

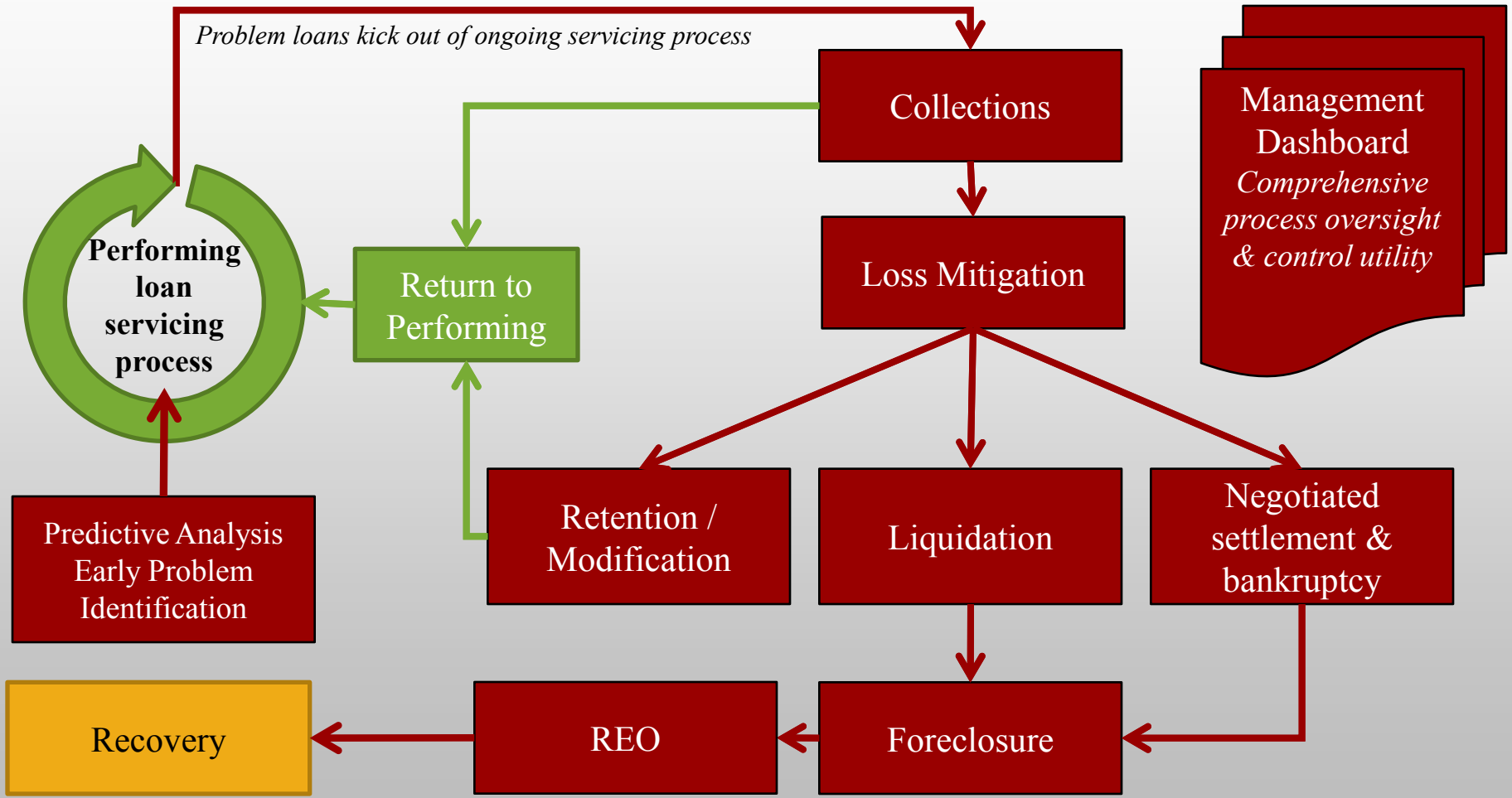


eDefault

Executive Summary

- eDefault is a workflow enterprise application that complements existing mortgage loan servicing activities
 - Identified problem loans migrate into the eDefault workflow system
 - Loan data synchronized with existing loan servicing systems
- Robust modules support various aspects of the delinquent mortgage loan resolution process
 - Collections – supports call center client contact efforts
 - Loss mitigation and loan modification – Optimizes alternatives for loan resolution negotiation with customers, rank ordering alternatives based on customized solution sets
 - Bankruptcy – facilitates managing lender interests in customer bankruptcy
 - Negotiated settlement – streamlines settlement process with legal bodies for high risk loans
 - Foreclosure – facilitates managing the foreclosure process and tracks milestones
 - REO – facilitates maximization of sale recovery
- Sophisticated workflow rules generate tasks, workloads, and escalation of specific customer cases
- Robust routines and decision support tools allows option to employ least costly service staff in certain aspects of managing delinquent loans
- System is proven in production environment with extensive testing and development since first installation in 2004

eDefault complements existing performing loan servicing processes



Management dashboards provide multiple levels of oversight reporting

- Monitors comprehensively loan status, work cues, escalations, loan status by category
- Facilitates staff allocation and load balancing
- Identifies bottlenecks, allowing for work reallocation
- Provides employee specific reminders and alerts
- Calculates aggregate gain/loss on real time basis
- Provides employee performance metrics

Print Calendar

Level 1 Dashboard

From Date: End Date:

of Loans in different Workouts

WorkOut Option	Initiated	Completed	Failed	In Queue	REO Loss (\$)	Savings over REO (\$)
Reinstatement	100	40	10	50	10,213	11,322
Repayment	400	280	20	100	10,213	11,322
Mod	150	20	5	125	10,213	11,322
Negotiated Settlement	20	3	4	13	10,213	11,322
Pay-off	240	200	5	35	10,213	11,322
Short Pay-off	520	400	39	81	10,213	11,322
Deed in Lieu	480	380	42	58	10,213	11,322
MI Claims Advances	50	40	1	9	10,213	11,322
Write Off	40	10	4	26	10,213	11,322
Total	2000	1373	130	497	12,111,322	12,111,322

The number of rows returned = 9

Management Controls allow users to easily make changes to the system

- Facilitates changes in the Resolution model to adapt to changes in market conditions , borrower capabilities, investor requirements & business scenarios
- Provides for creating and revising industry standards and legislations as per new guidelines
- Enables changes in the corporate structure to be easily made
- Helps to manage the work queue for all tasks and users
- Provides for business rules to be defined and modified for Approvals, Alerts & Escalations

Business rules can be defined and edited by users

The screenshot displays the 'Edit Rule' interface in the eDefault system. The left sidebar shows a navigation tree with categories like 'User Profile', 'Business', 'Parameters', 'Rules', and 'Status'. The main content area is titled 'Edit Rule' and includes the following elements:

- Rule Name:** A text input field containing 'Approval rule for SPO'.
- Rule Parameter:** A dropdown menu set to 'Referral Id'.
- Rule Description:** An empty text input field.
- Selected Data Items:** A list containing 'Man Code' and 'Sr. Lien Delinquent Interest', with '<< Add' and 'Remove >>' buttons.
- Available Data Items:** A list containing 'Property Damaged Flag', 'Property Inspection', 'Property Listed 90 days flag', and 'Property Listed Date', with up/down arrow buttons.
- Expression:** A text input field containing the logical expression '(Property Listed 90 days flag)=\"No\"'.
- Buttons:** 'Add Data Item to Expression', 'Check Expression', 'Save', and 'Close'.

Complex conditions can be defined by business users

Extensive loan level detail is boarded into eDefault and synchronized with other systems

- Loan level detail on problem mortgages boarded into eDefault to provide single system management of delinquencies
- Synchronizes with loan servicing system to ensure up to date information is included in eDefault loan file
- Loan details screen summarizes relevant information – click through for more detail

Loan Details			
Loan Number: 0005236021			
Loan Type Information:			
Loan Number: 0003684511	Lien Position: 1 st	Multiple Loans: Yes	Priority Lien Info:
Loan Type: Fixed			
Delinquency Information			
Last Payment Date: 01/04/04	Due Date: 01/10/04	Last Paid Due (7): \$ 28,687.19	Late Charge: \$ 1,639.28
Bad Check Fees: \$.00	Other Fees: \$ 18.10	Total Due: \$ 30,344.57*	Suspense: \$ 3,208.17
Net Due: \$ 27,136.40	Funds in Vault: \$ 300.00	Escrow Amount: \$ 160.00	
Payment Information			
Payment: \$ 4,098.17	L/C Amount: \$ 204.91	Payment + L/C: \$ 4,303.08	Principal Balance: \$ 474,691.40
P&I: \$ 4,098.17	Res Esc: \$.00	Next ARM Change:	Next Escrow Analysis:
Foreclosure Information			
Foreclosure Start Date: 10-01-03	Next Action - NOD: 10-15-03	Estimated Sale Date: 11-01-03	Actual Sale Date: 12-01-03
Status: Hold			
Bankruptcy Information			
Bankruptcy Start Date: 10-01-03	Next Action: MFR	Type: 11	Status: Dismissed

Collections module provides tools to work with the borrower toward quick solution

- Call center staff activities directed by workflow procedures – individual task list generated automatically
- Workflow rules and call center staff roles define activities; with more complex situations directed to more experienced staff
- Revised repayment plans generated automatically for discussion with clients
- Promise to pay capture and reporting
- Integrated dialing reduces staff burden
- Borrower call tracking and reporting
- User friendly screens to minimize staff clicks
- Ability to monitor staff performance against variety of metrics, e.g. task completion rates

The screenshot shows a loan management interface with several key features highlighted by callouts:

- Loan specific notices prominently displayed:** A callout points to a notification banner that reads "DISASTER LOAN - SOFT COLLECTION ONLY" and "Written Authorization Required to Speak with Spouse who is Not on Loan."
- Multiple contacts:** A callout points to the "Contact" section, which lists several roles: No Contact, Borrower (John Mathew), Co-Borrower (Paul Nash), Deed Holder (Sheryl Scott), Third Party (James Brown), and Second Lien Holder (William Smith).
- Promise to pay functions:** A callout points to the "Promise to Pay" section, which includes a table for multiple payments and a "Set Out Date" column.

Loan Details:

Loan Number: 0005236021	Borrower Name: John Mathew	Borrower SSN: 101013454	Man Code: T - Cease and desist loan
Multi Loan: Yes	Co-Borrower Name: Paul Nash	Co-Borrower SSN: 654343454	Loan Type: First Mortgage Conventional
Payment Due Date: 03/01/04	Monthly Payment: \$ 700	Due (3): \$ 2100	Net Due (TAD): \$ 2000

Notification:

DISASTER LOAN - SOFT COLLECTION ONLY | Written Authorization Required to Speak with Spouse who is Not on Loan.

Contact:

No Contact | Borrower (John Mathew) | Co-Borrower (Paul Nash) | Deed Holder (Sheryl Scott) | Third Party (James Brown) | Second Lien Holder (William Smith)

Promise to Pay:

Payment in Full | Multiple Payments | Unable to Pay | Payment Made | Refused to Pay

Enter the Amount Borrower Can Pay Today in the First Payment Amount Box Below:

Multiple Payments Table

Payment Date	Payment Amount (\$)	Payment Method	Remaining Balance (\$)	Set Out Date
02/01/2006	1000	Speed Pay	1000	02/01/2006
02/15/2006	400	Speed Pay	600	02/14/2006
02/23/2006	500	Speed Pay	850	03/02/2006
01/15/2006		Speed Pay		01/15/2006

Loss Mitigation module optimizes solution alternatives to facilitate loan modification

- Intelligent decision support tools provide lender and borrower with optimum and mutually feasible work out plan
- Customized model rank orders potential resolution options and presents those that are not feasible
- Loan modification modeled real time with client, thereby allowing fast re-underwriting
- Automated approval tracking for internal, investor, and mortgage insurer sign off
- Intelligent tools define resolution models, repayment plan, loan modification, gain/loss analyses, and re-affirmation plans
- Automatic letter and document preparation and distribution
- Call result reporting

Resolution Options

ICAR

Loan Number: 000665344
Currently Selected Workout Option: MI Claims

Borrower Name: Gilbert White

Qualified Workout Options

Check for Comparison	Rank	Workout Option	Status	Evaluated Factors	REO Savings	Aggregate Resolution Factor	Select Option
<input checked="" type="checkbox"/>	1	Short Payoff	Open	Fully	\$93,873	4	<input type="radio"/>
<input checked="" type="checkbox"/>	2	Deed-in-lieu	Open	None	\$80,730	3	<input type="radio"/>
<input type="checkbox"/>	3	MI Claims	Open	Partially	Not Calculated	2	<input type="radio"/>
<input type="checkbox"/>	4	Write Off	Open	None	\$90,870	-2	<input type="radio"/>
<input type="checkbox"/>	5	Foreclosure	Open	Partially	\$85,970	-3	<input type="radio"/>
<input type="checkbox"/>	6	Payoff Process	Disqualified	None	\$74,890	0	<input type="radio"/>
<input type="checkbox"/>	7	Reinstatement	Failed	Fully	\$75,345	3	<input type="radio"/>
<input type="checkbox"/>	8	Repayment	Breached	None	\$78,230	3	<input type="radio"/>
<input type="checkbox"/>	9	Modifications	Disallowed	Partially	\$69,730	-8	<input type="radio"/>
<input type="checkbox"/>	10	Negotiated settlement	Declined	Fully	\$71,560	-1	<input type="radio"/>

Save Compare Simulate Worksheet Select Workout Option Close

Multiple resolution options calculated

Estimated REO loss is baseline – all other options calculated as gain/loss to REO outcome

Status provided for all options

Excluded options with status noted, including client disqualification or decline, failure of prior workouts, or disallowed alternatives

Negotiated settlement module supports a variety of outcomes

- Automated calculation of negotiated settlement amounts and payoff
- Supports various settlement types, including lender forced, outside carrier, legal, tax sale, title claim, etc.
- Facilitates communication with city, county, and state authorities

Highlighted loan status indicators

Handles various types of negotiated settlements

Bankruptcy module facilitates close monitoring of the process

- Workflow processes for Chapter 7, 11, and 13 filings
- Interfaces with bankruptcy notification systems
- Pre-petition, post-petition, stipulated plan, objection to plan, relief of stay activities are created, updated, and monitored
- Proof of claim documentation automatically generated and managed through US Bankruptcy Court processes
- Gain/loss impact calculated and updated to reflect changing circumstances

The screenshot displays a web-based interface for managing a bankruptcy case. The main title is "Contact Borrower's Attorney/Borrower Prose/Authorized Third Party Bankruptcy". The interface includes several sections:

- Loan/Borrower:** Loan Number: 0005236021
- Borrower Name:** Donald D'souza
- Contact:** Radio buttons for Borrower and Third Party.
- Task Status:** Escalated
- Cease & Desist:** Yes
- BK L.M.:** Yes
- Post Petition Due Date:** 11/02/04
- Whether Third Party Authorization Received?:** Radio buttons for Yes and No.
- Contact Made:** Radio buttons for Borrower Prose, Trustee, Borrower Attorney, Third Party, and Others.
- Projected Discharge Date:** A date input field.
- Reaffirmation Letter Sent:** 10/01/03
- Reaffirmation Letter Received:** 10/02/03
- Loan Affirmed?:** Radio buttons for Yes and No.
- Foreclosure Details:** Foreclosure Start Date and Estimated/Actual Sale Date input fields.
- Bankruptcy Information:** Bankruptcy Start Date and Type (7,11,13) input fields.
- Status:** A dropdown menu set to "-- Select --".
- Next Action:** Two empty text input fields.
- Is Third Party Authorized by Borrower?:** Radio buttons for Yes and No.

Three callout boxes highlight specific features:

- Key date tracking:** Points to the "Post Petition Due Date" and "Reaffirmation Letter Received" fields.
- Borrower authorization for third party discussion:** Points to the "Whether Third Party Authorization Received?" section.
- Document creation and distribution:** Points to the "Reaffirmation Letter Sent" and "Reaffirmation Letter Received" fields.

Foreclosure module ensures that necessary steps are completed in a timely manner

- Generates complete, state specific paperwork to create, monitor, and conclude foreclosure process
- Milestones set and monitored, with robust exception reporting
- Tracks legal actions and due dates associated with foreclosure process
- Interfaces with industry systems, including: FIS MSP, Lenstar, Newtrak, Webtrack, FNS, CMS, Bridgeline, AVE, Info 1, WU Phone Pay, EBN
- Comprehensive real time gain/loss analyses

System generated legal action workflow

Legal Action Request

Loan Number: 0005236021 Borrower Name: Donald D'souza Contact: Borrower Third Party

Task Status: Escalated Cease & Desist: Yes Legal: Yes

Is Legal Action Request Needed? Yes No

Is Non-Refundable Deposit required? Yes No Does Not Apply

Foreclosure Details

Foreclosure Actual Sale Date: 10/10/2004 Foreclosure Estimated Sale Date: 12/01/02 Number Of Days Left: 11

Foreclosure Action Request options

Foreclosure Hold

Postpone Foreclosure Sale

Reason for Postponement:

Comments:

Postpone To: 01/14/04

Cancel Foreclosure

Flexible options for managing foreclosure process

Free text comment window

REO module automates disposition process tasks facilitating recovery

- Automated workflow for core processes, including: acquisition, eviction, valuation, listing and marketing, sales and negotiation, escrow, and title
- Interfaces with vendors and partners, including real estate agents, investors, etc.
- Stores appraisals, offers, repair & maintenance expenditures, BPO's and AVM's
- Custom document management generates sale agreements and other necessary documents
- Generates and tracks work orders, e.g. for repairs, etc.

Critical tasks flagged with key dates

Investor information

Automated document generation and other tasks, e.g. broker selection

Comment Tools Information Print Export Calendar Actions

Task details For New Asset

Critical Flags
Stage Code: R01 - New - Acq File
Task Due Date : 11/21/07
Days Past Due Date: -7
Flag Type:

Status:
New

Task Description
Taskdetails for New Asset

Loan Information
Loan Number: 0011257078
Mortgagor Last Name: Coutinho

Property and Investor Information
Property Address: 9745 Hunt Dr, Miami, MD 23456
Investor ID : 628
Investor Name: Investor Services Ltd.

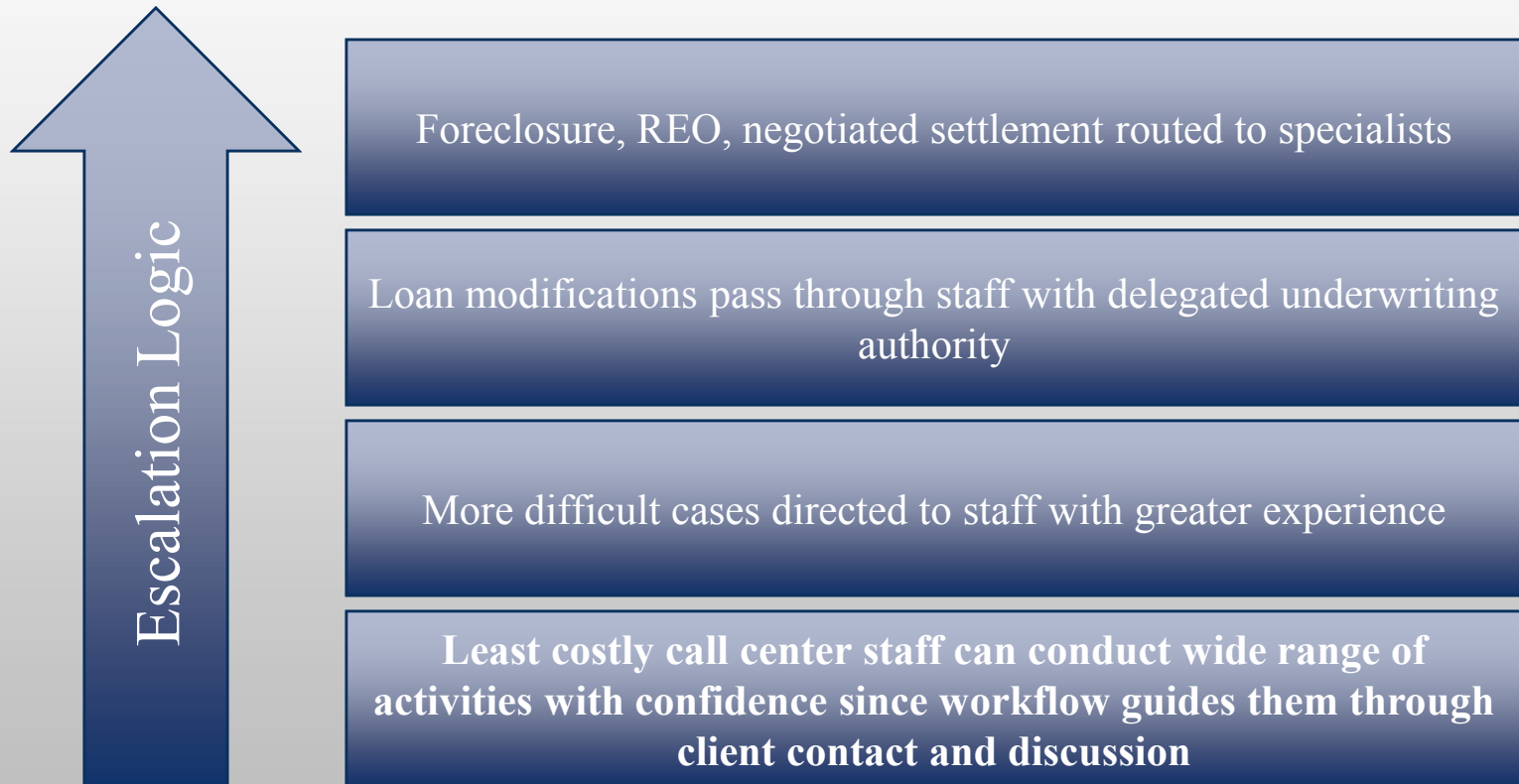
Broker Information

Activities To Be Completed:

Identify Comment Types Select Broker Generate Assignment Letter Generate C4K Letter

Indicates that the Activity is Mandatory.
 Indicates that the Activity has been Completed. In case of activities where Documents/PDFs are viewed from the Task Page, Pl. refresh the Task Page manually after viewing the documents. It will complete the activity.

System allows least costly staff to conduct wide range of activities while escalating as necessary



eDefault is a proven system with extensive and customizable capabilities

- Web enabled, out of the box solution with customization as desired
- First production release installed December 2004, with extensive stress testing since
- Alerts and escalations direct focus to critical events, helping avoid missing deadlines
- Ease of use driven by intuitive, standardized screens with extensive drop-down menus to facilitate quick staff learning curve and higher productivity
- Workflow logic automatically populates staff “to do” lists with prioritization
- Robust math and logic models render alternative solutions with rank ordering in a manner that facilitates decision making; in particular empowering junior, least costly staff
- With over 800 screens, system can meet virtually any loan servicing need. However, staff role configuration provides user friendly interface, delivering only those screens required to complete designated tasks
- Human error likelihood is reduced via data verification rules, tailored scripts, error checking, templates, and user audit trails
- Substantial productivity improvements and cost savings have been achieved in a robust, production environment

About TCG Software Services

- eDefault was designed and developed by TCG Software Services' in-house engineers. It is an enterprise solution totally tailored to the needs of the mortgage industry. Currently, over 15 software engineers are dedicated to supporting and enhancing eDefault to meet expanding user requirements.
- TCG Software Services is an IT consulting and software solutions firm, successfully serving the needs of Fortune 2000/leading SMB companies for over 15 years. With access to hundreds of software engineers, located in four (4) offices, both in the U.S. and Asia, we have in-depth experience to meet very challenging customer needs.
- TCGIVEGA is the brand name of TCG Software Services. TCG Software Services is privately held and is owned by The Chatterjee Group (TCG), which has over \$2.5 billion in strategic investments.