CSC (contract settlement calculation)

- **Simulation** of a settlement calculation is created directly from data collected from LEO and LEO FK databases
- **Calculation** of all the elements of the settlement calculation is conducted automatically
- **Speed** of preparing the simulation is one of the main advantages of our solution
- **Printouts** of the settlement calculations can be shaped in any desired way because the printouts are generated through the CrystalReports
- **History** of simulations is saved in the database attached to the contract

CSC (Contract Settlement Calculation) module is...

a specialized system of automatic contract settlement calculation. It allows automatic calculation and presentation in clear form of all the elements describing the conditions of contract settlement calculation. The data regarding issued unpaid invoices, other unpaid balances, information regarding interest due for late payment (both settled and unsettled), data regarding not invoiced instalments and redemptions are collected from the LEO and FK systems' database. These values can be discounted using a given interest rate during the calculation. Furthermore the system reads from clearances any existing surplus payments from a client.

Settlement calculations...

can be conducted both on the client's own initiative and if the leasing company itself requires it. Very often clients ask about a possibility of making the contract shorter and the cost of such an operation. In such an event preparing a settlement calculation simulation and sending the client a correctly calculated, clear and aesthetic statement has a big commercial value. Other party interested in settlement calculations are vindication departments. In an event of irregular (early) completion of a contract it is necessary to have a complete knowledge regarding the balance of the contract settlement. Our module delivers this information with "a push of a button". Furthermore a printout for a client can have a completely different shape then the internal one for the debt collection department. If the settlement statements are also prepared for a debt collection company, they might have their own, separate form.

Difficulty of calculating...

has been reduced to nil in the CSC module. The system automatically reads from the database information regarding clearances, interests, payments, remaining not invoiced instalments and redemptions. This data is then recalculated in accordance with built-in algorithms. Without the CSC module the user would have to do a several statements manually. To get a full settlement calculation following reports should be executed:

- Balance of settlement accounts for a contract
- Statement of not settled receivables and liabilities
- Generation of demands for payment for the purpose of counting the late payment fees
- Contract conditions – interest rates, discounting percentage
- List of not invoiced lease instalments with their value in the currency
- Calculating the discounted value of instalments
- Redemption value
- Redemption conditions
- Calculating the discounted redemption value

All these statements should be recalculated to PLN (if they use other currency). Next the calculated values must be added to get the contract settlement amount. Efficient operator is able to do such calculations in an hour. The CSC module does the same work within a dozen of seconds.

Simulation history...

is stored in the system's database attached to the leasing contract. It allows to find historical calculations instantly, recall them and prepare a final settlement calculation based on a stored simulation. Such a situation occurs quite often. A client asks for a simulation of a settlement calculation, an operator prepares several variants of such calculation, the client selects one of them and it is then used as a basis for the final settlement calculation. In our system a likelihood of making a mistake in such a scenario is virtually reduced to zero.

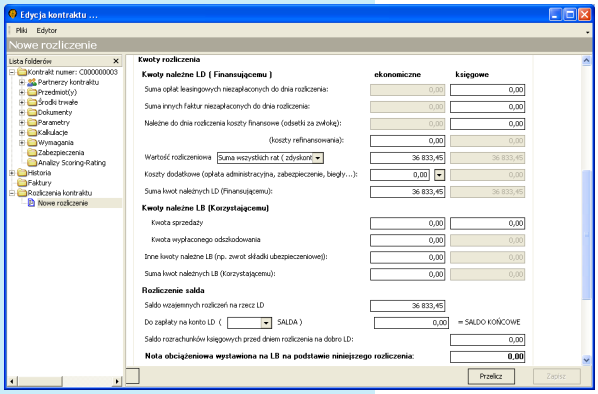

Fig. Concentration of data from different areas of the system

Presentation of the data...

regarding the settlement calculation can be drastically different depending on the target of such a printout. One type of a balance sheet is prepared for the client, others are made for internal decision-making personnel and yet other types are prepared for en external debt collection company or a law firm. Each of those balance sheets is prepared based on the same input data. The difference is the graphical design and additional information. The CSC module uses for the reporting engine a proven solution based on CrystalReports. It allows to shape the printout in a desired way directly in the client's production environment. It is also very easy to expand the pool of available reports with additional items.

All the versions...

of the LEO system interact with the contract settlement calculation module. Depending on the system version, the module utilises in the maximum possible way the capabilities made available by the given version of LEO. In the 2 version the module is available from the contract preview window as an option evoked for the given contract. In LEO III the module is embedded in the transaction preview window and is tightly integrated with the workflow mechanisms in compliance with the AWL methodology.

Implementation...

of the CSC system in typical conditions takes from 2 to 3 days. After installing the module and updating the database structure, a consultant from ADS together with a content-related administrator of the LEO System set up system parameters of the module and define documents, writings and balance sheets generated from the system. After performing tests in the test environment, the configuration is transferred to the production environment and the system is ready to go. Training in using the module is usually completed in one meeting.

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