

## Variable Payment Setup (Legacy)

The Variable Payment Setup (Legacy) is used to allow the credit union to enter information or make selections that will affect how the system operates. This would be used by credit unions using **Legacy** variable payment loans.

**\*\*Note:** In order for changes made to this window to be immediately available, employees that were logged in to VIEW must log out and back in.

The screenshot shows a window titled "Datamatic VIEW" with a subtitle "Variable Payment Setup". The window contains four input fields for configuration: "Variable Payment Percent:", "Variable Minimum Payment:", "Alt. Variable Payment Percent:", and "Alt. Variable Minimum Payment:". A "Save" button is located at the bottom right of the window.

Figure 1

### Variable Payment Percent

**Definition:** The percent used (by the system) to determine the payment amount on a variable payment loan. This option works in conjunction with loan Payment Types of “Legacy Variable Payment” or “Legacy Alternate Variable Payment” entered in either Loan Paper, Loan Setup, or Loan Calculator.

**Values:** 1.00 - 99.99

**Purpose:** This field is used to calculate payments based on the Variable Payment Percent. The system will take the specified percent of the balance each time:

- \* member makes a payment
- \* a loan issue is done

**\*\*Note:** Once the payment is calculated by the system, it is adjusted (if necessary) based on the Variable Minimum Payment field. (See next option)

**Examples:** The Variable Payment Percent is 10. Member's balance on his or her loan is \$500.00. Member makes a payment of \$100.00. The member's payment now becomes \$40.00. The Variable Payment Percent is 5. Member's balance on his or her loan is \$1,000.00. The member receives a loan issue of \$500.00. The member's payment now becomes \$75.00.

**Related Functions:** It is helpful to set up Variable Payment loans on SHARE TO LOAN TRANSFER because when the payment amount changes, the transfer amount also changes. The payment amount and the transfer amount must be the same for this to happen.

### **Variable Minimum Payment**

**Definition:** A dollar amount used in conjunction with the Variable Payment Percent (see above option) which prevents the payment amount on a Variable Payment loan from falling below the minimum specified. If a Minimum Payment is not required, the field should be left blank.

**Values:** 1.00 - 99.99

**Example:** The Variable Payment Percent is 10. The Variable Minimum Payment is \$25.00. Member's balance is \$250.00. A payment of \$50.00 is made. Based on the percentage, the new payment should be \$20.00. However, since a Minimum Payment has been specified, the new payment will be \$25.00.

### **Alt Variable Payment Percent**

**Definition:** The percent used (by the system) to determine the payment amount on a variable payment loan. This option works in conjunction with loan Payment Types of "Legacy Variable Payment" or "Legacy Alternate Variable Payment" entered in either Loan Paper, Loan Setup, or Loan Calculator. This option (along with Variable Payment Percent) allows two types of Variable Payment loans and percentages to be utilized on the system.

**Values:** 1.00 - 99.99

**Purpose:** This field is used to calculate payments based on the Alternate Variable Payment Percent. The system will take the specified percent of the balance each time:

- \* member makes a payment
- \* a loan issue is done

**\*\*Note:** Once the payment is calculated by the system, (if necessary) it is adjusted based on the Alternate Variable Minimum Payment field. (See next option)

**Example:** The Alternate Variable Payment Percent is 10. Member's balance on his or her loan is \$500.00. The member makes a payment of \$100.00. The member's payment now becomes \$40.00. The Alternate Variable Payment Percent is 5. The member's balance on his or her loan is \$1,000.00. The member receives a loan issue of \$500. The member's payment now becomes \$75.00.

**Related Functions:** It is helpful to set up Variable Payment loans on SHARE TO LOAN TRANSFER because when the payment changes, the transfer amount also changes. The payment amount and the transfer amount must be the same for this to happen.

**Alt Variable Minimum Payment**

**Definition:** A dollar amount used in conjunction with the Alternate Variable Payment Percent (see above option) which prevents the payment amount on a Variable Payment loan from falling below the minimum specified. If a Minimum Payment is not required, the field should be left blank.

**Values:** 1.00 - 99.99

**Example:** The Alternate Variable Payment Percent is 10. The Alt Variable Minimum Payment is \$25.00. Member's balance is \$250.00. A payment of \$50.00 is made. Based on the percentage, the new payment should be \$20.00. However, since a Minimum Payment has been specified, the new payment will be \$25.00.

After making any necessary changes, tab to Save and press enter or click on Save.