

The foreclosure 'crisis' has rapidly impacted the financial services industry. The challenges vary for each lender, from negative press by association to full-fledged litigation and regulatory investigation. PwC Forensic Services is focused on helping our clients quickly and effectively prevent, confront and remediate challenges stemming from unplanned events. Since the onset of the 'crisis', our teams and professionals have played the role of first responders to a variety of our clients to assist in their foreclosure response. This experience provides us with unique capabilities to help you more efficiently react and respond to your own set of foreclosure-related circumstances.

**Dave Burg**  
Partner  
T: (703) 918-1067  
E: david.b.burg@us.pwc.com

**Bob Gallagher**  
Partner  
T: (678) 419-4314  
E: robert.gallagher@us.pwc.com

**Sanjay Subramanian**  
Director  
T: (703) 918-1509  
E: sanjay.subramanian@us.pwc.com

**Dave Stainback**  
Director  
T: (678) 419-1355  
E: david.stainback@us.pwc.com



# Forensic Services - Foreclosure Crisis Response Capabilities



## 3<sup>rd</sup> Party Processor Intel/Evaluation

- Are there additional 3<sup>rd</sup> party foreclosure processors at risk? If so, which ones and do they service our loans?

- Corporate intelligence research & diligence on 3<sup>rd</sup> party law firms and processors
- Risk profile assessments based on processor volume, prior issues, legal probes/fines
- Expected file inventory variance analysis (processor vs. lender)
- 3<sup>rd</sup> party process evaluation and documentation



## Loan File Preservation

- Are all loan files in foreclosure accounted for? Who maintains custody of original notes/mortgages?

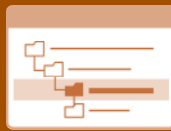
- Discovery expertise & project coordination for hard copy and electronic collections
- Internal collection assistance with logistics, coordination, custom tools, execution and QC
- Crisis or targeted 3<sup>rd</sup> party file removal, inventory and original loan document identification
- E-file electronic discovery
- File inventory database creation



## Targeted Affidavit Review

- Do any foreclosure affidavits contain errors?

- Affidavit review for critical data points/milestones
- Physical or electronic document review and issue identification
- Detailed issue tracking
- Random sampling and statistical analysis to determine magnitude of errors
- Targeted review possible based upon system assessments & data analysis (see below)



## System Assessment

- Are the data systems accurately representing the loan data & are there any gaps in these system processes?

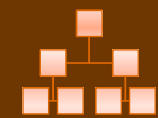
- Current state system evaluation
- Data mapping
- Forensic data analysis environment setup
- Batch process assessment
- Data quality evaluation for relevancy, completeness, validity, consistency & accuracy
- Controls and process testing
- Program logic & code reviews



## Data Analytics

- Was the decision to foreclose an appropriate action?

- Data and metadata extraction
- Automated data quality testing
- Data criteria definition
- Rules & logic filter development
- Development of rules engine to target 'at risk' populations for review
- Extensive reporting capabilities for internal & regulatory purposes



## Foreclosure Process Assessment

- Are there any gaps or areas for improvement in the current foreclosure process?

- Current foreclosure process review
- Process mapping & documentation
- Capitalization on system & data analytics reporting to identify gaps and exception populations
- Recommend areas for process improvement



## Expert Witness Services

- Is an objective expert opinion needed to defend or support litigation or regulatory review?

- Expert reports
- Extensive testimony CVs
- Complex financial, data and investigative analysis
- Documentation of investigative response
- e-Discovery and computer forensics testimony