

LLC FUND MANAGER

CMO Amount Adjustment

To change an investor's CMO amount or rate, you might need to close the current certificate and issue a new one. This insures the payment is computed on the correct rates, amounts, and dates.

- 1) Go to the existing CMO record (menu to CMOs > Issue Debt). Set the **Maturity Date** and **Next Pmt. Date** to the last date at this amount.
- 2) Next Add a new Certificate with the updated rate, term, amount. Use the same **Date Started** as the old Maturity date. You might want to set the **Next Pmt. Due** to the same date as the old Certificate so income is paid on the same dates.
- 3) Post CMO disbursements for the Next Payment date used above.
- 4) Print the Certificate Checks. You can **edit the Principal Paid** to not pay back the invested amount since it is reinvested in the new certificate. Review the checks carefully before completion. You can make Check Adjustments if necessary.

Notes – if you are only adjusting the rate at the end of a period, you can do this without creating a new certificate.

If the Certificate has compounded interest, make sure the new issuance includes this amount OR pay out the first certificate and start a new one.