

Participation Lending



**Standard 365
Loans and
Other Loans**

CU*BASE Lending Tools

Rev. February 6, 2012

Standard 365 Loans and Other Loans

Tracking PART/P360 Participation Loan Investor Activity with CU*BASE

INTRODUCTION

Participation lending refers to sharing loan risk and income among partner organizations (investors). The credit union sells or buys all or part of a loan. The investors can be other credit unions or other organizations.

Loans sold to other organizations (investors) are tracked in the **CU*BASE Participation Lending** system.

Loans purchased from other organizations are tracked by assigning a separate G/L account and the **CU*BASE Investment Subsidiary** can be used to accrue the monthly interest.

STANDARD 365 AND OTHER LOAN

PARTICIPATION LENDING

Standard participation loans can be various types of loans that are sold to an investor and are owned 100% or less. These groups of loans are identified by unique investor ID(s) in the **CU*BASE Participation Lending** system. Also, a unique Settlement calculation routine is defined which determines how loan payments are settled with the investor. The loans are set up on the member file either with a 365 daily interest calculation type (standard) or 360-day interest calculation type (other 360 loans).

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http://www.cuanswers.com/client_reference.php
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STANDARD PARTICIPATION LENDING: HOW TO GET STARTED

UNDERSTANDING THE TERMS

<i>Term</i>	<i>Description</i>
Participation Loan	Any loan account on the credit union's books where the risk and income for that loan is shared among one or multiple partners (investors).
Participation Loan Investor (PLI)	The partner credit union or other organization that shares in the investment income and the risk for the loan.
Secondary Market Loan Servicer	An investor that purchases loans from a financial institution.
Government investor	General term for government-sponsored investors such as Fannie Mae, Freddie Mac and FHLB.
P&I Custodial Account	A credit union share account that holds the funds (Principal and Interest) to be remitted to a government investor.
T&I Custodial Account	A credit union share account that stores the reported balances of member escrow (Taxes and Insurance).
FNMA	Abbreviation for Fannie Mae.
FHMC	Abbreviation for Freddie Mac.
FHLB	Abbreviation for Federal Home Loan Bank.
PART	Abbreviation for standard 365 participation loans.
P360	Abbreviation for other 360 participation loans.
360 loan	A loan with an <i>Interest calculation type</i> of "3 = 360 /Post" in CU*BASE. Interest is based on twelve 30 day months, calculated once each month on a specified day.
365 loan	A loan with an <i>Interest calculation type</i> of "0 = 365" in CU*BASE. This is the standard daily interest calculation using a 365 or 366 day year. Interest is accrued each day using a per diem interest amount.
Participation loan type	A code that allows participation loans to be grouped for servicing and reporting.
Settlement calculation routine	The routine that determines how the settlement amounts get calculated when a work file is processed. Valid settlement calculation routines are FNMA (Fannie Mae), FHMC (Freddie Mac), FHLB (Federal Home Loan Bank), PART (standard 365 participation loans), and P360 (other 360 mortgage loans).
Company code	A 3 digit code that identifies companies that service participation loans, i.e. a mortgage CUSO.
Settlement type	The method used for determining how funds are paid to the PLI: AA (Actual/Actual), using actual activity on the loan; SA (Scheduled/Actual), using scheduled interest and actual principal collected from the member or SS (Scheduled/Scheduled), using a set table of principal and interest payment amounts for each month. Note: The SS (Scheduled/Scheduled) settlement type is not

Term	Description
	available for use at this time.

CONFIGURATION

1. Consider if you should set up a separate loan category code for standard participation loans. It is not required. **Refer to Page 67.**
2. Set up the participation loan general ledger accounts. **Refer to Page 76.**
3. Configure Participation loan type code(s) to categorize the loans. **Refer to Page 68.**
4. Configure the investor information. **Refer to Page 69.**
5. Configure the Settlement calculation routine PART or P360. **Refer to Page 73.**
6. Configure Company codes if applicable (not required). **Refer to Page 75.**

CREATE LOANS

7. Using the information from the investor, create loans in the participation loan system. **Refer to Page 10.**

Note: The loan should already be set up on the CU*BASE loan file.

KEY ITEMS TO REMEMBER

The participation loan system is basically a subsidiary ledger, similar to Investments or Fixed Assets, that retains details about loans sold to other investors. Loan payment activity is collected from the member transaction file, pulled into a temporary work file, and settlement routines are run to calculate the amount of interest and principal owed to each individual investor for each loan. This process interfaces with your General Ledger to record interest and principal amounts.

Below is a list of a few key items that you need to know about the participation loan system.

ALL INVESTORS

- Each PL investor is configured with their own unique set of parameters.
- It is important to understand the rules for the specific investor (for remitting payments, deadlines for reporting to investor, etc.). Refer to investor contractual guidelines.
- A participation loan work file is processed to gather details about member loan payments for use in calculating settlement amounts. Some investors process multiple work files during the month and some process only once a month.
- Work file processing is based on a configured *Settlement calculation routine* which defines how the loans are handled in settlement. Available routines include: FNMA (Fannie Mae), FHMC (Freddie Mac), FHLB (Federal Home Loan Bank), PART (standard participation loans) or P360 (other 360 loans).

- Be sure to process a final settlement work file for all loans for an investor before moving to the next settlement period.
- The balances for principal and accrued interest in the participation loan file should be kept in sync with the corresponding PL General Ledger accounts. (Principal and Accrual G/L).
- For 360 loans, the participation loan interest accrual is independent of the member interest accrual. This is a separate step that occurs monthly.
- A Company Code is used to identify companies that service your participation loans such as a mortgage CUSO. These loans are processed separately in settlement.
- For 365 loans, when partial payments are received, the PL system calculates the appropriate percentage of principal and interest based on the PLI % of participation.
- Line of credit (LOC) type loans cannot be set up in the participation loan system.

GOVERNMENT INVESTORS (FNMA, FHMC, FHLB)

- The system contains edits to ensure that all the monthly processing steps occur in the correct order. Because of these edits, the system requires all loans within a *Settlement calculation routine* (i.e. FNMA) to be settled prior to moving to the next settlement period. This is regardless of whether or not there was payment activity on the loans.
- It is crucial that the *Day to Calc Int* on the loan category configuration and the PL *Monthly interest accrual day on the Settlement calculation* configuration are set up as follows:

<i>Settlement Calculation Routine</i>	<i>Day to Calc Int (member file)</i>	<i>PL Interest Accrual Day</i>
FNMA(Fannie Mae)	31	01
FHMC(Freddie Mac)	15	16
FHLB	31	01

Note: Since these are 360-day interest day calculation loans, the member interest accrual will occur in end-of-day (EOD) processing on the *Day to Calc Int* defined on the loan category configuration.

- For delinquent loans, the *Past Due Interest* field is populated during PL interest accrual (similar to how delinquent 360 loans are handled on the member file). This applies to loans with the AA (Actual/Actual) *Settlement Type*.

- After government reporting, it is critical that PL interest is not accrued until the exceptions from the investor are reviewed. That way any adjustments can be made in the appropriate settlement period.
- Payoff transactions received during the month must have interest adjusted in the work file (unless occurred on the first day of the cycle, just after interest accrual).
- The system will calculate interest “on the fly” for paid ahead payments similar to the “Instant Interest Calc” method used on the member loan file. This applies to loans with the AA (Actual/Actual) *Settlement Type*.

MONTHLY PROCESSING

Below are the recommended monthly processing steps for standard 365 and other 360 participation loans. These loans are generally settled with the investor once a month at month end.

Important Note: *You must always run a work file at month end regardless of whether there is loan payment activity. This is so that system control dates are updated properly.*

1. Run MNPART #2 “Member Activity on Part Loans” to check for payment activity. This report is run by investor. If there is payment activity, a work file should be run. Refer to **Page 26**.
2. Run MNPART #3 “Unfunded Participation Loan Report” to check for unfunded participation loans (open in the member loan file, but not on the participation loan file). This report is run by loan category. Refer to **Page 28**.

*If there are unfunded loans, add them to the participation loan system. Refer to **Page 10** for the steps to add a loan to the PL system.*

3. Run MNPART #4 “Paid Off Loan Report” to check for loans that are paid off on the member loan file. Refer to **Page 29**.

*If there are paid off loans, it is recommended (but not required) to run a separate work file for each paid off loan. Be sure to review the interest amounts in the work file and make any appropriate adjustments. **Refer to Page 30**.*

4. Run a work file via MNPART #5 ‘Create/Post PL Payment Work File’ using the appropriate month end date. Review the PL Settlement Detail Report. Edit and then Post the work file.

Posting the work file creates a G/L journal entry and updates the PL history and PL master file.

5. Run MNPART #6 ‘Create/Post GL Journal Entries’ to post the journal entries.

IMPORTANT NOTE: *Do not change any of the journal entry amounts.*

6. Verify the participation loan general ledger principal balance and accrued interest totals* to the PLI Trial Balance Summary principal balance and accrued interest totals (MNPART #17).

**Use MNPART #14 ‘G/L History Inquiry’ to view the G/L balances or use option #16 “Print G/L Financial” to print a financial that contains the participation loan G/L account balances.*

Special Step for P360 Loans

7. Run MNPART #11 to 'Accrue Interest for 360 Loans'. **Refer to Page 45.**

RECONCILIATION

The participation principal loan balances and interest accrued amounts on the Participation Loan Trial Balance Summary should always equal the appropriate participation loan general ledger balances.

For research purposes, you can run and save the Settlement Activity Report which provides history detail of participation loans. **Refer to Page 54.**

OTHER MONITORING

Delinquency can be monitored using the Participation Loan Delinquency Analysis report which provides the investor portion of the delinquent balances. Refer to **Page 59** for information on this report.

WORKING WITH PARTICIPATION LOAN ACCOUNTS

ADD/MAINTAIN A PARTICIPATION LOAN

MNPART #1 "Add/Maintain Participation Loans"

Session 0 CU*BASE GOLD - Participation Loan Inquiry/Update

Cancel F7
Search Investors F12

PL investor # 002
- Or -
Loan account
- Or -
Reference #

(2661) [Learn About This Feature](#)

This is the first of several screens used to add, view and/or work with participation loan accounts. You can attach loans to investors, view an investor's current position on a loan, review settlement history on loan accounts, and post adjustments to the participation loan records.

- To work with all loans for a specific investor, or to attach new loans to any investor, enter the PL investor # and use **Enter** to proceed to the second screen.
- To work with an existing participation loan account, enter either the loan account base and suffix or the reference number (up to 20 alphanumeric characters) attached to the participation loan record, then use Enter to proceed to the second screen. (This method cannot be used unless the account is already tied to an investor.)

*CU*TIP: Use **F12-Search Investors** to view a list of current Participation Loan Investor (PLI) codes. The screen shown on **Page 69** will appear with the listing of configured investors. Use the **Select (S)** option to select an investor or the **View (5)** option to view an investor.*

The second screen will look slightly different depending on what was entered on the initial screen.

Screen 2 (if PLI # was entered on initial screen):

HINT: Use F11-Toggle to change the sort between Account and Reference # .

Session 0 CU*BASE GOLD - Participation Loan Inquiry/Update

Participation Loan Inquiry/Update

PL investor # **003 TEST INVESTOR 003**

Last Settlement
 Total PL principal balance **46,375,823.56**
 Total PL interest due **162,094.47**

Account	Type	Seq #	Name	Reported Month	Reported Balance	Reference
502	001			May 31, 2011	383,755.64	
513	001			May 31, 2011	755,615.57	
514	001			May 31, 2011	729,695.01	
511	001			May 31, 2011	1,340,314.63	
512	001			May 31, 2011	1,340,314.63	
503	001			May 31, 2011	884,272.82	
500	001			May 31, 2011	874,441.12	
504	001			May 31, 2011	502,067.37	
500	001			May 31, 2011	895,402.61	
509	001			May 31, 2011	367,114.75	
506	001			May 31, 2011	656,932.92	
500	001			May 31, 2011	219,676.52	
501	001			May 31, 2011	435,883.86	
550	001			May 31, 2011	1,067,701.28	
517	001			May 31, 2011	1,067,701.28	
505	001			May 31, 2011	194,890.19	

Backup F3
 Add F6
 Cancel F7
 Sort by Reference F11
 Search Investors F12

Change Delete PL Inquiry Member Inquiry

[2665] 10/07/11 13:00:08

Screen 2 (if Loan Acct was entered on initial screen)

Session 1 CU*BASE GOLD - Participation Loan Inquiry/Update

Participation Loan Inquiry/Update

Loan account **270 790**

Last Settlement
 Total PL principal balance **66,373.32**
 Total PL interest due **228.16**

Account	Type	Seq #	Name	Reported Month	Reported Balance	Reference
270	790	001	JOHN M	Jun 30, 2011	66,373.32	4007166269

Backup F3
 Add F6
 Cancel F7
 Sort by Reference F11
 Acct Analysis F15

Change Delete PL Inquiry Member Inquiry

[2665] 8/23/11 13:43:58

This screen shows all loans currently attached to investors or the single loan account selected. Use the fields at the top of the screen to choose a different PLI or a different loan account. Use **Enter** to refresh the screen.

Field Descriptions

Field Name	Description
Account	The participation loan account.
Type	The participation loan account suffix.
Seq #	A sequence number attached to this record. The number is incremented if a loan is added to the same investor multiple

<i>Field Name</i>	<i>Description</i>
	times.
Name	The member name.
Reported Month	For PART and P360 loans, this is the last time that a settlement work file was posted for the loan. For government investors, this is the last date the loan was reported to the investor.
Reported Balance	For PART and P360 loans, the balance on the loan account as of the last time the loan had a settlement work file posted.
Reference	The reference number. This is user defined and can be used when printing reports or when locating this record for maintenance and inquiry. (not required for PART/P360)

Command Keys

<i>Command Key</i>	<i>Description</i>
F3-Backup	Use this to return to the previous screen.
F6-Add	Use this to attach a new loan account to this investor.
F7-Cancel	Use this to return to the menu.
F11-Toggle Sort	Use this to toggle sort between account or reference #.
F12-Srch PLI	Use this to view a list of the current configured participation loan investors.
F15-Acct Analysis	Use this to view an analysis of all investor positions on this loan.

- To create a new participation loan and attach it to an investor, use **F6-Add** to proceed to the Participation Loan Setup screen (shown on **Page 13**).
- To modify an existing account, select it in the list and use the **Change (2)** option to proceed to the Participation Loan Setup screen (shown on **Page 13**).
- To view details for an account without changing anything, select it in the list and use the **PL Inq (5)** option. A view-only version of the Participation Loan Setup screen (shown on **Page 13**) will appear.
- To view current details about a loan account using CU*BASE Member Account Inquiry, select the account in the list and use the **Mbr Inq (I)** option.
- To delete a participation loan so that it is no longer tied to an investor, select it in the list and use the **Delete (4)** option. You will receive a delete confirmation window.

Note: Only loans paid to a zero balance should be deleted so that investor G/L accounts remain in balance.

Change (2) or View (5)

Session 0 CU*BASE GOLD - Participation Loan Setup

Participation Loan Setup CHANGE

PL investor # 003 Reference #

Loan account 82 502 RITA Original loan amt 430,000.00 Settlement calc routine PART

PL type 90 TEST GROUP PART LOANS Sequence # 1 Settlement type AA

Current Loan Status		Servicing Information	
Current balance	426,395.16	Loan rate is	5.250
+ Interest	5,397.04	Payment	2,375.28
+ Delinquency fine	0.00	Next scheduled payment	Jun 12, 2011
- Insurance rebate	0.00	Last payment date	May 05, 2011
= Loan payoff	431,792.20	Last payment amount	2,390.00
		Loan maturity date	Nov 12, 2015

Last Settlement Detail		PLI Terms	
Reported date	May 31, 2011	Status	EXISTING
Term	2 S	PLI loan rate	3.500
PLI principal balance	383,755.64	PLI % of participation	90.00
PLI interest due	956.76	PLI original investment	384,248.57
Principal paid	492.93	PLI projected payment	1,739.85
Interest due paid	294.77	PLI start date	Apr 27, 2011 [MMDDYYYY]
Total settlement	787.70	PLI end date	Nov 12, 2015 [MMDDYYYY]
Monthly income earned	1,251.53		

Action code

Action date [MMDDYYYY]

If the PLI % of participation is not 100%, be sure that the PLI original investment amount is manually calculated using the PLI % (Loan balance X PLI %).

Backup F3 Add Update F5 Cancel F7 Adjustment F9 Acct Inq F12 History F13

Acct Analysis F15

(2662) 10/01/11 15:50:50 Learn About This Feature

Session 0 CU*BASE GOLD - Participation Loan Setup

Participation Loan Setup VIEW

PL investor # 003 Reference #

Loan account 82 502 RITA Original loan amt 430,000.00 Settlement calc routine PART

PL type 90 TEST GROUP PART LOANS Sequence # 1 Settlement type AA

Current Loan Status		Servicing Information	
Current balance	426,395.16	Loan rate is	5.250
+ Interest	5,397.04	Payment	2,375.28
+ Delinquency fine	0.00	Next scheduled payment	Jun 12, 2011
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Total settlement	787.70	PLI end date	Nov 12, 2015
Monthly income earned	1,251.53		

Action code

Action date

If the PLI % of participation is not 100%, be sure that the PLI original investment amount is manually calculated using the PLI % (Loan balance X PLI %).

Backup F3 Cancel F7 Acct Inq F12 History F13 Acct Analysis F15

(2662) 10/01/11 15:44:52 Learn About This Feature

This screen shows details about this participation loan account, both from the credit union's perspective (Current Loan Status/Servicing Information) as well as the investor's point of view (Last Settlement Detail/PLI Terms).

For a new participation loan, start by entering the *Ln Acct* and *PL Type* (if not already defaulted). Use **Enter** to pull in existing loan account information. Then fill in the PLI terms (*PLI loan rate*, *PLI% of participation*, *PLI original investment*, *PLI projected payment*, *PLI start date* and *PLI end date*). The *Next Interest Accrual Date* must be entered for P360 loans. Refer to **Page 18** for additional information on adding new loans.

Be sure that the PLI original investment amount is manually calculated correctly using the PLI% (Loan balance X PLI%).

When done making changes, use **F5-Add/Update** to save the record.

Field Descriptions

Field Name	Description
General	
PL investor #	The Participation Loan Investor code and name. See Page 69 for information on configuring Participation Loan Investors.
Company code	This is a 3 digit code that identifies companies that service participation loans, i.e. a mortgage CUSO. Note: If no Company Codes are configured at your credit union, this field will not display.
Reference #	This is the reference number and is user defined for PART/P360. This reference number can be used when printing reports as well as when locating this record for maintenance or inquiry.
Loan account	If creating a new record, use these fields to enter the loan account base and suffix. If modifying an existing record, the loan account cannot be changed.
PL type	This is a 2 digit code used to identify a group of loans. If a PL Type is defined on the investor record, it will default here. This is a required field. See Page 68 for a discussion of Participation Loan Type codes.
Original loan amount	This shows the original loan amount for the member loan account. This is the original amount borrowed, regardless of investor positions.
Sequence #	A sequential number assigned to this record, for situations where the same loan is assigned multiple times to one investor. (the same investor owns multiple portions of a loan at different rates or terms, for example).
Settlement calc routine	The routine that determines how the settlement amounts get calculated when a work file is processed. Valid settlement calculation routines are FNMA (Fannie Mae), FHMC (Freddie Mac), FHLB (Federal Home Loan Bank), PART (standard 365 participation loans), and P360 (other 360 mortgage loans).
Settlement type	The method used for determining how funds are paid to the investor: either by AA (<i>Actual/Actual</i>), taking into account actual activity on the loan or SA (<i>Scheduled/Actual</i>), taking into account scheduled interest and actual principal collected from the member. Note: The SS (<i>Scheduled/Scheduled</i>) settlement type is not available for use at this time.
Current Loan Status	
This section shows the loan from the credit union's point of view, with details coming from your credit union's member loan files.	
Current balance	The current balance on the loan account, as shown in your

<i>Field Name</i>	<i>Description</i>
	CU*BASE member files.
+ Interest	The total amount of interest owed on the loan.
+ Delinquency fine	The amount of delinquency fines owed, if any.
- Insurance rebate	Any insurance premium rebates due back to the member.
= Loan payoff	For 365 interest calculation type loans, this field calculates the current balance plus any interest and delinquency fines, minus any insurance rebates, to show the current loan payoff amount. For 360 interest calculation type loans, this field calculates the current balance plus delinquency fines, minus insurance rebates, to show the loan payoff amount. This is a starting payoff amount. An interest adjustment is necessary to arrive at the final payoff amount.
Servicing Information	
This section also shows the loan from the credit union's point of view, with details coming from your credit union's member loan files.	
Loan rate is	The interest rate on the loan account.
Payment	The amount of the regular payment, including principal and interest.
Next scheduled payment	The due date for the next payment.
Last payment date	The date the last payment was made on the loan account.
Last payment amount	The amount of the last payment made on the loan.
Loan maturity date	The loan maturity date.
Last Settlement Detail	
This section shows the status of this participation loan from the investor's point of view, as of the last time a settlement was posted.	
Reported date	The last date that this loan had a settlement work file posted.
Term	This shows the term for this loan as of the last settlement. The term is counted starting when the first normal settlement is posted. See Page 32 for details on posting settlement. Next to the term, you will see either an "S" for Settlement or "A" for Adjustment. This indicator shows whether the information in this section represents a regular settlement posting, or an adjustment transaction. See Page 19 for details on posting adjustments.
PLI principal balance	The principal balance of the investor's portion of the loan as reported at the last settlement (the amount owed to the investor representing the principal on the loan).
PLI interest due	The amount of interest on the investor's portion of the loan principal balance as reported at the last settlement (the amount owed to the investor representing the accrued interest due on the loan).
Principal paid	The total amount of principal paid from the last settlement work file.
Interest due paid	The total amount of interest paid as reported in the last

<i>Field Name</i>	<i>Description</i>
	settlement work file.
Total settlement	The total of principal and interest paid from the last settlement work file. <i>Principal paid + Interest paid = Total settlement</i>
Monthly income earned	The amount of income that was accrued on the investor's outstanding balance for the settlement period.
Action code	The Action code defined by the government investor. This applies to FNMA and FHLB only and is not required.
Action date	The date that the Action code is effective for the government investor.
PLI Terms This section shows the terms from the investor's perspective showing the investor's portion of this loan.	
Status	The current status of this participation loan: EXISTING - This participation loan has already had a settlement work file processed. NEW - This participation account is new and has not had a settlement work file processed. CLOSED - This participation account is closed.
PLI loan rate	Enter the interest rate the investor earns on the loan. This field has three decimal positions. (08750 = 8.750%).
PLI % of participation	The percentage (up to 100) of the loan that is owned by the investor (this field has 2 decimal positions).
PLI original investment	Enter the total amount of investment by this investor for this loan account. This informational field is not affected by changes to the loan account or settlement activity. For PART/P360 loans, be sure that this field is manually calculated correctly using the PLI% (Loan balance X PLI%).
PLI projected payment	The estimated payment amount to the investor for this loan account. This is an informational field.
PLI start date	Enter the date the loan was funded with the investor. Note: This is the begin date for processing in the PL system and will determine when to start accruing interest and picking up payments from the member history.
PLI end date	The date on which this investor's position in the loan ends. Generally, this is the loan maturity date from the member loan file. This field is informational only, the loan will still process normally in the PL system when the PLI end date is reached.
Last settlement date	The last time a settlement work file was posted for the loan.
PL past due interest	This is the amount of past due interest on the participation loan and applies to FNMA, FHLB and P360 AA (Actual/Actual) loans only. This field is populated during PL interest accrual. Field only displays for FNMA, FHLB and P360 loans.
Rural development flag	A Y indicates that this is a Rural Development mortgage loan. Note: Only mortgage loans should be flagged as RD loans.

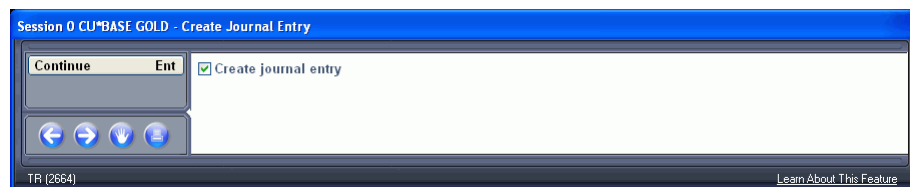
<i>Field Name</i>	<i>Description</i>
Next interest accrual date	The month and year (MMYYYY) that interest will next be accrued on the participation loan system for this loan. This field is only used for 360-day interest calculation type loans and defaults based on the <i>Monthly Interest Accrual Day</i> from the Settlement Calculation Routine Configuration. This field only displays for FNMA, FHLB and P360 loans.

Command Keys

<i>Command Key</i>	<i>Description</i>
F3-Backup	Use this to return to the previous screen without saving any changes.
F5-Add/Update	Use this to save all changes. If creating a new record, a window will appear to allow you to choose whether or not to create a journal entry batch for posting to your general ledger.
F7-Cancel	Use this to return to the menu without saving any changes.
F9-Adjustment	Use this to post a loan payment adjustment to the participation loan. The screen shown on Page 19 will appear.
F12-Acct Inq	Use this to view Member Account Inquiry for this loan account.
F13-History	Use this to view a history of all settlement and adjustment transactions posted to this participation loan. The screen shown on Page 21 will appear.
F15-Acct Analysis	Use this to view an analysis of all investor positions on this loan.

Note: The loan must exist in the member loan file to be added to the participation loan system.

If creating a new participation loan, the following window will appear when **F5-Add/Upd** is used to save:



If this box is checked, a J/E batch will be created and will await posting to your general ledger. Use the Create/Post Journal Entries command (MNPART #6 or MNGELE #1) to post the journal batch.

Note on *PLI start date* – If an incorrect *PLI start date* is entered on a new loan, the loan must be deleted and re-added to the participation loan system. You cannot change the *PLI start date* after the loan has been added. It is recommended that you only change the *PLI start date* prior to when payments are posted to the loan history. If you delete and re-add the loan with a correct *PLI start date* after payments are posted, you will need to re-post the history activity from the original *PLI start date*. Remember to not check the "Create journal entry" box if the new loan has already posted to the G/L.

New Loans

Standard participation loans (PART) are set up with a *Settlement calculation routine* of PART and have a *Settlement type* of AA (Actual/Actual). Other 360 loans (P360) are set up with a *Settlement calculation routine* of P360 and have a *Settlement type* of AA (Actual/Actual). When adding new loans to the participation loan system, keep in mind the following:

- For P360 loans, the *Next Interest Accrual Date* should be set to the same month and year as the first payment due date on the loan (as per the contract with the investor).
- For loans less than 100% owned by the credit union, the *PLI original investment* must be calculated correctly based on the *PLI%* (Loan balance X *PLI%*).
- *PLI loan rate* must be less than the member loan rate and typically is .25% less than member rate.
- *PLI start date* is set to funding date per the contract with the investor.
- *PLI end date* typically equals the maturity date on the loan based on the contract with the investor.

PARTICIPATION LOAN ADJUSTMENT

F9-Adjustment

Make sure that the Transaction posting date is dated properly. This date is used for the journal entry and for PL history.

Session 2 CU*BASE GOLD - Participation Loan Adjustment

Participation Loan Adjustment

PLI 003 TEST INVESTOR 003 Reference #
 Loan acct # 02 502 RITA Original loan amount 430,000.00
 PL type 90 TEST GROUP PART LOANS Sequence 1

Transaction posting date Oct 03, 2011 [MMDDYYYY] Last settlement date May 31, 2011
 Transaction description PLI ADJUSTMENT Principal balance (before) 383,755.64

	G/L Acct	Debit	Credit	Balance	Adjusted Balance
Principal paid	716.01	0.00	0.00	492.93	492.93
Interest due	853.01	0.00	0.00	956.76	956.76
Interest paid	117.01	0.00	0.00	294.77	294.77
Total settlement	899.03	0.00	0.00	787.70	787.70
Offset G/L acct	0.00	0.00	0.00	0.00	0.00
Total		0.00	0.00	Net 0.00	Principal balance (after) 383,755.64

Backup F3
 Create J/E F5
 Cancel F7
 Refresh Ent

(2648) 10/03/11 08:18:55

This screen is used to post an adjustment to a loan account in the participation loan system, with a corresponding entry created for posting to the general ledger. The *Balance* column represents amounts from the most recent settlement. After pressing **Enter**, the *Adj Balance* column will reflect updated balances based on entries made on this screen.

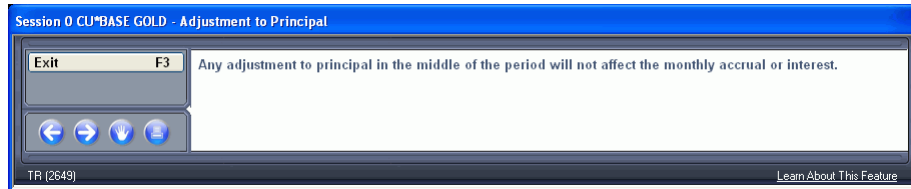
Some possible uses for this feature:

- To adjust the participation amounts due to errors or incorrect information posted during the settlement process, i.e. an adjustment to interest.
- When converting from a paper system to the online tracking system, an adjustment might be needed to bring the balances exactly in line.

*Remember that many of these situations can be handled during a settlement by updating the work file before it is posted. The method you use depends on the situation and whether you wish to have a separate adjustment transaction recorded in the PL general ledger. (See **Page 40** for details about editing a settlement work file.)*

The adjustment screen typically is not used for non-government loans (PART or P360) because these loans generally only settle once a month to the investor and adjustments done during the month will not be included in the monthly investor reporting. For PART/P360 participation loans, adjustments are done when editing the settlement work file and therefore will display on the Final Settlement Detail Report.

When done, use **Enter** to refresh the screen and check for any errors. Note: The *Principal Balance (After)* will reflect the updated balance to be posted. Then use **F5-Create J/E** to post the transaction to the participation loan and create a journal entry batch that gets posted to the G/L.



This is a reminder that any changes to principal will result in a new “starting” principal amount used by the settlement calculations. In other words, the new, adjusted principal balance will be considered “retroactive” to the start of that settlement period, and will be used when calculating interest accruals for settlement. **To avoid confusion, we recommend that adjustments that affect principal be done immediately after settlement has been posted, or handled as a change to the settlement work file itself, rather than a separate adjustment transaction.** (See **Page 40** for details about editing a settlement work file.)

Use **Enter** to complete the transaction.

***IMPORTANT:** Remember to use the “Create/Post Journal Entries” command (MNPART #6) to post the journal entry to the general ledger.*

Field Descriptions

Field Name	Description
Transaction posting date	Enter the date to which this transaction should be posted.
Transaction description	Enter a description for this transaction. The default is PLI ADJUSTMENT but it can be changed.
Last settlement date	The last date on which a settlement was posted for this participation loan.
Principal balance (before)	The participation loan principal balance prior to adjustments made on this screen.
Principal paid Interest due Interest paid Total settlement	Use these fields to enter the amounts to be debited or credited to the appropriate G/L accounts for this loan. The G/L Accounts shown represent the accounts that will be debited or credited. An error message will appear upon using Enter if both a debit and credit entry are placed on the same line: 3015-Both debit and credit amounts cannot be greater than zero.
Offset G/L acct	This line is used to post offsetting entries using an activity “clearing” or settlement account, or could represent the cash offset account. Enter both the G/L account number and the debit or credit amount.
Principal balance (after)	The participation loan principal balance after adjustments made on this screen.

PARTICIPATION LOAN HISTORY

F13-History

Session 2 CU*BASE GOLD - Participation Loan Settlement History

Participation Loan Settlement History

PLI 003 TEST INVESTOR 003 Reference #
 Account # 68 550 JOE Original loan amount 1,200,000.00
 PL type 90 TEST GROUP PART LOANS Sequence 1

Settlement Date	Term	Principal Balance	Interest Due	Principal Paid	Interest Paid	Total Settlement	Monthly Income
Oct 12, 2010		1,077,415.89	0.00	0.00	0.00	0.00	0.00
Oct 31, 2010	1	1,077,415.89	2,523.82	0.00	0.00	0.00	2,523.82
Nov 30, 2010	2	1,075,747.87	3,046.18	1,668.02	2,656.65	4,324.67	6,502.83
Dec 31, 2010	3	1,075,105.11	3,313.69	642.76	4,641.94	9,609.37	7,955.63
Jan 31, 2011	4	1,074,901.03	2,385.40	204.00	5,036.81	14,850.26	7,422.21
Feb 28, 2011	5	1,072,928.93	2,645.59	1,972.10	3,445.58	20,267.94	6,091.17
Mar 31, 2011	6	1,070,361.90	3,826.92	2,567.03	2,910.15	25,745.12	6,737.07
Apr 30, 2011	7	1,069,400.05	3,427.95	961.85	4,354.77	31,061.74	7,782.72
May 31, 2011	8	1,067,701.28	3,817.41	1,698.77	3,691.64	36,452.15	7,509.05

Cancel F7
Add F13

(2655) 10/03/11 08:24:47 Learn About This Feature

This screen shows a history of all transactions posted to this participation loan including regular settlement activity as well as any adjustments posted manually. Notice the Term column showing the term for which the settlement applies. If an “A” appears after the term number, this transaction represents an adjustment manually posted after settlement. (See **Page 16** for details on posting manual adjustments.)

Making corrections to the history file is only done in rare instances. Contact a representative of the SRS Mortgage Servicing Team mortgageservicing@xtendcu.com for help with adjustments to the history file.

PARTICIPATION LOAN ACCOUNT ANALYSIS

F15-Acct Analysis

Session 0 CU*BASE GOLD - Participation Loan Analysis

Participation Loan Analysis

Loan account # 66 605 CHARLES R Reference 29

Summary

Current balance 13,965.25
 Interest due 49.68 Interest rate 5.400
 Scheduled payment 390.66 Part % 90.00

Detail

PLI	Investor Name	Last Settlement Balance	Last Settlement Interest	Last Settled	Projected Payment	PLI Rate	Part %
5	MIDWAY CREDIT UNION	12,185.37	62.95	Sep 15, 2011	390.66	4.400	90.00
Total		12,185.37	19.10		390.66	4.400	90.00
Net CU		1,779.88	30.58		0.00	5.400	10.00

Backup F3
 Cancel F7

(401) 11/02/11 12:04:18 [Learn About This Feature](#)

This screen displays when you use **F15-Acct Analysis**, either from the initial Participation Loan Inquiry/Update screen (when a single loan account is selected, as shown on **Page 11**) or from the Participation Loan Setup screen (shown on **Page 13**).

This screen is used to view an analysis showing all investor positions on this loan, including your credit union's interest as the originating credit union, and a breakdown of all other investors who own a portion of this account.

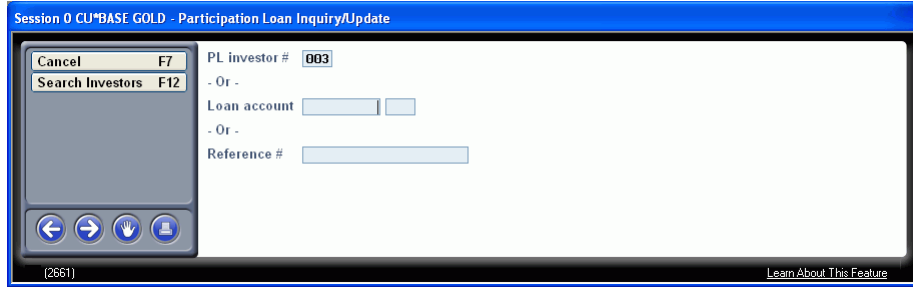
- The "Summary" section shows the loan account as it stands on your credit union's books as the servicing credit union.
- The "Detail" section shows all portions of the loan owned by investors, as of the last settlement date.
- The "Net CU" information shows the net difference between the balance of the loan on your credit union's books, minus the balances owned by other investors.

This screen is generally used to view loans that are owned less than 100% by the investor (i.e. for PART or P360 participation loans).

*For a report with similar information as this inquiry screen, refer to **Page 52**.*

PARTICIPATION LOAN INQUIRY

MNPART #13 "Participation Loan Inquiry"



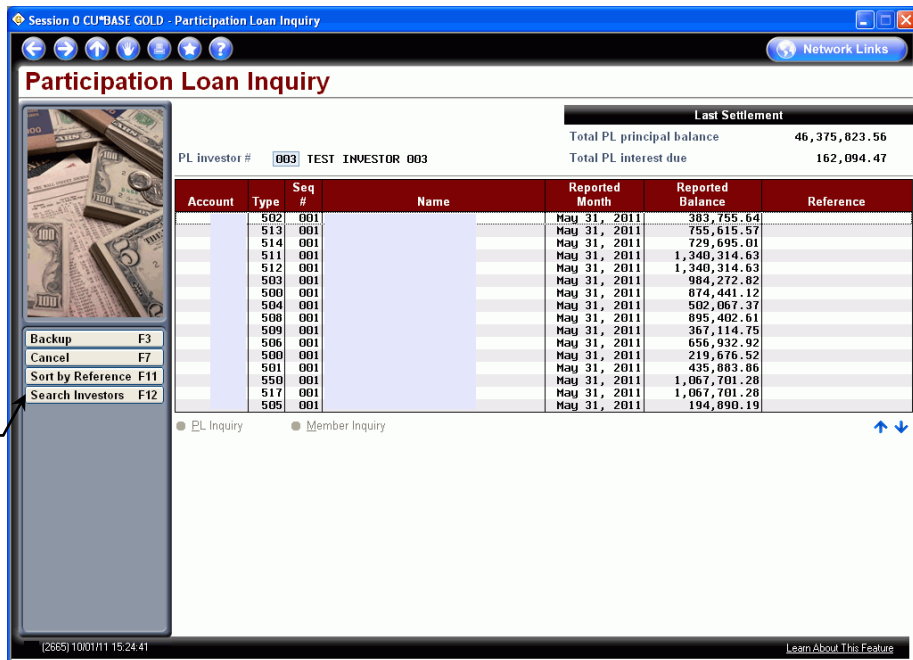
This is the first screen used to view participation loan accounts. You can view general information about the loan and also view an investor's current position on a loan or review settlement history on a loan.

- To work all loans for a specific investor, enter the PL Investor # and use **Enter** to proceed to the next screen.
- Enter either the loan account base and suffix or the reference number attached to the participation loan record, then use **Enter** to proceed to the second screen.

*CU*TIP: Use **F12-Search Investors** to view a list of current Participation Loan Investor (PLI) codes. The screen shown on **Page 69** will appear with the listing of configured investors. Use the **Select (S)** option to select an investor or the **View (5)** option to view an investor.*

The second screen will look slightly different depending on what was entered on the initial screen.

Screen 2 (if PLI # was entered on initial screen):



HINT: Use F11-Toggle to change the sort between Account and Reference # .

Screen 2 (if Loan Acct was entered on initial screen)



This screen shows all loans currently attached to investors or the single loan account selected. Use the fields at the top of the screen to choose a different PLI or a different loan account. Use **Enter** to refresh the screen.

Field Descriptions

Field Name	Description
Account	The participation loan account.
Type	The participation loan account suffix.
Seq #	A sequence number attached to this record. The number is incremented if a loan is added to the same investor multiple times.
Name	The member name.
Reported Month	For PART and P360 loans, this is the last time that a settlement work file was posted for the loan. For government investors, this is the last date the loan was reported to the investor.
Reported Balance	For PART and P360 loans, the balance on the loan account as of the last time the loan had a settlement work file posted.
Reference	The reference number. This is user defined and can be used when printing reports or when locating this record for maintenance and inquiry. (not required for PART/P360)

Command Keys

Command Key	Description
F3-Backup	Use this to return to the previous screen.
F7-Cancel	Use this to return to the menu.
F11-Toggle Sort	Use this to toggle sort between account or reference #.

Command Key	Description
F12-Srch PLI	Use this to view a list of the current configured participation loan investors.
F15-Acct Analysis	Use this to view an analysis of all investor positions on this loan.

- To view details for an account without changing anything, select it in the list and use the **PL Inq (5)** option. A view-only version of the Participation Loan Setup screen (shown on Page 11) will appear.
- To view current details about a loan account using CU*BASE Member Account Inquiry, select the account in the list and use the **Mbr Inq (I)** option.

Session 0 CU*BASE GOLD - Participation Loan Setup

Participation Loan Setup VIEW

PL investor # 003 Reference #
 Loan account 82 502 RITA Original loan amt 430,000.00 Settlement calc routine PART
 PL type 90 TEST GROUP PART LOANS Sequence # 1 Settlement type AA

Current Loan Status		Servicing Information	
Current balance	426,395.16	Loan rate is	5.250
+ Interest	5,397.04	Payment	2,375.28
+ Delinquency fine	0.00	Next scheduled payment	Jun 12, 2011
- Insurance rebate	0.00	Last payment date	May 05, 2011
= Loan payoff	431,792.20	Last payment amount	2,390.00
		Loan maturity date	Nov 12, 2015

Last Settlement Detail		PLI Terms	
Reported date	May 31, 2011	Status	EXISTING
Term	2 S	PLI loan rate	3.500
PLI principal balance	383,755.64	PLI % of participation	90.00
PLI interest due	956.76	PLI original investment	384,248.57
Principal paid	492.93	PLI projected payment	1,739.85
Interest due paid	294.77	PLI start date	Apr 27, 2011
Total settlement	787.70	PLI end date	Nov 12, 2015
Monthly income earned	1,251.53		
Action code			
Action date			

If the PLI % of participation is not 100%, be sure that the PLI original investment amount is manually calculated using the PLI % (Loan balance X PLI %).

Backup F3 Cancel F7 Acct Inq F12 History F13 Acct Analysis F15

(2662) 10/01/11 15:44:52 Learn About This Feature

This screen shows details about this participation loan account, both from the credit union's perspective (Current Loan Status/Servicing Information) as well as the investor's point of view (Last Settlement Detail/PLI Terms).

Refer to **Page 14** for detailed descriptions of the fields on this screen.

SETTLEMENT/WORK FILE PROCESSING

REVIEW MEMBER ACTIVITY

MNPART #2 "Review Member Activity on Participation Loans"



Field Name	Description
Corporate ID	Corporation ID, defaults to 01.
Transaction date range	The range of dates for the member activity.
PL investors	This is a Select button that allows you to select one or multiple investors to print on the report. (See Page 69 for information about configuring PLIs.) A value is required, blank is none.

Before running a settlement work file, run this report to review member payment activity on the selected loans. Enter the *Transaction date range* and the *PL investors*. The report is viewed on the screen and printed via **F14-Print** if desired.

To help determine the *Transaction date range*, check the last time that a settlement work file was processed. For example, if the last payment work file was posted for 1/31/11 and today is 2/10/11, then use 02/01/2011 to 02/09/2011 for the date range.

Keep in mind that this report can be run using any date range, but will only provide activity if transactions exist on the member transaction files. The prior 12 months of member activity is available.

Session 1 CUMBASE GOLD - Member Activity on Partic. Loans

Member Activity on Participation Loans

CORP 01 AREA CREDIT UNION

Date range Jul 01, 2011 to Jul 31, 2011

Total tran amount	160,679.51
Total principal	160,679.51
Total interest	70,950.69

DLI	Loan Acct	Trn Date	Trn Amount	Principal	Interest	Res Balance	Description	Description 2
001	780	7/01/2011	276.78	190.44	78.34	18,603.60	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PAYM
001	780	7/01/2011	3.22	3.22	0.00	18,600.38	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PRIN
001	780	7/16/2011	276.78	199.28	77.50	18,401.10	PHONE TRANSFER	MBR-ELECTED PAYMENT
001	780	7/16/2011	276.78	200.11	76.67	18,200.99	PHONE TRANSFER	MBR-ELECTED PAY AHEA
001	781	7/01/2011	397.00	227.98	169.02	45,057.26	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PAYM
001	781	7/01/2011	302.20	302.20	0.00	44,755.06	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PRIN
001	781	7/16/2011	397.00	229.97	167.03	44,525.09	PHONE TRANSFER	MBR-ELECTED PAYMENT
001	781	7/16/2011	397.00	230.83	166.97	44,294.26	PHONE TRANSFER	MBR-ELECTED PAY AHEA
001	780	7/01/2011	694.10	639.97	54.13	12,683.85	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PAYM
001	780	7/01/2011	305.90	305.90	0.00	12,377.95	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PRIN
001	780	7/01/2011	687.60	500.81	186.79	46,609.07	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PAYM
001	780	7/01/2011	62.40	62.40	0.00	46,626.67	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PRIN
001	780	7/01/2011	308.01	102.89	205.92	35,839.85	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PAYM
001	780	7/01/2011	59.18	59.18	0.00	35,899.03	XFER FOR ESCROW	
001	781	7/01/2011	539.50	372.99	166.51	49,581.35	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PAYM
001	781	7/01/2011	0.50	0.50	0.00	49,580.85	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PRIN
001	781	7/01/2011	162.26	162.26	0.00	49,743.11	XFER FOR ESCROW	
001	780	7/01/2011	480.96	241.95	239.01	41,476.06	AUTO. FUNDS TRANSFER	AFT MBR-ELECTED PAYM

Account Inquiry

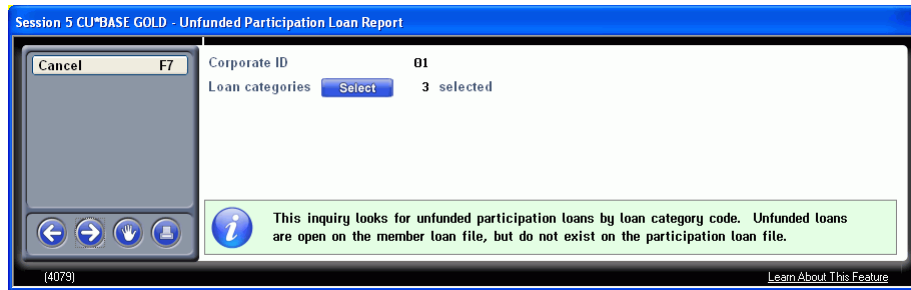
Backup	F3
Cancel	F7
Sort by Account	F10
Print Report	F14

4084 80211 9:17:10 [Learn About This Feature](#)

Refer to **Page 61** for detailed information on this report.

REVIEW UNFUNDED PARTICIPATION LOANS

MNPART #3 "Review Unfunded Loans"

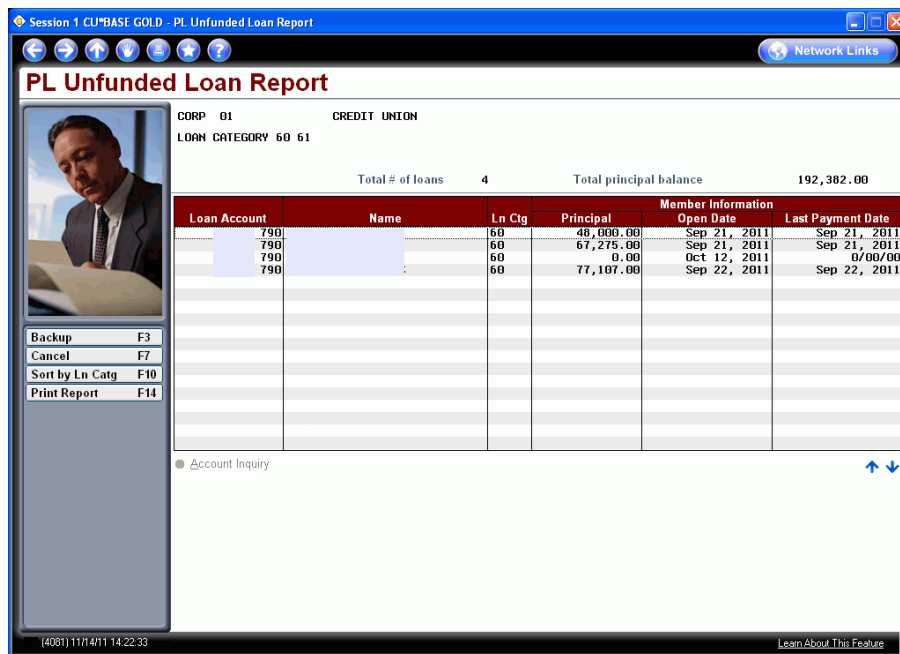


Field Descriptions

Field Name	Description
Corporate ID	Corporation ID, defaults to 01.
Loan categories	This is a select button that allows selection of 1 or more loan category codes. At least one entry is required.

Before running a settlement work file, run this report to identify unfunded (new) loans by loan category code. The report is viewed on the screen and printed via **F14-Print** if desired.

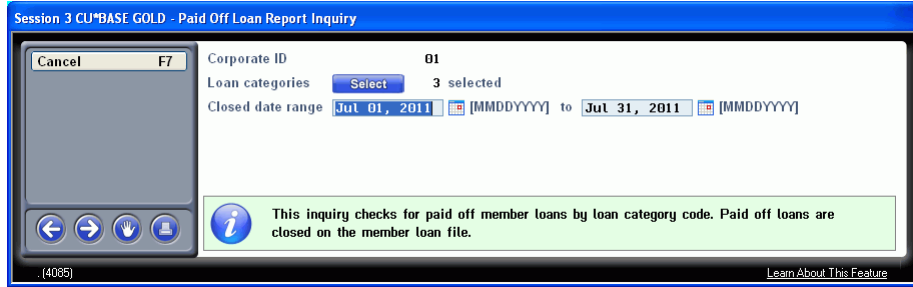
Unfunded loans are open on the member file, but do not exist on the participation loan file. This report helps to identify new loans that should be added to the participation loan system and loans waiting to be funded by a government investor. Refer to **Page 10** for the steps to add a loan to the PL system.



Refer to **Page 63** for detailed information on this report.

REVIEW PAID OFF MEMBER LOANS

MNPART #4 "Review Paid Off Loans"



Field Descriptions

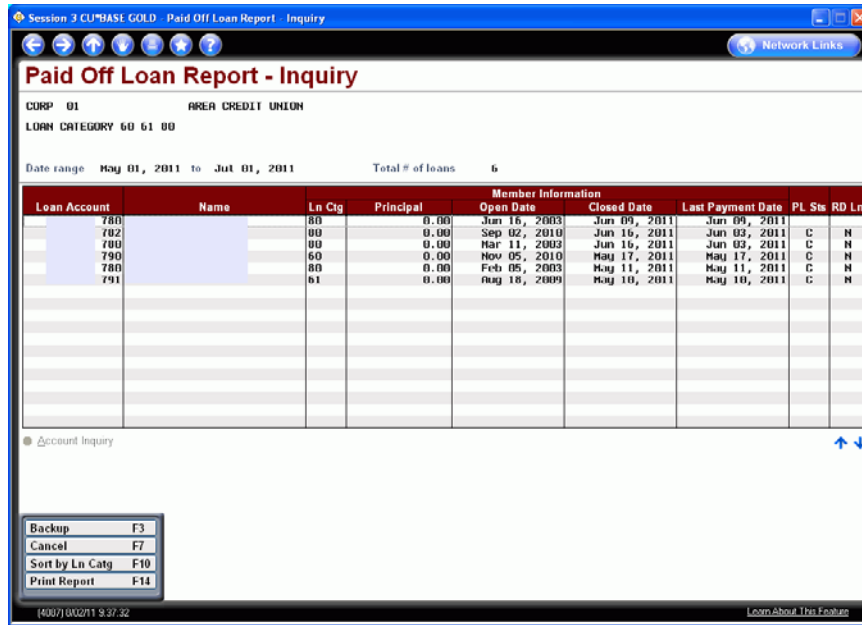
<i>Field Name</i>	<i>Description</i>
Corporate ID	Corporation ID, default is 01.
Loan categories	This is a select button that allows selection of 1 or more loan category codes. At least one entry is required.
Closed date range	This is the closed date range based on the date the loan closed on the member file.

Before running a settlement work file, run this report to identify closed (paid off) member loans. The report is viewed on the screen and printed via **F14-Print** if desired.

The report is used to identify paid off loans. If the participation loan status is an "E" (Existing), the closed loan is open on the participation loan system.

This report may be helpful for cleaning up the participation loan files. By identifying the closed (paid off) member loans, the loans with a participation loan status "C" (Closed) can be manually deleted from the participation loan system by accessing MNPART #1 'Add/Maintain Participation Loans', selecting the loan, then clicking **Delete**.

Note: Be sure that the principal and interest is paid to zero in the work file before deleting the loan from the participation loan files.



Refer to **Page 64** for detailed information on this report.

PROCESSING PAID OFF LOANS

For standard 365 loans (PART), payoffs generally do not need an adjustment in the work file because interest accrues daily through the current day and will stop calculating as of the payoff date. Depending on the size of the loan, payoffs can be handled same day (PART loans), the next day (P360 loans), or at the next month end settlement.

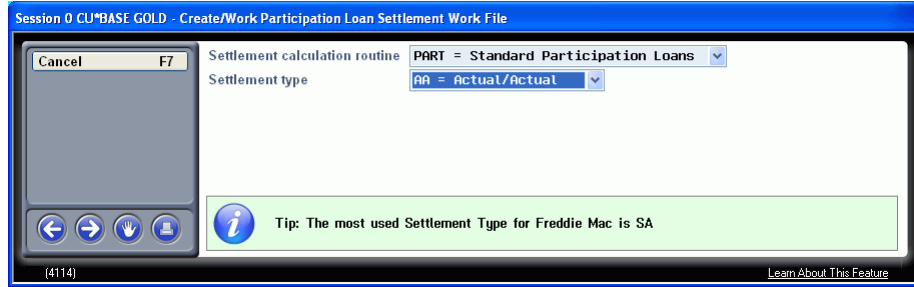
Note: For PART loans, a work file run for a single loan account will include same day payoff transactions.

For other 360 loans (P360), review the below loan payoff scenarios and the appropriate interest adjustment needed. Examples are based upon a *Next Interest Accrual Date* of the 1st of the month and a *PLI* loan rate of 5.00%.

Loan Payoff Date	Principal Balance	Last Pmt	Past Due Interest	Interest Due (current)	Manual Interest Adjustment in Work File	Resulting Interest Paid
6/4/11	\$94,899	April	\$395.42	\$395.42	Clear <i>Interest Due</i> and adjust <i>Interest Paid</i> to include both <i>Past Due Interest</i> and <i>Interest Due</i> plus payoff adjustment of \$39.00 (3 days of interest for June 1-3 rd)	\$829.84 (\$395.42+ \$395.42 + \$39.00)
6/4/11	\$94,899	May	\$0.00	\$395.42	Verify <i>Interest Due</i> equals zero and adjust <i>Interest Paid</i> by \$39.00 (3 days of interest for June 1-3 rd)	\$434.42 (\$395.42 + \$39.00)
5/25/11	\$94,899	May	\$0.00	\$0.00	Adjust <i>Interest Paid</i> to \$312.00 (24 days of interest for May 1-24 th)	\$312.00
5/25/11	\$94,899	June	\$0.00	\$0.00	Adjust <i>Interest Paid</i> to \$-78.00 (6 days interest refunded May 26-31)	\$-78.00

CREATE/POST PL PAYMENT WORK FILE

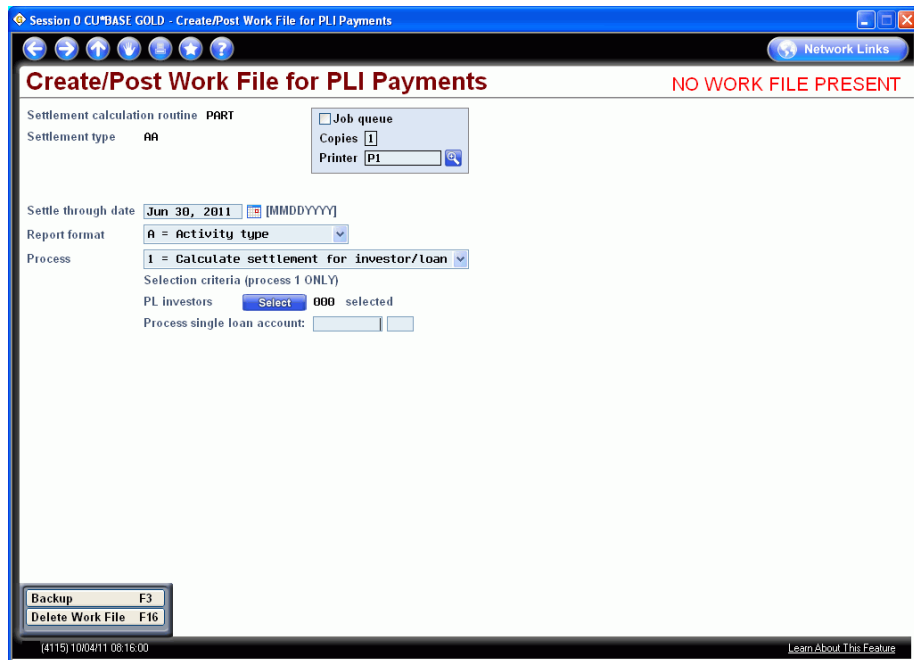
MNPART #5 "Create/Post PL Payment Work File"



This is the first screen used for creating a work file. Enter a *Settlement calculation Routine* and *Settlement type*. *Company code* is optional and will not display if no Company Codes are configured for your credit union.

Field Descriptions

<i>Field Name</i>	<i>Description</i>
Settlement calculation routine	The routine that determines how the settlement amounts get calculated when a work file is processed. Valid settlement calculation routines are FNMA (Fannie Mae), FHMC (Freddie Mac), FHLB (Federal Home Loan Bank), PART (standard participation loans), and P360 (other 360 mortgage loans).
Settlement type	The method used for determining how funds are paid to the investor: either by AA (<i>Actual/Actual</i>), taking into account actual activity on the loan or SA (<i>Scheduled/Actual</i>), taking into account scheduled interest and actual principal collected from the member. Note: The SS (<i>Scheduled/Scheduled</i>) settlement type is not available for use at this time.
Company code	This is a 3 digit code that identifies companies that service participation loans, i.e. a mortgage CUSO. Note: If no Company Codes are configured at your credit union, this field will not display.



This is the second screen used to create, work, or post a work file for loans in the selected *Settlement calculation routine*, *Settlement type*, and *Company code* (if applicable). Settlement can be performed for all loans, a batch of loans with the same PL Investor, or for a single loan account.

Steps for Processing a Work File

1. Enter the *Settle through date*. This date usually defaults to the prior day. There are two exceptions: 1) It is after the first of the month and the month end work file has not been processed. In this case, the month end date will default. 2) A work file already exists for a prior date.

For PART/P360 loans, the system requires a month end work file to be created and posted.

2. Choose the *Report format* for the Participation Loan Settlement Detail Report, Activity type (A), Member payment dates (D) or Both (B). Default is A for Activity Type. Refer to **Page 47**.
3. Choose either *Process* option “1=Calculate settlement for investor/loan” or “2=Calculate settlement for all loans” to create the work file (See **Page 34** for more detail on the Process options). Enter to create the work file.

*A work file cannot be created if one already exists for that date, even if it contains only one record. If Work File Status reads “Work File Exists,” use **F16-Delete Work File** to delete the existing work file.*

4. A message will display showing the number of records written into the work file. The Trial Report version of the Settlement Detail Report will generate (see **Page 47** for a sample of this report). This report lets you review settlement information before the settlement is posted.
5. If desired, use *Process* option “3=Work with Settlement Work File” to review the payment information in the work file and process

maintenance to loan accounts. The Trial Version of the Settlement Detail Report will generate from this step.

6. Choose *Process* option “4=Post Work File” to post the work file to the participation loan history and create the journal batch. A message will appear showing the number of records posted. The Final Version of the Settlement Detail Report will generate.

Once you have posted a work file and exited the screen, you cannot re-create a work file for the same date. To make any adjustments to a loan after posting the work file, use the adjustment screen on **Page 19**.

Field Descriptions

<i>Field Name</i>	<i>Description</i>
Work File Status	The status on the top right of the screen will either be “WORK FILE EXISTS” or “NO WORK FILE PRESENT”. The system allows only one work file for each <i>Settlement calculation routine</i> and <i>Settlement type</i> to be present at a time. If one has been created (even if it only contains one account), this will read “WORK FILE EXISTS.” You may use Process option 3 to modify the work file items, or use F16-Delete Work File to clear the work file (status will change to “NO WORK FILE PRESENT”).
Settlement calculation routine	The routine that determines how the settlement amounts get calculated when a work file is processed. Valid settlement calculation routines are FNMA (Fannie Mae), FHMC (Freddie Mac), FHLB (Federal Home Loan Bank), PART (standard 365 participation loans), and P360 (other 360 mortgage loans).
Settlement type	The method used for determining how funds are paid to the investor: either by <i>AA (Actual/Actual)</i> , taking into account actual activity on the loan or <i>SA (Scheduled/Actual)</i> , taking into account scheduled interest and actual principal collected from the member. Note: The <i>SS (Scheduled/Scheduled)</i> settlement type is not available for use at this time.
Company code	This is a 3 digit code that identifies companies that service participation loans, i.e. a mortgage CUSO. Note: If no Company Codes are configured at your credit union, this field will not display.
Settle through date	Choose a date for this settlement. All payments made from the last settlement date through (but not including) this date will be included in the settlement work file. Exception: For PART loans, when a work file is run for a single loan account, current day transactions will be included.
Report format	The report format for the Settlement Detail Report. Options are: Activity type (A) displays Activity types in the far right columns. Activity types include regular payment, principal curtailment, paid ahead, payment adjustment, new loan, past due loan and paid off loan. Member payment dates (D) displays the last payment date, next payment date, # of transactions (#Trn) and adjustments (#Adj).

<i>Field Name</i>	<i>Description</i>
	Both (B) will generate both versions of the report. Refer to Page 47 for more information on the Settlement Detail Report.
Process	<p>Select one of the following options, then use Enter to proceed:</p> <p>(1) Calculate Settlement for Investor/Loan - Use this option to create a settlement work file for a batch of loans, either according to the investor or to settle just a single loan account. If this is selected, additional fields will appear (described below) and should be completed before using Enter to continue.</p> <p>(2) Calculate Settlement for All Loans - Use this option to create a settlement work file for ALL existing participation loan accounts within the settlement calculation routine and settlement type, regardless of investor. When Enter is used to continue, the system will create the work file. When done, a message will appear indicating the number of records placed into the work file. Use Enter to continue.</p> <p>(3) Work With Settlement Work File – After a work file is created, this option is used to review the work file and modify individual amounts for situations like payoffs, new loans, or delinquent loans over 2 months. These new amounts will be used when the work file is posted. The screen shown on Page 40 will appear.</p> <p>(4) Post Work File - After the work file is generated and all needed maintenance has been done, use this option to post the work file and create a journal batch that will await posting in the General Ledger.</p> <p>IMPORTANT: Remember to use the Create/Post Journal Entries command (MNPART #6 or MNGELE #1) to post the batch to the G/L.</p>
PL investors	<p><i>(Appears only when Process (1) is selected.)</i> This is a Select button that allows you to settle loans for one or multiple investors within the <i>Settlement calculation routine</i>.</p> <p>See Page 69 for details on configuring PL investors.</p>
Process single loan account	<p><i>(Appears only when Process (1) is selected.)</i> To settle for just one loan account (such as if the loan account is being paid off), a single payment needs to be processed, or the terms of the loan modified, use this field to enter the account base and suffix.</p>
Tips	<p>The settlement tips for the investor as defined on the Settlement Calculation Routine Configuration. Refer to Page 73. The tips are optional and may not be used for PART/P360 loans.</p>
URL	<p>The URL for the investor as defined on the Settlement Calculation Routine Configuration. Refer to Page 73. The URL is optional and may not be used for PART/P360 loans.</p>

Settlement Detail Report

The Participation Loan Settlement Detail report generates when creating, working or posting a settlement work file. The Trial Report version generates when creating or working the work file to give you a “before” picture of the work file (*Process* options 1, 2 or 3 described on **Page 34**). The Final Report version generates when posting a work file (*Process* option 4).

There are two formats for the Settlement Detail Report, Activity Type or Member Payment Dates. Refer to **Page 47** for more information and sample reports.

PL WORK FILE PAYMENT PROCESSING

The following types of loan payments can be processed in a work file:

<i>Field Name</i>	<i>Description</i>
Regular Payment	Transaction File = 1) Tran Code 22 and not a Principal Curtailment or a Paid Ahead Payment 2)Tran Code 23/Tran Type 60 or 61 (delinquent fines is 60, escrow transfers is 61).
Principal Curtailment	Transaction File = Tran Code 22 and principal payment applied without payment (principal is paid, interest is not paid)
Paid Ahead	Transaction File = Tran Code 22 and Tran Type 15.
Payment Adjustment- post payment	Transaction File = Tran Code 24 and Tran Type 85.
Payment Adjustment- reverse payment	Transaction File = Tran Code 25 and Tran Type 95.

For P360 loans, a work file will never contain same day payments. You can only create a work file for a prior day. For current day payments, you must wait until the following day to process those payments.

For PART loans, a work file can contain same day payments, but only if it is run for a single loan. This feature is used to process payoff transactions.

The Activity Type version of the Settlement Detail Report generated when the work file is created will help to identify the type of payment in the work file. Refer to **Page 47** for more information on Activity Types and this report.

How loan payments are handled

When a work file is posted for PART/P360 loans, the system updates the participation loan *Principal Paid* and *Interest Paid* fields as follows:

PART Settlement Type AA

Type of Payment	PL Principal Paid	PL Interest Paid
Regular Payment	Increase PL <i>Principal paid</i> by the PLI% times the principal paid on the transaction record.	Increase PL <i>Interest paid</i> by the amount in PL <i>interest due</i> for the period between last pmt date to the current pmt date. Remaining amount in PL <i>interest due</i> is daily interest from current pmt date to work file date.
Partial Payment	Increase PL <i>Principal paid</i> by the PLI% times the principal paid on the transaction record.	Increase PL <i>Interest Paid</i> by the PLI% times the interest paid from the member transaction record and move this amt from PL <i>Interest Due</i> .
Principal Curtailment	Increase PL <i>Principal paid</i> by the PLI% times the principal paid on the transaction record	Not populated.
Paid Ahead	Increase PL <i>Principal paid</i> by the PLI% times the principal paid on the transaction record	Increase PL <i>Interest Paid</i> by the amount in the PL <i>Interest due</i> for the period between last pmt date to the current pmt date. Remaining amount in PL <i>Interest due</i> is daily interest from current pmt date to work file date.
Payment Adjustment-post payment	Increase PL <i>principal paid</i> by the PLI% times the principal paid on the transaction record	Not populated. Interest is manually adjusted.
Payment Adjustment-reverse payment	Increase PL <i>principal paid</i> by the PLI% times the principal paid on the transaction record	Not populated. Interest is manually adjusted.

P360 Settlement Type AA

Type of Payment	PL Principal Paid	PL Interest Paid
Regular Payment	Increase PL <i>Principal paid</i> by the principal paid on the transaction record.	Populate from the PL <i>interest due</i> (or PL <i>past due interest</i> if applicable)
Principal Curtailment	Increase the PL <i>Principal paid</i> by the principal paid on the transaction record.	Do not populate
Paid Ahead	Increase the PL <i>Principal Paid</i> by the principal paid on the transaction record	*Calculate by multiplying the current PL <i>principal bal</i> times the PLI <i>loan rate</i> then divide by 12. The <i>Next Interest Accrual Date</i> is advanced one month.
Payment Adjustment-post	Increase PL <i>Principal Paid</i>	Not populated. Interest is

payment	by the principal paid on transaction record	manually adjusted.
Payment Adjustment-reverse payment	Reduce PL <i>Principal Paid</i> by the principal paid on the transaction record	Not populated. Interest is manually adjusted.

Paid ahead payments

For *Settlement calculation routine P360* loans with *Settlement Type AA*, a payment is considered “paid ahead” if made prior to the interest calculation date. A “paid ahead” payment is identified with a different transaction code than regular payments (refer to **Page 35**). If the member makes a “paid ahead” payment, the PL system contains similar logic as the member file that calculates the interest amount “on the fly” using the calculation above*. The *Next Interest Accrual Date* is also advanced by one month.

PROCESSING PAYMENTS FOR A PAST DUE LOAN

To help identify loans that are past due in a work file, check the Settlement Detail Report for loans with Activity Type F (Past Due Loan). Refer to **Page 47** for more information on this report.

P360 loans only

For FNMA, FHLB, and **P360** loans with *Settlement type* of AA (Actual/Actual), the *Past Due Interest* gets populated during PL interest accrual*. If an interest amount resides in the current *Interest Due* field (no payments occurred), this *Interest Due* amount will be added to the *Past Due Interest* field and the newly accrued interest will move into the current *Interest Due* field.

**Remember that interest accrual for P360 loans occurs by using MNPART # 11 "Accrue Interest for 360 Loans".*

When processing payments for a past due loan in a work file, interest is pulled from the *Past Due Interest* field first, then the current *Interest Due* field.

Note: There can be more than one month's worth of interest in the Past Due Interest field. Be careful when reviewing the interest moved into Interest paid and adjust interest amounts appropriately.

If a loan is more than two months past due, you may have to do a manual adjustment to *Interest Paid* field in the work file. This is because the entire amount of *Past Due Interest* gets moved to *Interest Paid* when the work file is created. If you reduce the *Interest Paid* amount because of multiple months in *Past Due Interest*, be sure to put the appropriate amount of unpaid interest amount back in the *Past Due Interest* field when editing the work file.

P360 AA Past Due Loan Examples

Loan is 1 month past due - no interest adjustment needed

Pmt 1	Pmt 2	Past Due Interest (before)	Current Interest	Work File Processing	Work File Interest Adjustment	Past Due Interest (after)	Current Interest Due
\$450	None	\$300	\$300	\$300 Past Due Interest moved to Interest Paid	None	\$0.00	\$300
\$450	\$450	\$300	\$300	\$300 Past Due Interest moved to Int Paid and \$300 Interest Due is moved to Interest Paid	None (Loan is now current)	\$0.00	\$0.00

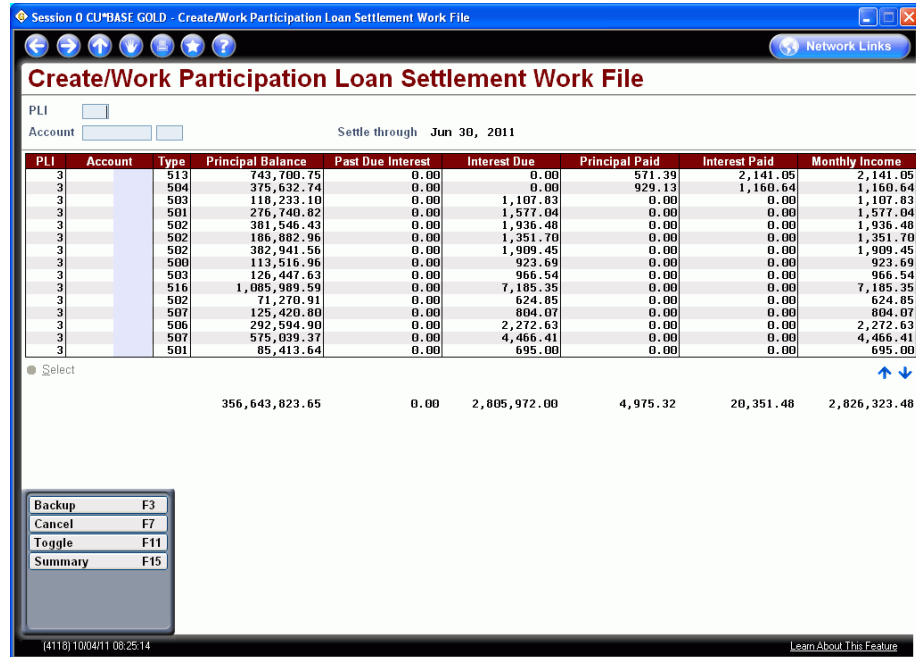
Loan is 2 months past due - interest adjustment required

Pmt 1	Pmt 2	Past Due Interest (before)	Current Interest	Work File Processing	Work File Interest Adjustment	Past Due Interest (after)	Current Interest Due
\$450	None	\$600	\$300	\$600 Past Due Interest moved to Interest Paid	\$300 moved from Interest Paid to Past Due Interest	\$300	\$300
\$450	\$450	\$600	\$300	\$600 Past Due Interest moved to Interest Paid and \$300 Interest Due moved to Interest Paid	\$300 moved from Interest Paid to Current Interest Due	\$0.00	\$300

Loan is 3 months past due - interest adjustment is required

Pmt 1	Pmt 2	Past Due Interest (before)	Current Interest	Work File Processing	Work File Interest Adjustment	After Past Due Interest	Current Interest Due
\$450	None	\$900	\$300	\$900 Past Due Interest moved to Interest Paid	\$600 moved from Interest Paid to Past Due Interest	\$600	\$300
\$450	\$450	\$900	\$300	\$900 Past Due Interest moved to Interest Paid and \$300 moved from Interest Due to Interest Paid	\$300 moved from Interest Paid to Past Due Interest and \$300 moved to current Interest Due	\$300	\$300

EDITING A WORK FILE



This screen appears when you select Process option (3) from the initial work file screen.

Use this screen to view the contents of this work file before it is posted to the participation loan general ledger. You can modify interest and principal amounts in the work file. Changes made here will affect only this work file. If this work file is deleted before posting and later recreated, the changes will be lost.

The types of modifications made to a work file might be for adjusting principal and interest amounts based on a payment correction on the member loan account file or adjusting the interest amounts due to a payoff. Also, there could be unique circumstances for a specific loan that requires an adjustment in a work file.

To modify an item, place your cursor on the item and use **Enter** or click **Select** to proceed to the next screen (shown on **Page 41**).

Command Keys

Command Key	Description																																										
F3-Backup	Use this to return to the previous screen.																																										
F7-Cancel	Use this to return to the menu.																																										
F11-Toggle	Use this to toggle between the normal display and an alternative display that shows PLI name, member name, sequence and term. <table border="1" data-bbox="764 1667 1474 1780"> <thead> <tr> <th>PLI</th> <th>Member</th> <th>Seq</th> <th>Trm</th> <th>Principal Paid</th> <th>Interest Paid</th> <th>Total Settlement</th> </tr> </thead> <tbody> <tr> <td>ABC FED CREDIT</td> <td>KR</td> <td>1</td> <td>3</td> <td>.00</td> <td>.00</td> <td>1739.39</td> </tr> <tr> <td>ABC FED CREDIT</td> <td>HUI</td> <td>1</td> <td>3</td> <td>.00</td> <td>.00</td> <td>1499.70</td> </tr> <tr> <td>ABC FED CREDIT</td> <td>KEI</td> <td>1</td> <td>3</td> <td>.00</td> <td>.00</td> <td>879.52</td> </tr> <tr> <td>ABC FED CREDIT</td> <td>KEI</td> <td>1</td> <td>3</td> <td>.00</td> <td>.00</td> <td>1104.13</td> </tr> <tr> <td>ABC FED CREDIT</td> <td>ROI</td> <td>1</td> <td>3</td> <td>.00</td> <td>.00</td> <td>2207.47</td> </tr> </tbody> </table>	PLI	Member	Seq	Trm	Principal Paid	Interest Paid	Total Settlement	ABC FED CREDIT	KR	1	3	.00	.00	1739.39	ABC FED CREDIT	HUI	1	3	.00	.00	1499.70	ABC FED CREDIT	KEI	1	3	.00	.00	879.52	ABC FED CREDIT	KEI	1	3	.00	.00	1104.13	ABC FED CREDIT	ROI	1	3	.00	.00	2207.47
PLI	Member	Seq	Trm	Principal Paid	Interest Paid	Total Settlement																																					
ABC FED CREDIT	KR	1	3	.00	.00	1739.39																																					
ABC FED CREDIT	HUI	1	3	.00	.00	1499.70																																					
ABC FED CREDIT	KEI	1	3	.00	.00	879.52																																					
ABC FED CREDIT	KEI	1	3	.00	.00	1104.13																																					
ABC FED CREDIT	ROI	1	3	.00	.00	2207.47																																					
F15-Summary	Use this to display a summary showing total settlement amounts for each PLI included in this work file.																																										

Update

Session 0 CU*BASE GOLD - Create/Work Participation Loan Settlement Work File

Create/Work Participation Loan Settlement Work File

PLI	003	TEST INVESTOR 003	
Ln acct	810 504	ANNA GL	Orig ln amt 420,000.00
PL type	90	TEST GROUP PART LOANS	Seq 1
Date reported	Jun 30, 2011		
Term	4		
Principal bal	375,632.74		
Interest due	<input type="text" value="0.00"/>		
Principal paid	<input type="text" value="929.13"/>		
Interest paid	<input type="text" value="1,160.64"/>		
Total settlement	5,717.10		
Monthly income	1,160.64		

Backup F3
Save F5
Cancel F7

(4121) 10/04/11 08:34:08 Learn About This Feature

Use this screen to adjust the amounts that will be posted to an individual participation loan record when this settlement work file is posted. The only fields that can be updated are *Past Due Int* (P360 loans only), *Interest due*, *Principal paid*, and *Interest paid*. The *Total settlement* amount (*Principal paid* + *Interest paid*) will be recalculated automatically after your changes are made. When done, use **F5-Save** to save and return to the previous screen.

Field Descriptions

Field Name	Description
Past Due Int	This is the amount of interest that is past due on the loan. <i>Note: This field does not apply to FHMC or PART loans and will not display.</i>
Interest due	The amount of interest due on the loan.
Principal paid	The amount of principal that will be paid to the investor, based on all payments that were made on the loan. If no payments were made, this will be zero. If you wish to pay the investor anyway, simply enter the principal payment amount here.
Interest paid	The amount of interest that will be paid to the investor, based on all payments that were made on the loan. If no payments were made, this will be zero. If you wish to pay the investor anyway, simply enter the interest payment amount here (be sure to also adjust <i>Interest Due</i> accordingly).

F15-Summary

Session 0 CU*BASE GOLD - Create/Work Participation Loan Settlement Work File

Network Links

Create/Work Participation Loan Settlement Work File

Work File Summary

Settle through Jun 30, 2011

PLI	PLI	# of Loans	Total Settlement
1	TEST INVESTOR 001	4	19,161.00
2	TEST INVESTOR 002	6	547,260.75
3	TEST INVESTOR 003	128	851,886.79

Backup F3
Cancel F7

(4120) 10/04/11 08:41:05 [Learn About This Feature](#)

This screen appears when you use **F15-Summary** from the Work File editing screen (shown on **Page 40**). This screen summarizes all of the loans included in this work file according to the Participation Loan Investor, with a total number of loans included and the total settlement amount that should be paid to each investor when this settlement is posted.

CREATE/POST GL JOURNAL ENTRIES

MNPART #6 "Create/Post G/L Journal Entries"

PL in the ID column identifies this as a participation loan batch.

Corp ID	Effective Date	ID	ID #	Reversal Date	Recurring Date	Year End Y/N	Status	Description
1	Jul 15, 2011	PL	00001			N	S	PLI 010 S ORIGINAL AMOUNT

A journal entry batch gets created when a work file is posted and can contain entries for new loans, payments and interest accrual. Generally, there is one journal entry batch created for ID "PL" per day, therefore you may see multiple investors in the same batch.

To review the items in the batch, double click on the batch (or highlight and click **Change**). On the next "Maintain Journal Entries" screen, use **F2-Post** to post the journal entry batch.

MEMBER ACCOUNT ADJUSTMENT/POST TO CUSTODIAL ACCOUNT

MNPART #7 "Member Acct Adj/Post to Cust Act"

Session 0 CU*BASE GOLD - Member Account Adjustment

Member Account Adjustment

Account # 36-000 R SMITH
 Principal G/L 901.00 Accrued G/L 830.10
 Income/Expense G/L 341.40 Member branch 04

Status Before Correction

Account balance 2,340.62
 YTD dividend 0.16
 Accrued dividend 0.11

Type	Amount	Description	Offset	
			G/L #	Branch
	0.00			
	0.00			
	0.00			
	0.00			
	0.00			

Status After Correction

Account balance 2,340.62
 YTD dividend 0.16
 Accrued dividend 0.11

1430 8/29/11 11:35:44 [Learn About This Feature](#)

This screen is used for government investors to post payments or paid off funds to an investor P&I Custodial Account. This function is also used to post the escrow balance adjustments to a government investor T&I Custodial Account.

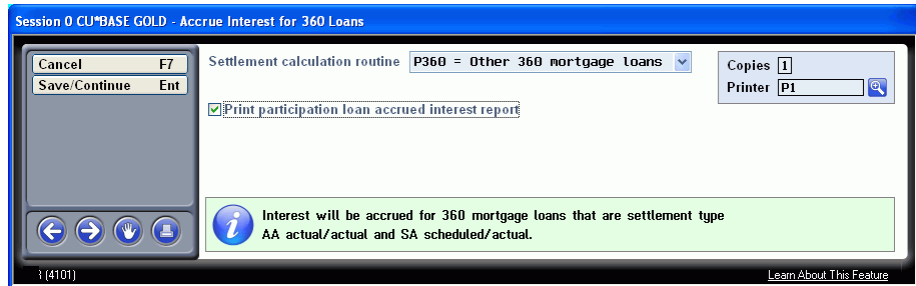
Custodial Accounts are used for government investors to hold the daily funds owed to them until the amounts are settled with the investor (per the timing in the investor agreement).

Custodial Accounts are not used with PART or P360 loans.

ACCRUE INTEREST FOR 360 LOANS

The PL interest accrual for P360 loans is a separate step done after the final monthly work file is posted. This step does not apply for PART loans because they have a 365-day interest calculation type and accrue interest daily.

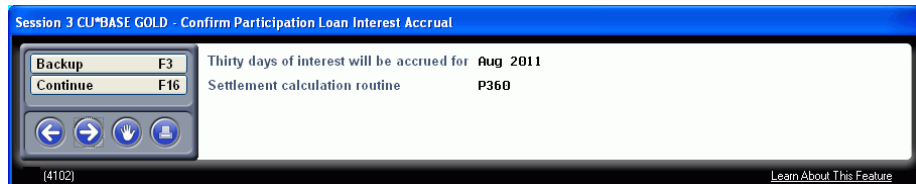
MNPART #11 "Accrue Interest for 360 Loans"



Field Name	Description
Settlement calculation routine	Enter the Settlement calculation routine P360= Other 360 loans.
Company code	Enter the Company Code if applicable. The default is blank (which means none). A lookup button lists the available Company Codes. Note: If your credit union does not have any Company Codes configured, this field will not display on the screen.
Print participation loan accrued interest report	Check the box to print the Participation Loan Accrued Interest Report.

The system contains edits that does not allow the interest accrual for P360 loans to be processed if the following has not occurred:

- The final settlement work file has been posted (for P360 loans this is end of month).



If the "Print participation loan accrued interest report" box was checked, the Participation Loan Accrued Interest report will generate. For more information on this report, refer to **Page 66**.

PLI 001 TEST 360 INVESTOR
 SETTLEMENT CALC P360
 COMPANY CODE

LOAN ACCOUNT	DATE REPORTED	PRINCIPAL BALANCE	ACCRUED INT DUE	PAST DUE INTEREST	TOTAL INTEREST DUE
187999 790	07/31/11	42410.53	216.47	216.47	432.94
203999 790	07/31/11	88370.54	248.54	248.54	497.08
207999 790	07/31/11	66559.38	.00 *	.00	.00
301999 790	07/31/11	87928.06	247.30	.00	247.30
322999 790	07/31/11	120603.07	464.82	464.82	929.64
329999 790	07/31/11	147029.29	551.36	.00	551.36
370999 790	07/31/11	105565.36	296.90	296.90	593.90
386999 790	07/31/11	176200.31	495.56	.00	495.56
469999 790	07/31/11	119600.97	423.59	423.59	847.18
535999 790	07/31/11	65648.88	239.34	239.34	478.69
641999 790	07/31/11	84041.88	288.89	.00	288.89
646999 790	07/31/11	119001.74	322.30	322.30	644.60
658999 790	07/31/11	81000.00	244.69	244.69	489.38
667999 790	07/31/11	47591.22	188.38	.00	188.38
683999 790	07/31/11	78309.21	.00 *	.00	.00
826999 790	07/31/11	82873.83	241.72	337.08	578.80
964999 790	07/31/11	287701.64	959.01	.00	959.01
970999 791	07/31/11	143401.47	478.00	.00	478.00
987999 790	07/31/11	64733.15	195.55	195.55	391.10
1017999 790	07/31/11	33579.76	101.44	.00	101.44
1081999 790	07/31/11	125355.60	378.68	378.68	757.36
1099999 790	07/31/11	125845.19	353.94	.00	353.94
TOTAL BY PLI	001	2,418,706.78	6,936.48	3,367.96	10,304.44

SPECIAL NOTE REGARDING 360 INTEREST CALCULATION TYPES

For 360-day interest calculation loans, interest is not accrued on a daily basis; rather, interest is calculated once each month. In the member file, the interest is accrued during end-of-day (EOD) processing on the *Day to Calc Interest* from the loan category configuration (P360 loans should be 31 which is the last day of the month). In the participation loan file, the interest is accrued from the MNPART #11 'Accrue Interest for 360 Loans' menu option and is based on the *Monthly interest accrual day* designated on the Settlement Calculation Configuration record (P360 loans should be 01). The system will calculate 30 days worth of interest for every monthly settlement period regardless of when or how often payments are made on the loan.

paid ahead payments, adjustments, new loans, past due or paid off loans, respectively.

Member Payment Date Format

The following sample shows a settlement work file that was run for multiple investors (only one investor will show per page). The Member Payment Date format is generally used when sending the report to investors, i.e. for standard 365 participation loans (PART). This format includes the member's last payment date and next payment date.

5/09/11 12:47:58 RUN ON 5/2/2011		TEST CREDIT UNION PARTICIPATION LOAN SETTLEMENT DETAIL REPORT						LPLSET2 USER KARENS		PAGE 1		
CORP 01 TEST CREDIT UNION PLI 139 TEST INVESTOR		REPORTED DATE: 4/30/2011 TRIAL REPORT										
		PREVIOUS	CURRENT	---THIS SETTLEMENT---								
LOAN ACCOUNT	PRINCIPAL BALANCE	PRINCIPAL BALANCE	PAST DUE INTEREST	ACCRUED DUE	PRINCIPAL PAID	INTEREST PAID	LAST PMT DATE	NEXT PMT DATE	MONTHLY INCOME	TOTAL CASH SETTLEMENT	# TRN	# ADJ
56999 501	900000.00	900000.00	.00	2625.00	.00	.00	4/15/11	05/01/11	2625.00	.00	1	
56999 502	900000.00	900000.00	.00	2625.00	.00	.00		05/01/11	2625.00	.00		
57999 501	900000.00	900000.00	.00	2625.00	.00	.00		05/01/11	2625.00	.00		
57999 502	900000.00	900000.00	.00	2625.00	.00	.00	4/05/11	05/01/11	2625.00	.00		2
57999 503	900000.00	900000.00	.00	2625.00	.00	.00		05/01/11	2625.00	.00		
	5,400,000.00		.00		.00				15,750.00			
TOTAL BY PLI 139	5,400,000.00			15,750.00		.00				.00		

PARTICIPATION LOAN TRIAL BALANCE

MNPART #17 "PLI Trial Balance"

Field Descriptions

Field Name	Description
Corporate ID	Corporation ID, default is 01.
Report type	Report type is D=Detail and Summary, S=Summary.
Report as of date	The date for participation loan detail. If there is no settlement information for the date entered, the information will be pulled from the previous settlement date record.
Pull by Account or Reference	Use this to specify whether the loans should be listed on the report by loan account number or by the PL reference number.
Include closed loans	Check the box to include closed participation loans. Default is to not include closed loans.
PL Investors	This is a select button that allows you to print a trial balance for a single or multiple investors. The number that displays next to the select button is the number of investors selected. If you want all investors, leave the field blank and all investors will print. Default is all.
Loan category	To print a trial balance only for a certain loan category (such as your Fannie Mae loan category), enter the loan category code here. Leave the field blank to include all loan categories. Default is all.
Participation loan types	This is a select button that allows you to print a trial balance only for loans coded with a specific Participation Loan Type code. The number that displays next to the select button is the number of PL types selected. Leave the field blank to include all PL types. Default is all.
Sort by the date that the loan ends with the investor	Check this box to print records in order by PL End Date (ascending order, so the closest dates appear at the top of the report). Leave it unchecked to sort by account number.

Field Name	Description
Report only loans that were sold to the investor on or after	Enter a MMDDCCYY to select only loans with a PLI Start Date on or after the date entered.
Loan account	Enter the account base and suffix to print a trial balance for a single loan account. Leave the field blank to include all loans.
Reference #	Enter the reference number to print a trial balance for a single loan account. Leave the field blank to include all loans.

Run the trial balance report to obtain participation loan detail, i.e. balance rate, and date information. This report can be used as part of the daily or monthly balancing process for comparing participation loan balances to the participation loan general ledger accounts. Use the selection criteria to specify the loans to be included on the report, or leave all blank to include all participation loans.

To obtain a Participation Loan Trial Balance as of month end, enter the appropriate month end date in the "Report as of date" field. The month end information is helpful for the NCUA 5300 Call Report.

Two reports will be generated: A Detail report showing all accounts, with each PLI starting on a separate page, and a Summary report showing total balances for all investors.

Detail Report - The following sample shows the final two pages of a Trial Balance report that includes all loans. Notice that each PLI will appear on a separate page. **(NOTE: If pulled by reference number, the Loan Account column will display the reference number instead.)**

4/09/11 13:28:24 RUN ON 4/09/2011		CU*BASE TEST CREDIT UNION PARTICIPATION LOAN TRIAL BALANCE REPORT OPEN LOANS ACTIVITY THROUGH 3/31/2011				LPLBAL		PAGE 20 USER KARENS			
LOAN ACCOUNT	SEQ NAME	PL TYP	PLI ORIG INVESTMENT	LAST HIST ACTIVITY	LAST PRIN BALANCE	PLI RATE	LOAN RATE	START DATE	END DATE	PART %	DELQ
CORP 01	CU*BASE TEST CREDIT UNION										
PLI 020	SAMPLE INVESTOR 020										
26399 601 001	JONES	95	100,555.56	03/31/2011	98,412.27	10.000	11.000	04/21/2002	11/20/2015	50.00	
27699 645 001	EVANS	96	367,996.49	03/31/2011	360,494.65	9.500	10.000	04/25/2002	01/29/2014	50.00	
28899 503 001	THOMAS	26	70,810.62	03/31/2011	70,808.79	7.250	7.000	04/23/2002	08/24/2014	20.00	Y
33099 616 001	SMITH	90	600,000.00	03/31/2011	591,905.49	7.500	8.000	05/27/2002	05/28/2017	75.00	
33699 725 001	WILLIAMS	94	250,140.34	03/31/2011	250,140.34	8.000	9.000	05/01/2002	01/01/2017	30.00	Y
38599 503 001	EDWARDS	92	62,525.38	03/31/2011	60,452.44	8.250	8.750	04/30/2002	12/29/2016	50.00	
38699 715 001	DOE	94	480,000.00	03/31/2011	480,000.00	8.000	8.500	06/13/2002	06/13/2017	60.00	
38699 725 001	STEVENS	94	182,500.00	03/31/2011	180,782.53	7.000	7.500	04/18/2002	04/18/2017	50.00	
39399 502 001	JOHNSON	92	81,666.02	03/31/2011	80,238.71	8.000	8.500	04/02/2002	11/02/2016	50.00	
39399 503 001	STEVENSON	92	81,666.02	03/31/2011	80,238.71	8.000	8.500	04/02/2002	11/02/2016	50.00	
TOTAL BY PLI	020		2,277,860.43		2,253,473.93	8.099	8.653				
TOTAL BY PLI	020		NET RATE TO CU:	.554	PROJECTED MONTHLY INCOME:		1040.35				

4/09/11 13:28:24		CU*BASE TEST CREDIT UNION PARTICIPATION LOAN TRIAL BALANCE REPORT OPEN LOANS ACTIVITY THROUGH 3/31/2011				LPLBAL		PAGE 21 USER KARENS			
LOAN ACCOUNT	SEQ NAME	PL TYP	PLI ORIG INVESTMENT	LAST HIST ACTIVITY	LAST PRIN BALANCE	PLI RATE	LOAN RATE	START DATE	END DATE	PART %	DELQ
CORP 01	CU*BASE TEST CREDIT UNION										
PLI 021	SAMPLE INVESTOR 021										
38625 715 001	JONES	94	120,000.00	03/31/2011	120,000.00	8.000	8.500	06/13/2002	06/13/2015	15.00	
TOTAL BY PLI	021		120,000.00		120,000.00	8.000	8.500				
TOTAL BY PLI	021		NET RATE TO CU:	.500	PROJECTED MONTHLY INCOME:		50.00				
TOTAL BY CORP	01		55,096,745.47		54,674,669.08	7.197	7.663				

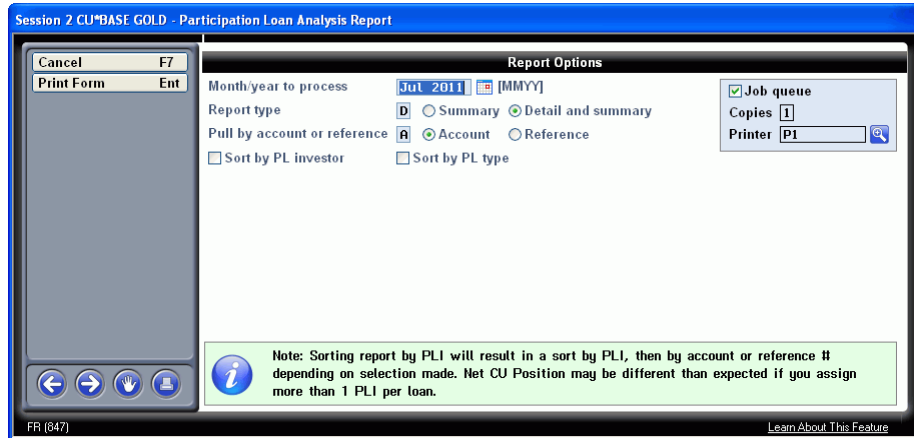
GRAND TOTAL	55,096,745.47	54,674,669.08	7.197	7.663
** SERVICING ANALYSIS **	NET RATE TO CU: .466	PROJECTED MONTHLY INCOME:	21,232.00	
***** END OF REPORT *****				

Summary Report - The summary report shows the current position of each individual investor's portfolio.

4/09/11 13:28:24 RUN ON 4/09/11	CU*BASE TEST CREDIT UNION PARTICIPATION LOAN TRIAL BALANCE SUMMARY OPEN LOANS ACTIVITY THROUGH 3/31/2011	LPLBAL2	PAGE 1 USER KARENS			
CORP 01 CU*BASE TEST CREDIT UNION						
PLI NAME	PLI ORIG INVESTMENT	LAST PRIN BALANCE	INTEREST DUE	WEIGHTED PLI RATE	NUMBER OF LOANS	WEIGHTED PLO RATE
001 ABC FED CREDIT UNION	242,731.14	239,071.59	411.10	8.808	5	9.406
003 XYZ CREDIT UNION	4,571,955.32	4,521,639.50	9,610.06	6.910	19	7.324
004 JOHN DOE	3,039,374.26	3,012,015.36	11,026.08	8.827	14	9.184
005 SAMPLE INVESTOR 005	1,925,058.18	1,909,197.92	762.62	6.854	8	7.389
006 SAMPLE INVESTOR 006	7,149,785.96	7,097,369.27	23,559.11	7.865	24	8.287
007 SAMPLE INVESTOR 007	61,883.45	59,611.97	114.58	8.748	2	9.498
008 SAMPLE INVESTOR 008	580,567.57	578,950.36	2,895.97	7.500	2	8.000
009 SAMPLE INVESTOR 009	491,853.23	486,993.33	1,174.12	8.000	1	9.000
010 SAMPLE INVESTOR 010	310,611.27	310,033.77	1,082.99	7.500	1	8.000
011 SAMPLE INVESTOR 011	228,000.00	225,391.62	296.40	8.000	2	8.500
012 SAMPLE INVESTOR 012	25,162.28	24,907.60	84.82	13.852	2	10.766
013 SAMPLE INVESTOR 013	62,727.40	62,284.10	243.27	15.000	4	10.000
014 SAMPLE INVESTOR 014	369,831.05	366,958.54	1,326.49	8.000	3	8.500
015 SAMPLE INVESTOR 015	32,632,616.73	32,403,314.41	83,706.61	6.784	128	7.291
016 SAMPLE INVESTOR 016	32,608.04	32,114.24	659.37	30.000	2	12.000
017 SAMPLE INVESTOR 017	949,418.42	946,760.39	4,180.77	7.500	3	8.000
018 SAMPLE INVESTOR 018	24,700.74	24,581.18	363.66	18.000	1	12.250
020 SAMPLE INVESTOR 020	2,277,860.43	2,253,473.93	6,430.13	8.099	10	8.653
021 SAMPLE INVESTOR 021	120,000.00	120,000.00	447.12	8.000	1	8.500
TOTAL BY CORP 01 19 PLI's	55,096,745.47	54,674,669.08	148,375.27	7.197	232	7.663
GRAND TOTAL 19 PLI's	55,096,745.47	54,674,669.08	148,375.27	7.197	232	7.663
** SERVICING ANALYSIS **	NET RATE TO CU: .466	PROJECTED MONTHLY INCOME:	21,232.00			
***** END OF REPORT *****						

PARTICIPATION LOAN ANALYSIS REPORT

MNPART #18 "Part Loan Analysis Report"



This report is used to review the position of loans owned less than 100% by the credit union. It gives a summary of the current position of all participation loan accounts by loan account or reference number. Records can be sorted by investor or by PL Type. Grand totals at the bottom of the report compare the originating credit union's position to investor positions.

This report is generally not used for government investor loans (FNMA, FHMC, FHLB) since they are 100% owned by the investor.

The following sample is for standard participation loans (PART) and shows part of the first page and the entire last page of an analysis report:

First Page

8/23/11 14:25:40		TEST CREDIT UNION						LPLANL	PAGE
RUN ON 8/23/2011		PARTICIPATION LOAN ANALYSIS REPORT							1
		AS OF 07/11							USER KARENS
LOAN ACCOUNT/REF #/TYPE	CURRENT BAL	INT DUE	SCHED PMT	INT RATE	PARTIC %	MEMBER NAME			
1234-502	425,354.55	1,590.68	2,375.28	5.250	100.00	JOHN A MEMBER			
90 CALDWELL PARTICIPATION									
PLI SEQ	LAST RPT BAL	LAST RPT INT	LAST RPRTD	PROJ PMT	PLI RATE	PARTIC %	PLI NAME		
3 1	382,819.09	954.42	2011/07/31	1,739.85	3.500	90.00	TEST INVESTOR 001		
* PLI TOTALS	382,819.09	954.42		1,739.85	3.500	90.00			
** NET CU POSITION	42,535.46	636.26		635.43	5.250	10.00			
LOAN ACCOUNT/REF #/TYPE	CURRENT BAL	INT DUE	SCHED PMT	INT RATE	PARTIC %	MEMBER NAME			
1334-500	332,976.23	129.99	1,745.76	4.750	100.00	MARY A MEMBER			
90 CALDWELL PARTICIPATION									
PLI SEQ	LAST RPT BAL	LAST RPT INT	LAST RPRTD	PROJ PMT	PLI RATE	PARTIC %	PLI NAME		
27 1	299,678.58	86.21	2011/07/31	1,352.44	3.500	90.00	TEST INVESTOR 002		
* PLI TOTALS	299,678.58	86.21		1,352.44	3.500	90.00			
** NET CU POSITION	33,297.65	43.78		393.32	4.750	10.00			
LOAN ACCOUNT/REF #/TYPE	CURRENT BAL	INT DUE	SCHED PMT	INT RATE	PARTIC %	MEMBER NAME			
1434-500	258,956.82	203.95	1,810.06	5.750	100.00	CATHERINE MEMBER			
90 CALDWELL PARTICIPATION									
PLI SEQ	LAST RPT BAL	LAST RPT INT	LAST RPRTD	PROJ PMT	PLI RATE	PARTIC %	PLI NAME		
2 1	207,165.36	148.99	2011/07/31	1,365.72	5.250	80.00	TEST INVESTOR 003		
* PLI TOTALS	207,165.36	148.99		1,365.72	5.250	80.00			
** NET CU POSITION	51,791.46	54.96		444.34	5.750	20.00			

Last Page

8/23/11 14:25:40	TEST CREDIT UNION				LPLANL	PAGE	1
RUN ON 8/23/2011	PARTICIPATION LOAN ANALYSIS REPORT					USER	KARENS
	SUMMARY AS OF 07/11						
** GRAND TOTALS **							
	CURRENT BAL	INT DUE	SCHED PMT	INT RATE	PARTIC %	# OF LOANS	
MEMBER TOTALS	541,895,784.82	1,616,278.12	3,170,269.05	5.266	100.00	984	
	LAST RPT BAL	LAST RPT INT	PROJ PMT	PLI RATE	PARTIC %	# OF PLI	
PLI TOTALS	443,655,011.71	662,899.76	2,159,747.00	3.877	81.87	991	
NET CU POSITION	98,240,773.11	953,378.36	1,010,522.05	5.266	18.13		
** SERVICING ANALYSIS **							
NET RATE TO CU:	1.188	PROJECTED MONTHLY INCOME:	439,218.46				
** CU POSITION ANALYSIS **							
PORTFOLIO RATE:	5.266	PROJECTED MONTHLY INCOME:	431,113.26				
** PROJECTED TOTAL YIELD FOR NET CU POSITION:			10.631				
***END OF REPORT ***							

PARTICIPATION LOAN SETTLEMENT ACTIVITY

MNPART #19 "PLI Settlement Activity"

Field Descriptions

<i>Field Name</i>	<i>Description</i>
Corporate ID	Corporation ID, default is 01.
Begin/end settlement dates	Choose a starting and ending month/day/year (mmddyy) to specify what period of history you wish to include on the report.
Pull by account or reference	Use this to specify whether the loans should be listed by loan account number or by the reference number.
PL investors	This is a Select button that allows you to select one or multiple investors to print a settlement activity report. Zero investors selected means all PL investors will display on this report.
Account # (base/suffix)	Enter the loan account base and suffix here to print a settlement activity report for a single loan account. Leave the field blank to include all loans.
Reference #	Enter the reference number here to print a settlement activity report for a single loan account. Leave the field blank to include all loans.

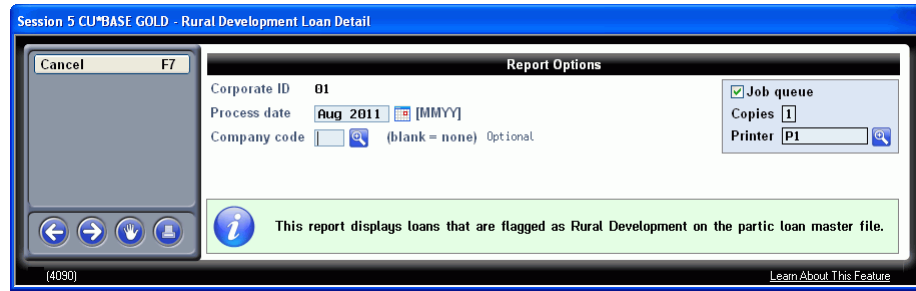
This report will show a history of settlement amounts that have been posted to participation loans. You may list loans for one or multiple investors, and specify a date range to be included on the report. Loans can be listed by loan account number or reference number. For government investors, it is recommended to run and save the detail report monthly just prior to final settlement.

Report Sample

8/23/11 14:41:00 RUN ON 8/23/2011		TEST CREDIT UNION PARTICIPATION LOAN SETTLEMENT ACTIVITY FROM 05/01/2011 TO 05/31/2011								LPLHST	PAGE 1	USER KARENS	
CORP 01 TEST CREDIT UNION PLI 001 TEST INVESTOR													
		----ORIGINAL----			-----SETTLEMENTS-----								
LOAN ACCOUNT	SEQ	TYP	ORG LOAN AMOUNT	INT RATE	TERM	DATE SETTLED	ORIG LOAN BALANCE	INTEREST DUE	PRINCIPAL PAID	INTEREST PAID	MONTHLY INCOME	TOTAL CASH SETTLEMENT	
2199	780	01	137600.00	6.000	76S	05/08/2011	131586.89	.00	161.05	658.74	658.74	31667.18	
						77S 05/16/2011	131586.89	657.93	.00	.00	657.93	31667.18	
3499	780	01	112000.00	6.125	76S	05/16/2011	107892.65	550.70	.00	.00	550.70	25456.11	
						77S 05/22/2011	107767.10	.00	125.55	550.70	550.70	26132.36	
4799	780	01	96000.00	5.750	76S	05/01/2011	87495.02	.00	251.27	420.45	420.45	25246.46	
						77S 05/16/2011	87495.02	419.25	.00	.00	419.25	25246.46	
4899	780	01	162000.00	5.750	74S	05/01/2011	154288.46	.00	281.61	740.65	740.65	35848.46	
						75S 05/16/2011	154288.46	739.30	.00	.00	739.30	35848.46	
4999	781	01	140975.00	5.625	79S	05/03/2011	133151.85	.00	244.13	625.29	625.29	33003.10	
						80S 05/16/2011	133151.85	624.15	.00	.00	624.15	33003.10	
6099	780	01	73400.00	5.625	74S	05/16/2011	70176.33	328.95	.00	.00	328.95	16371.76	
						75S 05/22/2011	70072.01	.00	104.32	328.95	328.95	16805.03	
6999	780	01	32000.00	5.625	78S	05/01/2011	23811.19	.00	235.53	112.72	112.72	13351.21	
						79S 05/16/2011	23811.19	111.61	.00	.00	111.61	13351.21	
7799	780	01	40000.00	6.000	74S	05/01/2011	38473.19	.00	46.38	192.60	192.60	8797.49	
						75S 05/16/2011	38473.19	192.37	.00	.00	192.37	8797.49	
9299	780	01	131600.00	5.750	75S	05/11/2011	117660.12	.00	188.26	564.69	564.69	36160.05	
						76S 05/16/2011	117660.12	563.79	.00	.00	563.79	36160.05	
10899	780	01	171360.00	6.125	69S	05/09/2011	165651.90	.00	188.04	846.47	846.47	35854.31	
						70S 05/16/2011	165651.90	845.51	.00	.00	845.51	35854.31	
12899	780	01	221000.00	7.000	70S	05/09/2011	214513.91	.00	210.33	1252.56	1252.56	51004.55	
						71S 05/16/2011	214513.91	1251.33	.00	.00	1251.33	51004.55	
14299	780	01	216265.00	5.750	70S	05/01/2011	207923.51	.00	259.09	997.54	997.54	43951.78	
						71S 05/16/2011	207923.51	996.30	.00	.00	996.30	43951.78	
14499	780	01	141500.00	5.625	69S	05/16/2011	134257.19	629.33	.00	.00	629.33	32478.52	
						70S 05/22/2011	134077.46	.00	179.73	629.33	629.33	33287.58	
16499	780	01	83600.00	5.625	74S	05/01/2011	79659.66	.00	104.02	373.89	373.89	18131.84	
						75S 05/16/2011	79659.66	373.40	.00	.00	373.40	18131.84	
16599	780	01	71200.00	6.000	84S	05/03/2011	60217.61	.00	284.88	302.51	302.51	24558.45	
						85S 05/16/2011	60217.61	301.09	.00	.00	301.09	24558.45	
PLI 001 TOTAL			1830500.00					8585.01	2864.19	8597.09			

RURAL DEVELOPMENT LOAN DETAIL

MNPART #20 "Rural Development Loan Detail"



Field Descriptions

Field Name	Description
Corporate ID	Corporation ID, default is 01.
Process date	The process month and year.
Company code	This is a dropdown box that allows you to select a Company code from those configured for your credit union. This field is optional and will only display if Company codes are configured for your credit union.

This report provides a listing of participation loans that are flagged as Rural Development (RD). This report is sorted by account number within investor. In order for a loan to appear on the report, there must be a Y in the Rural Development flag on the Participation Loan Setup screen (accessed from MNPART #1 'Add/Maintain Participation Loans').

This report is generally run monthly. For Rural Development loans, delinquent balances are reported to the United States Department of Agriculture (USDA) both monthly and quarterly. Loan balances are reported to the USDA quarterly. Refer to the usdalinc.sc.gov.usda.gov website for specific information and reporting requirements for RD loans.

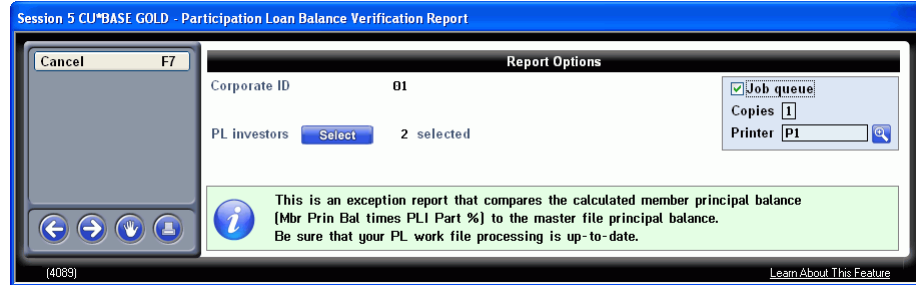
Note: Loans that were closed in the reporting period are included on the report.

SSN/TAX ID	MEMBER NAME	ACCOUNT BASE	ACCOUNT TYPE	CURRENT BALANCE	SCHEDULED PYMT AMT	DELINQUENT BALANCE	NEXT PAY DT/ CLOSE DATE (*)
1/31/12 10:24:23 RUN ON 1/31/2012							
CU*BASE CREDIT UNION							
RURAL DEVELOPMENT LOAN DETAIL							
01/31/2012							
CORP 01 CU*BASE CREDIT UNION							
INVESTOR: 001 - TEST INVESTOR							
999-62-9999	SOMEBODY, JOSEPH	1234	781	131,409.14	833.92	833.92	1/01/2012
999-98-9999	PERSON, ELIZABETH	2345	780	69,327.33	434.19	.00	2/01/2012
999-94-9999	MEMBER, DANIEL S	12233	780	164,307.39	1,069.06	1,069.06	1/01/2012
999-06-9999	TESTING, SCOTT W	23344	780	53,684.66	344.07	344.07	1/01/2012
999-04-9999	SMITH, ALICE J	34455	780	79,447.43	501.46	.00	2/01/2012
999-96-9999	HALEY, CRAIG A	45566	780	36,857.36	237.67	237.67	1/01/2012
999-98-9999	JOHNSON, WILLIAM J	56677	780	99,281.37	640.59	640.59	1/01/2012
999-06-9999	BLACK, CHRISTOPHER G	566789	780	73,612.02	478.80	.00	2/01/2012
** INVESTOR: 001 - TEST INVESTOR							
TOTAL BALANCES				707,926.70	3,125.31		
TOTAL LOANS = 8							

This report is not used for PART loans.

PARTICIPATION LOAN BALANCE VERIFICATION REPORT

MNPART #21 "PL Balance Verification Report"



The report is run by investor as needed after processing payments in a work file to identify participation loans where the member principal balance does not match the PL principal balance. The MBR PRIN BAL and PL PRIN BAL on the report provide a current snapshot of these balances.

This report is most useful for investors with loans 100% owned by the investor (PLI%=100) to identify the member and PL principal balances not matching. However, for loans owned less than 100% by the investor (PLI% less than 100), the report can identify loans created in the PL system with the wrong *PLI original investment* amount.

Note: If there is only a slight difference in the member and PL principal balances, it can be due to how the PLI original investment amount was rounded when the loan was created in the PL system.

Note on current day payments:

If a loan has current day payments, this could cause the MBR PRIN BAL and PL PRIN BAL to not match. This is an acceptable difference and is because the payments have not been processed in the participation loan system yet.

LOAN ACCOUNT	MBR PRIN BAL	PLI %	CALCULATED PRIN BAL	PL PRIN BAL	DIFFERENCE	LAST TRAN DATE
114999 780	21,728.43	100.00	21,728.43	21,538.96	189.47	3/13/11
151999 780	24,409.78	100.00	24,409.78	24,376.01	33.77	3/15/11
179999 780	53,503.75	100.00	53,503.75	53,953.33	449.58-	4/14/11
230999 780	28,981.76	100.00	28,981.76	28,099.50	882.26	3/15/11
257999 780	44,682.41	100.00	44,682.41	44,149.97	532.44	3/21/11
275999 780	42,696.00	100.00	42,696.00	42,034.48	661.52	3/22/11
301999 705	63,287.32	100.00	63,287.32	63,582.66	295.34-	4/14/11
TOTALS	279,289.45		279,289.45	277,7349.91	1,554.54	

END OF REPORT

Field Descriptions

Field Name	Description
Loan Acct	Loan Account Number and Type.
Mbr Prin Bal	Principal Balance from the member file.
PLI %	PLI Participation percentage from the PL record. For Fannie Mae loans, this will be 100%.

<i>Field Name</i>	<i>Description</i>
Calculated Prin Bal	This is the calculated principal balance using the member principal balance and multiplying by the PLI Participation % (Mbr Prin Bal times PLI %)
PL Prin Bal	Principal balance from the PL record.
Difference	Difference between the Calculated Prin Bal and the PL Prin Bal (Calced Prin Bal minus PL Prin Bal)
Last Tran Date	The last transaction date from the member file.

PARTICIPATION LOAN DELINQUENCY ANALYSIS

MNPART #22 "Part Loan Delinquency Analysis"

Field Descriptions

Field Name	Description
Corporate ID	Corporation ID, default is 01.
Process date	The process month and year.
PL investors	This is a Select button that allows you to select one or multiple investors.
Include 1 to 2 mo call report term	Check this box if you would like to include loans that are delinquent 1 to 2 months.

This report identifies delinquent participation loans by investor. The investor owned portion of delinquent balance is listed in the appropriate month range. It is modeled after the Loan Delinquency Analysis, MNCOLL #19 which lists the CU owned portion of the delinquency.

This report can be run anytime that you want to review the delinquency position of your participation loans. The report will page break by investor.

Report sample FNMA (PLI%=100)

ACCOUNT NUMBER	1 TO 2	2 TO 6	6 TO 12	12 & OVER	MON DLQ	LAST PAY DATE	LAST PAY AMT	PLI %
3319999-780			90104.00		11	4/06/09	915.70	100.00
3999898-780	82131.70				1	3/01/10	637.98	100.00
4059999-780			83055.37		8	7/14/09	518.09	100.00
4099898-780		61914.09			5	12/30/09	554.12	100.00
4409999-780		107384.26			4	11/09/09	913.74	100.00
* PARTICIPATION LOANS --	82131.70*	169298.35*	173159.37*	.00*				
# OF LOANS DELINQUENT --	1*	2*	2*	0*				
** GRAND TOTALS --	82131.70*	169298.35*	173159.37*	.00*				
# OF LOANS DELINQUENT --	1*	2*	2*	0*				

END OF REPORT

Report sample PART (PLI % less than 100)

8/23/11 15:16:09 RUN ON 8/23/2011		TEST CREDIT UNION PARTICIPATION LOAN DELINQUENCY ANALYSIS					LPLDEQ	PAGE USER KARENS	
CORP 01 TEST CREDIT UNION									
PLI 006 TEST INVESTOR 006									
*** INVESTOR OWNED PORTION OF PARTICIPATION LOANS ***									
ACCOUNT NUMBER	DELINQUENCY BALANCE IN MONTHS				MON DLQ	LAST PAY DATE	LAST PAY AMT	PLI %	
	1 TO 2	2 TO 6	6 TO 12	12 & OVER					
50999-725	349522.10				1	6/21/11	7100.00	90.00	
51999-725		155291.59			4	8/19/11	1105.00	50.00	
* PARTICIPATION LOANS --	349522.10*	155291.59*	.00*	.00*					
# OF LOANS DELINQUENT --	1*	1*	0*	0*					
8/23/11 15:16:09 RUN ON 8/23/2011		TEST CREDIT UNION PARTICIPATION LOAN DELINQUENCY ANALYSIS					LPLDEQ	PAGE USER KARENS	
CORP 01 TEST CREDIT UNION									
PLI 008 TEST INVESTOR 008									
*** INVESTOR OWNED PORTION OF PARTICIPATION LOANS ***									
ACCOUNT NUMBER	DELINQUENCY BALANCE IN MONTHS				MON DLQ	LAST PAY DATE	LAST PAY AMT	PLI %	
	1 TO 2	2 TO 6	6 TO 12	12 & OVER					
52999-501	63106.70				1	8/08/11	900.00	90.00	
53999-501	122607.38				1	8/15/11	1600.00	80.00	
* PARTICIPATION LOANS --	185714.08*	.00*	.00*	.00*					
# OF LOANS DELINQUENT --	2*	0*	0*	0*					
** GRAND TOTALS --	535236.18*	155291.59*	.00*	.00*					
# OF LOANS DELINQUENT --	3*	1*	0*	0*					
END OF REPORT									

MEMBER ACTIVITY ON PARTICIPATION LOANS

MNPART #2, "Review Mbr Activity on Part Lns", F14-Print



Field Name	Description
Corporate ID	Corporation ID, default is 01.
Transaction date range	The range of dates for the member activity.
PL investors	This is a Select button that allows you to select one or multiple investors.

Run this report to review member transaction activity on participation loans. Report can be viewed on the screen and has an **F14-Print** option. Loans are selected by Transaction date range and PL investor. This report can be run using any date range, but will only provide activity if transactions exist on the member transaction files. The prior 12 months of member activity is available.

Refer to **Page 26** for additional information on this report and for a sample of the display version of the report.

Note: The display version of this report does not include Tran Code and Tran Type.

Printed report version of Member Activity on Participation Loans

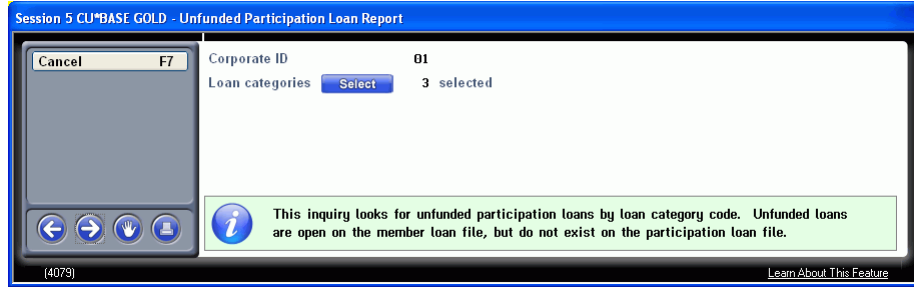
LOAN ACCOUNT	TRANS DATE	TRANS AMOUNT	TRAN CODE	TRAN TYPE	PRINCIPAL	INTEREST	TRANS RESULT BALANCE	DESCRIPTION / DESCRIPTION2
4/14/10 11:50:59 RUN ON 6/15/10								
CORP 01 TEST CREDIT UNION			TEST CREDIT UNION			LPLPAC		PAGE 1
PLI 002 TEST INVESTOR			MEMBER ACTIVITY ON PARTICIPATION LOANS			USER KARENS		
			DATE RANGE: 10/01/2009 TO 1/01/2010					
187989 790	01/01/10	332.20	22	29	99.78	232.42	43650.05	AUTO. FUNDS TRANSFER
187999 790	12/01/09	332.20	22	29	98.73	233.47	43849.08	AUTO. FUNDS TRANSFER
187999 790	11/01/09	332.20	22	29	98.21	233.99	43947.81	AUTO. FUNDS TRANSFER
469989 790	12/05/09	625.76	22	29	168.21	457.55	121845.92	AUTO. FUNDS TRANSFER
469989 790	11/05/09	625.76	22	29	167.58	458.18	122014.13	AUTO. FUNDS TRANSFER
535999 790	12/03/09	359.90	22	12	94.70	265.20	68715.16	FIRST MTG PAYMENT
535999 790	11/03/09	40.10	22	12	40.10	.00	68809.86	MBR-ELECTED PAYMENT
535999 790	11/03/09	359.90	22	12	94.18	265.72	68849.96	FIRST MTG PAYMENT
535999 790	10/05/09	40.10	22	12	40.10	.00	68944.14	MBR-ELECTED PRINCIPA
1239989 790	12/01/09	190.82	23	61	190.82	.00	126954.01	FIRST MTG PAYMENT
1239989 790	11/01/09	856.44	22	29	353.27	503.17	126763.19	MBR-ELECTED PRINCIPA
1239989 790	10/01/09	190.82	23	61	190.82	.00	127116.46	FIRST MTG PAYMENT
405999 790	12/11/09	1541.46	23	37	.00	.00	97600.00	MBR-ELECTED PRINCIPA
4050989 790	12/11/09	204.00	23	37	.00	.00	96058.54	XFER FOR ESCROW
4050989 790	12/11/09	35.00	23	40	.00	.00	95854.54	AUTO. FUNDS TRANSFER
4050989 790	12/11/09	67.00	23	37	.00	.00	95819.54	XFER FOR ESCROW
TOTALS:		6133.56			1636.50	2649.70		LOAN DISB, C/U CHECK LOAN/DISB# 000113760 LOAN DISB, C/U CHECK LOAN/DISB# 000113759 LOAN DISB, G/L ACCT LOAN DISB, C/U CHECK LOAN/DISB# 000113758
***** END OF REPORT *****								

Report Field Descriptions

<i>Field Name</i>	<i>Description</i>
PLI	Participation Loan Investor
Loan Account	The loan account base and type from the member transaction record.
Trans Date	Transaction Date from the member transaction record.
Trans Amount	Transaction Amount from the member transaction record.
Tran Code	Transaction Code from the member transaction record (only appears on printed version of report).
Tran Type	Transaction Type from the member transaction record (only appears on printed version of report).
Principal	Principal Paid on the loan from the member transaction record.
Interest	Interest Paid on the loan from the member transaction record.
Trans Result Balance	Transaction Resulting Balance from the member transaction record.
Description 1	Primary transaction description from the member transaction record.
Description 2	Secondary transaction description from the member transaction record.

UNFUNDED LOAN REPORT

MNPART #3 "Review Unfunded Loans", F14-Print



Field Descriptions

Field Name	Description
Corporate ID	Corporation ID, default is 01.
Loan categories	This is a select button that allows selection of 1 or more loan category codes.

Run this report to identify unfunded (new) loans. Unfunded loans are open on the member file, but do not exist on the participation loan file. Report can be viewed on the screen and has a **F14-Print** option.

This report helps to identify loans new that should be added to the participation loan system. (Refer to **Page 10** for instructions on adding a loan to the PL system). This situation can cause the member and participation G/L accounts to be out of balance.

Printed Report version

LOAN ACCOUNT	NAME	LN CTG	PRIN BAL	MEMBER INFORMATION OPEN DATE	LST PMT DT
3549999 781	DAVID A SCHWIMMER	80	92597.59	04/14/10	04/14/10
4679999 780	JENNIFER ANISTON	80	122342.54	04/15/10	04/15/10
Total Principal Balance			214,940.13		
Total Number of Unfunded Loans =			2		

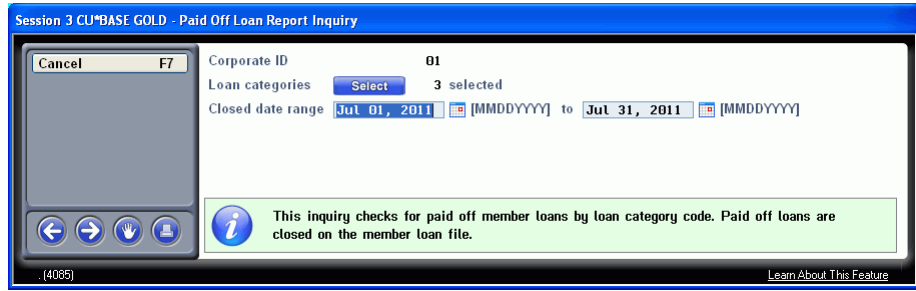
END OF REPORT

Report Field Descriptions

Field Name	Description
Loan Account	The loan account base and suffix.
Name	The member name.
Ln Ctg	The loan category code.
Prin Bal	The principal balance from the member loan file.
Open Date	The open date from the member loan file.
Lst Pmt Dt	The last payment date from the member loan file.

PAID OFF LOAN REPORT

MNPART #4, "Review Paid Off Loans", F14-Print



Field Descriptions

Field Name	Description
Corporate ID	Corporation ID, default is 01.
Loan categories	This is a select button that allows selection of 1 or more loan category codes. At least one entry is required.
Closed date range	This is the date range to check for closed loans on the member file.

Run this report to identify closed (paid off) member loans. Report can be viewed on the screen and has a **F14-Print** option.

The report is used to identify paid off loans that may need an interest adjustment in the PL work file. If the participation loan status is an "E" for existing, the closed loan is open on the participation loan system.

This report may be helpful for cleaning up the participation loan files. By identifying the closed (paid off) member loans, the loans with a PL STATUS of "C" (Closed) can be manually deleted from the participation loan system by accessing MNPART #1 'Add/Maintain Participation Loans', selecting the loan, then clicking **Delete**.

Printed report version of Paid Off Loan Report

```

4/14/10 12:19:43          TEST CREDIT UNION          LPLPOF          PAGE 1
RUN ON 4/14/10          PAID OFF LOAN REPORT          USER KARENS

CORP 01 TEST CREDIT UNION
LOAN CATEGORY 80
CLOSED DATE RANGE: 1/01/2010 TO 4/01/2010

- - - - - MEMBER INFORMATION - - - - -
LOAN ACCOUNT  NAME          LN CTG  PRIN BAL  OPEN DATE  CLSD DATE  LST PMT DT  PL  RD
STATUS      LOAN
665999 780  MARY JANE JONES          80          .00  09/29/04  01/08/10  01/08/10  C  N
1177989 780  JOHN DEWITT              80          .00  06/16/03  01/25/10  01/25/10  E  N
1889999 780  JAMES B SAUDER          80          .00  01/23/08  03/26/10  03/26/10  E  Y
3970989 780  VINCENT L PARKER        80          .00  12/28/05  01/04/10  01/04/10  C  N
Total Number of Closed Loans = 4

***END OF REPORT***
    
```

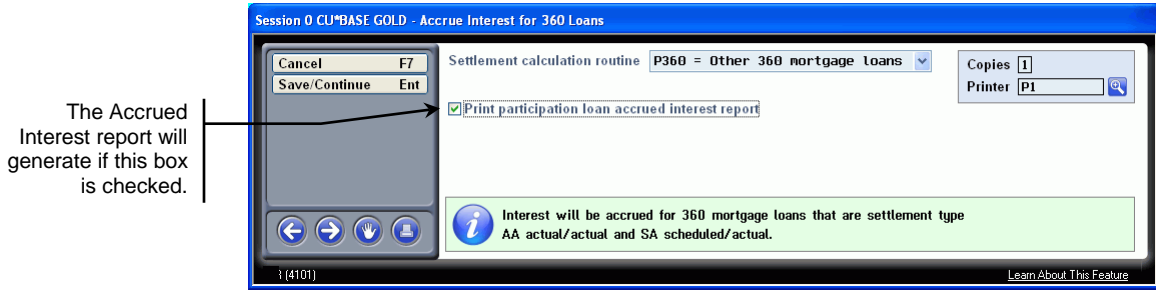
Report Field Descriptions

Field Name	Description
Loan Account	The loan account base and suffix.
Name	The member name.

<i>Field Name</i>	<i>Description</i>
Ln Ctg	The loan category code.
Prin Bal	The principal balance from the member loan file.
Open Date	The open date from the member loan file.
Clsd Date	The closed date from the member loan file.
Lst Pmt Dt	The last payment date from the member loan file.
PL Status	Participation Loan Status, E=Existing, N=New, C=Closed, Blank=does not exist in PL system
RD Loan	A Y indicates that this is a Rural Development loan.

PARTICIPATION LOAN ACCRUED INTEREST REPORT

MNPART #11 "Accrue Interest for 360 Loans"



When processing the interest accrual, this report generates if the "Print participation loan accrued interest report" box is checked. A listing of all the loans for the *Settlement calculation routine* and *Company code* (if applicable) is provided along with interest accrual information.

LOAN ACCOUNT	DATE REPORTED	PRINCIPAL BALANCE	ACCRUED INT DUE	PAST DUE INTEREST	TOTAL INTEREST DUE
187999 790	04/30/11	42410.53	216.47	216.47	432.94
203999 790	04/30/11	88370.54	248.54	248.54	497.08
207999 790	04/30/11	66559.38	.00 *	.00	.00
301999 790	04/30/11	87928.06	247.30	.00	247.30
322999 790	04/30/11	120603.07	464.82	464.82	929.64
329999 790	04/30/11	147029.29	551.36	.00	551.36
370999 790	04/30/11	105565.36	296.90	296.90	593.90
386999 790	04/30/11	176200.31	495.56	.00	495.56
469999 790	04/30/11	119600.97	423.59	423.59	847.18
535999 790	04/30/11	65648.88	239.34	239.34	478.69
641999 790	04/30/11	84041.88	288.89	.00	288.89
646999 790	04/30/11	119001.74	322.30	322.30	644.60
658999 790	04/30/11	81000.00	244.69	244.69	489.38
667999 790	04/30/11	47591.22	188.38	.00	188.38
683999 790	04/30/11	78309.21	.00 *	.00	.00
826999 790	04/30/11	82873.83	241.72	337.08	578.80
964999 790	04/30/11	287701.64	959.01	.00	959.01
970999 791	04/30/11	143401.47	478.00	.00	478.00
987999 790	04/30/11	64733.15	195.55	195.55	391.10
1017999 790	04/30/11	33579.76	101.44	.00	101.44
1081999 790	04/30/11	125355.60	378.68	378.68	757.36
1099999 790	04/30/11	125845.19	353.94	.00	353.94
TOTAL BY PLI 001		2,418,706.78	6,936.48	3,367.96	10,304.44

Report Field Descriptions

Field Name	Description
Loan Account	The loan account base and suffix.
Date Reported	The last date that this loan was reported to the investor.
Principal Balance	The participation loan principal balance.
Accrued Int Due	The amount of interest accrued for the loan. A zero amount with an asterisk (.00 *) indicates that the loan did not accrue interest.
Past Due Interest	The past due interest amount.
Total Interest Due	The total interest due that includes the current interest due and the past due interest.

CONFIGURATIONS FOR PARTICIPATION LENDING

CONFIGURING LOAN CATEGORY CODES

A separate loan category code can be defined for your standard 365 (PART) loans and other 360 loans (P360). It is not required.

MNCNFB #1 "Loan Category Configuration"
Screen 1

Session 0 CU*BASE GOLD - Loan Category Definition

Loan Category Definition UPDATE

Category code 22 Corp ID 01 CREDIT UNION

General Information

Full description BUSINESS LOAN FIXED RATE
Abbreviated description BUS LOAN FIXED
Business unit
Process type E CONSUMER LOAN/CLOSED END

Account type range Low 760 High 769
Interest rates Low 4.000 High 23.000

Interest calculation type 0 = 365
Payment calculation type Principal and Interest
Next payment date/delinq control Can Pay Ahead

Use review date for disbursements AFT payment date control default
 Allow teller disbursements AFT delinquency control default
 Warn teller if different payment amount Use note # control
 Include delq fine in partial pay Allow stock to secure loan
 Allow payment protection Use the lease residual in payoff
 Allow account nickname Restrict approving loan officer from disbursing same loan

Student loan after-payout category

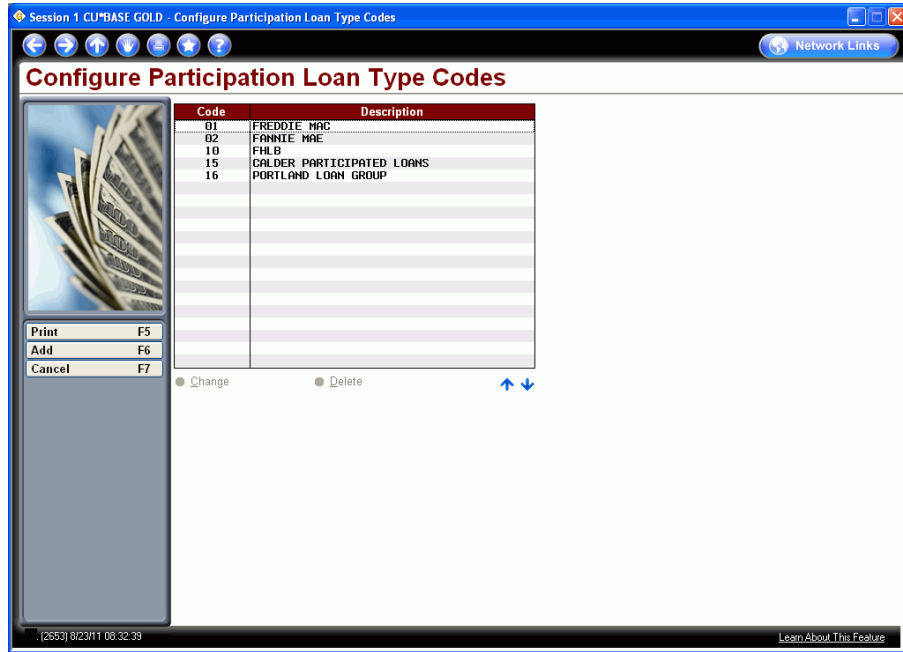
Suspend F4
Ratio F6
Bypass F8
End F10
Delete F16
Pmt Controls F17
Audio/PC Bank F23

(2321) 11/08/11 12:23:04 Learn About This Feature

Since, there are several settings on the loan category configuration screen that relate specifically to the 360-day interest calculation method, refer to the *360-Interest Day Calculation Booklet* for specific instructions on configuring a loan category code for P360 loans.

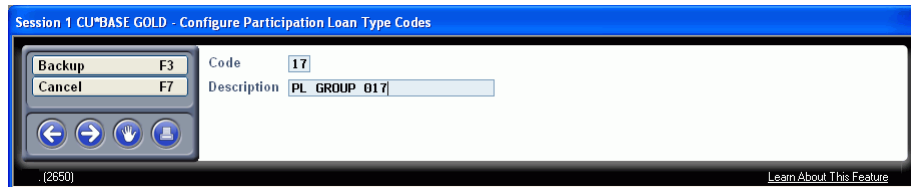
CONFIGURING PARTICIPATION LOAN TYPE CODES

MNPART #26 "Configure Participation LN Types" - Screen 1



This is the first of two screens used to configure Participation Loan Type codes. These codes are assigned to individual participation loan accounts to help identify groups of loans and to use when printing reports.

- To create a new code, use **F6-Add**. To modify an existing code, select it in the list and use the **Change (2)** option. The screen below will appear.
- To delete a code, select it in the list and use the **Delete (4)** option. Codes that are tied to any participation loans cannot be deleted.
- To print a list of participation loan type codes, us **F5-Print**.



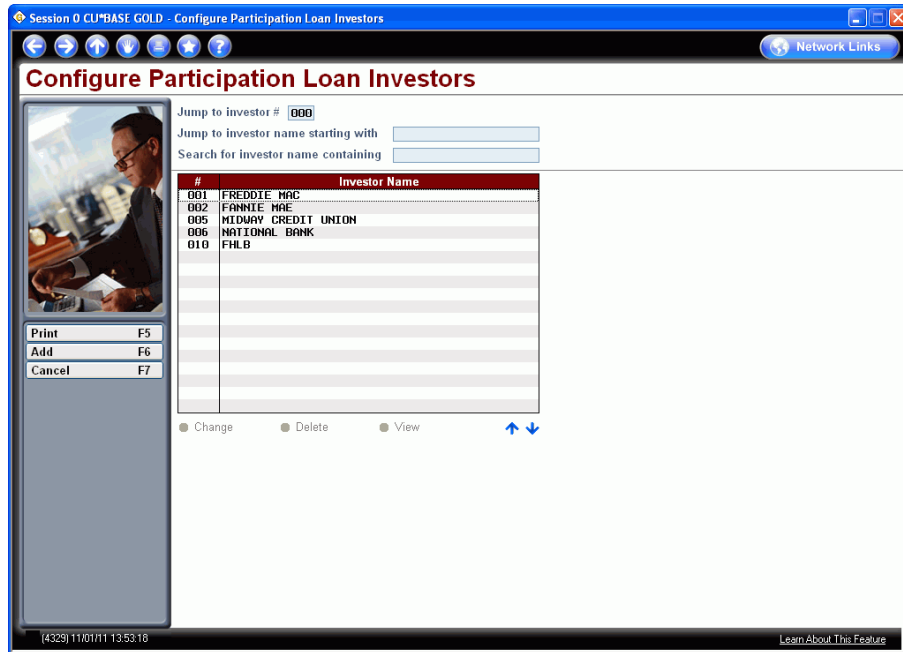
Use this screen to record a description for the group of loans. When done, use **Enter** to save and return to the previous screen.

Field Descriptions

Field Name	Description
Code	If adding a new code, enter any 2-character code (letters and numbers are allowed). For an existing code, this field cannot be changed.
Description	Enter a description for this group of loans, such as "real estate participation," etc.

CONFIGURING INVESTOR INFORMATION (PLI)

MNPART #27 "Configure PLI Information" - Screen 1



This is the first of two screens used to configure the information for your credit union's investors. These are the organization(s) that will be investing in your credit union's loan accounts. In the participation loan system, the Participation Loan Investor is often referred to as the PLI.

The PLI also controls the default G/L accounts that will be used to record principal, accrued interest, interest income and settlement accounts when participation loan work files are posted.

Use the search criteria at the top of the screen to jump to a specific investor or search based on the investor name. To view an investor's information, use the **View (5)** option.

To create a new investor, use **F6-Add**. To modify an existing PLI, select the name in the list and use the **Change (2)** option. The screen shown on the next page will appear.

To delete a code, select it in the list and use the **Delete (4)** option. Investors that are tied to any participation loans cannot be deleted.

Report Sample

This report will be printed when you use **F5-Print**:

PLI #	CU NAME/INVESTOR	CONTACT	STLMNT	STLMNT	CO	R & T NBR	TYP	STLMNT	G/L
11/01/11 14:03:36	TEST CREDIT UNION								
	PARTICIPATION LOAN INVESTOR REPORT								
	RUN ON 11/01/2011								
1	FREDDIE MAC 123 MAIN STREET GRAND RAPIDS MI 49546	BILL SMITH BSMITH@FREDDIEMAC.COM	FHMC	SA			01	89901	
			PH 616 295-1234						
			FAX 616 295-2345						
	STARTED OFFERING FREDDIE LOANS IN MARCH OF 2009. FOR ISSUES WITH SETTLEMENT, REFER TO THE FREDDIE MAC SELLER SERVICER GUIDE.								
2	FANNIE MAE PO BOX 209 FRANKENMUTH MI 48734	JOHN SMITH JSMITH@FANNIEMAE.COM	FNMA	AA		272480131		89900	
			PH 616 491-7123						
			FAX 616 491-7124						
	OPENED 08/22/2008 - FIRST FANNIE GRANTED 08/2008 EFFECTIVE 09/01/2010 - PLI003 COMBINED FROM NMS BACK TO FCU INTO ONE BIG FILE UNDER PLI002								
5	MIDWAY CREDIT UNION 541 MAIN STREET GRAND RAPIDS MI 49546	ALISON JONES CEO AJONES@MIDWAYCU.COM	PART	AA			05	89902	
			PH 616 600-2520						
			FAX 616 555-1212						
	FIRST SETTLEMENT - PURCHASE OF A POOL 10/30/08								
6	NATIONAL BANK 545 MAIN STREET GRAND RAPIDS MI 49546	KAREN JONES	P360	AA			06	89903	
			PH 616 541-1233						
			FAX 616 541-3892						
	FIRST POOL PURCHASED AND SETTLED 10/30/08								
10	FHLB 123 MAIN GRAND RAPIDS MI 49546	CONTACT NAME 1 VICE PRESIDENT CONTACT1@FHLB.COM	PART	AA	010	272727272	06	89902	
			PH 616 285-5711						
			FAX 616 285-0825						
		CONTACT NAME 2 ACCOUNTING MANAGER CONTACT2@FHLB.COM	PH 616 154-5465						
			FAX 616 545-4542						
	OPENED 1/1/11.								
END OF REPORT									

Screen 2

Use **Enter** to save and return to the previous screen.

Field Descriptions

Field Name	Description
PLI investor #	If adding a new code, enter any 3-digit number (letters are not allowed). For an existing code, this field cannot be changed.

<i>Field Name</i>	<i>Description</i>
CU/Investor name	Enter the name of the investing individual or organization. This is a required field
Seller/Servicer #	The number assigned by the government investor to identify the credit union. This is not used for PART/P360.
Company code	This is a 3 digit code that identifies companies that service participation loans, i.e. a mortgage CUSO. This is an optional field.
EIN/TIN	The employer identification number or the tax identification number for the investor. This is an optional field.
Address 1 Address 2 City State ZIP code	These fields contain contact information for the investor. Address1, City, State and ZIP code are required.
Contact name Title Contact phone # Fax # Email	These fields contain contact information for the investor. Information for up to three contacts can be entered. These fields are optional.
Settlement calculation routine	The routine that determines how the settlement amounts get calculated when a work file is processed. Valid settlement calculation routines are FNMA (Fannie Mae), FHMC (Freddie Mac), FHLB (Federal Home Loan Bank), PART (standard 365participation loans), and P360 (other 360 mortgage loans). This is a required field.
Settlement type	The method used for determining how funds are paid to the investor: either by <i>AA (Actual/Actual)</i> , taking into account actual activity on the loan or <i>SA (Scheduled/Actual)</i> , taking into account scheduled interest and actual principal collected from the member. Note: The <i>SS (Scheduled/Scheduled)</i> settlement type is not available for use at this time.
R&T #	Enter the Routing & Transit number for this investor. This informational field may be used for electronic settlement.
Default PLI type	If you wish to automatically assign a Participation Loan Type code to all loans attached to this investor, enter the type code here. Click the spyglass button to see a list of your credit union's configured codes. This is an optional field. Leave the field blank if you do not wish to assign a default code. See Page 68 for details about configuring these codes.
Settlement G/L acct	Enter the G/L account used to settle cash with the investor each time a settlement is posted, as well as when a new loan investment is originally purchased. This is a required field.
Principal G/L acct	Enter the G/L account used to post the amount paid by the investor for their portion of the member's loan. (This is considered a contra-asset account). This is a required field.
Accrual G/L acct	Enter the G/L account used to post the amount of interest accrued for the investor but not yet paid. This represents a payable account. This is a required field.
Interest G/L acct	Enter the G/L account used to post the amount of interest

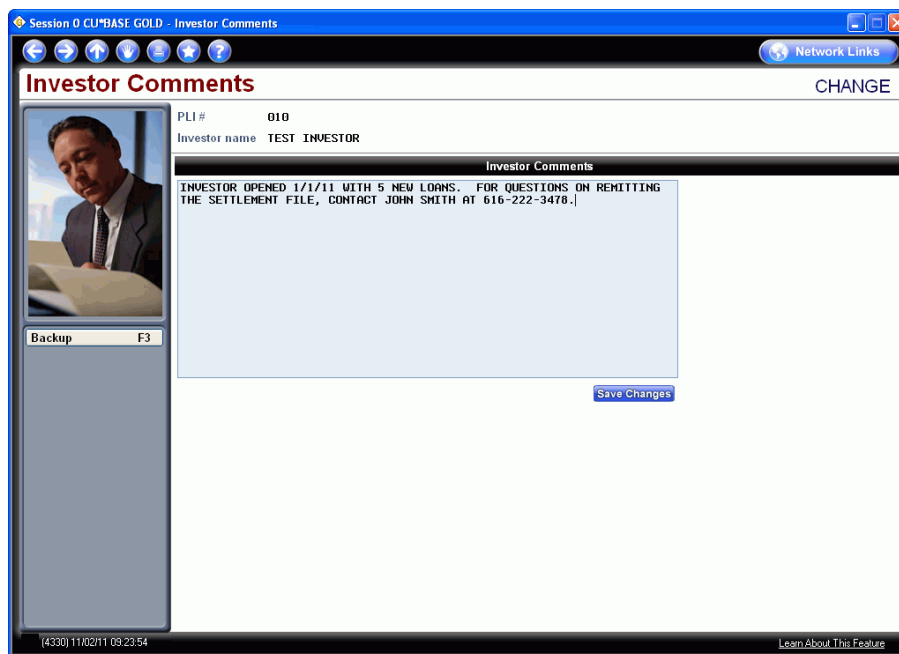
Field Name	Description
	paid to the investor (income acct). This is a required field.

Refer to **Page 76** for recommended G/L accounts.

Command Keys

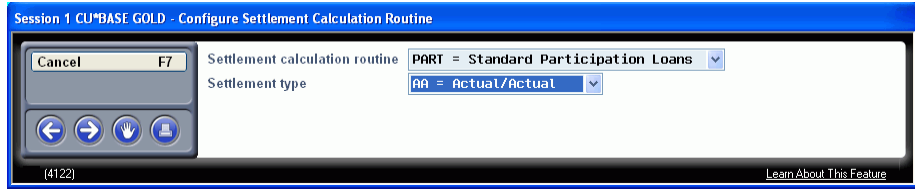
Command Key	Description
F3-Backup	Use this to return to the previous screen without saving any changes.
F4-Suspend	Use this to suspend this investor so that it cannot be attached to any participation loans. To reactivate, return to this screen and use Enter. BE CAREFUL: Be sure this investor is not tied to any loan accounts before suspending it.
F7-Cancel	Use this to return to the menu without saving any changes.
F12-Comments	Use this to update or review any special notes about this investor, details about settlement issues and restrictions, etc. Comments are optional.

If **F12-Comments** is used, the below screen will display.

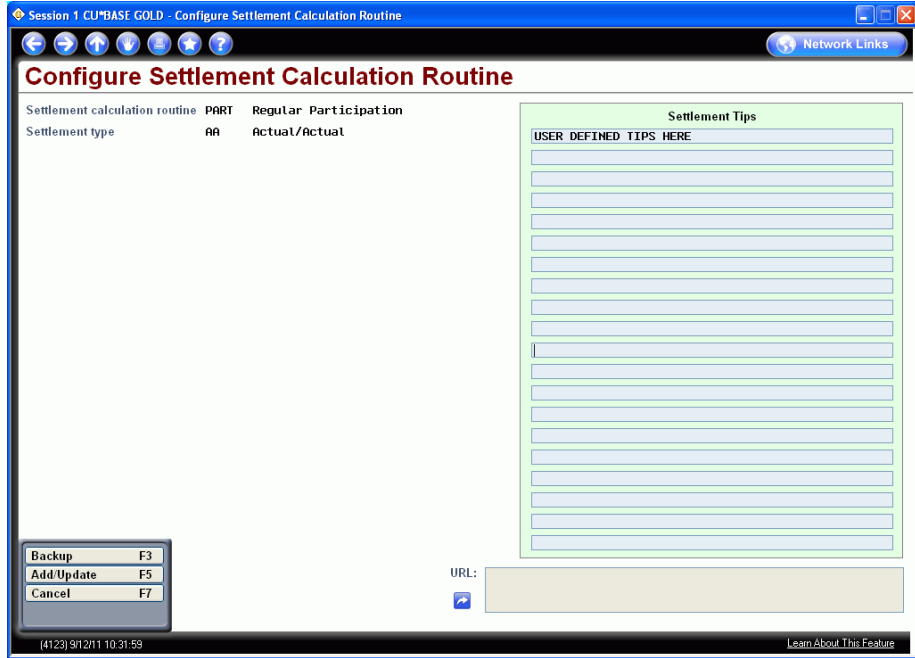


CONFIGURING THE SETTLEMENT CALCULATION ROUTINE

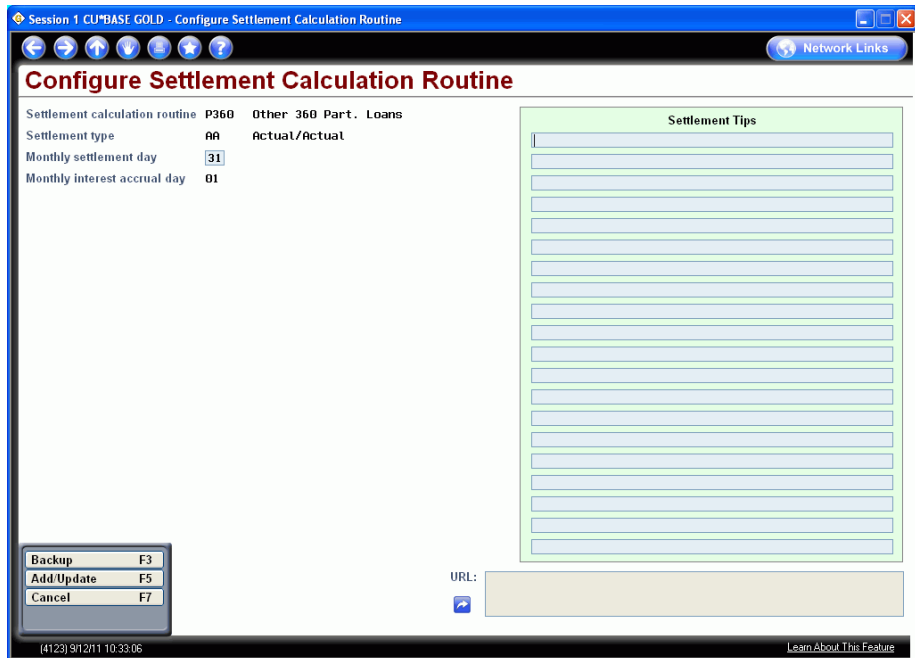
MNPART #29 "Configure Settlement Calc Rtns"



Screen 2 - PART



Screen 2 - P360



This

This screen is used to configure the Settlement Calculation Routines for the credit union. This routine determines how a participation loan is handled during the settlement process.

For *Settlement calculation routines* FNMA, FHMC, FHLB and P360, you are required to enter a *Monthly settlement day*. The *Monthly interest accrual day* will default to one day after the *Monthly settlement day*.

For the P360 *Settlement calculation routine*, the *Monthly settlement day* should be 31. The *Monthly interest accrual day* will then default to 01.

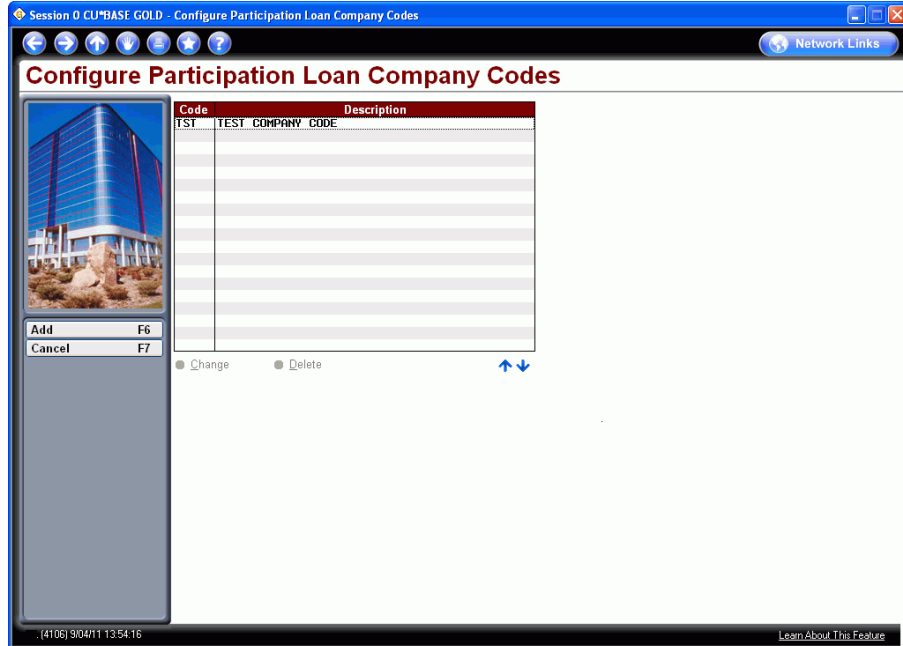
The configuration also contains free form fields that can be used to enter tips specific to the *Settlement calculation routine*.

Field Descriptions

<i>Field Name</i>	<i>Description</i>
Settlement calculation routine	The routine that determines how the settlement amounts get calculated when a work file is processed. Valid settlement calculation routines are FNMA (Fannie Mae), FHMC (Freddie Mac), FHLB (Federal Home Loan Bank), PART (standard participation loans), and P360 (other 360 mortgage loans). This is a required field.
Settlement type	The method used for determining how funds are paid to the investor: either by AA (<i>Actual/Actual</i>), taking into account actual activity on the loan or SA (<i>Scheduled/Actual</i>), taking into account scheduled interest and actual principal collected from the member. Note: The SS (<i>Scheduled/Scheduled</i>) settlement type is not available for use at this time.
Monthly settlement day	The processing day of the month for the required monthly settlement. For P360 this is 31 which indicates end of month. This field does not display for PART loans.
Monthly interest accrual day	The day of the month that the interest should be accrued for the monthly settlement file. This will default to one day after the <i>Monthly settlement day</i> and should be 01 for P360. This field does not display for PART loans.
Settlement Tips	Settlement tips associated with the <i>Settlement calculation routine</i> . This information is user defined and not required. These tips appear on the "Create/Post Work File" screen MNPART #5.
URL	The URL associated with the <i>Settlement calculation routine</i> . This field is not required and is generally used for government investors (FNMA, FHMC, FHLB). The URL displays on the Create/Post Work File screen MNPART #5.

CONFIGURING COMPANY CODES

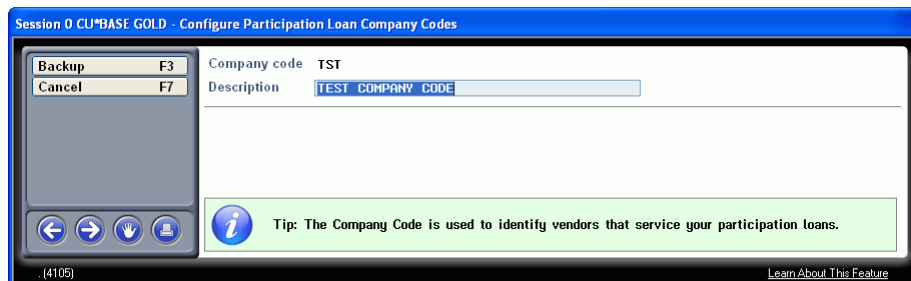
MNPART #28 Configure Company Codes



This screen is used to define companies that service a credit union's participation loans. An example would be a mortgage CUSO. If your credit union services its own participation loans, then no Company codes need to be configured.

The Company code is entered as a 3-digit alphanumeric code along with a description.

To create a new Company code, use **F6-Add**. To modify an existing company code, select the name in the list and use the **Change (2)** option. The screen below will appear. To delete a code, select it in the list and use the **Delete (4)** option. Company codes that are tied to any participation loans cannot be deleted.



GENERAL LEDGER

UNDERSTANDING THE GENERAL LEDGER TERMS

<i>Field Name</i>	<i>Description</i>
General Ledger	The central accounting record of an organization which includes offsetting debit and credit accounts including as assets, liabilities, income and expenses.
Participation Loan Investor (PLI)	The partner credit union or other organization that shares in the investment and the risk for the loan.
Contra Account	A GL account that holds a balance opposite the normal balance designation. For example, an asset account that usually has a debit balance would carry a credit balance.

RECOMMENDED GENERAL LEDGER NUMBERS

These are the recommended G/L accounts for Fannie Mae loans. The sequence number xx is user defined. If your credit union has multiple investors, a unique sequence number should be assigned to each investor.

Investor G/L Accounts

716.xx – Participation Loans Sold (PL Principal)

786.xx – Accrued Interest for Participation Loans (PL Interest)

117.xx – Income for Participation Loans

899.xx – Participation Loan Settlement

Member Loan G/L numbers:

704.xx – Member Loan Balances

781.xx – Member Accrued Interest

111.xx – Member Interest Income

Miscellaneous G/L Accounts

728-xx – Loans held for sale

CONFIGURING YOUR G/L CHECKLIST

Below are sample screens that indicate how to configure a financial statement that serves as a checklist for your participation loan G/L. This example is for a CU that has both PART and P360 loans.

MNGELE #4 Configure Financial Report

Session 2 CU*BASE GOLD - Maintain Financial Statement Configuration

Maintain Financial Statement Configuration

Corp ID 1 Report 81
 Title PARTICIPATION CHECK LIST Format B = Balance sheet

Heading	From G/L	To G/L	Code
VERIFY PL BALANCE & ACCRUED INT			None
MNPLR #17 - PRINT SUMMARY ONLY			None
PARTICIPATION LOANS	716.01		None
ACCR INT - PARTICIPATION LOANS	786.01		None
*****			None
MNPLR #5 RUN/POST WORKFILE FOR			None
[] PART (365) LOANS			None
[] P360 (360) LOANS			None
MNPLR #11 ACCRUE INT - 360 LOANS			None
MNPLR #6 RENAME J/E & THEN POST			None
MNPLR #16 PRINT FINANCIAL #01			None
*****			None
SETTLEMENT GL ACCOUNTS			None

Exit F3
 Add Report Lines F10
 Bypass F12

Leave the "Heading" field blank to print the description from the G/L account(s) as configured in your Chart of Accounts.
 To insert a row under the heading, press

(2026) 9/13/11 10:21:00 [Learn About This Feature](#)

Screen 2

Session 2 CU*BASE GOLD - Maintain Financial Statement Configuration

Maintain Financial Statement Configuration

Corp ID 1 Report 81
 Title PARTICIPATION CHECK LIST Format B = Balance sheet

Heading	From G/L	To G/L	Code
	898.00	899.99	None
			T = Print Heading Total
			None

Exit F3
 Add Report Lines F10
 Bypass F12

Leave the "Heading" field blank to print the description from the G/L account(s) as configured in your Chart of Accounts.
 To insert a row under the heading, press

(2026) 9/12/11 11:00:27 [Learn About This Feature](#)

Run the Financial Statement, via menu MNGELE option #16. On the final selection screen, be sure to check the boxes to Summarize locations, Print zero balances and Print G/L account #.

SAMPLE G/L CHECKLIST

9/13/11	09:32:49	81	TEST CREDIT UNION PARTICIPATION CHECK LIST FOR PERIOD ENDING 8/31/11	LGLFIPxx81	PAGE
RUN ON	9/13/11				USER KARENS
LOCATION(S) - *ALL					
			CURRENT Y-T-D -----		
	VERIFY PL BALANCE & ACCRUED INT				
	MNPLPR #17 - PRINT SUMMARY ONLY				
716-01	PARTICIPATION LOANS				454,588,118.18-
853-01	ACCR INT - PARTICIPATION LOANS				716,985.78-

	MNPLPR #5 RUN/POST WORKFILE FOR				
	[] PART (365) LOANS				
	[] P360 (360) LOANS				
	MNPLPR #11 ACCRUE INT - 360 LOANS				
	MNPLPR #6 RENAME J/E & THEN POST				
	MNPLPR #16 PRINT FINANCIAL #81				

	SETTLEMENT GL ACCOUNTS				
898-01	PARTICP SETTLEMENT - RAQUEL				.00
898-02	PARTICP SETTLEMENT - APCO EM				20,235.00-
898-03	PARTICP SETTLEMENT - FLORIDA				6,925.90-
898-04	PARTICP SETTLEMENT - NORTH S				10,311.62-
898-05	PARTICP SETTLEMENT - ANDREWS				166,813.34-
898-06	PARTICP SETTLEMENT - MEMBERS				.00
898-07	PARTICP SETTLEMENT - GEORGIA				39,076.60-
898-08	PARTICP SETTLEMENT - UNITED				8,970.27-
898-09	PARTICP SETTLEMENT - ALTA ON				5,111.48-
898-10	PARTICP SETTLEMENT - LEGACY				.00
898-11	PARTICP SETTLEMENT - ACTORS				.00
898-12	PARTICP SETTLEMENT -M-C FCU				4,875.00-
898-13	PARTICP SETTLEMENT - WESTCHE				.00
898-14	PARTICP SETTLEMENT - ESQUIRE				.00
898-15	PARTICP SETTLEMENT - AUTUMNT				.00
898-16	PARTICP SETTLEMENT - FEDCOM				.00

UNDERSTANDING PARTICIPATION LENDING AND YOUR FINANCIAL STATEMENT

Principal Loan balances: You will have an asset G/L account, i.e. 704.00 containing the CU*BASE Member loan balances and a contra asset G/L account, i.e. 716.01 containing the loan balance on the participation system. Because PART/P360 loans are not 100% sold to the investor, these two accounts will NOT net to zero.

Accrued Loan Interest: You will have an asset G/L account, i.e. 781.00 containing the member accrued loan interest on CU*BASE and a contra asset G/L account, i.e. 786.00 containing the accrued loan interest owed the investor on the participation system.

*Note: The interest rate on the participation side is typically .25% lower than the interest rate on CU*BASE so that the CU earns .25% of the interest for servicing the loans for the investor.*

Member Loan Interest Income: Interest accrues on the member loan balances and posts to G/L 111.xx as a credit amount. On the Participation loan system, interest accrues via either a work file (PART) or via MNPART #11 (P360) and posts to 117.xx as a debit amount. The net balance is the servicing income.

Investor Settlement: When member loan payments are processed in the participation loan system the total principal and interest posts to a settlement G/L account, i.e. 899.01. These funds are sent to the investors via check or wire typically once a month.