

Freehand



Product
Overview

Freehand Product Overview

Freehand is the industry-standard finance quotation calculator in the asset finance small- and middle-ticket markets. It is designed for use by finance sales and operations staff, to perform new business quotation calculations, to verify and adjust submitted quotes, and to evaluate performance of live agreements. It is used by direct sales forces, operations and pricing departments, intermediaries, dealers and vendors.

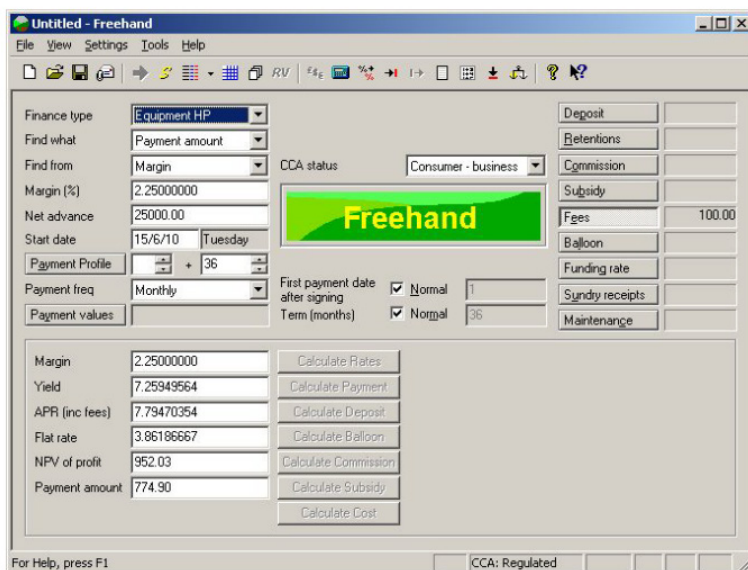
BENEFITS

Freehand is easy to use, with simple intuitive data entry screens.

Calculation parameters can be centrally controlled, ensuring consistency of pricing across the organisation, or can be controlled by the end user, allowing total flexibility.

New business or administration systems' calculations can be matched, ensuring consistency of calculation from front-end to back-end.

Freehand is fully CCA-compliant, not only calculating CCA APR and early settlement figures but providing comprehensive contract completion reports to reduce or eliminate document completion errors. Freehand is fully up-to-date with lease tax legislation in the UK and Ireland, including emissions-based capital allowances for cars in the UK, and 100% allowances for green assets in Ireland.



The screenshot shows the Freehand software interface with the following details:

- Finance type:** Equipment HP
- Find what:** Payment amount
- Find from:** Margin
- Margin (%):** 2.25000000
- Net advance:** 25000.00
- Start date:** 15/6/10 Tuesday
- Payment Profile:** 36
- Payment freq:** Monthly
- Payment values:** (empty)
- CCA status:** Consumer - business
- Buttons:** Deposit, Retentions, Commission, Subsidy, Fees (100.00), Balloon, Funding rate, Sundry receipts, Maintenance
- Results Table:**

Margin	2.25000000	Calculate Rates
Yield	7.25949564	Calculate Payment
APR (inc fees)	7.79470354	Calculate Deposit
Flat rate	3.86186667	Calculate Balloon
NPV of profit	952.03	Calculate Commission
Payment amount	774.90	Calculate Subsidy
		Calculate Cost
- Footer:** For Help, press F1; CCA: Regulated

RANGE OF CALCULATIONS

Freehand provides a comprehensive range of calculations:

- Lease, hire purchase or loan.
- Leases pre- or post-tax.
- Calculates pretty well any financial amount or interest rate.
- Supports a range of interest rate measures to match customer's and lender's requirements.
- Simple or structured repayment profiles, including seasonal payments, cash deposits, part-exchange, balloons and residual values.
- Supports customer-invisible elements such as commissions and subsidies.
- Early settlement and extension/balloon refinance calculations.
- Insurance calculations including Gap, PPI.

CUSTOMISATION

Extensive customisation and personalisation is a standard feature of Freehand. The product can be branded for the lender or intermediary. Features not required by the organisation are eliminated to provide the simplest possible appearance to the end-user. Availability of features and control of parameters can be varied by user group within the organisation, allowing control to be maintained centrally or delegated outward as required.

REPORTS

Extensive reporting capabilities include full actuarial amortisation schedule (including tax computation for tax-based leases), hard-copy listing of input data and calculated results, contract completion reports, and client-specific documents including printed contracts, quotation letters and proposal forms. Proof reports are available for CCA APR and settlement calculations.

SCHEMES

Freehand supports pre-defined lender commission schemes, allowing intermediaries to verify commission calculations before submitting proposals to the lender.

Freehand also supports manufacturer subsidy schemes, allowing vendor and sales-aid users easy access to promotional offers.

	A	B	C	D	E	G
1	Cashflow report for Untitled created 15/6/2010 at 12:44					
2						
3	Inception date		15/06/2010			
4	Maturity date		15/06/2013			
5	Term (months)		36.00			
6	Margin		2.25000%			
7	Margin compounded		Monthly			
8	Funding cost		5.00000%			
9	Funding compounded		Monthly			
10	Reinvestment rate		3.00000%			
11	Lessor IRR		7.25950%			
12	Lessee IRR		7.25950%			
13	Lessor/lessee IRRs compounded		Monthly			
14	APR (inc fees)		0.08			
15	NPV of profit		952.03			
16	Interest basis		365-day			
17	Interest charged		Accrued in arrears			
18						
19	Date	Description	Costs	Receipts	Profit	Funding
20	15/06/2010	Purchase	25,000.00	0.00	0.00	0.00
21	15/07/2010	Repayment	0.00	774.90	0.00	0.00
22	15/07/2010	Interest	0.00	0.00	46.23	102.74
23	15/08/2010	Repayment	0.00	774.90	0.00	0.00
24	15/08/2010	Interest	0.00	0.00	46.58	103.51
25	15/09/2010	Repayment	0.00	774.90	0.00	0.00
26	15/09/2010	Interest	0.00	0.00	45.38	100.85
27	15/10/2010	Repayment	0.00	774.90	0.00	0.00
28	15/10/2010	Interest	0.00	0.00	42.76	95.02
29	15/11/2010	Repayment	0.00	774.90	0.00	0.00
30	15/11/2010	Interest	0.00	0.00	42.97	95.48
31	15/12/2010	Repayment	0.00	774.90	0.00	0.00
32	15/12/2010	Interest	0.00	0.00	40.40	89.70

CALCULATION TARGETS

Freehand can solve any of the following:

- Payment (rental) amount.
- Deposit/prepayment.
- Balloon or residual.
- Commission.
- Subsidy.
- Cost/net advance.
- Agreement term/number of repayments.
- Interest rates.
- Audit (used to establish reconciliation between Freehand calculations and other systems).

FINANCE TYPES

Freehand can manage all finance types:

- Lease, Car lease, Hire purchase, Car hire purchase, Loan.
- Car agreements are generally entered VAT-inclusive; all others VAT-exclusive.
- Leases – pre- or post-tax.
- Leases – finance lease or operating lease.
- Tax-based leases – pooled (run-on) or depooled (accelerated, balanced).
- Tax-based car leases post FA2009 – based on emissions bands.

INTEREST RATES

- Available Interest rate measures: margin over cost of funds, lender's nominal IRR (pre-tax), Consumer Credit Act APR, flat rate, NPV of profit, Rate/£000.
- Daily interest calculations on UK 365-day, actual/360, EU or US 30/360-day bases.
- IRR calculations on a periodic basis, at specified frequency or at payment frequency.

PARAMETER CONSISTENCY

For users operating within a finance company, or intending to submit quotations to that finance company, consistency of operating parameters such as funding rates and commission and subsidy schemes is essential. Cassiopae's secure hosted FieldControl system automatically manages changes in parameters as well as updating system components whenever new versions become available.

PLATFORMS

Freehand is a PC system running under Windows (from the original 32-bit Windows 95 onwards). The program can be installed locally on the user's laptop or desktop PC, or can be installed on a central network for shared access.

INTERFACES

Calculations can be exported to Cassiopae's Flex 4 (lease evaluation) system for more detailed analysis, or to our Probe system, which compares different finance options from the customer's after-tax point of view, allowing the user to ensure that the best product is being offered to the customer.

HELP SCREENS

Full context-sensitive help screens are available, from the Help menu, Toolbar button or by pressing the F1 key.

FURTHER DOCUMENTATION

A more detailed product factsheet is available on request.

FREEHAND COMPONENTS

Freehand manages all aspects of the calculation process including:

- Commissions.
- Components of Net advance.
- Cost of funds.
- Customer fees.
- Extensions and reschedules.
- Insurance calculations.
- Maintenance.
- Other cash items.
- Settings/Standing data.
- Settlement calculations.
- Simple payment profiles.
- Structured payment profiles.
- Subsidies.
- Tax settings.

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