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The Loans management module can be accessed by clicking the **Loan Management** menu option found on the main menu. This would in turn load the Loan Management screen shown in figure 1.

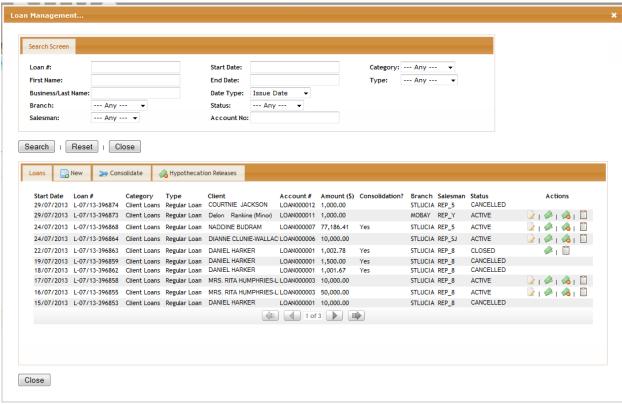


Figure 1

The screen is loaded having two sections namely the Search and the results section. Users are able to filter the information shown in the results section by adding filter information in the provided fields.

The results section is loaded having four tabs namely:

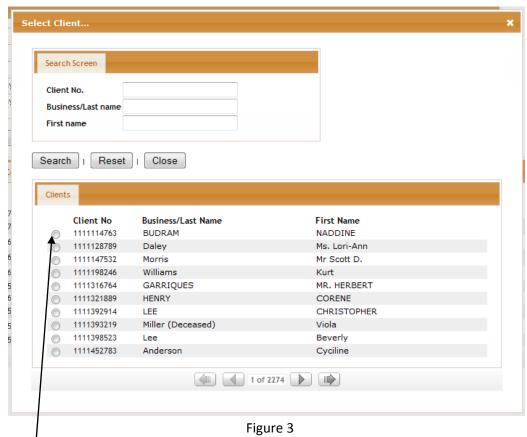


figure 2

Loans: This is the name of the results shown.

New: New

The select client screen is first loaded when New Loan button is clicked.



The user would search for the needed client and select the client by checking the radio box which would in turn load a confirmation screen as shown in figure 4. The user would

then click OK to load the New Loan Screen or Cancel.

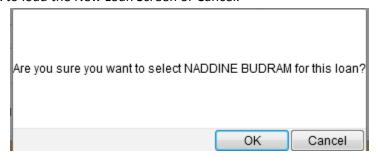


Figure 4

The New loan screen is loaded having three tabs namely Loan Details(enabled on load), Accounts to Hypothecate(disabled on load) and Disbursement Instructions(disabled on load).

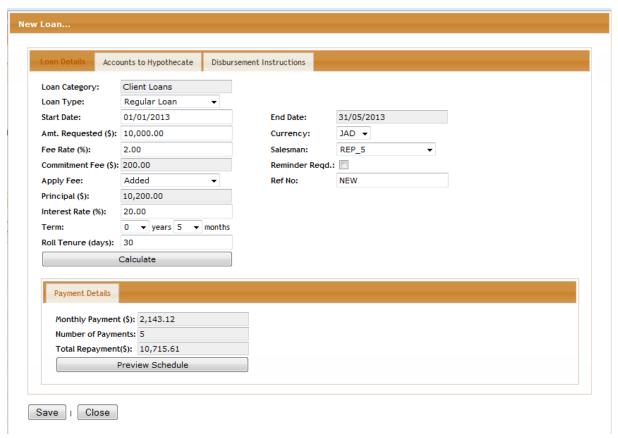


Figure 5

Loan Details

- The user specifies the loan details on this tab. This tab shows the following fields:
 - Loan Category (Required & Readonly): Auto populated. The field that shows whether the client is an employee or not. Please note that when screen is loaded initially the screen pulls the most current rate based on Loan Category. If the user decides to backdate a loan then rate would not be refreshed with the rate that was active at the newly specified start date.
 - Loan Type(Required): There are three types namely
 - **Regular:** Clients are expected to pay interest and principal due every period until loan ends.
 - **Interest Only:** Client is expected to pay interest due on every period and total principal on the end of the loan.
 - Bullet: Client is expected to pay one payment on the maturity date. This
 payment would be a combination of interest and total principal.
 - Start Date(Required):
 - The start date is always defaulted to the current date and can be changed to a date falling before the current date. Users are not allowed to select weekends or hollidays.
 - Amt Requested
 - This field represent the amount requested by client.

- Fee Rate
 - Commitment Fee rate would be used to calculate the Commitment fee.
- Commitment Fee
 - Calculated Fee charged to client for loan.
- Apply Fee, (Fees can be applied in three ways namely Paid Up front, Added and deducted).
 - Paid Upfront:
 - If this option is selected then the system would generate a receivable settlement having the fee amount on loan approval. The amount would have to be settled by the client.
 - Added
 - o System would add commitment fee to the principal.
 - Deducted
 - System would make available to the client the principal less the commitment fee.
- Principal
 - This is the loan principal.
- Interest Rate
 - This represent the loan interest rate.
- Term
 - This is the overall period that the loan will be active.
- Roll Tenure
 - Used to specify the number of days between each loan payment.
- End Date
 - This is the end date or maturity date of the loan.
- Currency Code
 - This is the loan currency.
- Salesman
 - This field is defaulted with the associated client's salesman and it can be changed.
- Reminder Reqd
 - When checked the user would receive an email when the loan payment becomes due.
- Ref No:
 - This field was added to facilitate the implementation of the system and will be removed after testing.

- Account to Hypothecate
 - This tab allows users to be able to document the accounts that are to be used to back a loan. This tab is comprised of three sections namely Overview, Comments, Client's accounts and Guarantors.
 - Overview: This section shows the following fields:
 - Loan Amount:
 - Total Specified: Running total of the amounts specified for backing loan amount.
 - Total Hypothecated: Running total of what is hypothecated.
 - o Comments: User has the option of making special notes in this fields.
 - Client Accounts: This section shows all the client's accounts that are able to be hypothecated. The information is shown in a tabular format. Users are able to use an account by clicking page & pencilicon. This would load the account details screen.

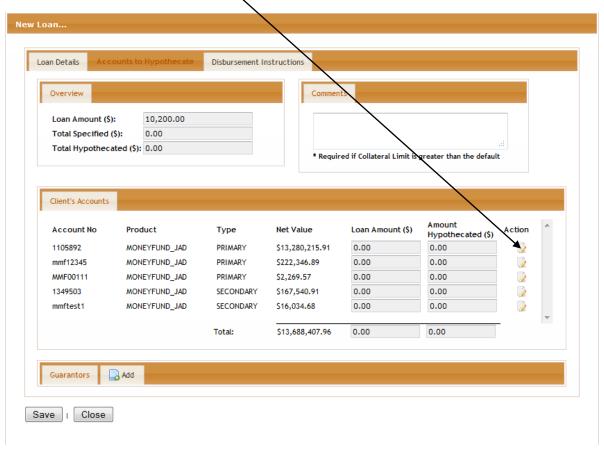


Figure 6

The account details screen is loaded having the selected Account's Product code, Account Number, Net Account Value, Amount Requested and Balance to Fill, at the top of the screen and then the Instrument details below.

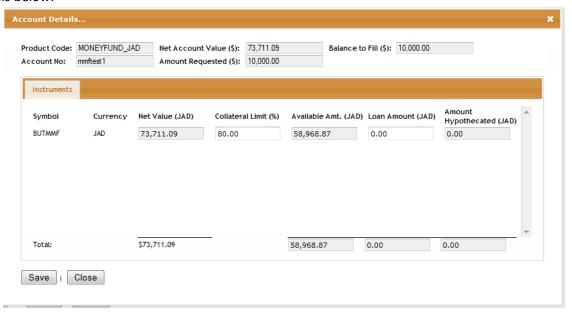


Figure 7

Instrument details are shown in a tabular format with the following fields:

- Symbol
- Currency
- Net Value
- Collateral Limit(%): Not Read Only. This is represented in percentage and can be changed by the user.
- Available Amount(JAD)(Read Only): This represent the amount that is available to be hypothecated. This amount is calculated by using the collateral limit.
- Loan Amount(JAD): Not Read only. Users are expected to specify the amount that is to be hypothecated.
- Amount Hypothecated (JAD))(Read Only): This is the actual amount that would be Hypothecated on the client's account.

Please note that a loan cannot be created without the user specifying the accounts to back the total loan amount. The user also has to option to use guarantors' accounts to back loans. This can be accomplished by clicking the add icon found in the Guarantors section. This would in turn loan the select Guarantor screen. Selecting the guarantor would populate the Guarantors section under the Accounts to Hypothecate tab.

- Disbursement Instructions
 - The disbursement Instructions Tab is loaded having the
 - Loan Amount:
 - Fee Withheld:
 - Disburse to Client(\$): Net amount that is to be disbursed to the client.

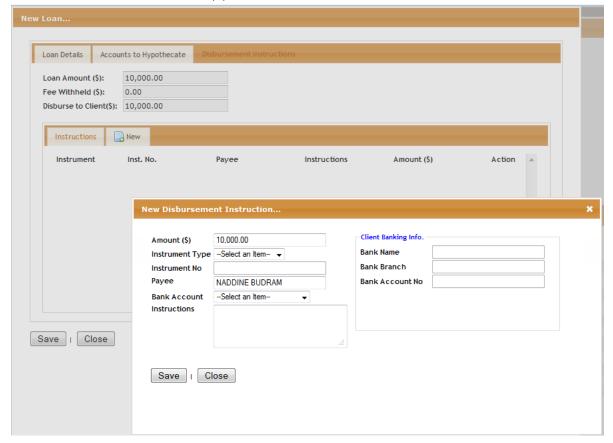


Figure 8

The user is able to specify the disbursement instructions by clicking on the new button and specifying to Instrument type, Payee, bank account and or Client Banking Information(if wire/rtgs is selected).

The user would then click the save button to confirm the disbursement instructions and then click the final save button found on the new loans screen to confirm and save the new loan having a pending status.

A loan will go through four status changes before becoming an active loan. Users are allowed to do different things at different loan statuses



- a. Tick icon: Authorized users are allowed to approve pending loans. When loans are approved the status is changed to verified.
- b. Paper with pencil icon (edit): When clicked the user is allowed to edit loans.
- c. Delete icon: This option will delete a pending loan when clicked.
- d. Clip Board icon: When clicked loads a dialog having a link to Payment Schedule, Loan Agreement, Loan Request Form, Hypothecation Letter, Hypothecation Letter for third Party, Guarantor Pledge Letter, JCSD Transfer Form and Unit Trust Transfer Form.

- a. The horizontal arrow icon: This option would allow authorized users to hypothecate client accounts used to back loan. The loan status would be changed to hypothecated.
- b. Curved arrow icon: This option would change the loan status back to pending.
- c. cancel icon: This option would change the status of the from verified to cancelled.
- 3. Hypothecated: 2 | 2 | 3 |
 - a. The white tick icon: if stocks are used to back loan then the status would be changed to Awaiting_depository_approval. If stocks are not used to back loan then the status is changed to Approved.
- 4. AWAITING_DEPOSITORY_APPROVAL (Stocks Only)
- 5. APPROVED:
 - a. Please note that a cheque is created in the system. When cheque is printed the status of the loan changes from approved to Active.
 - b. If applied fee: Paid upfront was selected then the system would have generated a settlement for the outstanding fees that should be settled by the client before the loan cheque is printed.
- 6. ACTIVE: 1 0 1 0 1
 - a. Paper with pencil icon: When clicked users are allowed to increase hypothecation. This is explained in more details on page 13.
 - b. Money Icon: This icon allows the user to collect loan payments please see Loan Payments user manual.

• Consolidate: Consolidate

This process allows the user to restructure loans. This is done by creating a new client loan with the outstanding balances of existing active loans belonging to the same client. The process of creating a consolidated loan differs only in the first step of new loan creation process where the user has to select the client's active loan(s) that are to be consolidated.

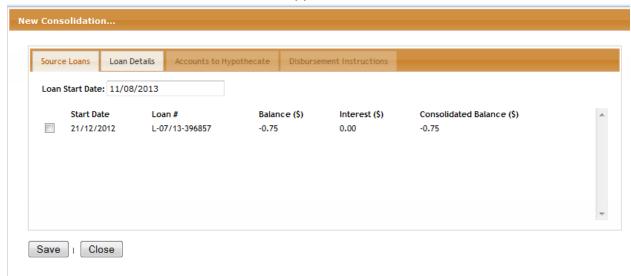
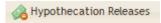


Figure 9

Please note that the system would not allow the user to disburse the loan amounts that were selected to be consolidated. If there is a need to lend the client additional money then the user would have to add the new amount to the existing consolidated amount in the amt requested field.

• Hypothecation Releases:



The Release Hypothecation screen can be accessed by navigating to Loan Management, found on the main menu and then clicking on the release hypothecation icon found under the actions column for an active loan. The screen is loaded showing the Loan Number and the Current Balance at the top of the screen and below a formatted table with the following fields.

Account: Read Only
 Products: Read Only
 Symbol: Read Only
 Currency: Read Only

- Current Hypo Amt(Read Only): This column shows the current active hypothecation value.
- Net Value(Read Only): This is the net available amount on the client's account.
- Collateral Limit(Editable): Collateral is a percentage and it represents the percentage of net value that is available to be Hypothecated.
- o Available Amt: This value is calculated using the collateral limit,
- o Loan Amount: This value is calculated by the system.
- New Hypo Amt: This is the total account amount that would be hypothecated.

Clicking the save button would save the updated hypothecations having a status of pending as shown in figure 11.

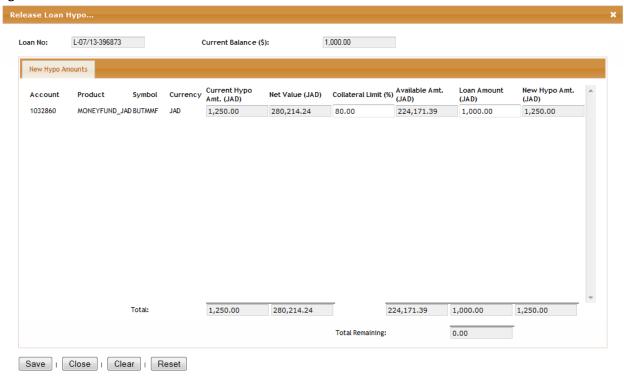


Figure 10

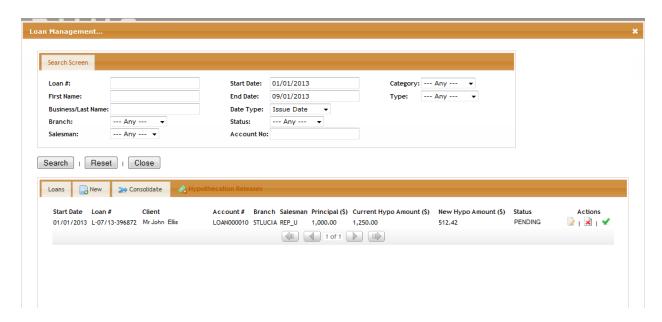


Figure 11

The pending hypothecations can be modified, deleted or approved by an authorized user. If the Pending Hypothecations are approved then the system would release existing hypothecations and create new hypothecations having the new amounts.

Edit Active Loans/Increase Hypothecations

The user is able to increase loan hypothecations by clicking the edit icon which would in turn load the New loans screen in edit mode as shown in *Figure 13*.

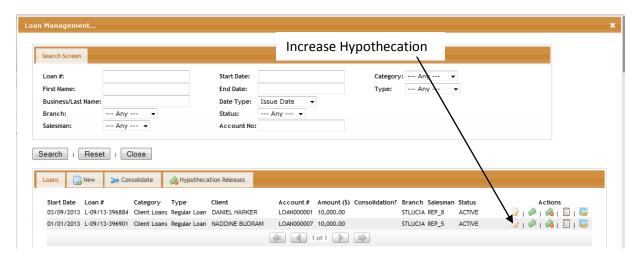


Figure 12

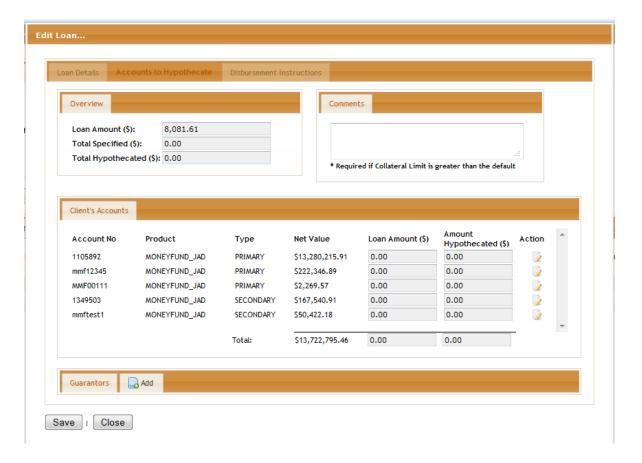


Figure 13

The screen is loaded having only the accounts to hypothecate tab enabled. Users are then able to modify the loan's hypothecations by updating the Collateral limit or/and Loan amount and then clicking the save button.

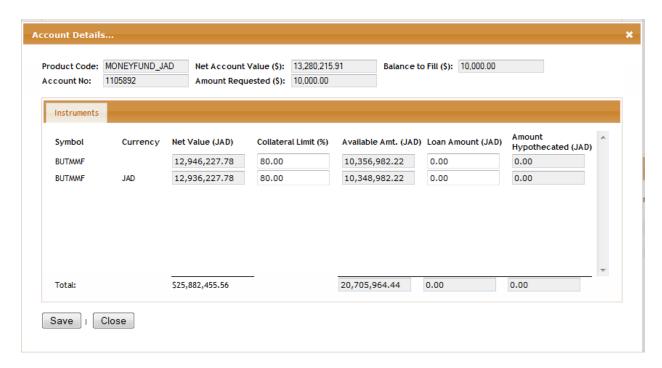


Figure 14