

Production of KFI and ESIS illustrations and supporting documentation

ESIS and Key Facts Illustration (KFI)

For first charge mortgages, an ESIS and/or a KFI can be produced. For second charge products, only an ESIS can be produced as these only became regulated under MCD. Note that illustrations can only be produced from matched products.

A column, within the scheme list, clearly states which document is currently produced by the lender, at offer stage, so that the broker can make an informed choice about which illustration to provide to the client. This column is shown below.

Scheme	Lender	AIT	Notes	Initial Rate Type	Payments (No Fees and Enc. S. P)	Interest Rate and Enc. S. P	Initial Rate	Final Rate	Initial Monthly Payment	Final Monthly Payment	Term	Total Cost Over Term	Initial Fees	Final Fees	Lender ESIS	Term	Overhead Period	Rate Control	Advance	Carback
HAIFA	HAIFA			Fixed	£39,315	£21,041	1.25%	3.74%	£1,387.18	£1,550.00	12 yrs 6 mths	£229,269	£1,564	£0	ESIS	25 m	0 m	25 m	£190,000	£300
HAIFA	FirstComptel-Haifa			Fixed	£39,543	£21,310	1.43%	3.74%	£1,384.00	£1,553.87	12 yrs 6 mths	£229,374	£865	£0	ESIS	25 m	0 m	25 m	£190,000	£0
HAIFA	See Mig Network-Hat			Fixed	£39,543	£21,310	1.43%	3.74%	£1,384.00	£1,553.87	12 yrs 6 mths	£229,374	£865	£0	ESIS	25 m	0 m	25 m	£190,000	£0
HAIFA	Nationwide B. Soc			Fixed	£39,570	£21,366	1.19%	3.74%	£1,383.84	£1,551.48	12 yrs 6 mths	£229,204	£1,019	£85	KFI	24 m	0 m	24 m	£190,000	£100
HAIFA	HAIFA			Fixed	£39,573	£21,379	1.03%	3.74%	£1,405.84	£1,586.71	12 yrs 6 mths	£229,877	£865	£0	ESIS	25 m	0 m	25 m	£190,000	£300
HAIFA	Nationwide B. Soc			Fixed	£39,591	£21,648	1.09%	3.74%	£1,387.84	£1,557.37	12 yrs 6 mths	£229,755	£20	£85	KFI	24 m	0 m	24 m	£190,000	£100
HAIFA	Nationwide B. Soc			Tracker	£39,670	£21,286	1.19%	3.74%	£1,383.84	£1,551.49	12 yrs 6 mths	£229,304	£1,019	£85	KFI	0 m	0 m	24 m	£190,000	£0
HAIFA	Nationwide B. Soc			Tracker	£39,691	£21,743	1.89%	3.74%	£1,387.84	£1,557.37	12 yrs 6 mths	£229,855	£20	£85	KFI	0 m	0 m	24 m	£190,000	£0
HAIFA	FirstComptel-Haifa			Fixed	£39,699	£21,081	1.11%	3.74%	£1,387.16	£1,548.76	12 yrs 6 mths	£229,087	£1,564	£0	ESIS	25 m	0 m	25 m	£190,000	£0
HAIFA	See Mig Network-Hat			Fixed	£39,699	£21,081	1.11%	3.74%	£1,387.16	£1,548.76	12 yrs 6 mths	£229,087	£1,564	£0	ESIS	25 m	0 m	25 m	£190,000	£0
HAIFA	FirstComptel-Haifa			Fixed	£39,755	£21,617	1.91%	3.74%	£1,390.78	£1,554.39	12 yrs 6 mths	£229,955	£865	£0	ESIS	25 m	0 m	25 m	£190,000	£0
HAIFA	See Mig Network-Hat			Fixed	£39,755	£21,617	1.91%	3.74%	£1,390.78	£1,554.39	12 yrs 6 mths	£229,955	£865	£0	ESIS	25 m	0 m	25 m	£190,000	£0
HAIFA	HAIFA			Tracker	£39,778	£21,425	1.33%	3.74%	£1,375.87	£1,552.14	12 yrs 6 mths	£229,471	£1,564	£0	ESIS	25 m	0 m	25 m	£190,000	£300
HAIFA	Accord Mortgages			Fixed	£39,798	£22,346	1.94%	5.34%	£1,427.47	£1,655.45	12 yrs 6 mths	£238,788	£0	£90	KFI	40 m	0 m	40 m	£190,000	£300
HAIFA	HAIFA			Fixed	£39,880	£21,540	1.36%	3.74%	£1,376.10	£1,552.00	12 yrs 6 mths	£229,582	£1,564	£0	ESIS	25 m	0 m	25 m	£190,000	£300
HAIFA	HAIFA			Fixed	£39,920	£22,079	1.78%	3.74%	£1,412.03	£1,558.68	12 yrs 6 mths	£230,201	£865	£0	ESIS	25 m	0 m	25 m	£190,000	£300
HAIFA	Nationwide B. Soc			Fixed	£39,924	£21,636	1.29%	3.74%	£1,372.21	£1,552.97	12 yrs 6 mths	£229,691	£1,019	£85	KFI	24 m	0 m	24 m	£190,000	£0
HAIFA	Nationwide B. Soc			Fixed	£39,948	£22,119	1.69%	3.74%	£1,406.05	£1,588.33	12 yrs 6 mths	£230,243	£20	£85	KFI	24 m	0 m	24 m	£190,000	£0
HAIFA	Nationwide B. Soc			Tracker	£39,951	£21,721	1.34%	3.74%	£1,376.42	£1,553.70	12 yrs 6 mths	£229,794	£1,019	£85	KFI	0 m	0 m	24 m	£190,000	£100
HAIFA	Nationwide B. Soc			Tracker	£39,977	£22,205	1.74%	3.74%	£1,410.32	£1,589.86	12 yrs 6 mths	£230,337	£20	£85	KFI	0 m	0 m	24 m	£190,000	£100
HAIFA	HAIFA			Fixed	£39,942	£21,809	1.43%	3.74%	£1,384.00	£1,553.87	12 yrs 6 mths	£229,873	£1,564	£0	ESIS	25 m	0 m	25 m	£190,000	£300
HAIFA	HAIFA			Fixed	£39,942	£21,809	1.43%	3.74%	£1,384.00	£1,553.87	12 yrs 6 mths	£229,873	£1,564	£0	ESIS	25 m	0 m	25 m	£190,000	£300
HAIFA	HAIFA			Fixed	£39,956	£22,349	1.83%	3.74%	£1,418.02	£1,589.74	12 yrs 6 mths	£230,483	£865	£0	ESIS	25 m	0 m	25 m	£190,000	£300
HAIFA	Accord Mortgages			Fixed	£39,994	£22,831	2.24%	5.34%	£1,458.08	£1,690.21	12 yrs 6 mths	£239,415	£0	£90	KFI	40 m	0 m	40 m	£190,000	£300
HAIFA	Nationwide B. Soc			Fixed	£39,998	£22,081	1.44%	3.74%	£1,358.84	£1,555.17	12 yrs 6 mths	£229,172	£1,019	£85	KFI	24 m	0 m	24 m	£190,000	£100

The software will still allow you to print out both illustrations (for first charge mortgages) if required, together with supporting documentation for the client and compliance purposes.

To produce either illustration, select the Illustration icon from the left hand side of the scheme results window. Six tiles are displayed, use the orange arrows to access the next screen, some of which are already pre-populated with client data. The other tiles allow the broker to include third party insurances if required.

The screenshot displays the MortgageBrain Anywhere software interface. The interface is divided into five main sections, each with a dark blue header and a white content area. The sections are: 1. **Details**: Contains fields for 'Advice Given' (radio buttons for 'We recommend' and 'We do not recommend'), 'Intermediary' (checkbox), 'Regulated' (checkbox), 'Applicant 1' (text), 'Name' (text with 'Mr' dropdown), 'Title' (text), 'Email' (text with 'Private' and 'Release' buttons), and 'Correspondence Address' (text). 2. **Fees**: A table with columns for 'Fee Name', 'Amount', and 'Status'. It lists 'Cashback / Fee Refund' (500), 'Broker Fee 1', 'Broker Fee 2', 'Broker Fee 3', 'Valuation Fee' (485), 'Valuation Admin Fee' (100), 'Application Fee', 'Product Fee', 'Higher Lending Charge' (999), 'Mortgage Exit Fee', and 'Sealing Fee'. 3. **Proc Fee**: Fields for 'Fee is payable to' (dropdown), 'Amount received by intermediary' (text), 'Proc fee amount passed to client' (text), and 'Amount paid by lender' (text). 4. **Insurance**: Includes a note about ESIS, 'Buildings & Contents' (checkbox), 'Premium' (text), 'Frequency' (dropdown), 'Include in Illustration' (checkbox), 'Payment Protection' (checkbox), and 'Payment Protection' (checkbox). 5. **Complaints**: A text area with a warning message: 'The text below will be displayed on the ESIS in the complaints section. Please ensure that this is correct and change as required.' Below this is a text area for the complaint procedure. The interface has a blue background with a grid pattern and navigation arrows at the bottom.

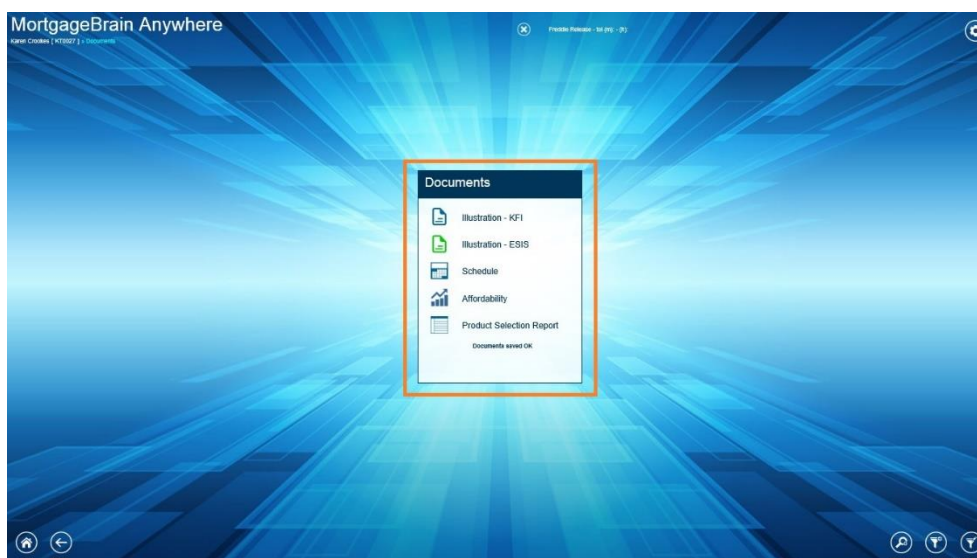
The Illustration function produces a number of tabs to enable the production of either a KFI or ESIS document. If the broker does not wish to complete all of the tabs, they can be ignored where necessary. However, on first use, it is mandatory to ensure that the Complaints tab is completed with the required text as this is displayed within the ESIS illustration.

- The **Details** tile will automatically pre-populate with the client and broker details where this information may have already been collected.
- There is also the ability to include a company/broker email address and website within the illustration.
- The software will automatically include the relevant fees associated with the product selected.
- The broker has the ability to include a broker fee where applicable. If the fee charged is consistent across all clients, this information can be set up and saved permanently so that it is automatically included in the production of the illustration.

There is also the ability to add in additional fees for brokers who wish to split the type of fee they request from their clients. Within the fees tile of the illustration production, you will notice that the Fees tab now contains three additional fee boxes at the bottom of the screen. The fee name can be amended to something meaningful – this will be displayed on the illustration. An amount and explanation also needs to be included. Once the fees have been included, they are then displayed on the illustration.

- The **Proc Fees** tab allows a proc fee to be calculated automatically, pre-populated or typed in manually.
- The proc fee can also be split out into relevant amounts if a third party is also to be paid.
- Some lenders may charge a client for not accepting their own insurance products. In these circumstances, the software will automatically include, and display in the illustration, the amount that will be charged to the client.
- Following on from the implementation of MCD, it is important that Complaints text is included within the ESIS illustration. There is a Complaints tab which requires completion by the broker.
- Once the text has been completed, it will be retained permanently each time an illustration is produced.
- The final tile is Conveyancing. This allows the broker to include a conveyancing amount which can then be included and displayed within the illustration. If no figure is required, then this tab can be left blank.

When displaying the illustration documentation, the broker will notice a number of tabs of information. By default, the illustration which matches that produced by the lender, at offer, will be highlighted in green, as shown below.



As well as the illustration, other supporting documentation includes:

- A Schedule which details the monthly payments applicable for the product shown and includes the initial and subsequent payments.
- A Product Selection Report which records the client data input during the sourcing process and any filters applied during the search, together with a snapshot of the top 25 schemes within the scheme list and confirmation of the position of the chosen product. In addition to this, it also includes the criteria for the deleted products, for example, monthly payments in excess of X or

total fees above X. It is intended that this letter is kept on the client file and can be reviewed by the compliance officer. It is not perceived that the production of this letter constitutes part of the documentation provided to the client.

- An Affordability document recording the client's affordable monthly payment (if input during sourcing) together with a table of payments confirming the affordability of the product for the client during the initial and reversionary rate timescales. If an **Amber** product was chosen for the client, then the reason entered before producing an illustration is clearly shown on the Affordability Report.

Print and Email facility

There are security issues surrounding the ability to email directly from a browser based system. Therefore, the Adobe tool bar, which appears when hovering the mouse over the documents, can be used to send the documents to print or save them onto the desktop.

If MortgageBrain Anywhere is integrated with a CRM, then the client documentation will automatically be pulled back into the CRM and saved against the client file for compliance and future review.

Mortgage Illustration

This document was produced for Mr Freddie Release on 15 August 2017

This document was produced on the basis of the information that you have provided so far and on the current financial market conditions.

The information below is valid **on the date produced**. After that date, it may change in line with market conditions.

This document does not constitute an obligation for Halifax to grant you a loan.

1. Lender

Lender:	Halifax, a division of Bank of Scotland plc
Telephone:	08456 080 851
Address:	Halifax Premier Mortgages 15 33 Old Broad Street London

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