

Navy Federal Credit Union Expands Its Services with Fidelity's HELOC Processing



In the mid-1980s, Navy Federal recognized that its customers were looking for a lending option that provided tax breaks for large expenses, such as paying off credit cards, funding college educations and buying cars. Since the Internal Revenue Service restricted interest deductions on taxes to primary and secondary homes, consumers had begun looking at home equity lines of credit (HELOCs) as an attractive way to gain tax advantages.

Navy Federal Needs HELOC Servicing Solution

In 1987, Navy Federal expanded operations to offer its customers HELOCs, which it serviced using a credit card system. This quickly created several difficulties for the credit union. First, the system did not accommodate the mortgage-type reporting needed for HELOCs, especially in the default reporting area, nor did it have a field to store the property address. In addition, the credit card system had a two-

day processing cycle before payments were posted. Finally, Navy Federal found that using and maintaining two different servicing systems was difficult and costly and did not meet many of its needs.

Navy Federal Renews Contract for Fidelity's Mortgage Servicing Package

Navy Federal recently signed a multi-year renewal contract for Fidelity's industry-leading mortgage servicing package (MSP), on which it services more than 183,000 mortgage loans.

Navy Federal has been a Fidelity client using MSP for more than 25 years and renewed its contract because Fidelity continues to provide a solid platform for its mortgage loan processing and a high-level of support.

"Fidelity is constantly improving MSP and is able to anticipate the solutions that are best able to meet our needs and those of our members," said Tom Steele, executive vice president, Lending Department, Navy Federal Credit Union. "Fidelity is more than just a vendor to us – Fidelity is our partner in mortgage servicing."

"Although HELOCs have features similar to credit cards, they are more closely related to mortgage loans," said Tisa Head, vice president of call center operations at Navy Federal Credit Union. "We needed a system that could service the special attributes of a HELOC."

Navy Federal Chooses Fidelity's Mortgage Servicing Package to Service HELOCs

Navy Federal began a comprehensive search to determine the best system on which to service its HELOCs. After studying the industry, Navy Federal determined that it already had the system it needed to service HELOCs – Fidelity's Mortgage Servicing Package (MSP). Navy Federal opted to service its HELOCs on the same platform it services its standard mortgages and now has one system on which it services all of its real-estate secured products.

Navy Federal continued pg 4

IN THIS ISSUE

2 PRESIDENT'S MESSAGE

3 Certified Mortgage Servicer Designation

4 Irwin Mortgage Signs Contract for MSP

5 California Housing Finance Agency Improves Efficiency, Procedures with Fidelity Director

6 LSI Tax Enhances Subsystem to Create MSP Tax Processing Efficiencies

8 FAC Access Now Easier

Fidelity's Matthew Greib Awarded Certified Mortgage Technologist Designation

9 Achieving Winning Results at the 22nd Annual Information Exchange

10 Introducing the Hire Intelligence Suite of Services

11 MSP Enhancement Reviews

12 PowerCell Recognized for Its Industry-Leading Customer Support

Customer Satisfaction Increases

13 MAGNIFIDE™ MSP Timeline

14 Paul Financial Selects MSP to Support Start-Up and Continued Growth

15 Greenpoint Mortgage Renews Contract for Fidelity's MSP

Best Practices for the Mortgage Servicing Industry

16 In the News: Fidelity Leads the Mortgage Servicing Industry

PRESIDENT'S MESSAGE

Hugh Harris, President, Fidelity Information Services, Financial Services Technology Solutions division

It was wonderful to see so many of you at the 22nd Annual Information Exchange in Orlando, Fla. We had more than 850 clients, business partners and employees attend and enjoy sessions, the Solutions Expo and other networking events in conjunction with the conference.

Information Exchange covered several themes that we are focused on for the remainder of 2005, including MAGNIFIDE™ MSP, MSP Web Services, professional services and home equity lines of credit (HELOCs).

At the last Information Exchange, we introduced MAGNIFIDE MSP. This year, attendees were able to see it live. The MAGNIFIDE MSP booth in the Solutions Expo was always busy as clients were anxious for a hands-on demonstration of MAGNIFIDE MSP: Collections, and the MAGNIFIDE MSP sessions were often standing-room only. MAGNIFIDE MSP: Collections is currently in beta testing, and the Loss Mitigation and Cash functionalities are well underway in development.

We were excited to share with you our integration of Web services into Mortgage PhD. By using MSP Web Services via Mortgage PhD, data becomes available to any application on demand.

2005 has been a very exciting year for our professional services organization. At Information Exchange, we introduced the new umbrella name for our consulting and training organization – Hire Intelligence. Hire Intelligence can meet all of your training and consulting needs via various methods that best fit your needs, including telephone, Internet and in-person. In addition, clients were encouraged to sign up for the new Certified Mortgage Servicer designation that Fidelity has partnered with CampusMBA to provide. This is the first designation designed specifically for the mortgage servicing industry, and I heard several people talking about how anxious they were to sign up.

Lastly, we continued our focus on HELOCs at Information Exchange. Fidelity is committed to making MSP the solution of choice for serving traditional mortgages and HELOCs. By servicing HELOCs on MSP, you can already benefit from established functionality within MSP to perform investor accounting processes, and MSP treats HELOCs as collateralized assets, mitigating overall risk for non-performing loans. We are working hard to provide credit card access and loan segmentation in 2005.

Back in Jacksonville, our teams are compiling all the feedback and comments from Information Exchange, so we can continue to improve the solutions and services that we offer the mortgage industry. ☺



Hugh Harris welcomes attendees at the Opening Session of the 22nd Annual Information Exchange.

Certified Mortgage Servicer Designation

momentum
NEWS ABOUT MORTGAGE SERVICING
IN MOTION

Momentum, News about Mortgage Servicing in Motion is a quarterly publication designed to inform, educate and communicate with clients, prospects and business partners of Fidelity Information Services' Mortgage Servicing division. The goal of the publication is to provide useful information about Fidelity clients, solutions, products, enhancements and business partners, as well as industry issues and developments.

We encourage feedback from our readers. Please send comments to:

Rachel Watkins
Fidelity Information Services
Mortgage Servicing division
601 Riverside Avenue
Jacksonville, FL 32204
e-mail: rachel.watkins@fnf.com
Tel: 904.854.5518
Fax: 904.854.4124

If you are a Fidelity Information Services client and would like to receive *Momentum* or add a co-worker to the distribution list, please contact Rachel Watkins.

Fidelity recently entered into a partnership with CampusMBA to design curriculum for the new Certified Mortgage Servicer (CMS) professional designation. For many years, CampusMBA, the award-winning educational arm of the Mortgage Bankers Association (MBA), has led the industry in training and educational services. Fidelity will work hand-in-hand with CampusMBA to provide training in the servicing segment.

Recognizing Professional Excellence

The CMS designation recognizes residential mortgage servicers for their professional excellence. The content for the servicing-focused courses complement the existing CampusMBA curriculum, and the courses can be universally applied to all servicers and servicing systems across the industry.

"Fidelity is proud to partner with CampusMBA to offer courses that will benefit both the mortgage servicing industry and all MBA members," said Hugh Harris, president of Fidelity Information Services' Financial Services Technology Solutions division. "The new CMS designation will add value to the mortgage industry by identifying professionals who have expertise in, and a commitment to, mortgage servicing."

Achieving the CMS Designation

The CMS designation promotes continuing education and ensures ongoing subject matter expertise through three levels of certification. The certification levels are based on the candidate's

experience and knowledge, recognizing core competencies and providing a structured development path to earn four separate designations.

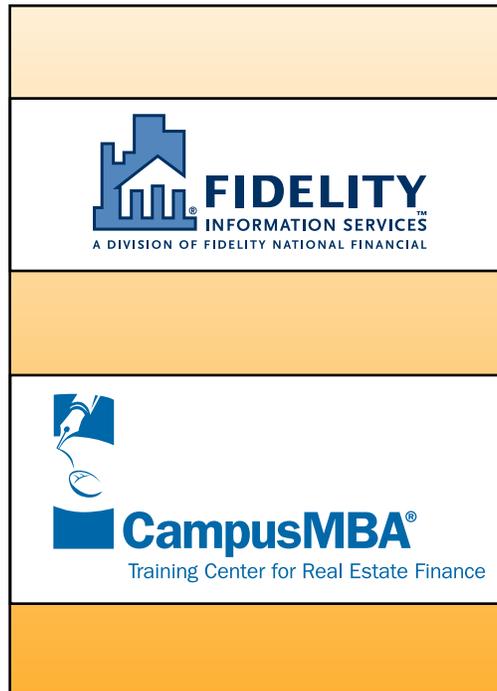
The curriculum is designed to provide targeted training on concepts and procedures in one of three

tracks: Loan Administration, Financial Controls and Investor Administration, and Default Administration. Designation candidates must choose a servicing track at the beginning of the CMS program. The course and workshop curriculum combine the best of CampusMBA and Fidelity content, creating an exceptional program.

There are four designations in each track, and program prerequisites vary by track. Upon meeting these prerequisites, candidates must successfully complete all prescribed servicing

curriculum, all certifications and a comprehensive written exam to acquire the Master Servicer Designation.

Information about this certification is also available at www.campusmba.org or by calling 202.557.2763.



Navy Federal Cont. from pg 1

“The Fidelity HELOC enhancement allows Navy Federal to service all its mortgage and equity products on one servicing platform,” said Head. “The benefits of being able to do this include easier training, consistency with servicing different equity products all within one system, economies of scale (more loans with one servicing system), risk mitigation and the ability to take advantage of all the other Fidelity products and services for our home equity loans. The move off of our previous home equity loan servicing system to MSP has created cost savings and increased our productivity and efficiencies in a variety of ways.”

Navy Federal Experiences Many Benefits by Servicing HELOCs on MSP

After converting its HELOCs to MSP, Navy Federal realized numerous benefits.

Credit Card Access

One of the greatest benefits was that Fidelity was able to customize the HELOC functionality to give Navy Federal customers credit card access to their home equity product.

Note: Credit card functionality is expected to become standard for all clients in 2005.

Less Training Time and Expenses

With MSP, Navy Federal avoided training issues as its employees already knew how to use MSP. By using a system that was already installed, Navy Federal saved money since it did not have to purchase new systems. It was also able to take advantage of the full suite of Fidelity solutions that Navy Federal already utilizes.

MAGNIFIDE™ MSP Beta Partner

Navy Federal has also committed to serving as a beta partner for MAGNIFIDE MSP, Fidelity’s new re-architected servicing system. MAGNIFIDE MSP will increase scalability, maintain reliability and set the foundation for continued support and growth.

Risk Management

By servicing HELOCs on MSP, Navy Federal could take advantage of the current suite of MSP features and functions for non-performing loans. From collections and loss mitigation through bankruptcy and REO, MSP treats HELOCs as collateralized assets, allowing lenders to mitigate overall portfolio risk from default.

Funds Transfer

For several years, Navy Federal members have been able to use the Navy Federal Web site to securely transfer funds between their accounts. Recently, Navy Federal developed functionality that works with MSP to allow members to request an advance from their HELOCs and have the funds transferred to their savings or checking accounts. This functionality

became available in June 2004. During the first six months it was in production, members have generated more than 18,000 advances for more than \$52 million.

Increased Product Offering

By using MSP, Navy Federal has been able to offer additional equity products.

“Navy Federal is a valuable partner to Fidelity, and we look forward to supporting its growth,” said Hugh Harris, president of the Fidelity Information Services’ Financial Services Technology Solutions division. “We are working on several projects for MSP and developing MAGNIFIDE MSP, both of which will provide significant benefits to Navy Federal.”

Irwin Mortgage Signs Contract for MSP

Irwin Mortgage Corporation recently chose to use Fidelity’s Mortgage Servicing Package (MSP) to service its mortgage portfolio of more than 225,000 loans. Irwin Mortgage selected MSP after an extensive industry search because of MSP’s steady, solid reputation and Fidelity’s proven commitment to providing superior customer service and support.

“Fidelity’s MSP servicing system will enhance Irwin Mortgage’s employee productivity while providing additional revenue opportunities,” said Duncan Chiu, senior vice president of loan administration at Irwin Mortgage. “Fidelity has an excellent reputation in the industry for smooth, efficient, on-time conversions.”

Irwin Mortgage will work with Fidelity to create a plan for converting its loans from another company’s servicing software solutions to Fidelity’s comprehensive MSP.

“Fidelity looks forward to partnering with Irwin Mortgage to convert its loans to MSP and create a foundation for a strong relationship in coming years,” said Hugh Harris, president of Fidelity Information Services’ Financial Services Technology division. “Irwin Mortgage has an excellent reputation in the industry as a very well-managed company. We look forward to a long and successful partnership.”

California Housing Finance Agency Improves Efficiency, Procedures with Fidelity Director

California Housing Finance Agency (CalHFA) was established 30 years ago to support the needs of renters and first-time homebuyers. CalHFA provides financing and programs that create safe, decent and affordable housing opportunities for individuals within specified income ranges. Established in 1975, CalHFA was chartered as California's affordable housing bank to make below market rate loans through the sale of tax-exempt bonds. It is a completely self-supporting state agency; bonds are repaid by revenues generated through mortgage loans, not taxpayer dollars.

Intensive Training and Low Efficiency

CalHFA has been using Fidelity's Mortgage Servicing Package (MSP) for more than 12 years and was very pleased with the functionality behind MSP, but still needed to improve its efficiencies and training times. The state agency was experiencing turnover in its staff, and MSP required extensive training. The former "green screens" in MSP required users to toggle between a variety of screens, which necessitated memorizing screen names. The system was not as conducive to training new employees as CalHFA needed.

"We were experiencing some turnover, and were having difficulty training employees," said Robert Bastien, Housing Finance Specialist (MSP Systems Administrator) of CalHFA.

In addition, CalHFA set up new loans and reviewed existing loans manually. This was becoming a very time-intensive process. As new employees were hired, they had to be trained on this process, and then additional employees were needed to review the work.

Easier Training and Higher Efficiencies

In 1999, CalHFA started using Fidelity Director. Director improves screen-to-screen mobility, enabling users to move to the required screen without knowing or remembering the screen name. Director's customized SmartButtons provide shortcuts to MSP screens and windows, so users do not have to memorize detailed information about MSP.

With Director, CalHFA was also able to set up Snapshots to easily review data without having to go from screen to screen to verify. This resulted in lower transaction counts and gave CalHFA the ability to go directly to the appropriate screen, without the reviewer needing to remember the screen name, when corrections were required. By using Snapshots in Director, employees had quick and flexible access to customer loan information.

Risk of Default

Since CalHFA provides mortgages solely to first-time borrowers, the risk of default is higher than for most lenders. CalHFA needed a better way to handle items of concern and predict delinquencies.

Predicting and Minimizing Delinquencies

Using Director, CalHFA set up loan indicators that signal loan conditions of concern. This assists CalHFA in minimizing its delinquencies, and in March 2005, CalHFA set a record for its lowest delinquency ratio, 1.71 percent. Now that employees were able to view loan conditions via loan indicators, they were empowered to

anticipate future customer issues.

"Director enables us to more efficiently and effectively manage borrower calls and focus our attention on items of concern. All this has had a positive effect on our collections, which ultimately affects our delinquency ratio," said Bastien.

Removing Private Mortgage Insurance

Until the Homeowner's Protection Act went into affect in 1999, private mortgage insurance (PMI) was required on CalHFA conventional loans for the life of the loan. With this act, CalHFA had to remove PMI manually, which required the employees to memorize multiple screens and perform numerous tasks to delete the PMI.

Director Scripts to Remove PMI

By utilizing Director, CalHFA created scripts that manage the removal of PMI. For example, the scripts ask a series of questions, the operator clicks

CalHFA continued pg 7



LSI Tax Enhances Subsystem to Create MSP Tax Processing Efficiencies

For several months, the joint development efforts of Fidelity National Financial (FNF) affiliates, Fidelity Information Services (FIS) and LSI Flood Services, have engaged in joint development efforts to create flood processing efficiencies for mutual servicing clients. Those efforts resulted in the July 2004 release of Optional Installment Procedure (IP) 1846 linking LSI Flood Services to MSP. The synergies between FNF affiliated companies benefiting mutual clients continue with the development of enhancements to the tax subsystem of LSI Tax Services.



LSI Tax provides a comprehensive suite of outsourcing services for all tax processing functions, which lenders use to reduce operating costs and minimize compliance and operational risks. By outsourcing the tax service process, lenders ensure that property tax obligations are met in a timely and efficient manner and protect themselves from delinquent tax payment penalties.

Fidelity's Mortgage Servicing division and LSI Tax have worked closely to enhance the tax subsystem with added functionality and improved integration with MSP. Scheduled for availability in the near future is an optional enhancement that enables LSI Tax to streamline tax processing on behalf of mortgage servicers (Optional IP 1870).

The existing LSI Tax optional enhancement gives MSP clients the option of selecting LSI Tax as their tax service provider. LSI Tax provides several facilities that aid in the payment of tax bills while promoting consistency and integrity of the tax data that is exchanged between LSI Tax and MSP clients. New order, escrow reporting and loan audit functionality is currently available using LSI Tax' subsystem.

Coming Soon

Optional IP 1870, targeted for delivery in the third quarter of 2005, features several new subsystem functions and MSP integration capabilities.

Contract Maintenance Processing

A new header has been created allowing lenders to split their portfolio when multiple tax services are used and to automate new order processing and record maintenance based on options defined on the new header screen. Lenders can split their portfolio by loan, state, investor and/or service type. Lenders can also determine if new tax contracts will be sent to LSI Tax daily or on a different cycle as defined on the new header.

The expanded options defined by lenders on the new header screen will determine when record maintenance is sent to and updated from LSI Tax. The changes related to new contract adds and updates will streamline tax processing of new order set ups, and by synchronizing databases whenever record maintenance is performed, it will eliminate payment discrepancies.

Lenders can send adds automatically based on new loans being added to the system. Record maintenance on loans serviced by LSI Tax is transactionally driven and sent to LSI Tax on a daily basis.

Missing Bill Creation and Check Suppression Enhancements

At any time during the month, lenders will have the option of generating a missing bill file, which includes loans with taxes due and those for which no bill has been received from LSI Tax. This option will produce a file of loans out of MSP that lists missing bills, regardless of whether LSI Tax has sent a bill file to MSP. The option to produce the file will be included on the existing match and pay request and will be input by the lender. On loans included in the missing bill file, Fidelity will write a tax note to the Tax Process Notes Screen in MSP.

Tax check suppression functionality will be included on the existing LSI Tax match and pay request. It will provide the lenders a method of suppressing mass checks out of the match and pay process to be sent to a check vendor for printing. It will also provide the lender with a method of producing separate checks out of the match and pay process.

Payee Data Updates

If the lender chooses, LSI Tax will be able to provide payee data on a daily EDI file sent to Fidelity for updating on MSP's escrow header. The updates from LSI Tax will include specific tax cycle dates, payee name and address, plus phone and fax information.

Escrow Line Set-up

Fidelity will send LSI Tax the tax line data that is currently on MSP with new service orders, which LSI Tax will use against its tax subsystem to update the tax lines.

Task Tracking

Fidelity will send a daily file of task adds and re-opens to LSI Tax. The tasks chosen for the file will be defined as LSI Tax tasks on the existing task setup header in MSP. MSP will check the loans for newly added or re-opened LSI Tax tasks, and these will be included on the file to LSI Tax. LSI Tax will use this file to reduce the manual input of new tasks into their CRT System.

MSP Web Services

Mortgage PhD's MSP Web Services will also be utilized by LSI Tax to streamline tax servicing on behalf of MSP clients. In conjunction with the Escrow Line Set-up enhancement, Mortgage PhD's MSP Web Services will be used within the LSI Tax' workflow process to provide real-time access

and perform escrow line adds and maintenance. Mortgage PhD will provide LSI the ability to update both notes and memos and tax-related tasks in MSP.

Joint Development

Working together, LSI Tax and Fidelity's Mortgage Servicing division have developed a solution that simplifies and accelerates tax processing on behalf of MSP clients. Lenders who outsource to LSI Tax will realize operational efficiencies driven by the enhanced functionality and MSP integration offered by Optional IP 1870 and Mortgage PhD's MSP Web Services.

For more information about these optional enhancements, please send an e-mail to mortgage.marketing@fnf.com.

CalHFA Cont. from pg 5

on the answers and the system automatically generates the appropriate notification to the investor, mortgage insurance company and borrower. Scripts have also been created for entering and reinstating loans in the Foreclosure and Bankruptcy Workstations.

Director Improves Overall Effectiveness of MSP

Director incorporates navigational and workflow tools on the personal computer desktop, allowing users to automate and tailor servicing functions. Director's customized views and integrated tools enable CalHFA to maximize its utilization of MSP.

By utilizing Director, CalHFA can have new employees productive in less than two days. Once new employees understand how the system operates, CalHFA reviews SmartButtons, Snapshots and other more sophisticated features of Director. Then, employees have the option to set up their own sessions. Now they can arrange their workstations to be most productive for their individual needs.

By utilizing scripts created in Director, daily processes have been shortened dramatically. All the steps required for a task are incorporated into the scripts, which helps eliminate the potential for errors and the need

for the employees to memorize all the various screens affected in order to accomplish the end result.

"California Housing has used MSP for more than 12 years, and I have had experience with it for more than 35 years. MSP is a great servicing platform," said Bastien. "By adding Director to our suite of Fidelity solutions, we have been able to create a user-friendly and highly effective servicing system."

"Director enables us to more efficiently and effectively manage borrower calls and focus our attention on items of concern. All this has had a positive effect on our collections, which ultimately affects our delinquency ratio."

*Bob Bastien
Housing Finance Specialist
CalHFA*

FAC Access Now Easier

Fidelity solicits client input and participation in the review of MAGNIFIDE™ MSP business use cases through various Functional Advisory Committees (FAC), based on the subject matter to be reviewed. Clients who are currently not involved in FAC meetings but are interested in what that FAC is working on, may now send an e-mail to the respective FAC mailbox with “SUBSCRIBE” in the subject line.

Clients will then receive a copy of all e-mail communications for that FAC until they choose to unsubscribe by sending another e-mail with



“UNSUBSCRIBE” in the subject line. The e-mail addresses for each FAC are available and posted on the PowerCell Web site at <https://portal.fnfismd.com>. The portal requires a login ID and password, which is available to MSP clients and can be obtained by contacting your company's system administrator. 🌱

Fidelity's Matthew Grieb Awarded Certified Mortgage Technologist Designation



Matthew Grieb

The Mortgage Bankers Association (MBA) recently awarded its Certified Mortgage Technologist (CMT) designation to Fidelity's Matthew Grieb, a senior consultant with the Business Partners PowerCell. Matthew is one of 30 information technology professionals to be awarded this designation.

“When the CampusMBA

announced the CMT designation in 2002, I knew the certification was perfect for me,” said Grieb. “The achievement of this certification has

given me the knowledge and confidence to use new technology. This will be very helpful as Fidelity Information Services moves to Web Services and the e-Mortgage infrastructure in relation to MAGNIFIDE™ MSP.”

To be eligible for designation consideration, candidates must have a minimum of two years industry experience, have a technology background and be in a technology leadership position within the residential or commercial real estate finance industry. They also must acquire 75 points in the areas of industry experience, education and participation. Once the point requirements are met, candidates submit a thesis on a specific initiative, implementation or conversion in which they actively participated. Lastly, they must pass a two-part oral presentation delivered to a panel of industry experts.

“Information technology in the real estate finance industry continues to evolve, and CMTs help create milestones in advancing this dynamic part of our industry,” said Stephen W. Gozdan, member and past committee chair of MBA's Residential Technology Committee. “Recipients of this designation are not only leaders in their field, but they set the professional standard by obtaining the CMT designation.” 🌱



Achieving Winning Results at the 22nd Annual Information Exchange

Fidelity Information Services hosted the 22nd Annual Information Exchange May 15 – 18 in Orlando, Fla. The conference's theme, Navigating Solutions ... Achieving Winning Results, showed how Fidelity's many solutions work together to help your business achieve winning results.

Starting it Off

At the Opening Session, attendees were welcomed by Hugh Harris, president of Fidelity's Financial Services Technology Solutions division. Then, Keith Harrell entertained the crowd while talking about how attitude can help you to achieve winning results. Attendees were seen double high-fiving and saying "Super-Fantastic" throughout the week. Following the opening session, clients, business partners and employees networked together at the Opening Reception in the Solutions Expo. Attendees visited all the exhibitor booths and had their Solutions Passports stamped. The winners of this game are posted on the PowerCell Web site.

Learning about Fidelity Products and Services

More than 850 attendees attended their choice of labs, presentations and information exchanges that discussed a wide variety of Fidelity products and services, as well as industry issues, including tips for increasing efficiency with MSP, HELOC servicing on MSP, best practices for the mortgage industry, Director, Web Services and MAGNIFIDE™ MSP.



Keith Harrell entertains at Opening Session



Attendees enjoy an afternoon of golf at Hawk's Landing

Additionally, attendees visited the Solutions Expo, where Fidelity products were available for hands-on demonstrations in Center Stage. Surrounding Center Stage were various business partners offering products and services that provide support and efficiencies to the mortgage industry.



Clients and Fidelity employees discuss new ideas at Functional Advisory Committee meeting

Wrapping it Up

Following the sessions on Wednesday, many gathered for an afternoon of golf. Winners are posted on the PowerCell Web site. That evening, attendees gathered for a Caribbean Pirate Party.

Prizes were drawn from the evaluation forms. If you filled out evaluation

forms, be sure to go to PowerCell Web site to see if you are a winner! Plans are already underway for the 23rd Annual Information Exchange. Fidelity looks forward to sharing more success stories as we continue to achieve winning results. 🍀



Attendees receive demonstrations of Fidelity products in Center Stage



Introducing the Hire Intelligence Suite of Services

One of the most important resources for a successful company is employees. To help you maximize employee effectiveness, Fidelity has brought its educational and consulting services under one umbrella – Hire Intelligence. The skilled professionals in Hire Intelligence have more than 600 years of combined experience and will work with you to provide customized training and consulting solutions.



More Options

One of the keys to Hire Intelligence is recognizing the type of training or consulting that best fits your company, your current needs and your cost limitations. Hire

Intelligence is available through three channels – telephone, Internet and onsite.

Training Services

Fidelity's multiphase training management service is proven to be highly effective in training mortgage banking employees. Training options include implementation training, post-conversion training support, training mentoring, training facilitation, training needs analysis, train-the-trainer, end-user training, regional training and year-end training.

Consulting Services

Fidelity offers a variety of services designed to improve productivity and profitability. Consulting services include business reviews, implementation assistance, interim department management, mergers and acquisitions consulting, process re-engineering, data reviews, process and system mentoring, best practice reviews and private label servicing consulting.

Telephone Support

By leveraging Hire Intelligence services via telephone, you achieve greater efficiencies quickly and at a reduced cost. Sometimes, training and consulting needs are immediate and it is not possible to commit a day or two to benefit from these services. In fact, sometimes, the issue or question can be addressed in a telephone communication and face-to-face interaction is not necessary. Telephone support is the optimal solution in these instances.

Telephone support is customized to meet your specific need and has a very quick turn-around time – typically, one week or less. With this service, Fidelity's experts deliver a short, high-level overview. Telephone support is a less-expensive alternative for training and consulting needs.

Internet Support

Fidelity also offers formal Hire Intelligence services via the Internet. Fidelity will identify an issue for which clients need training or consulting and offer this service over the Internet for one or several clients. Clients gain the same value through Internet support that they would in-person, without having to pay travel costs. Choosing Hire Intelligence services via the Internet enables you to receive quality services at a lower cost.

Onsite Support

As always, Fidelity offers a full suite of traditional consulting and educational services. This in-depth training and consulting helps clients better understand and utilize their mortgage banking tools to improve their bottom line. Fidelity's skilled professionals offer in-person training at your company, a regional site or in Fidelity's training center. This is the most in-depth Hire Intelligence service that Fidelity offers. 

Hire Intelligence for MAGNIFIDE™ MSP: Collections

Fidelity's Hire Intelligence professionals provide you with the expertise and manpower you need to successfully prepare for MAGNIFIDE MSP. They have created "Preparation for MAGNIFIDE MSP Client Checklist" to assess your preparedness for migration activities and are ready to assist you in reviewing this checklist and developing a specific migration approach. For more information on this service, please e-mail mortgage.marketing@fnf.com.

mSP ENHANCEMENT REVIEWS

Rate Reduction (Timely Rewards) (IP 1848, MSP 04-39)

This optional enhancement reduces the interest rate on a borrower's loan if the loan meets specific payment history criteria as of various review dates. Upon completion of the rate reduction review process, the system generates an appropriate rate reduction eligibility Online LetterWriter (OLLW) notice to the customer.

ELOC Paid Bills Screen (IP 1892, FP5142, MSP 05-01)

This fast-path enhancement adds the ELOC Paid Bill Records screen (ELPB) to the ELOC Workstation. The ELPB screen enables you to review fully-paid ELOC bill records. This enhancement also adds the Partially Paid Bill Flag field (unlabeled) to the ELOC Billing Maintenance and Display screen (ELC3).

ELOC Add Field Level Security to Credit Line (IP 1887, FP5141, MSP 05-02)

This fast-path enhancement adds field-level security for the CREDIT LINE AMOUNT field on the ELOC Original Data window (ELCU/ORIG) in the ELOC Workstation.

Allow Quarterly, Semiannual, and Annual Payment Frequencies on ELOC Loans (IP 1876, EN 2974, MSP 05-03)

This standard elective enhancement modifies the ELOC billing process to accommodate quarterly, semiannual and annual payment frequencies.

Add Transaction 082 to #695 and #704 (IP 0935, MSP 05-04)

This optional enhancement adds functionality to IP 935 enabling you to include loans foreclosed via transaction 082 on the FARETS files (external output files #695 and #704).

Hazard and Tax Check Suppression (IP 1886, MSP 05-06)

This optional enhancement creates external output file #2991. It contains individual disbursements at the loan level and suppresses hazard and tax disbursement checks. The system uses external output file #2991 to send check information to Integrated Payment Systems (IPS) daily for check printing.

HUD Debenture Interest 2004-33 (IP 1890, FP5143, MSP 05-07)

This fast-path enhancement addresses the regulatory changes from HUD Mortgagee Letter 2004-33. When calculating debenture interest from HUD claims, you can now use the constant maturity yield for 10-year maturities as established by the U.S. government securities.

PowerCell Recognized for Its Industry Leading Customer Support



PowerCell, Fidelity's Mortgage Servicing division's client contact center, received national recognition recently from the Help Desk Institute (HDI) and the American Business Awards.

HDI, the world's largest membership association for the service and support industry, named PowerCell a finalist for the

2004-2005 Team Excellence Award for External Support. This award honors world-class support organizations that have most enhanced the image of the industry by achieving the highest standards of excellence for delivering external customer service and support.

The American Business Awards, or Stevie Awards, honor great performances in the workplace by recognizing deserving individuals and companies in the business community, press and general public. The American Business Awards named PowerCell a finalist in the 2005 Best Customer Service Team. ●

Customer Satisfaction Increases

The 2005 Customer Satisfaction Survey results are in, and customers' level of satisfaction with Fidelity continues to increase. This year's survey focused on services, product direction and product design. We had a phenomenal response rate – the highest in the history of the survey – of 99 percent!

Respondents agree that Fidelity's biggest improvement this year is in the company's overall performance. According to respondents, Fidelity provides better service to them than one year ago, meets customer expectations, follows through with what it says it will do and will use the feedback from this survey to continue to improve. Fidelity most improved in the areas of providing system solutions that help customers manage their business, and being considered a strategic partner rather than a vendor.

All services in the employee section of the survey either maintained their score from 2004 or improved. Specifically, Fidelity's senior management and PowerCell received high ratings this year and respondents agree that both senior management and PowerCell work as a team to meet their expectations, communicate effectively with them, value them as a customer and have an in-depth understanding of the mortgage industry.

The most improved service this year is the custom programming group. Based on feedback from the 2004 Survey, custom programming and



PowerCell teamed up to define a new process that would ensure timely communication back to customers. This process was put in place during the third quarter of 2004. Positive comments and feedback started coming in as soon as this process was implemented. As a result of this new process, as well as other key initiatives that were implemented, custom programming received higher ratings for every question this year.

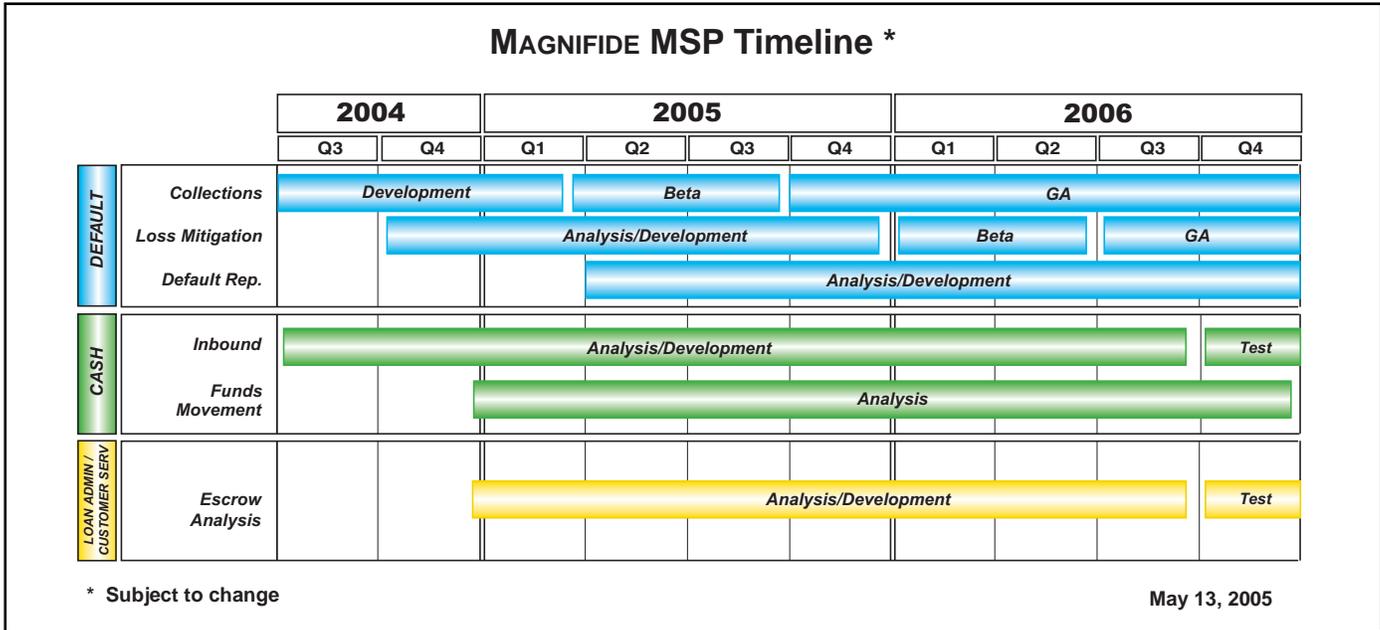
New to the survey this year were questions regarding product design. Respondents gave positive feedback on Fidelity's product designs, giving the highest marks to product reliability and products increasing customer productivity.

Again this year, respondents were happy with Fidelity's product direction and with the MAGNIFIDE™ MSP strategy. Respondents agree that Fidelity is committed to MAGNIFIDE MSP, and that they have the opportunity to provide input into the MAGNIFIDE MSP effort.

Fidelity will be holding internal workshops to review and work through in-depth analysis of the results from the customer satisfaction survey throughout June 2005. All departments will set goals to continue the upward trend of customer satisfaction. ●

MAGNIFIDE™ MSP Timeline

Fidelity has established the following development phasing timeline for MAGNIFIDE MSP's Default, Cash and Loan Administration/Customer Service areas through 2006.



Development is currently on track for each of the functional areas. All MAGNIFIDE MSP: Collections use cases are complete, and client user acceptance testing has begun. Work is in process for Loss Mitigation, the second functionality to be developed within the Default functional area.

Inbound Cash and Funds Movement, the first two functionalities to be developed within the Cash functional area, are underway, as is Escrow Analysis, the first functionality to be developed within the Loan Administration/Customer Service functional area.

In addition, at Information Exchange, the Business Strategy group introduced the "Strategy Roadmap." This is currently being developed and will further broaden Fidelity's client communications relative to enhancements/updates of the current MSP as well as MAGNIFIDE MSP. Look for a preview of the "Strategy Roadmap" functionality, as well as availability status in the next issue of *Momentum*.

Fidelity will continue to keep clients apprised of our progress and plans through presentations and articles in our communication forums. For more information, clients can access the PowerCell Web site at <https://iportal.fnfismd.com> or send questions to mortgage.marketing@fnf.com.

WHAT IS RE-ARCHITECTING MSP?

Fidelity Information Services has embarked on a plan to re-architect its core servicing system to meet the future needs of clients.

The Mortgage Servicing Package (MSP) re-architecture will increase scalability, maintain reliability for which the system is known and set the foundation for continued support and growth. Fidelity's mission is to provide consistent, real-time functionality. A main precept of this re-architected servicing system is to put the majority of the servicing functionality in the core system and eliminate the need for add-on workflow products.

In 2005, Fidelity began rolling out the re-architected system in phases. Collections is the first functionality to be delivered as part of the re-architected system, and will be generally available in the first quarter of 2006.

Paul Financial Selects MSP to Support Start-Up and Continued Growth

Paul Financial's Beginnings

Being a start-up is a challenging endeavor for any new company, including Paul Financial. Its creator, Peter T. Paul, had been successful in the mortgage industry for a number of years with Headlands Mortgage (sold to GreenPoint Mortgage in 1998), and he set out to duplicate his success with Paul Financial.

Paul Financial's Challenge

Paul Financial sells its loans and servicing on a bulk-bid basis. This required the company to have all of its operational procedures in place when it opened for business, leaving little room for errors or growing pains.

"We knew we needed our servicing system to be turn key from day one," said Eileen Basich, vice president of Paul Financial. "And, because we had limited resources as a start-up, we needed a system we could customize to accommodate our very specific needs."

Fidelity's Solution

For Paul Financial's experienced servicing management team, there was no need to do an industry search for a mortgage servicing system. They knew Fidelity's system would provide the flexibility and customization to meet their current needs as a small company with big goals. Paul Financial also needed a system that had a strong focus on compliance. In addition, it needed to be able to modify forms created by its servicing technology partner.

Fidelity offers a full suite of mortgage servicing solutions that can meet the needs of any size mortgage servicing operation. Fidelity partnered with Paul Financial and worked diligently to create a base package that fit its budget and business needs.

Fidelity's Mortgage Servicing Package (MSP) gave Paul Financial the ability to service mortgages, sub prime loans and home equity lines of credit (HELOCs) on one system. As a new company, this significantly decreased training times and increased overall productivity.

In addition to MSP, Fidelity offered many solutions to simplify and enhance Paul Financial's business. Fidelity's Electronic Loan Interface (ELI) service provided Paul Financial with an easy way to board loans to MSP. This enabled the start-up company to easily and quickly transfer loans to MSP. ELI also connected to Passport, another Fidelity solution Paul Financial needed. Passport gives managers immediate access to the business information they need. Since Passport is available through the Fidelity Lending Portal, Paul Financial did not have to make significant investments in hardware to support this system. In addition, Fidelity PowerView met Paul Financial's need to create and customize electronic reports.

Paul Financial, LLC, headquartered in San Rafael, Calif., is privately owned by Peter T. Paul and offers a variety of alternative and jumbo mortgage products combined with conventional financing options and home equity lines of credit. The company's goal as a start-up in the age of automated technology is to embrace the benefits of a Web-based world, but still offer brokers an environment where they can speak to a person. Paul Financial's assets recently topped \$280 million.

For Paul Financial MSP:

- *Decreased training time*
- *Increased productivity*
- *Provided greater flexibility*
- *Lowered costs*

"With Fidelity, we have the luxury of teaming with a company that we can grow with," said Basich. "Our initial package contained only the services we needed right away. The great thing about Fidelity, though, is that the modules we will need six months or a year from now are just a phone call away."

GreenPoint Mortgage Renews Contract for Fidelity's Mortgage Servicing Platform

GreenPoint Mortgage Funding, Inc. recently renewed its contract for Fidelity's industry-leading mortgage servicing package (MSP). GreenPoint services more than 303,000 mortgage loans and home equity lines of credit (HELOCs) on MSP, and intends to convert an additional 25,000 mortgages to MSP this year.

GreenPoint, one of the nation's top 20 mortgage servicers, renewed its contract due to the significant value and reliability that MSP adds to its operations. MSP also gives GreenPoint a single platform for servicing traditional mortgage loans and HELOCs. As GreenPoint continues to grow its HELOC portfolio, it will benefit from the fully enhanced HELOC capabilities embedded in MSP.

"Fidelity's MSP servicing system is one of the keys to our success," said Michael De Francesco, senior vice president of servicing for GreenPoint. "We have used MSP for more than 15 years, and are excited to be working closely with Fidelity on its HELOC enhancements. As we continue to grow our mortgage business, we are happy to have Fidelity on our team."

MSP for GreenPoint's HELOCs

GreenPoint can fully integrate its servicing processes for HELOCs into MSP and benefit from established functionality within MSP to perform investor

accounting processes. Plus, since MSP treats HELOCs as collateralized assets, GreenPoint is able to mitigate its overall risk with non-performing loans. Leveraging one system to service traditional mortgages and HELOCs gives GreenPoint a competitive advantage.

Fidelity continues to invest in the MSP system to enhance its HELOC capabilities. These enhancements will include providing MSP users with credit card interfacing for HELOC loans and enabling borrowers to use credit cards to access the funds from their HELOC loan. Additionally, lenders will be able to place a hold on the mortgagor's account for a specific amount in anticipation of an advance, providing them with balance protection and fraud prevention.

"Fidelity has had a strong partnership with GreenPoint for many years," said Hugh Harris, president of Fidelity Information Services' Financial Services Technology Solutions division. "We look forward to working with GreenPoint to meet its business objectives with seamless conversions and enhanced HELOC functionality."

Best Practices for the Mortgage Servicing Industry

Fidelity has created best practices seminars for the mortgage servicing industry to help businesses operate more profitably, efficiently and effectively while complying with regulatory requirements. Many risks are inherent with the mortgage servicing industry. These seminars will help manage and mitigate those risks.

"The mortgage servicing industry is one of the most complex industries with its many regulations," said Cynthia FitzGerald, executive vice president of Customer Support and Services for Fidelity Information Services. "We have designed best practices seminars to assist you in assessing your business operations in each mortgage servicing functional area with the end result of decreasing risk and improving productivity."

The following seminars have been scheduled in various cities across the country:

Topic	Date	Location
Loan Administration	July 21 – 22	Jacksonville, FL
Financial Control & Investor Administration	August 23	Las Vegas, NV
Default Administration	September 15 – 16	New York, NY
Loan Administration	October 6 – 7	San Antonio, TX
Financial Control & Investor Administration	October 25	Jacksonville, FL
Loan Administration	November 10 – 11	Las Vegas, NV
Default Administration	December 5 – 6	Jacksonville, FL

To sign up for a seminar or to get more information, go to <https://filis.fnfismd.com/>, or e-mail mortgage.marketing@fnf.com.

In the News: Fidelity Leads the Mortgage Servicing Industry

Fidelity's executives are at the top of the industry in thought leadership.

Dan Scheuble, Chief Information Officer

Dan Scheuble, chief information officer of Fidelity National Financial, has shared his industry experience at the MBA's National Mortgage Servicing



Conference & Expo, where he participated in a panel discussion on private label servicing. In addition, Scheuble is a frequent contributor to *MBA's Tech Newslink*. Scheuble also authored the following articles.

"HELOCs Better Suited for Servicing Platforms" in February's issue of *Mortgage Servicing News*

In this article, Scheuble explains the benefits of servicing home equity lines of credit on the same platform as traditional mortgages. As the HELOCs grow in amount and in the

percentage of loan-to-value ratio, lenders need a mortgage servicing platform, not a consumer-lending platform. A single platform minimizes risk and reduces costs as well as increases cross-selling opportunities and customer retention.

"Staying Ahead of the Trends" in March's issue of *Mortgage Technology*

In this article, Scheuble discusses the difficulties the mortgage industry is facing as it works to improve technology.

"Streamlining the Mortgage Process" in March's issue of *Mortgage Banking Magazine*

In this article, Scheuble discusses key areas that can leverage technology or business processes to improve and streamline the mortgage process.

John Crowley, Director of Information Technology of Fidelity Information Services

John Crowley, director of information technology for Fidelity Information Services, spoke on supply chain management at the March National Technology in Mortgage Banking Conference. Crowley also authored the following article:



"Tearing Down Operational Boundaries" in January's issue of *Mortgage Technology Magazine*

In this article Crowley explains how supply chain management could help provide more data in real time.

Articles can be read in full at www.fidelityinfoservices.com.