

Loan Profiles

The Loan Profiles is used to setup and maintain Loan Profiles (if used) for the credit union. Up to 999 Loan Profile types may be setup on the system.

The Loan Profiles allow the credit union to setup their most commonly used Loans. Once individual profiles have been setup, the employees select the appropriate profile when issuing a loan using the Add Loan Wizard. The system fills in the appropriate options for that loan. This eliminates potential errors from being entered. This selection is also used for changing loan rates that will be used for new loans issued.

****Note:** The Loan Profiles are only available for credit unions that use the Loan Paper (Documents) optional software.
















System Settings - Loan Profiles	
DESCRIPTION	ID
 24 Mo. New Automobile	9
 24 Mo. Used Automobile	7
 36 Mo. New Automobile	10
 36 Mo. Used Automobile	1
 48 Mo. New Automobile	2
 48 Mo. Used Vehicle	8
 60 Mo. New Automobile	3
 ARM 2yr Cost of Funds Q	17
 Commercial Flexline - TBILL + 1	18
 Commercial LOC Prime	19
 Construction Int Only	6
 HELOC 5yr Draw Prime - 1.5%	15
 Home Equity Prime + 1.00%	4
 Home Equity Prime + 1.50%	13
 Line of Credit Prime + 2.0%	20

Figure 1

The Loan Profiles currently on the system are displayed.

Add Loan Profile

To add a new loan profile, click on the Add icon on the ribbon.

Figure 2

Enter the information for the new Loan Profile.

Description of fields - General Tab

Profile Title: Enter a descriptive title for the profile. The maximum length is 30 characters. The title entered here will display as a Loan Profile selection when using the Add Loan Wizard.

Purpose: Select the purpose that describes the reason for the loan. Either the system default values will be displayed in the drop down box or, if the credit union has entered their own purpose descriptions, these will be displayed. The 27 default purpose descriptions are listed below, as well as, a selection for “none”.

None	Mobile Home or Camper
Auto Repair	New Vehicle
Boat and Trailer	Overdraft Advance
Business Investment or Property	Personal or Family Use
Christmas	Purchase of Non-Durable Goods
Consolidated Debts	Real Estate
Current Expense	Recreational Equipment
Education	Refinance Car
Furniture & Appliances	Stock or Bond Purchase

Home Improvements	Taxes
Insurance	Travel Expense
Land or Property	Used Vehicle
Medical/Dental/Funeral	Vacation
Miscellaneous	Vacation or Resort Property

Payment Frequency: The Payment Frequency field defines the frequency that loan payments are required. The valid options are:

Weekly	Quarterly
Bi-Weekly	Semi-Annually
Monthly	Annually
Semi-Monthly	One Payment

Payment Type: The Payment Type field defines how the loan's payment amounts are established. The valid options are:

- **Principal and Interest** - The payment includes principal and interest.
- **Legacy Variable Payment** - The payments vary according to the percentage defined under [[Main Ribbon > System Settings > Variable Payment Setup \(Legacy\)](#)].
- **Legacy Alternate Variable Payment** - The payments vary according to the percentage defined under [[Main Ribbon > System Settings > Variable Payment Setup \(Legacy\)](#)].
- **360 Day Interest** - The payment reflects interest being calculated 360 days a year. Interest is computed during Monthend processing. (Rate / 12 * term of loan in months)
- **360 Day Daily Interest** - The payment reflects interest being calculated during End of Day processing 360 days a year. (Rate / 360 * days in month)

Number of Payments: This optional field indicates the number of payments allocated to pay off the loan. Example: A 48 signifies that the loan will be paid off in 48 payments. (*****Note:** This is more likely not be filled in for Line of Credit or Open End Loans. If not filled in for an Installment/Closed End loan, the loan officer will need to enter the Number of Payments in Loan Documents.)

Interest Rate: This field indicates the interest rate being charged on a fixed rate loan. ****Note:** For profiles with an Indexed Variable Rate type selected, do not enter an interest rate in this field. The initial interest rate is entered in Loan Documents or Loan Setup, which could vary for different loans, and the system looks under [[Main Ribbon > System Settings > Variable Rates and Variable Rate Indexes](#)] to determine the new interest rate when applicable. Also, for profiles with a Variable Rate Legacy code, do not enter an interest rate in this field. The initial interest rate is entered in Loan Documents or Loan Setup and the system looks under [[Main Ribbon > System Settings > Variable Rate Setup \(Legacy\)](#)] to determine the new interest rate at the end of the month or quarter, etc.

Paid Ahead Option: This field determines if a payment is due each and every month regardless of the payment amount paid. The valid options are:

Allowed - The loan's Next Payment Due Date is based on the previous payments made on the loan. The Paid to Date amount is taken into consideration.

Example: Payment Amount = \$100.00. The First Payment Date = 3-10-01. A \$300.00 payment made on 3-10-01. The Next Payment Due Date = 6-10-01.

Not Allowed - The loan requires a payment made each and every month regardless of the previous payments made on the loan. The Paid to Date amount is zero after that month's payment amount is fulfilled.

Example: Payment Amount = \$100.00. The First Payment Date is 3-10-01. A \$300.00 payment made on 3-10-01. The Next Payment Due Date = 4-10-01.

Insurance Method: The insurance method field determines what type of insurance or debt protection coverage may be applied to the loan. The insurance or debt protection options setup by the credit union will display as selections using the drop down box. Select "none" if no insurance or debt protection is offered for the loan profile being setup or if it will be defined at the individual loan level.

Security Code: Select the security code that describes the collateral for the loan. Either the system default values will be displayed in the drop down box or, if the credit union has entered their own security descriptions, these will be displayed. The 16 default security descriptions are listed below.

None - The security code will be defined at the individual loan level.

Boat	Other
Comaker (discontinue using) **	Other Mortgage
Farm Equipment	Partial Share Pledge
FHA Title 1	Recreational Vehicle
First Mortgage	Share Pledge
Furniture	Student
Miscellaneous	Unsecured
New Auto	Used Auto

**Converts to TRW code "unknown".

Late Fee Code: The Late Fee Code defines the type of Loan Late Fee that will be assessed. There are ten (10) different loan late fee options that can be assigned to these loan late fee codes. The "Exempt" Loan Late Fee selection does NOT allow for there to be any late fees assessed to a past due loan. The valid loan late fees are established and descriptions defined by the credit union under [\[Main Ribbon > System Settings > Late Fee Setup\]](#).

Loan Class: Select the Loan Class that defines the type of loan. The options are listed below:

None - The loan class will be defined at the individual loan level.

Closed End Installment Loan
 Open End Revolving Credit Loan
 Line of Credit Loan
 First Mortgage Loan (primary collateral)
 Second Mortgage Loan (real property)
 Home Improvement Loan
 FHA Title 1 Loan
 Term Loan (one payment)
 Student Loan

Loan Status: The Loan Status indicates defining characteristics of the loan. The options are listed below:

- None - The loan status will be defined at the individual loan level.
- **8/10 Split Interim After 10/92** – 8/10 split student loan issued to a member after October 1992. (see Government regulations concerning plan type.)
- **8/10 Split Payout After 10/92** – Original 8/10 split loan was issued after October Student loan that has gone into “payout status”. (see Government regulations concerning plan type.)
- **Auxiliary Student Loan** – Auxiliary has been eliminated. It has been replaced with Supplementary Loans for Students (SLS loans).
- **Balloon** – A loan that has a payment amortized over a long period of time but has a scheduled date when the loan must be paid off before the amortized period.
 - **Example:** Mortgage payment amortized over a thirty (30) year period and will balloon in five (5) years.
- **Bankrupt** – Loan which the borrower has been adjudicated a Chapter VII (Metro 1 reporting) or Chapter XI (Metro 2 reporting) bankruptcy by the Federal Bankruptcy Court. ****Note:** No delinquency notice will be printed when this code is used.
- **Chapter VII** – Loan which the borrower has been adjudicated a Chapter VII and the credit union is named as a secured or unsecured creditor.
- **Chapter XI** – Loan which the borrower has been adjudicated a Chapter XI and the credit union is named as a secured or unsecured creditor.
- **Chapter XII** – Loan which the borrower has been adjudicated a Chapter XII and the credit union is named as a secured or unsecured creditor.
- **Chapter XIII** – Loan which the borrower has been adjudicated a Chapter XIII and the credit union is named as a secured or unsecured creditor.
- **Charge-Off Loan** – A loan that the credit union cannot collect on.
- **Credit Union Loan** – Loan issued to another credit union.
- **Deferred Student Loan** – Used if a student goes into the Peace Corps, military, medical internment or if they return to school. Interest does not accrue (credit union must set the interest rate = 0 to not accrue interest).
- **Deficiency Balance** – A deficiency balance is due after the collateral has been sold and the proceeds of the sale applied to the loan according to the proper foreclosure and repossession procedures. Also used for loans in the collection process.
- **Employee** – Employee of the credit union other than a member of the official family.
- **Foreclosure** – Used when foreclosure procedures have been initiated.
- **Interim After 07/94** – (see Government regulations concerning plan type.)
- **Interim Loan After 10/92** – Guaranteed student loan issued to a member who is in school after October 1992. No payments are required. Interest should not accrue. (credit union must set the Interest Rate = 0 to not accrue interest).
- **Interim Loan After 11/86** – Guaranteed student loan issued to a member who is in school after November 1986. No payments are required. Interest should not accrue (credit union must set the Interest Rate = 0 to not accrue interest).
- **Interim Loan Before 11/86** – Guaranteed student loan issued to a member who is in school before November 1986. No payments are required. Interest should not accrue (credit union must set the Interest Rate = 0 to not accrue interest).
- **Interim Student Loan** – Guaranteed student loan issued to a member who is in school. No payments are required. Interest should not accrue (credit union must set the Interest Rate = 0 to not accrue interest).

- **Judgment** – Used when the member has a judgment outstanding.
- **Member** – Member of the credit union not described with another security code.
- **Official Family** – Member of the Official Family (directors or committee members).
- **Payout After 07/94** – (see Government regulations concerning plan type.)
- **Payout Loan After 10/92** – Original loan was issued after October 1992. Guaranteed student loan that has gone into “payout status”. Student is no longer in school. Payments are required. Interest does accrue.
- **Payout Loan After 11/86** – Original loan was issued after November 1986. Guaranteed student loan that has gone into “payout status”. Student is no longer in school. Payments are required. Interest does accrue.
- **Payout Loan Before 11/86** – Original loan was issued before November 1986. Guaranteed student loan that has gone into “payout status”. Student is no longer in school. Payments are required. Interest does accrue.
- **Payout Student Loan** – Guaranteed student loan that has gone into “payout status”. Student is no longer in school. Payments are required. Interest does accrue.
- **Plus Loans in Interim** – Parent Loan for Undergraduate Students. Repayment begins 60 days after the loan is fully disbursed. (see Government regulations concerning plan type.)
- **Plus Loans in Payout** – Parent Loan for Undergraduate Students. Repayment begins 60 days after the loan is fully disbursed. (see Government regulations concerning plan type.)
- **Servicer Employee** – Employee of the servicer, affiliates, associations, etc.
- **SLS Loans in Interim** – SLS loan in interim. (see Government regulations concerning plan type.)
- **SLS Loans in Payout** – SLS loan in payout. (see Government regulations concerning plan type.)
- **Stafford Unsubsidized Loans** – (see Government regulations concerning plan type.)
- **Stafford Unsubsidized Var Rate** – (see Government regulations concerning plan type.)

Description of fields - Other Tab

Datamatic VIEW

Add Loan Profile

General **Other**

Variable Rate Legacy:

Variable Rate Index: (none) ▼

Introductory Months: Introductory Rate:

Prepaid Fin. Charge: Prepaid Fin. Type: Financed ▼

Risk Base Lending: Not Allowed ▼ Variable Pmt. Index: (none) ▼

Save

Figure 3

Variable Rate Legacy: The Variable Rate Legacy field determines the type of variable rate loan. This also determines when and what the interest rate will be changed to. The valid options are:

Blank = Not a legacy variable rate loan

1-99

****Note:** The Variable Rate Legacy Codes are setup and defined under [\[Main Ribbon > System Settings > Variable Rate Setup \(Legacy\)\]](#).

Variable Rate Index: This field can be used to indicate the Variable Rate product that will be used for loans using this profile, if applicable. The selections in the drop down box are setup under [\[Main Ribbon > System Settings > Variable Rates\]](#).

Introductory Months: This field works together with the Introductory Rate field. If an Introductory Rate is being offered with this profile, enter the appropriate number of months.

Introductory Rate: This field can be used to indicate whether or not an Introductory Rate will be offered for loans using this profile. This field is used in conjunction with the “Intro. Months” field on the General tab in the Loan Documents window. ****Note:** The Introductory Rate is charged from the Open Date on the Loan through the number of Intro Months specified.

Prepaid Finance Charge: This field can be used to enter the amount of the Prepaid Finance Charge that will always apply to loans when this loan profile is selected, if applicable.

Prepaid Finance Type: This field is used to select the Prepaid Finance Type that applies to loans when this loan profile is selected, if applicable. The valid options are:

- Cash
- Financed (default)

Risk Based Lending: This field can be used to indicate whether or not Risk Based Lending procedures will be used for loans using this profile. The options are:

- Allowed
- Not Allowed (default)

The selection for the “**Risk Based Lending**” option on this window takes precedence over [\[Main Ribbon > System Settings > Credit Union Setup > Name and Address tab > Risk Based Lending\]](#). For example, even though the Risk Based Lending option under Credit Union Setup is set to “Allowed”, a specific loan product might be offered not using Risk Based Lending (or vice-versa) by setting up a profile to be used when opening these loans.

Variable Pmt Index: This field can be used to indicate the Variable Payment product that will be used for loans using this profile, if applicable. The selections in the drop down box are setup under [\[Main Ribbon > System Settings > Variable Payments\]](#).

When finished, select Save to save the information and close the window.

Edit Loan Profile

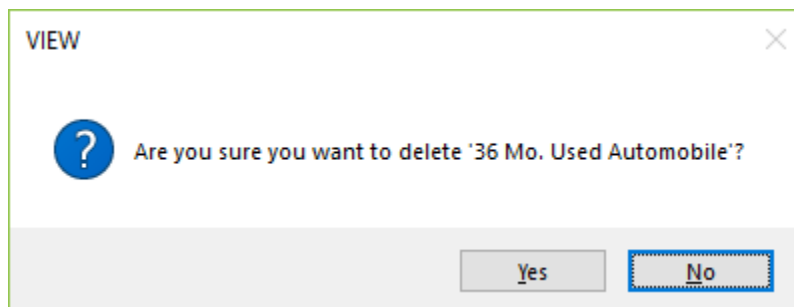
To edit a loan profile, double click on the profile.

Figure 4

After making any necessary changes, select Save.

Delete Loan Profile

To delete a loan profile, click on the delete icon on the ribbon.



To proceed with deleting the loan profile, select yes. Otherwise, select no.