ACC_PaidInt_PaidPmt8&& &&ACC_PaidInt_PaidPmt8&& &&ACC_PaidInt_PaidPmt9&& &&ACC_PaidInt_PaidPmt9&& &&ACC_PaidInt_PaidPmt9&& &&ACC_PaidInt_PaidPmt10&&	450 451 452 453 454 455 456 457 458 459
Interest Paid (for period), Paid Pmt Returned check	In the Payment schedule, the total Interest Paid of all lines with the "Pmt Paid Returned check" Line status exclusively, for the chosen report period.	&&ACC_PaidInt_ PmtCheck&&	460
Interest Paid (for period), Add. Pmt	In the Payment schedule, the total Interest Paid of all lines with the "Add. Pmt" Line status exclusively, for the chosen report period.	&&ACC_PaidInt_ PmtAdd&&	461
Interest Paid (for period), Compensatory Pmt	In the Payment schedule, the total Interest Paid of all lines with the "Compensatory Pmt" Line status exclusively, for the chosen report period.	&&ACC_PaidInt_ CompPmt&&	4610
Interest Paid (for period) - Partial and Late Payments only	In the Payment schedule, the total Interest Paid of all lines with the "Partial Pmt", Late Pmt" and "Partial Late Pmt" Line statuses exclusively, for the chosen report period.	&&ACC_PaidInt_ PmtLatePartial& &	614

Interest Paid (for period) - Interest paid Line status	In the Payment schedule, the total Interest paid of all lines with the Interest Rapid Line status exclusively, for the chosen	&&ACC_PaidInt_ StatutINT_Paid&	459.1
paid Line status	report period.	&	
Interest Paid (for period)(using Grace/ EFT Date)	Interest paid at the date entered in the "True Pmt Date (Grace/EFT)" column. The reports use this date as the transaction date as opposed to the date entered in the "Pmt Date" column. The "True Pmt Date (Grace/EFT)" may be before or after the "Pmt Date".		436
	The Line status must be one of the following, otherwise the interest will NOT be considered PAID: "Paid Pmt", "Paid Pmt (2 to 20)", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check", "Add. Pmt" or "Compensatory Pmt". All other Line statuses will have no effect on the interest paid.		
	This field and the "True Pmt Date (Grace/EFT)" should only be used to reflect payments made slightly before or after the desired "Pmt Date" if these irregularities are to have no effect on the interest computed.		
Interest to be paid at the next Due Pmt (as if Paid)(entire loan)	Amount of the interest that WILL actually be paid if the next "Due Pmt" is paid in full.	&&NextDuePay_ INTPaidAsPaid& &	558
	To find this amount, MLM identifies the next line whose Line status is "Due Pmt" regardless of the date, simulates an actual paid payment and reports the amount of interest that would be paid.		
Balance Due Interest (at current date)	See <u>Balances</u>		
Interest Paid - Year-to-date (From January 1 to report End Date)	Interest paid (as opposed to accrued) from January 1 at 0:00 up to the report end date entered.	&&INV_INT_PAI D_YTD&&	728
	The year for January 1st is determined based on the report end date entered.		
	Thus, for a report from June 1, 2014 to June 30, 2014, interest paid will be from January 1, 2014.		
	If a complete report is requested, the interest amount reported will be 0.00.		
Interest Paid - Year-to-date (From January 1 to report End Date)(using Grace/EFT Date)	Interest paid (as opposed to accrued) from January 1 at 0:00 up to the report end date entered but taking into account the date entered in the "True Pmt Date (Grace/EFT)" column. The reports use this date as the transaction date as opposed to the date entered in the "Pmt Date" column. The "True Pmt Date (Grace/EFT)" may be before or after the "Pmt Date".	&&INV_INT_PAI D_YTD_GraceDa te&&	854
	The year for January 1st is determined based on the report end date entered.		
	Thus, for a report from June 1, 2014 to June 30, 2014, interest paid will be from January 1, 2014.		
	If a complete report is requested, the interest amount reported will be 0.00.		
	This field and the "True Pmt Date (Grace/EFT)" should only be used to reflect payments made slightly before or after the desired "Pmt Date" if these irregularities are to have no effect		

	T.		
	on the interest computed.		
Balance Due Interest at 0:00 at report Start Date (before transactions on that day)	Amount of cumulative interest receivable at the report start date entered at 0:00, thus before any transaction on that day.	&&ACC_BAL_DU EINT- STARTDATE&&	410
,	If interest is added by the Line status "Interest charged" at the report start date, this amount will be exluded as it is considered a transaction for that day.		
	If the report Start date < the Origination date, we then consider that the loan did not exist at this date, thus the amount reported of 0.00.		
Balance Due Interest at report End Date	Amount of cumulative interest receivable at the report end date.	&&ACC_BAL_DU EINT&&	409
Interest on Outstanding Balance (for period)	Interest calculated on the outstanding balance amount and the interest on this outstanding amount when the calculation is done with compounding interest (effective interest method) or when a lines or lines use(s) capitalized simple interest. Interest is calculated using the "Outstanding - Total (Balance)" column.	&&Outst_INT_to tal_period&&	418
	For a simple interest calculation, the amount of interest excludes interest on interest. Interest is calculated using the "Outstanding - Payment (Balance)" column.		
Interest Balance on Outstanding Balance at report End Date	See <u>Balances</u>		
Interest Balance on Outstanding Balance at report Start Date (before transactions on that day)	See <u>Balances</u>		
Outstanding - Interest and Column Fees portion at Report End Date	See <u>Outstanding</u>		
APR - Nominal Rate	See APR		
APR - Effective Rate	See APR		
APR - Total Cost of Credit (Interest + Fees)	See APR		
APR - Total Cost of Credit (Interest + Fees)+Total Principal	See APR		
Use Interest table	Indicates whether the record uses an Interest rate table	&&TableRateUse d&&	5994
Rate Table - Percentage to Add (annual)	Specifies whether an annual percentage (up to 6 decimal places) should be added (or subtracted) to the rate when an Interest rate table is used for the Record. Often called the Spread or Margin (above or below an index or base rate).	&&TableRatePer centageToAdd& &	5995
Abbreviation Name of the Interest Table	Indicates the abbreviation name of the Interest rate table used for the Record.	&&TableRatena me&&	5996
Variable Interest rate Method	"Indicates the choice among the four options available Data tab when an Interest rate table is used: Interest rate table - Fixed rate at Origination Date Interest rate table - Rates not updated Interest rate table - Rates updated Interest rate table - Rates updated periodically"	&&TableRatesM ethod&&	[5997]
Rate Table - Frequency of changes starting on this date	Interest rate table - Frequency of rate changes starting on this date.	&&TableRatesDa teFirstChange&	5998

		&	
Rate Table - Frequency of changes every X months	Interest rate table - Frequency of rate changes every X months (reported in number of months).	&&TableRatesEv eryXMonths&&	5999
Capitalized Interest (for period)	Interest that has been capitalized for the period using the Simple capitalized interest method only, and not as compound interest using the Effective rate method.	&&INVTotalIntC apitalizedPaid& &	[7000]
Capitalized Interest (entire Loan)	Interest that has been capitalized for the entire loan using the Simple interest capitalized method only, not compound interest using the Effective Rate method.	&&LoanTotInter estCapitalized& &	7001
Capitalized Interest Paid (for period)	Interest that was capitalized but Paid for the period using the Simple Interest Capitalized method only, not compound interest using the Effective Rate Method	&&INV_TotalInt Capitalized&&	7002
Balance Capitalized Interest due at Report Start date at 0:00	Balance of interest that has been capitalized but not paid, therefore which is due, at the report's Start date (at 0:00 a.m. before any transaction of the day). Balance based on the Simple Interest Capitalized method only, not compound interest using the Effective Rate method.	&&INV_BalintDu eCap_StartDate &&	7003
Balance Capitalized Interest due at Report End Date	Balance of interest that has been capitalized but not paid, therefore which is due, at the report's End date. Balance based on the Simple Interest Capitalized method only, not compound interest using the Effective Rate method.	&&INV_BalintDu eCap_EndDate& &	7004

Line status			
Field name	Description	Merge Code	Short Merge Code
Interest to be paid at the next Due Pmt (as if paid) (entire loan)	See <u>Interest</u>		
Principal to be paid at the next Due Pmt (as if paid) (entire loan)	See <u>Principal</u>		
APR - Fees Financed to be paid at the next Due Pmt (as if paid) (entire loan)	See APR		
Due Pmt (Line status)(for period)	In the Payment schedule, the total for each "Due Pmt" Line status for the chosen report period.	&&INV-DUEPAY&&	790
Due Pmt (2)(Line status)(for period) Due Pmt (3)(Line status)(for period) Due Pmt (4)(Line status)(for period) Due Pmt (5)(Line status)(for period)	In the Payment schedule, the total amount for each individual "Due Pmt" (2) or (3) Line status, for the report's time period. These "Due Pmt" type Line statuses may be renamed as desired. To avoid any confusion, it is highly recommended to keep the words "Due Pmt" in the name. For example, "Due Pmt - Cash".	&&INV-DUEPAY2&& &&INV-DUEPAY3&& &&INV-DUEPAY4&& &&INV-DUEPAY5&&	857 858 8580 8581
Due Pmts (All and only Due Pmt type Line statuses (for period)	In the Payment schedule, the total of all lines with the "Due Pmt" Line status. This includes "Due Pmt", "Due Pmt (2)", "Due Pmt (3)", "Due Pmt (4)" and "Due Pmt (5)", the latter four as renamed. For the chosen report period.	&&INV-DUEPAY_Tot al&&	[859]

Due Pmts (All and only Due Pmt type Line statuses)(entire Loan)	In the Payment schedule, the total of all lines with the "Due Pmt" Line status. This includes "Due Pmt", "Due Pmt (2)", "Due Pmt (3)", "Due Pmt (4)" and "Due Pmt (5)", the latter four as renamed, no matter what dates are selected for the report.	&&LoanINV-DUEPAY _Total&&	8590
Paid Pmt (Line status)(for period)	In the Payment schedule, the total of all lines with the "Paid Pmt" Line status for the chosen report period.	&&INV- PAIDPAYONLY&&	778
Paid Pmt X (Line status)(for period) (Paid Pmt 2 to 20)	In the Payment schedule, the total amount for each individual "Paid Pmt" Line status (as opposed to a total for all), for the report's time period. These "Payment" type Line statuses may be renamed as desired. To avoid any confusion, it is highly recommended to keep the words "Paid Pmt" in the name.	&&INV- PAID_PMT2&& &&INV- PAID_PMT3&& &&INV- PAID_PMT4&& &&INV- PAID_PMT5&& &&INV- PAID_PMT6&& &&INV- PAID_PMT7&& &&INV- PAID_PMT7&& &&INV- PAID_PMT9&& &&INV- PAID_PMT10&& &&INV- PAID_PMT11&& &&INV- PAID_PMT11&& &&INV- PAID_PMT15&& &&INV- PAID_PMT16&& &&INV- PAID_PMT17&& &&INV- PAID_PMT17&& &&INV- PAID_PMT18&& &&INV- PAID_PMT18&& &&INV- PAID_PMT19&& &&INV- PAID_PMT10-	780 781 782 783 784 785 786 779 7901 7902 7903 7904 7905 7906 7907 7908 7909 7910
Paid Late Pmt (Line status)(for period)	In the Payment schedule, the total of all lines with the "Paid Late Pmt" Line status for the chosen report period.	&&INV- PAIDLATEONLY&&	777
Partial Pmt (Line status)(for period)	In the Payment schedule, the total of all lines with the "Partial Pmt" Line status for the chosen report period.	&&INV- PARTIALPAYONLY&&	789
Partial Late Pmt (Line status)(for period)	In the Payment schedule, the total of all lines with the "Partial Late Pmt" Line status for the chosen report period.	&&INV- PARTIALLATEONLY& &	788
Paid Pmt Returned Check (Line status) (for period)	In the Payment schedule, the total of all lines with the "Pmt Returned Check" Line status for the chosen report period.	&&INV-NSF CHECK- PAID&&	803
Interest paid (Line status = Interest Paid)(for period) Interest paid (2) to (4) as renamed (Line status = Interest Paid)(for period)	In the Payment schedule, the total of all lines with the "Interest paid" Line status for the chosen report period. Only interest will be paid with this Line status no matter if there is interest outstanding or not. This payment type can result in the "Balance Due Interest" becoming negative. Can be used for loans with "interest that is paid in advance".	&&INV- PAID_Statut_INT_Pai d&& &&INV- PAID_Statut_INT_Pai d2&& &&INV- PAID_Statut_INT_Pai d2&& &&INV- PAID_Statut_INT_Pai d3&&	779.1 779.3 779.4 779.5

		&&INV- PAID_Statut_INT_Pai d4&&	
Paid Principal (Line status = Principal Paid (for Period) Paid Principal (2) to (4) as renamed (Line status = Principal Paid (for Period)	In the Payment schedule, the total of all lines with the "Paid Principal" Line status for the chosen report period. Only Principal will be paid with this Line status no matter if there is interest outstanding or not.	&&INV_Statut_Princ _Paid&& &&INV_Statut_Princ _Paid2&& &&INV_Statut_Princ _Paid3&& &&INV_Statut_Princ _Paid4&&	779.2 779.6 779.7 779.8
Payments Paid (All and only Paid Pmt type Line statuses)(for period)	In the Payment schedule, the total of all lines with the "Payment Paid" status. This includes the these Line statuses whether payments are complete, partial, late or on time. Other positive Line statuses ("Fees paid" or other) will not be included. For the chosen report period.	&&INV-PAIDPAY&&	819
Total "Expec. Pmt" column (all Paid and Unpaid Payments) (for period)	Total amount in the "Expec. Pmt" column for the given report dates. Only "Paid" Line statuses (Paid Pmt 1 to 20, Partial Pmt, etc.) and all "Unpaid" Line status are included.	&&INV-TOTAL_EXPC TEDPAY&&	848
Add. Pmt (Line status)(for period)	In the Payment schedule, the total of all lines with the "Add. Pmt" Line status for the chosen report period.	&&INV- ADDPAYONLY&&	729
Compensatory Pmt (Line status)(for period)	In the Payment schedule, the total of all lines with the "Compensatory Pmt" Line status for the chosen report period.	&&INV- COMPPAY&&	7290
Add. Princ. (Loan) (Line status)(for period)	In the Payment schedule, the total of all lines with the "Add. Princ. (Loan)" Line status for the chosen report period. Are excluded the "Add. Princ." Line statuses that can be renamed (see below). The amount in the Payment schedule is negative but the value returned here will be positive (absolute value). The "Add. Princ. (Loan)" Line status and the Additional Principal Line statuses that can be renamed are the only negative amounts that are considered true (accounting) principal and that will affect the actual "Paid Principal" or "Balance Due Principal" columns. All other negative amounts will only affect the "Balance all others" column in a Payment schedule.	&&INV- ADDPRINC&&	730
Add. Princ. X (Line status)(for period) (Add. Princ. 2 to 10)	In the Payment schedule, the individual total of each "Add. Princ" type Line status that can be renamed, for the chosen report period. The amount in the Payment schedule is negative but the value returned here will be positive (absolute value). This Line status adds accounting principal These Line statuses may be renamed as desired. To avoid any confusion, it is highly recommended to keep the word "Principal" in the name.	&&INV- ADDPRINC2&& &&INV- ADDPRINC3&& &&INV- ADDPRINC4&& &&INV- ADDPRINC5&& &&INV- ADDPRINC6&& AddPrinc7&& &&INV- AddPrinc8&& &&INV- AddPrinc9&& &&INV- AddPrinc9&& &&INV- AddPrinc10&&	733 736 739 742 745 7470 7473 7476 7479

Add. Princ. (Loan)(interest bearing portion)(Line status)(for period)	In the Payment schedule, the total of all "Add. Princ. (Loan)" Line statuses but that bear interest, for the chosen report period.	&&INV- ADDPRINC_INT&&	731
	Are excluded the "Add. Princ." Line statuses which can be renamed.		
	The amount in the Payment schedule is negative but the value returned here will be positive (absolute value).		
Add. Princ. X (interest bearing portion)(Line status)(for period)	In the Payment schedule, the individual total of each "Add. Princ." type Line status that can be renamed and only the portion that bears interest for the chosen report period.	&&INV- ADDPRINC2_INT&& &&INV- ADDPRINC3_INT&&	734 737 740 743
(Add. Princ. 2 to 10)	The amount in the Payment schedule is negative but the value returned here will be positive (absolute value).	&&INV- ADDPRINC4_INT&& &&INV- ADDPRINC5_INT&&	746 7471 7474 7477
	These Line statuses may be renamed as desired. To avoid any confusion, it is highly recommended to keep the word "Principal" in the name.	&&INV- ADDPRINC6_INT&& AddPrinc7_INT&& &&WINV- AddPrinc8_INT&&	7480
		&&INV- AddPrinc9_INT&& &&INV- AddPrinc10_INT&&	
Add. Princ. (Loan)(no interest portion)(Line status)(for period)	In the Payment schedule, the total of all lines with the "Add. Princ. (Loan)" Line status only, but that bear no interest, for the chosen report period.	&&INV- ADDPRINC_NOINT& &	732
	Are excluded "Add. Princ." Line statuses that can be renamed.		
	The amount in the Payment schedule is negative but the value returned here will be positive (absolute value).		
Add. Princ. X (no interest portion) (Line status)(for period)	In the Payment schedule, the individual total of each "Add. Princ." type Line status that can be renamed and only the portion that bears no interest for the chosen report period.	&&INV- ADDPRINC2_NoINT& & &&INV-	735 738 741 744
(Add. Princ. 2 to 10)	The amount in the Payment schedule is negative but the value returned here will be positive (absolute value).	ADDPRINC3_NOINT& & &&INV- ADDPRINC4_NOINT&	747 7472 7475 7478
	These may be renamed as desired. To avoid any confusion, it is highly recommended to keep the word "Principal" in the name.	& & & & & & & & & & & & & & & & & & &	7478 7481
		&&INV- ADDPRINC6_NoINT&	
		&&INV- AddPrinc8_NoINT&& &&INV- AddPrinc9_NoINT&&	
		&&INV- AddPrinc10_NoINT& &	
Interest Charged (Line status)(for period)	In the Payment schedule, the total of all lines with the "Interest Charged" (or "Interest Charged 2") (as renamed) Line statuses.	&&INV-ADDINT1ONL Y&& &&INV-ADDINT2ONL Y&&	728.1 728.2
Interest Charged 2 (Line status)(for period)	The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value).	ida	

May be useful to add accrued interest "artificially" at a particular date (often at the start of a loan in order to recreate the loan history).		
Also used (rare) when the interest balance is negative to increase (repay) negative interest. A special custom report may be required for this special situation.		
In the Result Table, the individual total of each "Fees" type Line status. The amount in the Payment schedule is negative but the value returned here will be positive (absolute value). These may be renamed as desired. To avoid any confusion, it is highly recommended to keep the word "Fees" in the	&&INV-FEES&& &&INV-2Fees&& &&INV-3Fees&& &&INV-4Fees&& &&INV-5Fees&& &&INV-6Fees&&	749 750 752 754 756 758
name. In the Result Table, the individual total of each "Fees Paid" type Line status. The Fees Paid will refund their counterpart Fees charged (Fees 1 to 6).	&&INV_FEESPAID&& &&INV_FEES2PAID& & && &&WARREL && && && && && && && && && && && && &&	760 751 753 755 757 759
is highly recommended to keep the word "Fees Paid" in the name.	&&INV_FEES5PAID& & &&INV_FEES6PAID& &	
Total of Fees, Fees 2, Fees 3, Fees 4, Fees 5 and Fees 6 for the chosen report period. This will include the total of all fees even if you rename a "Fees (X)" Line status.	&&INV_FeesTotal&&	829
Total of Fees Paid, Fees 2 Paid, Fees 3 Paid, Fees 4 Paid, Fees 5 Paid, Fees 6 Paid for the chosen report period. This will include the total of fees paid even if you rename a "Fees Paid (X)" Line status.	&&INV_FeesPaidTot al&&	[830]
In the Payment schedule, the total of all lines with the "Penalty" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value).	&&INV_PENALTY&&	801
For the chosen report period.		
In the Payment schedule, the total of all lines with the "Penalty Paid" Line status for the chosen report period.	&&INV_PENALTYPAI D&&	802
In the Payment schedule, the total of all lines with the "Insurance" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value).	&&INV_INSURANCE &&	761
For the chosen report period.		
In the Payment schedule, the total of all lines with the "Insurance Paid" Line status for the chosen report period.	&&INV_INSURANCEP AID&&	762
In the Payment schedule, the total of all lines with the "Tax" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute	&&INV_TAX&&	804
	particular date (often at the start of a loan in order to recreate the loan history). Also used (rare) when the interest balance is negative to increase (repay) negative interest. A special custom report may be required for this special situation. In the Result Table, the individual total of each "Fees" type Line status. The amount in the Payment schedule is negative but the value returned here will be positive (absolute value). These may be renamed as desired. To avoid any confusion, it is highly recommended to keep the word "Fees" in the name. In the Result Table, the individual total of each "Fees Paid" type Line status. The Fees Paid will refund their counterpart Fees charged (Fees 1 to 6). These may be renamed as desired. To avoid any confusion, it is highly recommended to keep the word "Fees Paid" in the name. Total of Fees, Fees 2, Fees 3, Fees 4, Fees 5 and Fees 6 for the chosen report period. This will include the total of all fees even if you rename a "Fees (X)" Line status. Total of Fees Paid, Fees 2 Paid, Fees 3 Paid, Fees 4 Paid, Fees 5 Paid, Fees 6 Paid for the chosen report period. This will include the total of fees paid even if you rename a "Fees Paid (X)" Line status. In the Payment schedule, the total of all lines with the "Penalty" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Insurance" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Insurance" Line status. The amount in the Payment period. In the Payment schedule, the total of all lines with the "Insurance" Line status. The amount in the Payment period. In the Payment schedule, the total of all lines with the "Insurance Paid" Line status for the chosen report period.	particular date (often at the start of a loan in order to recreate the loan history). Also used (rare) when the interest balance is negative to increase (repay) negative interest. A special custom report may be required for this special situation. In the Result Table, the individual total of each "Fees" type Line status. The amount in the Payment schedule is negative but the value returned here will be positive (absolute value). These may be renamed as desired. To avoid any confusion, it is highly recommended to keep the word "Fees" in the name. In the Result Table, the individual total of each "Fees Paid" type Line status. The Fees Paid will refund their counterpart Fees charged (Fees 1 to 6). These may be renamed as desired. To avoid any confusion, it is highly recommended to keep the word "Fees Paid" in the name. Total of Fees, Fees 2, Fees 3, Fees 4, Fees 5 and Fees 6 for the chosen report period. This will include the total of all fees even if you rename a "Fees (X)" Line status. Total of Fees Paid, Fees 2 Paid, Fees 3 Paid, Fees 4 Paid, Fees 5 Paid, Fees 6 Paid for the chosen report period. This will include the total of fees paid even if you rename a "Fees Paid (X)" Line status. In the Payment schedule, the total of all lines with the "Penalty" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Insurance" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Insurance" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Insurance" Line status. The amount in the Payment schedule is negative but here amount returned he

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value).		
For the chosen report period.		
In the Payment schedule, the total of all lines with the "Tax Paid" Line status for the chosen report period.	&&INV_TAXPAID&&	805
In the Payment schedule, the total of all lines with the "Withdrawal" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value).	&&INV-WITHDR&&	[806]
For the chosen report period.		
In the Payment schedule, the total of all lines with the "Invoice" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value).	&&INV-INVOICE&&	765
For the chosen report period.		
In the Payment schedule, the total of all lines with the "Invoice Paid" Line status for the chosen report period.	&&INV_INVOICEPAI D&&	766
In the Payment schedule, the total of all lines with the "Investment" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value).	&&INV_INVESTMEN T&&	763
For the chosen report period.		
In the Payment schedule, the total of all lines with the "Investment Withdrawal" Line status for the chosen report period.	&&INV_INVEST_WIT HDR&&	764
In the Payment schedule, the total of all lines with the "Other X" Line status.	&&INV_OTHER1&& &&INV_OTHER2&& &&INV_OTHER3&& &&INV_OTHER4&& &&INV_OTHER5&& &&INV_OTHER5&& &&INV_OTHER6&& &&INV_OTHER6&& &&INV_OTHER7&& &&INV_OTHER8&& &&INV_OTHER8&& &&INV_OTHER8&& &&INV_OTHER10&&	767 769 770
For the chosen report period. "Other" statuses should be used carefully and in a consistent manner. For example, "Other 1" could be one type of transaction not included in the multiple Line status choices available. Once its vocation determined, it should always retain this special status (this should be written down in the your <i>internal user guide</i>) so that all users follow this nomenclature.		771 772 773 774 775 776 768
For accounting purposes, the "Other" statuses will affect the "Balance all others" column in the Payment schedule.		
These may be renamed as desired. To avoid any confusion, it is highly recommended NOT to use these as payments or as addition principal since they will not, from an accounting perspective, refund Principal and Interest. Instead use the "Payment" or "Add. Princ." type Line statuses while renaming according to the type of transaction.		
See <u>Principal</u>		
	For the chosen report period. In the Payment schedule, the total of all lines with the "Tax Paid" Line status for the chosen report period. In the Payment schedule, the total of all lines with the "Withdrawal" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Invoice" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Invoice Paid" Line status for the chosen report period. In the Payment schedule, the total of all lines with the "Investment" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Investment Withdrawal" Line status for the chosen report period. In the Payment schedule, the total of all lines with the "Other X" Line status. For the chosen report period. "Other" statuses should be used carefully and in a consistent manner. For example, "Other 1" could be one type of transaction not included in the multiple Line status choices available. Once its vocation determined, it should always retain this special status (this should be written down in the your internal user guide) so that all users follow this nomenclature. For accounting purposes, the "Other" statuses will affect the "Balance all others" column in the Payment schedule. These may be renamed as desired. To avoid any confusion, it is highly recommended NOT to use these as payments or as addition principal since they will not, from an accounting perspective, refund Principal and Interest. Instead use the "Payment" or "Add. Princ." type Line statuses while renaming according to the type of transaction.	In the Payment schedule, the total of all lines with the "Tax Paid" Line status for the chosen report period. In the Payment schedule, the total of all lines with the "Withdrawal" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Invoice" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Invoice Paid" Line status for the chosen report period. In the Payment schedule, the total of all lines with the "Investment" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Investment" Line status. The amount in the Payment schedule is negative but the amount returned here will be positive (absolute value). For the chosen report period. In the Payment schedule, the total of all lines with the "Investment Withdrawal" Line status for the chosen report period. In the Payment schedule, the total of all lines with the "Other X" Line status. For the chosen report period. In the Payment schedule, the total of all lines with the "Other X" Line status. For the chosen report period. In the Payment schedule, the total of all lines with the "Other X" Line status. For the chosen report period. In the Payment schedule, the total of all lines with the "Other X" Line status. For the chosen report period. In the Payment schedule, the total of all lines with the "Other X" Line status. For the chosen report period. In the Payment schedule, the total of all lines with the "Other X" Line status. For the chosen report period. In the Payment schedule, the total of all lines with the "Other X" Line status. For the chosen report period. In the Paym

	An adjustment could be any type of adjustment required (interest, principal or other) to reach the right balance at a point in time. For the chosen report period. From an accounting perspective, an Adjustment will not refund Principal nor Interest. Instead use the "Payment" or "Add. Princ." type Line statuses while renaming according to the type of transaction.		
Next Due Pmt - Amount (entire Loan)	See <u>Payments</u>		
Next Due Pmt - Amount (entire Loan) (all same day)	See <u>Payments</u>		
Next Due Pmt - Date (entire Loan)	See <u>Payments</u>		
Next Due Pmt - Balance (as if Paid) (entire Loan)	See <u>Payments</u>		
Next Due Pmt - Balance Due Principal (as if Paid)	See <u>Principal</u>		
APR- Next Due Pmt - Balance Due Fees Financed (as if paid) (entire Loan)	See <u>APR</u>		
Amount Due: Due Pmt + Outstanding + all Fees + Penalties (for period)	Depending on your working method, will give the total that is due for the period entered but by taking into account only some very specific Line statuses. Includes the total for the "Due Pmt" Line statuses and all "Fees" (all 6) and "Penalties" in addition to the balance shown in the "Outstanding - Total (Balance)" column, at the report end date (including interest on the outstanding amount). Be careful, if for example, a Fees 2 is charged but a Fees 2 Paid line pays all of these fees, this calculation will not take into account this payment, but only the Fees 2 amount. You are encouraged to create Mathematical Equations to meet your specific needs.	&&INV_Tot_Due_A mount&&	702
Next Due Minimum Payment - Amount (entire Loan)	See <u>Payments</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Amount	See <u>Payments</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Balance	See <u>Payments</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Date	See <u>Payments</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Line status	See <u>Payments</u>		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Amount	See <u>Payments</u>		

Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Balance	See <u>Payments</u>	
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Date	See <u>Payments</u>	
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Line status	See <u>Payments</u>	
Last Paid payment (all Paid Line statuses)(in period) - Amount	See <u>Payments</u>	
Last Paid payment (all Paid Line statuses)(in period) - Expected Pmt Amount	See <u>Payments</u>	
Last Paid payment (all Paid Line statuses)(in period) - Balance	See <u>Payments</u>	
Last Paid payment (all Paid Line statuses)(in period) - Date	See <u>Payments</u>	
Last Paid Payment (all Paid Line statuses)(in period) - True Pmt Date (Grace)	See <u>Payments</u>	
Last Paid payment (all Paid Line statuses)(in period) - Line status	See <u>Payments</u>	
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Amount	See <u>Payments</u>	
Last Paid/Unpaid Payment (only Paid and Unpaid Line statuses)(in period) - Expected Pmt Amount	See <u>Payments</u>	
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Balance	See <u>Payments</u>	
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Date	See <u>Payments</u>	
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Computational Balance	See <u>Payments</u>	
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Line status	See <u>Payments</u>	
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Computational Balance	See <u>Payments</u>	
Last Transaction (in period) - Computational Balance	See <u>Payments</u>	
Last Transaction (in period) - True Balance	See <u>Payments</u>	

Interest Accrued from last payment Paid (entire Loan/report End Date) (0.00 if no payment)	See <u>Interest</u>		
Interest Accrued from last payment Paid (entire Loan/report End Date)	See <u>Interest</u>		
Interest Accrued from last payment Paid (for period/report End Date) (0.00 if no payment)	See <u>Interest</u>		
Interest Accrued from last payment Paid (for period/report End Date)	See Interest		
Interest Accrued from last payment Paid/Unpaid (entire Loan/report End Date)(0.00 if no payment) (entire Loan/report End Date)	See <u>Interest</u>		
Interest Accrued from last payment Paid/Unpaid (entire Loan/report End Date)	See <u>Interest</u>		
Interest Accrued from last payment Paid/Unpaid (for period/report End Date)(0.00 if no payment)	See <u>Interest</u>		
Interest Accrued from last payment Paid/Unpaid (for period/report End Date)	See <u>Interest</u>		
Interest Accrued from last payment Paid/Unpaid (at Current Date) (0.00 if no payment)	See <u>Interest</u>		
Interest Accrued from last payment Paid/Unpaid (at Current Date)	See <u>Interest</u>		
Interest Accrued from last payment Paid (at Current Date) (0.00 if no payment)	See <u>Interest</u>		
Interest Accrued from last payment Paid(at Current Date)(0.00 if no payment)	See <u>Interest</u>		
Partial Payment (and partial late) - Total unpaid portions (report end Date)	In the Payment schedule, the "Expected Pmt" column amount minus the actual amount paid. Line status to obtain data is "Partial Pmt" or "Partial Late Pmt".	&&INV- PARTIALPAYBAL&&	818
	For the end date entered in the report		
Returned Checks - Total Unpaid portion (for period)(report end Date)	In the Payment schedule, the "Expected Pmt" column amount minus the actual amount paid (amount paid should be 0.00 since the check is returned). Line status to obtain data is "Returned check".	&&INV-NSF CHECK&&	[828]
	For the end date entered in the report		
Unpaid Pmt (Line status) - Total unpaid portions(report end Date)	In the Payment schedule, the "Expected Pmt" column amount minus the actual amount paid (amount paid should be 0.00). Line status to obtain data is "Unpaid Pmt".	&&INV- UNPAIDPAY&&	800
	For the end date entered in the report		

Unpaid Pmt (2) to (10) (Line status) - Total Unpaid portions (report end Date)	In the Payment schedule, the "Expected Pmt" column amount minus the actual amount paid (amount paid should be 0.00). Line status to obtain data is "Unpaid Pmt (X)" (according to the new Line status name given). For the end date entered in the report	&&INV- UNPAID2PAY&& &&INV- UNPAID3PAY&& &&INV- UNPAID4PAY&& &&INV- UNPAID5PAY&& &&INV- UNPAID6PAY&& &&INV- UNPAID7PAY&& &&INV- UNPAID7PAY&& &&INV- UNPAID8PAY&& &&INV- UNPAID9PAY&& &&INV- UNPAID9PAY&& &&INV- UNPAID10PAY&&	792 793 794 795 796 797 798 799 791
Total Unpaid portions (All Unpaid Pmts, Partial, Returned checks) (report end Date)	Field was created before the arrival of Outstanding amounts. For more complete data, it is suggested to use the "Overdue" field. In the Payment schedule, the "Expected Pmt" column amount minus the actual amount paid taking into account of all the unpaid, partial, partial late and returned check payments (including the unpaid custom fields) Line statuses. Please note that in this total, MLM takes into account only the Line statuses named in the paragraph above. For example, a payment of 300 (Line status "Paid Pmt 2") is associated to an "Expected Pmt" of 1000. The 700 difference will not be included since the Line status is a "Paid Pmt" and not one of the unpaid or partial payment Line statuses. For the end date entered in the report	&&INV_UNPAIDPOR TION-TOTAL&&	704
Number of occurrences of the select Line status (for period)	See <u>Tally</u>		
Number of occurrences of Due Pmt (for period)	See <u>Tally</u>		
Number of occurrences of Unpaid Pmt (for period)	See Tally		
Number of occurrences of Add. Princ. (Loan) (for period)	See <u>Tally</u>		
Number of occurrences of all Due Pmt (for period)	See <u>Tally</u>		

Loan Data			
Field name	Description	Merge Code	Short Merge Code
MLM Record identification	Unique system identification number. Once a Record is assigned a number, this number is never again assigned. The MLM Record Identification starts at 100 by default, but	&&RECORDID&&	531

	can be modified to start at 1000 or 10000 for example by pressing the "Ctrl Alt Shift I" keys in Tools > Settings .		
Record Unique Identifier 1	Identifier allowing to create a link between the loan itself and third-party software. This identifier must be unique, thus can not be repeated.	&&RECORDUniqueID 1&&	551
Record Unique Identifier 2	Identifier allowing to create a link between the loan itself and third-party software. This identifier must be unique, thus can not be repeated.	&&RECORDUniqueID 2&&	552
File Number	File number assigned by the user.	&&CLT-FILE&&	136
	Can include any type of characters (numeral, text, special characters, space, etc.).		
File Number (Numeric)	File number assigned by the user.	&&CLT- FILE_NUM&&	137
	Can only be a whole number (no punctuation or spaces).		
Accounting ID	Unique client (Borrower) identification that could be generated by your accounting system for this loan.	&&CLT- ACC_NUM&&	101
	Must be entered manually in MLM.		
	Useful for producing reports that are then imported into your accounting package.		
	See Export accounting transactions to the General Ledger.		
Record Type	Often the type of loan - car, mortgage, personal, commercial, etc.	&&CLT-TYPE&&	139
	Also useful in identifying loans as an asset or liability for the organization that uses MLM.		
	A scroll menu may be created for this field and may be used as a <u>Display filter</u> in the Record Summary window.		
Record Date	Often the date the Record was opened. The user must insert the date. The system does not add a date automatically.	&&CLT-DATE&&	138
Record Status	Includes Draft, Pending, Active, On Hold, Closed, Archived and Bad Debt. This is set by the user.	&&RECSTATUS&&	550
Active Records - Sub-Status (Current date if AUTO	For Active Records only, sub-statuses for these Records only. Sub-statuses are used to view the age of the accounts or for other reasons related to payment habits.	&&LoanActiveSubCa t&&	502
	The sub-statuses are automatically calculated when left at "AUTO" in the "Data" window, "Data" tab or can be adjusted manually.		
	In MLM's Main window (Record Summary window) and in all reports, the calculation is solely based on the current date, regardless of the report date.		
	See the <u>Ageing of Accounts</u> chapter.		
Metro 2 - Active Records	Metro 2 code based on the Active Record's sub-status.	&&LoanActiveMetro 2&&	501
	In MLM's Main window (Record Summary window) and in all reports, if the sub-status is calculated (set to "AUTO" in the "Data" tab of the "Data" window) the sub-status calculation and the corresponding Metro 2 code will be based on the current date, regardless of the report date.		

Record submitted to Metro 2	Record selected to be in the Metro 2 report	NA	NA
Record Owner	User responsible for the Record. "General" tab of the "Data" window.	&&fi_User&&	549
Maximum Credit	Reports the maximum credit amount allowed for the loan. This is entered by the user under Data > General. This is not a calculated amount but an optional amount entered.	&&MaximumCredit &&	560
Loan Origination Date	See <u>Dates</u>		
Loan First Payment Date (Original)	See <u>Dates</u>		
Loan Origination Date + 12 months	See <u>Dates</u>		
Loan End Date	See <u>Dates</u>		
Compounding	Compounding (capitalization) period - annual, monthly, daily, etc.	&&COMPPERIOD&&	506
Period of payments (Original)	Frequency at which payments are made based on the frequency entered in the "Data" window. Caution, this will not factor in the changes made in the Payment schedule.	&&PAYPERIOD&&	542
Period of payments (Original) (Including Days)	Frequency at which payments are made based on the frequency entered in the "Data" window. Caution, this will not factor in the changes made in the Payment schedule. If the "Payment Frequency" is by "Days", this will indicate	&&PAYPERIOD2&&	563
	 the number of days with the format "Every x days". For example: Every 10 days For these common payment frequencies, the following texts 		
	 will be generated: 1 day: Daily 7 days: Weekly 14 days: Every two (2) weeks 21: Every three (3) weeks 28: Every four (4) weeks 		
Payment Method	Entered in the Record's "Data"	&&MethPmt&&	593
Days per payment period	If the "Payment Frequency" is by "Days", this will indicate the number of days. For example every 7, 14, 10 days, etc. This will not factor in the changes made in the Payment schedule.	&&PAYDAYS&&	511
Days (number) in Loan (up to last line of Payment schedule)	Number of days between the beginning and the end of the loan. Regardless of the dates entered for the report, the data of the entire loan will be returned as long as the loan is within the entered period (start date or end date of the loan). Regardless of the choice to include or exclude the transactions and interest for the last day when producing the report, the number of days reported will include the start date of the loan, but exclude the last day.	&&LoanNumberDays &&	510
Days (number) in Loan (up to last line of Payment schedule)(Payment >0)	Number of days between the beginning and the end of the loan but taking into account only the last line whose payment is greater than 0.00. If the last line includes a negative payment, this line will be ignored and the line	&&Days_LoanStartT oEnd&&	[509]

	above with a positive payment will be considered the loan end date.		
	Regardless of the dates entered for the report, the data of the entire loan will be returned as long as the loan is within the entered period (start date or end date of the loan).		
	Regardless of the choice to include or exclude the transactions and interest for the last day when producing the report, the number of days reported will include the start date of the loan, but exclude the last day.		
Principal (Original)	See Principal		
Principal (Original) (for period)	See Principal		
Original Balance from Data window		&&OriginalBalance& &	5500
APR - Principal (Original) + Fees Financed	See <u>APR</u>		
APR - Principal (Original) + Fees Financed (for period)	See <u>APR</u>		
Amortization period (Original)	Number of payments entered in the "Amortization" field in the "Data" window (and not the number of payments in the Payment schedule).	&&LOANTERM&&	503
	Period over which the loan is repaid.		
	If the number of payments is reduced or increased in the Payment schedule, the original amortization period will nevertheless be reported.		
Amortization period (Original) less 1 payment	Number of payments entered in the "Amortization" field in the "Data" window subtracting one (1) payment.	&&TOTPmtMinus1& &	504
	Useful in a contract or letter that states the number of payments of a certain amount and a last (or first) payment of another amount.		
	If the number of payments is reduced or increased in the Payment schedule, the original amortization period will nevertheless be reported.		
Amortization period (Original) less 2 payments	Number of payments entered in the "Amortization" field in the "Data" window subtracting two (2) payments.	&&TOTPmtMinus2& &	505
	Useful in a contract or letter that states the number of payments of a certain amount and last AND first payments of other amounts.		
	If the number of payments is reduced or increased in the Payment schedule, the original amortization period will nevertheless be reported.		
Term (Original)	Number of payments entered in the "Term" field in the "Data" window (and not the number of payments in the Payment schedule).	&&PAYTERMS&&	553
	The "Term" is often equal to the Amortization period.		
	For a 25 year mortgage, the term could be 5 years for example.		

			1
	If the number of payments is reduced or increased in the Payment schedule, the original Term will nevertheless be reported.		
Nominal Interest Rate	See <u>Interest</u>		
Effective Interest Rate	See <u>Interest</u>		
Nominal Interest Rate (Monthly Rate)	See <u>Interest</u>		
Nominal Interest Rate (Daily rate)	See <u>Interest</u>		
Effective Interest Rate (Monthly rate)	See <u>Interest</u>		
Nominal Interest Rate at report End Date	See <u>Interest</u>		
Nominal Interest Rate (at Current Date)	See <u>Interest</u>		
Payment Amount (Original)	See <u>Payments</u>		
First positive transaction - Amount	See <u>Payments</u>		
First positive transaction - Date	See <u>Payments</u>		
First negative transaction - Date	Very first date of the Payment schedule with a negative transaction amount.	&&FirstNegativeTran sDate&&	5001
First negative transaction - Amount	Amount of the first negative transaction of the Payment schedule.	&&FirstNegativeTran sAmount&&	5002
First negative transaction - Balance	Balance of the first negative transaction amount of the Payment schedule.	&&FirstNegativeTran sBalance&&	5003
First negative transaction - Line status	Line status of the first negative transaction amount of the Payment schedule.	&&FirstNegativeStat usID&&	5004
Last positive transaction - Amount	See <u>Payments</u>		
Last positive transaction - Date	See <u>Payments</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Amount	See <u>Line status</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Balance	See <u>Payments</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Date	See <u>Dates</u>		
Last Paid payment (all Paid Line statuses)(entire Loan) - Line status	See <u>Line status</u>		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Amount	See <u>Line status</u>		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Balance	See <u>Payments</u>		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(entire Loan) - Date	See <u>Dates</u>		

Line status of line of last Paid or	See <u>Line status</u>		
Unpaid (only Paid and Unpaid Line statuses)(entire loan) - Line status			
Currency - Symbol	Will be the currency symbol (\$, €, £, F, etc.) assigned for the Record. If multiple currencies are not used, then the Windows currency symbol will be displayed.	&&CURRENCY- Symbol&&	508
Currency - Abbreviation	Will be the currency abbreviation (USD, CAD, EUR, etc.) for the Record. If multiple currencies are not used, then the field will be left blank.	&&CURRENCY- Abrev&&	507
	An abbreviation for the Windows default currency should be defined in Tools.		
Record Other Information	Data contained in the "General" tab of the "Data" window.	&&LoanOtherInfo& &	548
Notes	Data contained in the "General" tab of the "Data" window.	&&RecordNotesTXT_ Partial&&	540
Borrower Loan Security (Description and Amount)	This usually contains the amount and description of the loan security. The two elements will appear in a single cell.	&&CLT-SECURITIES& &	113
	These data are associated with the loan as such, and not directly to the Borrower.		
Co-Borrower X - Loan Security (Description and Amount)	"Security" field for the Co-Borrower.	&&CLT-SECURITIES_ CoBor1&&	127 133
(Co-Borrower 1 to 9)	These data are associated with the loan as such, and not directly to the Co-Borrower.	&&CLT-SECURITIES_ COBOr2&& &&CLT-SECURITIES_ COBOr3&& &&CLT-SECURITIES_ COBOr4&& &&CLT-SECURITIES_ COBOr5&& &&CLT-SECURITIES_ COBOr6&& &&CLT-SECURITIES_ COBOr7&& &&CLT-SECURITIES_ COBOr7&& &&CLT-SECURITIES_ COBOr8&& &&CLT-SECURITIES_ COBOR9&&	155 165 188 189 190 191 192 193
Calculation Method	See <u>Advanced</u>		
Day Count	See <u>Advanced</u>		
Year Base	See <u>Advanced</u>		
Short Period Method	See <u>Advanced</u>		
Grace period (Days)	See <u>Advanced</u>		
Number of Records	See <u>General</u>	NA	NA
Total number of files attached to the Record	Data tab > General > Attached Documents button.	&&Loan_AttachedFil es_Num&&	575
Size in (Kb) of all files attached to the Record	Data tab > General > Attached Documents button.	&&Loan_AttachedFil es_size&&	576
Method Interest-only	Returns the method used for calculating the Interest-only payment for "Due Pmt" type lines that have the special recalculation Behavior.	&&IntOnlyMethod& &	5991
	1 - Refund all outstanding interest 2 - Refund only interest for the period		

	Mostly used simply to make sure all loans follow the same method.		
Method Fixed Principal	Returns the method used for calculating the Fixed Principal payment for "Due Pmt" type lines that have the special recalculation Behavior. 1- Refund principal and ALL outstanding interest first 2- Refund principal and interest FOR THE PERIOD only 3- Refund principal WITHOUT refunding outstanding interest Mostly used simply to make sure all loans follow the same method.	&&FixedCapMethod &&	5992
Use Interest table	See Interest		
Rate Table - Percentage to Add (annual)	See Interest		
Abbreviation Name of the Interest Table	See Interest		
Variable Interest rate Method	See Interest		
Rate Table - Frequency of changes starting on this date	See Interest		
Rate Table - Frequency of changes every X months	See Interest		

Outstanding

CAUTION: Good management of the "Expected payment" column is required. Otherwise, data generated could be wrong.

Field name	Description	Merge Code	Short Merge Code
Active Records - Sub-Status (Current date if AUTO)	See <u>Loan Data</u>	&&LoanActiveSubCa t&&	502
Metro 2 - Active Records	See <u>Loan Data</u>	&&LoanActiveMetro 2&&	501
Outstanding - Payment (Balance) report End Date	Cumulative balance of the amount that should have been paid ("Payment" column) but that is outstanding. This column subtracts the amount entered in the "Payment" column from the amount entered in the "Expec. Pmt" column at the end date entered of the report. The outstanding amount does not include amounts that may	&&OUTSTANDINGLA STDAY&&	419

	be due with the addition of fees, insurance, penalties, or others.		
Outstanding - Payment (Balance) report Start Date (before transactions on that day)	Cumulative balance amount required to be paid ("Payment" column) but that is outstanding at 0:00 in the morning, thus before any transaction on that day.	&&OUTSTANDINGFI RSTDAY&&	420
	This column subtracts the amount in the "Payment" column from the amount in the "Expec. Pmt" column.		
	Particular cases:		
	• Report between two dates: if the report Start date < = Origination date: returns 0.00.		
	● "Full report" and "Report up to": returns 0.00.		
Outstanding - Payment (Variation for period)	Difference between the outstanding balance (Payment) at the start of the period from the outstanding balance at the end of the period.	&&OUTSTANDING- PAID&&	421
	However, the amount is inversed in order for a balance increase to be represented by a positive amount and a decrease to be represented by a negative amount.		
Interest on Outstanding Balance (for period)	See <u>Interest</u>		
Interest Balance on Outstanding Balance at report End Date	See <u>Balances</u>		
Interest Balance on Outstanding Balance at report Start Date (before transactions on that day)	See <u>Balances</u>		
Outstanding - Total (Balance) at report End Date	Amount of the "Outstanding - Total (Balance)" column at the report end date.	&&Outst_Total_End Date&&	422
Outstanding Total (Balance) (at Current Date	Amount of the "Outstanding - Total (Balance)" column at the current date.	&&Outst_Total_ToD ate&&	423
Outstanding - Total (Balance) at report Start Date (before transactions on that day)	Amount of the "Outstanding - Total (Balance)" column at the report start date, at 0:00 in the morning, thus before any transaction on that day.	&&Outst_Total_Start Date&&	424
	Particular cases:		
	• Report between two dates: if the report Start date < = Origination date: returns 0.00.		
	"Full report" and "Report up to": returns 0.00.		
Outstanding - Total (Variation for the period)	Difference between the total outstanding balance at the start of the period from the total outstanding balance at the end of the period.	&&Outst_Total_Vari ation&&	425
	However, the amount is inversed in order for a balance increase to be represented by a positive amount and a decrease to be represented by a negative amount.		
Outstanding – Interest and Column Fees portion at Report End Date	Portion of the outstanding amount (payment only, not the interest on the outstanding amount) representing the Interest and the Column Fees.	&&OUTSTANDINGLA STDAY&&	831
	Reports the Due interest and the Due Column Fees (sum of		

the 6 Column Fees) at the report end date yet without exceeding the amount that is outstanding.		
Portion of the outstanding amount (payment only, not the interest on the outstanding amount) representing the Principal.	&&Outst_PRINC_End Date&&	832
The calculation is performed as such: "Outstanding-Payment (Balance) at report End Date" minus Balance Due Interest minus Due Column Fees (sum of the 6 Column Fees), thereby determining the Principal portion.		
If multiple payments are missed and the interest and Column Fees not refunded, the result can often be 0.00.		
See <u>Line status</u>		
Outstanding payment balance at 0 to 29 days. One or many payments have not been paid but are less than 30 days late.	&&LateAmount_curr ent&&	401
The oldest outstanding amounts are always paid before the more recent amounts.		
See also the important Ageing of Accounts section and make sure to understand the reference date for the ageing of accounts which is either the report end date or more often, the current date. In the Main MLM window, the ageing is always calculated based on the current date.		
Outstanding payment balance at 30 to 59 days.	&&LateAmount_30- 59&&	405
See the explanation for the <i>Ageing Balance 0-29 days</i> (Current) feld.		
Outstanding payment balance at 60 to 89 days.	&&LateAmount_60- 89&&	406
See the explanation for the <i>Ageing Balance 0-29 days</i> (<i>Current</i>) feld.		
Outstanding payment balance at 90 to 119 days	&&LateAmount_90- 119&&	407
See the explanation for the <i>Ageing Balance 0-29 days</i> (Current) feld.		
Outstanding payment balance at 120 to 149 days.	&&LateAmount_120 -149&&	402
See the explanation for the <i>Ageing Balance 0-29 days</i> (Current) feld.		
Outstanding payment balance at 150 to 179 days.	&&LateAmount_150 -179&&	403
See the explanation for the <i>Ageing Balance 0-29 days</i> (<i>Current</i>) feld.		
Outstanding payment balance at 180 and more.	&&LateAmount_180 Plus&&	404
See the explanation for the <i>Ageing Balance 0-29 days</i> (Current) feld.		
Total balance of Outstanding payments at 30 days and more.	&&LateAmount_Tot	408
See the explanation for the <i>Ageing Balance 0-29 days</i>	_30Plus&&	
	exceeding the amount that is outstanding. Portion of the outstanding amount (payment only, not the interest on the outstanding amount) representing the Principal. The calculation is performed as such: "Outstanding-Payment (Balance) at report End Date" minus Balance Due Interest minus Due Column Fees (sum of the 6 Column Fees), thereby determining the Principal portion. If multiple payments are missed and the interest and Column Fees not refunded, the result can often be 0.00. See Line status Outstanding payment balance at 0 to 29 days. One or many payments have not been paid but are less than 30 days late. The oldest outstanding amounts are always paid before the more recent amounts. See also the important Ageing of Accounts section and make sure to understand the reference date for the ageing of accounts which is either the report end date or more often, the current date. In the Main MLM window, the ageing is always calculated based on the current date. Outstanding payment balance at 30 to 59 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 60 to 89 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 120 to 119 days See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 120 to 149 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 150 to 179 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 180 and more. See the explanation for the Ageing Balance 0-29 days (Current) feld.	exceeding the amount that is outstanding. Portion of the outstanding amount (payment only, not the interest on the outstanding amount) representing the Principal. The calculation is performed as such: "Outstanding-Payment (Balance) at report End Date" minus Balance Due Interest minus Due Column Fees (sum of the 6 Column Fees), thereby determining the Principal portion. If multiple payments are missed and the interest and Column Fees not refunded, the result can often be 0.00. See Line status Outstanding payment balance at 0 to 29 days. One or many payments have not been paid but are less than 30 days late. The oldest outstanding amounts are always paid before the more recent amounts. See also the important Ageing of Accounts section and make sure to understand the reference date for the ageing of accounts which is either the report end date or more often, the current date. In the Main MLM window, the ageing is always calculated based on the current date. Outstanding payment balance at 30 to 59 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 60 to 89 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 120 to 149 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 120 to 149 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 150 to 179 days. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 180 and more. See the explanation for the Ageing Balance 0-29 days (Current) feld. Outstanding payment balance at 180 and more. See the explanation for the Ageing Balance 0-29 days (Current) feld.

Number of days of delinquency	Number of days from the last payment that pays off outstanding amounts either at the report end date or, in the Main window (Record Summary), at the current date.	&&ACC_NumDaysDe linquency&&	430
	The oldest outstanding amounts are always paid before the more recent amounts thus moving the number of days delinquency forward as payments are made.		
Amount due at Current Date (final balance = 0.00)	Is used to obtain at report End Date (0:00 AM, therefore excluding the interest for the day), the amount that is really past due (including fees, interest, principal and others) and required for the Borrower to be up to date in his payments.	&&ACC_AmountDu_ Bal0_ToDate&&	4301
	When the final balance of the Record is greater than 0.00, it will calculate at the report End Date, the amount that would be required for the final balance of the Record to be 0.00.		
	If the report End Date already includes a payment, there will be no impact on the amount due calculated so the normal payment that was to be paid at report End Date should be added to the amount due that was calculated by this variable in order to provide a total amount due at the report End Date.		
	Equals 0.00 if the final balance is already 0.00 or less (will not give a negative amount if the Borrower paid more than expected). It is therefore important to ensure that the last payment is not automatically recomputed in the payment schedule to give a balance of 0.00 (lump sum payment on the last line).		
	Equals the amount of the last line of the payment schedule if the report End Date is after the last line of the payment schedule.		
	Should not be 0.00 if there is an outstanding amount in the Record. If this is the case, check the amounts in the "Expected Pmt" column of the payment schedule.		
	PLEASE NOTE: if a transaction, such as additional principal is entered in the future, thus after the report End Date, and if this transaction results in a final balance is greater than 0.00, the payment required on the report End Date will still be calculated, even if at the report End Date, no amount was outstanding.		
	Subtlety when report End Date = last date of the payment schedule and when there is a payment on this date. The amount due calculated will factor in the final balance, therefore with that payment included (0:00 + AM). Otherwise, if not on the final payment line, the calculation simulates the insertion of a line BEFORE transactions on this date, therefore at 0:00 AM.		
Amount due at Current Date (final balance = original balance or new balance entered)	Is used to obtain at current date (0:00 AM, therefore excluding the interest for the day), the amount that is really past due (including fees, interest, principal and others) and required for the Borrower to be up to date in his payments in order to reach the final balance initially entered or the new desired balance when the Balance = X box is checked (below to the left in the payment schedule).	ACC_AmountDu_Bal X_ToDate	4302

	When the final balance of the Record is greater than the original balance or the new balance entered, it will calculate at the current date, the amount that would be required for the final balance of the Record to be the original balance or the new balance entered. If the current date already includes a payment, there will be no impact on the amount due calculated so the normal payment that was to be paid at current date should be added to the amount due that was calculated by this variable in order to provide a total amount due at the current date. Equals 0.00 if the final balance is already the original balance or the new balance entered or less (will not give a negative amount if the Borrower paid more than expected). It is therefore important to ensure that the last payment is not automatically recomputed in the payment schedule to give a balance = X (lump sum payment on the last line). Equals the amount of the last line of the payment schedule if the current date is after the last line of the payment schedule. Should not be 0.00 if there is an outstanding amount in the Record. If this is the case, check the amounts in the "Expected Pmt" column of the payment schedule. If the original balance or the new balance entered is negative (ex.: -200.00) is smaller that the finale balance (ex.: 0.00) will calculate a positive payment (200.00 in this example) since the Borrower will need to pay this amount in order for the Creditor to "owe" 200.00 to the Borrower. PLEASE NOTE: if a transaction, such as additional principal is entered in the future, thus after the current date, and if this transaction results in a final balance is greater than the original balance or the new balance entered, the payment required on the current date will still be calculated, even if at the current date, no amount was outstanding. Subtlety when current date = last date of the payment schedule and when there is a payment on this date. The amount due calculated will factor in the final balance, therefore with that payment included		
Amount due at report End Date (final balance = 0.00)	Is used to obtain at report End Date (0:00 AM, therefore excluding the interest for the day), the amount that is really past due (including fees, interest, principal and others) and required for the Borrower to be up to date in his payments. When the final balance of the Record is greater than 0.00, it will calculate at the report End Date, the amount that would be required for the final balance of the Record to be 0.00. If the report End Date already includes a payment, there will be no impact on the amount due calculated so the normal payment that was to be paid at report End Date should be	INV_AmountDu_Bal0 _EndDate	4303

added to the amount due that was calculated by this variable in order to provide a total amount due at the report End Equals 0.00 if the final balance is already 0.00 or less (will not give a negative amount if the Borrower paid more than expected). It is therefore important to ensure that the last payment is not automatically recomputed in the payment schedule to give a balance of 0.00 (lump sum payment on the last line). Equals the amount of the last line of the payment schedule if the report End Date is after the last line of the payment schedule. Should not be 0.00 if there is an outstanding amount in the Record. If this is the case, check the amounts in the "Expected Pmt" column of the payment schedule. PLEASE NOTE: if a transaction, such as additional principal is entered in the future, thus after the report End Date, and if this transaction results in a final balance is greater than 0.00, the payment required on the report End Date will still be calculated, even if at the report End Date, no amount was outstanding. Subtlety when report End Date = last date of the payment schedule and when there is a payment on this date. The amount due calculated will factor in the final balance, therefore with that payment included (0:00 + AM). Otherwise, if not on the final payment line, the calculation simulates the insertion of a line BEFORE transactions on this date, therefore at 0:00 AM. Is used to obtain at report End Date (0:00 AM, therefore | INV_AmountDu_BalX |4304| Amount due at report End Date _EndDate (final balance = original balance or excluding the interest for the day), the amount that is really new balance entered) past due (including fees, interest, principal and others) and required for the Borrower to be up to date in his payments in order to reach the final balance initially entered or the new desired balance when the Balance = X box is checked (below to the left in the payment schedule). When the final balance of the Record is greater than the original balance or the new balance entered, it will calculate at the report End Date, the amount that would be required for the final balance of the Record to be the original balance or the new balance entered. If the report End Date already includes a payment, there will be no impact on the amount due calculated so the normal payment that was to be paid at report End Date should be added to the amount due that was calculated by this variable in order to provide a total amount due at the report End Equals 0.00 if the final balance is already the original balance or the new balance entered or less (will not give a negative amount if the Borrower paid more than expected). It is therefore important to ensure that the last payment is not automatically recomputed in the payment schedule to give a

balance = X (lump sum payment on the last line).	
Equals the amount of the last line of the payment schedule if the report End Date is after the last line of the payment schedule.	
Should not be 0.00 if there is an outstanding amount in the Record. If this is the case, check the amounts in the "Expected Pmt" column of the payment schedule.	
If the original balance or the new balance entered is negative (ex.: -200.00) is smaller that the finale balance (ex.: 0.00) will calculate a positive payment (200.00 in this example) since the Borrower will need to pay this amount in order for the Creditor to "owe" 200.00 to the Borrower.	
PLEASE NOTE: if a transaction, such as additional principal is entered in the future, thus after the report End Date, and if this transaction results in a final balance is greater than the original balance or the new balance entered, the payment required on the report End Date will still be calculated, even if at the report End Date, no amount was outstanding.	
Subtlety when report End Date = last date of the payment schedule and when there is a payment on this date. The amount due calculated will factor in the final balance, therefore with that payment included (0:00 + AM). Otherwise, if not on the final payment line, the calculation simulates the insertion of a line BEFORE transactions on this date, therefore at 0:00 AM.	

Payments			
Field name	Description	Merge Code	Short Merge Code
Payment Amount (Original)	Original payment amount either entered or computed in the Data window. If the payment amounts are changed in the Payment schedule, these will not be reflected here. Should be used only for regular loans.	&&PAYAMOUNT&&	541
Amortization period (Original)	See <u>Loan Data</u>		
Amortization period less 1 payment	See <u>Loan Data</u>		
Amortization period less 2 payments	See <u>Loan Data</u>		
Term (Original)	See <u>Loan Data</u>		
Period of payment (Original)	See <u>Loan Data</u>		
Period of payment (Original) (Including Days)	See <u>Loan Data</u>		
Days per payment period	See <u>Loan Data</u>		
First positive transaction - Amount	First payment amount of the Payment schedule greater than 0.00.	&&FIRSTPAYMENT& &	515
First positive transaction - Date	Very first date of the Payment schedule with a payment	&&FIRSTPAYDATE& &	516

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	amount greater than 0.00.		
Last positive transaction - Amount	Last payment amount of the Payment schedule greater than 0.00.	&&LASTPAYMENT& &	526
Last positive transaction - Date	Very last date of the Payment schedule with a payment amount greater than 0.00.	&&LASTPAYMENTD ATE&&	527
Total "Payment" column (entire Loan)	Total payment amount for the entire length of the loan. This column adds the positive and negative amounts in the column, no matter what Line status is given.	&&LOANTOTALPAY &&	554
Total "Expec. Pmt" column (all Paid and Unpaid Payments (entire Loan)	Total amount in the "Expec. Pmt" column for the entire lenght of the loan. Only "Paid" Line statuses (Paid Pmt 1 to 20, Partial mt, etc.) and all "Unpaid" Line status are included.	&&LOANTOTAL_EXP CTEDPAY&&	574
Total Positive Payments (entire Loan)	Total of all positive payments, no matter what Line status is selected, for the entire length of the loan.	&&LOANTOTPAYPos itive&&	556
Total Negative Payments (entire Loan)	Total of all negative payments, no matter what Line status is selected, for the entire length of the loan.	&&LOANTOTPAYNe gative&&	555
Positive payments (for period)	Total of all positive payments in the Payment schedule, no matter what Line status is selected, for the given report dates.	&&INV-PMTS- POSITIVE&&	820
Negative Payments (for period)	Total of all negative payments in the Payment schedule, no matter what Line status is selected, for the given report dates.	&&INV-PMTS- NEGATIVE&&	816
Negative payments excluding Add. Princ. (all such Line statuses)(for period)	All negative payments in the Payment schedule no matter what Line status is selected EXCLUDING all Additional Principal type lines.	&&INV-PMTS-NEG- NoAddPrinc&&	817
	This may be used to include all fees, insurance, penalties, etc., while excluding any Additional Principal.		
	You are encouraged to create <u>Mathematical Equations</u> to meet your specific needs.		
Minimum Payments (Total for the period)	Total of all amounts entered in the "Minimum Pmt" column of the Payment schedule for the report period.	&&INV-MINIMUM- PAYTS&&	815
	May be useful to see if fees should be charged and if the minimum payment amounts have not been paid by the debtor.		
Due Pmt (Line status)(for period)	See <u>Line status</u>		
Due Pmt (2) (Line status) (for period) Due Pmt (3) (Line status) (for period) Due Pmt (4) (Line status) (for period)	See <u>Line status</u>		
Due Pmt (5) (Line status) (for period)			
Due Pmt (all and only Due Pmt type Line statuses) (for period)	See <u>Line status</u>		
Due Pmt (all and only Due Pmt type Line statuses) (entire Loan)	See <u>Line status</u>		
Payments Paid (All and only Paid Pmt type Line statuses)(for period)	See <u>Line status</u>		
Total "Expec. Pmt" column (all	Total amount in the "Expec. Pmt" column for the given	&&INV-TOTAL_EXPC	848

Paid and Unpaid Payments) (for period)	report dates. Only "Paid" Line statuses (Paid Pmt 1 to 20, Partial Pmt, etc.) and all "Unpaid" Line status are included.	TEDPAY&&	
Paid Pmt (Line status)(for period)	See <u>Line status</u>		
Paid Late Pmt (Line status)(for period)	See <u>Line status</u>		
Partial Pmt (Line status)(for period)	See <u>Line status</u>		
Partial Late Pmt (Line status)(for period)	See <u>Line status</u>		
Add. Pmt (Line status)(for period)	See <u>Line status</u>		
Compensatory Pmt (Line status)(for period)	See <u>Line status</u>		
Paid Pmt Returned Check (Line status)(for period)	See <u>Line status</u>		
Paid Pmt X (Line status)(for period)	See <u>Line status</u>		
• (Paid Pmt (for period) 1 to 20)			
Interest Paid (Line status = Interest Paid)(for period)	See <u>Line status</u>		
Interest Paid (2) to (4) (Line status = Interest Paid (2))(for period)			
Principal Paid (Line status = Interest Paid)(for period)	See <u>Line status</u>		
Principal Paid (2) to (4) (Line status = Interest Paid (X))(for period)			
Next Due Pmt - Amount (entire Loan)	Amount of the next payment with the "Due Pmt" type Line status no matter what dates are selected for the report.	&&NEXTDUEPAY&&	533
Next Due Pmt - Amount (entire loan) (all same day)	Amount of the next payment with the "Due Pmt" type Line status no matter what dates are selected for the report.	&&NEXTDUEPAY2& &	5330
	If more than one "Due Pmt" type Line status is included at the same payment date, the total of all these due payments will be included in the amount reported.		
Next Due Pmt - Date (entire Loan)	Date of the next payment with the "Due Pmt" type Line status no matter what dates are selected for the report.	&&NEXTDUEPAY- DATE&&	536
Next Due Pmt - Balance (as if Paid) (entire Loan)	Real balance of the next payment with the "Due Pmt" type Line status no matter what dates are selected for the report.	&&NEXTDUEPAY_BA L&&	534
	To find this amount, MLM identifies the next "Due Pmt" Line status regardless of the date, simulates a paid payment and returns the balance after payment.		
Next Due Pmt - Balance Due Principal (as if Paid)(entire Loan)	See <u>Principal</u>		
Next Due Minimum Payment - Amount (entire Loan)	Amount of the next minimum payment indicated in the "Minimum Pmt" column of the Payment schedule corresponding to the next payment with "Due Pmt" Line status no matter the report dates.	&&NEXT- MINIMPAY&&	532
	May be useful for <u>Invoices and Statements</u> to inform the client as to the next minimum payment amount.		

	Use "Next Due Pmt Date" as the corresponding date for this data.		
Last Paid payment (all Paid Line statuses)(entire Loan) - Amount	Amount of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, regardless of the dates chosen for the report.	&&LoanLAST-PmtA mount&&	518
	If more than one "Paid" line type appears on the same payment date, only the amount of the LAST "Paid" line type will be returned.		
Last Paid payment (all Paid Line statuses)(entire Loan) - Balance	Balance of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, regardless of the dates chosen for the report.	&&LoanLAST-PmtBal ance&&	519
	If more than one "Paid" line type appears on the same payment date, only the balance of the LAST "Paid" line type will be returned.		
Last Paid payment (all Paid Line statuses)(entire Loan) - Date	Date of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, regardless of the dates chosen for the report.	&&LoanLAST-PmtDa te&&	520
	The "Paid" amount does not necessarily have be greater than 0.00, so be careful.		
Last Paid payment (all Paid Line statuses)(entire Loan) - Line status	Line status of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, regardless of the dates chosen for the report.	&&LastPAIDPmt_Sta tus&&	521
	If more than one "Paid" line type appears on the same payment date, only the Line status of the LAST "Paid" line type will be returned.		
Last Paid Payment (all Paid Line statuses)(entire Loan)(>5 days of current date) - Amount	Date of the last paid payment in the Results table taking into account any of the "Payment" type Lines statuses, regardless of the dates chosen for the report but only if this payment is more than five (5) days before the Current date.	&&Loan5Days-PmtA mount&&	518.1
	The "Paid" amount does not necessarily have be greater than 0.00, so be careful.		
	For example, today is July 8. The last Paid payment is July 5 and the previous Paid payment is July 1. The July 5 payment will be ignored since too young (and may "bounce"(non sufficient funds)). The July 1 payment amount will be reported since it almost certainly it is paid and will not "bounce" when electronic payments are used.		
	If more than one "Paid" line type appears on the same payment date, only the amount of the LAST "Paid" line type will be returned.		
Last Paid Payment (all Paid Line statuses)(entire Loan)(>5 days of current date) - Balance	Balance of the last paid payment in the Results table taking into account any of the "Payment" type Lines statuses, regardless of the dates chosen for the report but only if this payment is more than five (5) days before the Current date.	&&Loan5Days-PmtB alance&&	519.1
	If more than one "Paid" line type appears on the same payment date, only the amount of the LAST "Paid" line type will be returned.		
	For example, today is July 8. The last Paid payment is July 5 and the previous Paid payment is July 1. The July 5 payment		

	will be ignored since too young (and may "bounce"(non sufficient funds)). The July 1 payment balance will be reported since it almost certainly it is paid and will not "bounce" when electronic payments are used.		
Last Paid Payment (all Paid Line statuses)(entire Loan)(>5 days of current date) - Date	Date of the last paid payment in the Results table taking into account any of the "Payment" type Lines statuses, regardless of the dates chosen for the report but only if this payment is more than five (5) days before the Current date.	&&Loan5Days-PmtD ate&&	520.1
	The "Paid" amount does not necessarily have be greater than 0.00, so be careful.		
	For example, today is July 8. The last Paid payment is July 5 and the previous Paid payment is July 1. The July 5 payment will be ignored since too young (and may "bounce" (non sufficient funds)). The July 1 payment date will be reported since it almost certainly it is paid and will not "bounce" when electronic payments are used.		
Last Paid Payment (all Paid Line statuses)(entire Loan)(>5 days of current date) - Line status	Line status of the last paid payment in the Results table taking into account any of the "Payment" type Lines statuses, regardless of the dates chosen for the report but only if this payment is more than five (5) days before the Current date.	&&Loan5Days-PmtSt atus&&	521.1
	If more than one "Paid" line type appears on the same payment date, only the amount of the LAST "Paid" line type will be returned.		
	For example, today is July 8. The last Paid payment is July 5 and the previous Paid payment is July 1. The July 5 payment will be ignored since too young (and may "bounce" (non sufficient funds)). The July 1 payment Line status will be reported since it almost certainly it is paid and will not "bounce" when electronic payments are used.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses) (entire Loan) - Amount	Amount of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses regardless of the dates chosen for the report.	&&LoanLast_PaidUn paid_Amount&&	522
	If more than one "Paid" line type appears on the same payment date, only the amount of the LAST "Paid" line type will be returned.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses) (entire Loan) - Balance	Balance of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses regardless of the dates chosen for the report.	&&LoanLast_PaidUn paid_Balance&	523
	If more than one "Paid" line type appears on the same payment date, only the balance of the LAST "Paid" line type will be returned.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses) (entire Loan) - Date	Date of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses regardless of the dates chosen for the report.	&&LoanLast_PaidUn paid_Date&&	524
	The "Paid" amount does not necessarily have be greater than 0.00, so be careful.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses) (entire Loan) - Line status	Line status of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses regardless of the dates	&&LoanLast_PaidUn paid_Status&&	525

	chosen for the report.		
	If more than one "Paid" line type appears on the same payment date, only the Line status of the LAST "Paid" line type will be returned.		
Last Unpaid Payment (all Unpaid Line statuses) (entire loan) - Amount	Amount of the last unpaid payment in the Results table taking into account any of the "Unpaid" type Lines statuses, regardless of the dates chosen for the report.		
	If more than one "Unpaid" line type appears on the same payment date, only the amount of the LAST "Unpaid" line type will be returned.		
Last Unpaid Payment (all Unpaid Line statuses) (entire loan) - Date	Date of the last unpaid payment in the Results table taking into account any of the "Unpaid" type Lines statuses, regardless of the dates chosen for the report.		
Last Paid payment (all Paid Line statuses)(in period) - Amount	Amount of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, but only on or before the end date entered in the report.	&&INV_LAST-PmtA mount_IP&&	810
	If more than one "Paid" line type appears on the same payment date, only the amount of the LAST "Paid" line type will be returned.		
Last Paid payment (all Paid Line statuses)(in period) - Expected Payment Amount	Expected payment Amount of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, but only on or before the end date entered in the report.	&&INV_LAST-ExpPm tAmount_IP&&	810.1
	If more than one "Paid" line type appears on the same payment date, only the expected amount of the LAST "Paid" line type will be returned.		
Last Paid payment (all Paid Line statuses)(in period) - Balance	Balance of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, but only on or before the end date entered in the report.	&&INV_LAST-PmtBal ance_IP&&	807
	If more than one "Paid" line type appears on the same payment date, only the balance of the LAST "Paid" line type will be returned.		
Last Paid payment (all Paid Line statuses)(in period) - Date	Date of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, but only on or before the end date entered in the report.	&&INV_LastPmtStat usDate_IP&&	808
	The "Paid" amount does not necessarily have be greater than 0.00, so be careful.		
Last Paid payment (all Paid Line statuses)(in period) - True Pmt Date (Grace)	True Payment Date of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, but only on or before the end date entered in the report.	&&INV_LastPmtTrue PmtDate_IP&&	[808.1]
	The "Paid" amount does not necessarily have be greater than 0.00, so be careful.		
	If more than one "Paid" line type appears on the same payment date, only the grace date of the LAST "Paid" line type will be returned.		
Last Paid payment (all Paid Line statuses)(in period) - Line status	Line status of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses, but only on or before the end date entered in the report.	&&INV_LastPmtStat us_IP&&	809

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	If more than one "Paid" line type appears on the same payment date, only the Line status of the LAST "Paid" line type will be returned.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Amount	Amount of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses, but only on or before the end date entered in the report.	&&INV_LAST_PaidU npaidAmt_IP&&	814
	If more than one "Paid" line type appears on the same payment date, only the amount of the LAST "Paid" line type will be returned.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Expected Pmt Amount	Expected Payment Amount of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses, but only on or before the end date entered in the report.	&&INV_LAST_PaidU npaidExpPmt_IP	814.1
	If more than one "Paid" line type appears on the same payment date, only the expected amount of the LAST "Paid" line type will be returned.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Balance	Balance of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses, but only on or before the end date entered in the report.	&&INV_LAST_PaidU npaid_Bal_IP&&	811
	If more than one "Paid" line type appears on the same payment date, only the balance of the LAST "Paid" line type will be returned.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Computational Balance	Computational Balance of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses, but only on or before the end date entered in the report.	&&INV_LastPaidUnp dBallP_comp&&	851
	If more than one "Paid" line type appears on the same payment date, only the balance of the LAST "Paid" line type will be returned.		
Last Transaction (in period) - Computational Balance	Computational Balance of the last Transaction in the period taking into account any type of Lines Status, but only on or before the end date entered in the report. If no transaction is found in the Period, return 0.00.	&&INV_LastTransBal _IP_comp&&	852
Last Transaction (in period) - True Balance	True Balance of the last Transaction in the period taking into account any type of Lines Status, but only on or before the end date entered in the report. If no transaction is found in the Period, return 0.00.	&&INV_LastTransBal _IP_True&&	853
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - Date	Date of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses, but only on or before the end date entered in the report.	&&LoanLast_PaidUn paid_Date&&	812
	The "Paid" amount does not necessarily have be greater than 0.00, so be careful.		
Last Paid/Unpaid payment (only Paid and Unpaid Line statuses)(in period) - True Pmt Date (Grace)	True Payment Date of the last paid payment in the Payment schedule taking into account any of the "Payment" type Lines statuses AND any of the "Unpaid" Line statuses, but only on or before the end date entered in the report.	&&INV_LastPaidUnp aidTrueDate_I	812.1
	The "Paid" amount does not necessarily have be greater than		

Interest Accrued from last payment Paid (at Current Date) (0.00 if no payment)	See <u>Interest</u>	
Interest Accrued from last payment Paid (at Current Date)	See <u>Interest</u>	
Outstanding - Payment (Balance) report Start Date	See <u>Outstanding</u>	
Outstanding - Payment (Balance) report End Date	See <u>Outstanding</u>	
Outstanding - Payment (Variation for period)	See <u>Outstanding</u>	
APR Payment Amount	See <u>APR</u>	
APR - Next Due Pmt - Balance Due Fees Financed (as if Paid)(entire Loan)	See <u>APR</u>	

Principal			
See a	See also the very important "Accounting Data" section		
Field name	Description	Merge Code	Short Merge Code
Principal (Original)	Principal amount entered in the "Data" window. Any additional principal is excluded.	&&PRINCIPAL&&	543
Principal (Original) (for period)	Principal amount entered in the "Data" window only if the Origination date is within the start and end dates entered for the report. If not within these dates, nothing will be reported. Any additional principal is excluded.	&&PRINCIPALPERIOD&&	564
Principal (Original) - TEXT	Principal amount entered in the "Data" window. Any additional principal is excluded. The amount will be displayed in letters (words)	&&PRINCIPAL_TXT&&	598
Principal (original) + Add. Princ. (all such Line statuses)(complete report)	This adds up the original Principal amount and all "Add. Princ." lines for the entire loan no matter what dates are chosen in the report. Includes "Add. Princ. (2) to (10) " Line statuses. The "Add. Princ." amount in the Payment schedule is negative but the amount returned will be positive	&&CAPinit&AddPrinc&&	544
	(absolute value) when added to the original principal entered in the "Data" window.		
Principal (Original) + Add. Princ. (all such Line statuses) up to report End Date	Total of the principal amount(s) that bear(s) interest for the period chosen. This adds, within the report period, all the "Add. Princ." lines, that bear interest as well as the Original Principal ONLY IF the Origination date is included within the	&&INV-PRINC +ADDPRINC&&	821

	chosen report period. Includes "Add. Princ. (2) to (10)" Line statuses.		
Add. Princ. (Loan)(Line status)(for period)	See <u>Line status</u>		
Add. Princ. (Line status)(for period)	See <u>Line status</u>		
Add. Princ. (Line status)(for period) 2 to 10			
Add. Princ. (Loan)(Line status)(Interest bearing portion)(for period)	See <u>Line status</u>		
Add. Princ. (interest bearing portion) (Line status)(for period)	See <u>Line status</u>		
Add. Princ. (interest bearing portion)(Line status)(for period), 2 to 10			
Additional Principal (Line status) (no interest portion)(for period)	See <u>Line status</u>		
Add. Princ. (no interest portion)(Line status)	See <u>Line status</u>		
Add. Princ. (no interest portion) (for period) 2 to 10			
Principal Total (for period)	Total of the principal amount(s) that bear interest or not for the period chosen.	&&INV_TotalPrinc&&	826
	This adds up all "Add. Princ." lines, within the specified report dates as well as the original Principal ONLY if the Origination date is within the report period. Includes "Add. Princ. (2) to (10)" Line statuses.		
Principal Total (Interest bearing portion)(entire Loan)	Total of the principal amount(s) that bear(s) interest.	&&LoanAddPrinc_Int&&	545
	Amount including the Original Principal (which always bears interest) and all the "Add. Princ." lines that also bear interest. Includes "Add. Princ. (2) to (10) " Line statuses.		
	The total amount for the entire loan will be computed, no matter what dates are chosen in the report.		
Principal Total (no Interest portion) (entire Loan)	Total of the principal amount(s) that do(es) not bear interest.	&&LoanAddPrinc_NoInt& &	546
	Total of all "Add. Princ." lines specifically identified not to bear interest. Includes "Add. Princ. (2) to (10) " Line statuses.		
	The original principal is automatically excluded as it always bears interest.		
	The total amount for the entire loan will be computed, no matter what dates are chosen in the report.		
Additional Principal (Line status) (interest bearing portion)(entire Loan)	See <u>Line status</u>		

Add. Princ. (Line status) (interest bearing portion)(entire Loan)	See <u>Line status</u>		
Add. Princ. (interest bearing portion)(entire Loan) 2 to 10			
Additional Principal (Line status) (no interest portion)(entire Loan)	See <u>Line status</u>		
Add. Princ. (Line status) (no interest portion)(entire Loan)	See <u>Line status</u>		
Add. Princ. (no interest portion) (entire Loan) 2 to 10			
Principal Total (Interest bearing portion)(for period)	Total of the principal amount(s) that bear(s) interest for the period chosen.	&&INV_TotalPrinc_Int&&	825
	This adds, within the report period, all the "Add. Princ." lines, that bear interest as well as the Original Principal ONLY if the Origination date is included in the report period. Includes "Add. Princ. (2) to (10) " Line statuses.		
Principal Total (no Interest portion)(for period)	Total of the principal amount(s) that do(es) not bear interest for the period chosen.	&&INV_TotalPrinc_NoInt &&	827
	This adds, within the chosen period, all the "Add. Princ." lines, that do not bear interest. Includes "Add. Princ. (2) to (10) " Line statuses.		
Principal Accrued (after transactions on the report Start Date)(for period)	The Accrued principal (or to be accrued in the future) or "Mathematical" principal, is calculated by taking into account the balanceafter a transaction (if there be)(ie, 0:00+) at the start date of report and subtracting from this balance, the balance on the date entered for the end of the report (according to one the three options for including or excluding payments and interest for the last day).	&&INV-PRINC-AFTER- PMT&&	822
	If the report start date entered precedes the loan's origination date, the balance at the report start date will not be considered 0.00 but by exception, the original principal plus"Additional Principal" Line statuses at		
	Note: The original principal is considered entered at 0:00, not at 0:00+ as would be any other line in the Payment schedule (payment, etc.) except "Additional Principal" Line statuses that are also considered entered at 0:00 only if entered at the Origination date.		
	The principal is the mathematical principal as opposed to accounting principal.		
	See also the variable: "Principal Accrued (before report Start Date transactions)(for period)."		
Principal Accrued (before transactions on the report Start Date)(for period)	The Accrued principal (or to be accrued in the future) or "Mathematical" principal, is calculated by taking into account the balance before any transaction (ie, 0:00) at the start date of report, and subtracting from this balance, the balance on the date entered for the end of the report (according to one the three options for	&&INV-PRINCIPAL&&	823

	including or excluding payments and interest for the last day).		
	If the report start date entered precedes or equals the loan's origination date, the balance at the report start date will not be considered 0.00 but by exception, the original principal plus"Additional Principal" Line statuses atthis date. Otherwise, the results will not be consistent with what is expected.		
	Note: The original principal is considered entered at 0:00, not at 0:00+ as would be any other line in the Payment schedule (payment, etc.) except "Additional Principal" Line statuses that are also considered entered at 0:00 only if entered at the Origination date.		
	The principal is the mathematical principal as opposed to accounting principal.		
	This is the recommended field to take if you wish to include data for a full reporting period (thus from the very start of the reporting period at 0:00 until the very end at 24:00).		
	See also the variable: "Principal Accrued (after report Start Date transactions)(for period)".		
Paid Principal (Line status) (for period)	See <u>Line status</u>		
Principal Paid (for period)	Principal actually paid as opposed to accrued or Mathematical principal.	&&ACC_PAID_PRINC&&	426
	The Line status must be one of the following, otherwise the principal will NOT be considered PAID: "Paid Pmt", "Paid Pmt (2) to (20)", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check", "Add. Pmt" or "Compensatory Pmt". All other Line statuses will have no effect on the principal paid.		
	Excludes, case being, the Fees financed (APR) portion.		
Principal Paid (for period), Paid Pmt X	In the Payment schedule, the total Principal Paid of all lines with the "Paid Pmt" -or "Paid Pmt (2)	&&ACC_PaidPrinc_PaidP mt1&&	438
(Paid Pmt, Paid Pmt 2 to 10)	to (10)"- Line status exclusively, for the chosen report period.	&&ACC_PaidPrinc_PaidP mt2&& &&ACC_PaidPrinc_PaidP mt3&&	439 440 441 442 443
		&&ACC_PaidPrinc_PaidP mt4&& &&ACC_PaidPrinc_PaidP mt5&&	444 445 446
		&&ACC_PaidPrinc_PaidP mt6&& &&ACC_PaidPrinc_PaidP	447
		mt7&& &ACC_PaidPrinc_PaidP mt8&&	
		&&ACC_PaidPrinc_PaidP mt9&& &&ACC_PaidPrinc_PaidP	
		 mt10&&	

Principal Paid (for period), Paid Pmt Returned check	In the Payment schedule, the total Principal Paid of all lines with the "Paid Pmt Returned check" Line status exclusively, for the chosen report period.	&&ACC_PaidPrinc_PmtCh eck&&	448
Principal Paid (for period), Add. Pmt	In the Payment schedule, the total Principal Paid of all lines with the "Add. Pmt" Line status exclusively, for the chosen report period.	&&ACC_PaidPrinc_PmtAd d&&	449
Principal Paid (for period), Compensatory Pmt	In the Payment schedule, the total Principal Paid of all lines with the "Compensatory Pmt" Line status exclusively, for the chosen report period.	&&ACC_PaidPrinc_Comp Pmt&&	4490
Principal Paid (for period) - Partial and late Payments only	In the Payment schedule, the total Principal Paid of all lines with the "Partial Pmt", "Late Pmt" and "Partial Late Pmt" Line statuses exclusively, for the chosen report period.	&&ACC_PaidPrinc_PmtLa tePartial	613
Principal Paid (for period)(using Grace/ EFT Date)	Principal actually paid as opposed to accrued or Mathematical principal at the date entered in the "True Pmt Date (Grace/EFT)" column. The reports use this date as the transaction date as opposed to the date entered in the "Pmt Date" column. The "True Pmt Date (Grace/EFT)" may be before or after the "Pmt Date". The Line status must be one of the following, otherwise the principal will NOT be considered PAID: "Paid Pmt", "Paid Pmt (2) to (20)", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt", "Paid Pmt Returned Check", "Add. Pmt" or "Compensatory Pmt". All other Line statuses will have no effect on the principal paid. Excludes, case being, the Fees financed (APR) portion.	&&ACC_PAID_PRINC_GraceDate&&	437
	only be used to reflect payments made slightly before or after the desired "Pmt Date" if these irregularities are to have no effect on the interest computed.		
APR - Fees Financed Paid (for period) APR- Paid Fees Financed 1 (Administrative) (for period) Paid Fees Financed 2 (Insurance) (for period) Paid Fees Financed 3 (Service) (for period) Paid Fees Financed 4 (Origination) (for period) Paid Fees Financed 5 (points) (for period)	See APR		
Next Due Pmt - Balance Due Principal (as if Paid)(entire Loan)	Balance on the date of the next payment with a "Due Pmt" Line status regardless of the report dates. To find this amount, MLM identifies the next line whose Line status is "Due Pmt" regardless of the date, simulates a paid payment and reports the due principal balance.	&&NEXDUPAY_BalduePri nAsPaid&&	535

	Follows and below the first transfer of the control		
	Excludes, case being, the Fees financed (APR) portion.		
APR- Next Due Pmt - Balance Due Fees Financed (as if Paid) (entire Loan)	See <u>APR</u>		
Principal to be paid at the next Due Pmt (as if Paid) (entire loan)	Amount of the principal that WILL actually be paid if the next "Due Pmt" is paid in full.	&&NextDuePay_PrincPaid AsPaid&&	559
	To find this amount, MLM identifies the next line whose Line status is "Due Pmt" regardless of the date, simulates paid payment and reports the amount of principal that would be paid.		
	Excludes, case being, the Fees financed (APR) portion.		
APR - Fees Financed to be paid at the next Due Pmt (as if Paid (entire loan)	See <u>APR</u>		
Balance Due Principal at 0:00 at report Start Date (before transactions on that day)	For a report between two dates, cumulative amount of the due principal at the report start date entered before any transaction (i.e., 0:00 in the morning).	&&ACC_BAL_DUEPRINC- STARTDATE&&	412
	Particular cases:		
	 Report between two dates: If the report Start date Origination date: returns Original Principal + Additional Principal type Line statuses entered at the Origination Date only. If the report Start date < Origination date: returns 0.00 		
	 "Full" and "Up to date" reports: returns Original Principal + Additional Principal type Line statuses entered at the Origination Date only. 		
	Excludes, case being, the Fees financed (APR) portion, thus only pure (accounting) principal is reported.		
	NOTE: Ordinarily, "Additional Principal" type Line statuses are deemed added at 0:00+ (so would be a transaction of the day, thus excluded) but a logical exception was created assuming the user does not differentiate between an Original Principal and "Additional Principal" type Line statuses when this "Add. Princ." is entered on the Origination date. Both are thus deemed inserted at 0:00, not at 0:00+.		
	See also the "Balance Due Principal at 0:00 at report Start Date (before any transaction on that day and excl. Principal (Original))" reporting field.		
APR - Balance Due Fees Financed at 0:00 at report Start Date (excluding any transaction on that day)	See <u>APR</u>		
Balance Due Principal at 0:00 at report Start Date (before transactions on that day and excl. Principal (Original))	For a report between two dates, cumulative amount of the due principal at the report start date entered before any transaction (i.e., 0:00 in the morning).	&&ACC_BAL_DUEPRINC-S TARTDATE2&	4900
	Particular cases: Report between two dates: if the report Start date < = Origination date: returns 0.00.		

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	 "Full" and "Up to date" reports: returns Original Principal + Additional Principal type Line statuses entered at the Origination Date only. Excludes, case being, the Fees financed (APR) portion, thus only pure (accounting) principal is reported. NOTE: Ordinarily, "Additional Principal" type Line statuses are deemed added at 0:00+ (so would be a transaction of the day, thus excluded) but a logical exception was created assuming the user does not differentiate between an Original Principal and "Additional Principal" type Line statuses when this "Add. Princ." is entered on the Origination date. Both are thus deemed inserted at 0:00, not at 0:00+. 		
	See also the "Balance Due Principal at 0:00 at report Start Date (before any transaction on that day)" reporting field.		
APR - Balance Due Fees Financed at 0:00 at report Start Date (excluding these fees and any transaction on that day)	See <u>APR</u>		
Balance Due Principal at report End Date	Cumulative amount of the due principal at the report end date.	&&ACC_BAL_DUEPRINC& &	411
	Excludes, case being, the Fees Financed (APR) portion.		
Balance Due Principal (at Current Date)	See Fields at Current Date		
APR - Balance Due Fees Financed at report End Date	Cumulative amount of the due Fees Financed (APR) at the report end date.	&&ACC_BAL_DUEPRINC_ F&&	427
APR - Balance Fees Financed (at Current Date)	See <u>Fields at Current Date</u>		
Principal Paid - Year-to-date (from January 1 to report End Date)	Principal paid (as opposed to accrued) from January 1 at 0:00 up to that end date entered for the report. The year for January 1st is determined based on the end date of the report entered. For example, for a report from June 1, 2014 to June 30,	&&INV_PRINCPAID_YTD& &	824
	2014, principal paid will be from January 1, 2014. If a complete report is requested, the principal amount reported will be 0.00.		
	Excludes, case being, the Fees financed (APR) portion.		
Principal Paid - Year-to-date (from January 1 to report End Date)(using Grace/EFT Date)	Interest paid (as opposed to accrued) from January 1 at 0:00 up to the report end date entered but taking into account the date entered in the "True Pmt Date (Grace/EFT)" column. The reports use this date as the transaction date as opposed to the date entered in the "Pmt Date" column. The "True Pmt Date (Grace/EFT)" may be before or after the "Pmt Date".	&&INV_PRINCPAID_YTD_ GraceDate&	855
	The year for January 1st is determined based on the report end date entered.		
	Thus, for a report from June 1, 2014 to June 30, 2014,		

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	interest paid will be from January 1, 2014.		
	If a complete report is requested, the interest amount reported will be 0.00.		
	This field and the "True Pmt Date (Grace/EFT)" should only be used to reflect payments made slightly before or after the desired "Pmt Date" if these irregularities are to have no effect on the interest computed.		
APR - Fees Financed Paid Year-tu-date (from January 1 to report End Date)	See <u>APR</u>		
Outstanding - Principal portion at Report End Date	See <u>Outstanding</u>		
APR - Total of Payments (TILA-USA)	See <u>APR</u>		
APR - Principal (Original) + Fees Financed	See APR		
APR - Principal (Original) + Fees Financed (for period)	See APR		
APR - Total Cost of Credit (Interest + Fees) + Total Principal	See APR		
Other 3 (Principal)(Line status)(for period)	In the Payment schedule, the total of the "Mathematical Principal" column for the "Other 3" Line status for the report period.	&&INV_Other3_Principal &&	856
	This could be used for example, when Simple interest is capitalized with the Other 3 Line status (Payment = 0.00) to report the interest (and due Column Fees if present) that are capitalized at this date.		
	If there is more than one transaction on the Capitalization date, the Capitalization line should always be before any other transaction (and payment = 0.00), otherwise, the Mathematical principal will not reflect the amount of interest (and due Column Fees if present) to be capitalized.		
Other 3 (Principal)(Line status)(for period) + 1 day "Other 3" as renamed by the User (usually "Capitalization")	In the Payment schedule, the total of the "Mathematical Principal" column for the Other 3 Line status for the report period, plus the Mathematical principal of the next day if the conditions below are met.	&&INV_Other3_Principal_ 2&&	856.2
	This reporting field is usually used when the Simple interest capitalization date is the 1st of the next reporting month and thus normally excluded in the report for the current month. This field will include the reporting period's Mathematical principal and the Mathematical principal of the NEXT day ONLY, IF the Line status Other 3 is present on this day.		
	For example, using Line status Other 3, the capitalization date is set to January 1 in order to include the last day of December (31 at midnight). When the monthly report is created, thus from December 1 to		

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	December 31, the Mathematical principal that is calculated on January 1 would normally be excluded since in the NEXT reporting period. This special reporting field will derogate from this normal reporting practice and thus include the Mathematical principal for this extra day as long as the Line status Other 3 is present on the next day. This field will work for any dates, not only for the calendar month, quarter or year.		
	If there is more than one transaction on the Capitalization date, the Capitalization line should always be before any other transaction and payment = 0.00, otherwise, the Mathematical principal will not reflect the amount of interest (and due Column Fees if present) to be capitalized.		
	NOTE: No matter the report end date option chosen (include or exclude last day's transaction / interest) the Mathematical principal for the day after the report end date will be reported if the proper Line status (Other 3 as renamed) is present on that day. This is an exception to the normal reporting rules.		
	The "End date method" chosen for the report will be ignored.		
Expected Principal Balance (entire loan end date)	Expected Principal Balance (entire loan end date)	&&LoanBalanceExpected Princ&&	5141
Expected Principal Balance at report End Date	Expected Principal Balance at report End Date	&&Bal_ExpectedPrinc_EndDate&&	878
Expected Principal Total (for period)	Expected Principal Total (for period)	&&INV_Tot_ExpectedPrin cipal&&	879

	Tally		
Field name	Description	Merge Code	Short Merge Code
Number of occurrences of the select Line status (for period)	Number of occurrences of the selected Line status in the selected period.	&&OCC_LineStatus_ ID&&	2000
Number of occurrences of Due Pmt (for period)	Number of occurrences of all Due Pmt in the selected period. This includes "Due Pmt - Unpaid", "Due Pmt", "Due Pmt (2)", "Due Pmt (3)", "Due Pmt (4)" and "Due Pmt (5)", the latter four as renamed.	&&OCC_Due_Pmt& &	2001
Number of occurrences of Unpaid Pmt (for period)	Number of occurrences of all Unpaid Pmt in the selected period. This includes "Returned Check", "Unpaid Pmt", and the latter as renamed: "Unpaid Pmt (2) to (10)".	&&OCC_Unpaid_Pm t&&	[2003]
Number of occurrences of Add. Princ. (Loan) (for period)	Number of occurrences of all Add. Princ. in the selected period. This includes "Add. Princ. (Loan)", "Insurance", "Invoice", "Tax", "Investment", "Penalty", and the latter as renamed: "Add. Princ. (2) to (10)".	&&OCC_Add_Princ& &	2004

Number of occurrences of all Due Pmt (for period)	Number of occurrences of all Paid Pmt in the selected period. This includes "Paid pmt", "Paid Late Pmt", "Partial Pmt", "Partial Late Pmt" "Paid Pmt Returned Check", "Add. Pmt", "Interest Paid" and the latter as renamed: "Compensatory Pmt", "Paid Principal", "Paid Pmt (2) to (20)".	&	[2002]
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Fields at Current Date (used mostly in Record Summary Window)			
Field name	Description	Merge Code	Short Merge Code
Balance (at Current Date)	True balance (as opposed to the Computational balance).	&&INV_BALANCETO DATE&&	703
	The balance indicated when using this field is the balance on the current date no matter what the Lines statuses are before the current date. Thus, if several payments are due (so unpaid and not changed to 0.00), the true balance will not be displayed because the data was improperly updated or maintained.		
	Provides a theoretical balance based on the payments that should be made.		
Balance Due Principal (at Current Date)	Cumulative amount of the due principal at the current date.	&&ACC_BAL_DuePri nc_ToDate&&	498
, and the second	The balance indicated when using this field is the balance on the current date no matter what the Lines statuses are before the current date. Thus, if several payments are due (so unpaid and not changed to 0.00), the balance reported will not be true because the data was improperly updated or maintained. Provides a theoretical balance based on the payments that should be made.		
	Excludes, case being, the Fees financed (APR) portion.		
APR - Balance Fees Financed (at Current Date)	Balance of all Fees Financed entered in the APR window at the current date.	&&ACC_BAL_DueFe esFnd_ToDate&&	499
	The balance indicated when using this field is the balance on the current date no matter what the Lines statuses are before the current date. Thus, if several payments are due (so unpaid and not changed to 0.00), the balance reported will not be true because the data was improperly updated or maintained. Provides a theoretical balance based on the payments that should be made.		
Interest Accrued from last payment Paid (at Current Date)(0.00 if no payment)	Accrued interest from the last payment tagged as "Paid" (Line status = "Paid Pmt", "Paid Pmt 2 to 20", "Paid Late Pmt", "Partial Pmt", "Partial Pmt", "Partial Pmt", "Paid Pmt Returned Check" or "Add. Pmt"), at 0:00 (so interest for that first day is included) up to the current date.	NA	
	Amount "Paid" must not necessarily be greater than 0.00 so be careful.		
	Lines with any other status ("Due Pmt", "Unpaid Pmt", "Fees", "Fees paid", "Information", "Add. principal", "Other", etc.) are not factored in.		
	If the entire loan contains no "Paid" type Line status, 0.00 will be returned.		

Interest Accrued from last payment Paid (at Current Date)	Same explanation as above with the exception that if the entire loan contains no "Paid" Line status type, the amount of interest accrued up to the current date will be returned.	NA	
Interest Accrued from last payment Paid/Unpaid (at Current Date) (0.00 if no payment)	Same explanation as above while including all "Unpaid" Line statuses. If the entire loan contains no "Paid" type Line status, 0.00 will be returned.	NA	
Interest Accrued from last payment Paid/Unpaid (at Current Date)	Same explanation as above while including all "Unpaid" Line statuses and if the entire loan contains no "Paid" or "Unpaid" type Line statuses the amount of interest accrued up to the current date will be returned.	NA	
Outstanding - Total (Balance)(at Current Date)	Amount in column "Outstanding - Total (Balance)" at the current date.	NA	
Active Records - Sub-Status (Current date if AUTO)	See <u>Loan Data</u>		
Various Ageing Balances (0-29 days, 30-59 days and the usual ageing periods)	See <u>Outstanding</u>		
Nominal Interest Rate (at Current Date)	See <u>Interest</u>		

Special fields - Payment schedule in Document Merge			
Field name	Description	Merge Code	Short Merge Code
Detailed lines (for period)(True Balance)	This produces in "Document Merge (Letters, Contracts, Invoices and Statements)" module only, a table of all transactions that were done during the period or for the full loan if no dates are entered.	&&DETAILEDTABLE &&	999
	Found under "General" when inserting the merge fields with the right mouse click.		
	The "True Balance" column in the table of transactions will always display the true balance as opposed to the computational balance.		
Detailed lines (for period)(Summary format)	See above.	&&DETAILEDTABLE 2&&	997
	However, will only display three (3) columns: line number, payment date and payment amount.		
	Presented in a 2 x 3 column format.		
Detailed lines (Loan Origination Date to report End Date)	This produces in "Document Merge (Letters, Contracts, Invoices and Statements)" module only, a table of all transactions that were done from the Origination Date of the loan to the End Date of the report or for the full loan if no dates are entered.	&&DETAILEDTABLE 4&&	995
	Found under "General" when inserting the merge fields with the right mouse click.		
	The "True Balance" column in the table of transactions will always display the true balance as opposed to the		

	computational balance.		
Detailed lines (for period)(Paid amounts)	Will produce, for the chosen period, a table of all transactions as well as the paid amounts (as opposed to the "accrued" amounts). The following are included:	&&DETAILEDTABLE 3&&	[996]
	Paid interest		
	Paid principal		
	 The column called "Paid Fees (Column + APR Financed)" includes the total of the paid APR Fees Financed as well as the paid Column Fees 1 to 6. 		
Detailed lines (for period)	This produces in "Letters, Contracts, Invoices and Statements (Document merge)" module only, a table of all transactions	&&DETAILEDTABLE 5&&	994 993
Formats 5 to 25	that were done during the period or for the full loan if no dates are entered.	&&DETAILEDTABLE 6&&	992 991
		&&DETAILEDTABLE 7&&	990 989
	Found under "General" when inserting the merge fields with the right mouse click.	&&DETAILEDTABLE 8&&	988 987
	The "True Balance" column in the table of transactions will		986 985
	always display the true balance as opposed to the computational balance.	&&DETAILEDTABLE 10&& &&DETAILEDTABLE	984 983
	There are no specific descriptions for each template - produce a test in the software to see the content.	11& &&DETAILEDTABLE 12&	982 981 980 979
	Format 13: The "Interest" column displays the same interest accrued as that in the payment schedule (no matter the	&&DETAILEDTABLE 13& &&DETAILEDTABLE	978 977 976
	previous line's date) as opposed to the interest accrued as of the report start date	14& &&DETAILEDTABLE 15&&	975 974
	Format 15: This table consists of two (2) lines with up to five (5) transactions per set of two lines (limited to five because of paper width constraints). The first line includes the Due Pmt (all such Line statuses) Dates and the second, the Due Pmt Amounts.	&&DETAILEDTABLE 16& &&DETAILEDTABLE 17& &&DETAILEDTABLE 18& &&DETAILEDTABLE	
	The template was created for a client who never has more than five transactions per period. If there are more than five transactions to report in the given period, an extra set of two lines will be created in the same table. The presentation is not ideal and thus, another presentation (template) should be used if more than five transactions are present.	19& &&DETAILEDTABLE	
	Format 16: The "Interest" and "Principal" columns will indicate the interest paid and principal paid if the Line status is a Paid payment type line or, if any of the "Due Pmt" type Line statuses, then the interest / principal that will be paid once the payment is made.	&&DETAILEDTABLE 23&& &&DETAILEDTABLE 24&&	
	This is a special table where, for the "Due Pmt" type Line statues, the paid amounts are simulated with a "Paid Pmt" Line status, no other. "Paid Pmt" Line statuses cannot generate automatic Column fees, so if Column fees are not present when producing the report, none will be added with the simulation.		
	The "Principal Balance" column excludes APR Fees Financed, case being (thus "pure" Principal).		

Format 17: The "Principal" column in this table is either Additional principal (positive amount) or Paid principal (negative amount). The Principal excludes APR Fees Financed, case being (thus "Pure" principal).

The "Interest" column is Paid interest (negative amount). The Accrued interest is the second to last line: "Int. Accrual for period"

This is the same table as Table 10 but with the date format matching the user's preference.

Format 18: The amount of transactions is always displayed in positive (even for Additional Principal).

Excludes "Information" and "Non-impact information".

Format 19: The amount of transactions is always displayed in positive (even for Additional Principal).

Excludes "Information", "Non-impact information", "Fees from 1 to 6" and "Fees paid from 1 to 6" Line statuses.

Format 20: The "Balance" column in the table will always display the true balance as opposed to the computational balance.

Format 21: This report includes only "Paid" Line statuses. It must absolutely be produced as a "Full Report" in order to provide accurate data. If the report is produced between 2 dates, the data will be incorrect.

The "Paid Add-on interest" column (that can be renamed) of the payment table will display the "Column Fees 1 - Paid" (as renamed) amount. The "Paid fees" column will display the Column Fees 2 to 6 - Paid amount, and the "Total loan balance including the future unpaid fees after the payment (all the column fees)" column represents the total of all future due payments up to the end of the loan, even if the final balance is not 0.00.

Format 22: The "Balance" column in the table will always display the true balance as opposed to the computational balance. This styke is identical to style 20, excluding the start and end balance lines if the table is created between two dates.

NOTE: Other templates are added based on our users' needs. Always test the templates properly before using since they can include several subtleties specific to the clients who have requested their development.

Advanced Queries

This is a very important module, particularly for larger or diversified portfolios, since it allows the user to create and save Queries that select only the pertinent Records to be included in the reports. Most reports available under "Reports" can

use this Record selection module. Multiple fields and even Custom fields can be used to include and exclude Records from reports. Here are a few query examples:

- Report for Active Records only for creditor ABC inc.
- Statement including Records whose amounts are overdue by more than 60 days and for Borrowers from a particular city.
- Record List Customized report for loans which were opened in 2021 (Origination date) of over 50 000 (Origination principal) sorted according to their seniority.
- Produce a Document Merge for Invoices by selecting only the Records with due payments in the coming week.

These queries are especially useful for portfolios that have hundreds, or even thousands of loans. This option is less appealing for smaller portfolios since the Records to be included in the report can simply be selected from the Main window.

All users, of every security level can, or not, create these Advanced Queries. The Margill Administrator can give users the rights to use these by selecting "Can create and use Advanced Queries" for each authorized <u>User</u>.

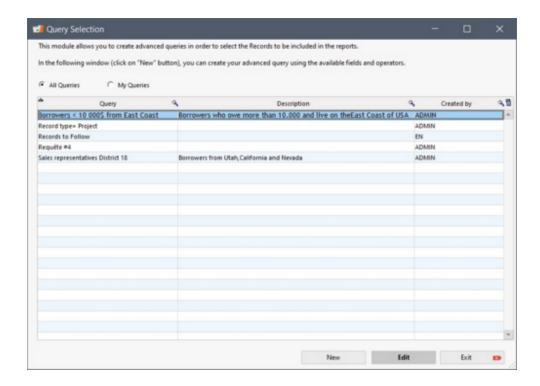
- Steps to create Queries
- Modifying a Query
- Deleting a Query
- Using Advanced Queries to include Records in the reports
- Shortcut keys

Steps to create Queries

To create a query, the user must go to Reports > "Advanced Queries" button

Advanced Queries

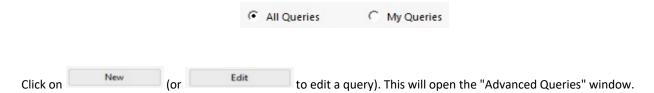
. The following window will open:

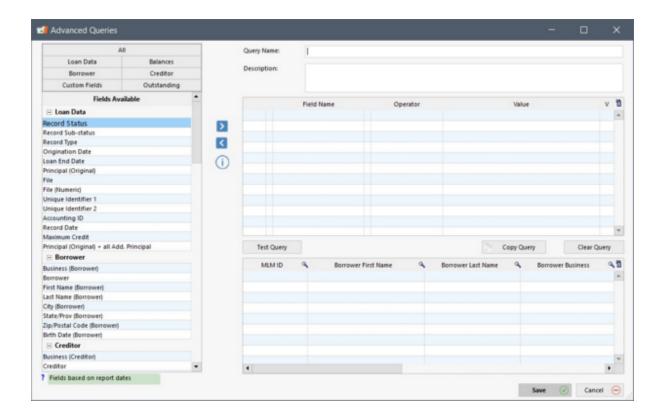


In the first column, you will find the name of the query that can be selected when generating a report. The second column shows the query detailed description (if needed) and the third column displays the user who created the query.

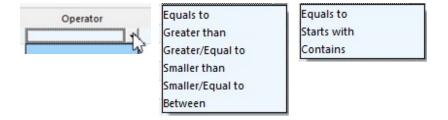
A query can be only be modified by its creator. Other users can use it for reporting or to consult its content in read-only mode.

The user can display all of the queries of all users or only the ones that he created, by checking the appropriate box:





- 1) Enter the Query title.
- 2) Enter a detailed description, if needed.
- 3) On the left side of the window, choose the desired field from the usual themes and use the arrow in the center to copy the field to the table on the right. A field can be used more than once.
- 4) Choose the operator from the drop-down menu. Choices are different depending on the type of field selected (monetary, text, date, etc.).



5) Assign the desired value (depending on query type):



6) If necessary, choose other fields from the left. When adding an extra field, an "AND" or an "OR" will be required between the fields.

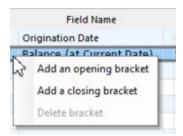


Use "AND" between the chosen criteria for all criteria must be included. For example, include the Records that were created after January 1st, 2018 **AND** which balance is smaller than 10 000. Only the loans corresponding to these 2 combined criteria will then be included. Using "AND" is more common than using "OR" described below.



Use "OR" if one or the other criteria must be respected, but not combined. For example, include all Records that were created after January 1st, 2018 **OR** with a balance of less than 10,000. We would obtain ALL Records created after 2018-01-01, no matter what the balance is and ALL the Records with a balance smaller than 10 000, no matter the origination date. The "OR" option is therefore not very limiting and generally less relevant for reports.

- 7) Copy the next field to be added to the third line, and so on. Multiple operations can be performed including the addition of parentheses in order to structure the queries. Each parenthesis must be inserted by the left and right of the "Field Name". To do this, place the mouse cursor on the desired location and right-click with the mouse. You can choose from the drop-down menu.
 - Parentheses are for more advanced users and are necessary in more complex queries that include multiple fields with AND and OR combinations.

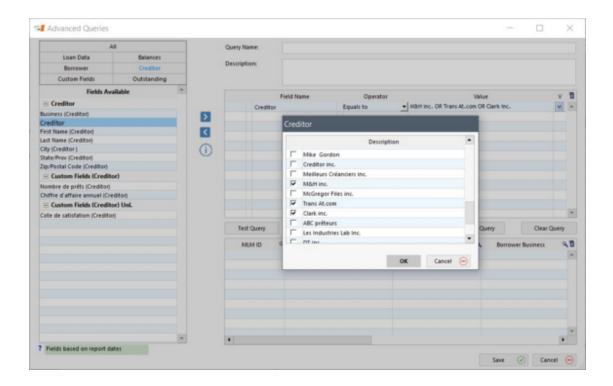


Important Notes: The "Business (Borrower)" and "Business (Creditor)" fields allow a search by the criteria "Equal to", "Starts with" or "Contains". The "Borrower" and "Creditor" fields, however, allow a search from the drop-down menues in order to check the businesses needed for the Query.





For example, here is a query that filters among all the Creditors contained in each Record, in order to include those that contain either: M&H Inc. or Trans At.com or Clark Inc.

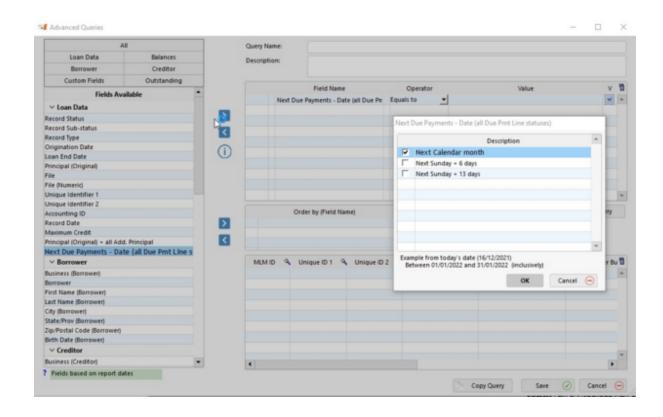


A powerful variable is available which includes Records based on the date of the upcoming Due payments. It is quite useful for document Merge in order to produce invoices only for "Due Pmt" type Line statuses coming up next month, for example.

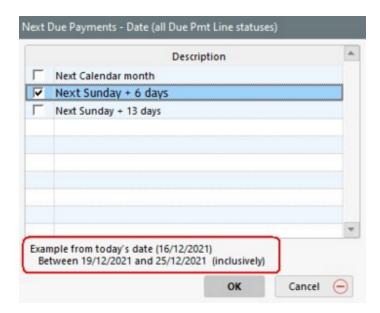
This variable is called: "Next Due Payments - Date (all Due Pmt Line statuses), under the "Loan Data" section". Three choices are available for date inclusion:

- Next Calendar month
- Next Sunday + 6 days
- Next Sunday + 13 days

For weekly or bi-weekly payments, Sunday is used as the starting point since it is usually the first day of the week. If other options are required, please contact Margill support.



An example from today's date is displayed at the bottom of the window in order to validate that the date selection corresponds to your needs:



Dates will always be recomputed starting at the report production date. The Query used for a weekly report production on December 31, 2021 will select all Records which include "Due Pmts" between January 2 and 8, 2022.

8) If it is desired that the Records be sorted in a precise order during the report production, it is possible to do so by adding sorting items in the central zone of the window.

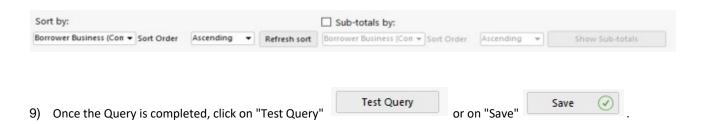
🔰 Advanced Queries Query Name: Loan Data Balances Description Borrower Creditor Field Name Operator Value ▼ FUND ABC Creditor Equals to ∨ Loan Data > Record Status Record Sub-status < Record Type Origination Date (1) Loan End Date Principal (Original) File Order by (Field Name) Sort Order Accounting ID > 1 Unique Identifier 1 Record Date Maximum Credit < Principal (Original) + all Add. Principal Next Due Payments - Date (all Due Pmt Line statuse Borrower Bu ∨ Borrower MLM ID 4 Unique ID 1 4 Unique ID 2 4 Borrower First Name Borrower Last Name Business (Borrower) First Name (Borrower) Last Name (Borrower) City (Borrower) State/Prov (Borrower) Zip/Postal Code (Borrower) Birth Date (Borrower) ∨ Creditor Business (Creditor) ? Fields based on report dates

To do so, simply select the desired item in the list on the left and click on the blue arrow in the middle.

For example, here is Record sort by "Unique identifier 1" in Ascending order. Thus, the Records are listed according to this criteria when producing the report:

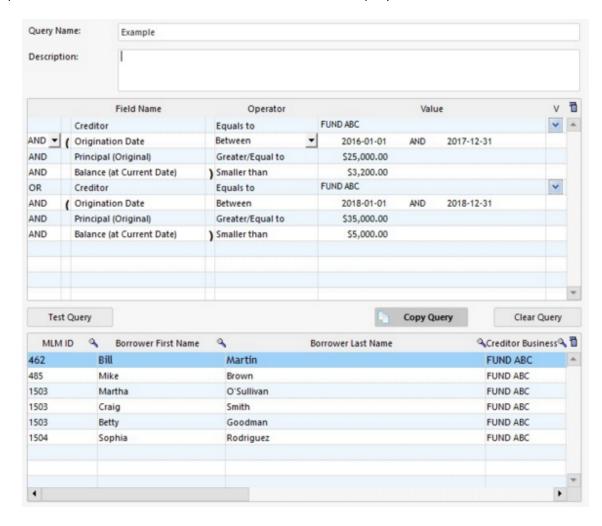
MLM Record	Record Unique	Balance at report	
Identification	Identifier 1	End Date	
2705	100	\$0.00	
2703	101	\$0.00	
2701	102	\$-947,458.61	
2704	103	\$100.00	
2699	104	\$679,436.72	
2702	105	\$1,081,469.55	
2698	106	\$545,425.78	
2700	107	\$813,447.66	
	2705 2703 2701 2704 2699 2702 2698		

In the "Record List" under Personalized Reports, an option allows data sorting and subtotals without the need to select the option in the Advanced Queries.



Upon clicking on "Test Query", all the Records that meet the conditions of the query will be displayed in the window shown below. It is therefore possible to verify if the query was properly configured, according to your needs and requirements.

Note: In the Test Query window, the same Record may appear several times, since the query search filters also search for the criteria requested at the Co-Borrower and Creditor levels. This will have no effect when the report is produced. Please note that the **Guarantors are excluded** from the guery search filters.

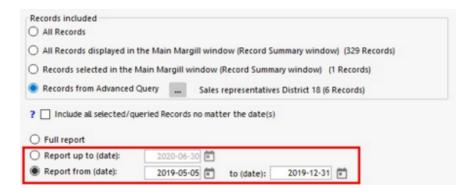


Note: The fields highlighted in green are based on report dates. There are three available:

- Balance at report End Date
- Outstanding Total (Balance) at report Start date (before transactions on that day)
- Outstanding Total (Balance) at report End date



These fields cannot be validated by the "Test Query" option, because they require entering specific dates when producing reports in order to calculate the results.



Also, they can only be used with the "AND" operator and they must be at the end of the query fields since they are not an integral part of the query.

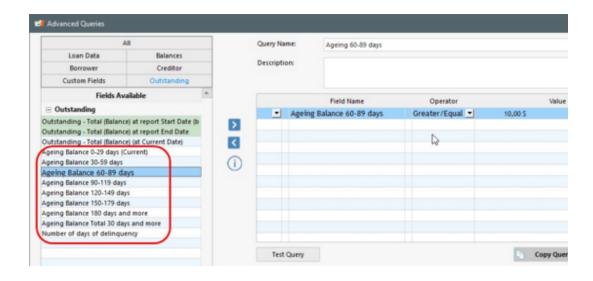
When saving, the syntax will be verified. This verification is not to check if the query will give the desired results, but to make sure that it is *mathematically* sound. In the following example, the query contains only one open parenthesis. That is a syntax error so therefore, the query will not be valid and you will need to correct it before saving.





Special "Ageing" fields

These fields will find/include Records for which the selected ageing balance (60 to 89 days in the example below) is at, above or below a certain amount (great or equal to 10.00 in this example) at the date the report is run (so at current date). The report dates entered will thus have no effect on the Records included in the report, but the dates will have an effect on the data amounts that are reported.



Modifying a Query

An already saved query can be modified from the "Query Selection" window. Choose the query to be modified (it will become blue) and then press on "Edit"

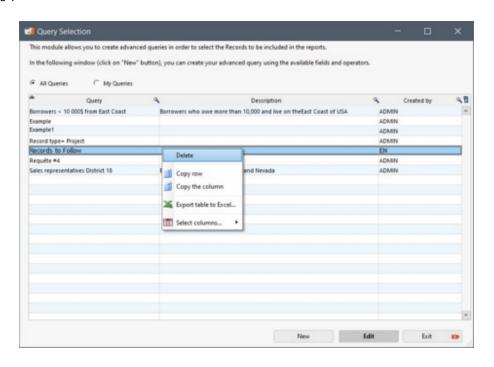
. You can also copy the Query with the "Copy Query" button

. To delete a field, click on the left arrow in the center

will delete at once, all the lines of the Query.

Deleting a Query

A query can be deleted from the "Query Selection" window. Select the Query to be deleted, right-click on the mouse and choose "Delete":



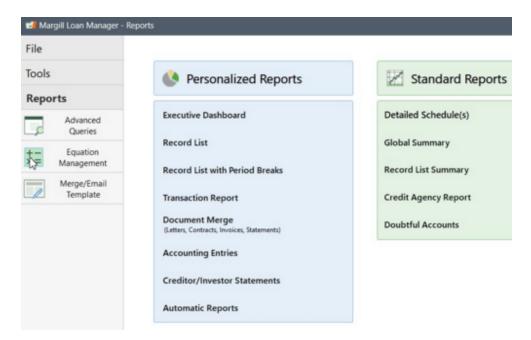
Using Advanced Queries to include Records in the reports

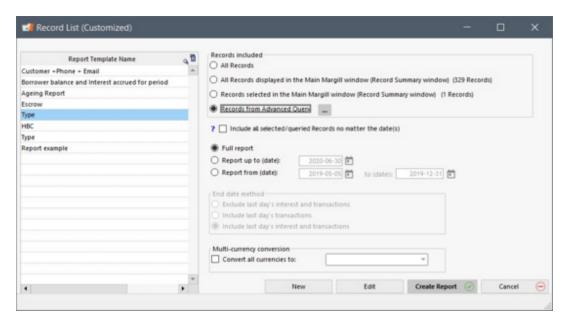
Queries are used to isolate certain Records so that only these are included in the reports.

Queries can be used in every report except these two in the "Standard Reports" section: Record List Summary and Credit Agency Report.

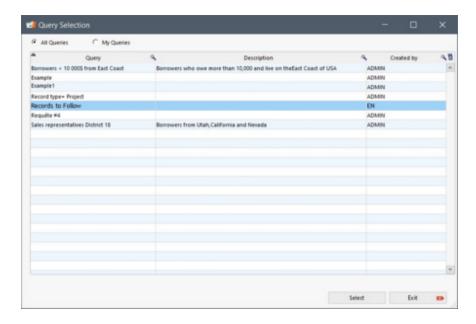
Here is a step-by-step method to use an Advanced Query filter when creating a report:

1. Select the desired report type:

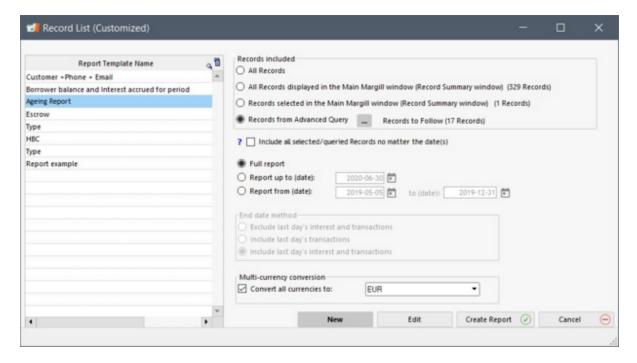




3. The following window will open. Select the desired Query and click on Query whether he created it or not.



4. The number of Records included in the report is displayed between parentheses. In the following example, only 17 Records will be used when the report will be generated, because 17 Records from the MLM database correspond to the selected criteria. The selected query name is also displayed. Select other report settings as usual.



Note for queries involving multiple currencies: When the query includes amounts (for example, only include loans larger than 500 000), the selected Records will be chosen taking into account the currency of the Record. No conversion will be

made to take into account the exchange rate.

Shortcut keys (advanced users)

The following shortcuts allow more advanced users to copy queries in order, for example, to use them in another system.

• Ctrl+Alt+Shift+C: Will copy the query in SQL format to the clipboard.

Personalized Reports

Users can create their own personalized or custom reports using over 1000 fields and custom fields. The following chapters explain each of these reports. The previous chapter, <u>Reporting fields</u>, describes each of the fields in detail. Fields

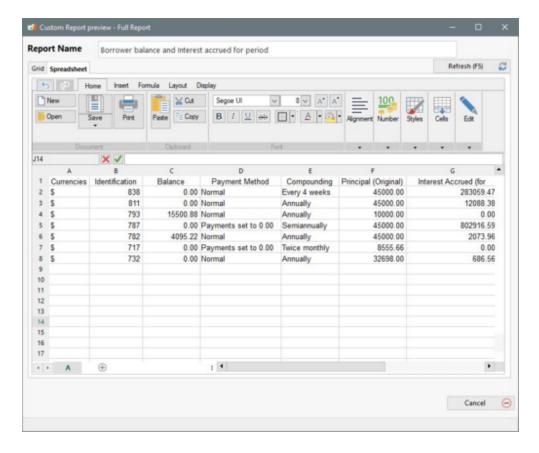
are also explained in the software when clicking on



If the personalized reports do not meet your needs, the Margill team can also create even more sophisticated reports based on your specific needs. These include invoices, special calculations, special fields, etc. See <u>Custom reports created</u> by the <u>Margill team</u>.

In order to quickly copy data and perform some operations, a spreadsheet is available directly in many reports. These spreadsheets are available in the following reports when selecting the "Spreadsheet" tab:

- Record List
- Record List with Period Breaks
- Transaction Report
- Accounting Entries



Please note that these spreadsheets are not as sophisticated as an Excel sheet and may not meet all of your needs.

Personalized reports available:

Executive Dashboard

Record List and Record List with Period Breaks

Transactions Report

Accounting entries (Export to the General Ledger)

Document Merge (Letters, Contracts, Invoices and Statements)

Special Events Report

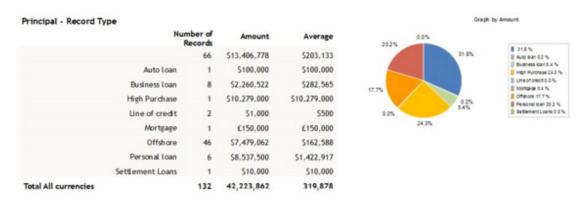
Executive Dashboard

The Executive Dashboard is a visual report that allows the user to rapidly extract just about any data from Margill Loan Manager (MLM). The Executive Dashboard can be created by the user and include hundreds of data elements according to various criteria. It allows to display data related to amounts, number of Records by category, averages and graphs.

For example, a report could be created to obtain the loan amounts (Principal) based on the types of loans, the Borrowers' region, age groups and various other socio-economic data entered in MLM.

Such reports can also be produced with a host of other data such as interest, fees, outstanding amounts, even certain <u>Mathematical Equations</u> that allow to add or subtract certain fields. One could, in a second, see if a loan provided to women are on average higher than those given to men (a custom field would have been created with a drop down menu (man or woman).

Mathematical Equations related to <u>Participation Loans</u> cannot be included in an Executive Dashboard report. They have to be extracted via the <u>Record List</u> report (Section Reports > Personalized Reports). It is a very powerful tool that has been specially designed to gather Data about Participation Loans.



Amounts with decimals will be rounded in order to be converted to integers.

This report also allows, for multi-currency portfolios, converting multi-currency values to one or many other currencies.

Creating a report template

Producing a report

- Convert to other currencies
- Time required to produce a report

Modifying a report template

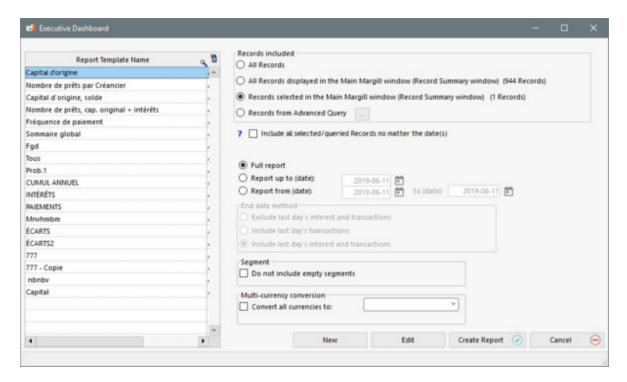
Copy, rename and delete existing report templates

Statistical Errors to avoid

Report example

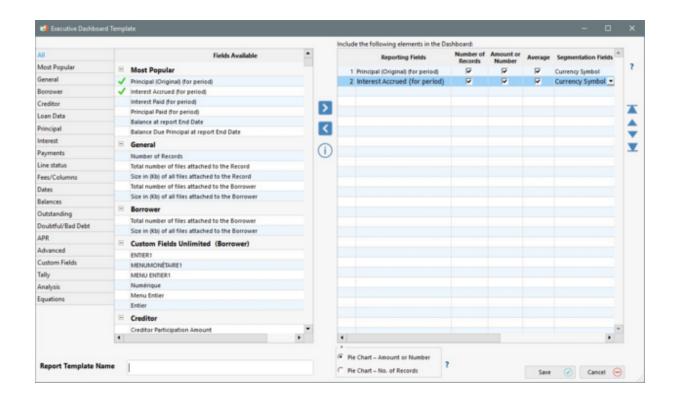
Creating a report template

In Main MLM Window, click on Reports > Personalized Reports > Executive Dashboard. The following window will appear:



To create a report template, click on "New". This allows the user to select fields one by one by highlighting them (one click), then by clicking on the arrow , or by double-clicking on the desired field among all available fields (under the "All" tab or under each theme tab). The report will include as many report sections as the number of selected fields.

Each of these fields is described in <u>Reporting Fields</u> section and also by a mouse-over on the field. The "Equations" theme are <u>Mathematical Equations</u> created by the Administrator and Power Users to add, subtract, multiply or divide fields together.



To choose the data to be included in the report:

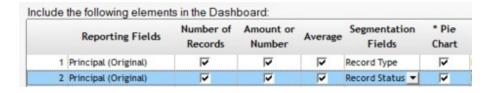
Choose the data to include from the left of the window and bring to the right table. One can change the report section order in this window (in the "Reporting Fields" section on the right) by highlighting the field to be moved and by using the arrows on the right-hand side.



It is also possible to eliminate a field by clicking on the arrow in the middle of the window in order to select it.

Then choose, in the columns, the elements to include in the report. These include the:

- number of Records
- amount or number reported (money or number field)
- average (amount or number divided by the number of Records)
- segmentation fields
- pie charts

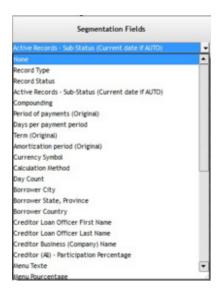


Segmentation Fields allow you to segment or divide the data based on various fields or types. These are thus at the heart of this report. A Segmentation Field is:

- any of the about 20 fields that include menu-type choices (Record Type, Record Status (Draft, Active...), Ageing status, etc.)
- all Custom fields that include scroll menus
- a few other fields (City, State/Prov., etc.) that could be useful as long as there are a limited number of choices.

Pie charts are only available if a Segmentation Field is chosen.

The "Segmentation Fields" drop down menu is used to determine which criteria to use in order to divide data and graphs.



If the Pie chart option is checked, you will need to specify if the Pie chart will display the "Amount or Number" or the "Number of Records" by checking the desired option at the bottom of the window.



Once all the elements are included in the report, enter the report (template) name and save.



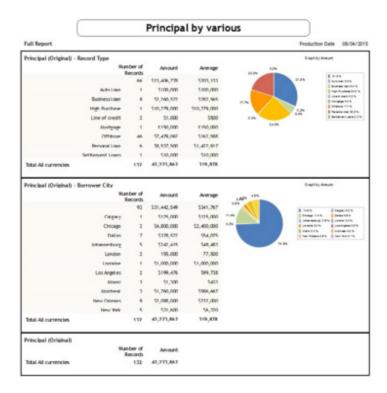
The "Save" button will bring you back to the "Executive Dashboard" window.

A report can include multiple "Reporting Fields" or identical "Reporting Fields", but with different "Segmentation Fields". For example, the report below will include the Principal loan amount based on the Record Type, the Borrower city and simply the number of loans and the total amount in the portfolio (or in the selected Records).

This report setup...

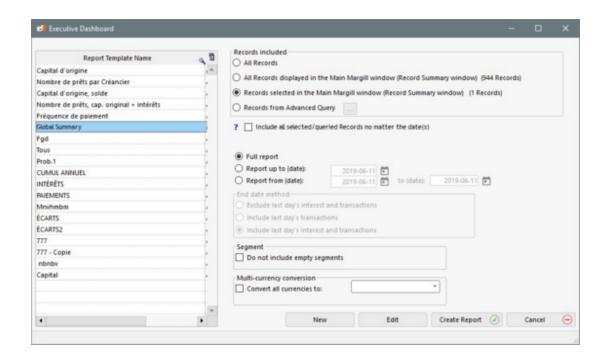
	Reporting Fields	Number of Records	Amount or Number	Average	Segmentation Fields	* Pie Chart
1	Principal (Original)	~	V	굣	Record Type	⊽
2	Principal (Original)	V	V	✓	Borrower City	✓
3	Principal (Original)	▽	▽	Г	None 🔻	Г

... produces the report below:



Producing a report

To produce a report, you must first select the desired report in the list located on the left (under "Description") and determine its settings in the section located on the right:



Four options are available to select Records (Records Included):

- 1. All Records;
 - In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
 - Can produce Reports for all records
 - O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
- 2. All Records displayed in the Main Margill window (Record Summary window);
- 3. Records selected in the Main Margill window (Record Summary window): select (highlight) the desired Records in the Main MLM window (Record summary). To do so, you can sort the Records as you see fit, display some with the display filters or select them all with the CTRL-A key. The results order will be in the same as the selection order made in the Main window. The first Record chosen (with a mouse click, for example), will be the first line of the report, and so on.
- 4. Records from Advanced Query.



An Executive Dashboard can be produced for:

- 1. Full report;
- This option is to be used to get a global view of the portfolio, regardless of term. For example, total interest generated depending on Record type or depending on region.
- 2. Report up to a specific date (thus from the beginning of the loan until the desired ending date);
- This option is to be used to get partial statistics from the starting date of the activities up to the current date. For example, total interest generated by Record type or by region from the beginning of the loans until today. It can also be used to generate ageing reports based on the current date.
- 3. Report between 2 dates.
- This third option allows to extract data monthly, quarterly, annually, etc. Thus, we could find total Accrued interest
 for a period and compare to the interest actually Paid for the same period taking into account Record type, region,
 city, etc.

Be careful when using dates for certain reports because dates have a great impact on data. See the <u>Statistical Errors to Avoid</u> section.

Report end-date methods:

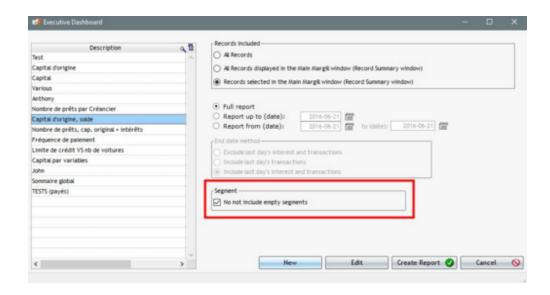
• Three methods are available to include or exclude interest and transactions that may occur on the reporting end date specified. This can be important depending on the end-date entered. For a report up to December 31 for example, the last day's transactions and interest should generally be included.

For a report up to January 1 (thus the start of the next period), if that day's transaction is to be included but not the interest on that day, then the second option should be chosen ("Include last day's transactions"). Ideally though, with a date at the start of the next reporting period, the first option should be chosen ("Exclude last day's interest") so as not to include any data from the next reporting period (avoid double accounting).

Please note: a Record is considered to be completely terminated on the last line's "Pmt Date" at 0:00:01 (so at 0:00 in the morning plus a fraction of a second to allow the last payment to be made). Thus, if a report end date is **equal** to or after the Record termination date, all three "End date method" choices will yield the same data for this particular Record and no interest will be included for the Record's last day. It is suggested for lines of credit or loans with no true end date set, to enter a distant date (e.g. 01/01/2025), so that the loan is not considered finished on the last line and continues to generate interest. More accurate projections can thus be made.

Segment:

• When producing reports, the "Do not include empty segments" option allows for the exclusion of Records when the "Reporting Field" is empty.



For example, a custom field with a drop down menu includes the name of the person that referred the borrower. This type of data include names which eventually become irrelevant. In order to avoid having these names included in the report with zero (0) associated to it, the option "Do not include empty segments" should be activated. This will decrease the amount of data for each Segmentation field in the report.

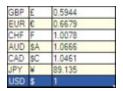
Example: The "Reference" custom field includes 30 names (drop down menu in order to be able to create an Executive Dashboard). Senior management would like to know the amount of principal generated by each Reference. Among those 30 names, only 19 generated sales (active loans) in 2016. The report will therefore include names and amounts (principal) of those 19 references only and will exclude the 11 others, which would have a 0.00 principal amount anyways.

Convert to other currencies:

 This report also allows, for multi-currency portfolios, to convert the multi-currency values to one or many other currencies. First, the Administrator must activate the multi-currency module through Tools > Settings > System settings (Administrators) > Modules > Currencies and by selecting "Activate "Multi-Currency" module (Administrator only)".

When converting in the report, the following choice will appear with a pull down menu of the currencies in MLM (other currencies may be added and some deleted - see the <u>Multi Currency</u> section).



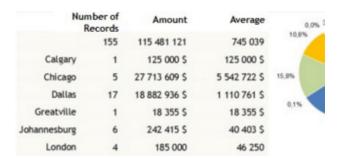


No matter which currency was used in the Record, the report will be produced with the selected currency (USD in the above example) using the conversion factor. The report may be created in any currency, not only the base currency (factor = 1).

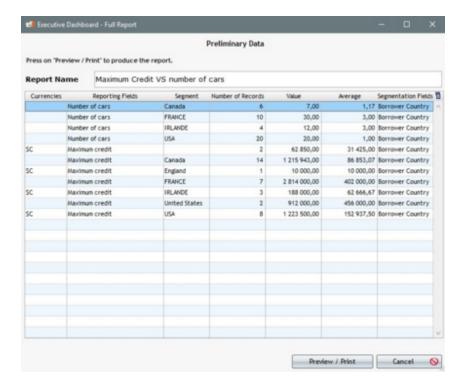
In order to be able to differentiate different currencies (useful when the report is produced in multiple currencies), MLM adds a first column for currency symbols (which can be eliminated in the backup settings TXT and CSV).

Please note that, as shown below, it is possible to create a report without adding currency (\$, \$, \$, etc.). When the

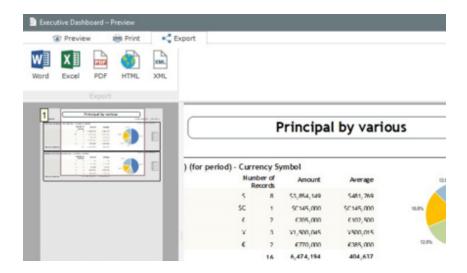
currency data conversion is not activated, the amounts will simply add up and generate a total with no specific currency.



Once the above choices have been entered, press on "Create Report" . A preliminary window will appear that computes the amounts. Before actually producing/printing/saving the report, it can also be given a different name than that in the template. Often a year or date can be added.



Once all is computed, press on "Preview / Print" to see the actual report with graphics. The printer settings window will appear but printing will not occur immediately. A preview will be displayed first.



Once in preview mode, the report can then be printed or saved in various formats.

- The PDF format is recommended for saving as opposed to Word.
- If saved as an Excel file, the numbers will be included in the sheet, but not the graphics.
- The report can also be sent in PDF format by email if your email program is properly configured (browser-based emailing is not supported)(see Tools and Settings > Tools Menu > Settings > Default Settings > Email Connection).

For more information on printing and report export, see: Saving & Printing > Printing.

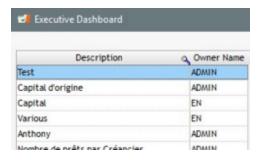
Time required to produce a report

See the special section to this effect: "Time required to produce reports".

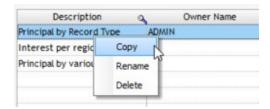
Modifying a report template

An existing report (template) may be modified or saved under a different name with only a few changes. An existing report may be modified or saved under a different name with only a few changes. Choose the desired report and click on "Edit". Changes may then be made as explained in the "Creating a report template" section above.

In MLM multi-user environments, users other than Administrators (and Privileged users) cannot modify reports created by another user. The "owner" of the report appears in the second column of the main report window (this column is hidden by default).

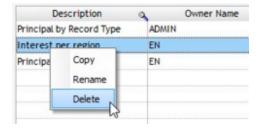


A normal user or a read-only user can view the report but cannot change it. It is also possible for the user to select the report, click the right mouse button and copy it. He then becomes owner of this new report.



Copy, rename and delete existing report templates

To copy, rename or delete an existing custom report, select the desired report and right click on the mouse. Choose the required action.



Statistical Errors to avoid

Warning!

MLM is a first and foremost a loan servicing software and not a Borrowers or statistics manager. The software gathers statistics by taking into account loans, not Borrowers, based on multiple criteria chosen by the user.

Statistical Data Over evaluation

If a Borrower has more than one loan in the system and if a field is associated to a Borrower and not to a loan, some statistical data can be improperly accounted for.

For example, John, a Borrower, has two (2) Records (loans) in MLM and a Borrower custom field indicates he has two (2) children.

When data is extracted in the Executive Dashboard for both Records, Jean will have four (4) children. **Data will have been doubled.**





If MLM is used for statistics, it is suggested to connect statistical data to the Record (loan) and not to the Borrower. For example, when two (2) children are entered in the Record (even if a loan cannot have children), both children will be compiled once but only if the number of children is entered for one of the loans and this, even if the Borrower has more than one loan in the system.

A typical example would be in social financing where lenders want a statistical report of the current number of jobs in a business and the number of jobs that will be created with this loan. Each loan granted to the business (Borrower) can create jobs and the total number of jobs can be compiled in the Executive Dashboard. Likewise, a field with the current number of jobs in the business should be connected to the business' first loan and not to the business as a Borrower.

Decrease of the Number of Records Reported

The number of Records that will be reported in the Executive Dashboard may not match the number of Records chosen or the number of Records included in the portfolio unless two conditions are met:

- 1. only Records that have a value greater than 0.00 in the chosen field will be included, AND
- 2. only Records with transactions in the Payment schedule within the selected time period will be included.

For example:

- Our database includes 404 Records.
- When choosing a complete report (without dates), only 395 Records appear in the results since the nine (9) excluded Records have a 0.00 value for the chosen data (Original Principal in our example).
- When adding dates between 2015 and 2016, the number decreases to 228 Records since many Records were closed before the end of 2015.
- When trying to get data for 2030 (in approximately fifteen years), the number of Records decreases to zero when loans are short term. If the database included long term loans, some Records would show up in the report.

To continue this example, an interesting data that can be extracted in the Executive Dashboard is the Original Principal of the portfolio as a whole ("Original Principal" variable) versus the Original Principal granted between the chosen dates of the report ("Original Principal (for period)" variable).

If a "Full Report" is chosen, these two data will generate the same results since no date is specified (395 Records out of 400 since 5 Records have a 0.00 value in the Original Principal):

Principal (Original) vs Principal (for period)

Full Report				Production Date	2016-08-16
Principal (Original)					
	Number of Records	Amount	Average		
Total All currencies	395	229 560 124	581 165		
Principal (Original) (for period)					
	Number of Records	Amount	Average		
Total All currencies	395	229 560 124	581 165		

Full Report

If dates are chosen, the "Original Principal" variable will take into account all Records that exist between the two dates and for which the principal is greater than 0.00. In the example below, 228 Records were active between January 1, 2015 and December 31, for a total of 173 million. It does not mean that loans have been granted in 2015.

The "Original Principal (for period)" variable will include all the Records which Origination date is in 2015 AND which principal is greater than 0.00. Records with original Principal of 0.00 will be excluded from the report.

Principal (Original) vs Principal (for period) Report from 2015-01-01 to 2015-12-31 Production Date 2016-08-16 Principal (Original) Number of Records 173 685 081 761 777 Principal (Original) (for period) Number of Records Amount Average Records 147 93 682 873 637 298

One-year Report

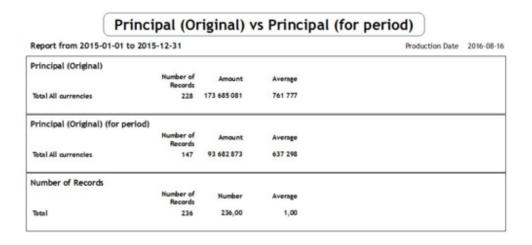
Executive Dashboardsubtletiessummary:

Criteria	Records	Reason of decrease
Full Portfolio	404	-
Original Principal Criteria (without date)	395	Original Principal of 0.00 for 9 Records
Original Principal Criteria (in 2015 only)	228	 Only 236 Records are active in 2015 8 of those have an original principal of 0.00
Original Principal (for period) (in 2015 only)	147	 Only 150 Records have an origination date in 2015 3 of those have an original principal of 0.00

The Average is also affected by these various criteria. For example, for Records which original Principal is in 2015, 150 Records respect the disbursement date's exclusive criteria. Three (3) of these have a Principal of 0.00. The average uses

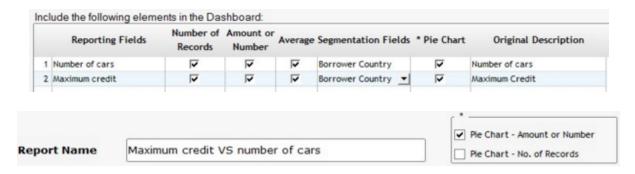
147, not 150.

In order to offset these exclusion criteria, it is suggested to add in a report additional data that are not affected by the 0.00 constraint. In the example below, the "Number of Records" field has been added. Thus, all active Records (236) in 2015 are included in the third section of the table.

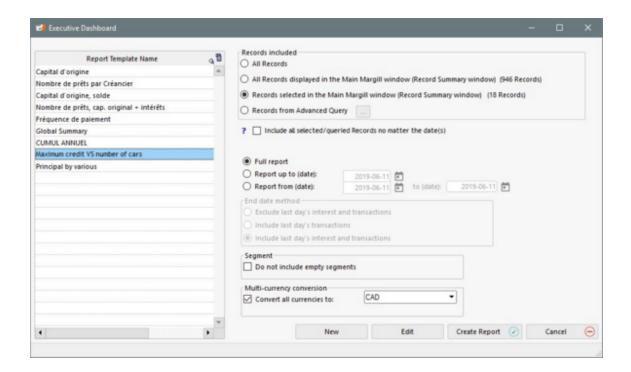


Report Example

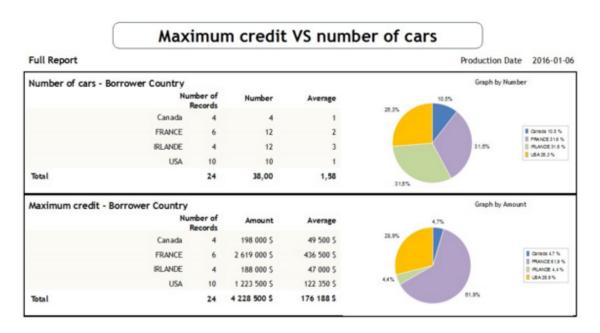
If, for example, a user wants to know if there is a correlation between the number of cars (<u>Custom fields</u>) Borrowers own and their credit limit, depending on their country of origin, here is how to set up the "Executive Dashboard" report:



The user wishes to generate a report considering only selected Records in the Main Window and wants all monetary values converted to Canadian dollars.



Here is the data he will get when generating the report:



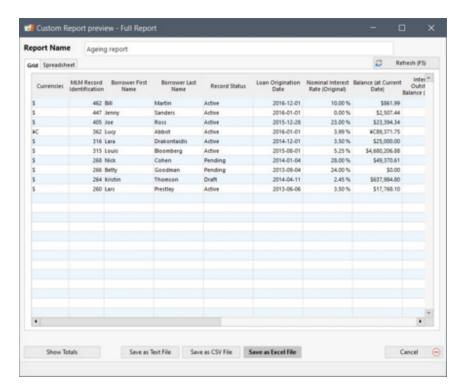
Twenty four (24) Records were selected and taken into account for this report. The report shows that Borrowers come from four different countries, they own in average 1.58 cars and their average credit limit is 176 188 Canadian dollars (after currency conversion).

In this example, it seems that the Irish own the most cars per Borrower. On the other hand, the French have a higher credit limit. If the sampling was done properly (not in this case), we would conclude that there is no correlation between the number of cars Borrowers own and their maximum credit.

In order to avoid generating false statistics, see the Statistical Errors to Avoid section above.

Record List

This report lists, line by line, the desired data for each of the Records selected in the Main Margill Loan Manager (MLM) window. This allows you to produce reports containing one or many of the more than 1000 data fields, custom fields and <u>Mathematical Equations</u> that users can define.



The reports may produce totals up to the end of each of the Records or include totals up to a specific date or between two dates.

The reports produce either Text files (.TXT), Comma-separated value files (.CSV) or Excel (XLS) spreadsheets that may then be organized or exported to third-party software. A spreadsheet is also included under the "Spreadsheet" tab.

In fact, you may produce a countless number of reports such as:

- Client list including phone numbers, emails, addresses, social security numbers, birth days, etc.;
 - Warning, if a client (Borrower) is entered in MLM but does not have a Record (Loan) assigned to him, the Borrower will not appear in the Record list. To produce such reports, see <u>List of Borrowers, Creditors or Employers</u>.
- Client list with the total principal amounts;
- Client list with balances on a certain day, total interest paid, total principal refunded for a specific period, etc.;
- Fees list;
- APR data;
- Returned check list;
- Late and unpaid payments list;
- Bad debt reports;
- Loan guarantees (securities) reports;
- Use one of the customized "Borrower" fields to create a report of client industries, loan type, fund, etc.;
- <u>Participation loans</u> report;

- Ageing of accounts;
- Etc.

This report also allows, for <u>multi-currency</u> portfolios, converting multi-currency values to one or many other currencies.

Creating a report template

Producing a report

- Convert to other currencies
- Time required to produce a report

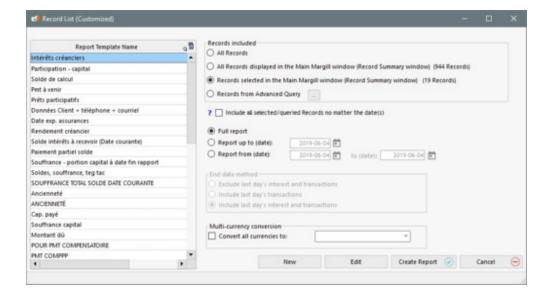
Modifying a report template

Exporting monthly interest, fees, principal and balance data to third party accounting software

Copy, rename and delete existing report templates

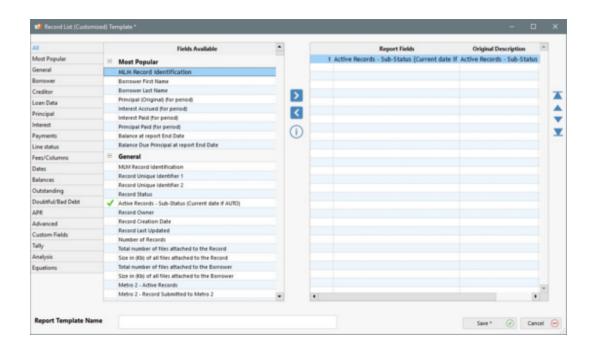
Creating a report template

In the Main MLM window, click on Reports > Personalized Reports > Record List. The following window will appear:



Press on "New" and the window below will appear. This allows you to select fields one by one by highlighting (one click) then clicking on the arrow , or by double-clicking on the desired field (under the "All" tab or in each of the thematic tabs). The report will include as many columns as there are selected fields.

Each of these fields is described in detail in the <u>Reporting Fields</u> chapter and upon clicking in MLM. The last theme, called "Equations" are <u>Mathematical Equations</u> that the Administrator and the Power users can create in order to add, subtract, multiply and divide fields together.



You can determine the report column order in this window (in the "Report Fields" section on the right) by highlighting the field you wish to move and by using the arrows to the right (see also <u>Displayed column selection and order</u> in the Record Summary Window chapter).



It is also possible to remove a field by selecting it and clicking on the arrow in the center of the window.

Field titles will appear in the report column headings in the report. If necessary, and for greater clarity, these headers can be changed by highlighting the default title and by changing it.

In the example below, all the original titles have been modified including the name of the column in the report for the Borrower's address. It was changed from the original title (name in the software) "Borrower - Address 1" for a much shorter description, the user's choice, "Addr.".



Once the fields have been chosen and ordered as desired, a name must be given to the report (at the bottom left of the window).



The "Save" button will return to the "Custom Reports" window.

Producing a report

For Record selection (Records to be included), four options are available:

- 1. All Records;
 - O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.

Can produce Reports for all records

- O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
- 2. All Records displayed in the Main Margill window (Record Summary window);
- 3. Records selected in the Main Margill window (Record Summary window): select (highlight) the desired Records in the Main MLM window (Record summary). To do so, you can sort the Records as you see fit, display some with the display filters or select them all with the CTRL-A key. The results order will be in the same as the selection order made in the Main window. The first Record chosen (with a mouse click, for example), will be the first line of the report, and so on.
- 4. Records from Advanced Query.

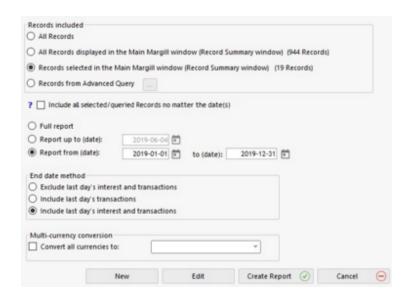


You must now choose among the options in this window.

Include or not all selected/queried Records no matter the date(s): Normally Records that begin after the end date of
a Report, or are completed before the start date of a Report (payment date of the last line) are not included in the
final results. By checking this option, all selected Records will be included in the final results even if no data is
available for the chosen reporting period.

✓ Include all selected/queried Records no matter the date(s)

• 1) Full report, 2) up to a specific date or 3) between 2 dates.



Report end-date method: three methods are available to include or exclude interest and transactions that may occur
on the reporting end date specified. This can be important depending on the end-date entered. For a report up to
December 31 for example, the last day's transactions and interest should generally be included.

For a report up to January 1 (thus the start of the next period), if that day's transaction is to be included but not the interest on that day, then the second option should be chosen ("Include last day's transactions"). Ideally though, with a date at the start of the next reporting period, the first option should be chosen ("Exclude last day's interest") so as not to include any data from the next reporting period (avoid double accounting).

Please note: a Record is considered to be completely terminated on the last line's "Pmt Date" at 0:00:01 (so at 0:00 in the morning plus a fraction of a second to allow the last payment to be made). Thus, if a report end date is equal to or after the Record termination date, all three "End date method" choices will yield the same data for this particular Record and no interest will be included for the Record's last day. It is suggested for lines of credit or loans with no true end date set, to enter a distant date (e.g. 01/01/2025), so that the loan is not considered finished on the last line and continues to generate interest. More accurate projections can thus be made.

Convert to other currencies: This report also allows, for multi-currency portfolios, to convert the multi-currency values to one or many other currencies. First, the Administrator must activate the multi-currency module through Tools > Settings > System settings (Administrators) > Modules > Currencies and by selecting "Activate "Multi-Currency" module (Administrator only)".

When converting in the report, the following choice will appear with a pull down menu of the currencies in MLM (other currencies may be added and some deleted - see the <u>Multi Currency</u> section).



GBP	£	0.5944
EUR	€	0.6679
CHF	F	1.0078
AUD	\$A	1.0666
CAD	\$C	1.0461
JPY	¥	89.135
USD	\$	1

No matter which currency was used in the Record, the report will be produced with the selected currency (USD in the above example) using the conversion factor. The report may be created in any currency, not only the base currency (factor = 1).

In order to differentiate between various currencies (useful when the report is produced in multiple currencies) MLM

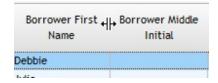
will automatically add a first column with the currency symbol (this column may be deleted in the TXT and CSV saving settings).

Press on "Create Report" Create Report W that w

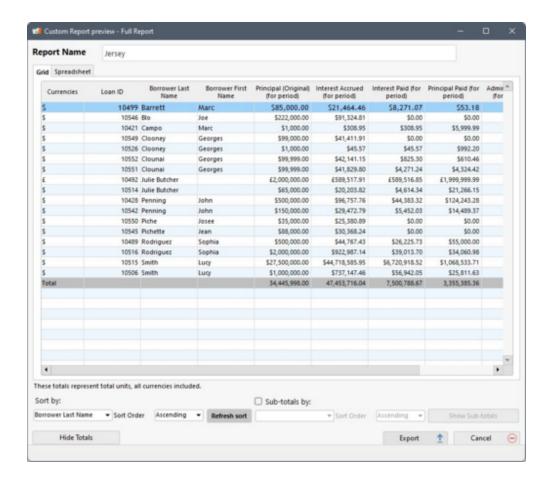
that will preview the report.



You can adjust the column width by placing the mouse over the line separating columns and dragging the icon that appears. The width does not matter when the data is exported to Excel or other software.



You can sort the data by any report field excluding the special "All Creditors" fields. This can be useful in order to organize the data before exporting to another software. For example, sort the Borrowers by alphabetical order:

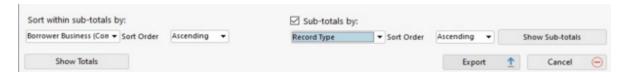


Once a first sort is done, it is possible to do as many as desired. You can then generate multiple reports containing different sorts from the same report.

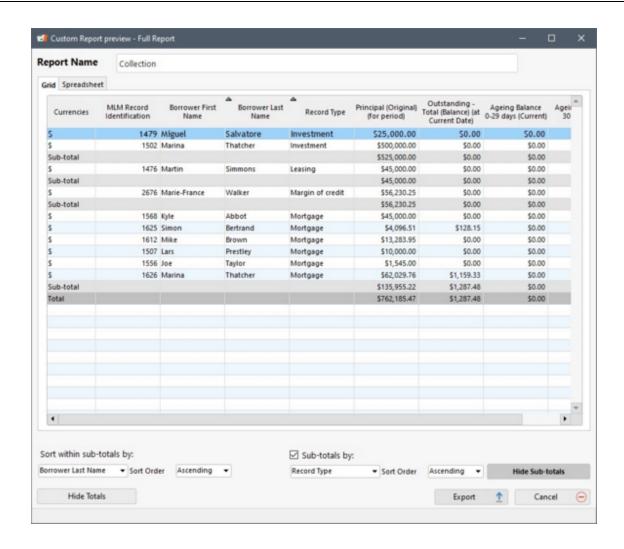
In addition to sorting, you can add sub-totals based on fields. By checking the "Sub-totals by:" box, sub-total lines will be added to the report according to the desired field that must necessarily be included in the report. Results will be displayed in ascending or descending order (alphabetical or numerical). Currency fields are excluded from sorting by sub-totals because the display is in text format and cannot properly be managed.

When a numerical (or money) field has been selected, the "Show Totals" option appears at the bottom of the window to display a total on the last line of numerical (and money) columns in the report. Beware, however, of the relevance of these totals or sub-totals in the case of a report where loans are multi-currency. See the <u>Convert to other currencies</u> section above.

In the following example, the report results are grouped by ascending "Record Type" and sub-totals will be generated for all of the columns containing values that can be added up.



The second sort sorts the data by the desired field within the sub-totals category. In the following example, in addition to regrouping by "Record type", the results are then sorted by alphabetical order based on the Borrower's name. Also, a grand total can be included by clicking on the "Show Totals" button. The pale gray lines represent the sub-totals and the last darker line represents that grand total:



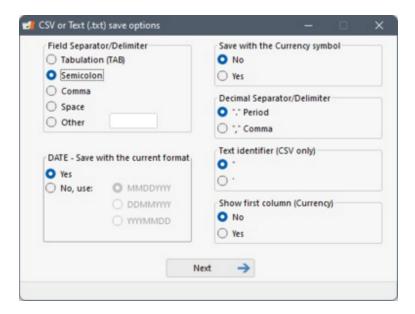
Please note that depending on which sub-total field is used, some scenarios could lead to sub-totals offering very little value.

Tip: You can generate multiple reports containing different sub-totals from the same results. Export and save the report according a first variable, then sort again according to another variable and export. The "Show sub-totals" and "Show totals" button will respectively become "Hide sub-totals" and "Hide totals" in order to let you go back.

To save the report generated, select the format to which you wish to save the report by clicking on the "Export" button: Excel sheet (.XLSX), Text file (.TXT) or CSV format (.CSV):



Choosing "Save as Text File" or "Save as CSV File" will open up the Windows dialog box allowing you to first name the report and then specify other options for formatting: field (column) separator, whether a currency symbol is to be used or not and the date format (some third party systems require a date format not divided by any symbols). Most often, currency symbols should not be used when exporting to third party software.

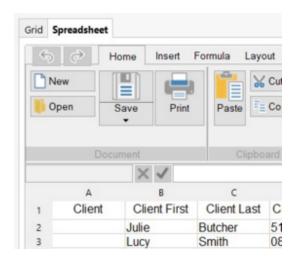


In Excel, it will open the dialogue box below. In order to obtain a number that is a true number (as opposed to a text format), it is recommended to export **without** the currency symbol.



You can then open the report (and adapt if need be) and print or export. Text files (.TXT) are often messy since the widths of the data columns may not be the same and the headers may be of various widths too. To print a clean report you should manually add tabs to align the columns. Printing in a spreadsheet is usually handier.

A spreadsheet is also included under the "Spreadsheet" tab which allows users to perform some basic spreadsheet operations (the tool is not as sophisticated as Excel). This is very useful to copy/paste partial data to Excel or other.



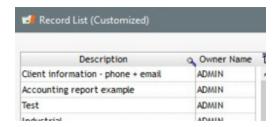
Time required to produce a report

See the special section to this effect: "Time required to produce reports".

Modifying a report template

An existing report (template) may be modified or saved under a different name with only a few changes. Choose the desired report and click on "Edit". Changes may then be made as explained in the "Creating a report template" section above.

In MLM multi-user environments, users other than Administrators (and Privileged users) cannot modify reports created by another user. The "owner" of the report appears in the second column of the main report window (this column is hidden by default).



A normal user or a read-only user can view the report but cannot change it. It is also possible for the user to select the report, click the right mouse button and copy it. He then becomes owner of this new report.

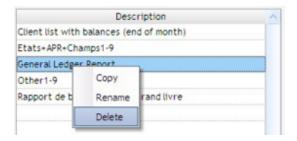


Exporting monthly interest, fees, principal and balance data to third party accounting software

This report can be used to generate totals for transactions for a specified period (usually one month) but does not allow identification of the transactions and corresponding dates as such. Hence the use of the "Accounting Entries" report, specifically designed for accounting. "Accounting Entries" report allows Exporting accounting transactions (debits and credits) to the General ledger. The Transaction Report is also used to obtain transactional data.

Copy, rename and delete existing report templates

To copy, rename or delete an existing custom report, select the desired report and right click on the mouse. Choose the required action.



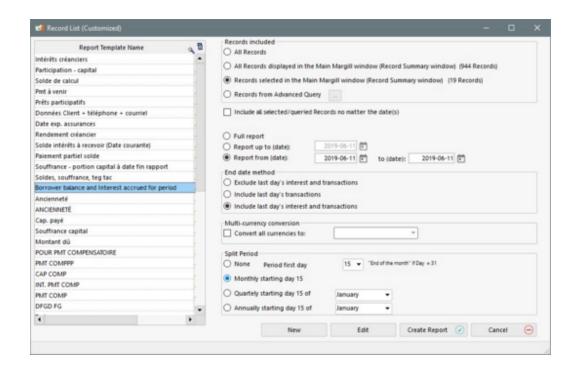
See also, Record List with Period Breaks, mostly used for financial forecasts.

Record List with Period Breaks

The "Record List with Period Breaks" is generally used to prepare financial forecasts. It splits monetary data into annual, quarterly or monthly periods according to your needs. Over 215 fields can be reported split by period.



Reports can produce totals up to the end of each Record or include totals up to a specific date or between dates. In addition, they will be split as needed: monthly, semi-annually, annually or without any fraction (only according to the specified dates), while specifying the first day of the period and / or month.



The reports produce either Text files (.TXT), Comma-separated value files (.CSV) or Excel (XLS) spreadsheets that may then be organized or exported to third-party software. A spreadsheet is also included under the "Spreadsheet" tab.

In fact, you may produce a countless number of reports such as:

- Interest income forecast;
- Principal refund forecast;
- Summary of overdue payments;
- Results analysis;
- Etc.

This report also allows, for <u>multi-currency</u> portfolios, the conversion of multi-currency amounts to one or many other currencies.

Creating a report template

Producing a report

- Report subtleties
- Convert to other currencies
- Time required to produce a report

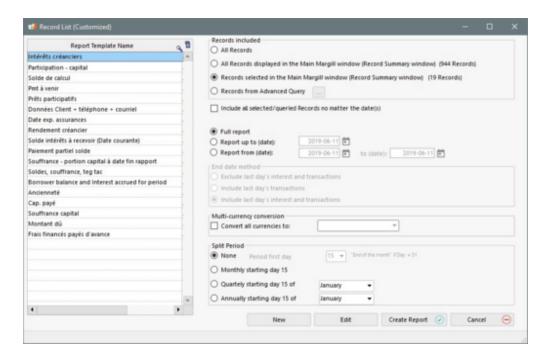
Modifying a report template

Exporting monthly interest, fees, principal and balance data to third party accounting software

Copy, rename and delete existing report templates

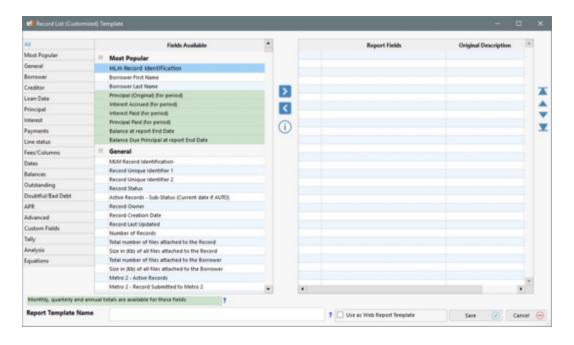
Creating a report template

In the Main MLM window, click on Reports > Personalized Reports > Record List with period Breaks. Reports created using the "Record List" and "Record List with Period Breaks" are grouped together in the same list. The following window will appear:



Press on "New" and the window below will appear. This allows you to select fields one by one by highlighting (one click)

then clicking on the arrow , or by double-clicking on the desired field (under the "All" tab or in each of the tabs in which fields are displayed by theme). The report will include as many columns as there are selected fields. Fields highlighted in olive green are fields that can be split monthly, quarterly or annually. If fields not highlighted in olive green are selected for the report, the data will simply be reported without providing periodic amounts.



In the example below, the Borrower name is simply reported, while the "Due Pmt (for period)" field is split monthly, since it is one of the fields highlighted in olive green.



Each of these fields is described in detail in the <u>Reporting Fields</u> chapter and with a mouse-over the field in the software itself. The last theme, called "Equations" are <u>Mathematical Equations</u> that the Administrator and the Power users can create in order to add, subtract, multiply and divide fields together.

You can determine the report column order in this window (in the "Report Fields" section on the right) by highlighting the field you wish to move and by using the arrows to the right.



It is also possible to remove a field by selecting it and clicking on the arrow in the center of the window.

Field titles will appear in the report column headings in the report. If necessary, these header names can be changed by highlighting the default title and by changing it.

In the example below, all the original titles have been modified including the name of the column in the report for the Borrower's address. It was changed from the original title (name in the software) "Borrower - Address 1" for a much shorter description, the user's choice, "Addr.".



Once the fields have been chosen and ordered as desired, a name must be given to the report (at the bottom left of the window).



The "Save" button will return to the "Custom Reports" window.

Producing a report

For selecting Records (Records to be included in the report), four options are available:

- 1. All Records;
 - O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.

Can produce Reports for all records

- O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
- 2. All Records displayed in the Main Margill window (Record Summary window);
- 3. Records selected in the Main Margill window (Record Summary window): select (highlight) the desired Records in the Main MLM window (Record summary). To do so, you can sort the Records as you see fit, display some with the display filters or select them all with the CTRL-A key. The results order will be in the same as the selection order made in the Main window. The first Record chosen (with a mouse click, for example), will be the first line of the report, and so on.
- 4. Records from Advanced Query.



You must now choose among the options in this window.

• Include or not all selected/queried Records no matter the date(s): Normally Records that begin after the end date of a Report, or are completed before the start date of a Report (payment date of the last line) are not included in the final results. By checking this option, all selected Records will be included in the final results even if no data is available for the chosen reporting period.

☑ Include all selected/queried Records no matter the date(s)

• 1) Full report, 2) up to a specific date or 3) between 2 dates.



• Report end-date method: three methods are available to include or exclude interest and transactions that may occur on the reporting end date specified. This can be important depending on the end-date entered. For a report up to December 31 for example, the last day's transactions and interest should generally be included. However, a split period always includes the end date. For example, if the start of the period is the first day of the month, the end date will always be included for split periods regardless of the report end date selection method. The inclusion or exclusion method for interest and / or transactions applies only at the end of the full period and not to the split period.

Please note: a Record is considered to be completely terminated on the last line's "Pmt Date" at 0:00:01 (so at 0:00 in the morning plus a fraction of a second to allow the last payment to be made). Thus, if a report end date is equal to or after the Record termination date, all three "End date method" choices will yield the same data for this particular Record and no interest will be included for the Record's last day. It is suggested for lines of credit or loans with no true end date set, to enter a date in the future (e.g. 01/01/2030), so that the loan is not considered finished on the last line and continues to generate interest. More accurate projections can thus be made.

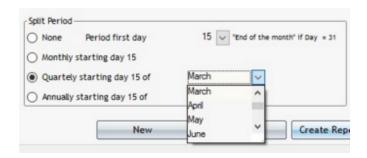
• Split period: Four options are available for report production. 1) None, 2) Monthly, 3) Quarterly or 4) Annually.

It is also possible to specify:

The first day of the period:



The actual month in which such period begins:

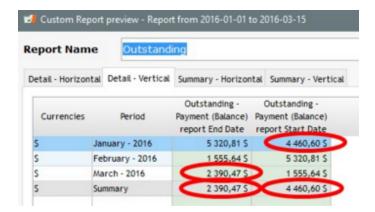


You can also calculate totals by period according to the beginning of your fiscal year and even a financial year (rare) that would start not on the 1st of the month, but on any other date.

Report subtleties:

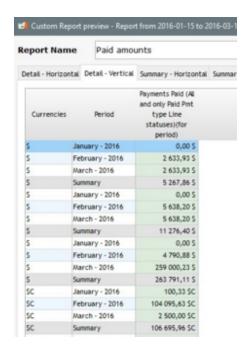
1) The term "Summary" below provides the result according to the report dates, not according to the sum of the periods. There may also be a few cents difference due to rounding by period.

Warning! When the field name includes "Report End Date" or "Report Start Date", MLM does not add the individual amounts then report the sum in the Summary, rather it gives us the logical result based on the requested data. In the example below, for the column named "Outstanding - Payment (Balance) Report End Date", the amount reported in the "Summary" line corresponds to the balance at the report end date. It does not add the balances at the end of each month, but rather displays the final balance at the end of the report. The same principle applies for the "Outstanding - Payment (Balance) Report Start Date". The balance reported on the summary line is that of the first balance.



Once a numerical (or monetary) field has been selected, the "Show totals" option appears at the bottom of the window, displaying the total on the last line of a numerical (and monetary) column of the report. Be careful, however, as to the relevance of these totals. These results can be deceiving when Equations are improperly used or when the loans are multi-currency.

In other cases, when relevant, as in the example below, for the "Paid Payment" field, the Summary is an addition of all periods, per Record:



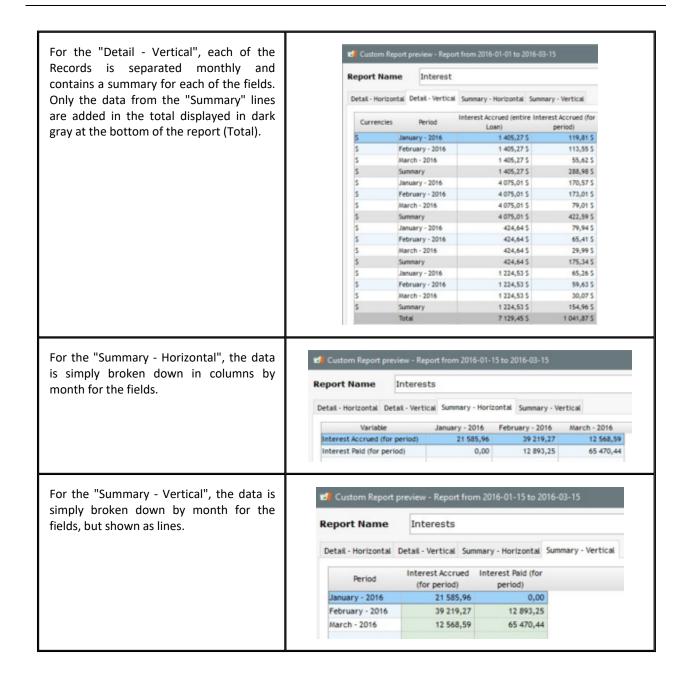
2) This report compiles the results in four different ways. The results can be presented horizontally or vertically in detail (Record by Record) or as a summary.

Detail - Horizontal Detail - Vertical Summary - Horizontal Summary - Vertical

In the examples below, the report includes four Records, two production fields, and the selected monthly split period for three months.

For "Detail - Horizontal", the lines represent each of the Records that were selected in the Main window and the columns are displayed per month.





Mathematical Equations

Mathematical Equations are highlighted in green if one of the fields that is included in this Equation is a field that can be split. Even if an Equation is highlighted in green, the totals calculated by period may not be logical. For example, if the "Principal (Original)" field is used and added to the "Additional Principal" Line status field, the Original Principal will appear every month making this monthly (or other) amount false.

If on the other hand, the "Principal (Original)(for period)" field is used and added the "Additional Principal" Line status field, then the "Principal (Original)(for period)" will only appear in the month at which it was really advanced (at the Origination Date) and never again.

Convert to other currencies: This report also allows, for multi-currency portfolios, to convert the multi-currency

values to one or many other currencies. First, the Administrator must activate the multi-currency module through Tools > Settings > System settings (Administrators) > Modules > Currencies and by selecting "Activate "Multi-Currency" module (Administrator only)".

When converting in the report, the following choice will appear with a pull down menu with the currencies in MLM (other currencies may be added and some deleted - see the <u>Multi Currency</u> section).



GBP	£	0.5944
EUR	€	0.6679
CHF	F	1.0078
AUD	\$A	1.0666
CAD	\$C	1.0461
JPY	¥	89.135
USD	\$	1

No matter which currency was used in the Record, the report will be produced with the selected currency (USD in the above example) using the conversion factor. The report may be created in any currency, not only the base currency (factor = 1).

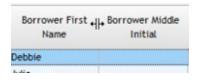
In order to differentiate between various currencies (useful when the report is produced in multiple currencies) MLM will automatically add a first column with the currency symbol (this column may be excluded when saving the file).

Only previously highlighted Records in the "Record Summary" window will be included in the report. Press on

"Create Report" that will preview the report.

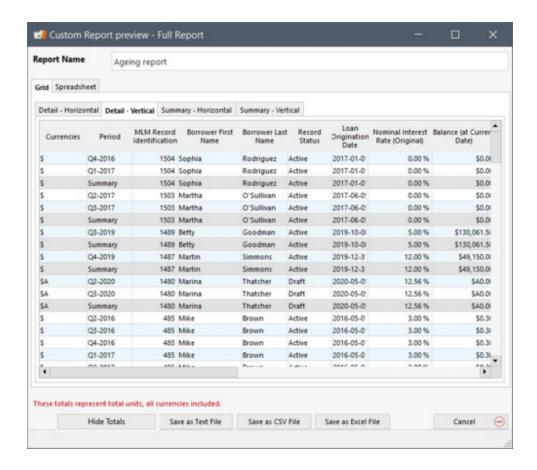


You can adjust the column width by placing the mouse over the line separating columns and dragging the icon that appears.



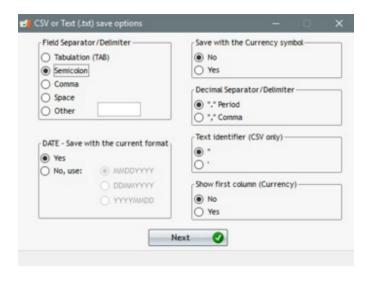
The width does not matter when the data is exported to Excel or other software.

Select the format in which to save the report: Text files (.TXT), Comma-separated values (.CSV) or Excel (.XLSX) spreadsheets.



When a numerical (or monetary) field has been selected, the "Show Totals" option appears at the bottom of the window to display a total on the last line of numerical (and monetary) columns in the report. Beware, however, of the relevance of these totals in the case of a report when multi-currencies are included. See the <u>Convert to other currencies</u> section above.

"Save as Text File" or "Save as CSV File" options will open up a dialog box allowing you to first name the report and then specify other formatting options: field (column) separator, whether a currency symbol is to be used or not and the date format (some third party systems require a date format not divided by any symbols). Most often, currency symbols should not be used when exporting to third party software.

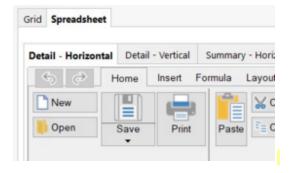


In Excel, the dialogue box below will appear. In order to obtain a number that is a true number (as opposed to a text format), it is recommended to export **without** the currency symbol.



You can then open the report (and adapt if need be) and print or export. Text files (.TXT) are often messy since the widths of the data columns may not be the same and the headers may be of various widths too. To print a clean report you should manually add tabs to align the columns. Printing in a spreadsheet is usually handier.

A spreadsheet is also included under the "Spreadsheet" tab which allows users to perform some basic spreadsheet operations (the tool is not as sophisticated as Excel). This is very useful to copy/paste partial data to Excel or other.



• Time required to produce a report

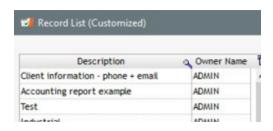
Note that this complex calculation / report can take several MINUTES (not seconds) depending on the number Records, fields and periods in the report, its start and end dates, and the speed of your computer. It is preferable to group a few fields into several reports, rather than to produce one very large report. A gauge appears at the bottom of the window to show the report's progression. It is always possible to use the ALT + C keys to cancel the report.



Modifying a report template

An existing report (template) may be modified or saved under a different name with only a few changes. Choose the desired report and click on "Edit". Changes may then be made as explained in the "Creating a report template" section above.

In MLM multi-user environments, users other than Administrators (and Privileged users) cannot modify reports created by another user. The "owner" of the report appears in the second column of the main report window (this column is hidden by default).



A normal user or a read-only user can view the report but cannot change it. It is also possible for the user to select the report, click the right mouse button and copy it. He then becomes owner of this new report.

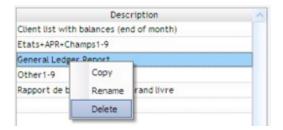


Exporting monthly interest, fees, principal and balance data to third party accounting software

This report can be used to generate totals for transactions for a specified period (usually one month) but does not allow identification of the transactions and corresponding dates as such. Hence the use of the "Accounting Entries" report, specifically designed for accounting. "Accounting Entries" report allows the <u>export of accounting transactions (debits and credits) to the General ledger</u>. The <u>Transaction Report</u> is also used to obtain data as transactions (dates and amounts).

Copy, rename and delete existing report templates

To copy, rename or delete an existing custom report, select the desired report and right click on the mouse. Choose the required action.



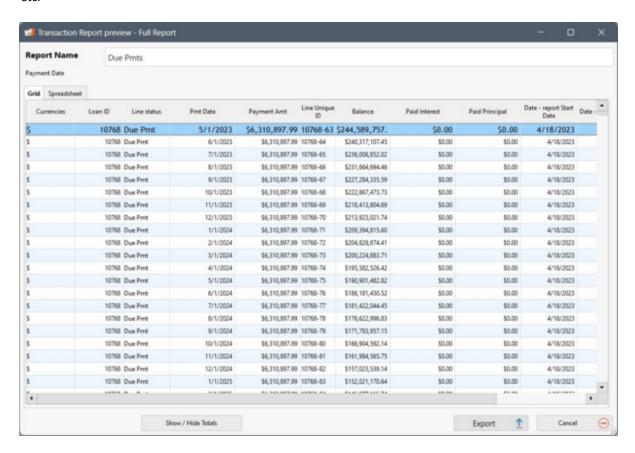
Transaction Report

The Transaction Report will list the desired transactions for all of the Records selected in the Margill Loan Manager (MLM) Record Summary window (Main window). A transaction is essentially any payment or amount calculated following this payment on a specific date in the Payment schedule.

Transaction examples:

- Payment amount
- Balances
- Accrued interest
- Paid Interest

- Paid Principal
- Fees charged or paid
- Transactions that have no effet on the Payment schedule (Information columns) but that may be required for accounting
- etc.



This report can recreate Payment schedule for multiple Records in one report, exactly as a user desires for a specific period of time. You can include:

- only the necessary Payment schedule columns (Payment Date, Payment amount, Comment, Paid Interest, Column Fee, etc.)
- only some Line statuses (Paid pmt, Paid Pmt Returned Check, Additional Principal, Fees, etc.)
- any other field pertaining to the Record (Record number, Borrower name, custom fields, etc.)

You could produce a report, for example, that would:

- list all and only "Additional Principal" Line statuses for a number of Records and for a specified period of time;
- list all dates and amounts of all Paid Payments, Special Payments ("Visa Paid Pmt" for example);
- list all Returned checks or Returned checks that were subsequently paid along with the check number (and other check related data).

These transactions can then be exported to Excel, CSV or TXT and imported into third-party software such as accounting packages.

Creating a report template

Producing a report

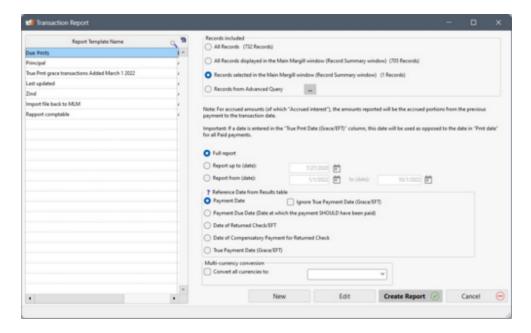
- Convert to other currencies
- Time required to produce a report

Modifying a report template

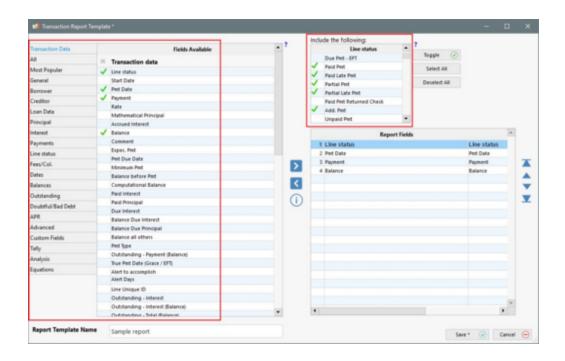
Copy, rename and delete existing report templates

Creating a report template

Go to Reports > Personalized Reports > Transaction Report:



To create a report template, click on "New". The following window will appear with, boxed in red, the data that is to be included in the report. On the left one finds data fields classified by theme as well as Transaction-type data fields. On the top right, in the red box are the various Line statuses to be included in the report. One could only wish to show the Paid payments and exclude any other type of Line statuses.



To add a field from the left side of the table to your report, simply select it and click on the arrow pointing to the right , or double-click on the field itself to include it. To delete a field from the report, select it and click on the arrow pointing to the left .

To include or delete Line statuses that are at the top right side of the table, you can:

- 1. Select fields one by one by highlighting them and clicking on: "Select / Deselect"
- 2. Select all Line statuses
- 3. Deselect all



The Line statuses do not appear in the Report Fields but one can see which are included since they will be checked



The report will include as many columns as there are Fields and Transaction Data in the "Report Fields" section.

The Report Fields that can be included in the report are of two types:

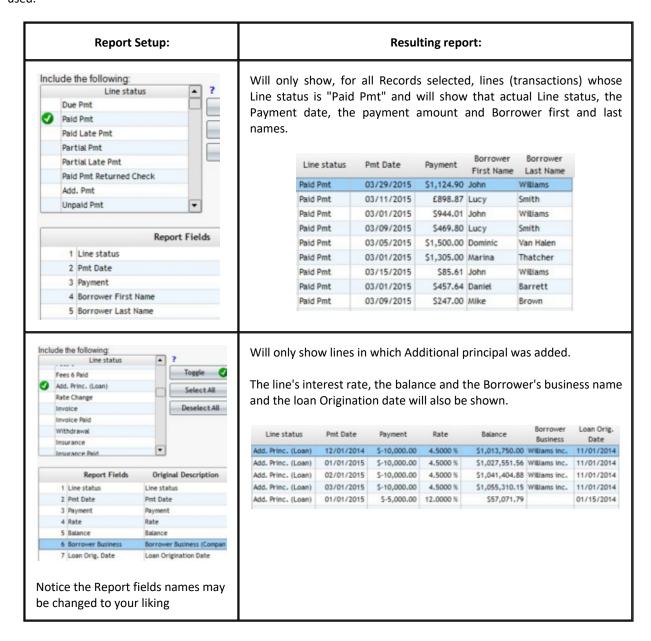
- Transaction Data
- Information Data (included by theme below the "Transaction Data" button)

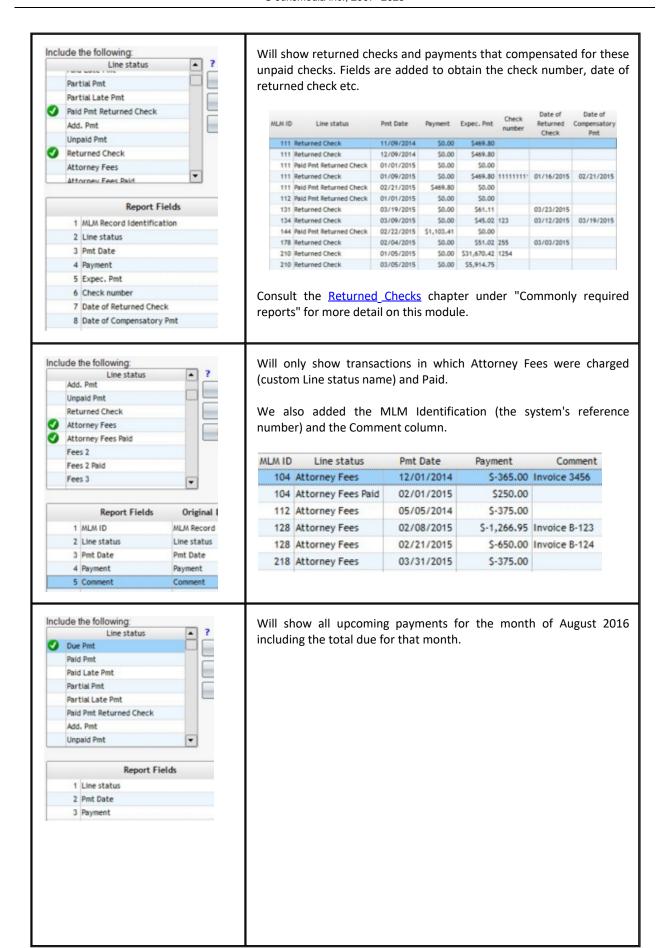
"Transaction Data" are all the columns (73 in all) in the Payment schedule. These usually are amounts but can include dates and comments entered in the Payment schedule. These usually change as the date changes. For example, a payment amount or a balance may/will change as the date changes.

"Information Data" will be the same, no matter which date is entered in the report. For example, if the Borrower's name is included in the report, it never changes, no matter the transaction date. Other example: The same applies for the Final Balance – the amount of the last line of the Payment schedule will be reported for all transaction dates (so not very valuable data for this report).

If Information Data is included in a report, it will be repeated for all transaction lines, whereas the Transaction Data will be reported based on what is contained in the Payment schedule.

The box below illustrates various example of the reports that can be produced. Keep in mind that a report could easily include hundreds of columns and thousands upon thousands of lines when multiple Line statuses and reporting fields are used.





Repor	rt Name	Upcoming payments		
Payment	t Date			
Curre	ncies Line:	status	Pmt Date	Payment
S	Due Pmt		08/09/2016	\$1,698.67
S	Due Pmt		08/01/2016	\$500.0
S	Due Pmt		08/01/2016	\$647.10
S	Due Pmt		08/01/2016	\$795.7
S	Due Pmt		08/01/2016	\$1,910.55
S	Due Pmt		08/01/2016	\$200.00
S	Due Pmt		08/01/2016	\$816.59
S	Due Pmt		08/01/2016	\$17.4
S	Due Pmt		08/01/2016	\$7,718.04
S	Due Pmt		08/03/2016	\$73.46
S	Due Pmt		08/10/2016	\$73.46
S	Due Pmt		08/17/2016	\$73.46
S	Due Pmt		08/24/2016	\$73.46
S	Due Pmt		08/31/2016	\$73.46
S	Due Pmt		08/18/2016	\$695.94
S	Due Pmt		08/01/2016	\$5,653.55
S	Due Pmt		08/01/2016	\$112.3
S	Due Pmt		08/01/2016	\$1,000.00
S	Due Pmt		08/01/2016	\$45,870.89
S	Due Pmt		08/01/2016	\$2,329.03
S	Due Pmt		08/11/2016	\$218.87
S	Due Pmt		08/25/2016	\$218.8
s	Due Pmt		08/01/2016	\$2,500.0
Total				295,082.86

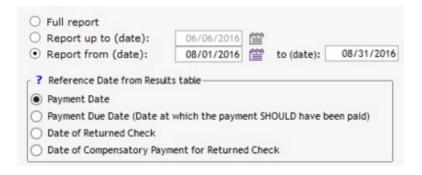
Producing a report

For selecting Records (Records included in the report), four options are available:

- 1. All Records;
 - O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
 - ✓ Can produce Reports for all records
 - In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
- 2. All Records displayed in the Main Margill window (Record Summary window);
- 3. Records selected in the Main Margill window (Record Summary window): select (highlight) the desired Records in the Main MLM window (Record summary). To do so, you can sort the Records as you see fit, display some with the display filters or select them all with the CTRL-A key. The results order will be in the same as the selection order made in the Main window. The first Record chosen (with a mouse click, for example), will be the first line of the report, and so on.
- 4. Records from Advanced Query.



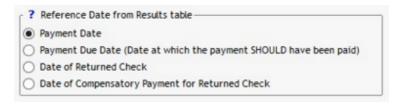
You must now choose among the date options:



- 1. Full report
- 2. Report up to a specific date, or
- 3. Report between 2 dates.
- For the report between two dates, notice that if the same date is entered in the "from" and "to" dates, only transactions on this day will be reported. Entering the same "from" and "to" dates is usually not permitted in other reports.

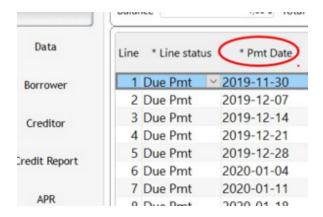


The second section, "Reference Date from Payment schedule" allows you to choose which date is to be used to extract the proper lines from the Payment schedules.



Up to four Reference Dates are available:

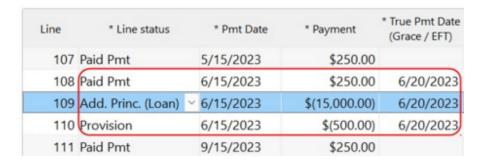
1. Payment Date – this is the most commonly used date for this report and is based on the date contained in the "Pmt Date" column of the Payment schedule.



By default in this report, if a date is entered in the "True Pmt Date (Grace/EFT)" column, this date will be used as the transaction date as opposed to the date in the "Payment Date" column for all "Paid" type transactions. The "Ignore True Payment Date (Grace/EFT) option allows to override this rule by ignoring the date entered in "True Pmt Date (Grace/EFT)" for all Line statuses.

Example:

- Line 108 is Payment type line
- O Line 109 is not a Payment type line
- Line 110 is not a Payment type line

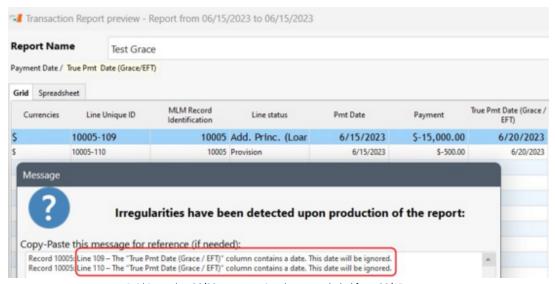


The four options and resulting reports are produced below.

i) Report with the Payment date when the "Ignore" option is not checked:

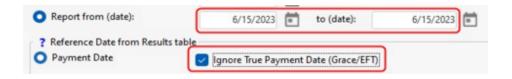


Report picks up the non Payment type lines since by default these are ignored even without the "Ignore" option checked. The reason behind this, logically, the Grace date should only be used for "Payment" type lines since the reason behind Grace is not to charge extra interest when a payment is slightly late. For all other Line statuses, the Grace date should ideally be empty.



Paid Pmt takes 06/20 as transaction date so excluded from 06/15 report

ii) When the "Ignore" option is checked, all three transactions on 6/15 are shown since Grace date is ignore for ALL Line statuses.

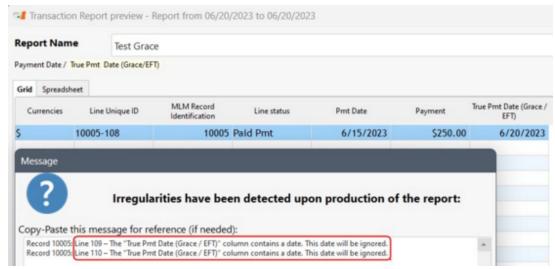




All transactions are on 06/15

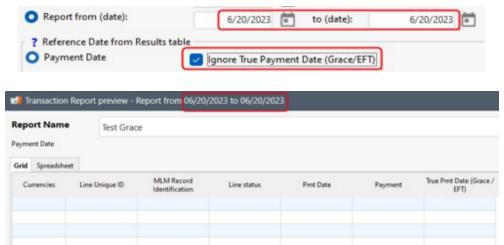
iii) When the report date is the Grace date and the "Ignore" option is not checked, then only the Paid Payment is included in the report since Grace dates are not logical for the other Line statuses. Payment types Line statuses use the Grace date by default as the transaction date.





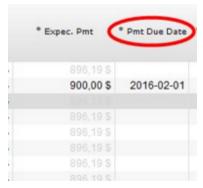
Only Paid Pmt shows up on Grace Date

iv) When the "Ignore" option is checked, then the system will ignore the date in the Grace column and so transactions are on the 15th, not the 20th so nothing shows up in the report.



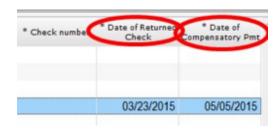
No transactions on 06/20

2. Payment Due Date – if this date is chosen, only transactions with a date entered in the "Pmt Due Date" column and that are within the report date range will be included. This is mostly used for late payments.



3. Date of Returned Check – will only appear if the "Returned Checks" module is activated. Only transactions with a date entered in the "Date of Returned Check" column and that are within the report date range will be included.

The purpose of using this date is usually to report the amounts that should have been paid ("Expect. Pmt" column) as well as the check numbers for returned checks.



4. Date of Compensatory Payment for returned check - will only appear if the "Returned Checks" module is activated. Only transactions with a date entered in the "Date of Compensatory Pmt" column and that are within the report date range will be included.

The purpose of using this date type is usually to report the amounts that compensated the returned checks at these dates.

5. True Pmt Date (Grace/EFT)

This option will simply use the date entered in the True Pmt Date (Grace/EFT) column.

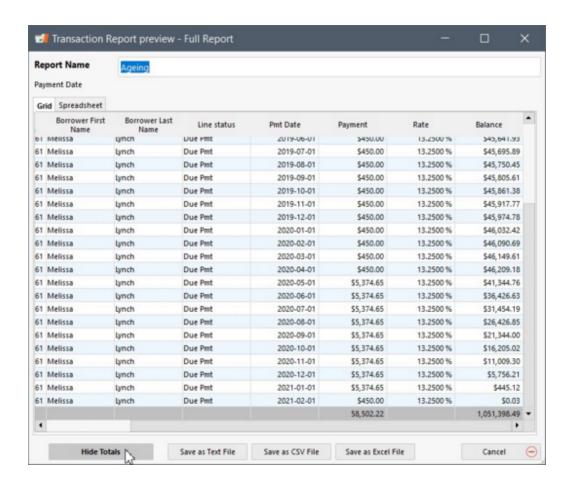
What does a light yellow highlighted Data mean when generating a transaction Report?

Currencies	Line Status	Payment	Rate	Balance	Loan Origination Date	Pmt Date	True Pmt Date (Grace / EFT)	
S	Paid Pmt	60,00 S	3,5000 %	36 145,00 S	2015-06-01	2015-07-01	2015-06-1	
S	Paid Pmt	346,10 \$	3,5000 %	35 904,32 \$	2015-06-01	2015-08-01	2015-07-15	
S	Paid Pmt	500,00 \$	3,5000 %	35 513,77 \$	2015-06-01	2015-10-01		
S	Paid Pmt	111,11 \$	3,5000 %	35 506,24 \$	2015-06-01	2015-11-01	2015-11-11	
S	Paid Pmt	222,22 \$	3,5000 %	35 387,58 \$	2015-06-01	2015-12-01		
S	Paid Pmt	346,10 \$	3,5000 %	35 144,69 S	2015-06-01	2016-01-01		
S	Paid Pmt	346,10 \$	3,5000 %	34 656,79 \$	2015-06-01	2016-03-01	2016-03-03	
S	Paid Pmt	346,10 \$	3,5000 %	34 411,77 \$	2015-06-01	2016-04-01	2016-04-02	
S	Paid Pmt	346,10 \$	3,5000 %	34 166,04 \$	2015-06-01	2016-05-01	2016-05-04	
S	Paid Pmt	346,10 \$	3,5000 %	33 919,59 \$	2015-06-01	2016-06-01	2016-06-02	
\$	Paid Pmt	46,14 \$	10,0000 %	962,08 \$	2014-11-01	2014-12-01	2014-11-10	
S	Paid Pmt	46,14 S	10,0000 %	924,11 \$	2014-11-01	2015-01-01		
S	Paid Pmt	92,72 \$	10,2500 %	895,40 \$	2014-11-01	2015-08-01		

Data are highlighted in light yellow to indicate that a date is entered in the "True Pmt Date (Grace/EFT)" column.

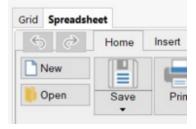
Important: If a date is entered in the "True Pmt Date (Grace/EFT)" column, this date will be used as opposed to the date in the "Pmt Date" column for all "Paid" payments.

Transaction Report example (all "Paid" Payments):



In the report preview, you will have the option to display column totals that include monetary values with this "Show / Hide totals" button.

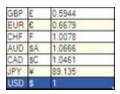
A spreadsheet is also included under the "Spreadsheet" tab which allows users to perform some basic spreadsheet operations (the tool is not as sophisticated as Excel). This is very useful to copy/paste partial data to Excel or other.



Convert to other currencies: This report also allows, for multi-currency portfolios, to convert the multi-currency values to one or many other currencies. First, the Administrator must activate the multi-currency module through Tools > Settings > System settings (Administrators) > Modules > Currencies and by selecting "Activate "Multi_Currency" module (Administrator only)".

When converting in the report, the following choice will appear with a pull down menu of the currencies in MLM (other currencies may be added and some deleted - see the <u>Multi Currency</u> section).





No matter which currency was used in the Record, the report will be produced with the selected currency (USD in the above example) using the conversion factor. The report may be created in any currency, not only the base currency (factor = 1).

In order to differentiate between various currencies (useful when the report is produced in multiple currencies) MLM will automatically add a first column with the currency symbol (this column may be deleted in the TXT and CSV saving settings).

Time required to produce a report

See the special section to this effect: "Time required to produce reports".

Modifying a report template

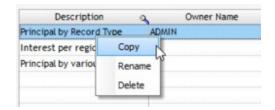
An existing report (template) may be modified or saved under a different name with only a few changes. Choose the desired report and click on "Edit". Changes may then be made as explained in the "Creating a report template" section above.



In MLM multi-user environments, users other than Administrators (and Privileged users) cannot modify reports created by another user. The "owner" of the report appears in the second column of the main report window (this column is hidden by default).

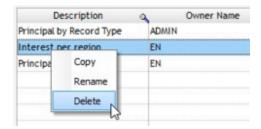


A normal user or a read-only user can view the report but cannot change it. It is also possible for the user to select the report, click the right mouse button and copy it. He then becomes owner of this new report.



Copy, rename and delete existing report templates

To copy, rename or delete an existing custom report, select the desired report and right click on the mouse. Choose the required action.



Document Merge (Letters, Contracts, Invoices and Statements)

The Document Merge module allows you to send personalized documents such as invoices, statements, letters, contracts and emails to your customers. Merge is done from the templates previously created by the user. The merge to includes and optional report start date and an end date in order for the totals to be computed for this period. Here are a few invoices and statement examples:

- an invoice for the payment to be made next month,
- a statement for payment and interest of the previous month,
- for tax returns, interests paid for the year,
- balance and other annual totals

You can use your own custom templates and include information or data from more than 1000 fields included or computed in Margill Loan Manager (MLM), in addition to the <u>Custom fields</u> and <u>Mathematical Equations</u>.

Easy steps to create invoices and statements:

Create a personalized template. See Mail Merge / Templates

Reporting period for invoices and statements

Producing a report

Direct printing from a Record

Printing on pre-printed forms

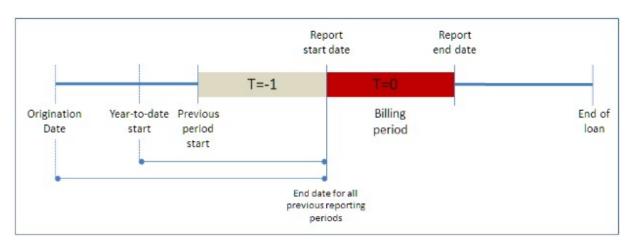
Create a personalized template

The first step is to create your own invoice, statement or email with the MLM text editor, use and adapt one of the examples included, copy/paste or import a document previously created in a third-party word processor, ideally Word.

See Mail Merge / Templates to create a template.

Reporting period for invoices and statements

General concept



The Document Merge tool to produce contracts, letters, statements and invoices can report data not only for one set period of time (as in the older MLM versions) but also for various periods. For example, an invoice/ statement could include the interest Paid (or Accrued) from June 1 to June 30 but also the total interest paid from the start of the civil year (year-to-date) or from the very start of the loan.

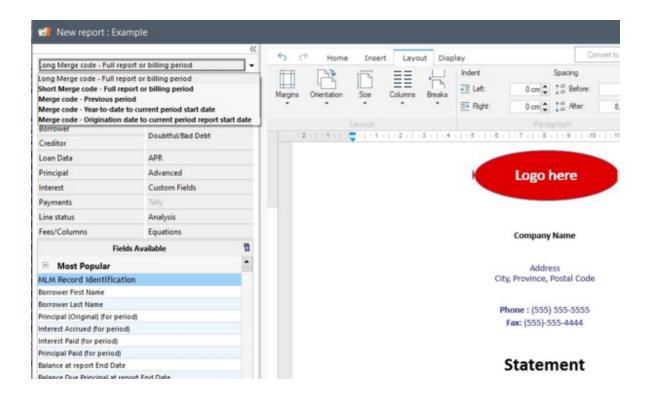
Users can create sophisticated merge templates that can be used over and over. Initially, creating these templates can take significant time especially for complicated documents. Various examples are included and can be adapted to each situation.

It is essential that the Payment schedule be up to date (managed) at the time of invoicing. The "Due Pmt" Line status should never be in the past, only in the future.

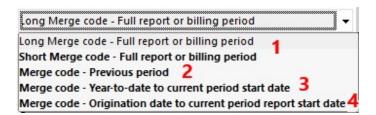
When creating the template

Merge codes are inserted by double clicking on the desired field on the left side of the window or with the right mouse click ("Merge/Email Template" under Reports). Two types of merge codes can be used: a long code which is more descriptive or a short code which takes less space, especially in table format templates. Using the short code only makes template conception easier.

The user can include merge fields in the same template for four periods. To do so, the user will have to choose the right option, from the drop-down menu located above the list of available fields (or via the mouse right-click button).



Only the relevant fields are available for the last three periods (the fields that are not available are grayed-out) and only the short codes (less descriptive) have been included.



- 1) Current reporting period: whole duration of the loan or Billing period (often one month)(example of short merge code : |123| or long code &&Description&&))
- 2) One period preceding Billing period (often the previous month) (merge code: P123P)
- 3) Year-to-date to the start of the Billing period (merge code: Y123Y)
- 4) Origination date to the start of the Billing period (merge code: O1230)

Only pertinent reporting fields have been included for the three latter time periods (2,3,4) and only the Short (less descriptive) codes have been included.

The payment lines (payment schedule)(under the "General" theme) have also been included in order to report activity for any past period and for the T=0 period (see previous image).

Please note that billing can become complex. It is therefore recommended to try several payment scenarios.

The "Mathematical Equations" module is a powerful tool in order to add (subtract, multiply, etc.) up various amounts. For example: Total due = Next due payment amount + Outstanding amount + Fees.

See Merge / Email Template for more detail.

Report production

The user can choose to produce a report that does not take into account dates (full report) or that takes into account the desired dates in order to get the totals of balances between, or on these dates:

1) Full report:

The user can create a report for which dates are not important since no totals or balances are required for a specific time period within the loan. The initial contract, a letter containing the loan conditions, general letters, a card index, etc., are typical examples of a Full report.

Specific time periods:

For invoices, statements and reminder letters, the user can choose specific dates to include transactions for this period, amounts, totals and balances for any of the following periods:

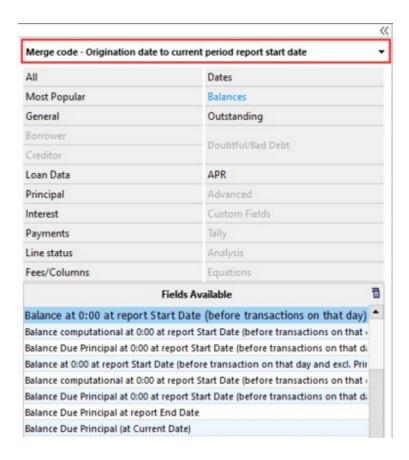
- Current Billing period (T=0)
- One period preceding Billing period (T=-1)
- Year-to-date to the start of the Billing period
- Origination date to the start of the Billing period

There are two standard scenarios for invoices and statements:

- a) Statements that only reflect past transactions (called "Current" Billing period above although becomes past at this point). These include income tax statements for the past fiscal year for example. These simply report for a specific period known as T=0 in the diagram above. Usually, there is no need to add other time periods such as year-to-date since we only wish to reflect activity for a past fixed period.
- b) Invoices or Bills to show what amounts are past due and are TO BE paid. These are also often called Statements since they not only reflect what payments are coming up, but also include past activity. So they are a mix between an Invoice/Bill and a Statement. These are usually sent a few days before the next payment is due, as a reminder to the borrower to make the payment or to make sure the funds are available for EFT payments sent via Margill.

These are sent a few days before what is called the Report start date of the T=0 period. In this scenario (as opposed to past transaction statements as in a) above), payments in the T=0 period have not yet been paid so are Expected – most of the time they are "Due Pmt" Line statuses. In these statements, fields such as "Next Due Pmt" (Date and Amount) or "Next Due Pmt Interest as if paid" or "Principal as if Paid..." would be used.

Please take note that when the merge codes like "Origination date to current period report start date" (merge codes with "O") are used, "0.00" value will always be reported for fields whose name includes "... at **0:00** at report Start Date (before transaction on that day)", since these refer to non-existent data **BEFORE** the loan is even active. These fields have been kept in this category in order to maintain uniformity in MLM in the list of fields available by period.

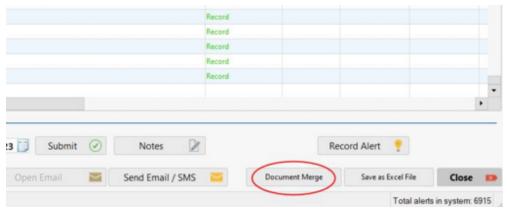


Billing cycles:

Billing cycles (based on payment schedule payment dates) or calendar month billing could be used in Margill. Billing cycles would be used only if there were one to three cycles per month (for example, billing on the 5th, 10th and 15th of the month). If there are multiple billing cycles per month, or if payments are scheduled on any day of the month, then it is recommended to do calendar month billing in order to reduce the administrative time required to send out statements. One statement could be sent a few days before the first day of next month. This becomes even more efficient with batch billing by email with an attached PDF document directly in Margill.

If billing cycles are used, it is recommended to create a <u>Custom field</u> for the Record with a scroll menu. This will allow you to select the proper Records from the Main window for invoicing or via <u>Advanced Queries</u>. The reporting period (T=0) would then be for payments on the 5th of the month, for example, from the 5th to the 4th (inclusively) of the next month. This would compute interest, fees, principal, balances, etc., for that period as opposed to calendar month data which in most cases will not align with payment/billing cycles (accrued interest from the 5th to the 4th at midnight is usually not that from the 1st to the 31st of the month).

It is also possible to create recurring Record Alerts and to send invoices or statements through the Alerts window in MLM by pressing the "Document Merge" button:

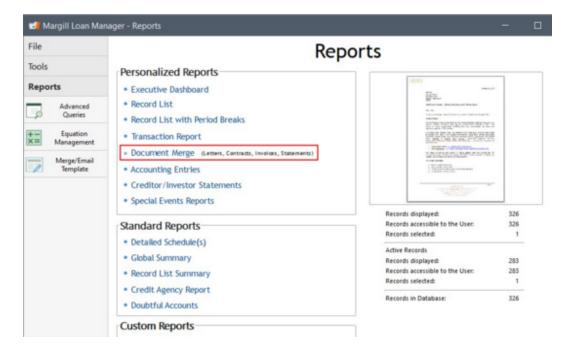


Alerts display window

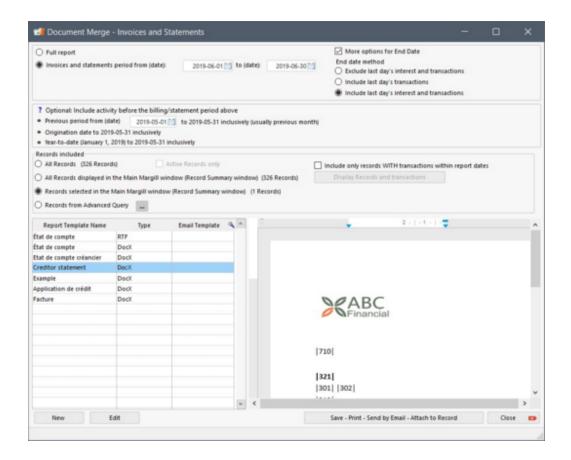
Producing a report

To produce a merged document, make sure you have previously created the required template(s). For more information on how to create templates, see: <u>Mail Merge / Templates</u>.

Under Reports, click on Document Merge:



The following window will appear:



Reports interface before version 5.0

Please take note that the old interface is still available with the shortcut: CTRL+ALT+SHIFT+R.

Important, this interface is no longer updated and therefore it is not recommended to use it.

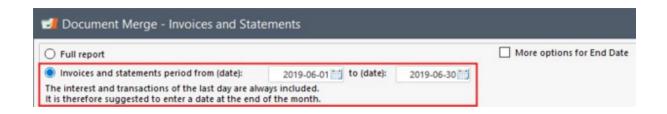
Select the template from the templates list.

Choose one out of two (2) options:

1) Full report: full loan term (from origination date to the last payment)

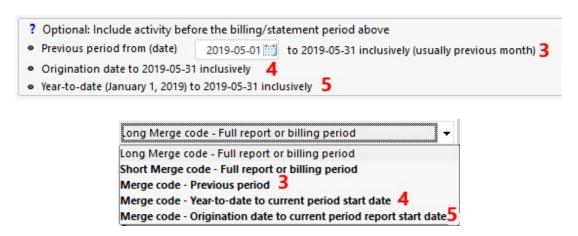


2) Invoices and statements... (this is the T=0 period)



If merge codes concerning previous period are included in the template, the user will be able to view (and modify) the corresponding dates for the previous transactions. For example:

- 3) Previous period from (date) (T=-1)
- 4) Year-to-date to current period start date
- 5) Origination date to current period report start date



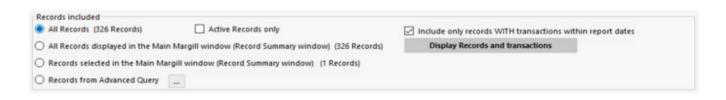
By selecting the "More options for end date" check box, it will be possible to choose a method for the end of the report:

• Three methods can be used to include or exclude interest and transactions that may occur on the end date entered. This could be important depending on the end date entered. For example, for a report up to December 31st, transactions and interest of the last day should generally be included.

For a report up to January 1st (therefore including the start date of the following period) and if the transactions of that day must be included, but not the interest of that day, the second option should be then be chosen ("Include transactions of last day"). However, ideally, with a start date for the next period, the first option should be chosen ("Exclude transactions and interest of the last day"), in order to not include the data for the following period (avoid double posting).

Please note: a Record is considered completely closed at the "Payment" date on the last line at 0:00:01 (so at midnight plus a fraction of a second to allow the last payment to be made). Thus if a report end date **coincides with or follows** the end date of the Record, the three "Methods for report end date" will produce the same data for that Record and no interest will be included for the last day of the Record. It is recommended in lines of credit or loans without a real end date, to enter a distant date (for example 2025-01-01) so that the loan is not considered closed on the last line and that it continues to generate interest. This way, more precise projections can be made.

Choose which Records must be included in the Document merge:



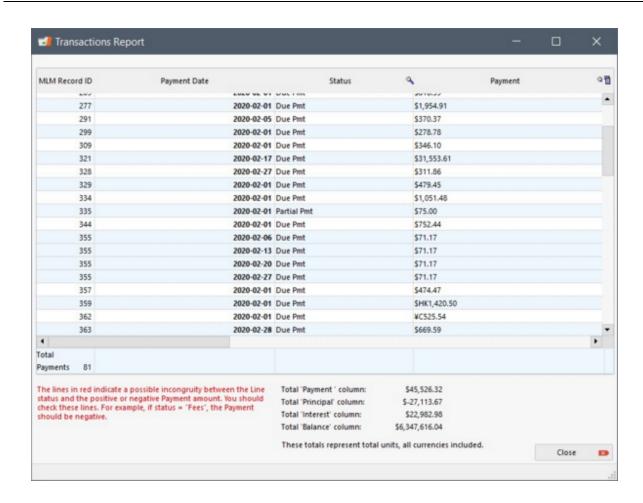
- All Records;
- All Records displayed in the Main Window (Record Summary window);
- Records selected in the Main Window (Record Summary window);
- Records from <u>Advanced Query</u>.

By selecting "Active Records only", MLM will produce a report with the Active Records only, so if Records with another status are displayed or selected, MLM will ignore these for the Document merge.

When selecting the option "Include only Records WITH transactions within report dates", processing time will be shorter, since MLM will only process Records with transactions during the requested period. A transaction is a line, regardless of the Line status within the period covered. For example, only Records with transactions between February 1st and 29, 2020 will be generated if this box is checked.



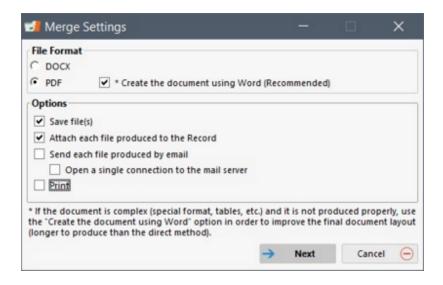
You can obtain a preview of transactions and Records that will be displayed in the report by clicking on the "Display Records and transactions" button:



Once the data is entered, click on will offer various choices that are explained below.

Save - Print - Send by Email - Attach to Record

. The following window



First, choose a document format: DOCX (Word), a word processing format that can easily be modified or PDF format, which is not as easy to modify.

When choosing the PDF format, you have 2 options:

- If the "Create the document using Word" option is chosen, the document will be produced using Word's functions (versions 2007 and greater).
- If the option is not chosen, the document will be produced using a slightly less sophisticated algorithm offering a layout which could be deficient in some cases.

Trial and experimentation is suggested depending on the complexity of your document's layout.

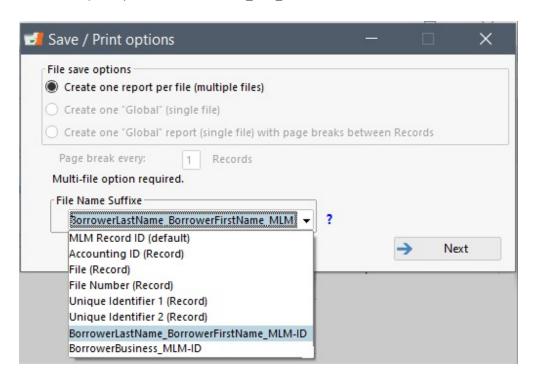
When hundreds or thousands of documents must be produced, it will take longer via Word since the software must be opened (in background) and closed for each document. You can count approximately 6 to 10 seconds for each document (for 100 Records, count 10 minutes).

The clock will appear during processing, prohibiting any other operations on this station. Other users using the same database can continue working with MLM normally.



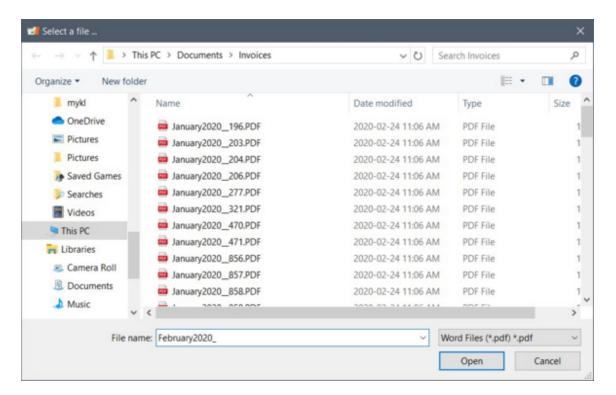
Merge Options

- 1) Saving the document. When saving a report in DOCX or PDF format, three options are offered:
- each letter, invoice or statement can be saved in its own file. It will bear the name you have given it followed by the MLM ID number in order to easily identify it. These files can then be sent by email for example. When saving individual files, it is suggested to create an easy to identify folder (for example July 2020 Invoices) in which you will put all of the files. A suffix can be added to each of the names created. Choose from the drop-down menu. The name will become, for example, July 2020 Invoice Harrison_Paul_841.



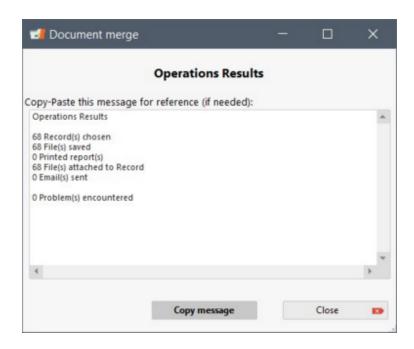
- all the invoices and statements can be saved in one "large" file.
- all invoices and statements can be saved in one "large" file with page breaks between each Record or at every X
 Records (up to a maximum of 10 Records per page) (useful for pre-printed forms, for example, three forms on one
 page).

The Windows dialog box will ask the name of the file(s) and the location:



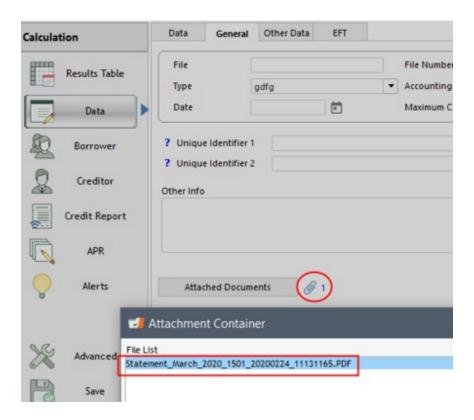
Depending on the speed of the computer, the number of Records and the complexity of the template (with image or not), merge will take from a few seconds to a few minutes. Since this is a rather intensive process, it is recommended to limit the number of software running at the same time.

At the end of each merge, Operations Results will be displayed, thereby identifying problems if any:



2) **Attach to Record**: This allows to attach each merged document to its Record. In this situation, a file will be created per Record and not just one. Each of the merged documents will be attached to its Record.

A paper clip indicates that a document is attached (Record > Data > General) and the name of the file will have the MLM ID number, date and time of production.

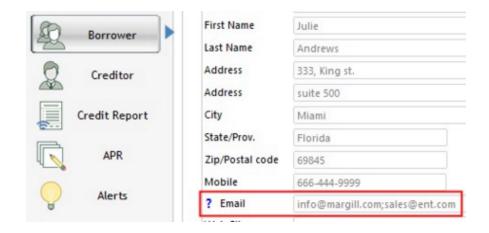


3) Send by email. This powerful option allows to send the merged document from the Record to each Borrower via email.

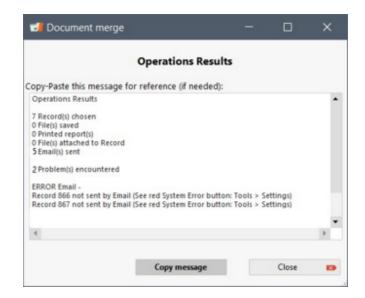
See Tools > Tools Menu > Settings > System Settings (Administrators) > <u>Email_connection</u> section for configuration of sending emails.

Recipient email address

One or more email addresses much be entered for each Borrower to whom you wish to send an email. If you wish to send to numerous Borrowers, each email addresses must be separated by a semicolon ";", otherwise an error message will be generated once the mass mailing is done. You can only send, via the system, to the Borrower, not to Co-Borrowers or Guarantors.



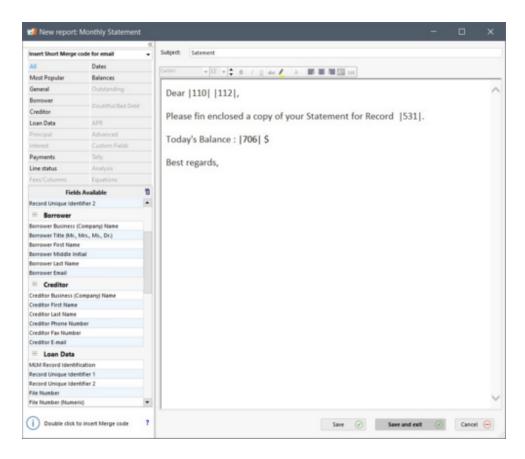
Once the emails are sent, the Records in which there were no email addresses in the Borrower "Email" field will be identified in order to rectify the situation before the next mailing. Messages and attached documents will be sent to the Borrowers with one or more email addresses. In the following example, out of the 12 chosen Records, ID number 866 and 867 (MLM ID number) were not sent. User will need to enter an email for each Borrower and resend.



Subject and message

A subject and a message to the Borrower should also be sent with the attached document. Two methods can be used to do this:

i) In one of the merge templates, which will be the default message for this template. Create an email template that will be linked to a merge template. For the detailed procedure, see Reports > Merge / Email Template > "Add a template for Email" section.



The following window will open allowing to enter the subject and the message. Text can include a certain format including the size, font, highlight, etc., and even a hyperlink. It is highly recommended to make a few tests before doing an important mailing.

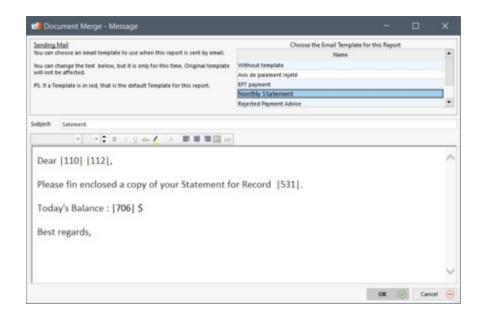
It is possible to personalized the emails with the merge codes for emails only.

ii) Written when sending the attached document (during the merge)

When ready to send from: Reports > Personalized Reports > Document Merge > "Save - Print - Email - Attach to Record" button > "Send each file produced by email" > "Subject and message".



The "Document Merge - Message" window will appear in which you can enter the subject and the message, or choose a message from an existing Email template.



Sending

To send attached documents, from the Main window (or other option including <u>Advanced Queries</u>) choose the Records then follow this path: Reports > Personalized Reports > Document Merge > "Save - Print - Email - Attach to Record" button > "Send each file produced by email".

Once the documents are merged and sent, the "Operations Results" window will appear.

Printing: Finally, printing can be done independently or with some of the options described above.

It is possible to choose the paper size (Letter, Legal or A4), text orientation, adjust the document margins and number the pages.

Direct printing from a Record

It is possible to print (or to save) a contract, invoice or statement directly from a Record's window. This way, you do not need to close the Record you are working on but can produce a document as seen in the normal procedure (via Reports).

When the Record is open, click on "Print". When choosing "Invoices / Statements / Letters / Contracts", the Document merge window will open offering the option to choose the template and to produce a full report or for the desired date range.



The normal merge reports method will follow (entering the dates if necessary, choice of template, merge, save, attach document, send by email and printing). The merged document will be produced only for the current open Record.

Printing on pre-printed forms

When using pre-printed forms, you will first need to recreate the forms in a Word table format (or other word processing software) and save it as a DOCX document. You will need to adjust the formatting in the MLM word processor and include the merge codes. Margins will also have to be adapted for each print job. Creating the first form can take a few hours due to the precision required, but once it's done, it can be used over and over again.

After a Document merge and before printing, margins must be adapted for every print job.

See also the <u>Custom reports created by the Margill team</u> section.

See also Merge / Email Template.

Merge / Email / SMS Template

This module allows you to create, modify, import and export different templates for letters, contracts, invoices, statements and custom emails from the data of each loan. For example, you can create a template letter or contract that will be used repeatedly.

A relatively powerful word processor has been integrated into Margill Loan Manager (MLM) allowing the user to create templates in DOCX format. This allows the user to add tables and footers and create a sophisticated layout.

Before version 4.4, the DOCX format was not an option. The less sophisticated method, via a RTF format template, is still an option for those who wish to use the old templates.

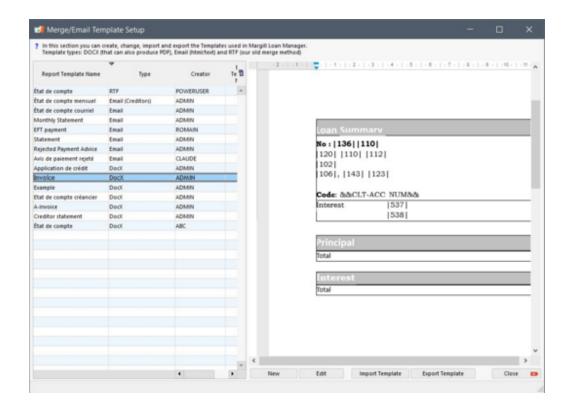
A document can be created directly in the MLM word processor, or can be imported from an existing document (Word or other word processor), which is suggested for a better layout.

Any merged document (thus personalized for each Borrower for example) may then, in one operation be:

- saved as a DOCX (Word 2007 and newer), RTF (Rich Text Format)(Word) file or PDF file;
- printed;
- attached to each Record individually;
- sent by email in batch (thus each document is sent to a specific client) along with a standardized email subject and message.

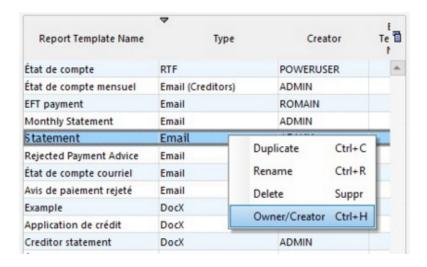
To create a template, the user must go to Reports > "Merge/Email Template" button "Merge/Email Template Setup" opens, displaying the existing templates.





The first column shows the name and description of the template. The second column shows the type of template: it can be a Rich Text Format document (RTF), a Word document (DOCX), a Word document (DOCX (Creditors)) specially designed for the "Creditor / Investor Statements" or for an Email. The third column identifies if an email template is linked to a Document merge. Finally, the forth column shows the user who created each template.

In "Merge/Email Template Setup", with the mouse right-click button, it is possible to duplicate, rename or delete existing templates. An Administrator can assign or modify a person in charge/creator of the template.



Designing a new template with the MLM word processor

- Create a new template
- Modify an existing template
- Importing files from a word processor

- Exporting templates
- O Formatting and editing of detailed lines of the payment schedule
- o Formatting and editing Borrower data (tables) presented to Creditors

Designing an Email template for Mail merge

Adding an Email template to an existing template

Designing a SMS template

Merge fields

Detailed Payment schedule and other Special fields

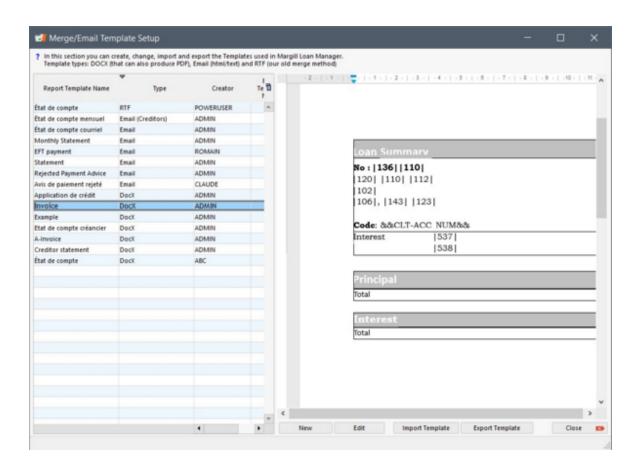
Important notice on APR data

Produce, save, print, send by Email and Attach to merged documents

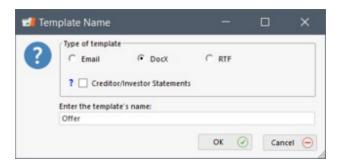
Designing a new template with the MLM word processor

Create a new template

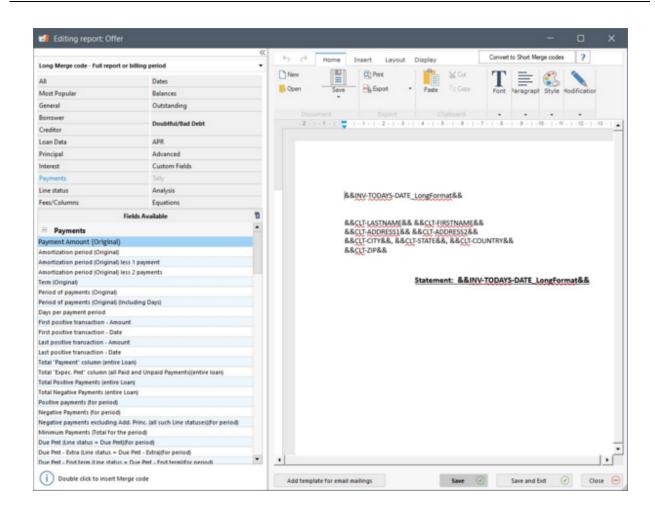
It is easy to create a template with the MLM word processor. In the menu to the left of the Main MLM window (Record summary), click on Reports and then on . Choose to create a template.



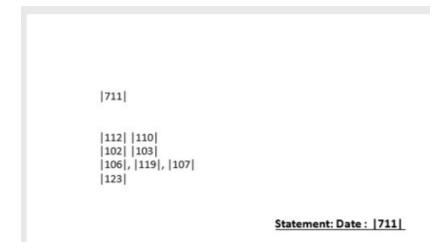
Choose the type of template according to the document to be created. The RTF format template has been preserved for existing customers, but it is recommended to choose the "DOCX" format, because the layout offers more sophisticated options. Then, enter a short description of the report:



Write the text (or copy/paste from an existing text). The same method is used as in Word or other text editor. As the template progresses, the user should click on "Save" once in a while to ensure no data is lost (just in case something happens). Add the merge codes by double-clicking on the available fields on the left. When merging, these codes will be replaced with the corresponding data from the selected Record. When the document is completed, click on "Save and Exit" to return to the "Merge/Email Template Setup" window.



Tip: To reduce the space taken by the merge codes, and to make the layout easier to read, press on the Convert to Short Merge codes button so the codes are automatically replaced by short codes in between vertical bars (pipe), as shown in the example below:

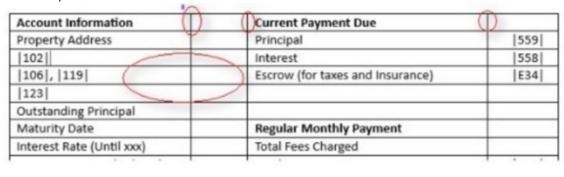


Important tip: It is strongly recommended to do the maximum of the work in a word processor such as Word and then copy and paste a few times between the word processor and MLM. If you already have a template in Word, refer to the "Importing an existing template" section.

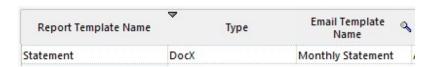
Current deficiencies in the MLM text editor

There are a few deficiencies we have noticed but these will probably disappear over time as our development tool adds and corrects various text editing components:

- It is not possible to add a footer with the MLM text editor. However, if a Word document contains one and is imported, it will be saved by the MLM text editor.
- When importing a Word document that contains tables:
 - O If text has been entered in a table cell, it will be impossible to remove the border;
 - O The table behaves as a series of columns, and not as individual cells;
 - If you press "Enter" when positioned at the beginning of a text to create a line spacing, the whole table will be erased.
 - O Even if a cell is deleted, the interior borders cannot be removed. Below, what is circled in red is impossible to remove.

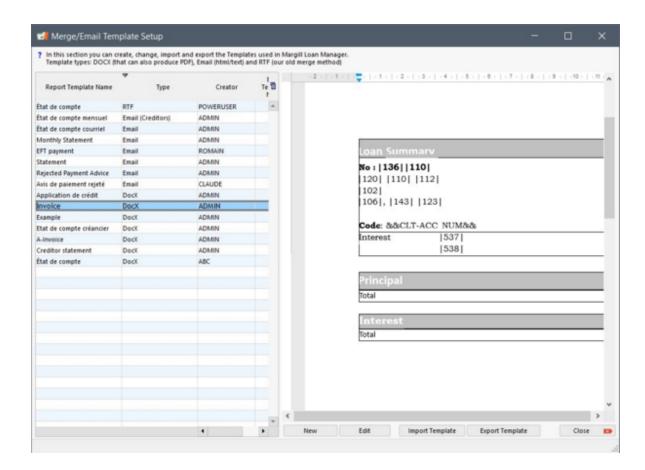


The "Add template for email mailings" button is useful to link, by default, an email template to a document.



Modify an existing template

This option allows you to modify any existing template shown in the left window. Simply select, with the mouse, the document you wish to modify and click on document to be modified will appear and the user can then make the desired changes.

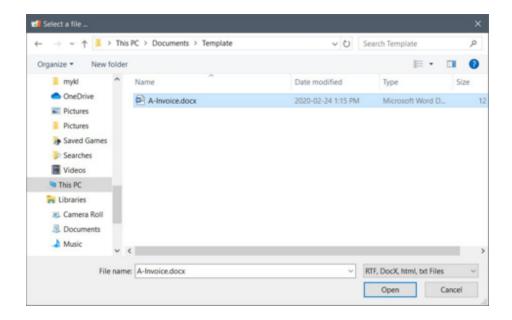


A RTF document, created before MLM 4.4 could be copied and modified into DOCX thus offering more formatting options.

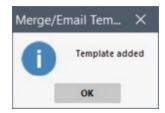
Importing files from a word processor

If you already have letters, contracts, invoices, statements, etc., but in another format (RTF, DOCX, HTML, TXT), it is possible to integrate these into MLM. From the Main window (Record Summary), click on Reports > Merge/Email

Template and then, from the "Merge/Email Template Setup" window, click on open in which you will be asked to select the file to be imported. Then click "Open".



Another window will confirm that the template has been added to MLM and it will be possible to modify it. Once imported, insert the appropriate merge fields by double-clicking on the fields in the left menu.



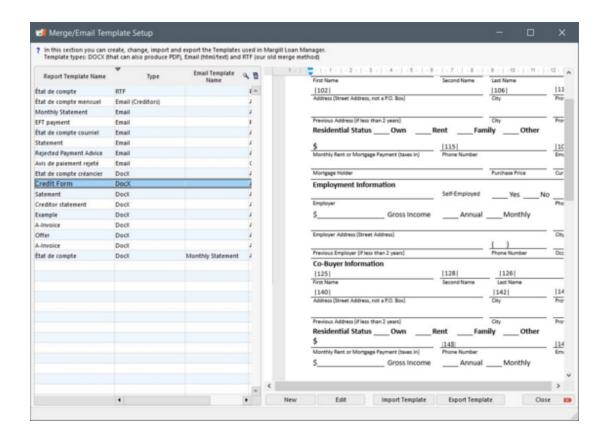
You can also just open a document in Word and then copy/paste in MLM without having to import it as described above. However, formatting might be less sophisticated.

Exporting templates

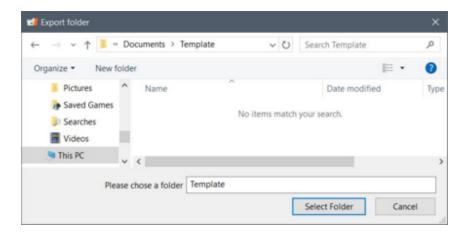
It is possible to export a template in order to, for example, modify it in a more efficient word processor, then to import back into MLM.

Select the template from the list in the "Merge/Email Template Setup" window and click on

Export Template

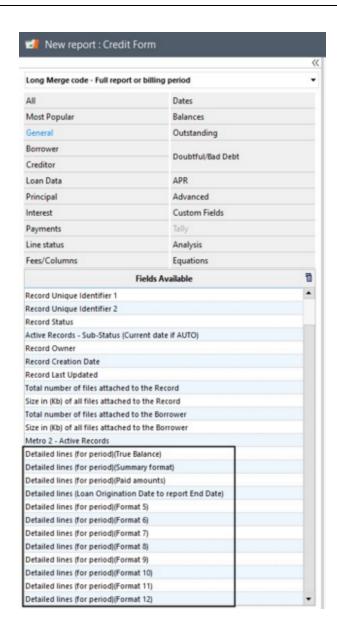


The user will have to choose the folder where to save and click "OK". The template will be copied to that folder and will keep the same name and document type as the original from MLM. Moreover, the original document will always be available in MLM. In other words, exporting copies a MLM file to the user's drive.

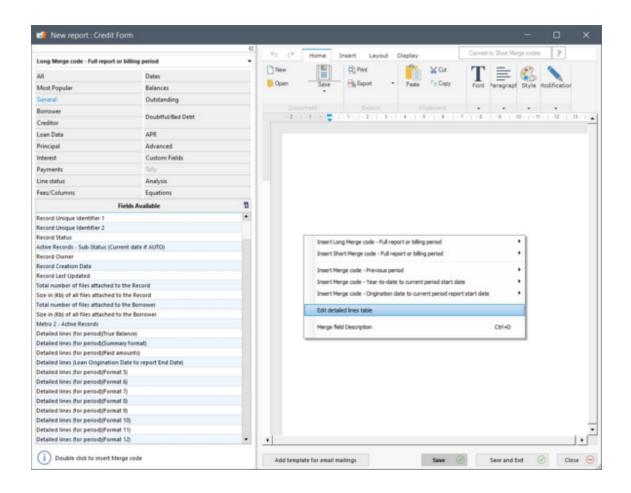


Formatting and editing of detailed lines of the payment schedule

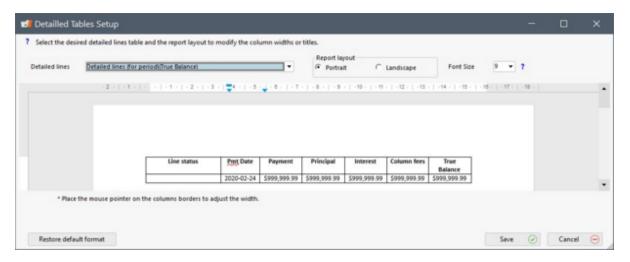
Under the "General" tab, you can find over twenty Payment schedule template *styles* that contain various data elements to be inserted into the merge templates. It is possible to modify the layout of each to a certain extent so that when they are inserted in the templates, they follow a certain pre-established layout.



To use this tool, open a new template or modify an existing template, right click with the mouse and choose "Edit detailed lines table"



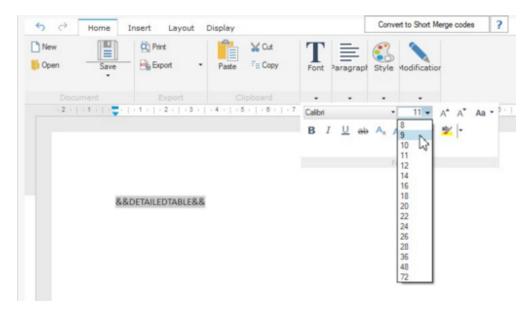
The following window will open, then select the detailed lines table from the drop-down menu.



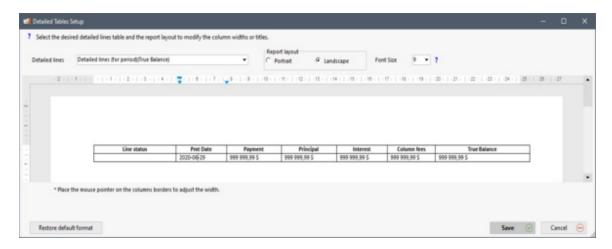
You can change the width of the columns manually, as well as the text of the headers. Please note that any other modification will not be taken into account. For example, you cannot delete a column, place text outside the table, add graphics or colors.

Line status of the payment schedule <-	Pmt Date →	Payment	Principal	Interest	Column fees	True Balance
A3 80 10 10	2020-02-24	\$999,999.99	\$999,999.99	\$999,999.99	\$999,999.99	\$999,999.99

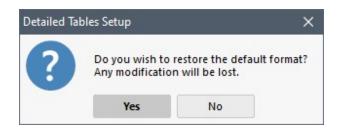
Font size will not be kept for printing. It is only used here to provide an idea of the results in the table according to a font size. The font size must be previously set in the report template itself. Highlight the merge code in the detailed table and select a font size as well as an alignment on the page:



You can also edit the templates based on the master template's ultimate orientation: landscape or portrait. The appropriate configuration will be selected according to the orientation defined in the master template. **Important!** Save the changes before switching to the other report orientation, otherwise, changes will be lost. In the following example, for landscape orientation, all of the columns have been widened, in order to use all of the space horizontally.



In order for the changes to be save, make sure you click on Save before modifying the next table, if required. It is always possible to return to the original MLM format by selecting the desired detailed lines table from the drop-down menu, selecting the table orientation to restore and then clicking on the "Restore default format" button.



Formatting and editing Borrower data (tables) presented to Creditors

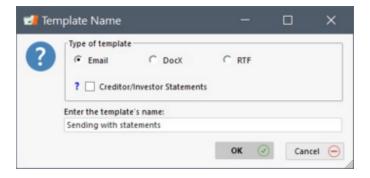
See the Creditor / Investor Statements chapter.

Designing an Email template for mail merge

It is possible to create templates for sending emails. These emails can be attached to other templates, such as invoices, statements in either RTF or DOCX mode. They can also be linked to Line status <u>Alerts</u> previously configured which allow emails to be sent automatically to Borrowers based to certain rules (upcoming payment notice or insufficient funds returned payment notice). Thus, you can save quite a bit of time managing your customers. In addition, these emails are automatically personalized when using the <u>Merge fields</u>.

To access the module for creating email templates: Menu Reports > Merge/Email Template button > New

Select "Email", enter a name for the template and click "OK":



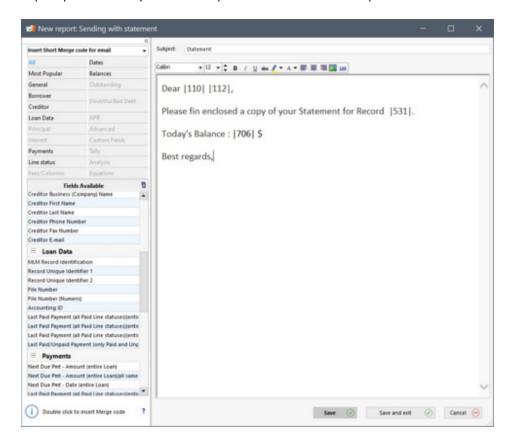
The email Subject will be the title of the mail sent to recipients. Enter the desired text and insert <u>Merge_codes</u> to personalize each email. Only the main merge codes relating to more general data are available for the email templates.

Configure your desired layout. With the text editor, you can:

- Modify the font
- Modify the font size
- O Have text in bold, italics and underlined
- Highlight colors
- Modify the font color
- Left, center and right alignment
- Add images
- Insert hyperlinks.

Please note, some service providers do not support sending or receiving more sophisticated emails in terms of layout. In addition, some inserted images may not work depending of the recipient. It is strongly recommended to create simple

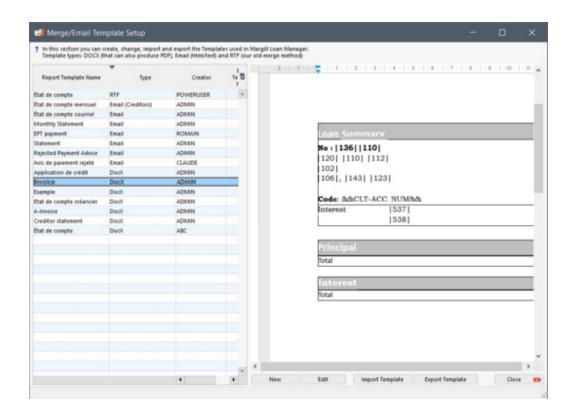
templates, the simplest possible. Always test the templates first with external recipients.



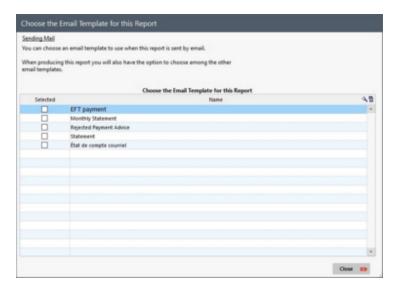
When your text is ready and the layout is complete, press on "Save and exit".

Adding an email template to an existing template

In order for an email template to be linked to an existing template, select, from the list, the master template for which you wish to add the email template. Click on .



The window for editing templates will appear. Click on window. The following window displays all of the existing email templates:



Choose an email template to use, as the default, when this document is emailed. While producing this report, it will also be possible to choose from other email templates. Check the desired email from the list and click on "Close".

Designing a SMS template

It is possible to create templates to send Short Message Service texts (SMS). In order to have access to the SMS functionalities, consult the <u>FolioMedian (SMS) Connection</u> section. These SMS can be linked to <u>Alerts</u> configured for Line

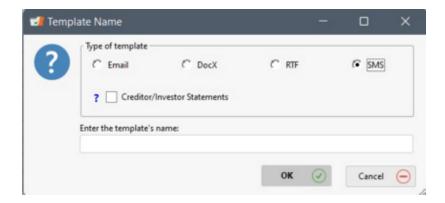
statuses that send these SMS to Borrowers automatically based certain rules (upcoming payment notice or rejected payment by the bank). SMS can also be sent directly from the <u>Main MLM window</u>.

These SMS are automatically populated with Borrower (and other chosen data) through <u>Document Merge</u>.

To access the module to create templates: Reports section >



Select the "SMS" type, name the template and click on "OK":



There is no Subject like in the email template and no formatting is possible, since only a message in standard text form can be sent by SMS. Enter the desired text, insert <u>Merge codes</u> in order to personalized each SMS. Only the main merge codes relating to more general data are available for the creation of the SMS templates.



Once the text is entered and formatting is completed, click on "Save and exit".

IMPORTANT: Laws or regulations in some counties limit the content that can be sent by SMS. Consult the laws or regulations of your jurisdiction in order to respect these. A FolioMedian account can be suspended in case of breach of such laws or regulations.

Merge Fields

A merge field is a code that replaces a particular element for each Borrower/Employer/Creditor/Record. Rather than creating several documents individually, you simply need to create a master document in which codes are then replaced by the loan's data or the borrower's data for each Record.

For example, a user could include in his template: Hello &&CLT-TITLE&& &&CLT-LASTNAME&&. Inserting these two merge codes, each Borrower who would receive this letter, would see this instead: Hello Mr Harris. Therefore, the letter

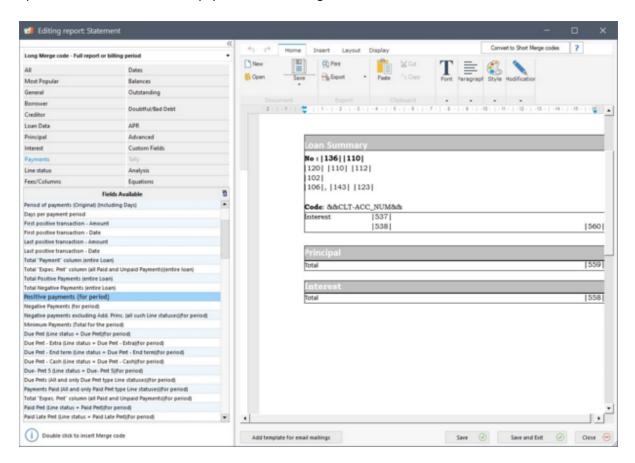
would be addressed personally to each Borrower, automatically.

Since there are close to 1000 merge codes in MLM, the possibilities are endless.

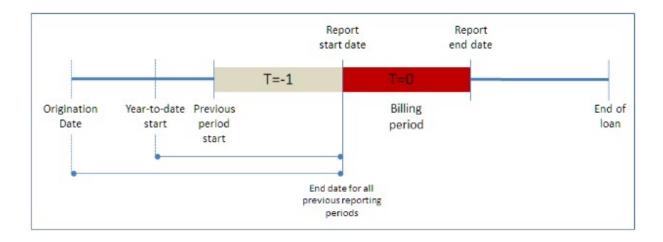
Merge codes are inserted by double-clicking on these from the left side of the window (or via the right mouse click). By default, the long codes will be added to the template. Two types of merge codes can be used: a more descriptive long code or a short one that takes less space, especially with table-type templates. Simply click on "Convert to Short Merge Code", located on the top right side of the Editing report window in order for all long codes to be converted into short codes.

Fields are described in the <u>Reporting Fields</u>; these fields are listed by theme ("Borrower", "Creditor", "Loan Data", etc.). More than 1000 fields are available for merging on top of the <u>Custom fields</u>.

<u>Mathematical equations</u> is a powerful took to add (subtract, multiply, divide...) different amounts in your reports. For example: Total due = amount of next payment + Outstanding amount + Fees.

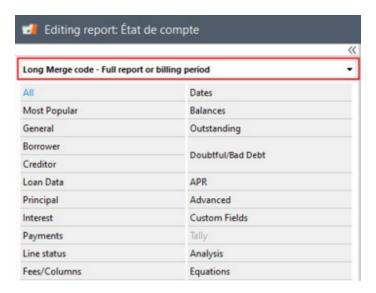


Users can include merge fields in the same template for four periods:

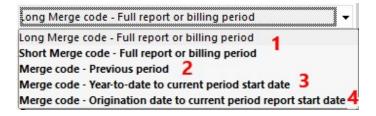


- 1) Current reporting period: whole duration of the loan or Billing period (often one month)(example of short merge code : |123| or long code &&Description&&))
- 2) One period preceding Billing period (often the previous month)(merge code: P123P)
- 3) Year-to-date to the start of the Billing period (merge code: Y123Y)
- 4) Origination date to the start of the Billing period (merge code: O123O)

To do so, you will need to choose the right option, in the drop-down menu located on top the list of available fields.



Only the relevant fields are available for the last three periods (unavailable fields are grayed-out) and only the short codes (less descriptive) have been included.



Detailed transaction lines, so essentially the Payment schedule (under the "General" theme) are also included in order to add the pas transactions and those for period T=0.

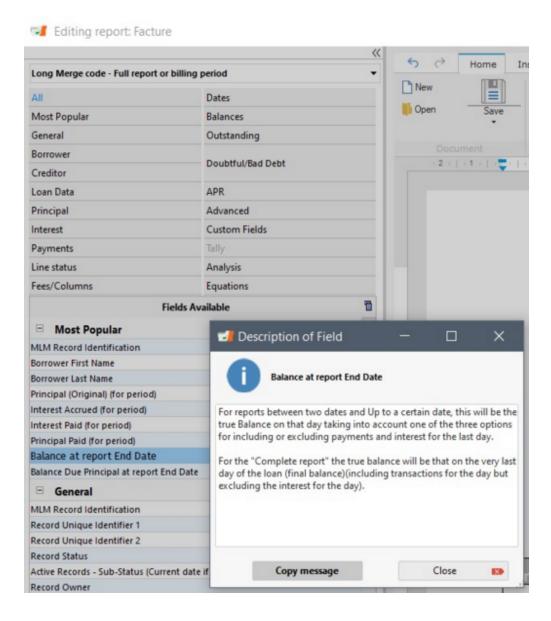
Invoicing can become complex. It is therefore recommended to test with several payment scenarios.

For more detail on periods, see the <u>Document Merge (Letters, Contracts...)</u> section.

IMPORTANT: For detailed explanations for the different data fields, see the Reporting Fields section. Each field is detailed and the merge codes are displayed.

Description is also available in MLM by selecting the field, among the list on the left and by clicking





The merge fields include the && symbols to indicate the start and the end of the codes. For example, **&&CLT-FIRSTNAME&&** represents the Borrower's first name. These codes should not be altered or contain a partial special format (such as underline, bold, italics). If a partial format difference is included, then the code will NOT be recognized.

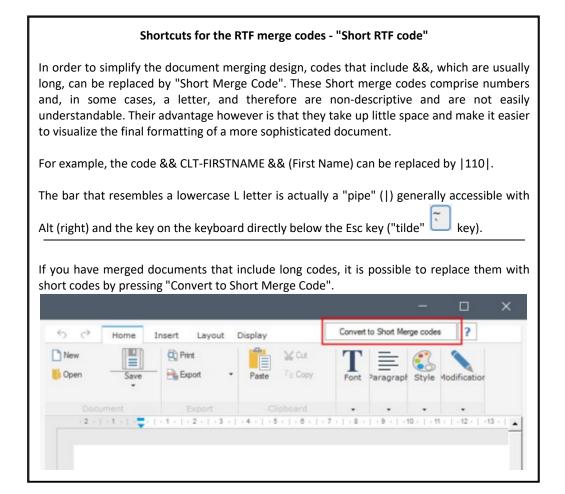
For example, these first two codes are acceptable and would merge properly:

Dear &&CLT-FIRSTNAME&& &&CLT-LASTNAME&&,

Dear &&CLT-FIRSTNAME&& **&&CLT-LASTNAME&&**, (only the last name will be in bold)

However, the example below would exclude the Borrower's last name since there is a **partially** bolded and underlined section:

Dear &&CLT-FIRSTNAME&& &&CLT-LASTNAME&&,



Detailed Payment Schedule and other Special Fields

A dozen detailed payment schedules (Payment schedule) are available under the "General" theme. These allow the user to add transaction detail for the specified time period or if no dates are specified, for the whole loan or from the loan's start date until the end date chosen. Various format are available including accrued amounts, paid amounts, summary reports, etc. Other formats may be created based on your needs (fees are charged).

For the detailed versions, the first line indicates the start period of the report and the balance on this date. The last line computes the interest and principal between the last payment date and the final date entered. The principal usually increases (indicated by a negative sign) by the amount of interest accrued.

Line status	Pmt date	Payment	Principal	Interest	True Balance
	15-04-2013	\$0,00	\$0,00	\$0,00	\$1,000,00
Paid Pmt	02-05-2013	\$83,91	\$68,99	\$14,92	\$931,01
Unpaid Pmt	16-05-2013	\$0,00	\$-11,43	\$11,43	\$942,44
Paid Pmt	30-05-2013	\$83,91	\$72,34	\$11,57	\$870,10
Paid Pmt	13-06-2013	\$83,91	\$73,23	\$10,68	\$796,87
Paid Pmt	27-06-2013	\$83,91	\$74,74	\$9,17	\$722,13
	01-07-2013	\$0,00	\$-3,15	\$3,15	\$725,28

All <u>Custom fields</u> (for the Loan, Borrower or Creditor) created by the Administrator, may also be inserted in the merged document. Even custom fields that include <u>scroll menus</u> (pull down menus) can be included, making contracts easy to create for example. These scroll menus can include typical contract clauses that are then merged in the contract.

<u>Mathematical_Equations</u>, created by the Administrator or Power user, can also be inserted allowing for invoices or statements that include sums or totals.

Date formats

A standard date format can be specified for all "Date" fields in the document merge. Thus, a long or short format or an English or French format can be chosen **by each user**.

To choose the format, go to Tools > Settings > User Settings > Date format in the Document merge reports:



The Windows format is the one defined in the Windows Control Panel whereas the others are more polished formats.

Once the document is completed with the appropriate fields, you can set the page layout for direct printing only. This formatting will not apply to documents that are to be saved. It is possible to choose the paper size (Letter, Legal or A4), text orientation and adjust the document margins and page numbering.



Once the document is completed with the appropriate merge fields, press on OK. This will save the template in MLM. Your text can be edited later on.

Important notice on APR data

In the calculation of the "APR", "APY", "Total fees", "Total Cost of Credit" and "Amount Financed", only the fees indicated in the APR section, as opposed to those tagged as "Fees" in the Payment schedule, will be considered in the APR calculation.

Nevertheless, the various "Fees" Line statuses will be considered as additional principal (although not computed in "Amount Financed") and will have an effect on the total interest and thus affect APR.

APR

Only the fees entered in the Record's APR factored in the APR calculation.

window as well as the Column Fees will be correctly

See also Effect of Line status on Annual Percentage Rate (APR).

MLM contains the US Truth in Lending Disclosure box. The Report Description is called "TILA APR Box (USA)":



See **APR Report**

Produce, save, print, send by email and attach to merged documents

Once the template is completed, consult the <u>Document Merge (Letters, Contracts...)</u> section for the step by step method.

See also Electronic Signature (eSignature).

Electronic Signature (eSignature)

Electronic signatures are integrated into Margill Loan Manager (MLM). The process is quite simple:

- 1) Create your document template normally with the MLM Document Merge factoring in that the two signatures or multiple signatures (Borrower, Creditor, Co-Borrower(s), even the Guarantors if necessary) are inserted electronically on the last page of the document (always on the last page which contains the electronic evidence required in electronic signature standards.
- 2) When the document is ready to be sent, communication is established with Xodo Sign (formerly Eversign) (Xodo.com), Margill's partner who automatically sends emails to recipients to collect the required signatures.
- 3) The final document, electronically signed by everyone, is then found in a PDF format on the Xodo portal to which you have access.

The electronic signature can be used in the majority of countries. You must make sure your jurisdiction allows the eSignature.

Steps to follow:

Subscription to the electronic signature service at Xodo Sign

Account setup

Sending documents for electronic signatures

Signed and completed documents

Subcription to the electronic signature service at Xodo Sign (formerly Eversign)

In order to be able to user electronic signature, please contact the Margill partner in order to subscribe.

Xodo Sign

Xodo Sign is an electronic signature software that offers small and large businesses a secure platform which they can approuve, deliver and sign legally binding documents online. By integrating contract templates, third-party integrations and a powerful REST API, Xodo Sign aims to provide a complete electronic signature solution.

To subscribe and to find out more, visit: eversign.com or contact the Margill Team.

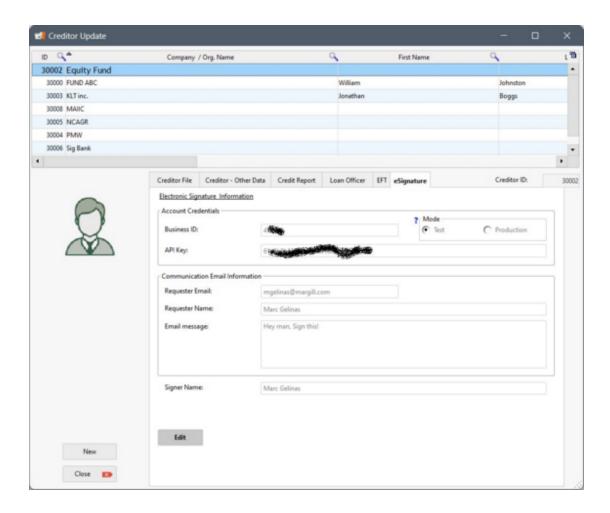
Account setup

Under Tools > Settings, under the System settings (Administrators), in the section Module, click on "Electronic Signature". This window will appear:



Upon clicking on the "Activation" box, from the drop-down menu, you will be able to choose the Margill eSignature partner with whom you have a subscription. The URL will be provided automatically. Then click on "Save".

Under File > Creditor, select the Creditor for which there is a subscription and select the "eSignature" tab:



The business ID and the API Key are provided by Xodo Sign at registration.

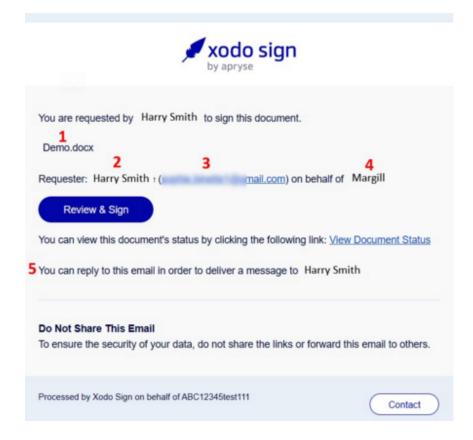
The chosen mode is "Test" or "Production". It is your responsibility to test the application before officially going into the production mode.

The headings "Requester Name" (2*) and "E-mail message" (5*) can be personalized every time you send a document for eSignature.

On the other hand, the "Requester Email" (3*) is static. The recipients will receive the document to be signed from the same email address regardless of who the Margill user is.

The "Name of Signer" (4*) is the legal name of the signature found on the document for the company that holds the subscription with Xodo Sign.

*Here is an example of a message received in Test mode and the presentation of different elements. Number 1 is the name of the Document sent that can be modified.



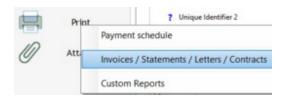
Sending documents for electronic signatures

The document for electronic signature must be produced and sent one at a time, not in batches.

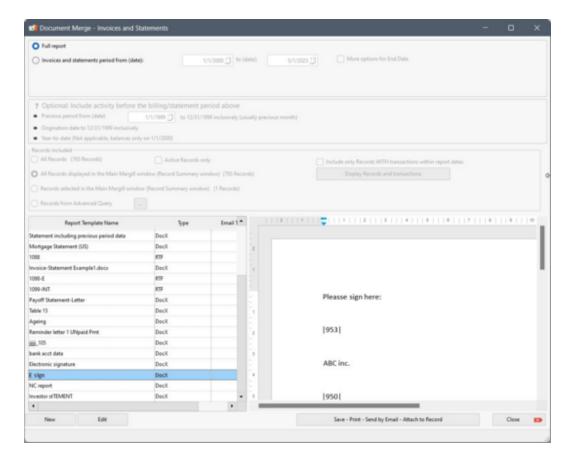
- 1. To send a document to be signed, open the Record.
- 2. Make sure that the Creditor who owns the subscription to Xodo Sign is the first on the list of Creditors, if the Record has "Co-Creditors" (if necessary, reposition the Creditors using the blue arrows):



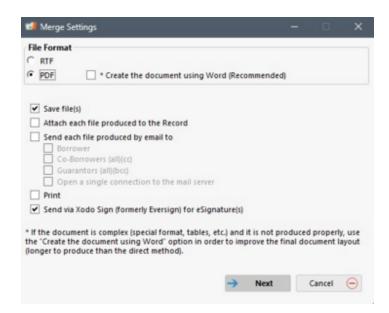
3. Click on "Print" and choose the "Invoices / Statements / Letters / Contracts:



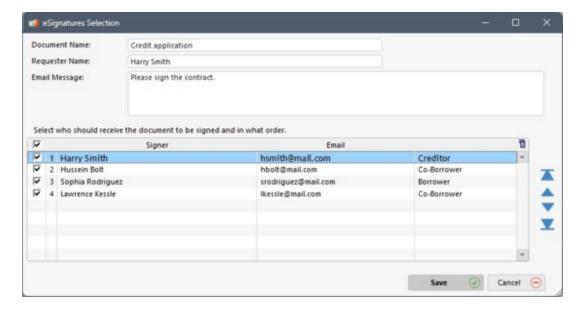
4. The usual <u>Document Merge</u> window will appear but will not offer the option to select multiple Records since only one Record is active:



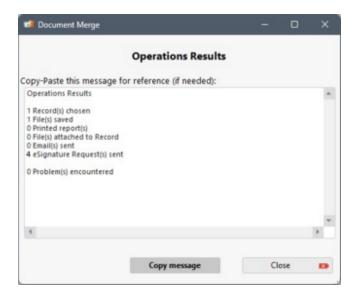
5. After choosing the document to be signed, as well as the dates required for the Merge, if necessary, click on "Save - Print - Email - Attach to File". The usual Document Merge window will appear but the "Send via Xodo Sign for eSignature(s)" option will be available:



6. If the "Send via Xodo Sign for eSignature(s)" option is checked, click on "Next" and this window will appear to setup the electronic signature:



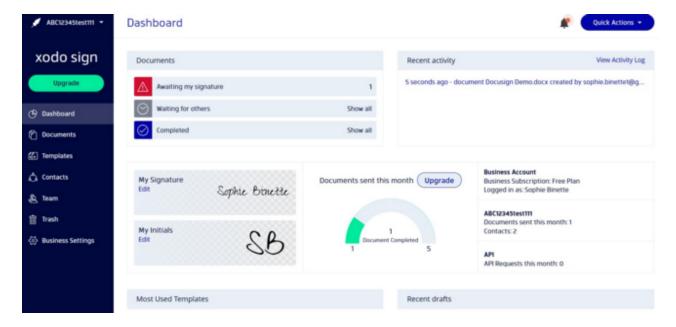
- 7. Check / uncheck the recipients from the list of all *actors* registered in the Record. Modify the "Document Name", "Requester Name", "Email Message" and even the names of the signatories or the email addresses as needed. Specify the order of signatories using the blue side arrows on the right. Once the required information has been entered and validated, click on "Save". The rest of the Document Merge steps will continue as usual.
 - *The "Cancel" button in the "eSignature Selection" window will cancel the command to send documents for signature via Xodo Sign, but the rest of the Document Merge operations will continue as usual according to the user's choices: save, print, etc.
- 8. At the end of the process, an eSignature request report confirms the status of submissions. If a problem occurred during sending process, it would be reported in this window under the topic "Problem(s) encountered":



Signed and completed documents / Xodo Sign Portal

Once subscribed to Xodo Sign, you will have access to your Xodo Sign Portal page allowing you to consult the signed documents and see the evolution of the signatories.

In this version, signed documents are not automatically attached to the MLM Record. This step, if necessary, must be carried out manually once all the signatures have been obtained.



Creditor / Investor Statements

This module is used to produce and send statements to your Creditors and Investors of their portfolio that you manage. The module can extract a great number of data relating to the loan and to the Borrower. Financial data for participation/syndicated loans can be obtained by using <u>Mathematical equations</u> that extract pro-rated data based on the financial participation of each investor in individual loans. The financial and personal data of each of their loans is displayed in table format, one line per loan, as shown in the example below:



MONTHLY PORTFOLIO STATEMENT

September 10, 2019

FUND ABC 11 Main Street, Suite 222 London, England G1W 3D4

Please find below your loan portfolio from August 1, 2019 to August 31, 2019

Loan ID	Total Loan Amount	Interest Paid	Principal Paid	Principal Balance	Region
1000	50 000,00	19 322,33	41 922,04	8 077,96	North
1001	0,00	4 960,25	6 677,05	16 272,95	North
1002	250 000,00	70 760,72	27 092,08	222 907,92	West
1004	10 000,00	0,00	10 000,00	0,00	West
1005	150 000,00	53 113,82	138 910,16	11 089,84	East
	460 000,00	148 157,12	224 601,33	258 348,67	

Please contact Ebenezer if you have any questions about this statement:

ABC Financial Group Phone: 1-888-555-3698 Email: ES@abcfingroup.com

These statements can then be saved, printed or sent in bulk by email along with an attachment to the investors.

Steps for creating statements for Creditor/Investor:

Creating a custom template for the Creditor/Investor Statement

Production of the Creditor/Investor Statement

Converting values for multi-currency portfolios

Creating a custom template for the Creditor/Investor Statement

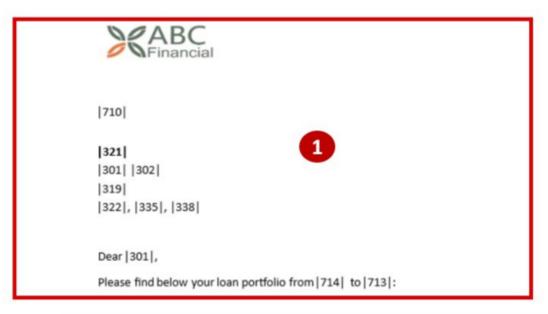
A statement for Creditors/Investors has two components:

1) Creditor / Investor data



2) Loan data for each Borrower





2 |FT-CR4|

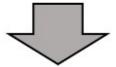
Please contact Ebenezer if you have any questions about this statement:

ABC Financial Group Phone: 1-888-555-3698

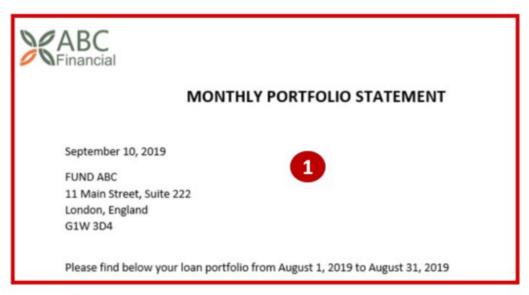
Email: ES@abcfingroup.com



Before production



After production



Loan I	D	Total Loan Amount	Interest Paid	Principal Paid	Principal Balance	Region
1	000	50 000,00	19 322,33	41 922,04	8 077,96	North
1	001	0,00	4 960,25	6 677,05	16 272,95	North
1	1002	250 000,00	70 760,72	27 092,08	222 907,92	West
1	004	10 000,00	0,00	10 000,00	0,00	West
1	1005	150 000,00	53 113,82	138 910,16	11 089,84	East
		460 000,00	148 157,12	224 601,33	258 348,67	

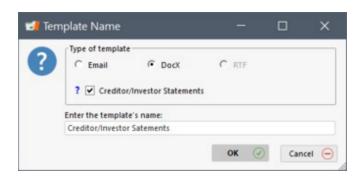
Please contact Ebenezer if you have any questions about this statement:

ABC Financial Group
Phone: 1-888-555-3698
Email: ES@abcfingroup.com

To create a new template, click on



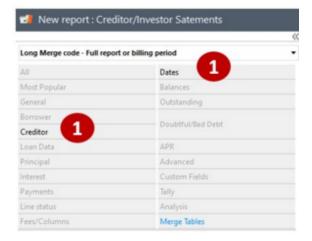
, "New" and check the "Creditor/Investor Statements" box.

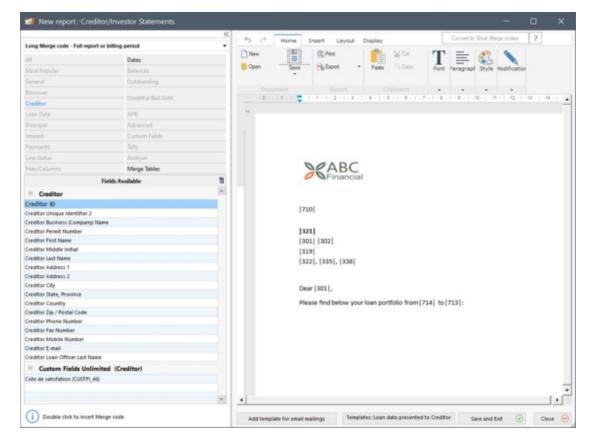


1) Creditor/Investor data:

1

Initially, only the merge fields relating to the Creditor/Investor (and certain dates) will be available (component to create the basis of your template, since at this level, we only want to identify the Creditor.

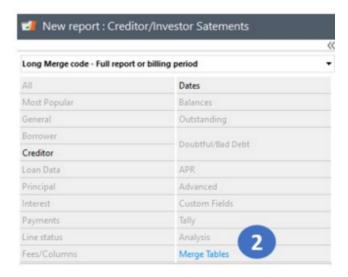




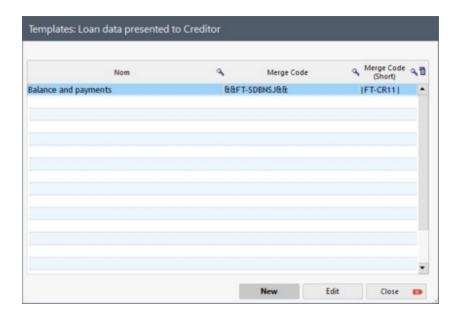
2) Loan data for each Borrower



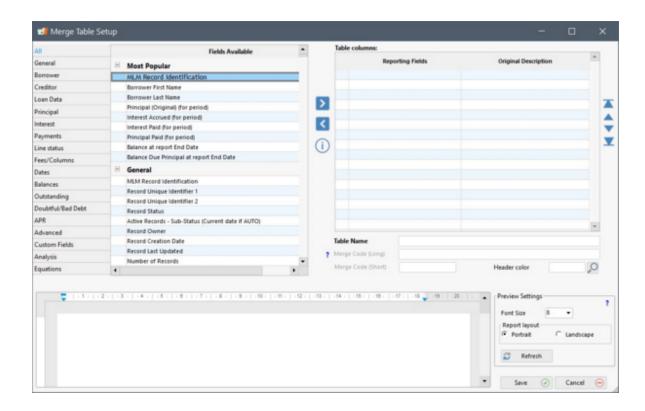
Fields relating to the loan and borrower data you wish to show to your Creditors/Investors will be displayed in a table format and, once created, they will be available under the tab "Merge tables" (or via the mouse right-click).



The button allows the user to create tables with column headers, the chosen merge fields, and after merging, data will appear underneath. By clicking this button, the following window will appear displaying the "Templates: Loan Data presented to the Creditor" and including the merge code to be included in the complete template. It is possible to create new templates or to modify existing ones.



When clicking on "New", the following window will appear allowing you to select, on the left, the fields you wish to include for each loan.

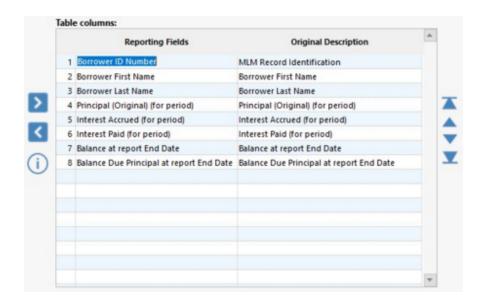


Choose the data to include from the left of the window and bring to the right table. One can change the report section order in this window (in the "Reporting Fields" section on the right) by highlighting the field to be moved and by using the arrows on the right-hand side.

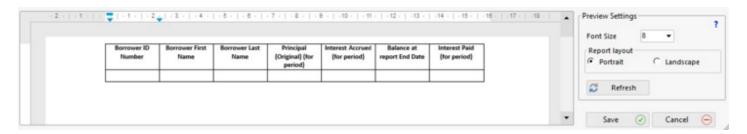


It is also possible to eliminate a field by clicking on the arrow in the middle of the window in order to select it.

When the desired fields are added, it is possible to rename these in order for the Creditors/Investors to better understand their exact meaning (they become the column titles). The "Original Description" column informs the user of the official field name in MLM. Data for each Record of this creditor/investor will appear individually on one line of the table - one line per Record/loan.

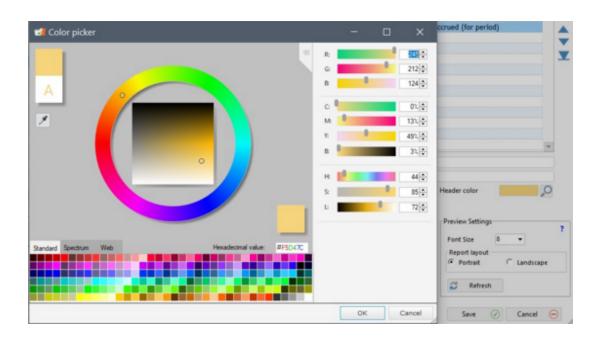


Click on "Refresh" in the "Preview settings" column in order to view the table. Options available for the layout (font size and orientation) are used for the preview only and will not be saved when producing the report. They are indicative so that you can organize the template properly. However, it is possible to rename the field name headers and modify the width of the cells in the table. It is suggested not to add too many fields, otherwise the table will quickly become unreadable due to lack of space.

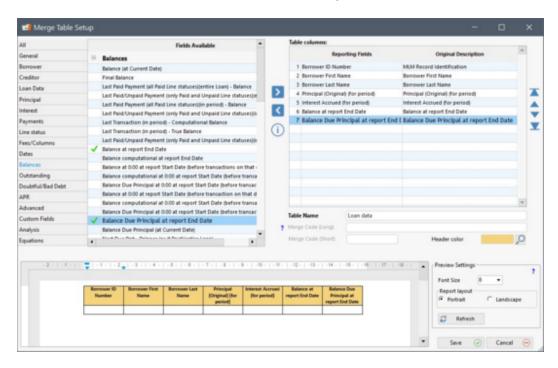


A color can be added to header cells. Click on to choose among the colors:

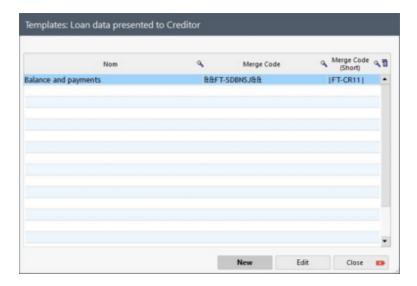




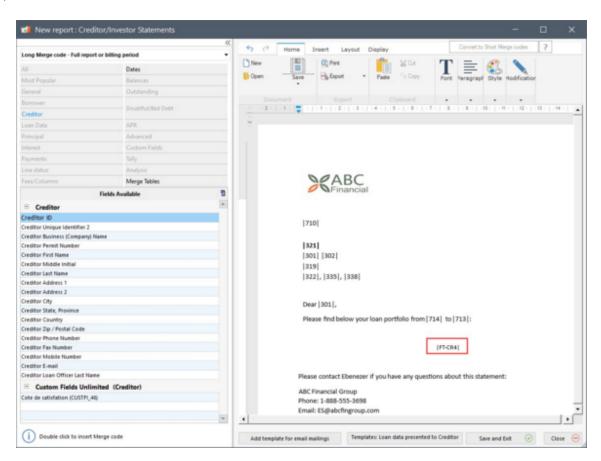
Once a color has been selected, click on "OK" and then on "Refresh" to preview the results.



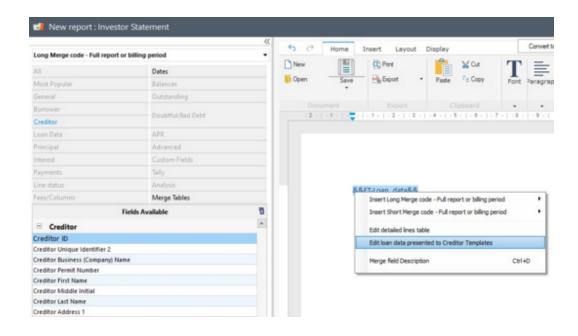
Name the table and click on "Save". The window will close and reopen with the new template. Long and short merge codes will have been generated automatically, in order for the user to add this new merge table to the master template.

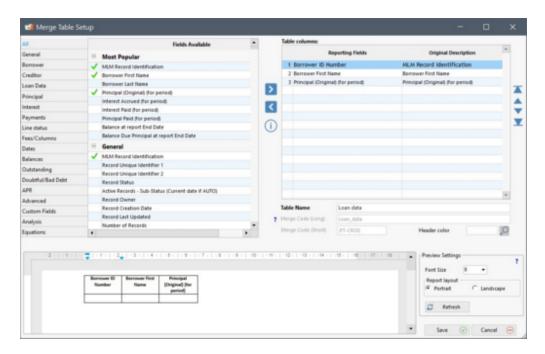


Upon closing this window, simply add this table to the master template by selecting and double-clicking on it under the "Merge Tables" theme to the left. Complete the layout: for example, if your table is wide and more suitable to a landscape format, you can modify it here so that the changes are effective upon document merge. Once the layout is complete, click on "Save and Exit".



You can change the layout of the merge tables at any time using the right mouse click. Highlight the merge codes assigned to the table, right-click with the mouse and choose "Edit loan data presented to Creditor Templates".



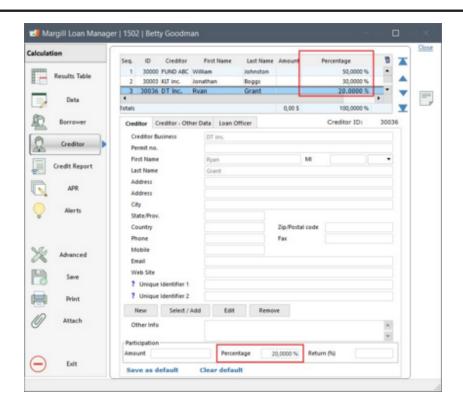


It is possible to add to this, a template for sending emails. See the <u>Mail Merge / Templates</u> section for more information on this option.

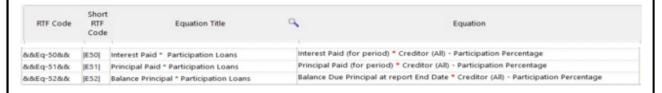
Mathematical equations and syndicated / participation loans

Each Record / loan can be assigned to a single Creditor (lender / investor / fund) or in various proportions to several Creditors. Many Creditors in one loan is often known as a "participation loan" or a "syndicated loan".

A loan can be entered in Margill and include the percentage (up to 8 decimal places for maximum accuracy in Equations) or amount participation of each Creditor:



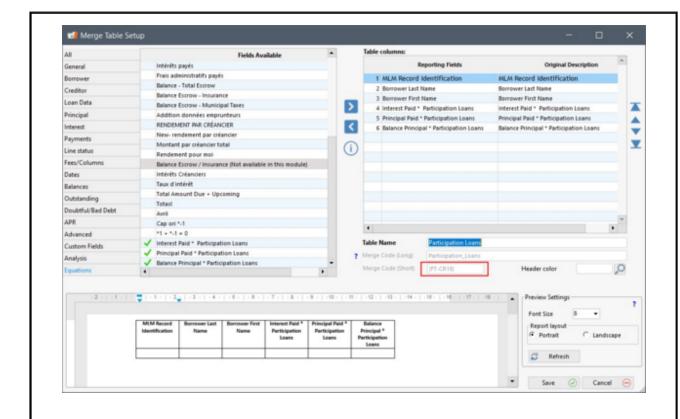
<u>Mathematical Equations</u> allow these percentages to be multiplied by various financial data of the loan, thus bringing out the pro rata of the respective participation for each of the Creditors. The equations below, for example, make it possible to establish the interest paid, the principal paid and the respective balance of each Creditor:



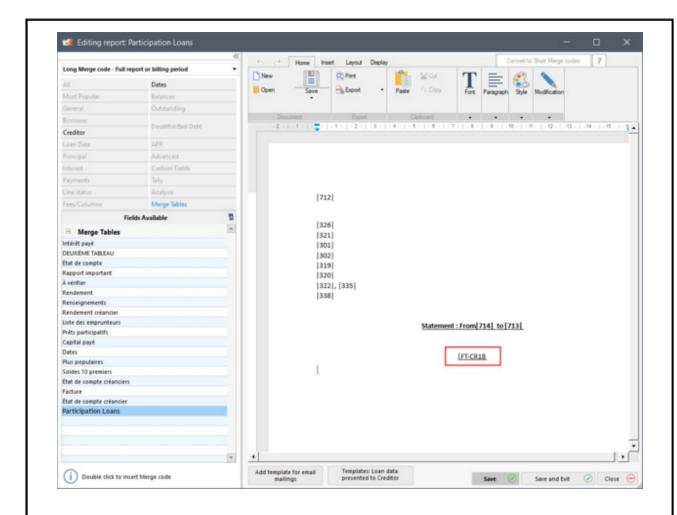
Several other data can be extracted as needed, including individual income (accrued interest), the balances, etc. We could even extract the income by taking into account a lower rate of return granted to the Creditors compared to the rate of interest charged to the Borrower.

Equations can be included in the "Data presented to the Creditors" in table form. A merge code is automatically

generated by MLM which represents all of these data (Component) which are added to the master template afterwards.



Simply add this new merge code to the main template (Component):



When merging, the results are obtained based on the participation of each Creditor. In Julie Andrews' loan, FUND ABC has a participation of 50% while Lab Industries has a 30% participation. The last line of the table represents the total by column and is especially useful when there are several loans by Creditor.

The total paid interest for the loan in March is 125.00 of which 62.50 to FUND ABC, 37.50 to KLT Inc. and the rest (25.00) to DT Inc. (statement not produced):

2020-08-03

30000 FUND ABC William Johnston 46875, Long rd

New Orleans, Louisianna

Statement : From 2020-08-01 to 2020-08-30

MLM Record Identification	Borrower Last Name	Borrower First Name	Participation Loans	Principal Paid * Participation Loans	Balance Principal * Participation Loans
1501	Goodman	Betty	62,50\$	2 535,36 \$	4 376,91 \$
			62,50\$	2 535,36 \$	4 376,91 \$

Statement for FUND ABC

2020-08-03

30003 KLT inc. Jonathan Boggs

948, Concordia Rd.

Saskatoon, Saskatchewan X6T M8Y

Statement : From 2020-08-01 to 2020-08-30

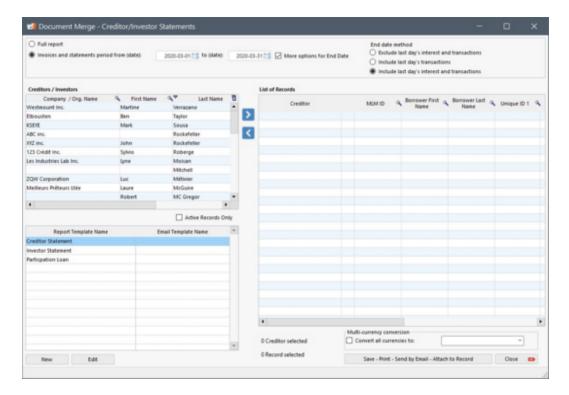
MLM Record Identification	Borrower Last Name	Borrower First Name	Interest Paid * Participation Loans	Principal Paid * Participation Loans	Balance Principal * Participation Loans
1501	Goodman	Betty	37,50\$	1 521,22 \$	2 626,14 \$
			37,50\$	1 521,22 \$	2 626,14 \$

Statement for Lab Industries

To find out more about participating / syndicated loans, see the Reports > Commonly required reports > <u>Participation</u> / <u>Syndicated Loans</u> section.

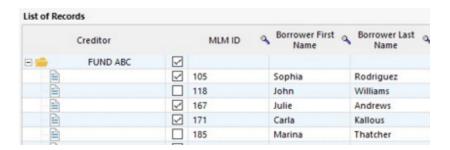
Production of a Creditor/Investor Statement

In "Reports", click on "Creditor / Investor Statements" and choose the desired template.



By checking the "ACTIVE Records Only" option, the system will produce a report for the Active Records only. If some of the Records have another Status and are displayed or selected, MLM will not display these in the List of Records. Add a

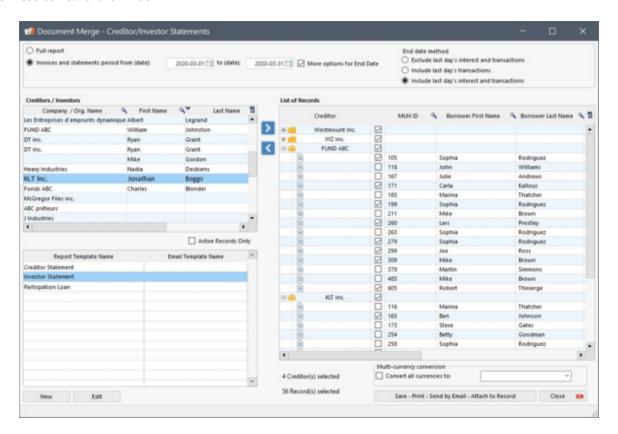
Creditor in the table with the help of the arrow . To view the Records associated to this Creditor, click on "+" beside the yellow Folder . Select the Records for which a report needs to be produced by checking the box on the right.



To select all of the Records linked to a Creditor, check the box located on the right of the Creditor's name.



It is also possible to eliminate a previously chosen Creditor by selecting it and clicking on the arrow in the center of the window. The number of Creditors as well as the number of selected Records are displayed as an indication under the "Records List" of the window.



Please note: The and Edit options located in the lower left corner of the window provide access to the template's creation or modification window for the Creditor/Investor Statements.

You must now choose among the options in this window.

- 1) Full report, 2) up to a specific date or 3) between 2 dates.
- Report end-date method: three methods are available to include or exclude interest and transactions that may occur
 on the reporting end date specified. This can be important depending on the end-date entered. For a report up to
 December 31 for example, the last day's transactions and interest should generally be included.

For a report up to January 1 (thus the start of the next period), if that day's transaction is to be included but not the interest on that day, then the second option should be chosen ("Include last day's transactions"). Ideally though, with a date at the start of the next reporting period, the first option should be chosen ("Exclude last day's interest") so as not to include any data from the next reporting period (avoid double accounting).

Please note: a Record is considered to be completely terminated on the last line's "Pmt Date" at 0:00:01 (so at 0:00 in the morning plus a fraction of a second to allow the last payment to be made). Thus, if a report end date is equal to or after the Record termination date, all three "End date method" choices will yield the same data for this particular Record and no interest will be included for the Record's last day. It is suggested for lines of credit or loans

with no true end date set, to enter a distant date (e.g. 01/01/2025), so that the loan is not considered finished on the last line and continues to generate interest. More accurate projections can thus be made.

Convert to other currencies: This report also allows, for multi-currency portfolios, to convert the multi-currency values to one or many other currencies. First, the Administrator must activate the multi-currency module through Tools > Settings > System settings (Administrators) > Modules > Currencies and by selecting "Activate "Multi-Currency" module (Administrator only)".

When converting in the report, the following choice will appear with a pull down menu of the currencies in MLM (other currencies may be added and some deleted - see the <u>Multi Currency</u> section).



GBP	£	0.5944
EUR	€	0.6679
CHF	F	1.0078
AUD	\$A	1.0666
CAD	\$C	1.0461
JPY	¥	89.135
USD	\$	1

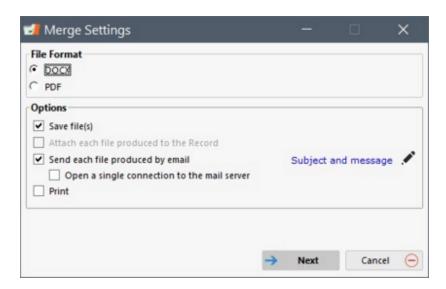
No matter which currency was used in the Record, the report will be produced with the selected currency (USD in the above example) using the conversion factor. The report may be created in any currency, not only the base currency (factor = 1).

In order to differentiate between various currencies (useful when the report is produced in multiple currencies) MLM will automatically add a first column with the currency symbol (this column may be deleted in the TXT and CSV saving settings).

Once the data entered, click on be displayed offering different choices which are explained below.

Save - Print - Send by Email - Attach to Record

The following window will be displayed offering different choices which are explained below.



First, choose the document format: DOCX (Word), a format that can be modified in a word processor or in a PDF format, which is not as easy to modify.

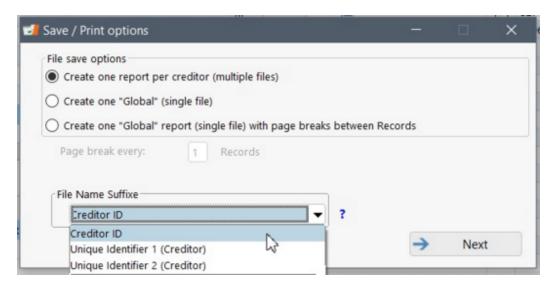
When choosing PDF, two options are offered:

- If "Create the document using Word..." is chosen, the document will be produced using the Word's (versions 2007 and greater) functionalities.
- If the option is not chosen, the document will be produced using a slightly less sophisticated algorithm offering a layout that could be deficient.

Experimenting is recommended depending on the complexity of the layout of your document.

Merging options

- 1) Saving a report. When saving a report in DOCX or PDF format, you have three options:
- each letter, invoice or statement can be saved in its own file. By default, it will bear the name you have given followed by the MLM Creditor's ID according to the suffix chosen in the drop-down menu, in order to easily identify it. These files can then be sent by email for example. When saving individual files, it is suggested to create a folder with a clear identification (for example Invoices March 2020) and place your files there.
- all invoices and statements can be saved in one single "large" file.
- all invoices and statements can be saved in one single "large" file with page breaks between each Creditor or at all X Creditors (up to a maximum of 10 Creditors per page) (useful for pre-printed forms with, for example, three forms on one page).



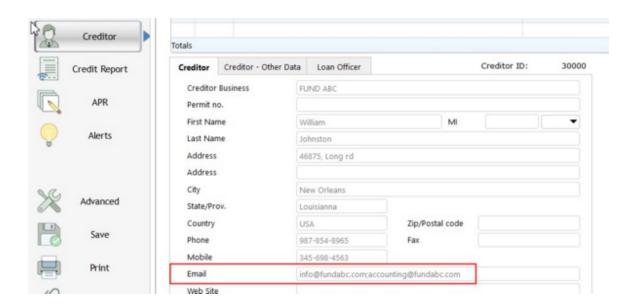
The following saving steps are very similar to the ones of **Document merge**.

2) **Sending by Email**. This powerful option allows to send a merged document to each Creditor (or multiple Creditors) via Email.

See in Tools > Menu tools > Settings > System settings (Administrator) > Email connection to configure the system.

Delivery address

One or more email addresses must be entered for each of the Creditors to whom you wish to send an email. If you wish to send to multiple Creditors, each email address must be separated by a semicolon ";", no space between each, otherwise you will get an error message once the sending is finished.



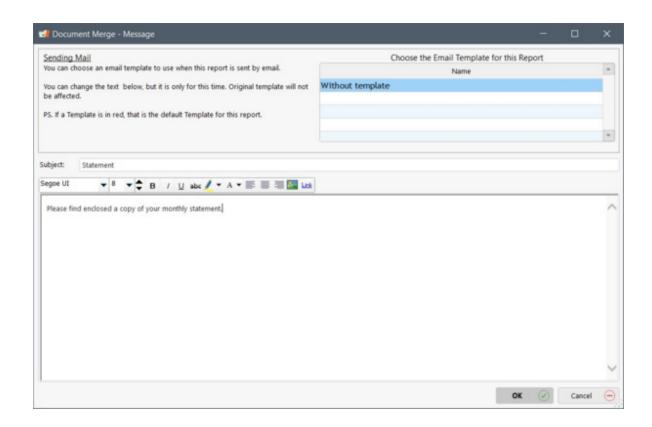
If a loan is assigned to multiple Creditors, each will receive a merged report based on their own information. This tool becomes particularly powerful for participation / syndicated loans by combining it with Mathematical Equations. See the <u>Mathematical equations and syndicated / participation loans</u> box above for an example.

Steps for sending are the same as in the **Document merge**.

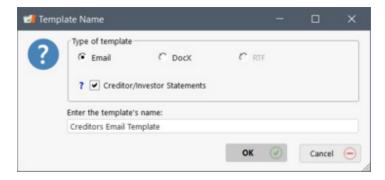
Subject and message in email

A subject and an email message to the Creditor(s) should also accompany the attached file.

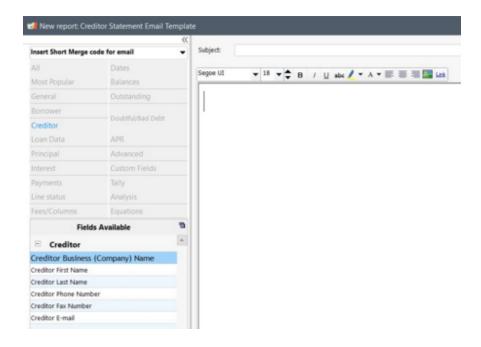
The following window will appear and you will be able to enter a subject as well as a message. Text can include some formatting including font, size, highlight, etc. and even a hyperlink. It is suggested to test before sending to a large group of creditors. A tool allows test sending to large groups of emails. See the Email connection (Batch emails) chapter.



It is also possible to personalize the emails to be sent by using the email templates for "Creditor/Investor Statements" which can include merge codes. The "Creditor/Investor Statements" box must be checked for the email templates otherwise the template will not appear in the choices available.



For detailed steps, see Reports > Merge / Email Template > under "Add a template for sending email". Note that the merge fields are limited to the information relating to the Creditor, not to Record (loan) or Borrower data since a Creditor Statement generally includes multiple Records and multiple Borrowers.



3) Printing: Finally, printing can be done independently or with some of the options described above.

Export accounting transactions to the General Ledger

Margill Loan Manager (MLM) allows you to the export transactions and other accounting data to the General Ledger (GL) of several accounting packages, Excel and other formats:

- Intuit QuickBooks Pro (.IIF)
- Sage 50 Pro, Sage 300, and multiple others (names vary depending on country)
- Acomba
- Excel (.XLS)
- Text format (.TXT)
- CSV format (.CSV)

You can then produce a list of accounting transactions for a given period while combining these debits and credits to your chart of accounts (GL numbers or names). MLM will then produce the file in the format required for import into the desired system.

Creating the accounting report template

General

Assigning a unique GL number to each client
Adding notes (or comments) to each entry
Transaction dates entered into the accounting system
Modifying a report
Copying, renaming and deleting existing reports
Using Creditor Participation Percentage or Amount

Producing the export file

General Detail tab Summary tab By Account tab
Time required to produce a report

Reversing exported entries

Importing into Accounting packages

Intuit QuickBooks Pro (.IIF)

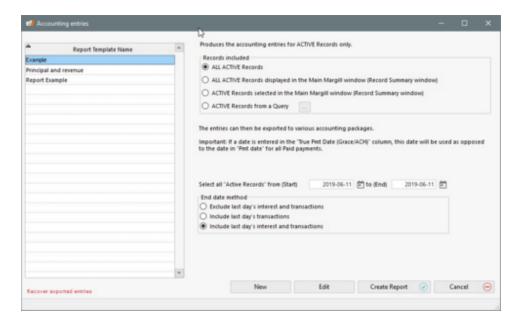
Sage 50 Pro (and other Sage products)

<u>Acomba</u>

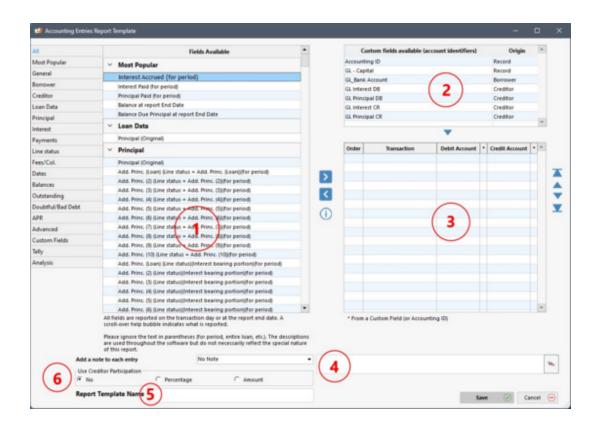
Creating the accounting report template

General

In the MLM Main window (Record Summary), click on Reports and on "Accounting Entries". The following window will open:



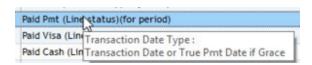
Next, click on "New" and the window below will open:



This window allows you, for the numbers identified above to:

- 1. select the fields (or transactions) to include;
- 2. include a GL number (or name) for a particular Record;
- 3. associate the GL account number with the corresponding field (or transaction);
- 4. add descriptive notes for each transaction. These notes will be imported into the accounting system;
- 5. name the report.

Each of the available fields is described in detail in the "Reporting fields" section. Please note that the field names and the descriptions are not always perfectly adapted to this report since transactions or balances are reported as opposed to totals in other reports. For example, "for period" could appear in the name but in fact the transaction date or dates is (are) reported. The mouse-over describes in a bubble what is reported:



In our example, using cash-basis accounting, we wish to include three types of transactions for the period from November 1 to November 30:

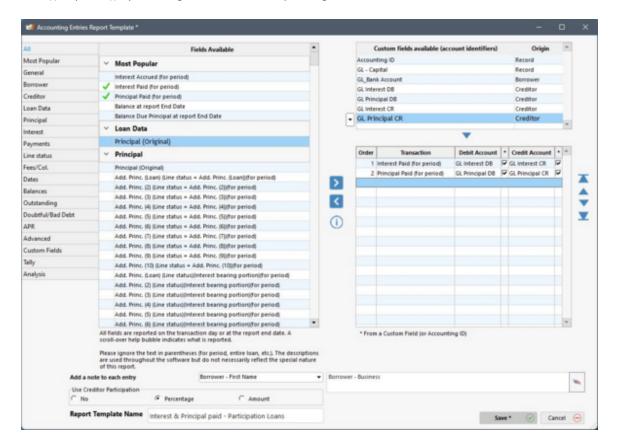
- Interest Paid
- Principal Paid
- Fees Paid (Line)

We could also have included, for accrual-basis accounting (see box for report preparation suggestion), Interest paid, Accrued and Due Interest, Principal Paid, Fees (charged) and Fees Paid and other balances needed. Many other types of "transactions" can be included:

- Original Principal
- Original Fees for a Record (APR calculations)
- Additional Principal (during the loan)
- Paid payments (also based on the type of payment made).
 - See <u>Line status</u> in order to customize the payment type made (for example, Paid Visa, Paid Check, Paid Cash, etc.)
- Insurance
- Taxes
- Other types of transactions
- Balances
- Outstanding amounts
- Doubtful accounts

Let's return to our example:

Choose from the left column, the three transactions (Principal Paid (for period), Interest Paid (for period) and Fees Paid (Line status)(for period)) by selecting the data and then pressing .





The three fields now appear in the central section, displaying in red, missing data, or debit and credit accounts for the GL.

Options available for associating the GL Accounts to the transactions

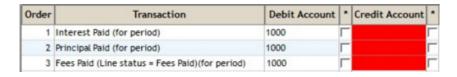
Two options, or a combination of these, are available to associate the GL accounts to the transactions:

- Transactions of a particular type will be exported into a single GL account for ALL Records (ie.
 not associated with a particular client as is the case in 2. below). For example, Interest Paid for
 all Records will be charged to the GL credit account 5820.
- 2. Second scenario... Each client (Borrower) or Creditor has his unique account for one type of transaction. For example, the Principal Paid for company ABC Inc. will be exported to credit number 1701 while that of company DEF Inc. will go to number 1702. This involves the development of a more complex chart of accounts in the accounting package, but provides much more detailed data in your accounting software.

This option is possible for both debits and credits. For the debit accounts, for example, some Records could be assigned to Bank A, while others assigned to Bank B. The GL account does not have to be unique for each Record. In the example above, many clients will have the debit number for Bank A.

3. Often a combination of both is used. For example, all interest income would be included in account 5820 and the Principal Paid in separate accounts for each client (1701, 1702, 1703, etc.)..

In the example, for the debit accounts, the three transactions are assigned to the Bank whose GL number is 1000. The number (or unique QuickBooks description) must be the unique identifier from your accounting package and must respect the number of digits allowed (see the User Guide of your accounting software).



For the credit:

- Interest Paid: all interest paid is recorded in a single income account, 5820
- Fees Paid: all fees paid are recorded in a single income account, 5830
- Principal Paid: each client has his own GL account and therefore we must assign the GL number to each client.

Thus, for the Interest Paid and Fees Paid, enter the appropriate account numbers in each box, respectively:



For Principal Paid, follow the instructions in the box below:

Assigning a (unique or common) GL number to each client (Borrower) or Creditor

GL numbers (or names) may be assigned in two (2) sections in Margill Loan Manager:

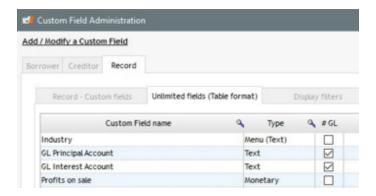
1) In the "Accounting ID" field in the "Data" window ("General" tab). Only one account can be created here.

Accounting ID	
---------------	--

2) In the "Custom Fields" section. An unlimited number of fields can be created for accounts. These can be related to the Borrower, to the Creditor or to the Loan (Record) itself. The choice of where to enter the GL account is not highly important. In case of doubt, enter for the Record itself.

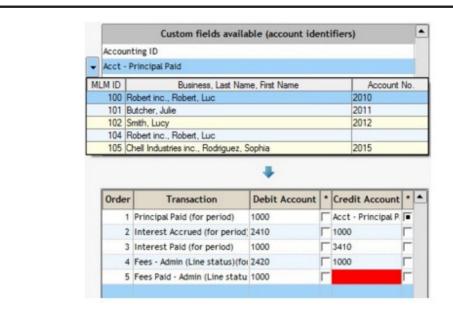
- The field would be linked to the Loan (Record) for maximum flexibility thus, each loan would have its own GL number but this would imply entering the number for each one - use the <u>Global</u> <u>changes</u> for quick data entry.
- The field would be linked to the Borrower if each Borrower had its GL number for principal for example. This would be useful if a Borrower has many loans in the portfolio. By linking to the Borrower, you would not have to enter the GL numbers for each of his loans.
- The GL number is linked to the Creditor in portfolios with multiple Creditors.

To create a custom field that will be linked to the accounting module, the MLM Administrator must go to Tools > Settings > System settings (Administrator) > Custom Fields > Borrower (or Creditor or Record) tab > "Unlimited fields (Table format)" subtab.



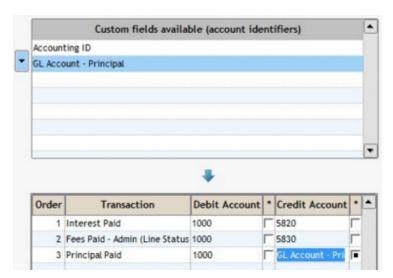
Enter the field name with the Type as "Text" (suggested for maximum flexibility) and check "# GL" to indicate that this field is intended to accommodate a GL account number. A scroll menu could also be created if there were only a few account choices for the debits or credits. The field (and corresponding data once entered) will appear in the accounting module. In the example above, the two lines starting with "GL -..." are fields identified as General ledger accounts.

The image below, taken from the accounting reports creation window, displays the fields that can include accounting identifiers ("Accounting ID" and "GL Account - Principal" which is a custom field). The account number of each Record is also displayed. Notice that for Record 104, no account number is entered. The user should add an account number for this client otherwise an error will be generated when creating the export file.



To associate the "GL Account - Principal" custom field with the transaction "Principal Paid":

- choose (highlight) the "GL Account Principal" field;
- click in the red box "Credit Account" for the "Principal Paid" transaction; then
- press on the arrow to lower the field in the appropriate box.



Note for line 3, that the column with the asterisk (*)(right of "Credit Account") contains a black square. This indicates that a custom field or Accounting ID ("Data" window > General) is associated to the "Credit Account" of this transaction.

By associating the corresponding Principal Paid to the custom field, the association between account numbers and debit and credit transactions is now complete.

All that remains is to save the report by assigning a name:



It is also possible to add a note or comment to each transaction in order to identify the origin of each in the accounting package.

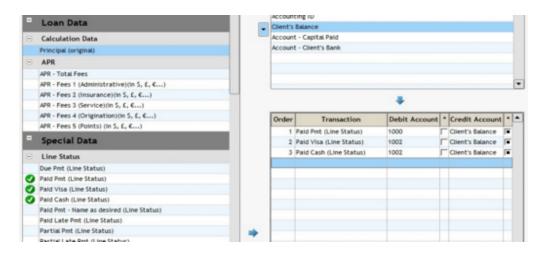
Payments in cash, check, credit card or other special "payment"

It is possible, to apply different payment methods to the appropriate debit and credit accounts.

First, the Line statuses corresponding to the payment method should be defined (Tools > Settings > System settings (Administrator) > Line Payment statuses). See the <u>Line status</u> chapter.



In the example below, the payments are deposited in various bank accounts (1000 and 1002) based on the payment type, while in credit, all amounts are applied in the balance due by the client (Assets).



The explanations above also apply to "Fees" and "Other" Line statuses. Note that "Other" type Line statuses do NOT pay principal, interest and Column fees so should only be used in special circumstances by experienced users.

It is possible to extract different "paid" components for each "Payment" type Line status.

- Principal
- Interest
- O Column Fees 1 to 6
- APR Fees Financed

The principal and interest paid can be isolated according to the type of payment made. Thus, one could isolate the amounts paid by a normal payment (Paid Pmt) from one "paid" as a "Write-off"

(Pmt made 5, for example, renamed to "Write-off"). Amounts paid by Write-off are not actually paid and therefore can be treated differently (loss of principal and interest).

Thus, 89 new fields have been added for the paid portions of the following "Payment" type Line statuses:

- Paid Pmt
- O Paid Pmt 2 to 20 (as renamed)(64 fields)
- O Paid Pmt Returned Check
- O Add. Pmt
- Compensatory Pmt
- O Partial Pmt, Partial Late Pmt, Late Pmt

Interest Paid (for period), Paid Pmt
Interest Paid (for period), Paid Pmt (2)
Interest Paid (for period), Paid Pmt (3)
Interest Paid (for period), Paid Pmt (4)
Interest Paid (for period), Paid Pmt (5)
Interest Paid (for period), Paid Pmt (6)
Interest Paid (for period), Paid Pmt (7)

Suggestion for Accrual-based accounting report preparation

Revenue accounts:

Interest: 5820 Fees: 5830

Accounts receivable:

Interest: 2100 Fees: 2120

Bank: 1000

Principal: 1700 (or separate accounts)

Create the report like this:

0rder	Transaction	Debit Account	*	Credit Account	*
1	Interest Accrued (for the per	2100	Г	5820	Г
2	Interest Paid	1000	Г	2100	Г
3	Fees - Attorney (Line Status)	2120	Г	5830	Г
4	Fees - Attorney Paid (Line Sta	1000	Г	2120	Г
5	Principal Paid	1000	Г	1700	Г

Thus, interest will go to income (5820) as soon as accrued (and accounts receivable - 2100). When paid, interest goes to the bank (1000) and accounts receivable (2100) is also adjusted accordingly.

The same principle applies for fees.

Adding notes (or comments) for each entry

When multiple entries are transcribed in the same GL account in the accounting package, it becomes difficult to identify the origin of these amounts when reconciling the accounts. For example, most accounting software allow a comment (or note) for each accounting entry. MLM allows the export of transactions with such "Notes".

You may add one or more notes among the following choices:

First Name - Borrower
Last Name - Borrower
Business - Borrower
File - Borrower
File Number - Borrower
Accounting ID - Borrower
Business - Creditor
MLM Identifier
No Note

Accounting software packages can generally support up to thirty (30) characters for comments. MLM will remove everything after the limit imposed by the particular software. It is therefore suggested to include only one or two of the available descriptions.

To include a note:

Click on one of the fields in the scroll menu. The chosen field will appear in the box on the right.

Press on the eraser icon to eliminate the undesired choices.

Add a note to each entry

Add a note to each entry

Business - Borrower, Accounting ID - Borrower

Transaction dates entered in the accounting system

All transactions imported in the accounting system require a transaction date. MLM provides four options for this date, depending on the type of data exported to the accounting system:

Date entered	Fields included	Special explanations
Origination Date	 Original Principal Fees charged for the APR Calculation 	If the Origination Date precedes the report start date, the principal amount and the APR information will be excluded since the transactions are not within the chosen period.
Transaction Date (from the column "Pmt Date") or Date in the column "True Pmt	All Line status transactions	The date listed in "True Pmt Date (Grace/EFT)" is ALWAYS used instead of the date "Pmt Date" IF a date is entered in this column. Thus, the accounting system will use this date even if MLM, at the mathematical level, does not take it into account for the calculation of interest. Important Note: The "True Pmt Date (Grace/EFT)" dates are only used for the "Pmt" Line statuses. The date is ignored for the Fees, Fees Paid, Add. Princ., etc. If a date is

Date (Grace)"		listed in the "True Pmt Date (Grace/EFT)" column for these other Line statuses, an error will be reported. See the "Payment" Type Line statuses section.
Date entered at the end of the report	 All the totals All balances, with the exception of the unpaid portion balances (resulting from a partial payment for example) 	
Date entered for doubtful accounts in the "Data" tab	 Doubtful Accounts (Record Balance Date) 	Location of the date in the tab "Data" Allowance for Doubtful Accounts 10,00 % of the principal balance on 2020-06-01

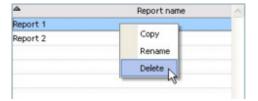
Modifying a report

An existing custom report may be modified or saved under a different name and include only a few changes. In the Reports window, click on "Accounting entries". Select the existing report and click "Edit". Changes can then be made as specified in the previous sections.

Please note that an existing report that is modified and renamed, will not create a new report but will replace the old report. To create a new report, first "Copy" the report, then modify (see next section).

Copying, renaming and deleting existing reports

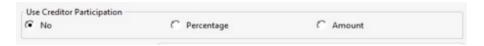
To copy, rename or delete an existing report, click on the report, then use the right mouse click.



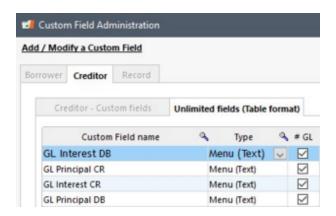
Using Creditor Participation Percentage or Amount

This option divides the transaction amounts based on the each Creditor's participation in the Record. Thus, an "Interest paid" transaction for example, if two Creditors participate in the loan, will be divided in two based on the proportion of each and the respective amounts will be returned in the report taking into account the debit and credit accounts of each of the Creditors.

Check the option: Use Creditor Participation (Percentage or Amount)



If this option is checked, then the Creditors' General Ledger (GL) accounts must be used (usually) for each item as opposed to a static account or a GL account from a Record's Custom field or Accounting ID. By using the Creditor's Custom fields, the number of lines in the report will be multiplied by the number of Creditors present in each Record.



By indicating to which General Ledger account each type of transaction for each Creditor belongs, we will obtain the correct amounts distributed according to the participation percentage (%) or amount of each of the Creditors.

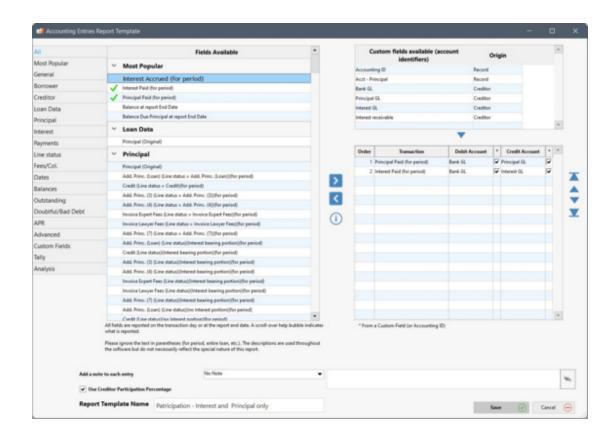


General Ledger type Custom fields linked to the Creditor

Usually, the GL number would only be numbers/letters/etc., but for educational purposes, a detailed text has been added

Example in which the transactions will be separated automatically based on the percentage of participation of each of the Creditors:

- Amount paid: 1500 including 500 in interest and 1000 in principal
 - O Creditor ABC with a participation of 25%: 125 in interest, 250 in principal
 - O Creditor XYZ inc. with a participation of 75%: 375 in interest, 750 in principal



Here is the report based on the above example. All of the amounts are separated according to the participation percentage (up to 8 decimal points) or amounts for each of the Creditors:



One could also decide to produce a report combining the GL accounts linked to the Creditors (according to a participation percentage), linked to the Records as well as static accounts (therefore always the same GL number regardless of the Creditor, Borrower or the Record). Thus, the report lines would be duplicated only for the transactions that are distributed to multiple Creditors according to their participation while the other lines of the report would appear as normal with the mention "Creditor not determined". For example:



To find out more about Creditor participation percentages/amounts, consult > Commonly required reports > Participation / Syndicated Loans.

Producing the export file

General

Once a report template is created as described above, in the "Accounting entries" window, choose the desired report (it will be highlighted in blue), choose the start date and end date of your report and the inclusion or not of the Interest or Transactions at the end date chosen.

Permission to create this report must be given to each specific user. In Tools > Users, check "Can produce an "Accounting entries" Report".

✓ Can produce an "Accounting entries" Report

For Record selection (*Records included*), only the ACTIVE Records will be taken into account unless the "Include CLOSED Records" option is checked.

Produces the accounting entries for selected Records.

Include CLOSED Records

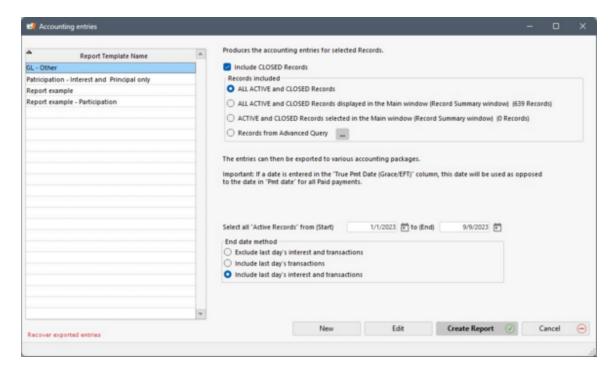
Four options are available:

- 1. All ACTIVE (and CLOSED if option is activated) Records;
 - O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.

Can produce Reports for all Records

- O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
- 2. All ACTIVE (and CLOSED) Records displayed in the Main Margill window (Record Summary window);
- 3. ACTIVE Records selected in the Main Margill window (Record Summary window): select (highlight) the desired Active Records in the Main MLM window (Record summary). To do so, you can sort the Records as you see fit, display some with the display filters or select them all with the CTRL-A key. The results order will be in the same as the selection order made in the Main window. The first Record chosen (with a mouse click, for example), will be the first line of the report, and so on.

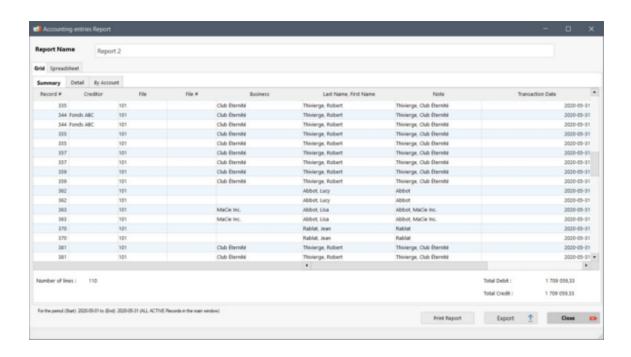
4. All Records from an <u>Advanced Query</u>, no matter the Record Status. Before version 5.6, only ACTIVE Records were included, even with a Query.



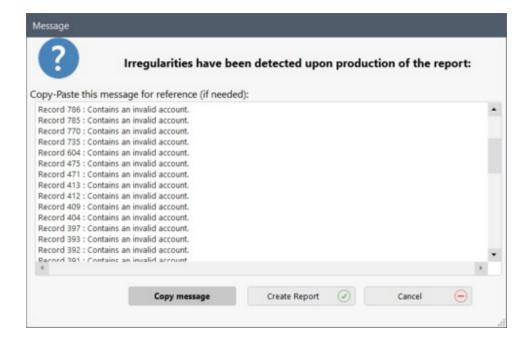
IMPORTANT:

• If the Record starts after or ends before (date of the last row of the table) the dates chosen in the start and end of the report, this Record will be excluded from export.

Then press on "Create Report" . If no irregularities are encountered, the results window will appear:



If irregularities had been encountered following the calculation and analysis done by MLM, these irregularities would have been displayed and can be copied (to Word for example) so you can do the corrections before producing the export file.



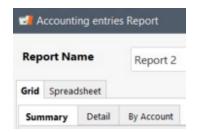
The main irregularities are:

- GL Account number (or name) missing
- If a date is recorded for a Line status other than a <u>"Payment" type Line status</u> in the "True Pmt Date (Grace)" column, that date will be ignored.
- If a Line status should be at 0.00 but is not.
- If the transaction "Due Pmt" is outside the period selected, it will be ignored.
- For the Line status "Not Set" and "Rate Change" for which a payment is other than 0.00, an entry error will occur.

Obviously, it is suggested to correct any errors in Payment schedules or directly in the data prior to exporting transactions from MLM to your accounting system.



The results window contains three tabs: "Summary", "Detail" and "By Account".



By default, the "Summary" tab is presented by showing the total of debits and credits and have the option to print and export to the appropriate software.

"Detail" Tab

With the "Detail" tab you will see all transactions and be able to eliminate some from being exported. Thus, transactions that are deselected will no longer appear in the "Summary" and "By Account" tabs. Furthermore, irregularities are automatically unchecked because they could cause problems when importing into the accounting software.



The most important columns are those to the right indicating the account numbers and the values that will be included in the debit and credit accounts.

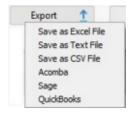
Account No.	Value applied	Account No.	Value applied
1000	770.90	1700	770.90
1000	229.10	5820	229.10
1000	774.08	1700	774.08
1000	225.92	5820	225.92
1000	777.27	1700	777.27
1000	222.73	5820	222.73

[&]quot;Summary" Tab

The "Summary" tab provides a more *accounting* perspective of the data that will be exported to the accounting system. The typical scenario will present the individual credit accounts (principal, interest and fees paid, for example) and a total for the debit (bank).

Business	Note	Transaction Date	00.	Debit	Credit
Paint inc.	Paint inc., 2773344	4/5/2011	10	302.13	
Paint inc.	Paint inc., 2773344	4/5/2011	17		218.17
Paint inc.	Paint inc., 2773344	4/5/2011	58		83.96
Paint inc.	Paint inc., 2773344	5/5/2011	10	302.13	

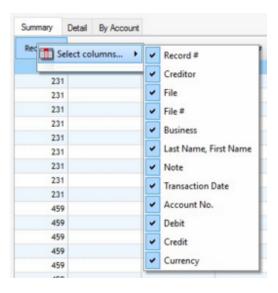
It is from this tab that you can export the transactions to various formats and accounting systems.



See the Importing into Accounting packages (QuickBooks, Simply Accounting (Sage 50), Acomba) section, specific to each of the accounting packages for explanations for saving the files. For some software, the files must be saved in a very specific folder since at launch, the software will automatically import the transactions. For others, a manual operation is required. Once the file save folder is specified with the first export (or save), this folder will be remembered for the next export.

A file can also be exported to Excel, as text (.TXT) or CSV (Comma Separated Value) files or simply printed without necessarily exporting to third-party software.

When printing, all columns will be included, even if they are not displayed in the summary. To hide a column, click the header of a column and right click with the mouse. You can then select and deselect the data you wish to display.



The "Summary" tab also calculates the total debits and credits to provide a quick overview useful for the bank reconciliation. The totals are those provided for all transactions displayed in the "Summary". If transactions have been

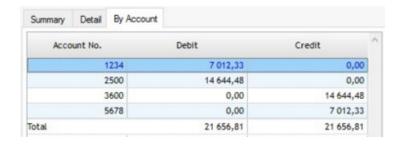
excluded in the "Details" tab, they will not be included in the "Summary" or in the totals.

Total Debit : 43 737,47

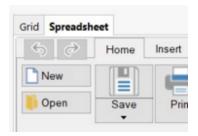
Total Credit : 43 737,47

"By Account" tab

If a detailed export, by client, is not required, the "By Account" tab shows totals according to GL account number. Amounts can thus be manually recopied to the accounting system or exported in CSV, Text, or Excel file.



A spreadsheet is also included under the "Spreadsheet" tab which allows users to perform some basic spreadsheet operations (the tool is not as sophisticated as Excel). This is very useful to copy/paste partial data to Excel or other.



Time required to produce a report

See the special section to this effect: "Time required to produce reports".

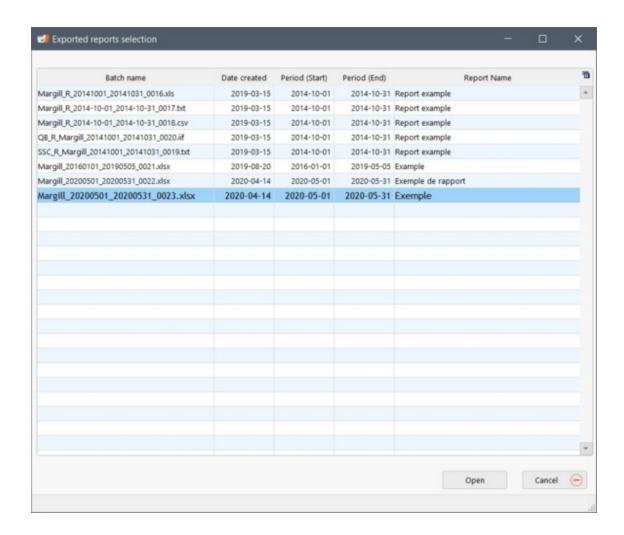
Reversing exported entries

When a batch of entries (see <u>Definitions and Glossary</u>) is imported in the accounting software using MLM data and these happen to be wrong for some reason, it is possible to re-export these, but reversed, thus essentially *canceling* the first batch import. The original entries will not be removed from the accounting system, but they will all be reduced to 0.00 as the initial debits imported into the accounting system will be followed by new equivalent entries but in the credits and vice versa for credits initially imported.

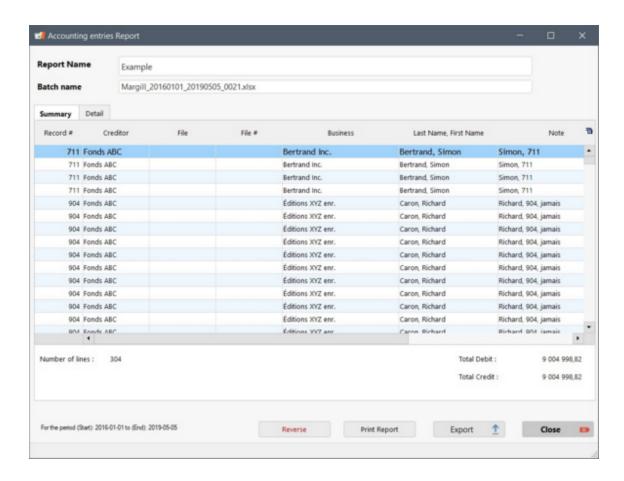
To reverse entries or some of these, under "Reports" select "Accounting Entries". At the bottom of the window on the left, press "Recover exported entries":

Recover exported entries

The following window will appear showing all the exported files to date. Choose the file to recover and press "Open". Make sure not to select a file that had already been reversed. These are identified with the letter "R".



The next window will show all transactions (Summary window). To select only certain transactions to reverse and to export, go to the "Detail" tab and uncheck those transactions that should not be exported.

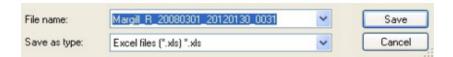


Once the transactions are selected in the "Detail" tab, press the "Reverse" button then come back to "Summary" to see the transactions that will be exported. Once this operation done, you will notice the "Reversed Entries" text at the top right of the window.



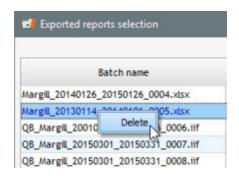
Only transactions that appear in the "Summary" will be exported by pressing the Export button

Save the file in the appropriate folder for either an automatic import by the accounting software or for a manual import. The "R" means that the file is a reversed file.



Thus, an amount that was first posted as a Debit will now be displayed in the Credit column, and vice versa.

The saved files remain in the MLM database for 18 months. They are automatically deleted thereafter. To avoid accumulating too much data, it is also possible, with the right mouse button, to remove the files one by one.



Importing into Accounting packages (QuickBooks, Sage, Acomba)

This section includes, for each of the accounting packages, explanations for importing the file generated by Margill Loan Manager (MLM)

IMPORTANT NOTICE: In order to avoid any corruption of data in case of an import problem, it is highly recommended, and should even be mandatory, to backup your accounting software data before importing third party data to your accounting package.

QuickBooks Pro

Sage (50, 300, etc.)

Acomba

QuickBooks Pro

Only versions of QuickBooks Pro and higher-end versions allow import to the General Ledger.

IMPORTANT WARNINGS ABOUT QUICKBOOKS IMPORTS:

1) The import of third party files to QuickBooks is a well documented source of problems, regardless of the software that generates the file. The cause: the date format required in the import file to QuickBooks (IIF file type) is poorly defined. Thus, a date with this format for example 11-03-2012 could be interpreted as November 3 or March 11. Always check with a few transactions with dates that can be reversed (as in the example above) if QuickBooks correctly interprets all dates. Particular vigilance is required during the first import.

Furthermore, the MLM export file is created using the Windows date format on the computer where MLM is installed. If your QuickBooks is installed on another computer with a different Windows date format, the transactions will not be imported properly and QuickBooks will not warn you. In addition, a date that can not be confused (e.g. 11/17 for Nov. 17) will be correctly interpreted whereas others may not!

For example, if on the MLM computer the date format is MM/DD/YYYY and on the QuickBooks computer, the format is DD/MM/YYYY, your 11/03 date will be November 3, whereas QuickBooks will import the transaction as March 11! But November 17 would be correctly entered.

All computers involved should have the same Windows date format (Windows Control Panel > Regional Settings).

2) If errors were made by creating the IIF import file in MLM, QuickBooks may not pick these up. For example, a nonexistent account was included in the MLM export to QuickBooks file. When importing this file, QuickBooks will

not check whether or not this account exists and will simply create this account without further warning.

In the example below, the descriptive account of "Bank of America" was incorrectly entered, the false entry with an extra "a" on "Americaa". QuickBooks nevertheless allowed the import while creating this "new" account with all the transactions associated with it. The transactions that should have been recorded in the "Bank of America" account will not be. Please be extra careful.

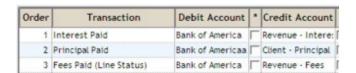


Special Notes when creating a report in Margill Loan Manager

QuickBooks offers a certain advantage over other packages since the GL may be identified by either a number or a unique alphabetical description. For example, "Bank of America" is a description sufficient to identify the account without having to enter an account number.

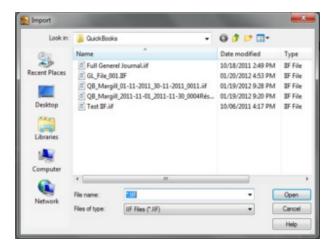


Thus in MLM, the accounts can be registered with text instead of numbers. In the example below, all accounts are registered with text. The debit account "Principal paid" has an error (double "a"). A correction is required otherwise QuickBooks will import the error while creating an account with this error.

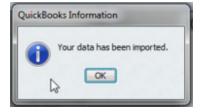


Importing a file

Importing a file generated by MLM is done manually by selecting "File" then "Utilities", followed by "Import." Among the import choices, select "IIF File". The following window will appear allowing you to choose the IIF file created in MLM.



Choose the appropriate file (you can sort by date to select the latest file). Press "Open". Unless there are compatibility issues, QuickBooks will inform you that the data has been imported.

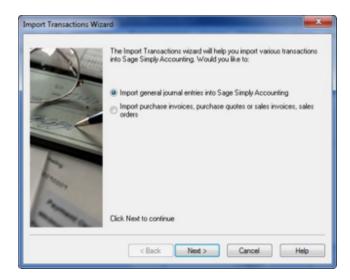


The transactions will be recorded in QuickBooks including the descriptive comments added in MLM.

Sage 50, 300, etc.

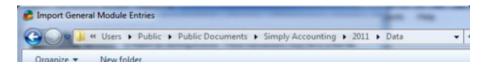
Only the Pro and higher-end versions (Superior and Quantum) allow the import of files to the General Ledger.

Importing a file generated by Margill Loan Manager (MLM) is done manually by selecting "File" then "Import / Export", followed by "Import Transactions". The following window will appear allowing you to choose the file created in MLM.

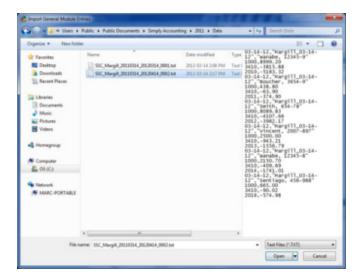


Press "Next". You can then backup your data (strongly recommended).

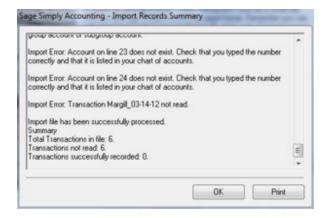
Then select the file created by MLM. When saving the file in MLM, it is suggested to save the file in the "DATA" sub-folder under "Simply Accounting" (or other new name). Simply Accounting (Sage) will usually search in this folder by default.



One or more text files (TXT) will appear. Choose the appropriate file (you can sort by date to select the most recent). Press "Open" then click "Next".



Sage will analyze the data to ensure a balance between the debits and credits, dates and so on. An import summary will be created showing the successful entries and problems the case being.



Once the transactions are imported you will obtain a confirmation message.

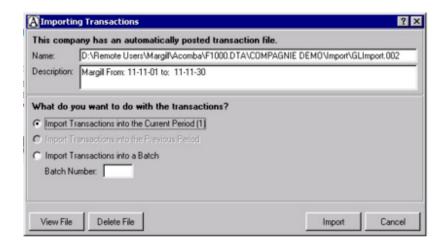
Transactions will be entered in Sage including the descriptive comments added in MLM.

Acomba

Two import modes are possible with Acomba: automatic and / or manual.

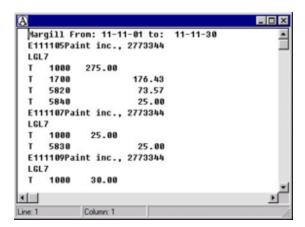
Automatic Import

In Acomba, the automatic import into the General Ledger is activated when you run Acomba, provided that the file created in Margill Loan Manager (MLM) is saved in the company's "Import" sub-folder. In the example below, the company name is "COMPAGNIE DEMO". The "D:\Remote Users ..." is the installation path. Every time you run Acomba, the software checks if a new file has the extension .00X (X representing the number of exports made from MLM). MLM will automatically generate an extension with an increment of 1.

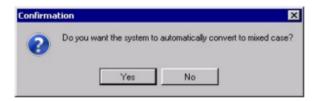


Thus, the first export file will be named GLImport.001, the second, GLImport.002, and so on. If "reversed entries" are done in MLM (to *cancel* the transactions previously exported), the file will be named GLIMPORT_R.00X, where X is the next number in sequence.

Select "Import Transactions in the Current Period" and press "Import". You can also check the file before importing with the "View File" button. The document will look like this:



Then answer the question "Do you want the system to automatically convert to mixed case?". Answer "Yes" unless otherwise desired.



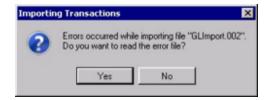
Processing data:



The transactions will then be imported into Acomba.

If the import is successful, the file to import the entries, Glimport.00X will be deleted automatically.

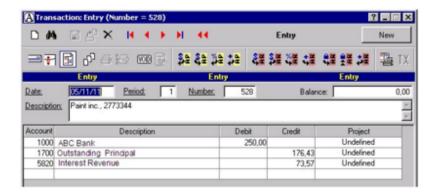
If a problem occurs during import, the "GLimport.err" file will be created. The system will include the problem file name followed by a list of errors encountered while attempting to import. If the "GLimport.err" file already exists from a previously failed import, the new errors will simply be added to the existing file.



By clicking on "Yes", a list of errors will be displayed:



Transactions will be entered in Acomba including the descriptive comments added in MLM.



Manual import

An import may also be done manually. In the Acomba "Input" tab, select "Utilities", then "Import Data". Select the "Transactions to the General Ledger (GLIMP)" option (under "Import File Format") and chose "Transactions" under "General Ledger". Click on "Import". Select the file to import that should be in the company's "Import" sub-folder.

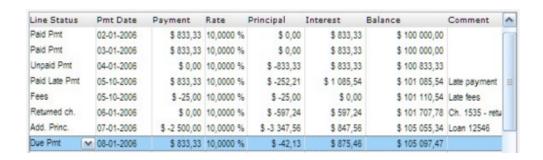


The process then proceeds exactly as described in the "Automatic Import" section.

Special Events Report

As of Margill Loan Manager version 5.2.1, the "Special Events" report is no longer automatically included in the software, but is still available under custom reports (password required). Contact the Margill Team.

The Special Events report provides a Record by Record view of all "special events" in the selected Records. A special event is created by assigning <u>Line statuses to individual lines</u> in a loan as seen in the example below:



The report may serve to determine specific trends in the portfolio. For example, are some Records showing and unusual number of missed payments or late payments? Which Records show abnormalities as compared to the other Records? The report can also produce a list of all comments included on each individual payment line. You can then identify abnormalities quickly.

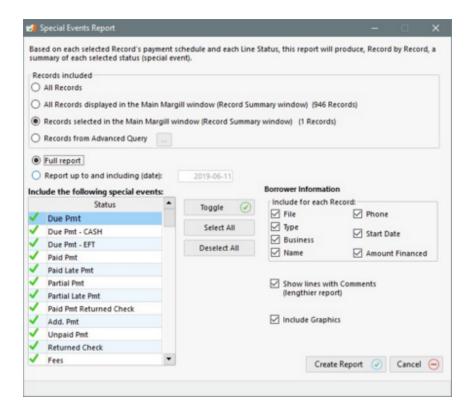
First choose the Records to include:

- 1. All Records;
 - O In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.

Can produce Reports for all records

- In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
- 2. All Records displayed in the Main Margill window (Record Summary window);
- 3. Records selected in the Main Margill window (Record Summary window): select (highlight) the desired Records in the Main MLM window (Record summary). To do so, you can sort the Records as you see fit, display some with the display filters or select them all with the CTRL-A key. The results order will be in the same as the selection order made in the Main window. The first Record chosen (with a mouse click, for example), will be the first line of the report, and so on.
- 4. Records from Advanced Query.

The following window will appear allowing you to choose the appropriate dates and events to include in the report:



Choose whether to create a full report (thus up to the last payment of each of the selected Records) or up to (and including) a particular date.

Then choose the events to include in the report. If a particular event is not relevant to you, do not choose this event. To choose an event, click on the event (or use Shift or Ctrl and click on the multiple events). The line or lines will be

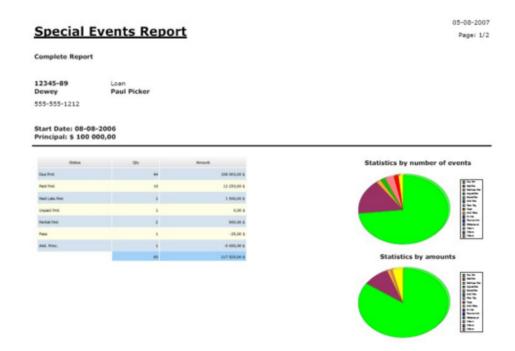
highlighted in blue. Then click on . This will check , thus include, non checked lines OR uncheck those that had already been checked.

The "Select All" function selects all Line statuses and the "Deselect All" unchecks all Line statuses.

On the right of the window, you may choose the headers to include. This is the client data that will appear on each printed Record header.

If comments are included on certain lines, these may be included in the report.

Finally, in order to obtain a better visual perspective of a Record's events - for example the number of paid payments versus missed payments, graphics may be included.



Page 2 of the report (if line comments are included):

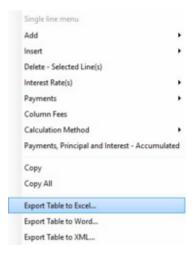


See also <u>Record List</u>. This powerful report can also provide quite a bit of information for all Records, up to a certain date or for a period or time.

Detailed Schedules (Results table)

A detailed schedule (Payment schedule or amortization schedule) may be produced (printed or exported) for any Record or for multiple chosen Records.

These reports can only be partly modified to include or exclude other data (columns) even if columns are hidden or their position changed. Only the "Start Date" and "Interest Rate" columns may be hidden when printing (or saved as PDF or other format). Exporting the Payment schedule to a spreadsheet (Excel) with the <u>right mouse click</u> would allow you to create a custom Payment schedule that could then be printed.



IMPORTANT: the interest shown in this report is the accrued interest that may or may not be equal to the paid interest. As for the "Principal" column, this is mathematical principal, not accounting principal. See the important distinction between mathematical and accounting concepts in the <u>Accounting Data and Line status</u> and <u>Accounting Data chapters</u>.

Margill Loan Manager offers two methods for printing the complete or partial detailed schedules.

1) Report for a single Record

If the Record is open, the schedule will appear. Click on "Print'

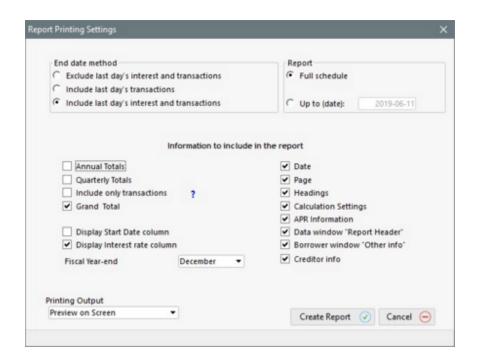


. A few report types will be available:

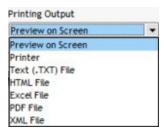


Select "Payment schedule" and the following window will appear allowing you to choose the details to include in the report:

The "End date method" section offers the possibility to include the last day's interest and transactions.



You can choose among the print options or export in a specific format.



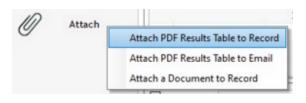
The report's header includes several elements such as the "Description" taken from the "Data" window. Ordinarily, this field should be used to include a header such as a logo, the organization's name or the Creditor company. However, the field is often mistakenly used to enter notes (see the specific "Notes" option). You can uncheck this option and the "Other Info" (taken from the "Borrower" window) which if too lengthy affects the report's look.

The nominal interest rate and the effective interest rate applicable will appear in the printed Payment schedule header, either on the production date of the report or at the current date (if the report is produced up to this date). In earlier versions of MLM, the rate that appeared in the header was the rate initially entered in the Record. If the Record Origination date precedes the report production date (current date), the interest rate of the first line of the Payment schedule will be displayed.

The schedule can also easily be attached to the Record as a PDF file or can be sent by email with the "Attach" button. The PDF file created is not exactly the same as with the "Print" button and contains less detail and options.

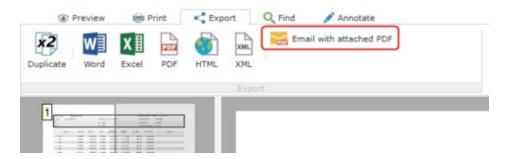
In the Record window, press the "Attach"

Attach button then choose from the following three options:



If the "Attach PDF Payment schedule to Record" option was selected, you will have the option to view the document. Whether you open the document or not, it will be attached to the Record (will be found in the "Data" window >

For emailing, the following window will appear. Press "Email PDF". If your workstation is properly configured (the email software actually used is configured as the default email program in Windows), the software will open and the PDF file will be attached. You will simply need to enter the recipient's email.

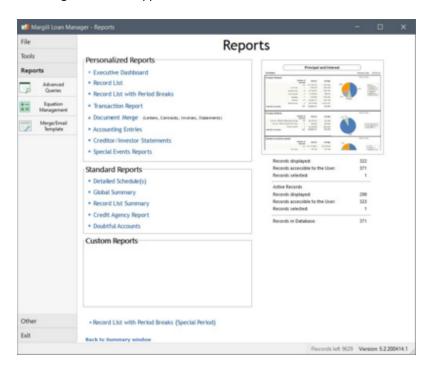


If your workstation is not configured correctly or if you are using a web platform for sending emails (Lotus Notes, Gmail, Hotmail, etc.) you will have to send the documents manually.

2) Printing multiple Records

You may print one or more detailed schedules in a single operation by going through the "Record Summary" window.

Choose the desired Records to print (these must be highlighted using the Shift or Ctrl keys and the left mouse click). Then click on "Reports". The following window will appear:

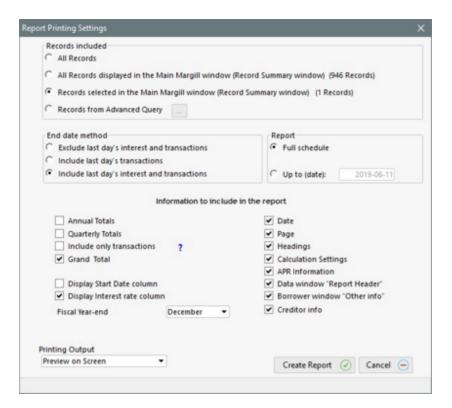


Click on "Detailed Schedule(s)". The "Report Printing Settings" window will open, allowing you to choose what to include in the report.

First, choose the Records to be included:

- 1. All Records;
 - In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
 - Can produce Reports for all records
 - In order to be able to produce a report with all Records in the database, make sure that the "Can produce Reports for all Records" is checked under Tools > Users.
- 2. All Records displayed in the Main Margill window (Record Summary window);
- 3. Records selected in the Main Margill window (Record Summary window): select (highlight) the desired Records in the Main MLM window (Record summary). To do so, you can sort the Records as you see fit, display some with the display filters or select them all with the CTRL-A key. The results order will be in the same as the selection order made in the Main window. The first Record chosen (with a mouse click, for example), will be the first line of the report, and so on.
- 4. Records from Advanced Query.

Choose the "End date method".



By default, full schedules will be produced.

Detailed schedules may also be printed up to a specific date. This allows you to produce schedules that include totals

(total interest, balance, payments) up to that date, including the day's transactions but NOT including the day's interest.

To INCLUDE the last day's interest, check "Annual Totals" (and/or Quarterly Totals") and the "Fiscal year-end" choice will become available. Any date may be entered here and the report will include the totals **up to and including this date**. See also <u>End of year totals</u>.



Please note: even if the report is requested up to a specific date and the <u>Annual Percentage Rate</u> (APR) is to be computed, the APR rate provided will be that for the entire schedule, thus up to the last payment.

When previewing the report, only the first Record will be shown, but all those selected will be printed thereafter.

To go back to the Main MLM window, click on

Back to Summary window or on Exit.

End of year totals

Regardless of the dates at which the payments are made, the Detailed schedules report allows you to specify a sub-total for quarterly or annual totals.

For example, in the case of recurring monthly payments on the 11th, you may want to know the total interest on December 31st 20xx. For a specific Record, press on "Print". The "Report Printing Settings" window will appear. You will then be able to specify the date at which the totals are to be included.



If, for example, December 31st is entered, the totals will include interest, principal and balance due on December 31st, at midnight.

As shown in the example below, two new "virtual" lines (highlighted in this example) will be included in the report. These two lines will show payments of 0.00, will not be numbered, but will indicate the total accrued interest during this irregular period as well as the effect of that interest on the balance.

Line Num.	Line Status	Start Date	Pmt Date	Payment	Rate	Principal	Interest	Balance
1	Due Pmt	01-11-2006	02-11-2006	3 000,00 s	12,5000 %	1 802,08 s	1 197,92 \$	113 197,92 s
2	Due Pmt	02-11-2006	03-11-2006	3 000,00 \$	12,5000 %	1 820,85 \$	1 179,15 \$	111 377,07 \$
		03-11-2006	04-01-2006	0,00 s	12,5000 %	0,00 s	772,12 8	112 149,19 8
Q1 Total	s up to and includin	9 03-31-2006		6 000,00 \$		3 622,93 \$	3 149,19 \$	112 149,19 \$
		04-01-2006	04-11-2006	0,00 \$	12,5000 %	0,00 s	388,06 \$	112 537,25 \$
3	Due Pmt	03-11-2006	04-11-2006	3 000,00 s	12,5000 %	1 839,82 \$	1 160,18 \$	109 537,25 \$
4	Due Pmt	04-11-2006	05-11-2006	3 000,00 \$	12,5000 %	1 858,99 \$	1 141,01 \$	107 678,26 \$
5	Due Pmt	05-11-2006	06-11-2006	3 000,00 s	12,5000 %	1 878,35 s	1 121,65 8	105 799,91 8
		05-11-2006	07-01-2006	0,00 \$	12,5000 %	0,00 \$	733,45 \$	106 533,36 \$
Q2 Total	s up to and includin	g 06-30-2006		9 000,00 \$		5 577,16 \$	3 384,17 \$	106 533,36 \$
		07-01-2006	07-11-2006	0,00 s	12,5000 %	0,00 \$	368,63 \$	106 901,99 \$
6	Due Pmt	06-11-2006	07-11-2006	3 000,00 \$	12,5000 %	1 897,92 \$	1 102,08 s	103 901,99 \$
7	Due Pmt	07-11-2006	08-11-2006	3 000,00 s	12,5000 %	1 917,69 \$	1 082,31 \$	101 984,30 \$
s	Due Pmt	08-11-2006	09-11-2006	3 000,00 s	12,5000 %	1 937,66 s	1 062,34 s	100 046,64 s
		09-11-2006	10-01-2006	0,00 \$	12,5000 %	0,00 \$	693,57 \$	100 740,21 \$
Q3 Total	s up to and includin	g 09-30-2006		9 000,00 s		5 753,27 s	3 206,85 s	100 740,21 \$
		10-01-2006	10-11-2006	0,00 s	12,5000 %	0,00 s	348,58 8	101 088,79 8
9	Due Pmt	09-11-2006	10-11-2006	3 000,00 \$	12,5000 %	1 957,85 \$	1 042,15 \$	98 088,79 \$
10	Due Pmt	10-11-2006	11-11-2006	3 000,00 s	12,5000 %	1 978,24 \$	1 021,76 s	96 110,55 s
11	Due Pmt	11-11-2006	12-11-2006	3 000,00 \$	12,5000 %	1 998,85 \$	1 001,15 \$	94 111,70 \$
		12-11-2006	01-01-2007	0,00 s	12,5000 %	0,00 s	652,42 8	94 764,12 8
Q4 Total	s up to and includin	g 12-31-2006		9 000,00 \$		5 934,94 \$	3 023,91 \$	94 764,12 \$
2006 Tel	tals up to and include	ding 12-31-200	6	33 000,00 s		20 888,30 s	12 764,12 \$	94 764,12 \$

Quarterly and annual totals are calculated from the previous total, not from the previous payment. In the quarterly report example above (fiscal year ending on December 31st), Quarter 4 totals cover the period between October 1st and December 31st. It does not start on October 11th. Therefore, the total interest on December 31st, 2006 is calculated using the following amounts:

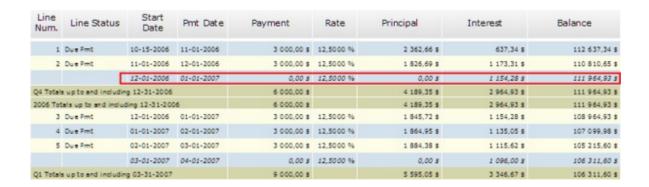
Included	348.58
Interest line 9: not included since includes Quarter 3	1042.15
interest	
Included	1021.76
Included	1001.15
Included	652.42
Total	4066.06
Less Interest line 9	1042.15
Total Quarter 4	3023.91

The Quarter 4 principal is calculated more easily and takes into account payments made on lines 7, 8, and 9. The principal on line 7 is included in the payment made on October 1st, which reimburses 1827.83 of the principal.

Line9	1957.85
Line 10	1978.24
Line11	1998.85
Total	5934.94

If the payment date corresponds to the day following the day specified for the report (for example payments on the 1st of the month and totals on the last day of the month, 30th or 31st), a single unnumbered line (here boxed in red) will appear per quarter since the information that would be displayed on the second line already appears in the report.

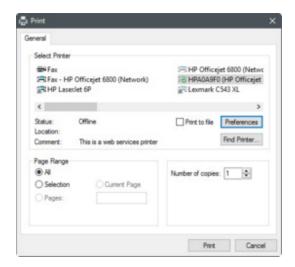
In the example below, interest in line 3 (from December 1st to December 31st) are not part of Quarter 1 since this quarter starts on January 1st 2007. However, the payment and principal of that line are accounted since the payment is made on January 1st.



IMPORTANT: the interest shown in this report is accrued interest that can or cannot be equal the interest paid. As for the "Principal" column, it is *mathematical* principal and not accounting principal. See the important difference between mathematical and accounting concepts in the <u>Accounting and Line status</u> and <u>Accounting Data</u> chapters.

Print page format

By default, the Payment schedules will be printed in the Landscape format. If you wish to obtain the Payment schedules in Portrait format, in the Windows print dialog box below, click on Preferences:



Then, depending on your printer, various printing options will become available.

Special header for Payment schedules

A Detailed schedule may contain a prominent header that can include a company name and its address for example. In a

Record's "Data" window , fill in the "Description" field.



The text in this field may be formatted as desired. The right mouse click



allows basic formatting to take place:



Direct import from a Word (Wordperfect or other word processor) formatted text can also be done. Most (but not all) images are supported.

See the example below:

"My Company Inc." and the address, using a specific style, was written in a word processor and copied (Ctrl-c, Ctrl-v) to the Description field of the Record Data.



Resulting printed Detailed schedule:



If this section served to take notes (not suggested however - it is rather suggested to use the <u>Notes</u> section), it is thus suggested to exclude this section from the report. Uncheck "Data window "Report Header" from the "Report Printing Settings".

Data window "Report Header"

The Detailed schedule may also be produced between two dates and inserted in a letter or contract for example, using the "Document Merge" tool.

Global Summary

The Global Summary report provides a snapshot of the desired Records. The report will list, based on each Record status (Draft, Pending, Active, Closed, Archived or Bad debt) total principal, additional principal (if tagged as such in Line status), total interest, total payments, total negative payments (excluding additional principal tagged as such in Line status) and balance.

This report may produce totals up to the final date of each of the Records or include totals up to a specific date or between two dates.

To fully understand this report, read the notes at the end of the report.

Date: 03-09-2006 Page: 1 of 3

Global Summary

Status	Decurences	Principal	Add. Principal (1)	Total Principal	Total Interest	Positive Pmts (2)	Negative Pmts (3)	Balance
Draft	2	\$ 0,00	\$ 187 184,46	\$ 187 164,46	\$ 56 990,46	\$ 249 088,17	\$ 3 000,00	8 4 074,71
Pending	0	8 0,00	8 0,00	\$ 0.00	8 0,00	8 0,00	8 0,00	8 0,00
Active	4	s 0.00	6 71 619,30	8 71 619.30	6 12 907,08	8 124 390,04	8 129 918,12	\$ 89 494,40
Closed	0	\$ 0,00	\$ 0,00	\$ 0,00	\$ 0,00	\$ 0,00	\$ 0,00	\$ 0,00
Archived	0	\$ 0,00	\$ 0,00	\$ 0,00	\$ 0,00	\$ 0,00	\$ 0,00	\$ 0,00
Bad Debt	0	s 0,00	8 0,00	8 0.00	\$ 0.00	8 0,00	8 0,00	8 0,00
Total	6	\$ 0,00	\$ 258 783,76	\$ 258 783,76	\$ 69 505,54	\$ 369 638,21	\$ 134 918,12	\$ 93 569,2

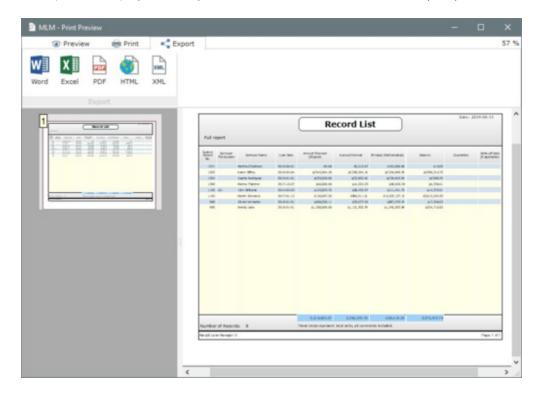
Record List Summary

The Record List - Summary is meant to provide the user with a quick overview of all Records selected in the Record Summary window.

The report will include all selected Records with its number (MLM reference number), your Record number, Borrower name, origination date, initial principal, total interest, principal, balance, loan guarantees, and write-off date (if applicable).

This report may produce totals up to the end of each of the Records or include totals up to a specific date or between two dates.

See the Record List (Customized) report which provides much more information based on you specific needs.

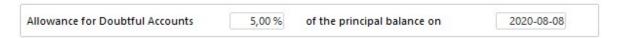


Doubtful Accounts Report

A Doubtful Accounts report will be produced for each of the Records selected in which a percentage greater that 0.00% has been assigned to the "Allowance for doubtful accounts" in the "Data" window.

From the Reports window, choose "Doubtful Accounts" report.

The report will list all doubtful accounts identified as such in each individual Record's "Allowance for Doubtful Accounts" section in the <u>Record Data</u>. Please note that the date indicated will include the balance up to **and including** that date (including that day's transaction, the case being, but usually excluding that day's interest).

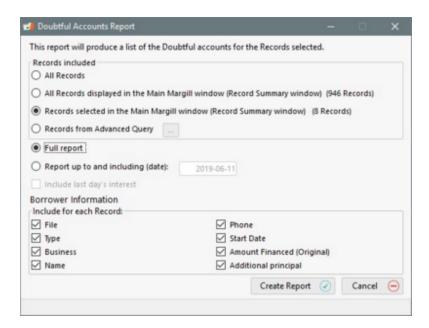


Margill Loan Manager offers three doubtful accounts scenarios:

1) Doubtful accounts based on the balance at the date indicated in the Record Data window (thus x% of the balance on date y). The amount will be based on the balance on that day after the payment has been made (had there been a payment) but will not include that day's interest:

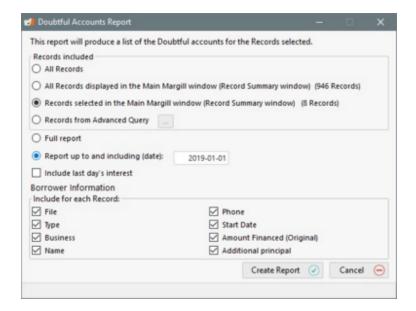


Select the Records to be included in the report and "Full report" (many options, including the <u>Advanced Queries</u> are explained in other sections dealing with reports):



- 2) Doubtful accounts based on the balance at the end of the Payment schedule last payment of the schedule (even if balance = 0.00). This will be applied if no date is indicated in the Record Data window but if a percentage is included. Choose the "Full report" choice as in 1) above.
- 3) Doubtful accounts based on the date indicated in the report request or the date indicated in the Data window if this

date **precedes** the report date. Choose "Report up to and including (date)" and specify the appropriate balance date to be used to compute the doubtful portion.



This date will apply whether a date is indicated or not in the Record "Data" window. The date indicated in the report request will override the date indicated in the Record Data only if the date indicated in the "Data" window is **before** than entered for the report.

If the "Data" window Doubtful accounts date is later that the date entered for the report, then the Record will not be considered as doubtful (at the report's date). In this latter case, the report will include the Record stating the percentage but a note will highlight the fact that it is not yet considered doubtful. Furthermore, in the summary at the bottom of the report, this Record will not be included in the totals since not yet doubtful. To obtain a report that does not factor in this logical constraint, use Record List which allows a complete override of the Data date entered.

The last day's interest may also be included by checking "Include last day's interest". This could be checked if you included the end of month (year or other) as the date, for example 12-31-2014 but should not be checked if the first of the next period is entered (as in the example above, 01-01-2015).

The report will list all included Records (with more than 0.00% in the "Allowance for Doubtful accounts" field) and at the end will provide a overall summary of the total doubtful accounts. The average percentage will be based on the Doubtful Accounts balance of each of the selected Records. In the example below, 11.8287% is obtained by dividing 55,151.86 by 466,252.64.



Pages 4 and 5 of Doubtful Accounts Report

See also **Doubtful accounts** and **Record List**.

Credit Reporting Module

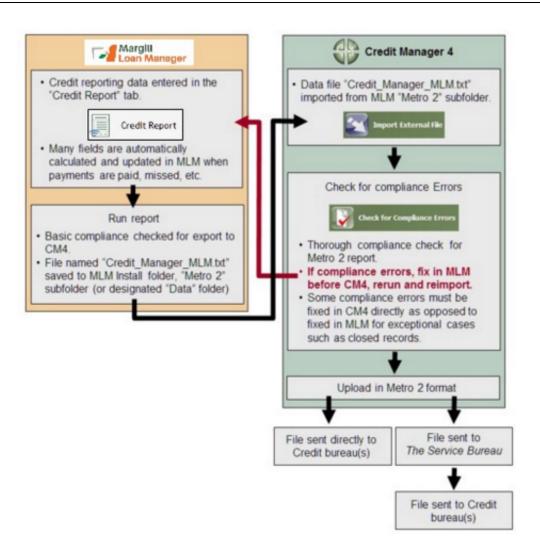
Reporting to credit bureaus can be done easily with MLM alongside Credit Manager 4 (CM4-5) software (version 5 (CM5) was released in 2019 and MLM is up to date for this version) developed by The Service Bureau (www.tsbsoftware.com).

Credit reporting to agencies is not for all lenders. There are often a minimum number of loans that must be reported as well as industry-specific reporting aspects. It may take months to fully understand the intricacies related to reporting.

The collaboration between The Service Bureau and Margill Loan Manager hopefully will help you with this reporting.

Reporting is available for the US and Canada.

The diagram below summarizes the interaction between MLM and CM4-5-5:



See:

Setting up Credit Reporting

Entering specific credit data

Exporting from MLM to CM4-5

Important Notes:

- ALL Records, except "Draft" and "Pending" Records, are included in the report as long as a consumer is included in the "Borrower" tab under "Credit Report".
- Close to 100 fields can be included in a Metro 2 report. Only some of these are mandatory (names, full address,
 Account Status, Account Type, ECOA Code, Portfolio Type, etc.). Depending on the field type entered for one field,
 this may affect another.
- A basic compliance check is performed in MLM (for mandatory fields) but the true compliance check is made in CM4-5. Thus, especially at first, and for less experienced users who report, choices made in MLM may not comply to Metro 2 guidelines. It is thus important to consult the very thorough CM4-5 Help Manual and the Reporting Guidelines (available for US and Canada through your credit agency).

- Credit Manager will test for all interactions required by the Metro 2 format. You may thus, in some situations, have to make changes in CM4-5, such as adding a First Delinquency Date either in CM4-5 or in MLM. It is suggested to make the changes in MLM before doing any changes directly in CM4-5. If changes are made directly in CM4-5, these should be noted and adjusted over time.
- Especially at the very first import, you may need to export the MLM data to CM4-5, run a compliance check, make
 the necessary adjustments in MLM, rerun the report and reimport to CM4-5. This may have to be done a few times.
 In some situations, depending on the compulsory field choices made (especially the less common Account Status
 options), the data may have to be changed manually in CM4-5 but this should be the exception.
- It is most important to export from MLM to CM4-5 every month. Otherwise, the CM4-5 Payment History Profile will be outdated as compared to the MLM history.
 - For example, when producing the latest credit report, an account may be at 150-179 days late in MLM, but
 if the previous month's report had not been exported from MLM to CM4-5, there will be a reporting gap
 and CM4-5 may expect a maximum 120-149 days late payment, thus producing a compliance error in the
 late Records.
 - Such errors will have to be fixed (updated) manually in CM4-5 as opposed to fixed in MLM, since the MLM data is properly updated.
- You cannot send a report to credit agencies if the Activity Date is older than four (4) months.
- When a payment is late or is not paid, it is imperative to properly enter this information. Since the credit agencies consider a payment to be late when unpaid within 30 days, a payment which is not paid within 30 days should be considered unpaid and the proper "Unpaid" Line status entered along with a payment of 0.00. The amount that SHOULD have been paid must be entered in the "Expec. Pmt" column thus calculating an Outstanding amount used to compute the ageing of accounts, THE key component in credit reporting. The "Late Payment" Line statuses should only be used for payments that are only a few days late, with a maximum of 29 days late. Using one of the "Late Payment" Line statuses will NOT generate an Outstanding amount even if a date is contained in the column "Pmt Due Date", thus not calculated in the ageing. See "Distinction between Late payments and Unpaid payments that are paid later" sub-section in the "Late or partial payments" section).
- If for some reason, as an experienced agency reporter, there seems to be a particular situation that cannot be handled properly between MLM and CM4-5, please contact Jurismedia (support@margill.com) so we can look into the issue.

See next section: Setting up Credit Reporting.

Setting up Credit Reporting

Your organization must have an agreement with at least one credit bureau either to report directly, or through a third party processor.

Credit Reporting Bureaus: Equifax, Experian, TransUnion, Innovis

Third party processors: The Service Bureau (TSB)(<u>www.tsbsoftware.com</u>) and Credit Builders Alliance (in the US), the latter, available for non profit organizations only (<u>www.creditbuildersalliance.org</u>).

The bureaus' reporting policies vary as to the volume they will accept through a processor and the type of accounts which they are reporting. If a Creditor does not meet the bureaus reporting minimums, the next step is for the Creditor to see if they allow them to report through a processor. If not, Creditors will not be able to report until they meet the

bureaus' minimum reporting standards. A bureau must approve the Creditor to report through a processor.

How to report to credit bureaus: www.tsbsoftware.com/how-to-report-credit.jsp

Third Party Processing/Stacking services is also used by Creditors who wish to simplify the up-load process.

For more information on TSB services, consult: www.tsbsoftware.com/service-processing-stacking.jsp.

You should obtain a license of Credit Manager 4 (CM4-5) which will:

- Import all Borrower credit data from Margill Loan Manager (MLM);
- Check for Metro 2 compliance errors;
- Produce the Metro 2 format file to be sent to the credit bureau(s).
- See <u>www.tsbsoftware.com/metro2-credit-reporting-software.jsp</u>

CM4-5 can be ordered through Jurismedia: 1-877-683-1815 (sales@margill.com)

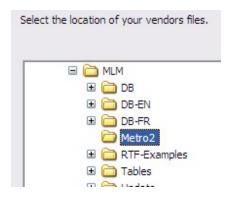
Credit Manager 4 Setup

Once CM4-5 is installed, a basic configuration must be done in the software. Please consult the CM4-5 Help Manual for detailed information. Below is a quick overview:

- Company information is gathered with the Company Information Wizard the first time you run CM4-5. The company
 information is saved in the CM4-5 database. The information you enter will be used for software
 registration/activation.
- General Setup: Go to Tools > Options > Credit Manager
- Reporting configuration:
 - Subscriber ID / Codes are mandatory for each Credit Bureau you are approved to report to. Go to Tools >
 Options. Please note that TransUnion may not assign a subscriber ID until after the first time you report.
 - O The Service Bureau ID (Record id) is also required before reporting. Go to Tools > Options > The Service Bureau tab.
- There is no need to enter any of your Borrowers' data in CM4-5 since these will be imported with your first MLM export to CM4-5.

Setting up the import connection between MLM and CM4-5

- CM4-5 must be configured in order to import the file created in MLM. This can be done in a few minutes... (Jurismedia can also give you a hand 1-877-683-1815).
- In CM4-5 go to File > Install Vendor Import. You must then select the "Metro2" subfolder located in the MLM install folder (the location on the server or on the local machine where Margill Loan Manager is installed) or in the location determined by the MLM Administrator (MLM Data folder). After finding the Metro2 subfolder, click OK.

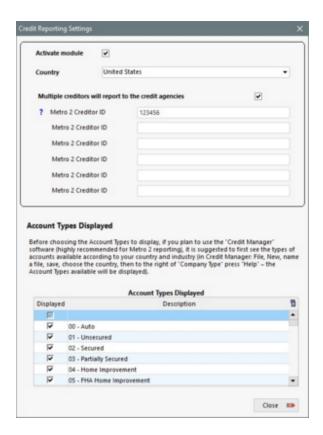


• CM4-5 will indicate that the two files required have been located (*Credit_Manager_MLM* and *Margill_Loan_Manager* files). Click on "Install" and the process will be completed.



Margill Loan Manager Setup

In MLM, the Credit Reporting module must first be activated (Tools > Settings > System settings (Administrators) >
 Modules > Credit Reporting).



- The country must be chosen this should not be changed afterwards.
- The "Metro 2 Creditor ID" should be entered (this is The Service Bureau ID). One company usually reports, but if multiple Creditors are reporting, then multiple IDs can be entered (*Pro* and *Elite* versions of CM4-5).
- To reduce the number of "Account Types" to choose from as you input data in MLM, you may configure the system to show only the Account Types that apply to your business. Go to "Account Types Displayed" and deselect all non relevant Account Types. Before removing these, please read the instructions in MLM and go to CM4-5 to see the Account Types that apply to your country and industry.

Once these steps are done, you may start entering the reporting data in MLM.

- All credit data should be entered in MLM only (not in CM4-5). Very rarely should any data be changed in CM4-5 directly, since subsequent MLM exports to CM4-5 will update and overwrite the existing CM4-5 data.
- Fields with "AUTO" entered as the default will be computed automatically based on the payments made or missed. The corresponding data will only be included in the report. The fields in the Credit Report tab should remain at "AUTO". If the field value is other than "AUTO", this new value will be reported and never again updated as the loan evolves.

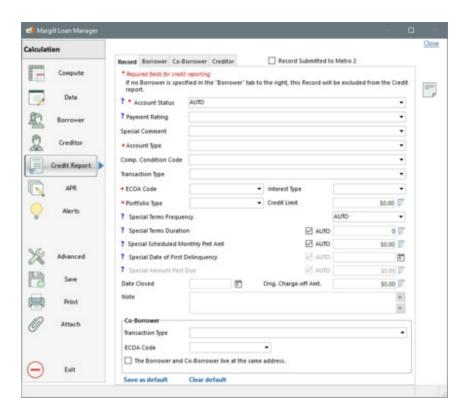


See next section **Entering specific credit data**.

Entering specific credit data

Credit reporting data may be entered in Margill Loan Manager (MLM) in various locations:

- Under "File" in the Main MLM window:
 - Borrower: "Credit report" tab
 - Employer: "Credit report" tab
 - Creditor: "Credit report" tab
- In the Record per se:
 - O Credit Report tab. Data is entered in various tabs with compulsory data indicated with an red asterisk * for the loan itself (Record tab), the Borrower, possibly the Co-Borrower and the Creditor.



- Even if the State/Province and Country are entered in the "Borrower" tab, these must nevertheless be specified for the Borrower (and Co-Borrrower) since they must be reported in standardized form from a pull-down menu.
- All credit data should be entered in Margill only (not in CM4-5). Very rarely should any data be changed in CM4-5 directly, since subsequent MLM exports to CM4-5 will update and overwrite the existing CM4-5 data. **Data should be**

added in CM4-5 ONLY if the data is not available in MLM.

- For some industry-specific data, MLM may not include some fields that are mandatory. For example, for a Debt Buyer or Collection Agency, the "Original Creditor Name" must be submitted to the credit agencies. Since this field is not included in MLM, it must be added in the appropriate CM4-5 tab for each Borrower.
- Except in very peculiar situations, data should be entered in CM4-5 only when a Record is closed and when MLM is
 no longer required for credit reporting since no new data would get reported. It is recommended for these closed
 files to change the final (no longer computed) fields from AUTO to the final status that is to be reported. If a field is
 left as AUTO and the data for this field is changed in CM4-5, the automatically calculated field in MLM will replace
 the CM4-5 field.
 - For example, a loan is closed with an outstanding balance of 1000 that is never paid off. Since these accounts must nevertheless be reported, if the Account Status field is 30 days when the account is closed, "Account 30 days past due" will be reported. Next month, even if the account is closed, AUTO will calculate the the account is now 60 days past due and so forth. So AUTO should not have remained as the Account status but rather, changed to, depending on the case, to "97- Unpaid balance reported as a loss by Creditor".
- Fields with "AUTO" entered as the default will be computed automatically based on the payments made or missed. The corresponding data will only be included in the report, not in the window (which will remain as "AUTO"). The fields in the Credit Report tab should remain at AUTO. If the field value is other than AUTO, this new value will be reported and never again updated as the loan evolves. In order to report 0.00 or other number, uncheck "AUTO".



The following fields can be or must be reported to credit agencies. The explanations included are meant to provide a quick reference, although a user who reports to credit agencies should already understand the process very well. It is strongly suggested to consult the CM4-5 User Guide as well as the US or Canadian Credit Reporting Guidelines (Metro2) available through your credit reporting bureau or through the Consumer Data Industry Association (CDIA).

Report data element	What is reported
Account Number	MLM Record Identification
Account Status	Defined automatically if set to AUTO for statuses 11, 71, 78, 80, 82, 83, 84 based on the Outstanding Total (Balance) in the Payment schedule and the date at which this amount became outstanding.
	These statuses will automatically be updated when a report is generated. Only the seven statuses can be updated. No other.
	OR
	Data in the corresponding field under "Credit Report" for all other statuses besides the seven mentioned above.

Account Type Actual Payment Amount	When a payment is late or is not paid, it is imperative to properly enter this information. Since the credit agencies consider a payment to be late when unpaid within 30 days, a payment which is not paid within 30 days should be considered unpaid and the proper "Unpaid" Line status entered along with a payment of 0.00. The amount that SHOULD have been paid must be entered in the "Expec. Pmt" column thus calculating an Outstanding amount used to compute the ageing of accounts, THE key component in credit reporting. The "Late Payment" Line statuses should only be used for payments that are only a few days late, with a maximum of 29 days late. Using one of the "Late Payment" Line statuses will NOT generate an Outstanding amount even if a date is contained in the "Pmt Due Date" column, thus not calculated in the ageing. Data in the corresponding field under "Credit Report". Total payment amount for the month being reported.					
	ALL positive payments will be included in the payment amount being reported. This includ <a "="" href="">"Payment" Type Line statuses as well as, for example, Paid Fees and Penalties paid, positive Adjustments, etc.					
Amount Past Due	MLM will report the amount present in the "Outstanding - Total (Balance)" column of the Payment schedule. This will include outstanding principal and interest but will exclude an fees, penalties, etc. An amount will be reported only if the outstanding amount is outstanding for over 30 days are if there is an amount outstanding at the report end date (end of month). If for various reasons a Borrower's Payment schedule includes an Outstanding amount but, the Creditor you feel that the Borrower should not be penalized (forbearance for example you can change the "Expec. Pmt" amount for that period so that the Outstanding become 0.00. You can also adjust the "Expec. Pmt" based on the Amount Past Due that should be reported.					
Company ID	For multiple company reporting (using Credit Manager <i>Pro</i> or <i>Elite</i>), the "Company ID" is used to identify the company reporting to the credit agencies. When submitting multiple companies, each company (Creditor) reporting must do so individually.					
Compliance Condition	Data in the corresponding field under "Credit Report".					
Credit Limit	Data in the corresponding field under "Credit Report".					
Current Balance	The true balance (principal, interest, fees and all other) on the last day of the report including interest of this day as well as payments paid and additional principal, fees, etc. added on this day. The data produced will include the interest and transactions from: Year 2013 Month September Day 1 up to and including 09-30-2013					
Date Closed	Data in the corresponding field under "Credit Report".					
Date of Account Information	Last day of the month of the reporting period.					
Date of First Delinquency	MLM will automatically determine this date. It will report a Date of First Delinquency if the two following conditions are met: there is an amount Outstanding at the report date (end of month) and if the Outstanding amount is due for over 30 days. If an account is delinquent, becomes current and again becomes delinquent, the second delinquency date will be reported, not the first. A date may be entered in this field in special circumstances. If you do report a special date, make sure that the Outstanding amount on this date (Pmt Date) is the right amount, since MLM will report the amount indicated in Outstanding – Total (Balance) column of the Payment schedule.					

	Consult the Credit Manager Help file for specific industries and particular situations.				
Date of Last Payment	The last positive Due or Paid (all Paid Line statuses) payment of the Payment schedule will be reported here.				
Date Opened	"Data" window - "Origination Date".				
Highest Credit	Will report the highest balance reached (principal, interest, fees and all other) up to the endate entered (inclusively). Will report the initial loan amount if the balance never increase above this amount.				
Interest Type	Data in the corresponding field under "Credit Report".				
Original Charge-Off Amount	Data in the corresponding field under "Credit Report".				
Payment Rating	Data in the corresponding field under "Credit Report".				
	For Account Status = 05, 13, 65, 88, 89, 94, Payment Rating must be filled out. MLM will test this and advise you if the Payment Rating must be selected.				
Portfolio Type	Data in the corresponding field under "Credit Report".				
Scheduled Monthly	MLM will take the amount from the Data window entered or computed in the "Payment" field.				
Payment Amount	If the payments are other than Monthly, MLM will automatically compute a monthly amount.				
	If the "Payment Frequency" is by "Days", a monthly payment amount will be computed automatically taking into account a 365.25 day year. Two exceptions are weekly (7 days) and biweekly payments (14 days) for which the payments are multiplied by 4.33 and 2.16 respectively.				
	If "Irregular" is used, please see the Help (?) text in MLM.				
	If the scheduled payment amount is changed in the Payment schedule from the original "Payment" field (Data window), please enter the new "Spc. Scheduled Pmt Amt" in Credit Report > Record tab.				
	If an amount is entered in the "Spc. Scheduled Pmt Amt" (Credit Report > Record), this amount will be reported as opposed to the amount in the "Payment" (Data window).				
	See the Credit Manager Help file for specific industries and particular situations.				
Special Comment	Data in the corresponding field under "Credit Report".				
Terms Duration	By default, Margill will report the number of payments entered in the Data window under "Term" (which is most often equal to the Amortization period). For Mortgages (based on "Portfolio Type") this will be reported in number of YEARS and for Installment loans (and Leases) this will be reported in MONTHS.				
	If a number is entered in "Spc. Terms Duration" ("Credit Report" - "Record"), this number will be reported as opposed to the number of payments (converted to months or years) entered in the "Data" window.				
Terms Frequency	Since MLM only allows credit reporting on a monthly basis, the "Terms Frequency" will always be reported as "Monthly" except for "Deferred" or "Single Payment" loans. For these two loan types, the user must select the appropriate Terms Frequency.				
	Even if the scheduled and actual payment amounts are other than monthly, all amounts are reported on a monthly basis (unless otherwise required by Metro 2), thus creating an equilibrium in reporting.				
All other data is related to t from the data specifically red	the Borrower, Co-Borrower or Employer and are taken from the basic information for each or quired for credit reporting.				
State/Province and Country	are taken from the Credit Reporting data since these are standardized data (pull-down menu).				

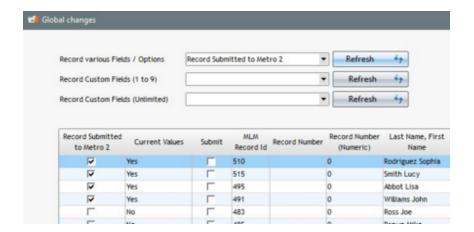
Exporting from MLM to CM4/CM5

Before being able to export data from MLM, all mandatory fields (indicated with *) must be entered in the Credit Report tab for the Borrower, Co-Borrower (if there is one) and for the Employer (case being).

ALL Records are included when producing a report **except** "Draft" and "Pending" loans, as well as when no Borrower is specified in the Credit Report tab. You can exclude Active Records if needed when a Borrower is specified. To exclude a specific Record, the "Record Submitted to Metro 2" option must be unchecked.



In order to exclude multiple Records in batches (or to include them), use the <u>Global Changes</u> module accessible from MLM Main Window (Record Summary), instead of opening each Record one by one and checking or unchecking the include option:



To produce a report, click on Reports > Credit Agency Report. All reports are MONTHLY but can be produced on any day of the month. Once a report has been submitted, this day of the month should (must) be used for all future reports, otherwise compliance issues could result.

When a report start date is entered, MLM will add exactly one extra month to obtain the end of report date which cannot be changed (only the start date may be changed).



MLM will check for basic compliance issues (CM4-5 checks for any other issues before sending in Metro 2 format) and will provide a list of elements that must be solved before export to CM4-5. MLM will check for:

- Missingfield data
- Some incompatibilities
- Records that do not have any Borrower in the Credit Report tab. These will not be included in the report.



Once basic compliance issues are solved in MLM, the report may be exported to various formats including Credit Manager. Two reports are produced, the first, that which is imported by Credit Manager is called "Credit_Manager_MLM.txt" (and overwritten upon each production) and the second is a new file saved every month, bearing the month's name for later reference.

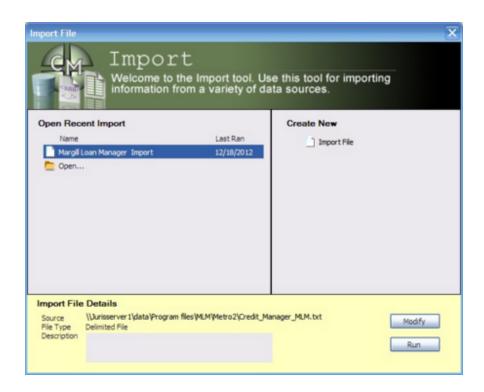


IMPORTANT: When the system is used by many users, it is suggested that only one user have an open session in order to avoid other users changing data between the time the report is produced and the final submission to CM4-5.

Once MLM indicates that the report is saved, go to CM4-5 and click on Import External File.



Click on "Margill Loan Manager Import" (it will be highlighted in blue), followed by "Run". This should have already been set up (see "Credit Reporting Module", <u>Setting up Credit Reporting</u>, if not set).



Follow the next few steps. Some basic errors may be highlighted at this point.

Then click on "Check for Compliance Errors". This will show, Record by Record, all Metro 2 compliance errors. These should be fixed in MLM, not, in CM4-5 since the next import from MLM would overwrite the changes made directly in CM4-5. Thus, the errors would not be resolved at the source and need to be corrected over and over in CM4-5 (not a good solution).



Reports cannot be sent to the Credit Rating Agencies until all compulsory compliance errors have been solved. Some compliance errors reported are recommendations and should be fixed but are not compulsory for reporting.

Please consult the Credit Manager 4 User Guide for further instruction on its use.

Date of First Delinquency (DOFD)

A recurring problem that is often seen when submitting data is the Date of First Delinquency (DOFD) problem. This date is automatically computed by MLM. When a Record is delinquent, this date should not change unless the Record becomes current again and then delinquent again, in which case there will be a new DOFD.

To avoid problems with DOFD compliance, especially for loans not paid monthly, set the DOFD when creating the preliminary report in Margill to keep the date (and report it to CM4-5) as long as the Record is delinquent. To do so:

- 1) Generate the preliminary report in MLM by keeping the dialogue box opened
- 2) Export to CM4-5

3) If everything is compliant in CM4-5, especially the DOFD accepted, click on "Set the First Delinquency Date / Close"

Important trick: BEFORE closing the Margill report window, import the Margill file to CM4-5. See if all compliance issues, particularly DOFD, are solved. Make changes in Margill as needed if there are compliance errors. If there are no errors, then click on "Set the First Delinquency Date / Close."



If it is not compliant in CM4-5, review the problem Records.

IMPORTANT: Account Status must be set to AUTO in order for MLM to take the decision whether to keep or eliminate this Date of first delinquency. If the user changes the Account Status to any other Status than AUTO, this date will be eliminated and a new date will be recomputed by the system. It is suggested, based on the Account Status, to insert a Special Date of First Delinquency that will be permanent for this Record (uncheck AUTO for the DOFD).



If a date is entered in the "Special DOFD" field, and "AUTO" is checked (Account Status is no longer AUTO), the DOFD will nevertheless be computed. It is thus recommended to uncheck AUTO in order for the date entered to be reported to CM4-5.

List of Borrowers, Creditors or Employers

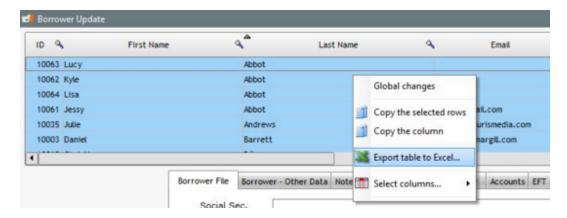
The Borrowers (and Co-Borrowers and Guarantors), Creditors and Employers are in separate databases from the loan data. The license allows you to create three times (3x) the number of Borrowers as the number of loans. So if you hold a license for 1000 loans, you may have up to 3000 Borrowers.

Thus, a Borrower (or other) may be entered in the system without having a loan. If the highly flexible "Record List" report was used to try to make a list of Borrowers, only Borrowers who have a loan in the system would appear in this report. Others would be excluded since only loans would be included in the report and their corresponding Borrowers. In addition, if a Borrower had three loans, the name would appear three times.

For a list of the Borrowers, Creditors and Employers entered in MLM, in the Main window (Record Summary), select, under "File", the desired "actor" (Borrower, Employer or Creditor).



The "Borrower Update" opens. Sort the data by pressing the desired header, choose the desired Borrowers (or Ctrl-A to choose them all) then press the right mouse button. The following menu will appear:



You can choose to copy only some or all the Borrowers by choosing "Export table to Excel". Choosing "Select columns"

Select columns...

| allows you to select which columns will be displayed or not. Only the columns displayed will then be exported to Excel or other. You will need to copy/paste the data or save a file.

Due, Outstanding and Unpaid Payments Reports

Due Payments

It is possible in Margill Loan Manager (MLM), to identify receivables at any time.

The <u>Post_Payment_(or_Payment_Update_Tool)</u>, available under "Tools" and "Post_Payments" identifies all payments that are "Due Pmt" for all "Active" Records AND that are displayed in the Main window.

By entering the current date or a future date, MLM will display all payments with the "Due Pmt" type (total of five) <u>Line status</u>. These may be printed or exported to Excel with the right click of the mouse.

Thus, MLM may be updated as payments are received. This replaces the need to manually open a Record, change the from "Due Pmt" to "Paid Pmt" (or Unpaid or other), and save.

The due payments may also be printed or saved in Excel format.

A due payments report can also be generated with the <u>Transaction_Report</u>. You will extract all the "Due Pmt" Line statuses. The <u>Record List</u> report can also be used but will generate a total amount as opposed to each transaction.

Outstanding amounts

The Payment schedule also includes four columns that detail the Outstanding amounts:

Outstanding - Outstanding - Outstanding - Total Payment (Balance) Interest Interest (Balance) (Balance)

These data are available by creating a custom report with either the Record List or by Exporting transactions to the GL.

Several fields are available to extract this data including the interest and principal portions. See <u>Reporting Fields</u> under "Outstanding".

Ageing of accounts is also available. See the Ageing of accounts in the next section.

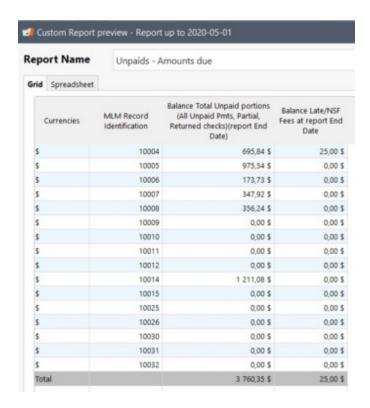
See also: Record Summary Window and Calculation of interest on the Outstanding amounts.

Unpaid Payments

These data are available by creating a custom report with either the <u>Record List</u>, the <u>Transaction Report</u> or by <u>Exporting transactions to the GL</u>.

These reports are used to extract the outstanding portions taking into account the payment that should have been paid (expected payment) and the payment that was actually made. Several fields are available to extract this data for example "Balance Total Unpaid portions (Unpaid Pmts, Partial, Returned checks)(at report End Date)" which includes all unpaid balances. The unpaid portions individually are also available depending on the outstanding payment.

For example, on May 1, 2020, six Records were outstanding for a total of 3760.35 plus one Record with 25.00 in fees.

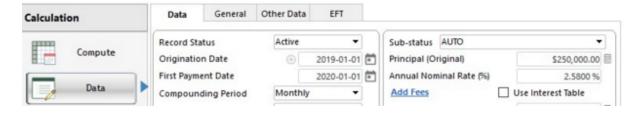


See Line status and Reporting Fields.

Mathematical Equations can also be useful to obtain other totals.

Ageing of Accounts

The age of accounts may be computed automatically for Active accounts only. The Sub-status setting for each loan must be set to "AUTO" which is the default. If another sub-status has been manually selected, to activate this option so the calculation is done automatically, in each Record, under Data, the Sub-status must be set to "AUTO".



The ageing report may be produced with the <u>Credit report</u> or through the <u>Record List (Customized)</u> report. For the latter, integrity checks (error message given to the user) are NOT performed as they are for the Credit report.

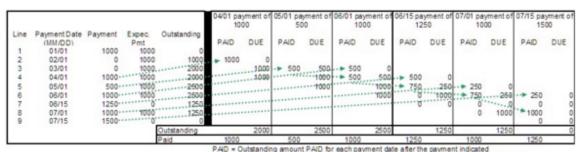
Once this is set, the following rules will apply:

An account is always "Current" unless there is an amount in the "Outstanding" column in MLM AND IF the amount due in this column is due 30 days or more at the report end date.

An Outstanding amount is calculated by subtracting the "Payment" amount column from the "Expec. Pmt" (Expected payment) column.

- For proper reporting, it is thus critical to make sure that the exact amounts are entered in the "Payment" and
 "Expec. Pmt" columns (see "Working with the "Expec. Pmt" column" sub-section in the "Unpaid payments" section).
- IMPORTANT: When a payment is late or is not paid, it is imperative to properly enter this information. Since the credit agencies consider a payment to be late when unpaid within 30 days, a payment which is not paid within 30 days should be considered unpaid and the proper "Unpaid" Line status entered along with a payment of 0.00. The amount that SHOULD have been paid must be entered in the "Expec. Pmt" column thus calculating an Outstanding amount used to compute the ageing of accounts, THE key component in credit reporting. The "Late Payment" Line statuses should only be used for payments that are only a few days late, with a maximum of 29 days late. Using one of the "Late Payment" Line statuses will NOT generate an Outstanding amount even if a date is contained in the column "Pmt Due Date", thus not calculated in the ageing. See "Distinction between Late payments and Unpaid payments that are paid later" sub-section in the "Late or partial payments" section).

A payment is always first applied to the oldest due amounts. See example below with explanations:



DUE = Outstanding amount PAID for each payment date after the payment indicated

- Line 1 is paid.
- Lines 2 (02/01) and 3 (03/01) are unpaid.
- Line 4 (04/01) will first pay the outstanding amount from line 2 (so the late status is approx. 30 days less –
 the outstanding date thus becomes 03/01). The Outstanding amount remains 2000 since 1000 was
 nevertheless expected on Line 4.
- O Line 5 (05/01 with 500 payment) will first pay only part of the Line 3 outstanding amount (so the outstanding date remains 03/01).
- O Line 6 (06/01 with 1000 payment) pays 500 of Line 3 (so now nothing is owed on 03/01) and 500 for Line 4.
- Line 7 (extra 1250 payment on 06/15) pays 500 for Line 4 (so now nothing is owed on 04/01) and 750 for Line 5
- Line 8 (normal 07/01 payment of 1000) pays 250 for Line 5 (so now nothing is owed on 05/01) and 750 for Line 6.
- Line 9 (extra payment of 1500 on 07/15) pays all outstanding (Lines 6 and 8). Nothing was owed (Expec. Pmt = 0.00) on the two extra payments (Lines 7 and 9). An extra amount of 250 was paid but has no effect. The extra amount paid does NOT reduce future outstanding amounts.

Any **positive** amount entered in the "Payment" column (**no matter the Line status**) will have an effect on the age of the account. A negative payment has no effect on the age of accounts.

Line statuses with "Due Pmt" should NEVER be present before the report end date since these do not define if a payment is made or not. An error message will appear when producing the <u>Credit report</u> only (but not when the data is extracted through the Record List report) if a "Due Pmt" appears before the report end date. If the report is produced nonetheless, these due payment lines will not add to the outstanding amounts but the age of the outstanding amounts will continue to increase.

MLM does not take into account the date indicated in the "Pmt Due Date" nor the "Paid Late Pmt" and "Partial Late Pmt" Line statuses since these Line statuses should be used only for payments late by only a few days as opposed to true unpaid payments. A decision must be taken at some point by the managers as to when a payment is late as opposed to unpaid. For late payments, it is strongly suggested to use the "Unpaid Pmt" Line status and then to insert a line when the payment is actually made (and enter an "Expec. Pmt" of 0.00).

For the credit report, the number of late days is computed taking into account a payment due at 0:00 in the morning and a report end date at 0:00 in the morning a month after that (so the last day's transactions and the day's interest are NOT included). So if the report is produced on the 15th day of each month, between March 1 (payment due date) and a March 15 end date, there are 15 days (not 16) since the report is actually produced up to the 14th at midnight (or the 15th at 0:00).



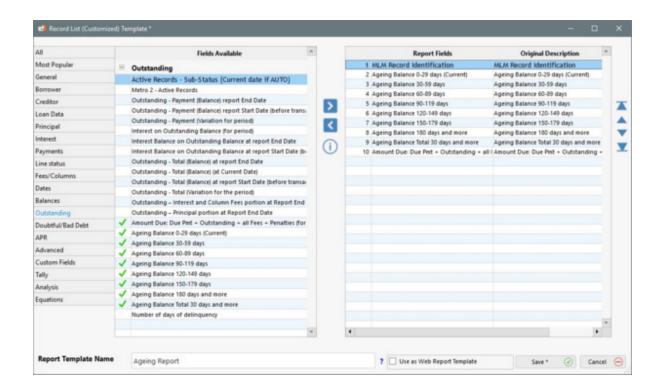
MLM only takes into account the amount indicated in the "Outstanding - Payment (Balance)" column. If interest is still due on the old outstanding amount, this will not be included when the ageing is computed.

Ageing in the Main MLM window (Record Summary window)

When an Active loan's Sub-status (that computes the Age of accounts - AUTO option is set) is computed in the MLM Main window, the current (computer) date is used. MLM will INCLUDE the day's transactions.

Ageing Report Preparation

To set up the Ageing report, go to "Reports", "Record List (Customized)", and click on New . On the left, click on the "Outstanding" tab and choose the balances you wish to include in the report. Other Borrower identification fields should also be added. Provide the report a name and save.



The ageing data can also be produced for <u>Document Merge</u> and for the <u>Credit Report</u> (but this module must be configured properly).

Ageing Report Production

To produce the report, choose the Records to include (Ctrl A to choose all the Records displayed) in the Main MLM window. It is recommended to set Display filters to "All" in order not to exclude any Records.

Go to "Reports" and "Record List (Customized)" (or "Document Merge"). Choose the report previously prepared and the date (current date or other). Generally, the age of accounts is relative to the current date, but if another date is selected as the report end date or if no date is entered, the reports will use the calculation dates as follows:

- Full report: the **current date** will be used as the reference date.
- Reports between two dates or up to a specific date for the "Record List", the report end date entered will be used.
 - O If the report end date is greater than the date of the last line of the Payment schedule (the end of the loan), the end date entered for the report will be used while still counting late days. The outstanding amount will not increase (nor the outstanding interest amount), but the ageing (in days) of the outstanding amount will continue to increase.

The "Active Records - Sub-Status (Current date if AUTO)" field, as its name implies, always uses the current date as the reference date, regardless of the end date entered in the report.

Once the report is produced with "Record List", to obtain a quick total of all selected Records, click on Show Totals

. A grey line with the totals will appear as the last line of the table.



Caution: In the image above, the amounts shown reflect the reporting date (06-15-2019) while the data for the sub-statuses include the current date. If the report is not produced at the current date, it is suggested not to produce reports using these data simultaneously.

IMPORTANT NOTE: Non Active Records will return amounts of 0.00 since the ageing is not computed for these. Zeros will be returned even if, when the Record was Active, amounts were present in the various ageing categories.

Days of Delinquency

The "Number of days of delinquency" field (under the Outstanding theme) counts the number of days of delinquency for payments on the current date or on the date entered in the report.

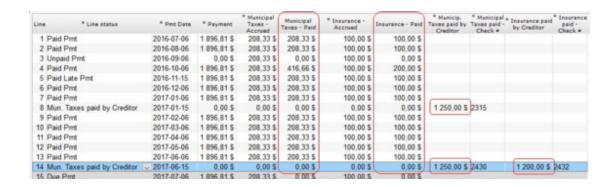
We can also create a Conditional Alert in order to be notified when, for example, an account is more than 14 days late.



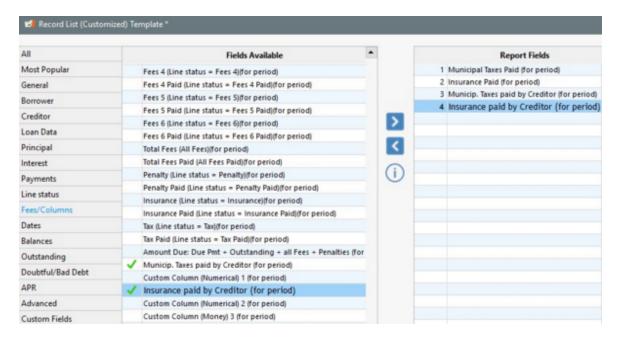
Escrow Report

When a Creditor holds an Escrow (Trust) account in which he receives payments for municipal taxes and insurance, it is possible to include the amounts charged and paid by the Borrower and to manage, directly in Margill Loan Manager (MLM), the amounts that he subsequently returns to the city and/or the insurance company on behalf of his Borrower.

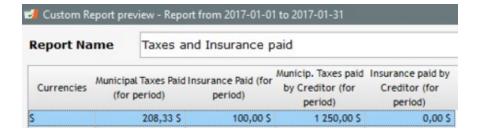
The Payment schedule below (taken from the Mortgage / Escrow Account section example) shows in the first circled columns, the payments made by the Borrower for taxes and insurance and in the right columns, amounts paid by the Creditor on behalf of the Borrower.



With the "Record List" report it is easy to extract the amounts paid by the Borrower and by the Creditor for a period of time with the following fields (under the "Fees/ Col." theme):



We created a report for the month of January 2017 based on the example above. The Borrower thus paid 208.33 in taxes, 100.00 in insurance. The Creditor paid the accumulated municipal taxes so far but no insurance yet. The Escrow_account balance can also be obtained (see below).

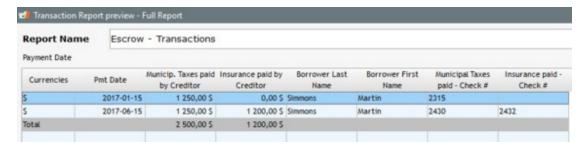


A statement or invoice can be produced with the Merged documents (Invoices and Statements) using these same fields.

It is also possible to see the payments made by the Borrower or by the Creditor line by line, including the check number (and other data) if desired with the <u>Transaction Report</u>.



Result for a single Record (several Records can be selected to obtain a portfolio total):



Escrow Account Balance

Each account's balance (Taxes and Insurance) can be obtained thanks to the <u>Mathematical Equations</u>. For the Insurance account, we would take the following fields and equation:

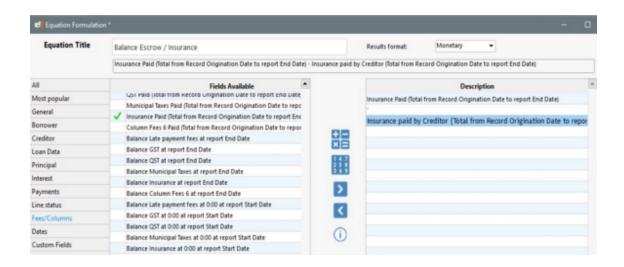
Insurance paid (total from Record Origination to Report End Date)

Less

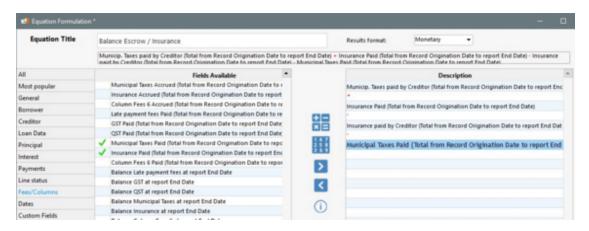
Insurance paid by Creditor (total from Record Origination to Report End Date)

=

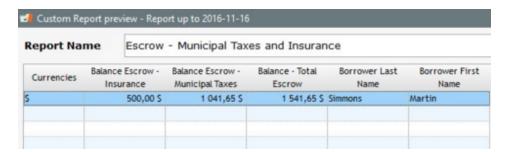
Balance Escrow / Insurance



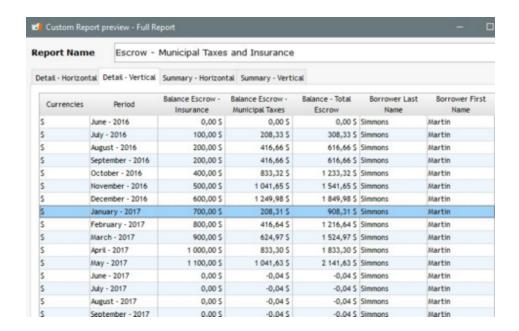
MLM can calculate the Escrow balances of the Insurance portion and the Municipal Tax portion independently, or as total by creating a longer equation:



In the "Record List", all the balances of the Escrow account are thus available on the desired date (example above used):



To view the progress of the Escrow account over time, use the "Record List with Period Breaks". Notice that the balance increases progressively until the end of January (Tax payment by the Creditor), that it goes down and falls to 0.00 at the end of May 2017 when the Creditor makes the second Tax and Insurance payment.



If the Insurance was paid monthly by the Creditor, which is often the case, the Insurance portion would generally be 0.00 at the end of the month.

The report may include all or some of the Portfolio Records.

See also Custom Columns and Mortgage and Escrow.

Portfolio Analysis

Portfolio analysis tools are slowly being developed in Margill Loan Manager. However, users can create their own analysis tools with <u>Mathematical Equations</u>.

The first ratio is the "Repayment Ratio" that calculates as follows:

Total of "Paid" payments for the period divided by total "Expected Payments" for the period.

In the example below, from 04-01 to 06-30, the total payment amount was 2568.34 (1159.17 + 1159.17 + 250.00) but the expected payment was 3477.51 (3×1159.17). The Repayment ratio for these three months is thus 73.3856%. The -25.00 fee is not factored in even if included within the report dates.



Particular scenarios:

- If Total Expected Payments = 0.00 and Paid Payment > 0.00 then Repayment Ratio = 100.00%
- If Total Expected Payments = 0.00 and Paid Payment = 0.00 then Repayment Ratio = 0.00%

IMPORTANT: In order to obtain reliable data, it is key to always include the <u>true</u> payment amount and the corresponding <u>expected</u> payment amount in the "Expec. Pmt" column.

Additional principal, fees, and any other non *payment* related transactions have no influence on the ratio since the ratio will only factor in true payment type transactions: Paid Pmt (and Paid Pmt 2 to 20), Paid Late Pmt, Partial Pmt, Partial Late Pmt, Paid Pmt, Add. Pmt, Compensatory Pmt, Returned Check, Unpaid Pmt Returned Check.

For example, if a report is run for the future, thus where the payments are Due, the ratio will be 100% since Due Payments have no influence on the ratio.

Create your own analysis tools with Mathematical Equations or contact us so we can create more analysis tools with you.

APR disclosure box (USA only)

See **APR Report**

Returned checks

This module, if activated, is used to manage transactions when a check is returned. It allows the capture of additional data when payments that are paid by check are returned for insufficient funds. It is also possible to extract this data in a report.

Returned Check Module Activation

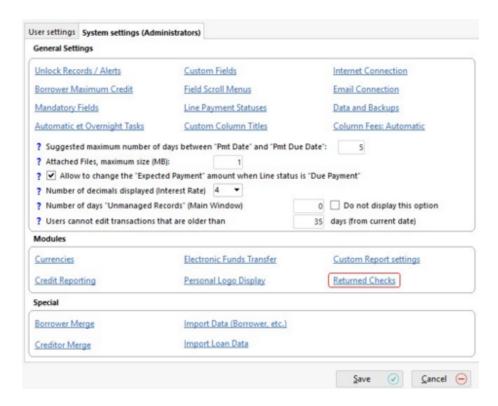
Returned Checks Management in the Payment schedule

Example

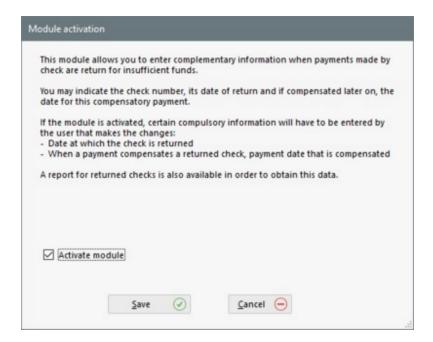
Transaction Report (Data extraction for returned checks)

Returned Check Module Activation

First of all, activate the module: Tools > Settings > under System Settings (Administrators) > click on Returned Checks:



This window will appear:

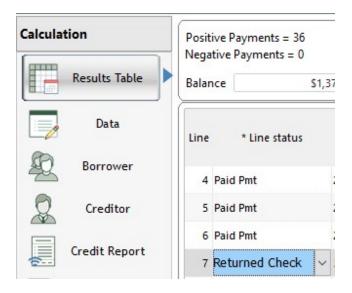


By clicking "Activate module", you will automatically obtain two additional fields (two columns) in your Payment schedule: "Date of Returned Check" and "Date of Compensatory Pmt". The "Check Number" field is there by default even if the returned check module is not activated. It will therefore be possible to add more information about the returned check.

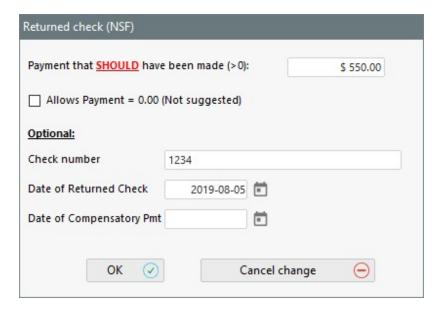


Returned Checks Management in the Result table

When a check is returned for insufficient funds, data in the Payment schedule will have to be changed. The "Paid Pmt" Line status will be changed to "Returned Check".



The following window will appear and some information can be entered: You will have to enter "Payment that SHOULD have been made", in other words the returned check amount.



You will have the option to enter the check number, the date of returned check and eventually the date of compensatory payment.

When the information is entered, the columns related to these fields will automatically be updated in the Payment schedule.

If the data is not entered in this window, they can be entered directly in the Payment schedule in the "Check Number", "Date of returned Check" and "Date of Compensatory Pmt" columns. Field names followed by an asterisk (*) can indeed be changed at any time by the user.

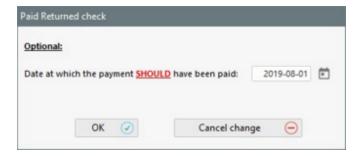


When a compensatory payment is received to cover the returned check, the "Date of Compensatory Pmt" field of the "Returned Check" line can be completed. After entering the date, this window will appear:



This window reminds you that when the compensatory payment is received, it is important to add the "Paid Returned Check" line because this line is not automatically inserted in the Payment schedule.

After adding the "Paid Returned Check" line, this window will appear and will suggest to add the date at which the payment SHOULD have been paid.



By adding these additional data, it will be possible to extract them and display them as a report.

Example:

The user receives a check, as expected, of 500.00 by Donald, cashable on January 1, 2016.



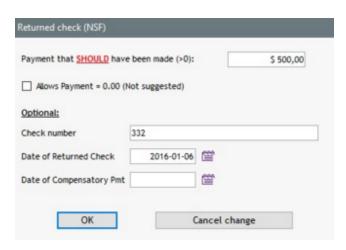
The user therefore changes the Line status from "Due Pmt" to "Paid Pmt".

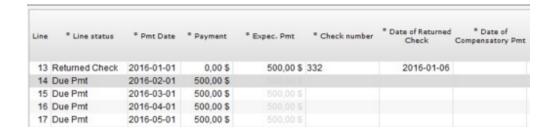


Unfortunately, the check is returned on January 6, 2016 for insufficient funds.

The "Paid Pmt" Line status must be changed to "Returned Check" in Donald's Payment schedule.

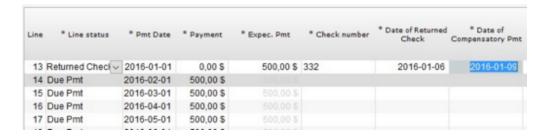
This window will appear: The user adds the known information such as check number and the date of returned check.





When Donald is notified, he sends another check of 500.00 to replace the one returned for insufficient funds. The Creditor receives it on January 9, 2016. He therefore enters the following information in the Payment schedule:

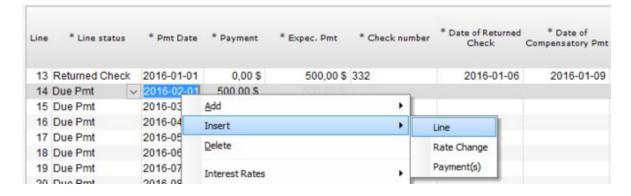
1) The user adds "Date of Compensatory Pmt" in the "Returned Check" Line status.



When the user adds the data in the "Date of Compensatory Pmt" field, a pop-up window will remind him that each time a payment is made for a returned check, he will have to insert a payment line to enter the payment that compensates the returned check/payment. This line is never inserted automatically.



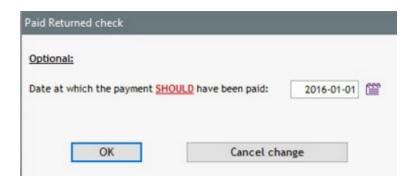
2) The user inserts a line with a right mouse click.



3) He chooses the "Paid Pmt Returned Check" Line status.



4) A window pops up so the user can enter the date at which the payment SHOULD have been paid. When the date is entered, MLM recomputes the due balance, <u>at the end of the loan</u>, by adding interest (and fees if applicable, see <u>Automatic Fees</u>), on additional days for which the payment was missing.



5) The user enters the information about the new payment received to replace the one that was returned. He enters the

check amount in the "Payment" field.



WARNING! When the loan's last payment is returned, the following window will appear when the user enters the date of compensatory payment in the intended field:



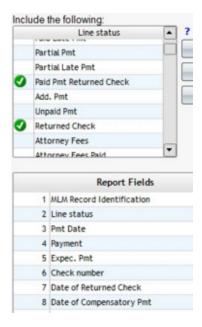
In this case, a line will have to be added in the Payment schedule with a right mouse click:



Then, the "Paid Pmt Returned Check" Line status will have to be selected and the relevant information entered before completing the "Date of Compensatory Pmt" field of the previous "Returned Check" Line status.

Transaction Report (Returned Checks Data extraction)

If the Returned check module is activated, a Transaction report with data concerning the returned check will be available.

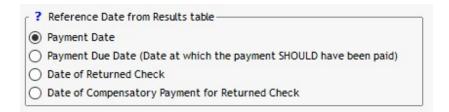


Will show returned checks and payments that compensated for these unpaid checks. Fields are added to obtain the check number, date of returned check etc.

MLM ID	Line status	Pmt Date	Payment	Expec. Pmt	Check number	Date of Returned Check	Date of Compensatory Pmt
111	Returned Check	11/09/2014	\$0.00	\$469.80			
111	Returned Check	12/09/2014	\$0.00	\$469.80			
111	Paid Pmt Returned Check	01/01/2015	\$0.00	\$0.00			
111	Returned Check	01/09/2015	\$0.00	\$469.80	111111111	01/16/2015	02/21/2015
111	Paid Pmt Returned Check	02/21/2015	\$469.80	\$0.00			
112	Paid Pmt Returned Check	01/01/2015	\$0.00	\$0.00			
131	Returned Check	03/19/2015	\$0.00	\$61.11		03/23/2015	
134	Returned Check	03/09/2015	\$0.00	\$45.02	123	03/12/2015	03/19/2015
144	Paid Pmt Returned Check	02/22/2015	\$1,103.41	\$0.00			
178	Returned Check	02/04/2015	\$0.00	\$51.02	255	03/03/2015	
210	Returned Check	01/05/2015	\$0.00	\$31,670.42	1254		
210	Returned Check	03/05/2015	\$0.00	\$5,914.75			

Data can also be extracted according to various dates, as required:

- Payment Date
- Payment Due Date
- Date of Returned Check
- Date of Compensatory Payment for Returned Check



Consult the <u>Transaction Report</u> chapter under <u>Personalized Reports</u> for more details.

Participation / Syndicated Loans

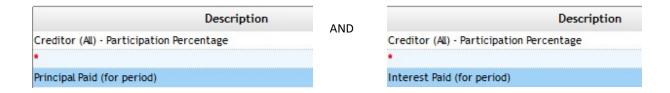
Each Record can be individually assigned to a Creditor (lender), to <u>Sub-Creditors</u> or a to a fund. It can also be assigned, in various proportions, to many Creditors, Sub-Creditors or funds. These loans are known as "participation loans". For more information on Creditor management, see the Record Window section > <u>Creditor_(Lender)</u> > <u>Participation_Loans</u> sub-section.

The <u>Record List</u> section (Reports > Personalized Reports) is a very powerful tool for data extraction for Participation Loans related to Creditors.

Here are the Data that can be extracted for all Creditors, regardless of the number of Creditors involved in a Record and regardless of their participation percentage in a Record.

- Business Name
- First and Last Name (if the lender is a person)
- Participation and percentage (up to 8 decimals)
- Participation as an amount
- Possibility of using Mathematical Equations to extract hundreds of other data.

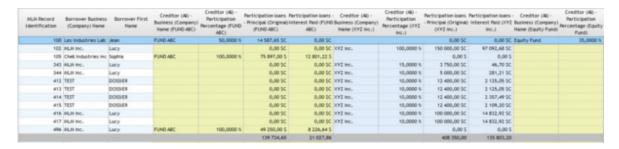
In the example below we would like to know the original principal for each creditor, their participation in loans, the total original Principal and the interest paid (for the time period). Here is how we would create the Record List report. This report would include two Mathematical Equations:



And the following fields (and others if required):



The report would have many columns including yellow and blue columns which are the participation data for each Creditor. White columns are normal data:



This is a small part of the report since this report generates as many columns as there are Creditors.

When generating a report, participation fields for each Creditor (yellow and blue columns) will follow normal data (white columns) regardless of the fields' order.

Special Notes:

Be careful when assigning participation percentages to each Creditor because if the attribution is less than a 100%, you will not be notified. You will be warned only if the percentage is above 100%.

If you enter an amount for each Creditor's participation, you will not be notified if the total amount is not equal to the loan amount (regardless if the amount is greater or lower than the total loan amount).

Optional Investor Module

Note: A very sophisticated optional module allows you to manage participation / syndicated loans in which investors or funds invest different amounts on various dates and can withdraw their monetary investment and be replaced by another investor. Payments (principal and interest or interest-only or principal-only) by the borrowers are then paid based on the participation proportion and dates of these investments or withdrawals for each.

For more information on this module please contact Margill customer support (support@margill.com).

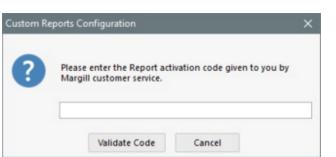
Custom reports created by the Margill team

If you have more complex report requirements, the Margill team can create a report or reports to meet your specific needs:

- Multiplication/division/addition/subtraction/proportions of the various fields (although <u>Mathematical Equations</u> offer great flexibility)
- Creation of new fields
- Data or multi-dimensional results (e.g. a single report containing annual, monthly data, global, etc.)
- Predetermined sorting
- Analyses
- PDF Formats
- Special page layout
- Graphics
- Etc.

Once the report is created by the Margill team, to activate it go to Tools > Settings > System settings (Administrators) >

"Modules" section > Custom Reports Settings. Click on the "Activate a report" and enter the password provide by the Margill team:



An activation confirmation message will appear.



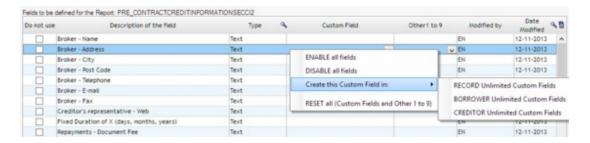


button

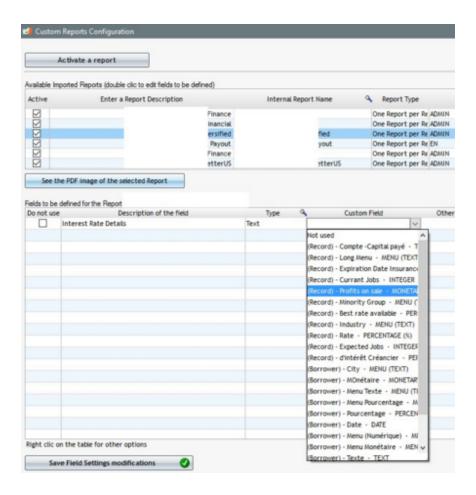
Page 1143



For some reports, custom fields may be required. These must be created in MLM. If they do not already exist, once a report is imported, a simple method to customize it without leaving the configuration page is to select each field, press the right mouse and "Create this Custom field in:". The field will be created for the Record (the usual case), the Borrower or the Creditor. Everything can be done in a few seconds.



The final step is to associate the report fields with the MLM custom fields (this step is performed automatically using the procedure created above). Choose the "Custom Field" column and the corresponding field from the drop-down menu:

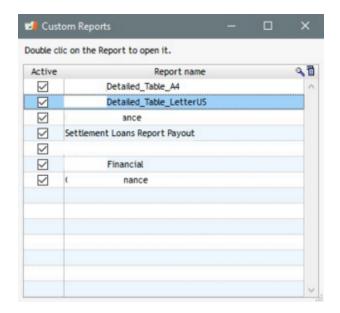


If fields were included, then press "Save Field Settings modifications".

The procedure is now complete. Close the window by clicking on "Exit".

To produce the report itself from, "Reports", choose "Custom Reports". A list of each activated custom report will be displayed. Select the desired report.





To delete a report, scroll to the far right of the "Custom Reports Configuration" window (Tools > Settings > System settings (Administrators) > "Modules" section > Custom Reports Settings) and check the appropriate Delete box. Confirm with the DELETE button.

Automated Reports

See <u>Automatic Reports</u> in the Automatic / Overnight Tasks.

Mathematical Equations

This module allows you to create custom reporting fields to be used in some of the reports and in the Main Margill window. The module allows you to add, subtract, multiply, etc., a field by another, or by numbers. For example, you could produce a statement which details all the amounts to be paid with a total that sums it all, or create an analysis algorithm based on balance, payment ratio and other elements. Another example would be a "loan-to-value" ratio using the loan amount to a <u>Custom field</u> listing the value of the asset or security.

As of MLM version 5.3, calculations can use 8 decimal points instead of 6 in order to provide additional precision. In some situations, some results of existing Equations might be slightly affected due to this new additional precision.

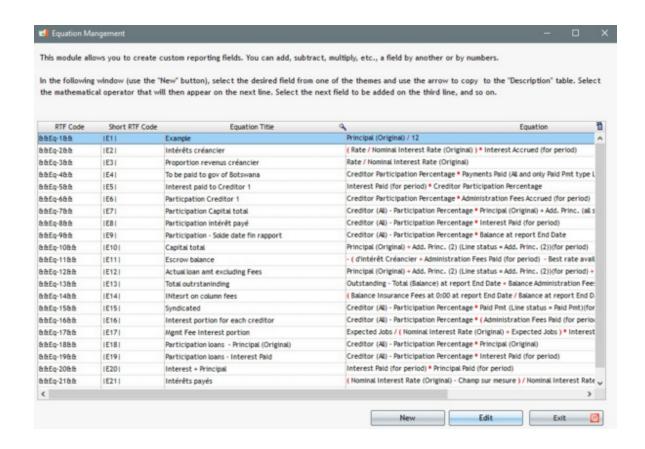
Only MLM Administrators and Power users can create Equations. These rights are limited because we would not want a user without superior rights to inadvertently change an element in a formula and this change to go unnoticed.

To create an equation, the Administrator (or Power user) must go to the Reports > "Equation Management" button

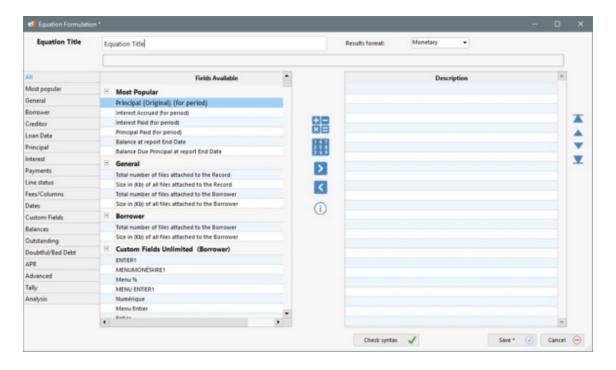
Equation Management

The following window will appear, briefly explaining the procedure and displaying these Equations.

The first column shows the name or merge code of the variable that can be included in the <u>Document Merge</u>. The second column shows the same variable but in short format (which makes it easier to design merged documents). The third column is the name given by the user and the latter gives the details of the equation as such, including the fields in black and the mathematical operators in red.



Click on the "New" button (or to edit, on the "Edit" button). The "Equation Formulation" window will follow.



Steps for creating Equations

- 1) Give a title to the Equation. Choose a title that is descriptive but not too long.
- 2) Select the "Results format".



Be careful to choose the right format from the four choices. There is a potential danger if the last option, "Percentage (%)" is chosen. This should only be used if the resulting equation is a percentage. The syntax verification tool does not analyze compatibility.

Also, if you use the multi-currency module, it is strongly suggested that you assign a currency format, in order not to mix up the currencies.

3) Select the desired field among the usual themes from the left and use the center arrow to copy it in the "Description" table on the right. Only numeric, monetary, whole or percentage field types are available, as well as many current date fields. Text fields are not available. Each line in the "Description" table should contain only a single field, operator or number.

A field can be used more than once. The fact that it is checked does not affect the right to reuse it.

4) Choose the mathematical operator that will appear on the next line with the middle icon.





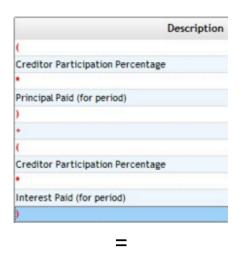
A number (positive or negative) can also be added. For example, to divide a field by two, to add a fixed amount to a field, etc.





5) Copy the next field to be added to the third line, and so on. Multiple operations can be performed including adding parentheses in order to structure mathematical operations. Each parenthesis must be inserted on a line.

For example, in a scenario where several Creditors have a participation in a loan, the equation below computes the total principal and the interest paid to the first Creditor on the list. In this example, the first Creditor participation (%) is multiplied by the paid principal, and then this amount is added to the paid interest according to its participation interest. The parentheses are used to carefully isolate the mathematical operations *.



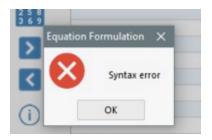
(Creditor Participation Percentage * Principal Paid (for period)) + (Creditor Participation Percentage * Interest Paid (for period))

* Note: In this example, the normal order for the mathematical operations ensures that parentheses are not required.

A maximum of 1000 characters are allowed in the Equations.

7) Once the Equation is completed, either press "Check syntax"

. When saving, the syntax will be checked. A syntax check does not check if the equation gives the desired result, but simply that it is mathematically consistent. In the example below, the Equation ends with a + without another field to add. Therefore this is a syntax error.



If a transaction involves a division by 0 (e.g. loan principal divided by paid principal when no principal has been paid), instead of generating an error, MLM will report 0.00.

Editing Equations

If by error a field (operator or number) is entered in the wrong place, use the arrows on the right to change the order. Choose the field (it will turn blue) and then bring it up or down with the arrows.



To remove a field (operator or number), press the arrow pointing to the left in the center



An Equation already saved can be changed from the main Equation Management window by choosing the Equation to change (it will turn blue) and then pressing "Edit"

.

Example of a more sophisticated Equation

An Equation could include custom fields and amounts that change in accordance with the loan's accrued interest and paid amounts.

For example, your accountant could create a risk formula that takes into account the Borrower's FICO score (i.e. part of a custom field) and the loan balance (automatically calculated) and the repayment Ratio.

The formula takes into account the level of risk of these elements (fictitious formula)

1) FICO score Custom field 600 2) Loan balance automatically calculated 25550

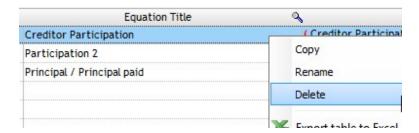
3) Maximum risk balance Custom field 30000

4) Repayment ratio automatically calculated 85.25%

The elements can be divided or multiplied to get a percentage.

Deleting an Equation

An Equation can be removed from the main Equation Management window by choosing the Equation to change (it will turn blue) and then pressing the right mouse button, followed by Delete.



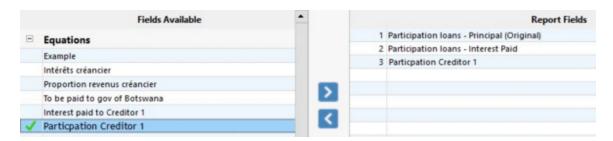
An Equation cannot be deleted if it is used in a report. A message will appear if this is the case.

Retrieve Equations in reports

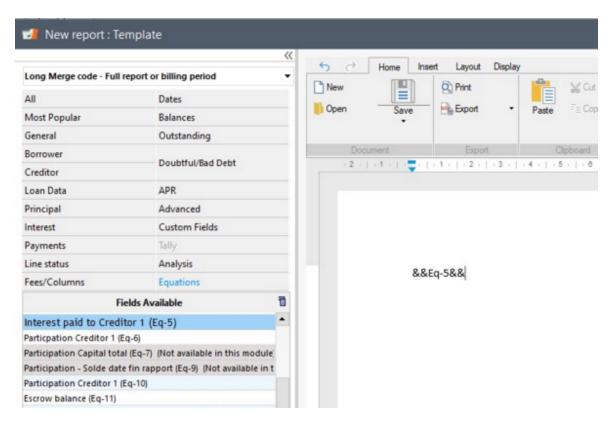
Equations can be used in Record List and in Document Merge. They are NOT available for Exporting accounting

transactions to the General Ledger.

In the Record List, the Equations can be added to a report with the "Equations" tab located on the field themes' last line, to the left. Use the central arrow to add.

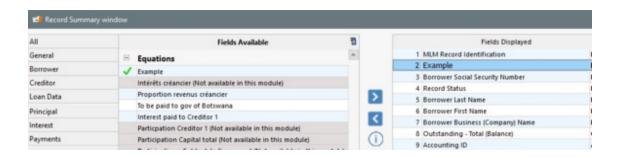


In Document Merge (Letters, Contracts, Invoices, Statements), Equations can be integrated in the merge documents using the right mouse button under the last topic on the list, "Equations".



View Equations in the Main MLM window

Equations can be viewed in the Main MLM window. Go to Tools > Settings > User settings > "Record Summary Window" button. Click the "Equations" tab located on the field themes' third line, to the right and use the central arrow add.

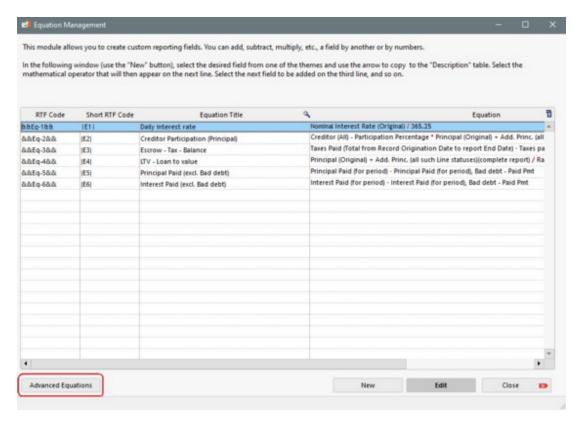


See in the Alerts chapter, <u>Conditional Alerts</u> that can use Equations in order to obtain warnings that can include very sophisticated conditions.

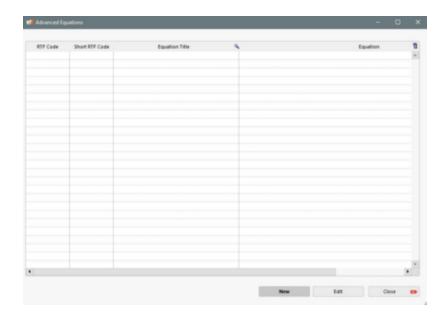
Advanced Mathematical Equations

The Advanced Mathematical Equations module is a powerful tool that allows to build complex Equations with conditions. This module would mostly be used for sending invoices or statements. A typical example: on an invoice sent to the Borrower, if the balance of the loan is less than 2.00, then the next due payment for that Borrower would be 0.00. If the balance is 2.00 or more, then the next payment would be the real balance due.

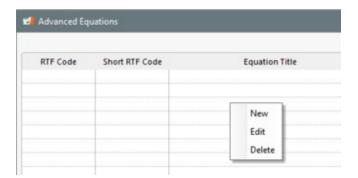
To access this module, click on Reports > Equation Management > Advanced Equations.



This window will appear:

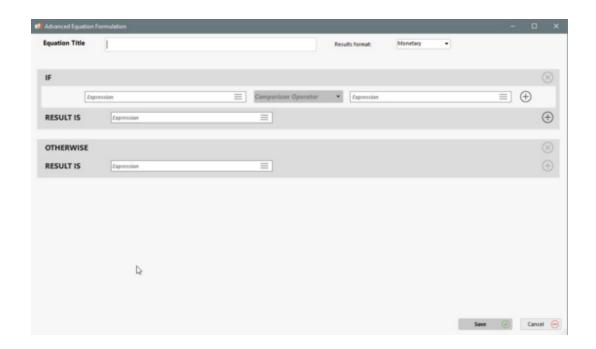


You can create a new Advanced Equation with the "New" button or modify an existing Equation by selecting from the list and by clicking on the "Modify" button, or via the menu accessible with the right mouse click. This menu also allows the deletion of Advanced Equations.



Steps to create Advanced Equations

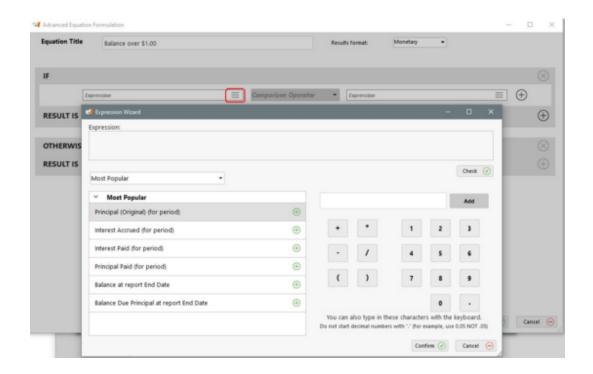
Upon clicking on "New", this window will appear:



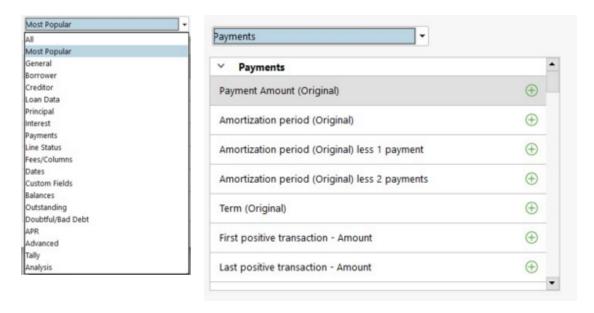
The Equation title is mandatory. Choose the logically results format from the list below:



In order to obtain all of the possible variables, click on the icon next to the word "Expression". By default, the most popular variables are displayed:

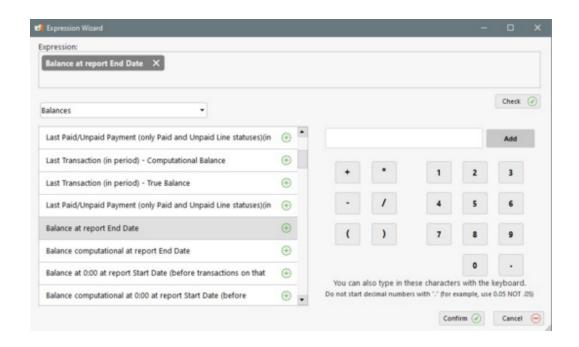


By browsing through the drop-down menu below, multiple themes are displayed. You can access the variables available by theme:



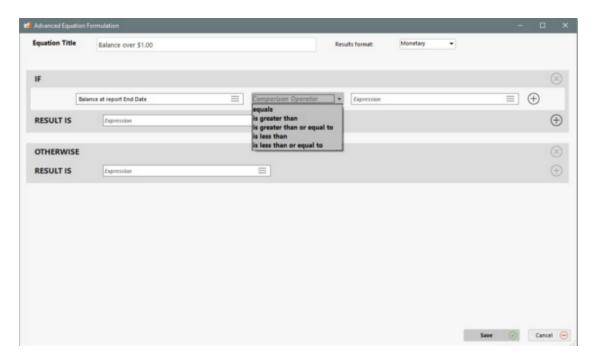
Advanced Equation construction is based on: If the condition is true then the result will be this, otherwise the result will be something else.

For example, in order for the balances less than 5.00 not to appear in the reports, select from the "Balances" theme and double-click on the variable called "Balance at the end of report" or click on to display it in the "Expression" box:

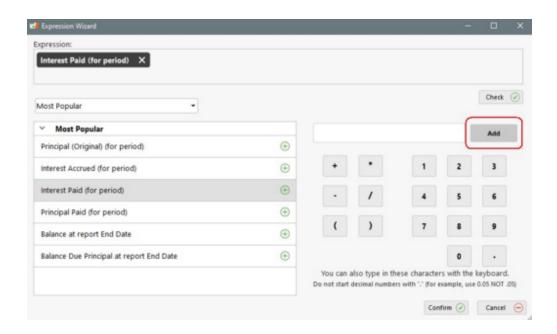


Please note that you can add other variables or mathematical operators in this first condition, therefore in all of the expressions of the equation in order to make it more complex and powerful.

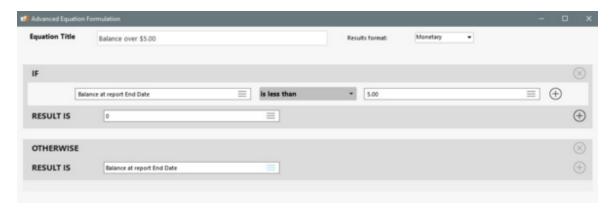
Once the first expression completed, click on "Confirm" and choose a comparative operator from the list:



For numerical and operational (+ - * /, etc.) expressions, click on "Add" in order for the "Expression" box to be displayed:



Once the equation is done, click on "Save". In this example, we could read the equation like this: If the balance at the end of the report is less than 5.00, enter 0, if not, display the balance at the report's end date.

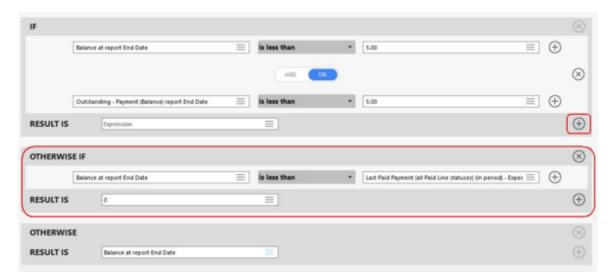


By clicking on the located in the IF section, we are able to add an AND or an OR to the expression:



To eliminate an extra condition, click on to the right.

By clicking on the located in the RESULT IS sections, we can add one of more sub-conditions:



Practical tip:

Conditions must be mathematical and cannot be based on text. For example, we cannot say IF the data is Yes, the result is X but if it's NO, then the result is Y. You could therefore, instead of text values, enter a 0 for YES and a 1 for NO and use this data in the conditions. The title of the Custom Field could be "Friendly Customer 0 = Yes, 1 = No" and like this, everything is clear to your users. This field should be mandatory if used in an Equation, otherwise the result could be false.

IMPORTANT: These Equations can become quite complex. Always test in multiple scenarios.

Retrieve Equations in reports

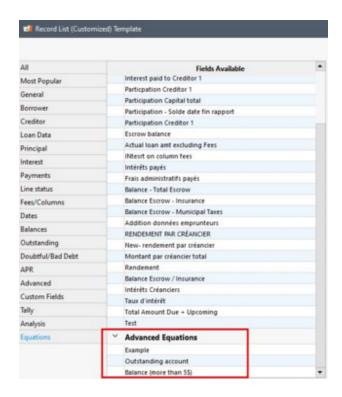
Equations can be used in <u>Record_List_</u> and in <u>Document_Merge</u>. They are NOT available for <u>Exporting_accounting transactions to the General Ledger</u>.

In the Record List, the Equations can be added to a report with the "Equations" tab located on the field themes' last line,

to the left. The Advanced Equations will be displayed after the "Normal" Equations. Use the central arrow



to add.



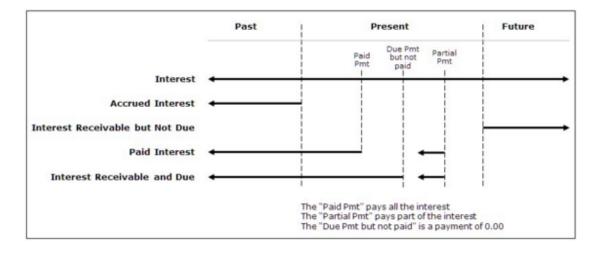
Accounting Data

Margill Loan Manager (MLM) includes multiple accounting data that can be obtained in the <u>Record_List</u>, <u>Transaction Report</u>, <u>Document_Merge (Letters, Contracts, Invoices and Statements)</u> and in the <u>Export_accounting_transactions_to_the General Ledger</u> reports. The concepts and fields are explained in detail in the section that follows.

From an accounting perspective, the interest name may evolve over time as payments are made in the loan. The following interest definitions will allow you to better understand the various computing fields.

The term "interest" is a generic term that includes all interest sub-categories: 1) Accrued interest, 2) Interest receivable but Not Due, 3) Interest Receivable and Due 4) Paid interest.

The diagram below helps to better understand the effect of time and payments on the definitions that follow.



- Accrued interest: Generic term for interest whether these are due or not or paid or not. Accrued interest most often eventually becomes receivable, due or paid interest as payments are due or paid.
- Interest receivable but Not Due: Although possibly incorrect from a pure accounting perspective, generally simply called "Due interest" in MLM. This is interest that is to come in the future for payments that are not yet due.
- Interest Receivable and Due: Called "Due Interest" in MLM. Interest which is due when a payment that should have been paid was not paid or was partial and insufficient to pay the interest that was accrued since the last paid payment (or payment that should have been paid).
 - MLM rarely differentiates the two subtleties in interest due except in specific fields explained in this section. The term "Interest Receivable" is thus used to describe one or the other since the distinction is very small as well as relative (depending on whether the report is for the past or the future and depending on whether payments exist or not). In addition, the distinction is required only in certain specific accounting situations.
- Paid interest: Interest that is actually paid by the Borrower (and received by the Creditor) with a true payment (
 <u>Payment-type Line statuses</u>: Paid Pmt, Paid Pmt (2) to (20), Paid Late Pmt, Partial Pmt, Partial Late Pmt, Paid Pmt,
 Returned Check, Add. Pmt, Compensatory Pmt), as opposed to fees, penalties, insurance, taxes and all other non-payment related transactions.

The amount of interest paid can be isolated according to the type of payment made. Thus, one could isolate the "paid" interest according to two types: monetary (what we call cash even if not real physical cas) and non monetary (non-cash).

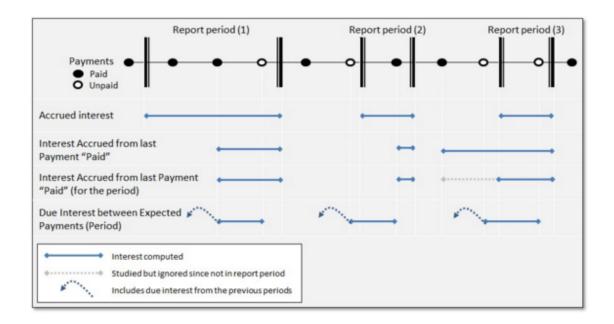
- A regular cash payment (Paid Pmt, Paid Pmt Cash, Paid Pmt Credit Cart or other) can be isolated from other "paid" payments (non-cash) such as Write-off ("Paid Pmt 5" renamed to "Write-off" or to "Transfer" (current loan closed and interest and principal balances transferred to a new loan)). "Paid" interest through a Write-off or by a Transfer is not actually paid and therefore can be treated otherwise (loss of interest income for a Write-off or simply no monetary effect since the Transfer reduces a loan and increases a new loan by the same amount). See Payment-type Line statuses.
- Interest to be paid at the next Due Pmt: Amount of the interest that WILL actually be paid if the next "Due Pmt" was paid in full.

To find this amount, MLM identifies the next line whose Line status is "Due Pmt" regardless of the date, simulates an actual paid payment and reports the amount of interest that would be paid.

The diagram below presents a graphic view of what accrued interest is reported for the various interest fields:

- Interest Accrued
- Interest Accrued from last Payment "Paid"
- Interest Accrued from last Payment "Paid" (interest within the period only)
- A field also available computes the accrued interest since the last payment that is "paid" or "unpaid". The
 <u>Line_statuses</u> must be <u>Payment_type_or_Unpaid_type</u>. All other Line statuses will be ignored for this
 calculation.
- O It also compares with "Due interest" (further explained in next section).

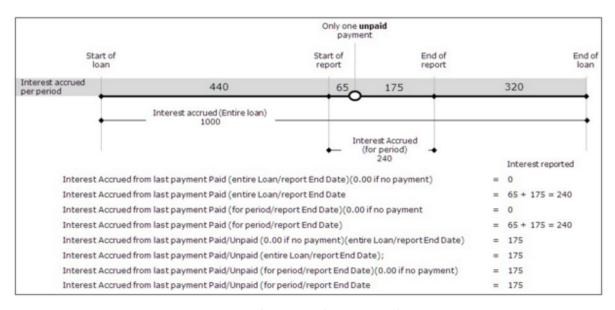
Many scenarios are presented since the accrued interest reported is influenced by several factors: paid or unpaid payments, payment dates, and of course, reporting dates.



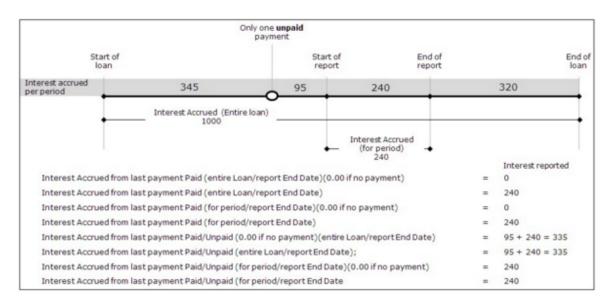
For each "Interest Accrued" field, two types of fields are available to handle the situation where a loan **does not contain** any paid or unpaid payments. The use of one field or another depends on the type of accounting report to be produced.

- 1) If no paid (or unpaid) payments are present: returns an interest accrued amount of 0.00 (the field description contains "0.00 if no pmt").
- 2) If no paid (or unpaid) payments are present: returns the interest accrued amount until the end date entered for the report or only for the selected period.

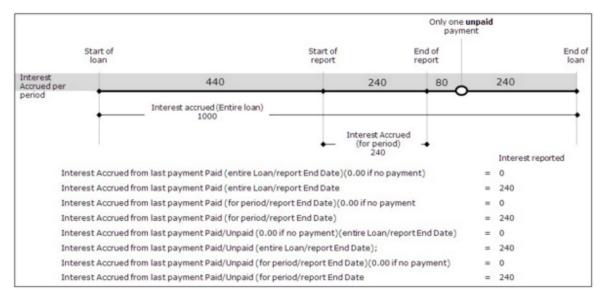
The diagrams below illustrate the various "Interest Accrued" fields according to the choice to return 0.00 when no payment is present and when a payment is paid (or unpaid) within or outside the report period.



Unpaid payment in the report period



Unpaid payment outside (before) the report period



Unpaid payment outside (after) the report period - so as if no paid or unpaid payments

• **Balance due interest**: If the payment is not sufficient to pay the accrued interest, then the difference between accrued interest and the paid interest becomes due interest. The balance will increase and decrease over time depending on the interest amount and if the payment is sufficient to refund these.

If the "Paid Interest" Line status is used and the the interest balance is lower than the amount paid by this Line status, the due interest balance will become negative.

Principal (all types of transactions) (mathematical principal): The increase or decrease of the total loan amount
whether the increase is in principal per se or in fees, penalties, taxes, etc. A decrease in principal will occur when
actual payments are made or when fees, penalties, taxes, etc. are paid. In compound interest, a payment that is
insufficient to pay off the current interest will lead to an increase in this mathematical principal but not in the
accounting principal.

Important definitions

Mathematical principal:

All negative payments, regardless of the Line status and any unpaid interest added to the loan balance, are mathematical principal.

All positive payments ("Payment" type lines, Fees Paid, Insurance Paid, "Other" type lines, etc.) refund mathematical principal.

All increases or decreases in mathematical principal increase or decrease the balance of the loan but not necessarily the accounting principal.

The mathematical principal is located at the left of the Payment schedule ("Principal" column).

The mathematical principal amount increases when a payment is negative or when the payment amount is insufficient to pay the accrued interest (this is represented by a negative amount in the "Principal" column).

The mathematical principal amount decreases when a payment is positive, regardless of the Line status (this is represented by a positive amount in the "Principal" column).

Accounting principal:

Accounting principal can only be added to a loan by the original principal entered and by adding "Principal" Type Line statuses.

Capitalized interest or adding fees, penalties, taxes, etc., has no influence on the accounting principal. Any payment other than true payments ("Payment" Type Line statuses) does not refund accounting principal.

The accounting principal amounts are in the columns to the right of the Payment schedule ("Balance Due Principal" and "Paid Principal" columns), not in the first columns to the left ("Principal" column which is the mathematical principal - see explanation above).

The "APR Fees financed", while included in the amount financed, are distinct from the accounting principal and are displayed when accrued or paid in separate columns in the Payment schedule.

Paid principal: Accounting principal that is actually paid by the Borrower (and received by the Creditor) with a true payment (Line status: Paid Pmt (and Paid Pmt 2 to 20), Paid Late Pmt, Partial Pmt, Partial Late Pmt, Add. Pmt., Compensatory Pmt, Paid Returned check) as opposed to the payment of fees, penalties, insurance, taxes and all other non-payment related transactions. These last Line statuses refund mathematical principal, not accounting principal.

The principal paid can be isolated according to the type of payment made. Thus, one could isolate the amounts paid by a normal payment (Paid Pmt) from one "paid" as a "Write-off" (Pmt made 5, for example, renamed to "Write-off"). Amounts paid by Write-off are not actually paid and therefore can be treated differently (loss of principal). See "Payment" Type Line statuses.

Paid principal can be greater than the principal's balance. Principal balance then becomes negative.

• **Principal to be paid at the next Due Pmt**: Amount of the principal that WILL actually be paid if the next "Due Pmt" is paid in full.

To find this amount, MLM identifies the next line whose Line status is "Due Pmt" regardless of the date, simulates an actual paid payment and reports the amount of principal that would be paid.

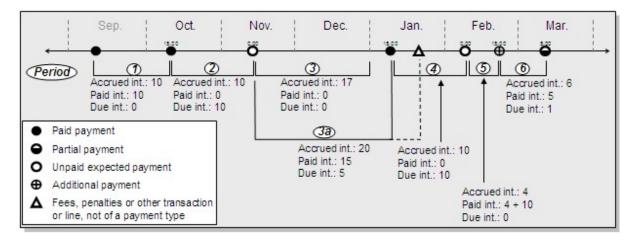
• **Due Interest between Expected Payments (Period)**: Interest which is due when a payment that **should** have been paid was not paid or was partial and insufficient to pay the interest that was accrued since the last paid payment (or payment that should have been paid).

Interest is considered "Due" in this context, if, during the reference period (desired report dates), there is a paid "Payment" whether full or partial or an unpaid payment that was due. An unpaid payment is an expected payment that should have paid the accrued interest. If the expected payment is not paid, the accrued interest then becomes due. The "Due Pmt" Line status is NOT taken into account when determining the "Expected" payments.

If no payment is expected during the reference period, then interest will accrue but is not due.

If a payment is expected (paid, partial or unpaid, no matter) during the reference period, and, for the **preceding** period no payment (a "payment" type payment as opposed to non payments such as Fees and other Line statuses, see "Payment" Type Line statuses) is actually included in the Payment schedule, then the calculation will go back in time, to the preceding periods to find the last payment or payment that was expected. MLM will then compute the due interest for the reference period.

The example below explains many subtleties including lines that contain payments other than true "Payments" and thus that have no influence on the due interest calculated. It also shows the effect of more than one transaction during the reference period or no transaction in the period, as well as additional and partial payments.



In the diagram above, generally, payments are normal and on the 7th day of each month with some exceptions.

- Period 1: October report, payment of 15.00 that refunds 10.00 of the accrued interest. The balance refunds the principal.
- O Period 2: November report, unpaid payment (thus 0.00). Accrued interest becomes due interest.
- Period 3: December report, no transactions during the month and therefore there is an accrued interest of 17.00 between the last payment and December 31, but no Interest paid nor due since no payment was expected.
- O Period 3a: January report, payment of 15.00 will repay a portion of the accrued interest from the unpaid payment of November 7 (we must go back in time before December since no payments were due or made in December).
 - Fees are charged but have no effect on the due interest as this is not a payment or a payment that was expected. ANY transaction other than "Payment" Type Line statuses has no effect on the due interest.
- Period 4: February report, unpaid payment (thus 0.00). Accrued interest of 10.00 becomes due interest.
 - Period 5: February report (continued) because an additional payment was made during the month. Payment of 15.00 can pay due interest in period 4 (10,00) plus 4.00 of accrued interest. Total due

interest = 0.00 and paid interest = 14.00.

- o Period 6: March report, partial payment of 5.00 that refunds 5.00 in interest and 1.00 is left as due interest.
- Balance due principal: Initial principal amount less "Paid principal" plus any line with all "Add. Princ." Line statuses. Any other negative payment (fees, penalties, insurance, taxes, etc.) will not affect the "Balance Due Principal" but will affect the "Balance all others" and the "Balance" of the loan. This balance can be negative.
- Balance all other transactions ("Balance all others"): balance of all non-payment related transactions: fees, penalties, insurance, taxes, invoices, withdrawals, investment, other and the payment of these.
- Balance of loan: Actual loan balance factoring in, all type of payments whether these are positive or negative.
- Outstanding Payment (Balance): Cumulative balance of the amount that should be paid (Payment column) but that
 is overdue. This column subtracts the amount entered in the Column "Payment" from the amount entered in the
 column "Expec. Payment".

The minimum outstanding amount is 0.00. The outstanding amount cannot be negative even if the payment made is greater than the outstanding balance. In addition, the calculation of the overdue amount always starts from a positive balance or 0.00, never from a negative balance (overpayment).

For example, a payment of 1000 ("Due Pmt") should have been made. Only 300 ("Payment") was paid. The "outstanding (balance) therefore becomes 700. The next payment which should have been 1000 is of 1200. The amount in "Due Pmt" should be 1000 and the "Payment" should be 1200. The outstanding (balance) therefore becomes 300 less 200 = 100. The next payment is of 1500 while 1000 was expected. The "outstanding (balance)" becomes 0.00, **not** of 100 less 500 = -400.

Interest on the outstanding amounts due are also calculated. In compound interest, interest is also computed on outstanding interest. To see how interest is computed, consult the <u>Calculation of interest on the Outstanding amounts</u> in the Calculation Methods section.

A total amount (outstanding payments and interest on these outstanding payments) is also calculated.

Outstanding - interest and principal portions:

Outstanding – Interest portion at Report End Date	Portion of the outstanding amount (payment only, not the interest on the outstanding amount) representing the interest. Reports the Due interest at the report end date yet without exceeding the amount that is outstanding.
Outstanding – Principal portion at Report End Date	Portion of the outstanding amount (payment only, not the interest on the outstanding amount) representing the principal. The calculation is performed by subtracting "Outstanding - Interest portion at report End Date" from the "Outstanding - Payment (Balance) at report End Date" thereby determining the principal portion. If multiple payments are missed and the interest not refunded, the result can often be 0.00.

Accounting Data and Fees (Insurance and Taxes)

Accounting data for many types of Fees are available:

- 1) Line Fees (fees as Line status)
- 2) Column Fees
- 3) APR Fees

1) Line Fees

When lines are inserted for adding Fees (negative amounts that are added to the balance, defined as "Accrued" Fees), we can insert a matching "Fees Paid" line when the fees are in fact paid. This data can also be isolated for accounting purposes. A payment ("Payment" type Line status) will not pay these fees on the accounting level.

Fees Paid Fees 2 Fees 2 Paid Fees 3 Fees 3 Paid

2) Column Fees (manually or automatically added)

- Column Fees Accrued (6 types, names can be changed): we can manually or automatically charge fees by using
 rules.
- Column fees Paid (6 types, names can be changed): column fees are paid with payments ("Payment" type Line statuses). Here is the refund sequence made by a payment:
 - 1. Column Fees 1 without interest
 - 2. Column Fees 1 with interest
 - 3. Column Fees 2 without interest
 - 4. Column Fees 2 with interest
 - 5. Column Fees 3 without interest
 - 6. Column Fees 3 with interest
 - 7. Column Fees 4 without interest
 - 8. Column Fees 4 with interest
 - 9. Column Fees 5 without interest
 - 10. Column Fees 5 with interest
 - 11. Column Fees 6 without interest
 - 12. Column Fees 6 with interest
 - 13. Interest
 - 14. Principal

Thus, a "Paid Pmt" for example, will pay all the Fees first (based on the order above), then the interest and the principal which can be further divided (see "APR Fees" below).

The paid portion can even be isolated according to payment type. For example, the fees paid portion paid by a "Paid Pmt - Cash" (name chosen by the user) or by a "Paid Pmt - Transfer" (meaning no cash transfer) can be isolated from the reports.

Column Fees - Balance (6 types, name can be changed): exclusive balance for Column fees 1 to 6 after payments.

3) APR Fees

• Paid Fees Financed (APR): total of all Paid Fees Financed (APR)(up to five types). When a payment is paid, these "Fees financed APR" are paid on a pro rated basis of the original Principal. In the example below, given an original principal of 50,000, for a 1000.00 mathematical principal refund, the portion of the accounting principal paid will be 952.38 (95.24%) and the portion of Paid Fees financed APR will be 47.62 (4.76%) since:

Principal Portion: 50 000 / 52 500 = 95.24% Fees Portion: 2500 / 52 500 = 4.76%

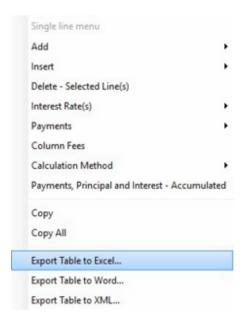
This pro rated approach was chosen in MLM because these fees are very close to principal. If this method is not desired, use Line Fees or Column Fees.

The paid portion can also be isolated for each one of the five Fees financed APR when generating a report. The paid portion can even be isolated according to type of payment (according to "Paid" Line status).

Balance Fees Financed (APR): Balance of all Fees Financed (APR).

See important Fees, Insurance and Taxes chapter.

Many of these amounts are reflected in the Payment schedule. To see all the columns, one must scroll to the right. If more pertinent data is to be shown, columns may be hidden or moved (click on the column header and right click with the mouse or drag the column). Nevertheless, in a printed <u>Detailed schedule report</u>, only some columns are printed and this printed report may not be customized. In order to obtain a detailed "custom" print out, one should right click in the Payment schedule and export to another format such as Excel.



The data is also available in the <u>Record List</u> and for <u>Document Merge</u>. In this last report (Document Merge), the Payment schedule may be obtained according to "Paid" data, not only according to "Accrued" (see "General" theme).

If a field is not available, you can use <u>Mathematical Equations</u> to create your own fields. Thus, you can add fields together or perform subtractions, multiplications, etc. You can also contact the Margill team for <u>custom reports</u>.

See also Export accounting transactions to the General ledger.

Time required to produce reports

The time required to produce the various reports will depend on the following factors:

- number of Records included in the report
- type of report
- number of fields included in the report (for custom reports)
- time period of report (full reports, up to a specific date or between two dates processing time being longer for the latter two)
- network speed (refresh times may become quite long to download on wireless networks)
- computer speed

For small databases (under 500 Records), most reports are quick to produce (under 30 seconds).

Tests were conducted on a normal high speed Ethernet local area network (LAN) with a recent computers (Intel Core i5 and i7)).

Tests were conducted with **500 Records.** Here are some processing times:

- "Global Summary" and "Record List Summary" reports took about 5-10 seconds each.
- For the "Record List" report with 350 fields (total of 175,000 data elements), the report took less than 50 seconds. Reports with 10-20 fields required less than 10 seconds.

For larger databases, with over 1000 loans, reporting times, of course increase.

With 5,000 Records here are some processing times:

- Global Summary and Record List Summary: 10-25 seconds
- Record List report with over 350 fields (1,750,000 data elements), the report takes between 3 and 5 minutes. An export to Excel took less than another minute. Reports with 10-20 fields require 90 seconds.

With 10,000 Records here are some processing times:

- Global Summary and Record List Summary: 20-120 seconds
- Record List report with over 350 fields (3,500,000 data elements), the report took between 5 and 8 minutes. An export to Excel took less than another minute. Reports with 10-20 fields require between 30 seconds and 3 minutes.

Export of debits and credits to third party accounting systems

For this report, Margill Loan Manager performs thousands of calculations and tests, often line by line in the Payment schedules when producing these reports, thus a longer processing time.

Tests were conducted with 500 Active Records with 50 fields. For over 23,000 transactions, plan less than 2 minutes distributed as such:

- preliminary processing (list of errors): 30 seconds
- transaction list: 10 seconds
- switch from Summary tab to Detail tab (each switch): less than 10 seconds
- producing the export file: under 30 seconds

Tests were also conducted with over 5000 Active Records with 50 fields. For over 265,000 transactions, plan less than 10 minutes distributed as such:

- preliminary processing (including determining errors): 5 minutes
- transaction list: 50 seconds
- switch from Summary tab to Detail tab (each switch): 45 seconds
- producing the export file: 2.5 minutes

If your processing times are much longer than the times indicated in this section, check your network and workstations. Upgrades or optimizations may be required.

Saving & Printing

Saving, Reports, Export & Printing contents

Saving

Printing

Printing problems

Saving

Calculations made in the Margill Loan Manager (MLM) are saved in the database. No file name needs to be specified.

Once a new Record has been computed (thus the Payment schedule appears), to save the Record in the database, press on the "Save" button on the left.



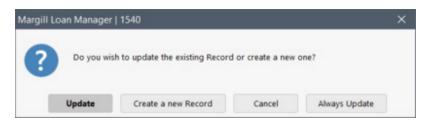
A window will appear assigning a unique number to the Record.



When you try to close the calculation with or or , unless the results had been previously saved, MLM will guery as to whether the Record should be inserted in the database or not.

Options for saving a Record

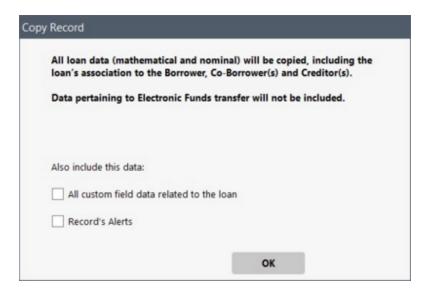
When a change is made in the Payment schedule (or other changes in a Record) and the user chooses Save, the following window will appear:



When choosing "Update", changes will be saved in the existing Record.

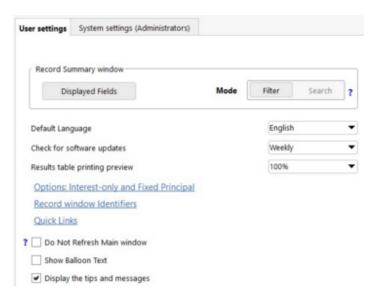
When choosing "Create a new Record", all data of the current loan will be copied, including the associated Borrower(s), Co-Borrower(s), Guarantor(s) and the Creditor(s). Changes made in the original Loan will not be saved, only copied to the new Record.

Data concerning pre-authorized payments will not be copied, but the user will be able to decide to include all custom field data related to the loan and the Record's Alerts.



When choosing "Always Update", you will no longer be asked if you wish to update the Record or create a new one (copy). One less window will appear when saving.

If you wish for this window to appear again, go to Tools > Settings > User settings and check the "<u>Display the tips and messages</u>" option.



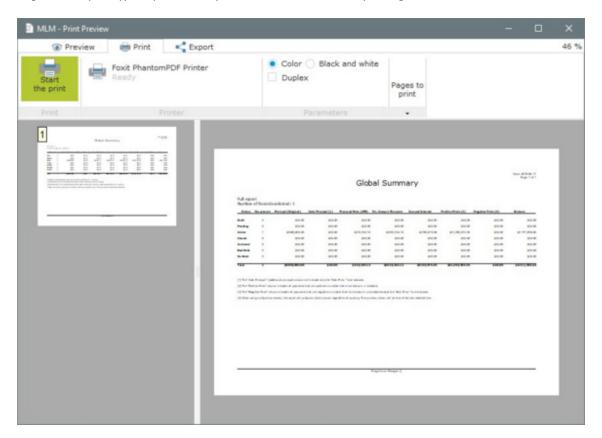
IMPORTANT

Don't forget to backup all data regularly. See <u>Backup</u> section.

Printing

See the Reports available section and the various reports that can be produced with Margill Loan Manager (MLM).

Depending on the report type, a preview may be available before actual printing:



Printing options are available through the "Pages to print" button:

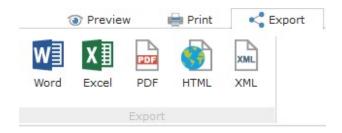


Some reports do not offer previews and will print the report directly.

For the <u>Detailed schedules (Payment schedule)</u>, a preview is available only for the **first** of the chosen Records but all Records chosen will be printed (or exported).

Exporting Reports

Several export formats are also available using the following icons:



Depending on the report, some exports may be disappointing because of deficient formatting (Word and Excel) and will require adjustments for the fonts, cell size, etc.

See also **Printing problems**.

Printing problems

Possible Printing Problems:

It may happen that some of the lines at the right of the printed table are incomplete, or that a few characters from one line appear on the line below. This problem may be caused by printer configuration errors. For example:

If the paper size is wrong:

To correct this: in the Windows "Start-up" menu, choose "Settings", then "Printers". Place the mouse cursor on the desired printer and right-click the mouse. In the window that opens, click on "Properties". Choose the "Paper" or "Control" tab (depending on the type of printer) and verify if the paper size is "Letter" (North America) or A4 (Europe).

If the margins defined by default are too wide:

To correct this: in the Windows "Start-up" menu, choose "Settings", then "Printers". Place the mouse cursor on the desired printer and right-click the mouse. In the window that opens, click on "Properties". Choose the "Paper" or "Control" tab (depending on the type of printer), then choose the "Non-printable Zone" (or another, depending on the type of printer) and reduce the non-printable zone to 0.25 inches (0.5 centimeter) or another measure of that order. However, not all printers and drivers have this function.

Calculation methods

Margill Loan Manager (MLM) was developed to take into account the multiple calculation methods prescribed by law, regulations and usage all over the world. MLM can be used on all five continents and its methods set for the particular local needs.

Specific calculation rules are often imposed by law or regulation on certain Borrowers only, i.e., banks, credit unions, and other financial institutions that lend to consumers. You may not be subject to these rules, unless you are specifically regulated by the laws in question (the banking laws of various countries, European Community directives, the US Truth in Lending Act, etc.).

If you are not subject to these regulations, you can choose any of the MLM methods available, usually stating these in the contract.

The calculation settings below are included in MLM and explained in separate sections of this guide:

- The calculations respect the following well known payment methods: <u>Normal (or Effective Rate) Method</u>, <u>Simple Interest Rule</u>, <u>Simple interest (Capitalized)</u> and the <u>United States (U.S.) Rule</u> (this latter rule is in fact Simple interest).
- Simple interest (capitalized)
- <u>Effective Rate method based on equal periods or exact days</u> (sometimes called "Actuarial" method)
- <u>Day count</u>: 30/360, Actual/Actual, Actual/360, Actual/365
- Short and long periods
- Effect of <u>leap year</u>
- Weeks in a year

Other elements that are covered include:

- Effect of <u>fraction of cents</u> (pence or other unit)
- Effect of a change in a payment schedule (Payment schedule)
- <u>Irregularpayments schedule</u>
- <u>Date inclusionand exclusion</u>
- Balance at date x comparisons

IMPORTANT NOTICE

MLM offers a number of options for the calculations to provide precise results according to the user's situation and the standards, norms and laws in force.

Other calculation software use various norms or options that are not always applied constantly or for which the settings may not be set.

If the user compares these other software with MLM, in the vast majority of situations, MLM may be configured to provide the same results. However, many software contain inconsistencies, flaws or imprecise definitions as to the norms used.

MLM answers the vast majority of norms and laws for North America, Europe, Australia, Africa (excluding the 364 day year) and Asia.

In case of doubt as to the norm that must be applied, use MLM's default settings or consult the laws, by-laws, rules, conventions or the contract applicable to the particular situation.

Effective Rate (Normal) method

The Effective Rate method is the most commonly used interest calculation method for amortization (loans, mortgages, bonds, investments, leases, etc.).

This method states that when a payment is made, it must first serve to refund the column fees, the interest, and then the principal. No matter when a payment is made, interest continues to accrue at an **effective** rate of interest.

- O The US Federal Reserve Board's Regulation Z Truth in Lending allows the use of this rule.
- The European Community opted for this rule in its Directive 98/7/EEC, which modified the previous directive (87/102/EEC) related to integrating the member countries' legislative, regulatory and administrative provisions regarding consumer credit.

This is the most widely used rule in the world and should be used ordinarily. Mortgages are usually calculated with this method.

Interest is computed daily no matter what compounding period is chosen. The interest computed every day is based on the balance and on the effective interest rate, itself computed based on the number of compounding periods in a year and the stated nominal interest rate. The amount of interest generated every day is not linear (as it is in simple interest) but follows a very slightly exponential curve, where the first days in a period generate less interest than the last.

In the interest calculation formula used, the frequency of payments is one of the variables and therefore influences the totals. Since MLM offers complete flexibility (the Payment schedule can be completely modified by the user), a calculation initially done with annual payments (1x per year) and another made with monthly payments (12x per year) for example, while having the exact same other settings (method, compounding, day count, amounts...), will give slightly different totals once the two schedules are changed to become identical (payment amounts and dates).

A nominal rate compounded (or capitalized) x times per year gives the effective rate that is then used for the calculation.

Interest calculation formula:

```
I = C * (1 + t/n) exponent (n * p) - C
```

I = Interest for the period

C = Capital (Principal)

t = Interest rate

n = Number of compounding periods per year

p = Number of payment periods (or fractions of periods)

Margill Loan Manager (MLM) "Normal (Compound, Effective Rate) Equal periods" method vs. "Normal (Compound, Effective Rate) Exact days"

The "Normal – Effective Rate" calculationin MLM offers two options:

- Normal Effective Rate Equal periods
- Normal Effective Rate Exact days

The first: "Normal – Effective Rate Equal periods" calculates interest taking into account equal payment periods in a year:

Payments	Number of periods in a year			
Annually	1			
Semiannually	2			
Quarterly		4		
Monthly	1	2		
Twice monthly	24			
	According to choice of approximate periods or exa periods. See "Weeks in a year"			
Every 28 days	13	12.x or 13.x		
Every 14 days	26	25.x or 26.x		
Every 7 days	52	51.x or 52.x		
Daily	360, 365, 366			
Every x days	360, 365, 366 / x *			
Fraction of a period	Number of days in the chosen payment period / Number of days			
	Example for a monthly payment in January: 31/8 or 30/8 depending the day count method			

^{*} Means 360, 365 or 366 divided (/) by x days

In addition, for irregular periods (long or short periods), a situation exists in terms of respecting the equal weight of each month when calculating interest. A day in the month of February (28 days) must have the same weight as a day in a month of 31 days. MLM uses a weighting method taking account a reference period. Considering the specific intricacies to Margill's methodology, detailed explanations are available for clients upon request.

See also Change in payment schedule

The second: "Normal – Effective Rate Exact Days" uses a method that takes into account the number of days in a period in relation to the number of days in the year.

Payments	Number of periods in a year
Annually	360/360 * 365 or 366 / 360, 365 or 366
Semiannually	360/180 360, 365 or 366 / 182
Quarterly	360/90

	360, 365 or 366 / 91 ou 92
Monthly	360, 365 or 366 / 28, 29, 30 or 31
Twice monthly	360, 365 or 366 / 14, 15 or 16
Every 28 days	360, 365 or 366 / 28
Every 14 days	360, 365 or 366 / 14
Every 7 days	360, 365 or 366 / 7
Daily	360, 365 or 366
Every x days	360, 365, 366 / x
Fraction of a period	360, 365 or 366 / Number of days
	Example: 365/8 or 366/8 or 360/8 according to day count method

* Means 360 divided (/) by 360 = 1

See also Change in payment schedule

Calculation adjustments in version 5.0 (September 2018)

The following fixes will only apply for new loans. Existing loan calculations will NOT be updated with these improved mechanisms:

- Effective Rate Method (Equal periods):
 - Improved interest calculation for payments that are added before the First Payment Date initially entered in the Data window. When payments are added exactly one period (or more exact periods) before the initial First Payment Date, interest now computed using equal periods based on first payment date basis.
 - Fix of odd weighting of payments periods fixed (in exceptional cases)
- For the Effective rate method (Exact days): un-required mathematical weighting taken out.
- For long periods at start of loan, when the First payment date is not exactly x periods after Origination date (example: Origination date Sept. 17 and First payment date Dec. 1), the short period is now at the very start of the loan (Sept. 17 to Oct. 1) as opposed to being before the First date (Nov. 17 to Dec. 1).

Simple Interest (Capitalized)

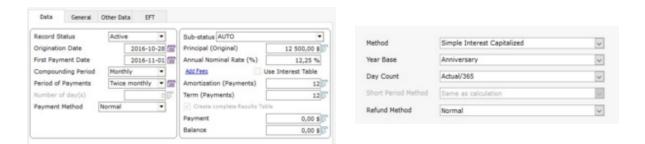
With this method, simple interest is used to compute the interest between the first (previous) payment and the second (next) payment. The interest accrued for this period is then added to the balance and serves as the new balance upon which interest is computed for the next period. It is thus simple interest compounded or capitalized at the **end** of each period.

Margill Loan Manager (MLM) offers two approaches for this method:

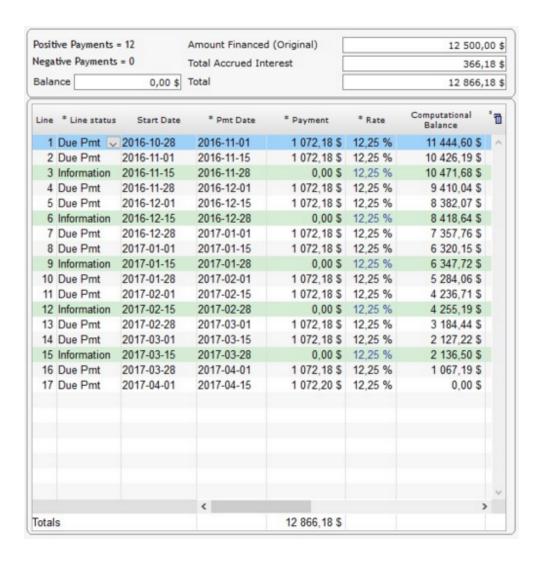
1) Automatic Capitalization at the Loan Origination date

This calculation method will apply capitalized simple interest to the entire Payment schedule without the user needing to capitalize the interest manually. Green lines are included to indicate the capitalization. Default capitalization will start on the loan origination date, but it is possible to start capitalization on any other date, by checking the option in Settings > User settings > Ask Date of first capitalization. See Automatic Capitalization on a later date than the loan origination date) under section (2) below. The anniversary can be annual, semi-annual, monthly, etc., depending on the "Compounding" displayed in the Data window. The accrued interest, neither paid, nor capitalized, calculated with the simple interest is thus capitalized.

In the example below, the compounding (capitalization) is monthly with an Actual/365 Day Count and a biweekly payment frequency (every 1st and 15th of the month).



The capitalization lines are highlighted in green. These lines cannot be deleted (except the last capitalization line of the Payment schedule with the possibility of deleting lines as they become the last line of the schedule).



The calculation to obtain accrued interest for capitalization lines is as follows:

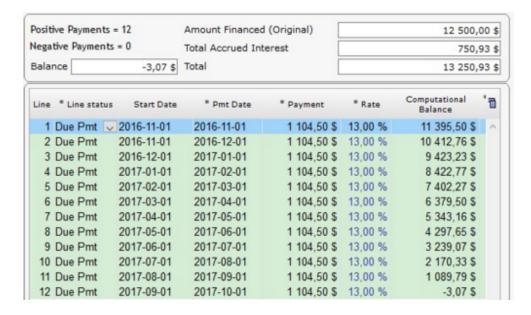
Computational Balance (as opposed to the true balance) of the previous line x Number of days / 365 (or 366 or 360) [depending on the selected day count] x interest rate = Accrued interest

Therefore, to obtain the accrued interest on line 9:

6,320.15 (calculation balance: line 8) x 13 days (from 2017/01/15 to 2017/01/28) / 365 x 12.25% = 27.57



The Line status for a capitalization (in green) will be "Information", unless a transaction is scheduled for the same day, such as a payment or other. In the example below, the payment is scheduled on the 1st of each month and the capitalization are done on the same day. We can recognize the capitalization lines by their green color:



If the payment date is changed on a green line, a new line will automatically be created to consistently meet the mandatory capitalization date.



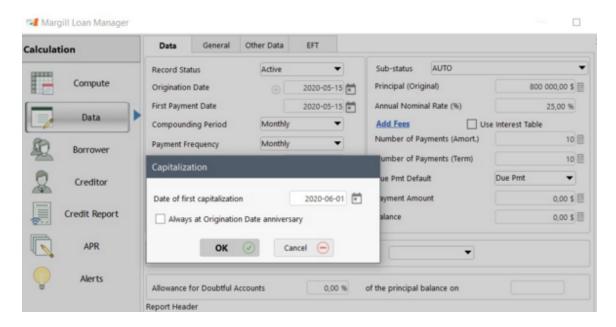
For an irregular capitalization, see the section below: <u>Manual_Capitalization</u> or the <u>Irregular_Interest_Compounding</u> section, in the <u>How to do...</u> chapter.

2) Automatic capitalization on a later date than the loan origination date

This method is identical to the one explained above, except that the capitalization will not take place on the loan origination date. In order to activate this extra option, go to Tools > Settings > User settings tab and select the "Ask Date of first capitalization" options.

✓ Ask Date of first capitalization

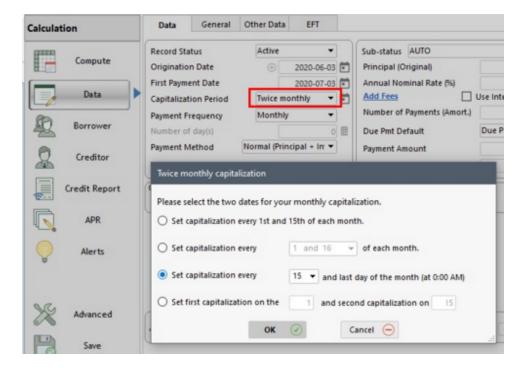
When you select this option, once you have clicked on "Compute" and if the "Capitalized simple interest" method is selected in the "Advanced" tab, the following dialog box will open:



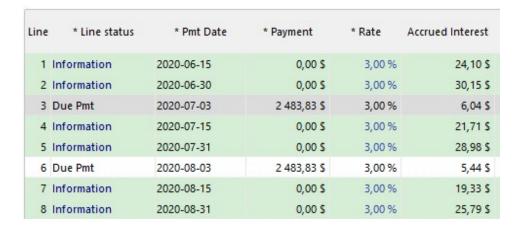
In the example above, payments will be made on the 15th of each month, but capitalization will be made every first of the month starting on June 1st, 2020, as you can see in the Payment schedule below with the help of the green capitalization lines:



Exception: If the chosen capitalization is bimonthly, capitalization dates must be entered directly in the dialog box made for this purpose, which automatically appears when the capitalization is "Bimonthly", and which can be modified by clicking on the "Calendar" icon:



Therefore, in the above example, payments will be made on the 3rd of each month and capitalization will occur on the 15th of each month and on the last day of the month but at 0:00 in the morning, not at the end of day (the 1st would have to be chosen to include a full month), starting at the loan origination date of the Record:



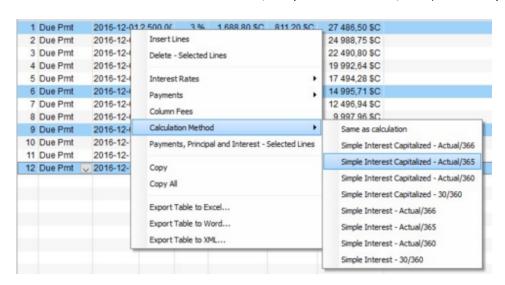
It is not possible to start loan capitalization before the Origination date.

To disable the option, check "Always at Origination Date Anniversary".

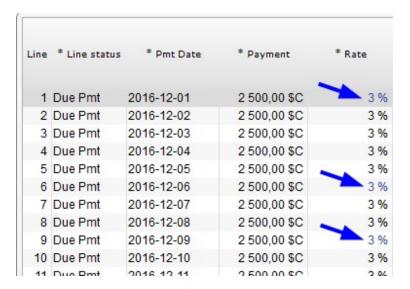
3) Manual Capitalization

This method can be applied to the Payment schedule line by line or simultaneously to multiple lines. To apply to all lines, it is suggested to use the automatic method above.

To obtain the capitalized simple interest method, with the Payment schedule above, select the desired lines (Shift or Ctrl), right click with the mouse and in "Calculation Method" choose, "Simple Interest - Actual/365" (or other Day count).



The Rate column will appear in blue to show that there has been a change in methods.



The Simple interest capitalized method (green lines) will always have precedence over a line that has another calculation method entered manually by the user.

For example, the capitalization is performed on the first day of the month using the Actual/Actual Day count. The Payment schedule ends (last line) on the 16th of the month and the user has decided to change the Day count to Actual/360. The use decides to change the payment on the 16th to the 1st of the next month that is a compulsory capitalization line and thus must follow the rule established initially, the Actual/Actual Day count. The special Day count entered manually by the user will thus be eliminated.

The user could nevertheless "cheat" and insert a line on the 1st of the month above the green capitalization line and enter the desired Day count. The interest will thus be computed as Actual/360 for the period terminating at this date.

See also <u>Irregular interest compounding</u> in the <u>How to do ...</u> chapter.

Simple Interest

The Simple Interest Rule only calculates the interest on the remaining principal and not on interest accrued between payments. No interest is calculated on the interest even if the payment is insufficient to cover this interest.

In business, simple interest (no interest on interest) is often used for short duration loans and even in longer loans but is not the norm. Simple interest is found in the legal arena, as when interest is payable on judgments and particularly in liability matters, but the courts are increasingly considering compound interest, which more accurately reflects "real life."

In simple interest, Margill Loan Manager computes periods as the number of days for the period over the number of days in year as opposed to a fraction of a year. For example, January is 31/365 (or 366) as opposed to being 1/12 of a year.

To obtain equal interest for every month, use the 30/360 day count so that uneven months such as January and February each count for 30/360 or 1/12 of a year.

Year base

When using the Actual/Actual method of the Simple Interest calculation to determine the interest on a loan or a period of a loan (formula: principal balance X yearly interest rate X number of days/number of days in a year), leap year has a subtle effect on the "number of days" (the denominator). Various methods are used to determine whether it will be 365 or 366 days.

One method divides the calculation to take into account, as a reference, the civil year. The example in Table One illustrates the calculation method by which the interest accrued from Nov. 1, 2019, to Dec. 1, 2019, is principal (or balance) X yearly interest rate X 30/365. In the bond market, this is called the ISDA method (International Swaps and Derivatives Association).

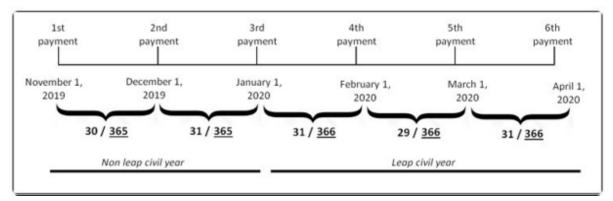


Table One: Civil year method (ISDA)

A second method, slightly more complex, takes into account the payment anniversary date to calculate the base year. The example in Table Two shows the calculation method by which, counting backwards, the number of days are taken from the end of the actual payment period to a year prior. For the interest accrued from Nov. 1, 2019, to Dec. 1, 2019, this method will take into account the anniversary date (December 2019 back to December 2018), to calculate the number of days in that year. Since there are 365 days in this period, 365 will be used as the base. For the March 1, 2020, to April 1, 2020 period, the 366-day basis will also be used, because from April 1, 2020 to April 1, 2019 (counting backwards), there are 366 days.

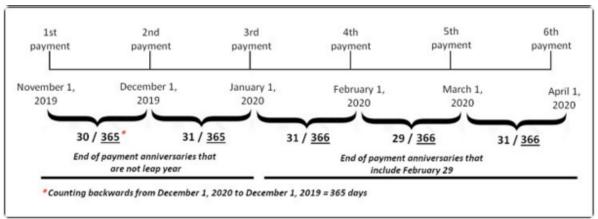


Table Two: Anniversary method

In the bond market, other methods include ISMA (International Securities Markets Association) and the AFB (Association Française de Banques), which borrow aspects of the above methods but with certain subtleties that are not included in MLM.

See also the <u>How to do...</u> > <u>Simple Interest for specific lines only</u> chapter.

U.S. Rule

The **United States Rule**, in compliance with "**Regulation Z - Truth in Lending**", is in fact Simple interest (*Merchant's Rule*) but with an important distinction by which a payment always first reimburses the accrued interest <u>before</u> reimbursing the principal (US Rule applies exactly the same calculation method as Simple Interest).

From Regulation Z Truth in Lending Act, Appendix J

(3) In contrast (to the actuarial method – our addition), under the United States Rule method, at the end of each payment period, the unpaid balance of the amount financed is increased by the finance charge earned during that payment period and is decreased by the payment made at the end of that payment period. If the payment is less than the finance charge earned, the adjustment of the unpaid balance of the amount financed is postponed until the end of the next payment period. If at that time the sum of the two payments is still less than the total earned finance charge for the two payment periods, the adjustment of the unpaid balance of the amount financed is postponed still another payment period, and so forth.

See Simple interest.

Day count

Day count is defined as the method for counting the days in a month and the days in a year for the purpose of interest calculation. The notation used is (days in a month)/(days in a year).

MargillLoan Manager (MLM) includes the four most common day count conventions as well a second 30/360 rule:

- Actual/Actual takes into account the 365-day year and the effect of 366 days for leap year
- **30/360** 12 equal 30-day months, based on a 360-day year
 - O Date adjustment rules (many can take effect, be applied in order, and if a date is changed in a rule, the modified value is used in the following rules:
 - If Date1 is the last day of February, then change D1 to 30.
 - If Date2 is the last day of February, then change D2 to 30.
 - If D1 is 31 then change D1 to 30.
 - If D2 is 31, then change D2 to 30.
 - Number of days formula: (360*(A2 A1))+(30*(M2 M1))+(D2 D1)
 - D1 : start date / D2 : Payment date
 - Y = year, M = month
- 30U/360 (method added in version 4.4) 12 equal 30-day months, based on a 360-day year
 - O Date adjustment rules (more than one may take effect; applied in order, and if a date is changed in one rule the changed value is used in the following rules):
 - If the payment is EOM (end of month) and (Date1 is the last day of February) and (Date2 is the last day of February), then change D2 to 30.
 - If the payment is EOM and (Date1 is the last day of February), then change D1 to 30.
 - If D2 is 31 and D1 is 30 or 31, then change D2 to 30.
 - If D1 is 31, then change D1 to 30.
 - Number of days formula: (360*(A2 A1))+(30*(M2 M1))+(D2 D1)
 - D1 : start date / D2 : Payment date
 - Y = year, M = month
- Actual/360 calculates the actual number of days in the numerator but bases the interest rate on a 360-day year

Actual/365 (Fixed) - same as Actual/Actual but the interest rate is based on a 365-day year, even in leap year

By default, MLM uses the most precise convention, Actual/Actual (the most precise standard also known as Actual/365 but without the adjective "Fixed"). This nomenclature respects the terms used by the **International Standards Organization (ISO)**.

The day count convention usually has a direct effect on the results (not always) since the convention may exclude the effect of leap year or simply interpret a year as having 12 equal months of 30 days each (360-day year) or the particular result of Actual/360 where a year contains 12 unequal months (28, 29, 30 or 31 days – thus 365 or 366 days for 12 months) on a 360-day year!

The day count to use in a loan will depend on the contract, your location, industry, Borrower (consumer or business) and sometimes even simply the popular, but not quite scientific, "we've always done it this way".

Please note: When drafting a loan, lease or other agreement, it is often a good idea to indicate the day count convention. This simplifies future reference.

Short & Long periods

A "short" period payment is defined as a payment made in between two regular payments or when the loan's Origination date is not exactly a full period before the first regular period.

Line	* Line status	Start Date	* Pmt Date	* Payment	* Rate	Mathematical Principal	Accrued Interest	Balance
1	Due Pmt	2016-03-10	2016-04-01	1 106,70 \$	8,75 %	922,11\$	184,59\$	34 077,89 \$
2	Due Pmt	2016-04-01	2016-05-01	1 106,70 \$	8,75 %	858,22\$	248,48 \$	33 219,67 \$
3	Due Pmt	2016-05-01	2016-06-01	1 106,70 \$	8,75 %	864,47 \$	242,23\$	32 355,20 \$
4	Due Pmt	2016-06-01	2016-07-01	1 106,70 \$	8,75 %	870,78\$	235,92\$	31 484,42 \$
5	Due Pmt	2016-07-01	2016-08-01	1 106,70 \$	8,75 %	877,13\$	229,57\$	30 607,29 \$
6	Due Pmt	2016-08-01	2016-09-01	1 106,70 \$	8,75 %	883,52\$	223,18\$	29 723,77 9
7	Due Pmt	2016-09-01	2016-09-11	500,00\$	8,75 %	428,74 \$	71,26\$	29 295,03 \$
8	Due Pmt	2016-09-11	2016-10-01	1 106,70 \$	8,75 %	966,24\$	140,46\$	28 328,79 \$
9	Due Pmt	2016-10-01	2016-11-01	1 106,70 \$	8,75 %	900,14\$	206,56\$	27 428,65 \$
10	Due Pmt	2016-11-01	2016-12-01	1 106,70 \$	8,75 %	906,70\$	200,00\$	26 521,95 \$
11	Due Pmt	2016-12-01	2017-01-01	1 106 70 \$	8 75 %	913 31 %	193 39 \$	25 608 64 5

Loan Origination date March 10, 2016 / regular payments on the 1st of each month Short periods: Lines 1 and lines 7 and 8

Depending on the jurisdiction, in a regular compound interest loan using the Effective rate method, these short periods could be calculated using Simple interest (capitalized when the payment is made) as opposed to compound interest according to the Effective rate method. Some laws or regulations require this simplified calculation method particularly when the loan's Origination date is not exactly a period (generally one month) before the first payment.

For example, if payments are usually made monthly and on the first of the month, an additional payment on the 11th of a 30 day month would create two (2) short periods (of 10 and 20 days respectively). Interest could be computed as follows: 10/365 (or 10/360 depending on the Day count) for the first short period and 20/365 (or 20/360 depending on the Day count) for the second period. Interest is capitalized on the 10th day of the month at midnight.

MargillLoan Manager (MLM) includes eleven methods to calculate the short period:

- 1. Use same as calculation(thus no change in method for short periods);
- 2. Use simple interest with capitalization based on a 366-day year (Actual/366);

- 3. Use simple interest with capitalization based on a 365-day year (Actual/365);
- 4. Use simple interest with capitalization based on a 360-day year (Actual/360);
- 5. Use simple interest with capitalization based on a 360-day year (Actual/360 U);
- 6. Use simple interest with capitalization based on the 30/360 rule;
- 7. Use simple interest based on a 366-day year (Actual/366);
- 8. Use simple interest based on a 365-day year (Actual/365);
- 9. Use simple interest based on a 360-day year (Actual/360);
- 10. Use simple interest based on the 30/360 rule;
- 11. Use simple interest based on the 30/360 U rule.

In the Payment schedule, MLM will indicate the interest in blue when Capitalized Simple interest is used and in green when Simple interest is used. In the example below, with a Compound interest (Effective rate method) lines 7 and 8 use the Capitalized Simple interest method and lines 12 and 13 use the Simple interest method.

5	Due Pmt	2016-07-01	2016-08-01	1 106,70 \$	8,75 %	877,13\$	229,57\$
6	Due Pmt	2016-08-01	2016-09-01	1 106,70 \$	8,75 %	883,52\$	223,18\$
7	Due Pmt	2016-09-01	2016-09-11	500,00 \$	8,75 %	428,74\$	71,26\$
8	Due Pmt	2016-09-11	2016-10-01	1 106,70 \$	8,75 %	966,24\$	140,46\$
9	Due Pmt	2016-10-01	2016-11-01	1 106,70 \$	8,75 %	900,14\$	206,56\$
10	Due Pmt	2016-11-01	2016-12-01	1 106,70 \$	8,75 %	906,70\$	200,00\$
11	Due Pmt	2016-12-01	2017-01-01	1 106,70 \$	8,75 %	913,31\$	193,39\$
12	Due Pmt	2017-01-01	2017-02-01	1 106,70 \$	8,75 %	916,39\$	190,31\$
13	Due Pmt	2017-02-01	2017-03-01	1 106,70 \$	8,75 %	940,96\$	165,74\$
14	Due Pmt	2017-03-01	2017-04-01	1 106,70 \$	8,75 %	933,51\$	173,19\$
15	Due Pmt	2017-04-01	2017-05-01	1 106,70 \$	8,75 %	940,32\$	166,38\$

For "long" periods, thus a period whose length is more than one regular payment period yet not full periods, MLM will determine the last complete period which will be calculated normally and will add the short period that will use the special calculation method.

If a loan's Origination date is January 15, and the first payment June 1st with monthly payments, MLM will create a long period from January 15 to May 14 (midnight) using the calculation's regular method. It will also create a short period from May 15 to May 31 (midnight) that would use the special short method payment method (Actual/365 in the example below).

Line Status	Start Date	Pmt Date	Payment	Rate	Principal	Interest	Balance	Con
Due Pmt	01-15-2006	05-15-2006	\$ 0,00	10,0000 %	\$ -337,52	\$ 337,52	\$ 10 337,52	
Due Pmt	05-15-2006	06-01-2006	\$ 459,77	10,0000 %	\$ 411,62	\$ 48,15	\$ 9 925,90	
Due Pmt	06-01-2006	07-01-2006	\$ 459,77	10,0000 %	\$ 377,05	\$ 82,72	\$ 9 548,85	
Due Pmt	07-01-2006	08-01-2006	\$ 459,77	10,0000 %	\$ 380,20	\$ 79,57	\$ 9 168,65	
Due Pmt	08-01-2006	09-01-2006	\$ 459,77	10,0000 %	\$ 383,36	\$ 76,41	\$ 8 785,29	
Due Pmt	09-01-2006	10-01-2006	\$ 459,77	10,0000 %	\$ 386,56	\$ 73,21	\$ 8 398,73	
Due Pmt	10-01-2006	11-01-2006	\$ 459,77	10,0000 %	\$ 389,78	\$ 69,99	\$ 8 008,95	
Due Pmt	11-01-2006	12-01-2006	\$ 459,77	10,0000 %	\$ 393,03	\$ 66,74	\$ 7 615,92	
Due Pmt	12-01-2006	01-01-2007	\$ 459.77	10,0000 %	\$ 396 30	\$ 63 47	\$ 7 219 62	

If a whole period or periods are removed (lines deleted), MLM will consider this long period with full periods and thus use the calculation's normal method.

Changing a calculation method in the Payment schedule manually

A change in the calculation method can be applied, in the Payment schedule, to one irregular payment or to many.

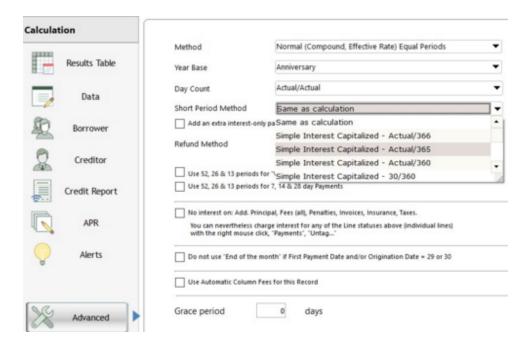
As of MLM version 5.0, these changes must be made manually by the user as he modifies the Payment schedule, since the options for the short method in the data entry widow under the "Advanced" tab are now reserved for the period between the loan Origination date and the date of first payment. To change methods, select the desired lines ("Shift" or "Ctrl" and left mouse click) and right mouse click to choose "Calculation Method". Then select the desired method. The method will then be changed for the selected lines and the interest rate will appear in blue or in green.

Short period and long period calculated between the loan Origination date and the Date of first payment

Two options are available, as of MLM 5.0 in order to define the calculation method between the loan Origination Date and the Date of first payment.

These options are located under the "Advanced" tab of a Record.

Note: These settings will not affect short periods that are subsequently added to the Payment schedule. If the user wishes to apply a calculation method other than his normal method ("Same as calculation"), he will need to add it manually as described in the previous section.



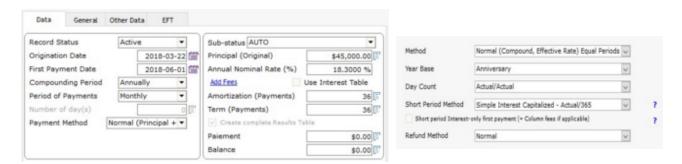
Short Period Method, "Advanced" tab:

This option is often chosen when the "Method" above is "Normal (Compound Effective Rate)".

When a method other than "Same as calculation" is chosen, if the time period between the Origination Date and the First Payment Date is LESS than a regular payment period (one month, one year, one week, etc.) – thus a "Short" period – the interest calculated for this period will use the selected short period calculation method, not the normal method chosen under "Method" above.

The special method will also apply if the time period between the Origination Date and the First Payment Date is MORE than a regular payment period – thus a "Long" period. But be careful, basically, Margill tries to minimize the use of the short period method. Thus, Margill will use the normal calculation method for the regular period(s) included in the long period and will do the short period calculation for the days between the end of the complete initial periods and the first regular payment.

Example of a long period with regular monthly payments: Origination Date 03/22/2018, First Payment Date 06/01/2018



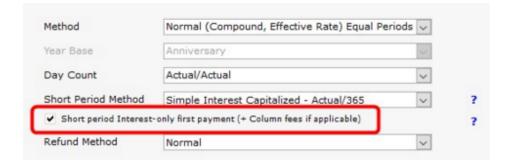
03/22/2018to 05/22/2018(2 full months, normal method, same as calculation) 05/22/2018to 06/01/2018(10 days, short period method - interest rate becomes blue or green) 06/01/2018and subsequent payments (normal method, same as calculation)



The normal method will NOT be changed to the short period method as lines are added at the end of the payment schedule or are inserted between payments, as dates are changed and even if irregular payments are posted. If required, the normal calculation method can be substituted by the short period method, manually, in the payment schedule with the right mouse click (under "Calculation Method").

Short period Interest-only first payment (+ Column fees if applicable) option

Particularly used in mortgages, this option adds an additional payment called the "Interest adjustment date". See the <u>Interest Adjustment Date</u> section in the <u>How to do...</u> chapter.

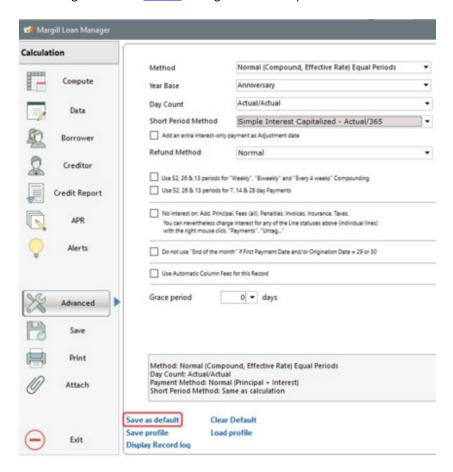


This first payment will not count in the amortization. So for a 60 month loan (entered in Amortization/Term (Payments)), when this option is checked, there will actually be 61 payments, the first being a smaller payment.



Short period default setting

A default short period calculation method may also be specified in the "Advanced" window. Once the setting is set, press on "Save as default". The settings will be the <u>default</u> settings for all subsequent calculations.



A Profile may also be set if certain calculation types require special short period settings. See Profiles.

Leap year

Depending on the settings set by the user, leap year will be factored into the calculation.

To see the effect of leap year, see:

Simple interest

Day count

Weeks in a year (payments & compounding)

Reference date

Margill Loan Manager (MLM) uses as its reference period for calculations, the first payment date as opposed to the Origination Date or calculation Start date. This allows for equal interest for each uniform payment frequency thereafter.

The difference between these reference periods can be seen in certain loans depending on the Origination date and the first payment date.

For example, a loan with a start date of October 15 and a first payment date of February 1 (thus a long period), and with its monthly payments on the first of each month thereafter, Margill will compute the interest from October 15 to November 1 (short period) and afterwards, from November 1 to December 1, from December 1 to January 1, and so forth.

 This is contrary to calculating from October 15 to November 15, from November 15 to December 15, from December 15 to January 15 and from January 15 to February 1 (short period in the middle of an amortization table as was done in versions before MLM 5.0)

Weeks in a year (payments & compounding)

In calculating the amortization when payments or compounding are weekly, biweekly (every 2 weeks), or every 4 weeks, various interest calculation software will use a different number of periods per year. For example, in a 365-day year, weekly compounding may either be 52 times per year or 52.143 times (365/7) or even 52.286 (366/7). Although few norms exist as to the right method, and the difference between both is quite small, Margill Loan Manager (MLM) allows both options.



Either check or uncheck the boxes for number of compounding periods in a year and number of payment periods in a year. This can be done directly in the "Advanced" window and the default setting set with "Set as default" at the bottom left of the window.

In case of doubt as the whether or not the boxes should be checked, use the MLM default settings.

Fraction of cents (or other units)

For simple and compound interest calculations, Margill Loan Manager (MLM) carries out the calculations by accruing the amounts of interest by periods of one month or longer. If the amount of the principal and the interest rate are not sufficient to accrue at least a one-hundredth (0.01) of an interest unit (cent, penny, pence, etc.) for the period in question, no interest will be taken into account.

Thus, MLM should not be used to calculatesmallamounts (under 1.00 unit, for example), as the calculations for such interest will not comply with the formulas in the software.

Change in payment schedule

When a payment line in a Payment schedule is added or eliminated, the reference period for calculating the interest of a new period may be altered. The total interest will thus be slightly different from the total which would have resulted from a calculation done when the eliminated line had a 0.00 payment.

In certain more complex cases (loan including some principal bearing interest and some without interest, 30/360 Day count with an additional line that modifies the Day count, payment of interest in advance), adding or deleting a line, even with a payment of 0.00 (Line status "Information"), could have a significant effect notably because of the interest capitalization that could be calculated on that new date. As of version 5.0, a new Line status called "Information - No Impact" eliminates the effect of adding a line which, in theory, should not have an impact (excluding possible rounding effects) on the total interest accrued.

Irregular payments schedule

Creation of a Table of Irregular Payments

Because the frequency of payments influences the reference period in the calculations in compound interest (effective rate method), the total interest calculated can vary slightly based on the chosen payment frequency.

Consequently, if a table of completely irregular payments is created, it is recommended, to specify the effective (real) interest rate with annual compounding (with annual compounding, by definition, nominal interest rate = effective (real) interest rate) and choose "Irregular" in the "Payment Frequency". In this way, the results will be more precise than if the payments frequencies are chosen at random since an "Irregular" payment frequency uses, in the interest calculation formula, annual payments data.

To compute the effective interest rate from the nominal rate to which is applied a compounding period, use the "Nominal / Effective Rate Converter" from the "Other" button in the Main MLM window.



Date inclusion and exclusion

Loan Start date and loan End date

As in all well developed software, and as is the norm in the industry, the start date ("Origination Date" in Margill Loan

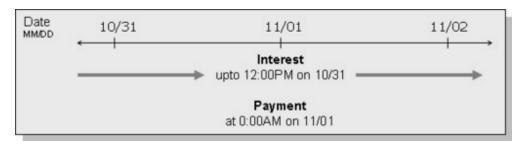
Manager) is included and the final date is excluded.

This is easily explained through this simple example: a start date of January 1 and an end date of January 1 should yield zero interest (thus no 24 hours of interest) as opposed to one day of interest.

Payment date

If a payment is made on the first of the month (November 1 in the example below), the payment will be considered made at the beginning of that day at 0:00 hours in the *morning* (as opposed to the end of day). Interest on that payment will also start at 0:00 AM.

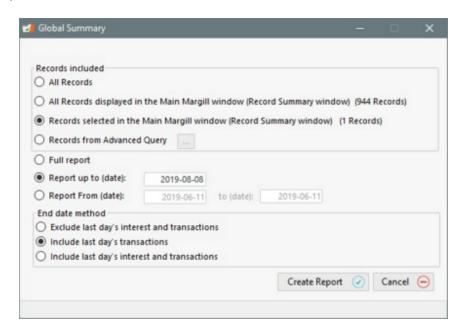
The interest reported on November 1 will be interest up to midnight on October 31. The interest is not computed for November 1 (end date excluded).



Balance at date x comparisons

Margill Loan Manager (MLM) offers powerful tools to obtain totals and balances at any chosen date.

To obtain in the "Global Summary" and the "Record List- Summary" reports, the same balance as in the amortization tables (detailed reports), check "Include the last day's transaction" since the day's interest are EXCLUDED in the detailed reports but the day's transactions are included.



MLM also includes a column in the Payment schedule that shows the balance before payment. To obtain this balance, check "Exclude last day's interest and transactions".

Refund order for Interest, Fees and Principal

Margill Loan Manager (MLM) includes multiple types of "monies" that can be included in the loan. The most obvious ones being:

- Principal (accounting)
- Interest

We can then add various types of fees (taxes or insurance). MLM includes three types of fees that are refunded differently et can therefore be used or not (as required by the user):

- Line Fees
- Column Fees
- APR Fees

Finally, we can add other types of "mathematical principal" with Line statuses. For example, Line status "Other 1" including a negative payment, is added to the "mathematical" principal (loan balance increases) but not to the pure accounting principal.

There are two refund orders, one being the mathematical order and the second the accounting order. These orders are very similar but there are subtleties because of the fact that some monies bear interest and others do not.

Refund orders for versions before 5.0

The following "mathematical refund order" is determined in MLM and cannot be changed:

- 1) Column Fees 1
 - o 1a) Without interest
 - 1b) With Interest
- 2) Column Fees 2
 - o 2a) Without interest
 - o 2b) With Interest
- 3) Column Fees 3
 - O 3a) Without interest
 - o 3b) With Interest
- 4) Column Fees 4
 - 4a) Without interest
 - 4b) With Interest
- 5) Column Fees 5
 - 5a) Without interest
 - o 5b) With Interest
- 6) Column Fees 6
 - o 6a) Without interest
 - o 6b) With Interest
- 7) Interest
 - o 7a) Interest without interest
 - 7b) Interest with interest (including capitalized interest)
- 8) Accounting principal without interest
- 9) Mathematical principal of all other Line statuses
 - o 9a) Without interest

- o 9b) With interest
- 10) Accounting principal with interest and APR Fees Financed (on a pro rated basis)

From an "accounting refund order":

- Only a "Payment" type Line status can refund Column Fees, interest and accounting principal.
- A "Fees" type Line status for example can only be refunded by its corresponding Line status "Fees Paid".

Example of the mathematical refund order before version 5.0:

	Principal	Overdue interest (capitalized)	Accrued interest of the line	Line Fees without interest	Column Fees
			Added amounts		
	5000	80	20	225	65
Total payment = 395	Mathematical refund - Amounts paid				
Refund order	4		2	3	1
Paid Pmt = 275	0	0	20 Balance = 0	190	65 Balance = 0
Paid line fees = 120	85		0	35 Balance = 0	0
Total payment = 395	Accounting refund - Amounts paid				
Paid Pmt = 275	110	80 Balance = 0	20 Balance = 0	0	65 Balance = 0
Paid line fees = 120	0	0	0	120	0

^{*} Accounting balance: Balance according to type of monetary element. For example, interest, principal, Column Fees 1, Line Fees, Insurance, etc., are all components that can be isolated and reported individually.

Post Version 5.0 Refund Order

As of version 5.0 (September 2018) an improved refund order was created for new calculations only (existing calculations maintain the pre-version 5.0 order).

Interest that is capitalized (which is therefore past due) is now refunded, at the mathematical level, before principal and other principal-type amounts added (line-type Fees) that do NOT bear interest. This new approach is more in line with the principal that interest is refunded before principal, even if capitalized. This change in method will only have an effect if principal amounts that do not bear interest are added to the loans. These situations are not very common.

The "mathematical refund order" is established as followed in MLM and cannot be modified:

- 1) Column Fees 1
 - o 1a) without interest
 - o 1b) with interest

- 2) Column Fees 2
 - o 2a) without interest
 - o 2b) with interest
- 3) Column Fees 3
 - o 3a) without interest
 - O 3b) with interest
- 4) Column Fees 4
 - 4a) without interest
 - O 4b) with interest
- 5) Column Fees 5
 - o 5a) without interest
 - o 5b) with interest
- 6) Column Fees 6
 - o 6a) without interest
 - o 6b) with interest
- 7) Interest
 - O 7a) Interest without interest
 - O 7b) Interest with interest (including capitalized interest)
- 7) Principal without interest
- 8) Mathematical Principal of all other Lines Statuses
 - o 8a) without interest
 - o 8b) with interest
- 9) Principal with interest and APR Financed Fees (by proportion)

The "Accounting order" has not been modified as of version 5.0.

Example of mathematical refund order and accounting as of version 5.0 calculations:

	Principal	Overdue interest (capitalized)	Accrued interest of the line	Line fees without interest	Column Fees
			Added amounts		
	5000	80	20	225	65
Total payment = 395	Mathematical refund - Amounts paid				
Refund order	4	2		3	1
Paid Pmt = 275	0	100 Balance = 0		110	65 Balance = 0
Paid Line fees = 120	20	0	0	100	0
Total payment = 395	Accounting refund - Amounts paid				
Paid Pmt = 275	110	80 Balance = 0	20 Balance = 0	0	65 Balance = 0
Paid Line fees = 120	0	0	0	120	0

Refund of APR Fees Financed

When a payment is made, the "APR Fees Financed" are paid based on the proportion related to the original principal. In the following example, for a mathematical principal refund of 1000.00, the portion of paid principal will be 952.38 (95.24%) and the portion of the APR Financed Fees will be of 47.62 (4.76%) since:

Principal portion: 50 000 / 52 000 = 95.24% Fees portion: 2500 / 52 500 = 4.76%

This order can be changed with the Paid Principal Line status and right mouse click. See the "Payment" Type Line Statuses chapter > "Paid Principal" Line status sub-section.

Zero (0.00) payment lines

When the Payment amount is 0.00 and no extra fees are added as Column fees, this is usually simply an information line. Technically, this line shouldn't have any effect on the mathematics. However, in certain very special cases, a line with payment 0.00 could have an effect on the calculated interest, since it could be separating a normal period in two and therefore have an important effect on the interest calculated.

We notice this particularly in calculations using the 30/360 Day count where the month of February, which must count 30 days (even if in reality, it has 28 or 29 days), when divided in short periods, can count less than 30 days. This is an exception that cannot be ignored. This division must change the number of days of interest for that month.

In other more complicated scenarios, also unusual, including, for example a loan with some principal bearing interest and some not bearing interest and when interest (and Column fees) capitalization interest lines are added, "Information" Line statuses (or other payment lines of 0.00) could change the accrued interest. To ensure a strict minimum effect of these lines, it is suggested to use the "Information - No impact" Line status since it was created specially not have any impact on the mathematics for the majority of situations. On the other hand, the "Information" Line status or a payment of 0.00 could have an effect on the mathematics.

* Line status	* Pmt Date	* Payment
Information - No impact	2020-09-03	0,00 \$

Special refund order

Usually, the refund order is:

- 1) Column fees 1
- 2) Column fees 2
- 3) Column fees 3
- 4) Column fees 4
- 5) Column fees 5
- 6) Column fees 6
- 7) Interest
- 8) Principal and APR Financed Fees (by proportion)

This order can be modified line by line in order to change the refund order for Column Fees and the proportion of the Principal and the APR Financed Fees.

See: the Fees, Insurance and Taxes by Column (and Automatic) chapter > Special reimbursement sequences for Column Fees sub-section.

See: the Line status chapter > "Payment" type Line statuses > Refund exclusivity and priority > <u>"Principal" Type Line statuses</u> sub-section.

Refund order 2 (available only upon request)

This special refund sets the accounting refund order as such:

- 1) Interest
- 2) Expected Principal (Accounting principal and APR Financed Fees (by proportion))
- 3) to 8) Column Fees (1 to 6 in that order)
- 9) Principal (Accounting principal and APR Financed Fees (by proportion)(if the payment is sufficient in order for the balances of 1) and 3) to 8) above to be 0.00)

This method is not available by default in the system but on special request only.

In this Refund method, if payments are missed (or partial) and new payments need to be added to compensate these unpaid/partial payments, the Expected Principal would be 0,00 (since not initially planned) for these new lines. In this situation, interest would first be paid, then all outstanding Column Fees and only if the payment was sufficient would principal be paid.

To counter the above, so in order for the compensatory payments to pay interest, then the Expected Principal before Column fees, these compensatory payments should include Expected Principal amounts in the column. Thus, Expected Principal should be added in the new payment lines to compensate for any unpaid or partial payments above and the sum total of Expected Principal will thus be greater than the loan amount. Human intervention will be required for adding this Expected Principal (use the Ctrl Alt Shift x shortcut). This will result in an Expected Principal amount higher than the loan amount and an Expected Principal Balance greater than 0.00. This equation should give 0.00 for proper accounting: Total Expected Principal minus Expected Principal Balance minus Loan amount.

A complete recomputation of the Expected Principal for all Due Pmt lines could also be an option, but this action will eliminate the originally computed Expected Principal amount.

See <u>Activation of "Expected Principal"</u> in order to see how to activate this data when producing the Payment schedule and how to recompute it subsequently, if required, in the Payment schedule.

Interest Refund order - "current" interest versus "capitalized" interest

For detailed explanations of these methods, the second being an exception method, see the <u>Refund Options</u> section in the <u>Margill Loan Manager Calculations</u> chapter.

Calculation of interest on the Outstanding amounts

In the Payment schedule, the "Outstanding - Interest" column computes the interest on outstanding payments and interest on this interest for compound interest.

The calculation of the interest amount simply uses the Rule of Three (cross multiplication).

In Compound interest:

Outstanding interest for the current line =

Total Outstanding Balance (including interest on the outstanding payment) of the line above

DIVIDED by

True* Balance of the line above

MULTIPLIED by

Accrued interest for the current line.

For the computation using **Simple interest**, the first variable "Total Outstanding Balance" is replaced by the "Outstanding Payment Balance", which excludes interest on interest.

^{*} Before version 5.0, Computational Balance was used instead of True Balance. This could have given less accurate results when (rare) important non interest bearing principal (or fees) were mixed in with interest bearing amounts.

Definitions and Glossary

Financial and various terms

30/360:

ISO Nomenclature

Day count based on a 360 day year with exactly 30 days per month even if the calendar months are 28, 29, 30 or 31 days. Made for an easy way to compute normal loans before the advent of more sophisticated computing method. Odd for irregular loans.

Accounting Balance

Balance according to type of monetary element. For example, interest, principal, Column Fees 1, Line Fees, Insurance, etc., are all components that can be isolated and reported individually.

Accrued Interest

Interest that is computed over time whether a payment is actually paid or not. As opposed to Paid interest where a payment must actually be paid (as opposed to due) to pay off interest.

WARNING: Interest could also be considered accrued as soon as calculated. Thus, interest calculated in the future (that will become receivable), that is not necessarily accrued, is still known as "accrued interest".

Accrued Principal (simply called "Principal" in MLM)

Principal that is computed over time whether a payment is actually paid or not. The balance will be reduced by the principal amount when the payment is greater than the accrued interest. If the payment is not sufficient to pay off accrued interest then the principal will become negative (by the accrued interest amount) thus increasing the balance. As opposed to Paid principal where a payment must actually be paid.

Accrued principal is the equivalent of mathematical principal in MLM.

Actual/360: Nomenclature

Day count based on a 360 day year but where months have the true number of calendar days. Can lead to odd computations in favor of the lender. For example 365 days of interest but with interest per day computed to be 1/360.

Actual/365: ISO Nomenclature Also known as Actual/365 (fixed)

Day count based on a 365 day year but where months have the true number of calendar days including leap year.

Actual/Actual: ISO Nomenclature Also known as Actual/365

Day count based on a true calendar year including effect of leap year. Most precise calculation method.

Amortization period:

The paying off of debt in regular installments over a period of time. Such payments must be sufficient to cover both principal and interest. A mortgage may have a 25 year amortization period. Not to be confused with the "Term" of a loan (see below).

Annual Percentage Rate (APR):

The true cost of a loan expressed as a percentage and based on the interest rate and the various compulsory fees, insurance or other charged for the loan.

See also the distinction between Nominal APR and Effective APR.

Alsoknownas Total Charge of Credit (TCC).

Annual Percentage Yield (APY):

The effective, or true, annual rate of return. The APY is the rate actually earned or paid in one year, taking into account the effect of compounding and any fees charged. Also known as Effective (Real) Interest Rate if fees are not included. The rate is included in the MLM APR data window.

Biweekly: Every two weeks.

Capitalize: In the context of Margill Loan Manager, "capitalize" means to compound simple interest at the end of a period as opposed to the effective rate method which computes interest

based on the effective interest rate.

Compound Interest: Interest computed on the sum of an original principal and accrued interest.

The method for counting the days in a month and the days in a year. Day count:

Effective (Real) Interest Rate: The true interest rate that is paid or received on a borrowed or invested sum of money,

as opposed to the nominal rate. Also known as APY (Annual Percentage Yield).

Effective APR: Includes all compulsory administrative and finance fees and takes into account the effect

of the compounding period.

Effective Rate method: Method of calculating interest based on compound interest theory in which the accrued

interest is always paid before the principal and in which interest is calculated every day

based on the effective interest rate (sometimes called "Actuarial method").

Information Card (Borrower, Creditor

or Employer):

Data that is contained in MLM pertaining to these participants in a loan.

Long period: Payment period longer than one normal (regular) payment period but ending before

another complete normal period.

Nominal APR: Includes all compulsory administrative and finance fees but does not take into account

the effect of the compounding period.

Nominal Interest Rate: The interest rate that is applied to borrowed or invested principal without factoring in

compounding. The true rate (effective, or real rate) can vary based on the different

methods of interest calculation.

Interest or Principal that is actually paid (refunded) as opposed to accrued. In MLM, a Paid Interest or Principal

payment must be a true payment as opposed to the payment of a fee, tax, insurance or

other non payment type transaction.

"Paid" Payment All Line statuses that pay principal, interest, Column Fees and APR Financed Fees:

Paid Late Pmt, Partial Pmt, Partial Late Pmt, Paid Pmt Returned Check

Add. Pmt, Compensatory Pmt

Paid Pmt 2 to 10 (names that can be customized) as renamed *

Paid Pmt 11 to 20 (names that can be customized) as renamed **

* The simple fact of renaming a Line status that is not of Payment type Line status (for example renaming "Other 1" to "Paid Payment XYZ") does not change its behavior or effect.

**These payments do not include their "Unpaid" counterparts and only include, for the reports, the amounts per se. The reporting fields that subdivide Interest, Principal, Column fees and APR Fees financed portions are not included.

See also "Payment" Type Line statuses

Principal (Accounting) Accounting principal can only be added to a loan by the original principal entered and by

"Principal" Type Line statuses.

Capitalized interest or adding fees, penalties, taxes, etc., has no influence on the accounting principal. Any payment other than true payments ("Payment" Type Line statuses) does not refund accounting principal.

The accounting principal amounts are in the columns to the right of the Result table ("Balance Due Principal" and "Paid Principal" columns), not in the first columns to the left ("Principal" column which is the mathematical principal - see explanation below).

Principal (Mathematical) All negative payments, regardless of the Line status and any unpaid interest added to the

loan balance, are mathematical principal.

All positive payments ("Payment" type lines, Fees Paid, Insurance Paid, "Other" type lines, etc.) refund mathematical principal.

All increases or decreases in mathematical principal increase or decrease the balance of the loan but not necessarily the accounting principal.

The mathematical principal is located in the left columns of the Payment schedule ("Principal" column).

The mathematical principal amount increases when a payment is negative or when the payment amount is insufficient to pay the accrued interest (this is represented by a negative amount in the "Principal" column).

The mathematical principal amount decreases when a payment is positive, regardless of the Line status (this is represented by a positive amount in the "Principal" column).

Quarterly: A period of three consecutive months.

Semiannually: A period of six consecutive months, therefore, two halves of a year.

Short period: Payment made in between two regular payments or made less than one complete

regular period after the loan origination date.

Simple Interest: Sum collected on a fixed principal. No interest is payable on interest.

Term: The period for which a loan is granted. Not to be confused with "Amortization period".

For example, a 5 year mortgage (5 year term) may have a 25 year amortization period.

Total Charge of Credit (TCC): See <u>APR definition</u> above.

US Rule: Sum collected on a fixed principal. No interest is payable on interest. Same as "Simple

interest".

Computer terms

Assigned: The loan itself, the Borrower (and Co-Borrower and Guarantor), Employer and Creditor

are all in individual databases (tables in technical terms).

By assigning a Borrower to a loan for example, a link is created between these while

keeping the data separate (relational database).

Batch: A set of data processed in a single program run, as opposed to individual transactions

processed in real-time.

Default: The setting that is determined by the software developer (or the user if allowed)

Desktop: In Windows, the screen displayed when the system starts up; the main screen of the

Windows program.

Export: The action of transferring a file to a word processor, spreadsheet or other software, and

converting the file into a format compatible with that software.

Extension: The optional or required three character identification added at the end of all files.

Example: ClientABC.RTF

Field: The zone (box) of a window in which it is possible to enter data.

Also a data element used for reporting.

Folder (Directory): A group of files, or group of folders, placed together under one title. Example: C:\Program

files\MLM.

MLM is often the "folder" and subfolders are contained in it.

A subfolder is a folder in the main folder.

Main MLM window (Record

Summary window):

Window that opens up upon launching Margill. Also called the "Record Summary

Window".

Path: The fully specified name of a file, including the position of the file in the file system's

folder structure.

RTF file: Rich Text Format file (extension .RTF). File with a sophisticated page setup that can be

opened and modified easily in most word processors, all the while conserving the

formatting.

Appendix 1 - Field Characteristics and Lengths

Field Characteristics and Lengths

Section(s)	Tab	Field(s)	Туре	Character length	Notes
Data	Data	Report header	Alphanumeric	Unlimited	
Data	General	File	Alphanumeric	40	
Data	General	File Number	Numeric	15	
Data	General	Туре	Alphanumeric	40	Can be scroll menu
Data	General	Accounting ID	Alphanumeric	20	
Data	General	Other Info	Alphanumeric	Unlimited	
Data / Borrower / Creditor	General (for Data)	Unique Identifier	Alphanumeric	40	
Data		Record Notes	Alphanumeric and images	Unlimited	Possible to format and paste images
Borrower	Notes+	Borrower Notes	Alphanumeric and images	Unlimited	Possible to format and paste images

Field characteristics and lengths of field types for the custom fields (Fields 1 to 9)

Field type	Data type	Maximum length	Number of units	Number of decimals
Text	Alphanumeric	50	NA	NA
Text / Menu (Text)	Alphanumeric	50	NA	NA
Numerical / Menu (Numerical)	Numeric	16	10	6
Monetary / Menu (Monetary)	Numeric	12	10	2
Rate (%) / Menu (Rate (%))	Numeric	7	3	4
Date / Menu (Date)	Date	8	NA	NA
Integer / Menu (Integer)	Numeric	10	10	0

Field characteristics and lengths of field types for the custom fields (Table format)

Field Type	Data type	Maximum length	Number of units	Number of decimals
------------	-----------	----------------	-----------------	--------------------

Text / Menu (Text)	Alphanumeric	1000	NA	NA
Numerical / Menu (Numerical)	Numeric	16	10	6
Monetary / Menu (Monetary)	Numeric	12	10	2
Rate (%) / Menu (Rate (%))	Numeric	7	3	4
Date / Menu (Date)	Date	8	NA	NA
Integer / Menu (Integer)	Numeric	10	10	0

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