



*Power, Performance, Personalization.*

## Role of Master Servicing /Servicing: Compliance, Customer Service, and Loss Mitigation

# Overview of Role of Master Servicing

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- - [Concord's Diagram of Business - Energy Efficiency](#)

## Why it's critical in the LMI space:

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- Approving underwriting and managing compliance ( Specific State REGS, CFPB, FDCPA, TCPA )
- Origination to default and cure customer service
- Loss mitigation for Bank and Utility

# Union Bank – California Pilot:

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- **Overview:** The Union Bank OBR product is a pilot product that is being developed by our banks CSR ( Corporate Social Responsibility) Team and Retail Banking. No CRA ( Community Reinvestment Act) credit for the loan product but the OCC have said it will help out with our fair lending for the OCC exam.
- **Goal:** Develop product because it helps the environment and we're focusing on underserved communities, believe in the benefits of energy upgrades and by using the energy bill savings as a way to pay for the upgrades.
- **Highlights:** Pilot will target the underserved homeowners in Fresno County, Santa Clara County and Yolo County. The interest rate will be 6.99% and it will be kept that low ( it's an unsecured loan) because it is assumed that the default rate will be zero, the LLR should reduce all losses.
- **Strategy:** Using two outside vendors, one for the origination and onboarding and Concord for the servicing. These two organizations help to keep the product management costs down, below what the bank would charge internally. Since it is an untraditional market we are trying to attract we will also work closely with PG&E and the local cities to promote the product to the homeowners.