

LOAN SERVICING SOFT Fees For Borrowers

This document will guide you through the process of setting up and managing Fees For Borrowers in LOAN SERVICING SOFT. That is to say, fees charged to the borrowers.

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

Several types of fees can be set up and applied to a borrower. We will discuss each fee type separately: Late Fees, NSF Fees, Pre-Payment Penalty Fees, Loan Fees and Borrower Fees.

Late Fees

Late fees are automatically assessed on a loan when a payment is posted after the loans grace period has expired. Late fees can also be waived at the time payment processing by selecting the “Waive Current Late Fee” check box.

Loan Information		Payment Information		Payment Distribution																																														
Loan Number	1000	Payment Type	☒ Scheduled ☐ Irregular																																															
Funded Amount	100,000.00	Payment Number	36, 0	Status	Entered																																													
Payment	773.63	Payment Due	4/1/2014																																															
Borrower	Tina Thousand	Effective Date	5/20/2014																																															
Trust Account	287960967091	Deposit Date	5/20/2014																																															
Escrow Balance	0.00	Hold To Date	6/3/2014																																															
		Interest Paid To	4/1/2014																																															
		Payment Method	Check																																															
		Reference #																																																
		Notes																																																
		Amount Due	773.63																																															
		Total Due	806.90																																															
		Amount Received	773.63																																															
Past Due Data Principal Balance: 96,927.42 Unpaid Principal: 0.00 Unpaid Interest: 0.00 Unpaid Impound: 0.00 Unpaid Late Fee: 0.00 Unpaid Fees: 0.00 Old Interest Paid To: 3/1/2014		<table border="1"> <thead> <tr> <th></th> <th>Due Amount</th> <th>Pay Amount</th> </tr> </thead> <tbody> <tr><td>Past Due Impound</td><td>0.00</td><td>0.00</td></tr> <tr><td>Past Due Interest</td><td>0.00</td><td>0.00</td></tr> <tr><td>Past Due Late Fee</td><td>0.00</td><td>0.00</td></tr> <tr><td>Past Due Fees</td><td>0.00</td><td>0.00</td></tr> <tr><td>Past Due Principal</td><td>0.00</td><td>0.00</td></tr> <tr><td>Current Impound Due</td><td>108.33</td><td>108.33</td></tr> <tr><td>Current Interest Due</td><td>565.41</td><td>565.41</td></tr> <tr><td>Current Late Fee</td><td>33.27</td><td>33.27</td></tr> <tr><td>Current Fees</td><td>0.00</td><td>0.00</td></tr> <tr><td>Current Principal Due</td><td>99.89</td><td>66.62</td></tr> <tr><td>Unbilled Principal</td><td>96,827.53</td><td>0.00</td></tr> <tr><td>Unbilled Fees</td><td>0.00</td><td>0.00</td></tr> <tr><td>Return to Borrower</td><td>0.00</td><td>0.00</td></tr> <tr><td>Other Income</td><td>0.00</td><td>0.00</td></tr> </tbody> </table>					Due Amount	Pay Amount	Past Due Impound	0.00	0.00	Past Due Interest	0.00	0.00	Past Due Late Fee	0.00	0.00	Past Due Fees	0.00	0.00	Past Due Principal	0.00	0.00	Current Impound Due	108.33	108.33	Current Interest Due	565.41	565.41	Current Late Fee	33.27	33.27	Current Fees	0.00	0.00	Current Principal Due	99.89	66.62	Unbilled Principal	96,827.53	0.00	Unbilled Fees	0.00	0.00	Return to Borrower	0.00	0.00	Other Income	0.00	0.00
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☒ Waive Current Late Fee
 ☐ Payoff
 Unapplied Funds: 0.00
 View / Add Loan Fees

Loan Data
 Post Next
 Post
 Cancel

Late Fees are set up on a loan by loan basis on the right side of the Terms screen. Late Fees can also be added to loan templates.

NSF Fees

The option to charge a NSF Fee will always be provided at the bottom of the Payment Reversal screen. The NSF Fee can be assessed by selecting the “Apply Fee” checkbox at the bottom of the window.

The screenshot shows the 'Payment Reversal' window. The 'Reversed Payment Data' section includes fields for Loan Number (1000), Received Amount (773.63), Deposit Date (3/1/2014), Ref #, and Payment # (35.0). The 'Reversal Transaction Data' section includes Reversal Date (3/1/2014), Ref #, a 'Show On Reports' checkbox, and Notes (Reverse payment: 35.0). Below this, a message states 'Funds for this transaction have already been sent. You have these options:'. Two options are available: 'Void checks made from this payment' (selected) and 'Create IOU'. The 'Create IOU' option shows a Broker Account of 'I-1 (Sample Investor)', IOU Deposit Date of '3/1/2014', and Amount of '\$773.63'. The 'Additional Fee' section is highlighted with a red box and contains the following fields: 'Apply Fee' checkbox (checked), 'NSF Fee' dropdown menu, 'Fee Date' (3/1/2014), 'Fee Amount' (50.00), 'Status' (Bill), 'Pay Fee To' (Servicing Company), 'Your Servicing Co.' text field, 'Default Interest Rate' (0.00 %), 'Charge Interest From Date' (5/20/2014), and a 'Description' text field. At the bottom are 'Loan Data' dropdown, 'OK', and 'Cancel' buttons.

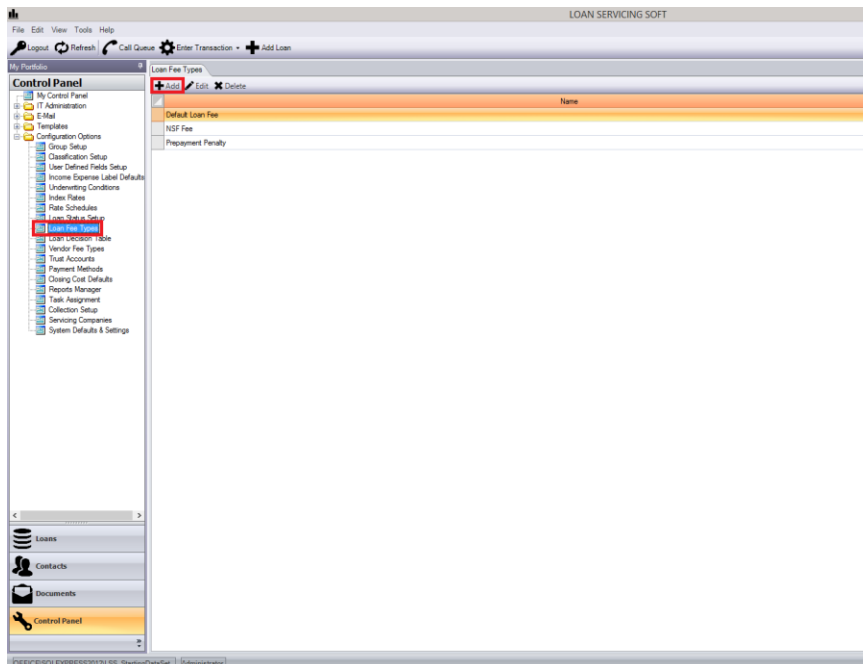
Pre-Payment Penalty Fees

Pre-Payment Penalty Fees can be set up on the right side of the Terms screen. To set up, click the Pre-Payment Penalty check box. Then next to the “if paid before” section enter a number for term periods. Then enter a dollar amount for Fixed Amount or a percentage for % of Loan Amount or % of Principal Balance. You may also enter a number for Terms of Interest on Loan Balance.

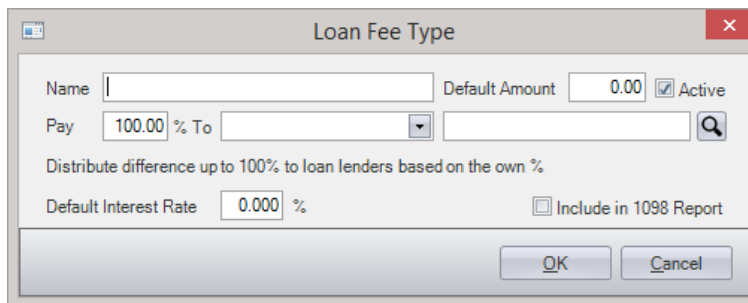
Loan Fees

Loan Fees can be manually assessed at any time and applied to the borrower’s amount due. The loan fee “Bill Type” is used to either include the fee on the borrower’s bills until paid by selecting “Bill,” or to defer until payoff with “Defer.” A loan fee can also be forgiven or waived at any time by entering a date in the Forgiven On field. Who the fee is remitted to or paid out to once it is paid by the borrower is also configurable. Additionally, fees can be set up to accrue interest at any interest rate and from any start date. To create a new Loan Fee, click the Data & Docs button in the bottom left corner of a loan screen, then select Loan Fees. You will then be presented with this screen.

You can also set up preconfigured Loan Fee Types by going to Control Panel, Configuration Options, Loan Fee Types.



Select Add and the dialog box will allow you to configure default settings for your new Loan Fee Type: Default name, amount, payee, whether to charge interest and the interest rate on the fee from assessment date to paid date. All can be pre-configured.



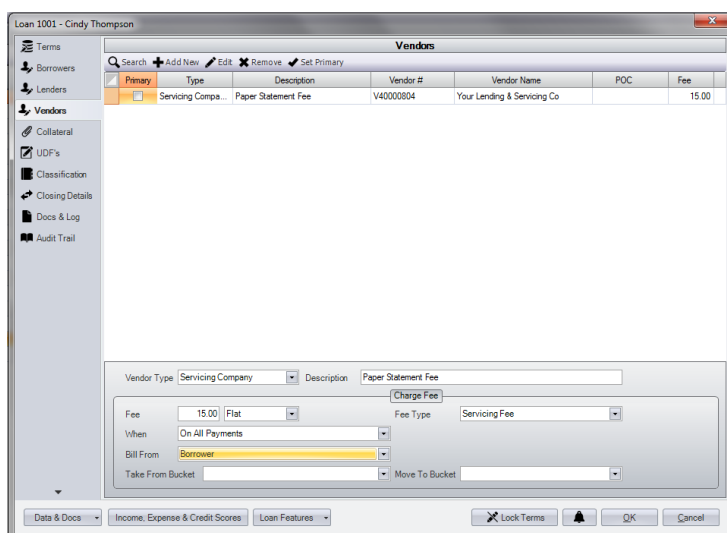
The 'Loan Fee Type' dialog box contains the following fields and controls:

- Name:** A text input field.
- Default Amount:** A numeric input field set to 0.00.
- Active:** A checked checkbox.
- Pay:** A numeric input field set to 100.00, followed by a dropdown menu and a search icon.
- Distribute difference up to 100% to loan lenders based on the own %:** A text label.
- Default Interest Rate:** A numeric input field set to 0.000, followed by a percentage sign.
- Include in 1098 Report:** An unchecked checkbox.
- Buttons:** 'OK' and 'Cancel' buttons at the bottom right.

Borrower Fees

Recurring fees to the borrower can be set up on the Vendor screen. Example: This can be used for automatically adding a fee to all of the borrowers payments due - like for a paper statement fee.

To set up a Borrower Fee go to the Vendor screen, click Search to locate your Servicing Company vendor contact, then select your Servicing Company - this is who the fee will be paid to, then select "Borrower" from the "Bill From" drop down menu, then enter your fee amount in the "Fee" field, and then click "Save" at the bottom right corner of the screen to exit.



The 'Vendor' screen shows a table of vendors and a detailed form for a selected vendor.

Primary	Type	Description	Vendor #	Vendor Name	POC	Fee
☒	Servicing Compa...	Paper Statement Fee	V40000004	Your Lending & Servicing Co		15.00

Vendor Details Form:

- Vendor Type:** Servicing Company
- Description:** Paper Statement Fee
- Charge Fee:** ☐
- Fee:** 15.00
- Fee Type:** Servicing Fee
- When:** On All Payments
- Bill From:** Borrower
- Take From Bucket:** [Empty]
- Move To Bucket:** [Empty]

Buttons: 'Data & Docs', 'Income, Expense & Credit Scores', 'Loan Features', 'Lock Terms', 'OK', 'Cancel'.