

## Schedule C: Service Level Agreements (SLA)

### a. Supplier hours of operation are:

#### i. Call Center

M-F: 8am CST to 8pm CST

Saturday: 8am EST to 3pm CST

Upon request of client: Inbound call center is available 24 hours every day, including holidays.

The call center is staffed with Spanish speaking agents during the hours shown.

#### ii. Negotiator/Loss Mitigator

Standard hours:

8AM-8PM EST Monday–Saturday

The inbound call function is available 24 hours of every day

### b. Solicitation

NREIS/DMI will make 3 attempts to contact borrower/agent within 10 business days of receiving the solicitation file from Bank of America.

#### i. Mailing:

NREIS will send three mailers, one every three days to the borrower at the address provided.

#### ii. Telephone Out-Reach calls to borrower:

When there is a phone number available, DMI will call the borrower three times, at different times of the day and including once on a Saturday. The Call center is available from 8AM-8PM EST Monday–Saturday. The inbound call function is available 24 hours of every day.

Dialogue Marketing is qualified to explain liquidation alternative options to the borrower, and will do so on the out-reach calls.

*Risk Management:* In addition, all certified real estate agents will be required to provide the borrower with a custom DVD explaining the HAFA and traditional short sale options. In that way, each real estate agent who goes to help them with the paperwork and the decision-making will provide the exact same disclosure to the borrower. After listing the property, the borrower will get a quality control feedback questionnaire assuring us that they were handled properly.

*Deed in Lieu:* In the event the Asset Manager partner has determined that the short sale is rejected for Short Sale for some reason, NREIS will have the Dialogue Marketing call center re-contact the borrower to determine interest in other voluntary liquidation methods. If, and as appropriate, the agent will also work with the borrower to achieve the DIL..

Note: Dialogue-Marketing has the following certifications:

ISO 9000

## Schedule C: Service Level Agreements (SLA)

SAS 70 Type II Certified  
PCI Compliant  
Fair Debt Compliant

- iii. Calls Abandon Ratio < 5%
- iv. ASA < 30 seconds
- v. Quality Score (with input from client) > 80%
- vi. Outbound Solicitation > 25% right party contact ratio

When there is a phone number associated with the file, we expect the right-party contact to be higher than 25%. In addition, we will be sending three mailers to the borrower.

- vii. Conversions > 60% (welcome packages returned/right party contacts)

Our evidence is that when the package is sent out without any further intervention with the borrower, the returns are less than 15%.

As a result, DMI will have a local, certified Short Sale agent call on the borrower to sit with them to complete the package. In that instance expect the return to be close to 80%.

### c. Asset Management

- i. Liquidations > 40% of the conversions. This metric is stated as a minimum expectation, Bank of America and Supplier are aligned on establishing a process to promote the successful closing of a significantly greater percentage of the files as provided for Short Sale.
- ii. Value and market properties to solicit a contractual offer to liquidate the property within a specific time frame that is outlined and approved by Bank of America, in a 90 day or less time period from listing to closing under certain conditions with 120 days as a benchmark.
- iii. End to End timeline (receipt of file to successful closing) will not exceed 150 days. This timeline is inclusive of (ii) of this Section and is not intended to be an average timeframe for a Short Sale successful completion. As per the Reporting Section, Supplier will provide detail status of each file to promote oversight by Bank of America to escalate/resolve issues and disposition files accordingly based on the total number of days Supplier has had the file.
- iv. Values will be supplied to Supplier within 7 days by 3rd party vendor
- v. Updated values will be ordered every 90 days by Supplier
- vi. Title will be supplied within 10 days
- vii. Bank of America will provide updated delegated Reserve Amounts at a minimum of (90) Days
- viii. Supplier will provide a response to Broker offers with no MI or subordinate lien approval needed within 24 hours (this SLA is only applicable to "Offers") with the following responses:

## Schedule C: Service Level Agreements (SLA)

1. Approve
2. Negotiate
3. Decline Cooperative Program
4. Suspend Cooperative Program

### d. Real Estate Agents and Marketing the Properties

We have created a consortium of contractually aligned real estate firms across the country whom we have indoctrinated, trained and who are committed to our processes. What separates them from the general real estate agent population is:

- Scalability to large numbers of transactions
- Marketing standards which are regularly measured and tracked
- Real-time consumer feedback
- Standard consumer disclosures on a custom DVD
- In-depth Short Sale training
- Internal project management
- Accountability to performance standards

#### 1. Scalability to large numbers of transactions

Initially, with over 20,000 agents in these firms (see below for current list) QDS can offer scalable, national service to meet any demand. Both the listing and the buyer-agent specialist are managed to see that issues with consumers are properly remediated, that transactions are properly handled and that the needs of the bank are being addressed.

At the solicitation stage, it has been demonstrated that having a well-trained real estate agent working with the borrower immediately after initial contact increases the conversion by a multiple of 6 to 8. So the cost-to-value of the outreach program becomes very cost effective.

QDS is prepared to ramp up additional geographical areas and other companies with their agents within 30 days and offer them continued training for an additional 60 days.

#### 2. Marketing standards

Our statistics for the real estate agent consortium show that applying retail-marketing standards to distressed properties causes our listings to get to contract far sooner than the other distressed-property real estate agents can produce and at higher prices.

One source of loss for the lender occurs when the listing agent creates a low expectation for fair market value, inducing the lender to accept much less. Problem listing agents routinely tells callers that the property is under contract or keeps it off the market, off the MLS. The agent then sells it to an insider-investor and collects commission on the whole thing. The difference in price of \$50,000 to the real estate agent is minimal (3% of \$50,000 is \$1,500, which is more than compensated by the 3% of the entire price from the buyer side) but the difference to the lender is \$50,000.

## Schedule C: Service Level Agreements (SLA)

Our real estate agents market the property through normal channels like the MLS, advertising, open houses, websites, brochures etc. The property is treated as a “retail” property. They have a commitment to answer every inquiry from any other broker or buyer-prospect within the hour. They are not allowed to have their own offers on the property without the supervision of their project manager.

Additionally, we put an 800# on the for-sale sign and have a separate team of buyer-side only agents who are assigned the calls from the signs. In that way, we are assured that any caller who is interested has a fair chance to make a bid on the property. We carefully track each call.

3. Real-time consumer feedback

At each stage, such as when a property is listed, when it goes under contract and when it closes, we cause an automatic consumer feedback questionnaire to be used by the borrower to collect information about the performance of the real estate agent. When there is any negative feedback, our Quality Assurance procedure is set into motion within hours. When an agent gets more than normal negatives we eliminate them from the team.

4. Standard consumer disclosures on a DVD

The threat of lawsuits as a result of improper disclosure is real and imminent. The probability that any two real estate agents will disclose the alternatives available to the borrower in a consistent way is very low.

We eliminate the problem by having them sit with the borrower and show a customized disclosure DVD with all the information needed to make an informed decision. The borrower is then asked to acknowledge receipt of related materials and the DVD. The DVD is left at no cost with the borrower for their future reference and use regardless of listing the property with the agent. Again, when the questionnaire is sent to them, one of the questions is, “Did your real estate agent give you the DVD?” The DVD will be adapted to conform to Bank of America’s needs and procedures.

5. In-depth HAFA and Short Sale training

Every real estate agent, asset manager, etc will be certified on HAFA and Short Sale by Asset Plan USA, which is the premier provider of this information. It was created by Ray Mathoda.

Ray Mathoda is the former Chief ‘People and Efficiency’ Officer of IndyMac, now OneWest Bank. In that role, Ray was in charge of all in-person and online employee training and education for 10,000 people, in addition to all other aspects of workforce process and expense management. Therefore, she is not only highly experienced in training and education, she knows what it takes to make a workforce, process and operation succeed.

Ray also has significant experience on the policy and implementation front. She proposed HAFA to Treasury in early 2009, and has been advising them on HAFA this year. In fact, all of the incentive changes made by the Treasury to the HAFA program in March were a result of Ray’s recommendations.

## Schedule C: Service Level Agreements (SLA)

Where most of what passes for Short Sale training covers how to market real estate services to distressed homeowners, this training covers the HAFA program, the traditional program and the Deed in Lieu. Team members are each trained then certified by Mathoda's company, *AssetPlanUSA* before they are candidates with us. This provides for the agents to be trained to the bank's standards and procedures and to be managed to that bank's level of performance requirements.

### 6. Internal project management

Within each consortium firm, there is a project manager assigned to this project. Their job is to oversee, train, report and hold the team accountable to our standards. They have the authority to take real estate agents off the team when they do not perform. The project manager is trained by and is accountable to and reports directly to QDS.

Assigning a real-world Fair Market Value to a property needs to be done with care and competence. Too high and it won't sell; too low and the real estate agent's insiders are the only ones who win. Our real estate agents are double checked by the project manager to assure accuracy.

### 7. Accountability to performance standards

The general residential real estate industry provides marginal oversight and little accountability. It is the central issue that creates the dysfunctional default services system in place today. We recognized early that this would need to be re-organized and a standard management and accountability system put in place.

Any training has marginal value when it is not accompanied by strict accountability to standards. Without accountability the "trained" real estate agent moves to use the least demanding methods, rather than the most effective for Bank of America.

Our firms are chosen because they each meet our demanding standards:

- Financial stability to support the marketing of a large inventory
- Infrastructure including a project manager and administrative support
- Mature and seasoned agent population that can meet the demand
- Willingness to train and create accountability to our specific standards
- Agreement to oversight and supervision by QDS
- Record of marketing and selling distressed properties at prices higher than the average distressed property agent
- Clear leaders in their markets
- Commitment to this project

The companies are:

Company	Area covered	Total Agents	Qualified LA†	Qualified SA‡	Potential Short Sales	Units/\$Vol 2008	President and/or CEO
---------	--------------	--------------	---------------	---------------	-----------------------	------------------	----------------------

## Schedule C: Service Level Agreements (SLA)

Coldwell Banker Premier	Las Vegas, Henderson Nevada	325	25	25	500+	3797/ \$.74 B	Molly Hamrick
Coldwell Banker NRT	Salt Lake City, UT	900	25	25	250+		Dan Christensen
Fuller Sotheby's	Denver, CO	200	25	25	500+	1353/ \$.85 B	Scott Webber
Prudential Rubloff	Chicago	1700+	25	30	2000+	11,300/ \$3.4 B	David Bracy
Baird & Warner	Chicago	1700+	25	30	2000+	11,300/ \$3.4 B	Jennifer Warden
Prudential California	Southern California	3400	30	200	2-3000	16000/ \$13 B	Jon Cook
Keyes Realty	Southern Florida	600	100	100	1500+	7200/ \$1.8 B	Mike Pappas
Russ Lyons Sotheby's	Phoenix	500	30	50	2000+	2100/ \$.5 B	Glenn Niere
Intero Real Estate	Northern California	1600	50	50	1000+	4053/ \$2.8 B	Gino Blefari
Prudential Georgia	Georgia	1500	30	50	2-3000	6825/ \$1.7B	Dan Foresman
Greenridge Realty	Western Michigan	500	25	30	1000		Thomas Paarlberg
REMAX Elite	Albuquerque	250	15	30	200		Michael Dreskin
Surovell Realty	SW Michigan	250	20	30	1500		Ed Surovell
Coldwell Banker United	So. Texas & Gulf area	3000	50	75+	2000	28,000/ \$6 B	Helen Edwards
David Winans GMAC	Dallas - Fort Worth	400	20	40	1500	\$876M	David Winans
D'Ann Harper	San Antonio	400	20	30	1000	4,000/ \$5.8B	D'Ann Harper
Edina Realty	MN, WI, ND	2500	50	75	2500	24,000/ \$5.8B	Bob Peletier

## Schedule C: Service Level Agreements (SLA)

### † Listing Agents Profile

Full time commitment to real estate. No other jobs.

More than two years active in real estate.

Track record of 10 - 25 successful listings sold.

Current MLS, Board, NAR member.

Answers phone promptly.

Carries a cell phone that is answered promptly

Checks email regularly or have push technology.

### ‡ Marketing/Buyers Agent Profile

Full time commitment to real estate. No other job.

Completed new agent training.

Current MLS, board and NAR member.

Answers phone promptly.

Carries cell phone which is answered promptly.

Checks email regularly or have push technology.