

Custody Portfolio System

The purpose of this document is to explain in detail, to the possible extend, and to convey the requirements clearly so that the deliverables will be clear for both of us.

The document must be read along with the other file attached.

What is the portfolio? It is a pool of finance deals provided by a financing company to many clients for buying properties/plot of land. The finance companies will package a group of customers and give the management of their property related paper works and document management to specialized companies.

E.g., Finance Co A has 25 clients taking loan from them to buy properties. The loans are provided to buy specific properties and therefore the finance company wants to make sure that the property documents/government approvals are well maintained in order to protect their loan. They will outsource this specific work to us.

So, we will have multiple portfolios of different finance companies, but the nature of documentations and procedures are same. E.g.: Portfolio 1 containing clients/properties of finance company A and Portfolio 2 containing clients/properties of finance company B and so on.

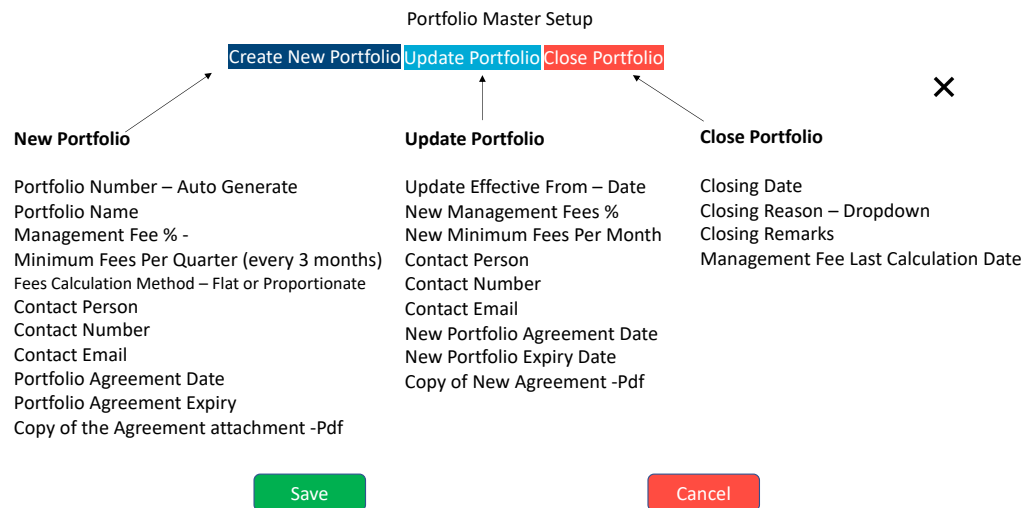
One client might be there in multiple portfolios as well.

The portfolio management company will charge some fees. The details of fees calculation we will discuss later in this document.

Therefore, there are multiple portfolios, Clients who are created as independent (meaning not linked to any portfolio at the time of creating client master file) and each portfolio will have a bunch of deals where clients will buy a property from the finance company on loan. These properties are grouped under the relevant portfolio. The properties will have a set of documents with issue and expiry.

The outcome of this system is to record , track, generate reports, alerts, tasks related to properties and to keep historical records for regulatory purposes.

Now I will explain each slide in detail as follows:



New Portfolio

This is where we create a new portfolio when we enter into a new contract with a new finance company. So basically, what I meant here is a data entry form where we will capture different information for creating and updating the portfolios.

There are 3 possible types of entries here > creating a new portfolio, updating the information of an existing portfolio, and closing an existing portfolio. The three types can be shown as tabs/buttons and when we click on any of them their relevant data entry form will open. > If you have a different approach, I am open for discussion.

Most of the fields are self-explanatory here and those which need clarification is explained below:

Management Fees:

The company will charge a minute fraction of percentage of the total property finance value under each portfolio as fees for managing each portfolio. The fees are calculated every 3 months. Example shown below:

Portfolio1 Calculation Period: Quarter1, 2021 (Jan – March 2021)

Plot No	Deal Start Date	Finance Amount
Plot 123	01-01-2019	1,000
Plot 564	01-03-2021	1,000
Total		2,000

Let's assume the management fee % is 0.05% Yearly. Then the calculation = $(2,000 \times 0.05\%) / 4 = \frac{1}{4} = 0.25$ for first three months. – Dividing by 4 is to calculate each quarter since the % is for full one year.

When we enter into a portfolio agreement with a finance company, we will have some minimum quarterly management fees amount agreed. If our calculated amount as shown above is less than the minimum amount, then the management fees calculation report should show both the calculated fees amount and the minimum fees amount.

Fee calculation Method: Flat or proportionate>

The above given example was for flat method of calculation. If the portfolio is set to follow proportionate method of fees calculation, then the following methodology will be used.

Portfolio1 Calculation Period: Quarter, 2021 (Jan – March 2021)

Plot No	Deal Start Date	Finance Amount
Plot 123	01-01-2019	1,000
Plot 564	01-03-2021	1,000
Total		2,000

Fees - 0.05% Yearly

Plot 123 was in the portfolio for the whole of the quarters and plot 564 has managed only 1 month in the subject quarter. Therefore, the fees will be calculated as follows:

$$(1000 \times 0.05\% / 4) + (1000 \times 0.05\% / 12) = 0.125 + 0.041 = 0.166$$

The portfolio will have an agreement issue and expiry date and we need to capture that info as well.

Update

Upon expiry or change of information we will have an update tab where the portfolio information can be updated with an effective date. Suppose a new % of management fee is agreed effective from Quarter 2 (April onwards) then all the fees' calculations for periods afterwards should follow the newly updated %.

Closing Portfolio

Once the portfolio is closed no more transaction is allowed in those portfolios and management fees will be calculated up to the date mentioned in there.

Document Master Setup

Create New Document Type

X

New Document Type

Document Name

Document Related to Options – Client, Building, Contract

Document Related to Departments > Choose from a list like Fire Department, Finance Co, Insurance, PAI , General etc

Save

Cancel

This is the document Master setup where we can create all different types of documents that we will be using in the system. Once we create here, the documents will be available for choosing/ in the dropdown list in the upcoming transaction /report windows. > I believe this is quite self-explanatory. We mean a master creation data entry form.

Clients

Create New ClientUpdate Client Info

X

New Client

Client Number – Auto Generate

Address

Telephone

Email

ID Type

ID No

ID Expiry Date

Update Client Info

Client Number – Select

Update Date

Address

Telephone

Email

ID Type

ID No

ID Expiry Date

Save

Cancel

Here we will have two buttons for creating new clients and updating client info. Upon clicking the button, the relevant form will open where we can do the data entry and save. I believe this is very self-explanatory.

Next pages are discussing about Transactions. There are 4 possible transactions > New Deals, Renewals, Merge & Split of Deals and Transfer of properties between clients.

Transactions X

New Deal
Renewals
Merge & Split
Transfer

New Deal

Deal No

Portfolio No

Client No

Plot No

Date

Adding Plot

Area Name

Block

Property Value

Finance Amount

PAI Rent

Licensed Purpose

Application No

Plot Area Size

Button to Add documents to this building

Documents

PAI Leasing Contract Attachment
Issue
Expiry Date

Fire Insurance Copy Attchmt
Issue & Expiry Date

Fire License Copy Attchmt
Issue & Expiry Date

Power of Attorney – MOJ
Issue Date
Expiry Date
Issued To :

Power of Attorney-Warba
Issue Date
Expiry Date
Issued To :

Email Attachment for New Deal

Email Attachment for POA

Save
Cancel

New Deal Entry Transaction

Deal no autogenerate ,Portfolio No will be selected from the list and client number also will be selected from the lookup. Plot number is the unique number for each property. This 3 group of information can be listed on a tab format or button formats as you like.

They need to attach some email as attachment here. They are using Microsoft 365 outlook. Please look into the possibility of selecting the email from the mail box in the attachment for emails. If that not possible let me know any other solution we can have here. This is a new requirement, I know that.

For each transaction and renewals, the guy receives some email from the finance company, and it is very difficult for him to search and track for each property related email whenever he has to refer to those emails. If we can add that email as an attachment that will be of great helpful for us.

I believe the rest of the information here is self-explanatory and if you need any clarification pls let me know.

Renewals

Transactions

New Contracts Renewals Merge & Split Transfer

Renewals

Portfolio No
Client No
Plot No

When we select/enter the above information all the current documents will list on the right hand side with an option to update their expiry date and attach new copies.

The old copies and expiry dates should be available for reference and historical reporting purpose

Documents

	Update Date:
PAI Leasing Contract View Button Attach New Copy	Expiry Date → Existing New Issue & Expiry Date
Fire Insurance View Button Attach New Copy	Expiry Date → Existing New Issue & Expiry Date
Power of Attorney –MOJ View New Copy Attach New Issue Date	Expiry Date → Existing New Issue & Expiry Date
Power of Attorney –Warba View New Copy Attach New Issue Date	Expiry Date → Existing New Issue & Expiry Date
Fire License View Button Attach New Copy	Expiry Date New Issue & Expiry Date

Email Attachment for the update

Save Cancel

When we choose the portfolio, client and plot number it will list all existing document with view option to see the existing documents and beside that there will be new attachment and new date fields. The whole renewal will have an update date for tracking.

Merge & Split

Transactions

New Contracts Renewals Merge & Split Transfer

Merge Contracts

Plot 1 Plot 2

Portfolio No
1.Contract No
2.Contract No

All the relevant details will list here like contract amount, buildings under each contracts etc

View Details

Merge

View /Edit New Plot Details

After selecting the contracts to merge and click view details we must be able to see the basic information of both contracts to verify before we merge.

Once we click Merge it should create a new contract for the client with all the building details under the new contract number. We must be able to see the merge history any time. This merge will follow the same concept of new contract creation which is shown before in that section.

Save Cancel

There are occasions when two or more plots are merged together, or one plot is split into two. Merge, split and transfers are happening within a particular portfolio. No cross-portfolio merge or split or transfer. The client will be same for both split and merge.

Once we choose the plots to merge we must be able to see all the relevant information of those plots side by side and there must be a button to enter the new merged plot details same like as we entered when creating a new deal. Here this will create a new merge transaction and going forward we must be able to track all the history of this transaction.

Transactions

New ContractsRenewalsMerge & SplitTransfer

Split Contract

Portfolio No
1.Plot No

View Details

New Plot1

Under each of the above we will have fields to add all the relevant data as we added in the new deal. Once we enter all the relevant data click split and the plot is divided with the related information documents.

View New Plot Details

New Plot2

Date:

Split

View New Plot Details

Split happens when the existing plot is divided into two/more new plots.

Save

Cancel

Transactions

New ContractsRenewalsMerge & SplitTransfer

Transfer

Portfolio No
1.Plot No

View Details

Old Client

Choose clients and transfer. Upon transferring the plots there will be some changes in the information, documents and renewals which will be edited here before we transfer.

Edit New Info

New Client

Date:

Transfer

View New Contracts

Save

Cancel

Tasks

New TaskEdit TaskView Tasks

New Task

Task Description (Text Entry). Select Portfolio. Select Client Select Plot. Select Document Type. Due Date of Task

Edit Task

Select Portfolio. Select Client Select Open Task Select Building. Select Document Type. Due Date of Task Close Task Close Button

View Task

Open Task List for All
Open Task List for Selected Clients >> Select Client and View Tasks
Task getting due today
Task getting due tomorrow
Task overdue

Define Alert Setup> For each type of documents there must be some alert in the dashboad based on the alert setup.

Save

Cancel

Alert setup for each type of documents where we can say alert me before so many days from their expiry etc.

Management Fee Calculation

X

Fee Calculation

Select Portfolio

Select Period

Calculate

View Report

Save

Cancel

Here we will choose the portfolio and calculate the fees for each portfolio for the selected quarter based on the criteria we discussed before. (flat or proportionate and calculation and minimum fees)

Reports

All the below reports are for selected portfolio or for all portfolio as the user chooses

Plot Addition Report for a date range

Plot Closure Report for a date range

A report showing both the above reports with net effect

Dividing and Merging Report Renewals Due Date Report

Delegation List Report for Selected Property, Clients

Delegation Status report

All Expiry Report

Finance Report with changes during the period

Management Fee Report for a selected Period

Pending Task Per Client / Portfolio / Plot

Dashboard

Portfolio 1Portfolio 2

Pending Tasks

Task	Client Name	Due Date
1		
2 Overdue in red color		
3		
4		

Edit Button

Upcoming Renewals

Client No	Contract No	Document Type	Due Date
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Alerts

Plot No	Client Name	Alert for	Due Date
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Transactions

Tasks

Calculate Fee

Reports

Clients

Setup

We need to have separate dashboard for each portfolio with the above given details. When I click the portfolio 1 tab it will show me the dashboard items for portfolio 1 and when I select portfolio 2 it should show the dashboard items for that portfolio and so on.