



Unapplied Loan Balance Notice

PFSUnapBalNotice.dnax
DNAapp ID: 70387ec3-5f95-4169-94e2-a28a8127a698

Fiserv Confidential: Distribution restricted to:

- Clients using or considering purchase of the product described in this document
- Fiserv associates

© 2014- 2022 Fiserv, Inc. or its affiliates. All rights reserved. This work is confidential and its use is strictly limited. Use is permitted only in accordance with the terms of the agreement under which it was furnished. Any other use, duplication, or dissemination without the prior written consent of Fiserv, Inc. or its affiliates is strictly prohibited. The information contained herein is subject to change without notice. Except as specified by the agreement under which the materials are furnished, Fiserv, Inc. and its affiliates do not accept any liabilities with respect to the information contained herein and is not responsible for any direct, indirect, special, consequential or exemplary damages resulting from the use of this information. No warranties, either express or implied, are granted or extended by this document.

<http://www.fiserv.com>

Fiserv is a registered trademark of Fiserv, Inc.

Other brands and their products are trademarks or registered trademarks of their respective holders and should be noted as such.

Overview:

The Unapplied Balance Notice is a notice to notify the Borrower that his or her partial payment has not been applied to the loan account's typical balances (interest, principal, etc.) and instead has been applied to an unapplied balance on the loan account. The Unapplied Balance Notice batch application is designed to produce a notice whenever a payment is made to a loan account where partial payments are not allowed and the funds are then applied to the unapplied balance on the loan account, as opposed to going to late charges, interest, principal, etc. The Unapplied Balance Notice batch application will also generate a summary report for the Financial Institution listing all loan accounts where a notice was generated.

Key Benefits:

The Unapplied Balance Notice application provides the Financial Institution with several benefits, including:

- Ability to generate a notice to send to Borrowers notifying them that their partial payment is in an unapplied balance until a full payment amount is made.
- Ability to generate notices for delinquent loan accounts exclusively or both delinquent and non-delinquent loan accounts.
- Capacity for adjusting date ranges to accommodate a business practice of generating notices daily, weekly, or any date range specified by the Financial Institution.
- Ability to exclude the application for a specific loan product or account.

Processing:

The Unapplied Balance Notice batch application allows the Financial Institution to generate notices to Borrowers to inform them of payments that were not applied to their loan accounts expected balances (i.e. interest, principal, etc.). In addition, the batch application also generates a report to summarize all the notices generated. The Unapplied Balance Notice application is a batch application that can be run daily or weekly, or with any dates defined by the Financial Institution.

In order to use the Unapplied Balance Notice application, the following setup items must be reviewed by the Financial Institution:

- Partial Payments Allowed setting. The loan account must not allow partial payments when the Partial Payment Allowed YN batch parameter is set to 'Y'. The partial payments option must be unchecked for the loan account.

Account Number: 111001197 Show Menu...

Account Information

Account Number: 111001197 Valid: Yes
 Major Account Type: Mortgage Loan Open Ended Loan: No
 Minor Account Type: Fixed Rate Shadow Accounting: No
 Branch: Pineland Branch Partial Chargeoff: No
 Owner Type: Joint OR
 Date Last Contact: 01-25-2018 15
 Loan Officer: Robin Carrodus
 Statement Account Number: None
 Draw Account: Yes

Balloon Loan Demand Loan Call Date: Select a date 15
 Passbook Escrow Payment Change Month: September
 Interest billed in Advance
 Partial Payments Allowed
 1098 Reportable
 Report Points on 1098

Submit Cancel

- Exclude Application setting. The Unapplied Balance Notice must be set to 'Available' for the account by setting the Exclude Application setting.

Note: The Unapplied Balance Notice can be excluded for specific products and/or accounts. If it should be excluded for a product, the navigation path to exclude the Unapplied Notice batch application for the product can be found at:

(Navigation: Services > System > Product and Pricing > Manage Product > (choose Major and Minor) Associate > Exclude Applications > Unapplied Balance Notice)

Exclude Application Assignment

Available Applications

- Next Earnings Date Interest Recalculation Report
- Non-Accrual To Active Loans
- NSF Notices
- Organizations without orgtype Report
- Overdraft Account Reconciliation
- Overdraft Accounts
- Overdraft Limit Services Charges
- Overdraft Protection Draw Report
- Rate/Payment Change Notification
- Retirement Required Minimum Distribution
- Return Deposited Items
- Scheduled Initial Rate Adjustment Notices
- Securian New Loan Extract
- TD Renewal Notices
- TFSA Annual Information Return
- Time Deposit Renewal Notice
- Unclaimed Property Reporting
- Warning and Lockout Flag Maintenance

Select >
< Remove
Select All >>
<< Remove All

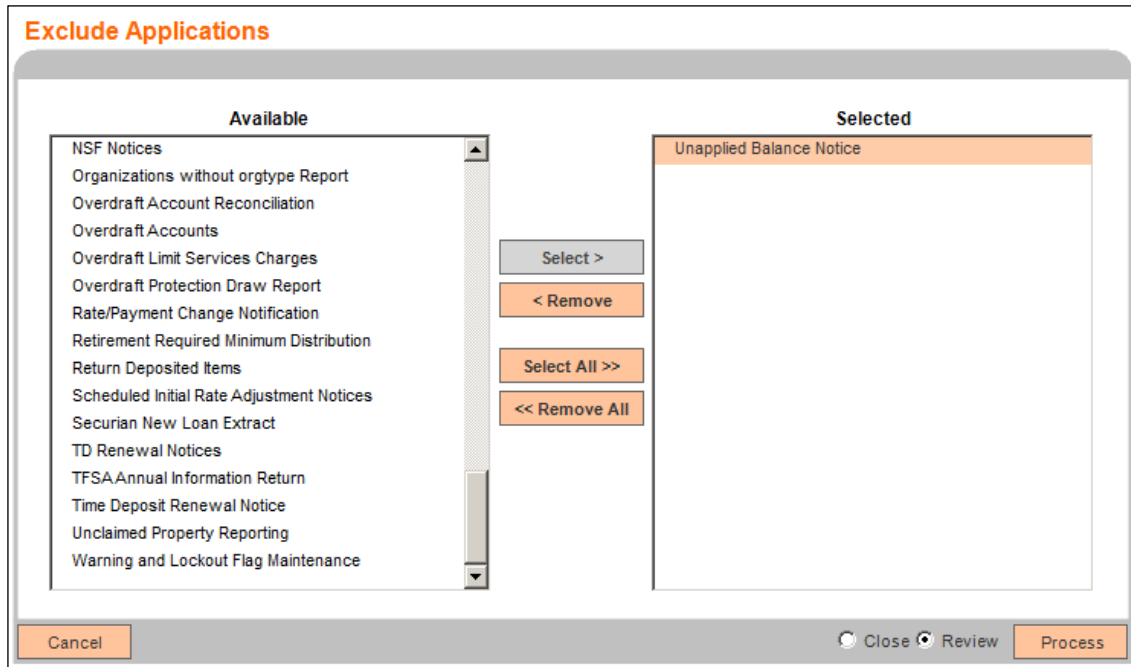
Selected Applications to Exclude

- Unapplied Balance Notice

Close Close Review Process

If the Unapplied Balance Notice batch application should be excluded for an account, the navigation path to exclude the Unapplied Balance Notice batch application for the account can be found at:

(Navigation: Services > Relationships > Maintenance > Loan Accounts > Additional > Exclude Applications > Unapplied Balance Notice)



As an alternative, if the Financial Institution would like to exclude a product from receiving this notice, the Financial Institution can input the product minor code into the Product Minor to Exclude batch parameter (EMNR) during the batch application queue setup and would not have to use the Exclude Application setting for the product minor.

The Unapplied Balance Notice can be generated for products with the CML, CNS, and MTG Major types, and can also be excluded for certain products within those Major types. The Unapplied Balance Notice can also be excluded at the Account Level. For example, if a Borrower's loan account is in bankruptcy and should not be receiving the notice, the Exclude Application option can be set at the account level to prevent the notice from generating.

The Unapplied Balance Notice batch application will generate notices for account types that have a status of Active (ACT) or Non-Accrual (NPFM), and the User can further filter what notices can be generated by selecting whether notices are generated for delinquent accounts only or for both delinquent and non-delinquent accounts. The notices are always generated for the Tax Reported for Owner.

The batch application will generate a notice for an account if:

- The Allow Partial Payment indicator must be set to No. The partial payments option must be unchecked for the loan account
AND
- One or more unapplied receipt transactions have been posted within the Start and Thru Dates batch application parameters specified by the Financial Institution
AND
- The Unapplied Balance is greater than zero.

The Unapplied Balance Notice batch application will always generate a report and this report is a summary of all the notices generated. If there are no notices generated, the report will produce with no data displayed. If notices are generated, the report will produce with the accounts listed.

If there is an address data issue for a selected account, a notice will not be generated for that account and the LIS report will show the account number followed by the message “An exception has occurred gathering address information. Notice cannot be created.”.

Note: The Unapplied Balance Notice batch application can work with the Payment Generated From Excess Principal (LN_PMTGN) batch application if the Financial Institution does use the LN_PMTGN batch application. When the Payment Generated From Excess Principal batch application processes unapplied disbursements, the Unapplied Balance Notice batch application will include the disbursements in the unapplied balance calculation and the notice will be produced if the unapplied balance is greater than zero.

Parameters:

The Unapplied Balance Notice (UNAP_BAL_NOTICE.sqt) batch application has the following parameters:

Parameter	Code	Description (how used)	Required	Default
Major Account Type Code	MJCD	Comma-delimited list of major account type codes. All accounts within the major account types listed will be included in the selection criteria.	Yes	CNS,CML,MTG
Product Minors to Exclude	EMNR	Comma-delimited list of minor account type codes to be excluded from the selection criteria.	No	

Parameter	Code	Description (how used)	Required	Default
Account Statuses to Include	DRST	<p>Comma-delimited list of account status codes (AcctStatCd) to be considered for inclusion in the selection criteria.</p> <p>If a valid Account Status Code(s) is entered in this parameter, then only loans with those account status codes are included in the selection criteria unless otherwise specified by the other parameters of the extract.</p> <p>If no value is entered, all loans with default account statuses of ACT and NPFM are included in the selection criteria unless otherwise specified by the other parameters of the extract.</p>	Yes	ACT,NPFM
Delinquent Accounts YN	DQYN	<p>This parameter will determine if the accounts included must be delinquent based on the accounts current due date plus the account grace days.</p> <p>Y = The notice will be generated for delinquent accounts only. An account is considered delinquent when the account's current due date plus the account's grace days is less than the current postdate (as defined in the Current System Post Date (PDAT) institution option.</p> <p>N = The notice will be generated for both delinquent and non-delinquent accounts.</p>	Yes	Y
Start Date	SD	<p>Enter the start date of the period to retrieve the Unapplied Receipt (URCT) transactions and positive Unapplied Balance records.</p> <p>Note: If run for a period of time other than daily, the URCT will be based on the sum of the URCT transactions posted during the period of time specified by the Start Date and Thru Date parameters.</p>	Yes	

Parameter	Code	Description (how used)	Required	Default
Thru Date	TD	Enter the thru date of the period to retrieve the Unapplied Receipt (URCT) transactions and positive Unapplied Balance records. Note: If run for a period of time other than daily, the URCT will be based on the sum of the URCT transactions posted during the period of time specified by the Start Date and Thru Date parameters.	Yes	
Partial Payment Allowed YN	PPAI	This parameter will determine if the Partial Payments Allowed indicator on the loan account will be considered in the selection criteria. If this batch parameter is set to 'Y', then the loan account is required to have the Partial Payments Allowed indicator set to 'N'. If this batch parameter is set to 'N', then the loan account Partial Payments Allowed indicator is ignored.	Yes	Y

Variables:

New institution level calculation variables have been added for the "Unapplied Balance Notice (UNBL)" calculation type. These calculation variables are used to control the format of the notice produced with the Unapplied Balance Notice (UNAP_BAL_NOTICE) batch application.

Variable	Code	Description (how used)	Data Type	Default
Address Column	ADCL	The column to begin printing the address.	INTG	1
Address Line	ADLN	The line to begin printing the address.	INTG	22
Date Column	DTCL	The column to begin printing the date.	INTG	1
Date Indicator	DTIN	Indicates whether the date is printed. Y = Yes, print the date. N = No, do not print the date.	YN	YES
Date Line	DTLN	The line to begin printing the date.	INTG	11
Date Text	DTTX	The institution defined text placed in front of the date.	CHAR	
Date Type	DTTP	The format used for printing the date.	CHAR	2
Input file column	IFCL	The column to begin printing the input file.	NUM	1
Input file line length	IFLE	The length (number of characters) per line in the input file.	NUM	72

Variable	Code	Description (how used)	Data Type	Default
Input file print line	IFLN	The line to begin printing the input file.	NUM	25
Inst name/address column	BNCL	The column to begin printing the Institution's name and address.	NUM	1
Inst name/address Indicator	BNIN	Indicates if the Institution's name and address will be printed in the file. Y = Yes, print the Institution's name and address. N= No, do not print the Institution's name and address.	YN	No
Inst name/address line	BNLN	The line to begin printing the Institution's name and address.	NUM	1
Max inst name/address lines	BNMX	Maximum number of address lines to print for the institution's name and address.	NUM	5
Page Number Column	PNCL	The column to begin printing the page number.	INTG	65
Page Number Indicator	PNIN	Indicates if the page number should be printed. Y = Yes, print the page number. N = No, do not print the page number.	YN	No
Page Number Line	PNLN	The line to begin printing the page number.	NUM	4
Page Number Text	PNTX	The institution defined text printed prior to the page number.	CHAR	Page Number:

Scheduling and re-run information (for batch applications):

- The Unapplied Balance notice batch application can be run on a daily or weekly basis, or with any other inputted date parameters.
- If there are no notices generated, the report will still generate but with no records displayed.
- The batch application should be scheduled to run after the completion of all nightly update processing to prevent notices being generated in error.
- The batch application can be re-run for any date in the past. For example, the batch application has already been run in the past for a specific date range and notices were generated. In the present, if the Financial Institution runs the batch application with the same dates, duplicate notice(s) will be produced. Note: It is not recommended to re-run the batch application for a previous date in the past when notices have already been generated, as duplicate notices may be sent to the Borrower.

Notices:

The Unapplied Balance Notice batch application uses a text file (UNAP_BAL_NOTICE.TXT) to produce a notice with the name of UNAP_BAL_NOTICE.STM. Variables under the Calculation Type of Unapplied Balance Notice define the content and layout of the notices.

Please see the DNA Core Batch Letters documentation for further information about using text files, including standard text markers.

A default notice is required in the text file. If using the \When command to designate a notice for specific products, there must also be a default notice in the UNAP_BAL_NOTICE.TXT file.

Below is an example of an UNAP_BAL_NOTICE.TXT file that must be created and saved in the TEXT file folder.

```
Account Number: <acct>
Current Due Date: <cdue>
Past Due Amount: <pdue>
Current Amount Due: <curd>
Total Amount Due: <tamd>

Dear <pbor>,

Our records indicate that a partial payment was received on your loan number <acct> in the amount of $<urct>.

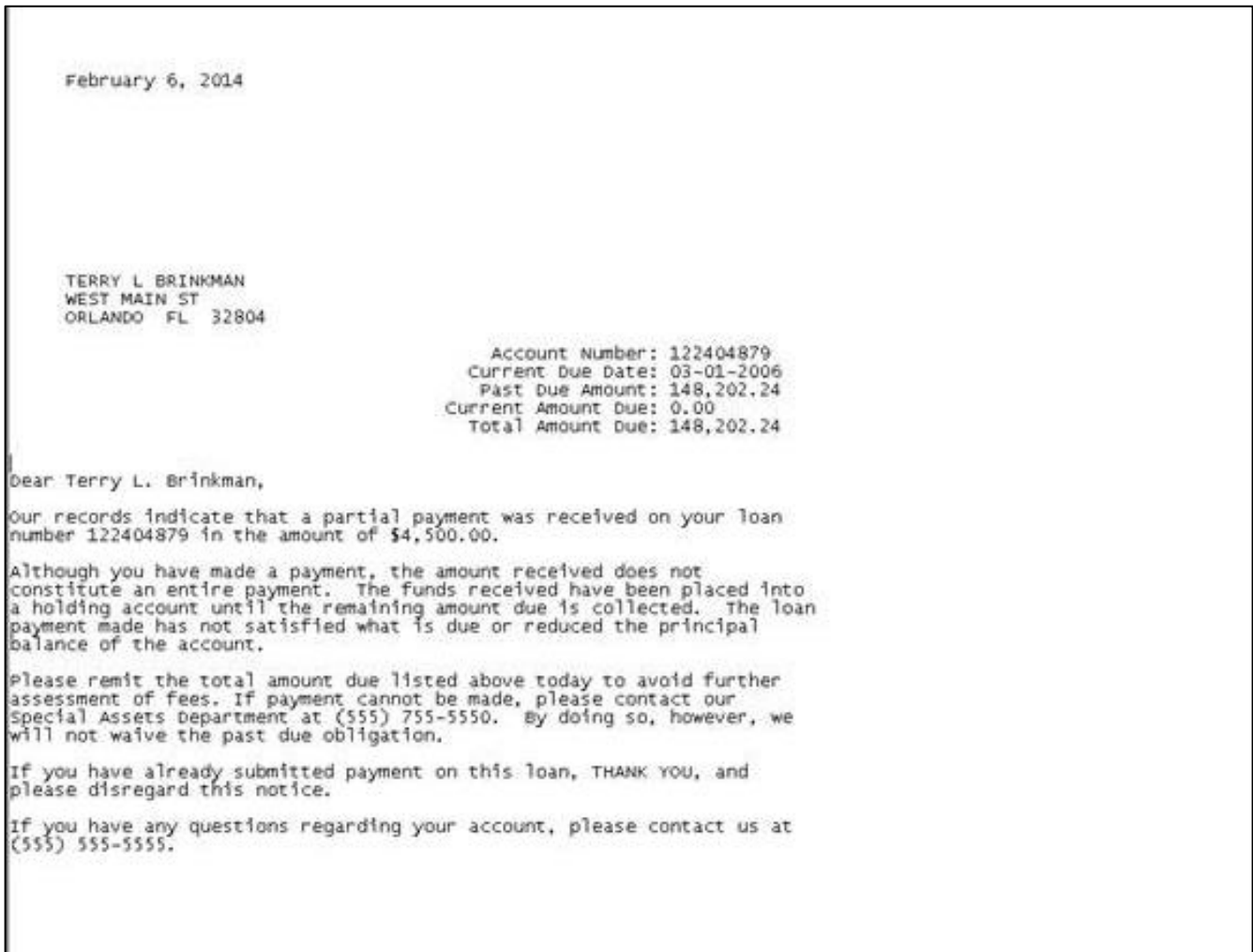
Although you have made a payment, the amount received does not constitute an entire payment. The funds received have been placed into a holding account until the remaining amount due is collected. The loan payment made has not satisfied what is due or reduced the principal balance of the account.

Please remit the total amount due listed above today to avoid further assessment of fees. If payment cannot be made, please contact our Special Assets Department at (555) 755-5550. By doing so, however, we will not waive the past due obligation.

If you have already submitted payment on this loan, THANK YOU, and please disregard this notice.

If you have any questions regarding your account, please contact us at (555) 555-5555.
```

Below is an example of a notice:



Markers:

The following are the new custom markers that are available for use in the Unapplied Balance Notice.

Marker	Description
<accd>	Account Description. This is the description of the account. (Navigation: Services > Relationships > Maintenance > Loan Accounts > Additional > Mail)
<acct>	Account Number. This is the Loan Account Number. (Navigation: Services > Relationships > Inquiries > Relationship Profile)
<pbad>	Borrower Address (Tax Reported For). This is the primary address for the Tax Reported for Organization or Person. (Navigation: Services > Relationships > Maintenance > Organization; Services > Relationships > Maintenance > Person/ Member)

<pbor>	Borrower Name (Tax Reported For). The name of the Tax Reported for Person. (Navigation: Services > Relationships > Maintenance > Loan Accounts > Additional > Roles)
<brch>	Branch Name for Loan Account. This is the Branch Name on the Loan Account. (Navigation: Services > Relationships > Maintenance > Loan Accounts)
<dlpm>	Date of Last Payment. This is the date the last regular payment (SPMT) was processed. If no transaction was processed, the value will display as null. (Navigation: Services > Relationships > Maintenance > Loan Accounts > Inquiries > Balance and Interest)
<cdue>	Current Due Date. The current due date of the loan account. (Navigation: Services > Relationships > Maintenance > Loan Accounts > Inquiries > Balance and Interest)
<salu>	Person Salutation. This is the salutation for the account's primary owner. (Navigation: Services > Relationships > Maintenance > Person/Member)
<sysd>	System Date.
<mjrd>	Major Description. (Navigation: Services > Relationships > Maintenance > Loan Accounts)
<mird>	Minor Description. (Navigation: Services > Relationships > Maintenance > Loan Accounts)
<pdue>	Past Due Amount. The Past Due Amount is defined as the active and partially paid (ACT,PPD) receivables based on the current payment row where the receivable due date is less than the current postdate minus the account grace days. Note: The current postdate is defined in the Current System Post Date (PDAT) institution option.
<curd>	Current Amount Due. The Current Amount Due is defined as the active and partially paid (ACT,PPD) receivables based on the current payment row where the receivable due date is greater than or equal to the current postdate minus the account grace days. Note: The current postdate is defined in the Current System Post Date (PDAT) institution option.
<tamd>	Total Amount Due. Total Amount Due is defined as the SUM of all active and partially paid (ACT, PPD) receivables that exist on the loan account as of the current postdate. Note: The current postdate is defined in the Current System Post Date (PDAT) institution option.

<urct>	Unapplied Receipt Transaction(s). The amount of the Unapplied Receipt Transaction. If the Unapplied Balance Notice batch application is run for a period of time defined by the Start and Thru Date batch parameters, this value would be the SUM of the Unapplied Receipt (URCT) transactions with a post date within that time period.
<ubal>	Unapplied Balance. This is the current Unapplied Balance for the loan account. (Navigation: Services > Relationships > Maintenance > Loan Accounts > Inquiries > Balance and Interest)

Additional Selection Criteria:

Marker	Description
Major	<p>A notice can be produced for a specific Major by including the Major Code in the command line of the text file. A comma delimited list of Major codes can be used. Example: \\When Major = CML, CNS, CML;</p> <p>Note: If using the \\When command to designate a notice for specific products, there must also be a default notice in the UNAP_BAL_NOTICE.TXT file.</p>
Minor	<p>A notice can be produced for a specific Minor by including the Minor Code in the command line of the text file. A comma delimited list of Minor codes can be used. Example: \\When Minor = FIXR, 1ARM;</p> <p>Note: If using the \\When command to designate a notice for specific products, there must also be a default notice in the UNAP_BAL_NOTICE.TXT file.</p>

Report:

The Unapplied Balance Notice batch application produces notices to be sent to the Borrower and also produces a report that summarizes all notices generated. The Unapplied Balance Notice (UNAP_BAL_NOTICE.STM) will be generated along with the report named Unapplied Balance Notice (UNAP_BAL_NOTICE.LIS).

Below is an example of the report:

Bank: Prometheus DNA Creator System		Unapplied Balance Notice		Run Date: 04-10-2014			
Report: UNAP_BAL_NOTICE				Post Date: 02-07-2014			
Queue Number : 6057				Run Time: 14:36:56			
Application Number: 505306				Cash Box:			
Queue Sub Number : 2							
		SCHEMA					
		OSIBANK					
		DATABASE NAME					
		ORADEMO.WORLD					
		RELEASE					
		DNA 3.3.0					
		04-09-2014 04:11:36 PM 668569 G:\OSI\BANK\BAT_EXE\EXTNS\					
		REPORT PARAMETERS					
	Delinquent Accounts YN: N		Account Statuses To Include: ACT,NPFM				
	Product Minors To Exclude:		Major Account Type Code: CNS,CML,MTG				
	StartDate: 02-06-2014		ThruDate: 02-07-2014				
Bank: Prometheus DNA Creator System		Unapplied Balance Notice		Run Date: 04-10-2014			
Report: UNAP_BAL_NOTICE				Post Date: 02-07-2014			
				Page: 1 of 1			
Account Number	Borrower Name	Major	Minor	Unapplied Receipt	Unapplied Balance	Total Amount Due	Current Due Date
121011329	Jacinto, CAROL	MTG	1212	22,500.00	29,497.57	135,562.45	05-01-2000
700026653	Heffner, LISA	CNS	UNSE	125.00	125.00	9,741.29	04-20-2001
700030563	Bourgue, Diane	MTG	1212	650.00	1,150.00	300.00	03-01-2014
700031595	Modular Components Inc	CML	7102	15,000.00	55,000.00	211,019.22	04-24-2003
700035711	Mill Construction	MTG	CLIP	54,882.00	99.93	901.00	03-01-2012
700037395	Eaddy, Garry	MTG	1212	13,200.00	2,056.57	105,104.20	12-01-2005
700040790	Jabbour, Jill I.	MTG	1212	2,000.00	897.26	113,493.96	11-01-2006
700040910	Millar, Carl X.	MTG	1212	3,900.00	2,600.00	1,664.00	02-01-2014
=====							
Number of Accounts: 8							
=====							

Field Listing:

Field	Description
Account Number	The loan account number.
Borrower Name	Name of the Tax Reported For owner of the loan account. This should be last name, first name, and middle initial concatenated.
Major	The loan account major.
Minor	The loan account minor.
Unapplied Receipt	The amount of the Unapplied Receipt Transaction. If the Unapplied Balance Notice batch application is run for a period of time defined by the Start and Thru Date batch parameters, this value would be the SUM of the Unapplied Receipt (URCT) transactions with a post date within that time period.
Unapplied Balance	This is the current Unapplied Balance for the loan account. Note: The Unapplied Balance Notice will generate if there is a positive Unapplied Balance greater than \$0.00 based on the time period defined in the Start and Thru Date parameters. If no notice is generated for an account, the report will still generate, but with no records displayed in the report for that

Field	Description
	account.
Total Amount Due	The Total Amount Due is defined as the SUM of all active and partially paid (ACT, PPD) receivables that exist on the loan account as of the current postdate. Note: The current postdate is defined in the Current System Post Date institution option (PDAT).
Current Due Date	Current Due Date of loan account.
Number of Accounts:	Total number of Unapplied Balance Notices generated.

Additional Requirements:

The installation of DNA 4.7.1 or higher is required.

For notices to be produced, a text file named 'UNAP_BAL_NOTICE.TXT' must be created and placed in the text directory defined by the 'TEXT' institution option.

The completion of all the Financial Institution's nightly update processing is required prior to the Unapplied Balance Notice batch application being run.

A default notice is required in the text file. If using the \\When command to designate a notice for specific products, there must also be a default notice in the UNAP_BAL_NOTICE.TXT file.

Configuration Checklist:

Item	Test Environment	Production Environment
Create the UNAP_BAL_NOTICE.TXT File		
Ensure compliance department approves any selected text for the Unapplied Balance Notice		
Save the UNAP_BAL_NOTICE.TXT File in the TEXT folder (typically G:\OSI\Bank\Bat_Exe\Text\)		
Set up Notice Variables (Navigation: System > Institution > Variables > Unapplied Balance Notice)		
Ensure UNAP_BAL_NOTICE.sqt application is in the DNA Creator batch application directory (typically G:\OSI\Bank\Bat_exe\EXTNS\)		
Setup the Unapplied Balance Notice (UNAP_BAL_NOTICE.sqt) batch application with the applicable parameters.		
Check that the loan product(s) and/ or loan account(s) do not have partial payments allowed (if notices are to be generated for the loan accounts or loan products)		
Check that the Unapplied Balance Notice is available with the Exclude Application setting for the product(s) and/ or for the loan account(s).		

Revisions

Date	App Version #	Change
04/2022	1.0.0.3	Added additional data exception handling for bad address data conditions and updated code performance. Updated User Manual format to adhere to current DNA Appmarket documentation standards.
09/2018	1.0.0.2	Updated code so the custom markers would work and print output correctly if multiple payments were made to a partial paid loan account receivable situation.
01/2018	1.0.0.1	Added new Partial Payment Allowed YN batch parameter to allow the Financial Institution to decide if the partial payments allowed indicator on the loan account should be considered.
03/2014	1.0.0.0	Initial Submission