



Rules & Workflow Based Solution for Pre/Post Close Compliance



Data Integrity Verification
Statutory and Business Rules Compliance
Predatory Lending Checks & Remediation
Document Tracking including Trailing Docs
Servicing System Loan Boarding Automation
Fraud Detection Support

Key Business Requirements

- Reduce FTEs
- Reduce errors
- Provide portals to management, investors & rating agencies to demonstrate repeatable and consistent auditing process
- Move work offshore to lower cost resources


Business Challenges

- A recent study estimates that typically 15.3%* of Mortgage loans originated do not comply with established standards and hence are either rejected downstream, or need re-work
- Decentralized process: This results in duplication of effort and non-standard approach in carrying out the audit
- Tracking of tasks using excel sheets : Manual work management is time consuming and expensive
- Delayed or incomplete imaging requires manual file movement
- Redundant 100% new loan setup audit
- No tracking for source of errors
- Trailing documents tracking issues
- Lack of Audit Trail in the compliance process
- Lack of Productivity Monitoring tools
- Complete audit within the RESPA threshold

Solution Description

VisiLoanReview® can be used pre-funding and/or post-funding. Its main design features are:

- Implements Rules Based Compliance Verification tasks for document review
- Provides a unified workflow mechanism that can be used from any location
- Proactive rather than a reactive approach (not like an after-the-fact audit function)
- Implements Rules Based Data Integrity Validation
- Minimizes the number of data audits to remove redundancies
- Reduces Secondary Marketing fallout through improved data and loan file audits
- Analyzes nature and type of errors to progressively improve source data quality
- Allows for upfront and complete Imaging of loan documents
- Implements a solution for tracking and imaging trailing documents
- Integrated OCR technology to minimize manual data entry

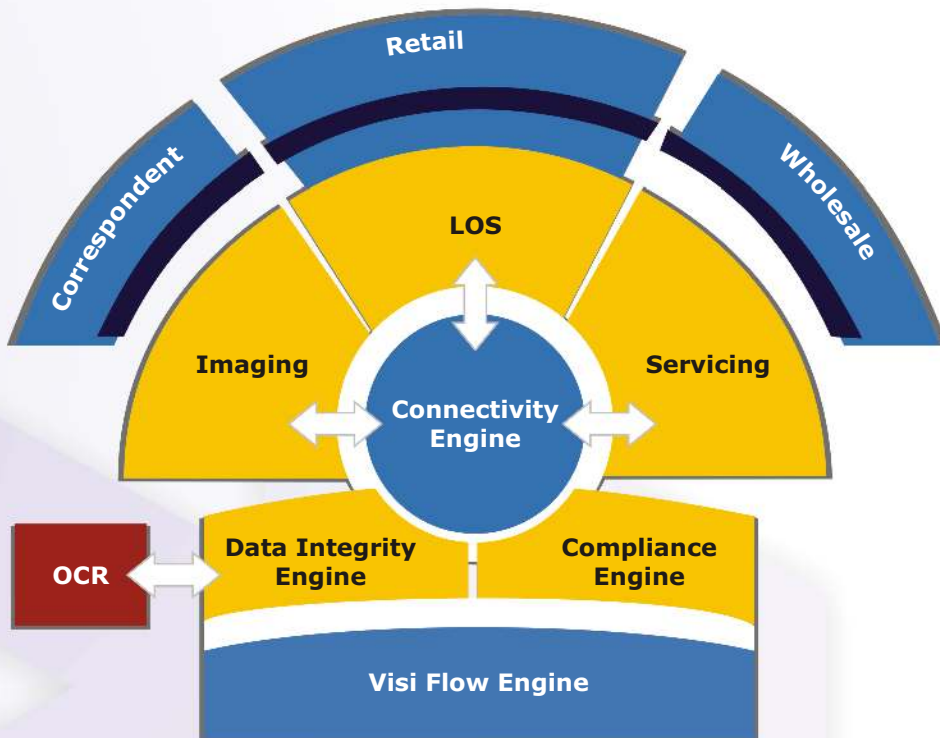


Reduce Errors
Squeeze Time
Increase PROFITS

VisiLoanReview® is an Enterprise Class solution to facilitate quality control and compliance across all channels, ensure regulatory compliance, monitor doc-to-data integrity, perform special loan audits and facilitate loan boarding. A fully integrated, state of the art High Cost lending review and remediation module is also available.

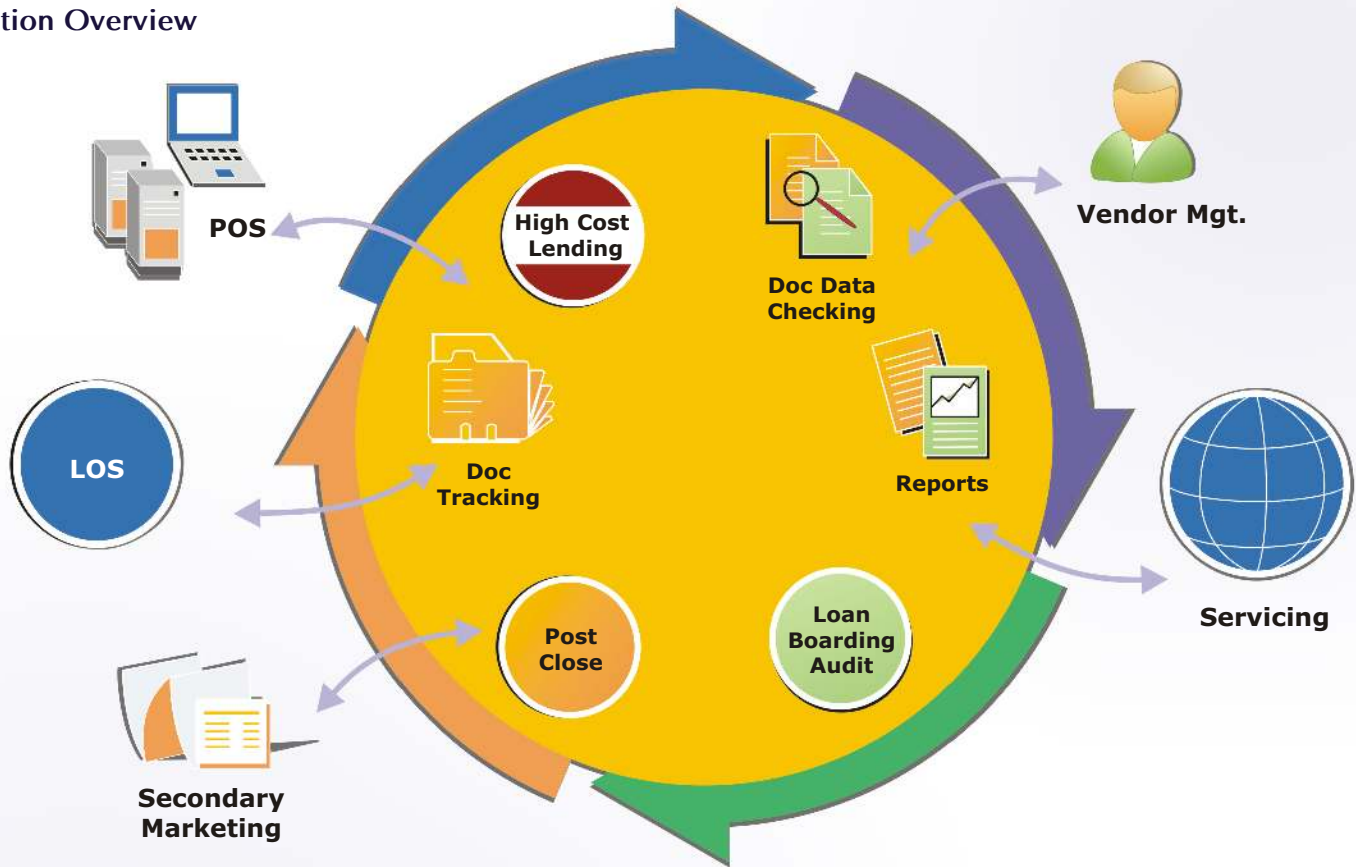
You can bring data and documents from any production channel (pre/post-funding) and take them all the way to loan boarding. Alternatively, you can board the loans, then run them through VisiLoanReview® engines, correct errors, and then update the servicing system.

VisiLoanReview® is a state of the art web, workflow and rules based system. VisiLoanReview® works and is available today. Our marquee top twenty reference accounts have been running VisiLoanReview® for over a year.



Statutory and Business Rules Compliance

Solution Overview



Value Proposition:

VisiLoanReview® consolidates various loan reviews and audits into a single portal. It enables automation and vendor/outsourcing management with a single view. Actual case study of a 120 FTE Post Close shop resulted in \$1 million a year in hard savings while reducing the error rate and providing real-time reporting.

VisiLoanReview® Regulatory Compliance Engine covers:

- Truth-in-Lending Act
- Equal Credit Opportunity Act
- Flood Disaster Protection Act
- Fair Housing Act
- Home Owner's Equity Protection Act
- Real Estate Settlement Procedures Act
- Community Reinvestment Act
- Home Mortgage Disclosure Act
- Patriot Act
- Agency/ Investor Guidelines
- State/county regulations
- Court rulings and clarifications from the regulators
- Corporate policies and guidelines

Technical Architecture

Platform

- Microsoft .Net Application Server
- Web-based front-end
- Microsoft SQL Server 2000 Database
- XML based configuration input

Workflow Engine

- Built-in workflow engine
- Configurable tasks templates
- Roles based tasks assignment
- Audit trails and performance reporting

OCR Integration

- Integrated OCR templates for minimal data entry

Rules Engine

- Built-in optimized rules engine

Data Adaptors

- Standard data exchange formats DU/LP, MISMO XML

Third-party Service Adaptors

- Imaging Systems for document images
- Fraud Detection services

Solution Benefits

VisiLoanReview® has the right balance of technology, operations research and process visibility. VisiLoanReview® delivers immediate hard dollar savings combined with best practices in quality management, productivity tracking and reporting. VisiLoanReview® delivers:

- A unified quality audit process across the organization
- Flexible rule engine which grows with the organization
- Task oriented workflow to facilitate customized tasks
- Built-in adapters for most LOS and Servicing platforms

VisiLoanReview® will enhance your shareholder's value through:

- Improved efficiency and productivity - **40% in two case studies**
- Disciplined workflow to guarantee compliance checks
- Lower operational costs
- Centralized control, decentralized execution on/offshore
- SOX compliance and reporting

High Cost Lending Analysis & Remediation Module (VisiHCLAS)

- Web based application to validate loans for high cost rules compliance
- Integrated APR Calculator
- User configurable validation rules
- Ability to add new Federal/State/County rules
- Role based security system
- Supervisory access to review/modify high cost test results
- Multiple Loan Scenarios supported
- Interface with LOS/POS for basic Loan attributes

For More Information on VisiHCLAS:
www.visionetsystems.com/VisiHCLAS

The Inputs

- Loan Attributes: Mapped to LOS/POS input stream
- Ability to provide additional information for analysis that is not available in POS/LOS
- Business Rules: Questions to be answered by users

The Rules

- Channel/Broker/Area Specific Rules
- Corporate Guidelines and Interpretation of Statutory Rules
- Base/HOEPSA/Section 32 and State Rules

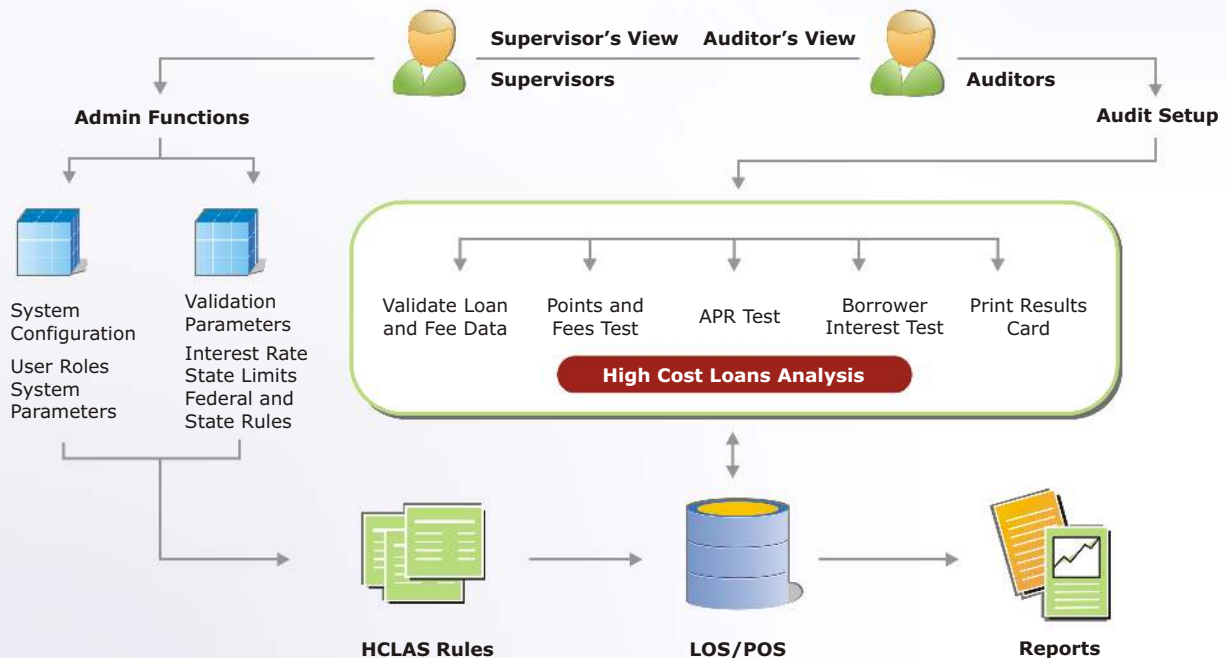
The Process

- Validate/adjust fees and loan attributes
- System automatically selects the appropriate anti-predatory rules
- Calculates APR and runs relevant tests

The Results

- High Cost Validation results for applicable rules along with supporting information
- Federal, State or Jurisdiction (range of zip codes) specific findings
- Real-time single loan analysis or bulk
- Score card for each loan
- Ability to modify parameters and re-validations
- Investor analysis reports

High Cost Loans Analysis System (HCLAS)



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