

europeservicing 2005

**Maximising growth, managing operational risk
and recovering asset value in the
European mortgage servicing sector**

3 JUNE 2005 SHERATON AMSTERDAM AIRPORT HOTEL & CONFERENCE CENTER

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FitchRatings

CREATED BY

EUROCATALYST





europeservicing 2005

HOSTED BY TONI MOSS (EUROCATALYST) AND MATT GILMOUR (INFINITY MORTGAGES)

0730-0900 REGISTRATION

0900-0930 SETTING THE STAGE: SHIFTING FOCUS FROM FUNDING TO SERVICING

Maximising growth, managing operational risk and recovering asset value in the European servicing sector

TONI MOSS, Founder and Managing Director, EuroCatalyst BV

MATT GILMOUR, CEO, Infinity Mortgages

RUDOLPH DONKERS, Chairman of the Managing Board, STATER NV

0930-1045 LEGACY OR LEADERSHIP

European mortgage servicing in a world class context

Servicing has long been a "silent partner" due to the predominance of on-balance sheet funding and the bundled nature of the value chain throughout many European markets – but no more.

Several factors have converged to raise the profile of servicing as a crucial sector in need of further development: technological advances, the emergence of securitisation with related investor demand and the innovation of structured covered bonds on the funding side, the dramatic increase in regulation upon lenders, and the drive toward a single market.

EuroCatalyst succinctly states servicing is the centrepiece of the value chain – which means European mortgage markets are only as strong as their servicing capabilities. And while the US servicing industry is in dire need of an overhaul, inevitably it is used as the model for what could or should happen in Europe. This session explores whether the complexities of servicing in Europe can be conquered by assimilating the best of the American model, leaving the rest, and elevating the European sector to a position of global leadership.

ANNE BRIDGES, Head of Securitisation, Hatfield Philips International

HELENA DAY, Vice President, Morgan Stanley Mortgage Servicing

DIANE PENDLEY, Managing Director, FitchRatings

RON ROARK, Chairman, Crown Mortgage Management Ltd.

ANGEL TELLO, Capital Markets Division, Caixa Catalunya

1045-1100 REFRESHMENT BREAK

1100-1200 THE EVOLVING SPECTRUM OF SERVICING ALTERNATIVES

After a decade of outsourcing in Europe, how has the third-party sector fared?

Third-party mortgage administration has grown steadily in correlation with the unbundling of European markets driven by securitisation and off-balance sheet funding. In the past decade, the industry has witnessed both spectacular successes and disappointing failures – and many of outsourcing's pioneers continue to bear the burden of driving this entire industry sector forward. In retrospect, it appears the primary motivators behind decisions to retain or outsource servicing are the costs of technology, followed by capacity, local expertise and management's willingness to grant outside access to sensitive internal information. Representing a cross section of the European market, this session features three pioneers who have led the market as third-party servicers in three different countries; a lender who brought servicing back in-house after initially outsourcing, and emerged as a leading special servicer; an example of one of the best shared utility models, and the largest residential lender in Europe.

STEVE HAGGERTY, Managing Director, Homeloan Management Ltd.

RYSZARD KRUSZEL, Director XXL, STATER NV

PAUL ROWBOTHAM, Director of Investor Relations, SPML

IAN STEWART, Head of Securitisation and Structured Analysis, HBOS

1200-1300 LUNCH

1315-1430 WHERE THERE'S CONFUSION, THERE'S PROFIT / WHEN GOOD LOANS (AND MARKETS) GO BAD

Creating value from sub- and non-performing loans

Who cares about servicing? You should – before it's too late!

While risk management and loss mitigation ultimately begin in underwriting, servicing and operational efficiency can dramatically increase or minimize credit risk. This session examines the evolving spectrum of loan performance, strategies for asset disposition, and the emergence of the highly specialized sector appropriately named, "special servicing". Our discussion focuses on economic downturns in housing markets and strategies for management, remediation and disposition of non-performing loans in the commercial real estate sector. Will European players apply strategies from the US banking crisis to buy NPLs at deep discounts, then liquidate? Will they remediate, repackage and sell? Will the securitisation of non-performing loans continue its growth? Or will a new European model emerge?

GLENN AARONSON, President, SIB/Corso Venezia

ASINA AJWANI, Associate Director, FitchRatings

MARC BAJER, CEO, Via Capital

MARKUS ENDERS, Head of European Portfolio Management, Hypo Real Estate Bank International

GUENTHER GLEUMES, Director, Citigroup

3 JUNE 2005 AMSTERDAM

1430-1545 FIGHTING IN THE FOOD CHAIN AND SURVIVAL OF THE FITTEST

Where lenders, packagers, intermediaries and servicers collide

Non-conforming and sub-prime lending, by their very nature, demand increased labour and documentation in what is already the most complex link of the entire mortgage value chain – the mortgage fulfilment process. Growth in this area has increased demand for specialised capabilities to collect and organise information needed to accommodate burgeoning loan documentation. Driven by ambition, innovation and access to technology, the capabilities of packagers now exceed those available in-house at many lenders – and some packagers are now seeking lending status. Likewise, the drive for purpose and profit has prompted servicers to add front-office activities to provide over-capacity resource for lenders. All this leaves lenders in competition with their own service providers to enable tools for brokers and product distribution, and residential services are strengthening their capabilities to pursue commercial opportunities. This session assembles the new breed of hybrid players from the UK, the Netherlands and Germany to debate the impact of these developments on the bottom line and their implications for the rest of Europe.

CRAIG BERESFORD, Head of Asset Sales, GMAC-RFC

PETER BESUIJN, Director, Quion Groep BV

THOMAS KRETSCHMAR, Chairman, Hypoport AG

DAVID TWEEDY, Managing Director, Platform Home Loans

1545-1600 REFRESHMENT BREAK

1600-1700 INCREASING SCRUTINY OF THE SERVICING SECTOR

Differentiating good servicers from bad servicers, and professional servicers from service providers

This session provides a forum to discuss the many emerging issues in the servicing sector, including whether rating agencies, research analysts and servicers are the only ones who really care about servicer quality and whether interest in the sector will rise as housing markets face economic downturns. Are servicer ratings the only differentiator between servicers and service providers? Why should reporting standards be the benchmark for all servicers? What can European servicers learn from the 2005 (US) SEC regulations for issuers of asset-backed securities? What are the differences between BPO, ASPs and third-party administration and why do they matter?

JEAN LOUIS BRAVARD, Managing Director, Global Financial Services Industry, EDS

MIA DRENNAN, Vice President, Global Trust Services, Bank of New York

YARON ERNST, Senior Credit Officer, Moody's Investors Service

BRIAN KANE, Director of Structured Finance Ratings Services, Standard & Poor's

EDWARD REGISTER, Director of European Servicer Ratings, FitchRatings

WILL ROSS, Director and Head of Global ABS Research, ABN AMRO Asset Management

1700-1800 A PLACE IN THE SUN

Does Europe's servicing sector need a dedicated advocacy group?

Although industry insiders cite a critical need to improve the servicing sector, the vast differences in European markets and lack of coordinated communication has left servicers on their own to define and differentiate their capabilities throughout European markets. The Commercial Mortgage Securities Association has succeeded in establishing standardised investor reporting for CMBS. In the UK, individual firms throughout the residential servicing sector have organised their own ad hoc group. This year FitchRatings organized the first Round Table for European servicers. However, to date no European advocacy group exists to focus specifically on the needs and advancement of servicers. This session outlines the specific needs of the servicing sector. Participants will discuss if creation of such an advocacy group is an urgent need, what the primary mission of such a group should be, and whether existing trade organisations or firms are best placed to take up this cause.

CLARENCE DIXON, Managing Director, Continental Europe, Crown Mortgage Management

JEREMY DEACON, Associate Director, FitchRatings

HARRY GROENEVELD, CEO, Quion Groep BV

STEVE HAGGERTY, Managing Director, Homeloan Management Ltd.

HANS-JOACHIM MICHEL, General Manager, STATER Germany

1830-2000 **Networking cocktail hosted by STATER NV**

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