LIP Construction Loan Bill and Receipt (FPSRP298)

Purpose

The LIP Construction Loan Bill and Receipt is designed to function as a bill and receipt and a history statement. A statement will be created regardless of whether the customer remits payments or the institution charges interest to the LIP account.

This statement is a rendered statement, meaning that pre-printed forms are not used. Headings, logos, etc., are printed at the time the statement is created. Statements can be printed at your office eliminating the need for FPS GOLD to print and ship them to you. (**Note:** You will need to use paper with a perforation for the stub section.) In addition, complete copies of statements, including logos, boxes, headings, and the back of the statement are stored in GOLDView providing you with the ability to re-print an exact copy of the statement.

Another report, FPSR298A, is also available. This is a single-line report that shows all LIP statements that were created. Fields displayed on this report include the account number, name, due date, undisbursed balance, LIP rate, bill/charge code, prior unpaid amount, charge amount, accrued interest, and amount last billed (see the Additional Information section).

Additional Mailing Labels
Statements can be set up to be mailed to more than one borrower by setting up additional mailing labels. For example, you can send statements to both borrowers and to their accountants. The IRS owner does not need to be on the additional mailing label.

To set up additional mailing labels complete the following steps.

1. Go to the CIS Customer Search screen in CIM GOLD and search for the loan account.
2. Select the appropriate account and go to the CIS > Entity Maintenance screen.
3. Select "Create Mailing Label" from the <Create...> drop-down button at the bottom-right of the screen and click it to bring up the Entity Maintenance - Mailing Label screen.
4. Select "Account" from the **Attach Mailing Label to** drop-down list at the top of the screen to bring up the Link Entities to Mailing Label dialog.
5. Highlight the appropriate account and click the <Link> button to bring up the Mailing Label Option dialog.
6. Select the **Add Additional Mailing Label** radio button and click <OK>.
7. Set up the new mailing label.

NOTE

When you search for a CIS customer by account number, all mailing labels linked to that loan are displayed.

---

eStatements
If your institution is using FPS GOLD Web services, alerts can be sent to one or more borrowers notifying them that the electronic statement is ready. Borrowers can then access the statement via the Web. Statements are stored in PDF format. eStatements are set up by using the **Statement Delivery** field on the Loans > Account Information > Billing & Coupons screen (refer to that field for more information).

Even if your institution is using the FPS GOLD Web service and offering deposit statements via the Web, your institution must also be set up for loan eStatements. Your institution can offer paper statements and/or eStatements. Statements can be stored so that they are accessible in GOLDView for up to 27 months (based on full quarters). Your institution controls whether or not a customer can set himself up to receive eStatements from the Web. Be sure to confer with your institution's Web administration department to determine which features your institution uses.

Mail Alerts
Accounts marked with mail alerts can be sorted to the top of the batch of statements. You may want to set up mail

alerts for loans that have a foreign address in the mailing label and a different postage rate is required, or if a loan is in foreclosure and you want a statement created but don't want to mail it out.

Do Not Mail displays the message, "Do Not Mail" across the top *and* displays the name and address directly below the message.

Institution Attention displays the message, "Institution Attention" across the top *and* displays the name and address directly below the message.

Complete the following steps to set up mail alerts.

1. Go to the CIS Customer Search screen and search for the loan by account number.
2. Select the appropriate account and go to CIS > Entity Maintenance screen.
3. Highlight the account in the **Search Results** list box.
4. Highlight the Mailing Label row in the **Entities Related to Primary Account** list box and right-click.
5. Select "View as Primary Entity" from the right-click pop-up menu to view the mailing label in the **Search Results** list box.
6. Click the <Edit Selected Entity> button at the bottom of the screen.
7. Select "Create Mailing Label" from the <Create...> drop-down button at the bottom-right of the screen to bring up the Entity Maintenance - Mailing Label screen.
8. Select "Do Not Mail" or "Institution Attention" from the **Mailing Exception** drop-down list at the top of the screen to set up an alert. **Note:** The "Statement Top Sort" mailing exception is not used with loan statements since they have their own sorts.
9. Click <Save Changes> to attach the mail alert to the mailing label. The mail alert is also displayed on all loan screens that contain the mailing label.

Alternate Mailing Address
If a borrower is set up with an alternate mailing address, it is used during the designated time frame.

Logo
Institution logos can be displayed on the statement.

Reading the Report

This statement is divided into two portions. The top portion, or "stub," identifies the borrower's name and address, account number, amount due, and late charge information. It is separated from the lower portion by a perforation. This allows the borrower to separate the top portion and return it with the payment. The lower portion identifies various balances, disbursements and credits, and interest rate changes.

A counter page at the end of the statements indicates the number of statements created.

The statement is created regardless of whether the institution charges the LIP account for the interest due or the borrower remits payments to the institution. If the LIP is charged, the **Amount Due** is blank and the amount charged to the account is displayed in the history section.

This statement is created via the interest charge/bill code on the Loans > Construction > Account Construction Detail screen. It displays historical information from the date of the last statement rather than month to date. Example: If the statement code is set up with a **LIP Next Biller Charge Date** of April 25th, the history on the statement runs from the 25th of March through the 24th of April. Note that only LIP transactions appear on the statement. Transactions to the loan side, such as principal credits, do not appear. (A report option is available that also displays all debits and credits to the principal balance.)

This statement is created monthly, quarterly, semi-annually, or annually, based on the **Billing or Charging Frequency** field. If statements are created monthly, it creates one cycle after the loan is paid off. Example: The loan is set up to bill monthly at monthend. The loan is paid off on April 15th. A statement will be created on April 30th that identifies history through the payoff date. No statement will be created on May 31st. If statements are created quarterly, semi-annually, or annually, the statement will be created the night of the payoff.

Advertising Messages
Advertising messages are set up on the Miscellaneous > Advertising Messages > Message Detail screen in CIM GOLD using message code 298.

Options

Option 1 (**Misc Opts** 1) prints on the back of the form. **Note:** This applies only to FPSR298A (single-line report).

Option 2 (**Misc Opts** 2) shows all debits and credits to the principal balance.

Option 3 (**Misc Opts** 3) always prints a test watermark.

Option 4 (**Misc Opts** 4) sends e-mail alerts for accounts set up for eStatements (ATESTM=Y).

Option 5 (**Misc Opts** 5) doesn't perform a rollback when deciding whether to print a statement for the loan if it is the first statement.

Option 6 (**Misc Opts** 6) prints only statements for accounts set up for eStatements (ATESTM=Y). **Note:** You need two reports set up. One for e-mail statements and one for statements without e-mail.

Option 7 (**Misc Opts** 7) prints only statements for accounts *not* set up for eStatements (ATESTM=N). **Note:** You need two reports set up. One for e-mail statements and one for statements without e-mail.

An institution option (OPTX STBK) is available that stops statements from being created for loans in bankruptcy.

A report option is available that sorts "no mails" to the top. "No mails" refers to those accounts that do not have statements sent to a mail box. No mails are designated in the CIS System. If you would like to use this option, please submit a work order.

A report option is available that replaces the undisbursed balance with the disbursed balance.

A report option is available that displays the counter number at the right of the borrower name which appears in the window of the envelope.

An institution option (OP06 CLCB) is available that automatically changes a loan from charging interest to billing interest. Refer to the Additional Information section at the end of this report.

FPS GOLD Only

Input Records must be set to "LNS," "NAD," "STF," "LHS," and "CML."

Misc Opts 1 set to "Y" prints on the back of the form. **Note:** This applies only to FPSR298A (single-line report).

Misc Opts 2 set to "Y" shows all debits and credits to the principal balance.

Misc Opts 3 set to "Y" always prints a test watermark.

Misc Opts 4 set to "Y" sends e-mail alerts for accounts set up for eStatements (ATESTM=Y).

Misc Opts 5 set to "Y" doesn't perform a rollback when deciding whether to print a statement for the loan if it is the first statement.

Misc Opts 6 set to "Y" prints only statements for accounts set up for eStatements (ATESTM=Y). **Note:** You need two reports set up. One for e-mail statements and one for statements without e-mail.

Misc Opts 7 set to "Y" prints only statements for accounts *not* set up for eStatements (ATESTM=N). **Note:** You need two reports set up. One for e-mail statements and one for statements without e-mail.

Misc Parm:

> The **Misc Parm** field should be "HDU2LSTBILL." This pulls history from the last billing cycle. Only one cycle of history appears, but rate changes in the prior month appear.

> Put a "D" in the last position of the **Misc Parm** field to replace the undisbursed balance with the disbursed balance on the statement. **Note:** When using this option, the title of the box on the statement form automatically changes to "Disbursed Balance."

> To create a report of loans for which a statement was created, a second report setup is required. Since FPSRP298 is a **Mult** = "N" report, you need the second setup to be FPSR298A. Enter an "R" in the last

position of the **Misc Parm** field. **Note:** Only one report setup is needed. All loans that had statements created appear on the same report. Remove "CML" (multiple mailing labels) from the **Input Records**, the User *should not be NoHost*, and the **Sub Prog Controls Print** should *not* be checked. Also, to view the report in GOLDView, use FPSRP298 not FPSR298A; the program has been set to pull both the report and the statement using FPSRP298.

To include closed loans (loans that paid off during the statement cycle), *don't* use status indicator 11 in the pull fields.

Institution option OPTX STBK set to "Y" stops statements from being created for loans in bankruptcy.

To sort "no mails" to the top, enter "81" in the **Sorts** field.

If an account has additional mailing labels in the CIS System, additional copies of the statement print for those labels.

Logos
There are two options for logos:

1. Use one logo on all images.
2. Use different logos for different branches (Auto Logo Per Office option). This could be used if an institution has different bank names or logos based on the branch.

Logo images are used only if the Auto Logo Per Office option is set. Logo names are:

    IIII_0000_Logo.emf *and*
    IIII_Default_Logo.emf

    IIII = Institution number
    0000 = Office number

If the office logo is not found, the program uses the default logo. If neither logo is found, no logo is printed.

Printing Statements
If an institution wants to print statements directly from the warehouse instead of having FPS GOLD print the statement, place a "Y" in Warehouse and the words "No Host" in the **User** field.

Renderer

Enter <SPLIT_INTEREST_AND_LATE>Y</SPLIT_INTEREST_AND_LATE> in the renderer layout file to print separate Late Charges Due and Interest Due amounts.

Enter <COVER_SHEET_DESTINATION>Mail</COVER_SHEET_DESTINATION> in the renderer layout file to print "Mail" on the cover sheet, but any text can be printed. Simply replace "Mail" with the text of your choice. **Note:** The cover sheet appears only when the statements are printed at FPS GOLD. It doesn't appear on reports printed from GOLDView.

Enter <RETURN_ADDRESS_BRANCH>Y</RETURN_ADDRESS_BRANCH> in the renderer layout file to print the branch return address instead of the institution return address.

<AUTO_LOGO>Y</AUTO_LOGO> automatically finds and prints the correct logo on statements. If there is no layout file for the institution, AUTO_LOGO is defaulted to "Y."

Billing Section
Column Heading Descriptions

Column	Description
Borrower's Name	This is the borrower's name and mailing address. They are retrieved from the CIS System.
Account	This is the account number of the loan.

Statement Date	This is the date on which the statement is printed.
Due Date	This is the date the next regular payment is due.
	If zero is due when billing occurs, the program backs up the due date by one frequency for the statement only. The actual due date on the loan is not changed. This is so the customer does not believe the future payment has zero due. For example, if zero is due at the end of February, the system rolls the due date from March 1 to April 1. The customer receives the billing indicating that $0 is due for the due date of March 1. The due date of April 1 is backed up by one frequency on the statement only.
Late Charges	This is the amount of late charges that have been assessed, but not paid. Also, the following message is displayed if there is a late charge calculation code and grace days are included on the Loans > Fees & Late Charges & Penalties screen: "Payment is due on XX-XX-XX. If payment is not received within XX days of the due date, a $XX.XX late charge will be assessed."
Interest Due	This displays the amount of interest due included in the Total Payment Due.
Reserves Due	This field is part of the Total Payment Due breakdown and only appears when the **Include Reserves On Bill?** field is selected on the Loans > Construction > Account Construction Detail screen in CIM GOLD and there is a reserve constant. It displays the amount of reserves due included in the Total Payment Due.
Total Payment Due	This is the amount of interest billed to the borrower that is still unpaid. It is retrieved from the **Prior Unpaid Charges** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD. If there are late charges due or you are billing for reserves, those amounts are included in the total due. Refer to the Total Payment Due description on the next page.
Total Remitted	This is where the borrower enters the total amount of the payment remitted (paid).

Loan Information Section
Column Heading Descriptions

Column	Description
Property Address	This is the address of the property under construction. It is retrieved from the CIS System. Multiple property addresses can be displayed for a single loan.
Account	This is the account number of the loan.
Principal Balance	This is the loan principal balance.
Opened	This is the date the loan was opened.
Maturity	This is the date the loan matures.
Rate	This is the interest rate that is in effect when the statement is created. Interest is calculated on the funds disbursed from the LIP account when the LIP method code is 001 or 101. As the interest rate changes during the month, the changes appear in the history portion of the statement.

Original Loan Amount	This is the original principal balance of the loan.
Undisbursed Balance or Disbursed Balance	This is the amount of funds not yet disbursed from the LIP account.
	A report option is available that, when set, replaces the undisbursed balance with the disbursed balance. (When using this option, the title of the box on the statement form automatically changes to "Disbursed Balance.")
YTD Interest	This is the amount of interest that has been charged to this LIP or paid by the borrower during this calendar year.
Payment Due Date	This is the date the next regular payment is due.
	If zero is due when billing occurs, the program backs up the due date by one frequency for the statement only. The actual due date on the loan is not changed. This is so the customer does not believe the future payment has zero due. For example, if zero is due at the end of February, the system rolls the due date from March 1 to April 1. The customer receives the billing indicating that $0 is due for the due date of March 1. The due date of April 1 is backed up by one frequency on the statement only.
	Note: If option 5 (**Misc Opts** 5) is set, it doesn't perform a rollback when deciding whether to print a statement for the loan if it is the first statement.
Total Payment Due	This is the amount of interest billed to the borrower that is still unpaid. It is retrieved from the **Prior Unpaid Charges** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD.
	If the **Include Reserves On Bill** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD is checked, the reserve 1 and reserve 2 constants are added to this total. If the loan is delinquent, the reserve constants due for each delinquent month are also added to the amount due. The interest **Billing or Charging Frequency** (LNLCHG) on the Loans > Construction > Account Construction Detail screen in CIM GOLD and the loan **Due Date** (LNDUDT) are used to determine how many times the reserve constants are added to this amount. If zero interest is due when the billing occurs, the reserve constants are still added to the Total Payment Due. Please refer to the <F1> help for the **Include Reserves On Bill** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD for more details.
	Warning: Construction loans are *not* included in the reserve analysis. Before you set up accounts with reserves, be sure you are in compliance with the Real Estate Settlement Act (RESPA).

History Section
Column Heading Descriptions

Column	Description
Trans. Date	This is the date of the transaction or interest rate change.
Description	This identifies the disbursement code description, who the disbursement check was payable to, and the voucher number. This information was created via LIP Disbursement Setup and Disbursement Processing. The following abbreviated codes in

parentheses located to the right of the description indicate if the money was disbursed from the LIP balance (LIP BAL), disbursed from the customer balance (CUS BAL), charged to the loan's LIP interest budget (LIP INT), or was a payment received from the borrower.

Interest rate changes are also displayed in this section using the "INTEREST RATE PRIOR TO THIS DATE WAS XX.XXX" message. If statements are created between noon and midnight, the message "INTEREST RATE PRIOR TO MIDNIGHT OF THIS DATE WAS XX.XXX" is displayed. The current rate is displayed in a box in the lower portion of the statement.

When loan fees are paid, they also show up in this section.

A partial write-off transaction will appear on the statement. Charge-offs do *not* appear on the statement.

Decrease This is the amount of the transaction that has decreased the LIP undisbursed balance or customer balance. Usually decreases are for LIP disbursements or interest charges.

Increase This is the amount of the transaction that is either a credit to the LIP balance or an interest payment received from the borrower.

Unadvanced Balance This is a running total of the undisbursed LIP balance after each transaction.

Additional Information

Institution option OP06 CLCB is available in the LIP system for loans that are charging interest to the LIP undisbursed balance (LIP bill code 001).

When the program attempts to charge interest, if the *amount in the interest budget is less than the amount being billed*, the system:

1. Clears the funds in the interest budget (**Undisbursed Amount** for budget code 3 on the Loans > Construction > Budget Detail & Setup screen in CIM GOLD) and credits that amount to LIP interest.
2. The remaining amount due is added to the **Prior Unpaid Charges** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD. (This is the difference between the interest due for the month and the Undisbursed Amount in the interest budget.)
3. Automatically changes the LIP **Bill or Charge Interest** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD to "(1) Bill Interest."

NOTE

Interest is charged or billed based on three criteria:

1. The **Bill or Charge Interest** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD is set to either "(0) Charge Interest" or "(1) Bill Interest."

2. The number of days before the due date to create the bill is selected from the **Create Billing** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD. Possible entries include "(0) Same Day Billing," "(1) Day Before Due Date," "(2) 3 Days Before Due Date," etc.

3. The billing/charging frequency in the **Billing or Charging Frequency** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD is selected. Possible

---

choices include "(0) No Billing or Charging Interest," "(1) Monthly," "(2) Quarterly," etc.

4. The LIP billing statement (FPSRP298) performs the following:
   1. Bills the customer for the amount in **Prior Unpaid Charges**. (The difference between the interest due for the month and the amount collected from the interest budget.)
   2. Displays an institution-defined message notifying the borrower that there are no funds left in the interest budget and he/she must, therefore, begin remitting payments. This message is set up by the institution by using the *CIM GOLD advertising messages and message code 128* . **Note:** Regular advertising messages use message code 298; the change from charging to billing is message code 128. If no advertising message (128) is set up, the default message appears, "You now need to start making monthly payments. Please call with any questions."

Bottom of the Statement

In the bottom, right-hand corner of the statement four pieces of data are given (e.g., 9 LIPA 100 6298). The first piece is the statement number (e.g., 9 equals the 9th statement). The second piece contains the form name (e.g., LIPA). The third piece contains your institution number (e.g., 100). And the fourth piece is the FPS GOLD report program code (e.g., 6298).

FPS GOLD
BANKING SOFTWARE & SERVICES

Construction Loan Statement

Account	Statement Date	Due Date
281 201818 2	7-31-10	8-01-10

	Late Charges	0.00
	Interest Due	23,241.47
	Total Payment Due	23,241.47
	Total Remitted $	

SMALLVILLE INVESTMENTS LLC
Clark Kent
Lois Lane Kent
100 West 17th Ave
Smallville KA 64011

Payment is due on 8-01-10. If payment is not received within 15 days of the due date a $ 2,324.15 late charge will be assessed.

Return upper portion with payment

Page 1 of 1

Account	Principal Balance	Opened	Maturity	Rate
281 201818 2	6,562,296.21	5-07-07	1-01-11	4.250

Property Address:
911 Smallville Dr Smallville UT 64011

Original Loan Amount	Undisbursed Balance	YTD Interest	Payment Due Date	Total Payment Due
7,000,000.00	0.00	162,684.88	8-01-10	23,241.47

Trans. Date	Description		Decrease	Increase	Unadvanced Balance
				PREVIOUS BALANCE:	0.00
Jul 15 10	LIP INTEREST	LIP INT		23,241.46	.00
Jul 15 10	CREDIT FIELD	PRIN	0.01-		.00

9 LIPA 100 6298

LIP Construction Loan Bill and Receipt Statement

LIP Construction Loan Report (FPSR298A)
Column Heading Descriptions

Column	Description
Account Number	This is the office number, account number, and check digit of the loan.
Name	This is the full name of the borrower retrieved from the CIS system.
Due Date	This is the date the next regular payment is due (LNDUDT).
Undisb Bal	This is the undisbursed balance (LNLBAL).
LIP Rate	This is the LIP interest rate on the loan (LNLRAT).
BCM	This is the billing or charge method code (LNLCHG).
Prior Unpd	This is the amount of interest billed to the borrower that is still unpaid. It is retrieved from the **Prior Unpaid Charges** field on the Loans > Construction > Account Construction Detail screen in CIM GOLD. If there are late charges due or you are billing for reserves, those amounts are included in the total due.
Charge Amt	This is the charge amount.
Accrued Int	This is the interest that has accrued on the loan (LNLACG).
Last Billed	This is the amount that was last billed on the loan.
Blank Column (Print Type)	This unnamed column identifies the type of statement (paper, electronic, or both) that was generated and sent to the borrower.

Code	Description
P	Paper notices
E	Electronic notices
B	Both paper and electronic notices

LIP Construction Loan Report (FPSR298A) Example

ACCOUNT NUMBER	NAME	DUE DATE	UNDISB BAL	LIP RATE	BCM	PRIOR UNPD	CHARGE AMT	ACCRUED INT	LAST BILLED	
0011 010001 5	Clark K Kent	7-01-11	30,738.67	3.99000	101	678.14	0.00	748.22*	678.14	P
0011 010002 7	Bruce B Wayne	7-01-11	106,261.25	3.99000	101	106.77	0.00	112.10*	106.77	E
0011 010003 5	Peter S Parker	7-01-11	338,141.25	3.99000	101	6.09	0.00	6.09	6.09	P
0011 010004 8	Kyle G Rainier	7-01-11	60,630.66	3.99000	101	551.25	0.00	551.25	551.25	P
0203 010005 8	Stephen C Rogers	7-01-11	74,297.63	5.75000	101	554.41	0.00	554.41	554.41	E
0203 010006 6	Wayne Industries	6-01-11	0.00	5.95000	101	21,519.17	0.00	CLOSED	21,519.17	P
0203 010007 2	Wayne Industries	6-01-11	0.00	5.95000	101	2,561.81	0.00	CLOSED	2,561.81	P
0203 010008 3	Bruce Banner	7-01-11	135,024.48	4.75000	101	1,211.51	0.00	1,211.51	1,211.51	P
0205 010009 3	Parker Research Group	7-01-11	107,690.04	6.25000	101	1,262.03	0.00	1,262.03	1,262.03	B

SUMMARY PAGE 100 FPS GOLD BANK   LIP STATEMENTS REPORT   FPSR298A 1298 PAGE   2

```
        DATE REPORT PRINTED:      06-30-11
        TOTAL ACCOUNTS PRINTED:          9
        TOTAL STATUS CHANGED:            0
```