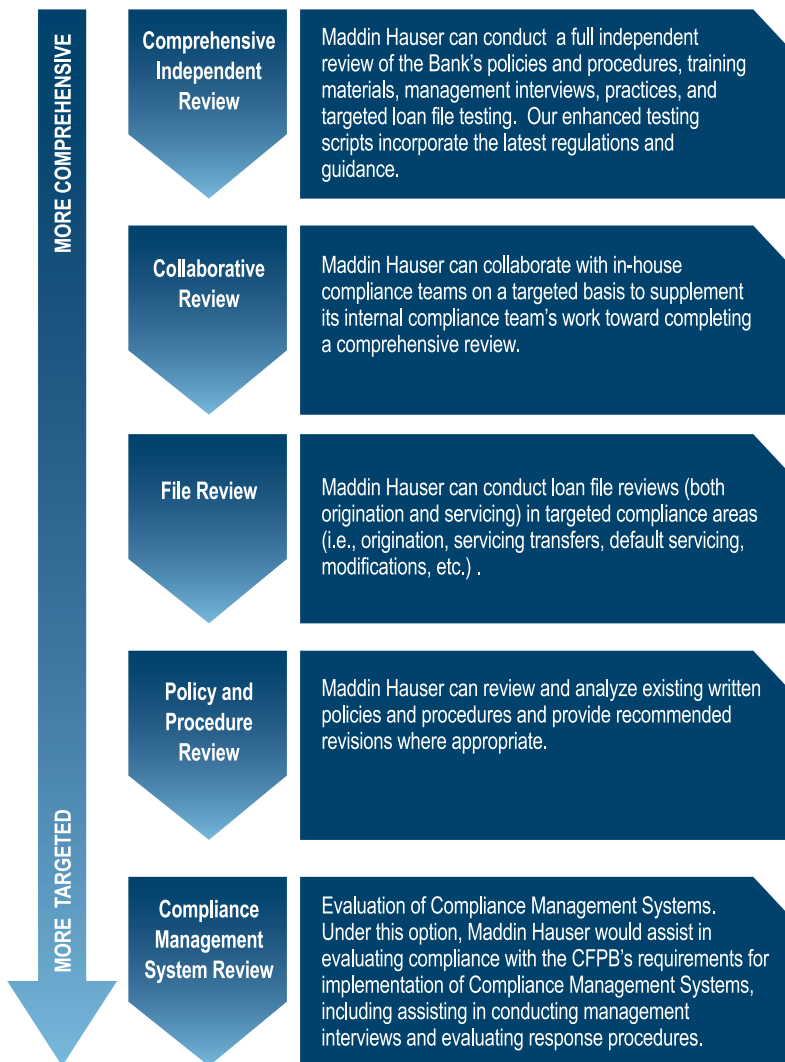


THE MH ASPECT™ SYSTEM

As a result of the most sweeping regulatory changes in recent memory, the profit margin of many financial institutions continues to be squeezed. However, when it comes to compliance with the new regulatory regime, failure for a financial institution is not an option. This scenario places some financial institutions between the metaphorical “rock and a hard place.” Perhaps, the answer to this dilemma is finding a means to “do more, with less.” Maddin Hauser has developed ASPECT™ (Advanced Scripts and Procedures for Efficient Compliance Testing) -- a system for meeting this challenge by creating enhanced compliance testing scripts with methods for flexibly applying those scripts to meet client objectives and budgets.

These testing scripts are designed to assist Maddin Hauser in advising its clients on policies and procedures relating to Compliance Management Systems, origination, and servicing and incorporate the latest regulations, authorities, guidance, and years of practical experience in working with regulators and representing clients in the mortgage industry. The range of application of ASPECT™, along with a sample script excerpt, is set forth below.



Excerpt of Fair Credit Report Act Mortgage Servicing Test Script

Pr. No.	CFPB Assessment	Enhanced Review Assessment
1.0	(A) Fair Credit Reporting Act Furnisher Requirements	(A) Fair Credit Reporting Act Furnisher Requirements
2.0	*Each furnisher must establish and implement reasonable written policies and procedures regarding the accuracy and integrity of the information relating to consumers that it furnishes to a consumer reporting agency.	1) Confirm the servicer established P&Ps to ensure a borrower's account information is furnished to a credit reporting agency with accuracy and integrity.
2.0	The policies and procedures must be appropriate to the nature, size, complexity, and scope of each furnisher's activities.	The policies and procedures must be appropriate to the nature, size, complexity, and scope of each servicer's activities.
1.0	Consideration of Bureau Guidelines in drafting policies and procedures	Consideration of Bureau Guidelines in drafting policies and procedures
1.0		Consideration of Bureau Guidelines in drafting policies and procedures
2.0		Do the servicers FCRA policies and procedures reflect that the servicer considered the CFPB's guidelines in developing those policies and procedures? 12 CFR 1022.42(a)-(b)
3.0		Do the servicers FCRA policies and procedures incorporate the CFPB's guidelines where appropriate? 24 CFR 1022.42(a)-(b)
4.0		Do the servicers FCRA policies and procedures reflect that the servicer considered the following factors: (i) in types of business activities in which the servicer engages; (ii) the nature and frequency of the information the servicer provides to consumer reporting agencies; and (iii) the technology used by the servicer to furnish information to consumer reporting agencies? 12 CFR 1022, Appendix E, Sec. I.(a)(1)-(3).
1.0	Policy Objectives	Policy Objectives 12 CFR 1022, Appendix E, Sec. I.(b)
2.0		Are the servicer's policies and procedures reasonably designed to promote the objectives of furnishing information about accounts or other relationships with a consumer that is accurate, such that the furnished information: (i) identifies the appropriate consumer; (ii) Reflects the terms of and liability for those accounts or other relationships; and (iii) Reflects the consumer's performance and other conduct with respect to the account or other relationship. 12 CFR 1022, Appendix E, Sec. I.(b)(1)
3.0		Are the servicer's policies and procedures reasonably designed to promote the

These are just some of the options for structuring Maddin Hauser's services to best fit a financial institution's compliance needs, avoid duplication of effort, and control costs. Because when it comes to compliance, we know that neither failure, nor “bankruptcy” in achieving compliance are options, Maddin Hauser, and its ASPECT™ system, stand ready to find the right combination of compliance and cost to meet your institution's needs.