

Product Group	Loan Insurance		Loan Programs			Comments
Product	OLA	Paper	Direct Loans	Participation Programs	Loan Servicing	
Application	Online application with financial data provided by Lender. Manually entered into Clue.	Paper application and supporting financials provided by Lender. Manually entered into Clue.	Application (fillable PDF) and supporting financials provided by Borrower. Manually entered into Clue.		Varies based on requirements provided by partner. FAME offers this as a service.	Similar Pattern across products. Insurance and Loan applications have minor differences of information provided based on product.
Underwriting	Largely automated with approximately 25% receiving manual review. 5% will require moving to Paper application based on UW recommendation.	Multiple sources of external data (~11) are manually accessed to inform UW recommendations. Excel and Word is output for Approver(s) review.	Multiple sources of external data (~11) are manually accessed to inform UW recommendations. Excel and Word is output for Approver(s) review.	Multiple sources of external data (~11) are manually accessed to inform UW recommendations. Excel and Word is output for Approver(s) review.	Varies based on requirements provided by partner. FAME offers this as a service.	Similar Pattern across products. Depth of UW activity and data to support recommendation varies by product. For Loan Insurance rules differ based on Lender relationship with FAME. Workflow is manual and communications email based.
Approval	FAME posts payment of premium from Lender. Once Lender remits payment approval is provided by CLO.	Multiple levels of review and approval required based on size of risk.	Multiple levels of review and approval required based on size of risk.	Multiple levels of review and approval required based on size of risk and other member requirements.	Varies based on requirements provided by partner. FAME offers this as an "outsourced" and "white-labeled" service.	Approval rules and workflows may vary based on: product, partners involved, individual authorization limits, etc. Workflow may include external participants. For most products there are significant manual follow-up activities which are primarily managed in email.
Closing	FAME provided Lender with commitment to insure loan. FAME allocates Reserves for loan.	FAME provided Lender with commitment to insure loan. FAME posts payment of premium. FAME allocates Reserves for loan.	FAME creates Closing Package for execution with Borrower. This involves significant support from FAME legal department.	FAME creates Closing Package for execution with Borrower. This involves significant support from FAME legal department.	Varies based on requirements provided by partner. FAME offers this as a service.	Loan Closing is a complex process and high effort process with multiple data sources, manual creation of Closing Package, multiple review stages, and UCC filing requirements. Document generation, workflow tracking and communication are currently manual activities.

	Servicing	Servicing primary involves invoicing and posting payments which is a manual process and addressing customer inquiries. Today is this a manual process involving multiple systems and little self-service capability or follow-up tracking.	Servicing primary involves invoicing and posting payments which is a manual process and addressing customer inquiries. Today is this a manual process involving multiple systems and little self-service capability or follow-up tracking.	Servicing primary involves invoicing and posting payments which is a manual process and addressing customer inquiries. Today is this a manual process involving multiple systems and little self-service capability or follow-up tracking.	Servicing primary involves invoicing and posting payments which is a manual process and addressing customer inquiries. Today is this a manual process involving multiple systems and little self-service capability or follow-up tracking.	Varies based on requirements provided by partner. FAME offers this as a service.	<p>Invoicing varies based on product. Insurance is invoiced and paid before coverage annually while loans are invoiced after closing. Loan payments can vary by program, with some are invoiced monthly and others on different cycles based on program (i.e. annually, etc..)</p> <p>Payments via check or ACH.</p> <p>Invoices are generated daily, checked for accuracy, and typically delivered via UPS mail.</p> <p>FAME does not have OCC or OTS restrictions found in commercial lenders enabling them flexibility to amend existing notes.</p> <p>Self service and improve trackign of customer interactions an expected area of improvement.</p>
	Renewals /Risk Monitoring	<p>Rules driven manual renewal process with updated premium based on outstanding loan balance and borrower risk.</p> <p>Lenders provide monthly updates on loan status. Workflow/tracking is manual and requires Lender follow-ups.</p>	<p>Rules driven manual renewal process with updated premium based on outstanding loan balance and borrower risk.</p> <p>Lenders provide monthly updates on loan status. Workflow/tracking is manual and requires Lender follow-ups.</p>	No "renewal process" but loan portfolio health is monitored on a monthly basis for potential default risk.	No "renewal process" but loan portfolio health is monitored on a monthly basis for potential default risk.	Varies based on requirements provided by partner. FAME offers this as a service.	<p>Renewal activity is an Insurance process. Rules are based on relationship with Lender and for companies that have multiple FAME products (e.g. Insurance and a Loan).</p> <p>But all products (Insurance and Loans) are monitored monthly for potential default risk. For Insurance this requires external reporting from Lenders, for Loans it is based on borrower payments to FAME.</p>

Business Functions		Notification received from Lender that a loan is at risk (also monitored by FAME via monthly reporting.) FAME receives a claim packet when there is a delinquency.	Notification received from Lender that a loan is at risk (also monitored by FAME via monthly reporting.) FAME receives a claim packet when there is a delinquency.	Similar to Insurance workout except FAME is the initiator of the default process.	Similar to Insurance workout except FAME is the initiator of the default process.		
	Workout (Claims/Default Processing)	Multiple roles at FAME work with lender and external collections organizations to address claim approval and liquidation efforts. Process is highly manual requiring coordination of multiple roles at FAME and with the Lender. Data gathered across multiple resources with Excel used for tracking and reporting purposes.	Multiple roles at FAME work with lender and external collections organizations to address claim approval and liquidation efforts Process is highly manual requiring coordination of multiple roles at FAME and with the Lender. Data gathered across multiple resources with Excel used for tracking and reporting purposes.	FAME has ability to work directly with borrower to revise existing loan and/or negotiate workout terms. FAME works external legal partners to assist in collections and liquidation. FAME has statutory requirements such as issuing 1099-C's for cancel debt to borrower.	FAME has ability to work directly with borrower to revise existing loan and/or negotiate workout terms. FAME works external legal partners to assist in collections and liquidation. FAME has statutory requirements such as issuing 1099-C's for cancel debt to borrower.	FAME does not provide this service.	<p>Similar pattern across products in that this is a "claims/case management" activity.</p> <p>Relatively low occurrence but complex effort due to number of stakeholders.</p> <p>Many activities are manual including documentation generation, filings, reporting and communications. No consolidated tracking mechanism exists for these activities.</p> <p>Centralized ability to coordinate and track activities throughout the process is a desired outcome in future state.</p>