

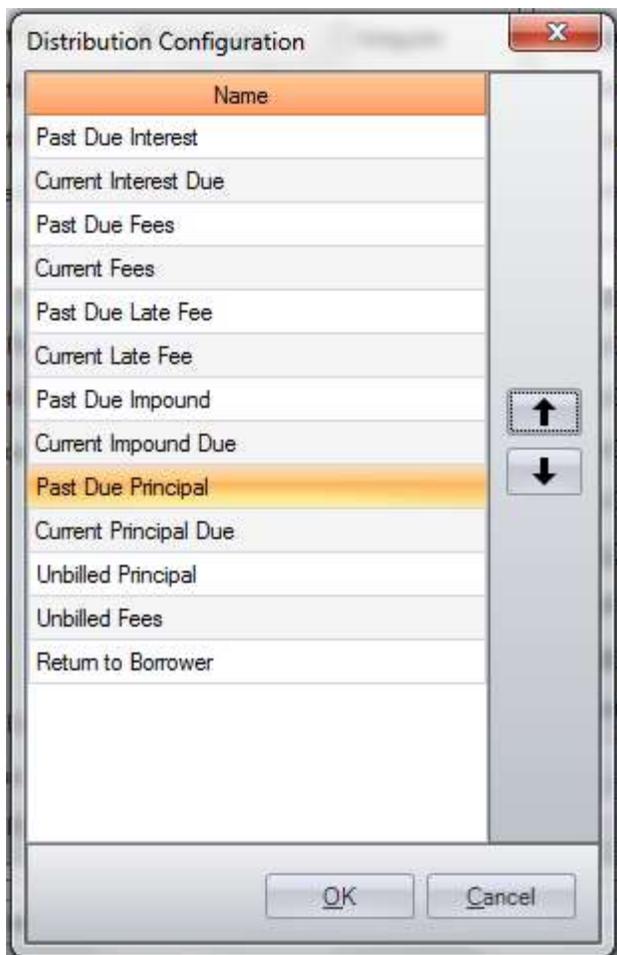
LOAN SERVICING SOFT Payment Distribution Waterfall

This document will discuss how borrower payments are distributed down through the various Principal, Interest, Late Fees, etc... buckets in the LOAN SERVICING SOFT system.

For additional information and/or questions please feel free to contact our support group at support@loanservicingsoft.com or 1-800-993-1839 x2.

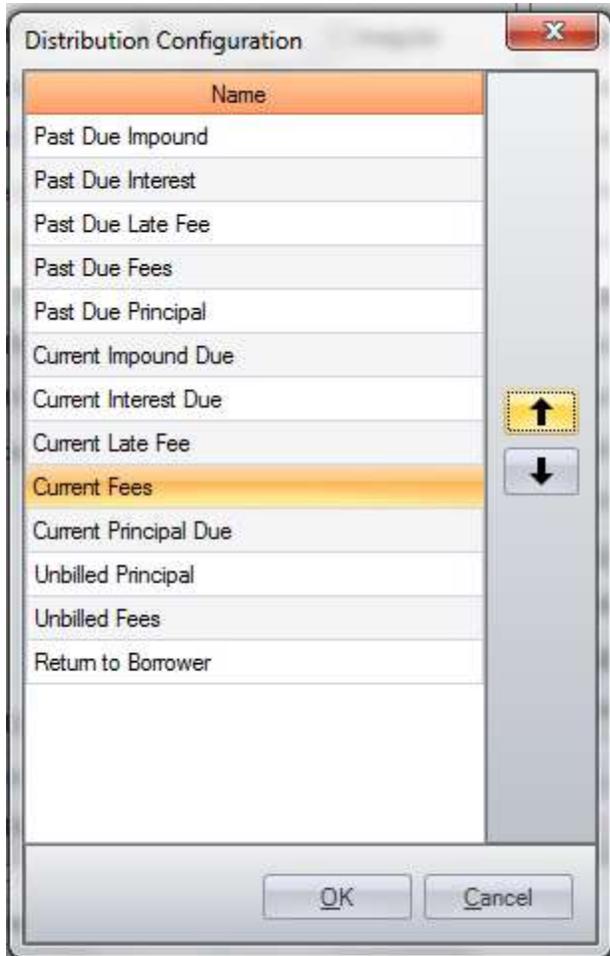
For the following Interest Method types the default distribution is shown below:

- Actual Days : Payment to Payment (Simple Interest)
- Actual Days : Days in Period



And for these Interest Method types:

- Regular Periodic
- Add on Interest/Rule of 78
- Canadian Amortization



These are however just the default, defaults and new default settings can be configured on the System Defaults & Settings screen here: Control Panel > Configuration Options.