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FINANCIAL SERVICES
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THE SANTA FE GROUP

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Financial Institutions Work Together to Combat Fraud and Save Communities

LAS VEGAS, Nev., June 28, 2005 — Financial and government leaders from across the country met today at the BITS Loan Fraud Forum, presented with The Santa Fe Group, to discuss ways to stem the tide of loan fraud. The group agreed that mortgage fraud was of critical concern because of its devastating effects on the nation's communities.

In her keynote address, Susan Keating called the surge in mortgage fraud "astonishing." In addition to its impact on communities, Keating said, mortgage fraud costs financial institutions more than \$8 billion annually in lost profits. Keating is the President and Chief Executive Officer of the National Foundation for Credit Counseling (NFCC) and the former President and Chief Executive of Allfirst Financial, Inc.

Among the day's other notable speakers was Alicia Sheppard, a victim of mortgage fraud. Sheppard described her experience as a resident in an Atlanta-area neighborhood victimized by mortgage fraud in 1996. The experience, she said, eroded the community's morale and persists today in wreaking havoc in her neighborhood.

"Communities are the true victims," Sheppard said, addressing the audience of financial services executives, law enforcement officials and other key parties who traveled from across the country to

attend the event. “We want to be heard not just by law enforcement and regulators but every facet of the realty lending spectrum.”

During a “town hall”-style meeting, financial institution executives, law enforcement officials and technology vendors—including representatives from the FBI and the US Department of Justice—spoke about ways they can more effectively work together to discover fraud before it happens and ensure criminals are prosecuted.

Many speakers referenced BITS’ groundbreaking loan fraud prevention guide, *Fraud Prevention Strategies for Consumer, Commercial and Mortgage Loan Departments*. Created to protect consumers against loan fraud and prevent future crimes, this members-only guide helps financial institutions catch loan frauds as they happen and recover from related losses. The guide provides best practices for investigating frauds and methods for quantifying loan fraud losses.

For a copy of the Forum agenda, go to www.bitsinfo.org/events.html.

About BITS

BITS (www.bitsinfo.org) was created in 1996 to foster the growth and development of electronic financial services and e-commerce for the benefit of financial institutions and their customers. A nonprofit industry consortium that shares membership with The Financial Services Roundtable, BITS seeks to sustain consumer confidence and trust by ensuring the security, privacy and integrity of financial transactions. BITS works as a strategic brain trust to provide intellectual capital and address emerging issues where financial services, technology and commerce intersect, acting quickly to address problems and galvanize the industry. BITS’ activities are driven by the CEOs and their appointees—CIOs, CTOs, Vice Chairmen and Executive Vice Presidents—who make up the BITS Advisory Board and Council.

About The Santa Fe Group

The Santa Fe Group is a strategic consulting company providing unparalleled expertise to leading financial institutions and other critical infrastructure companies. The Santa Fe Group’s Chairman, Chief Executive Officer and founder Catherine A. Allen is also the CEO of BITS, the nation’s only industry association dedicated to thought leadership at the intersection of technology and financial services. Drawing from the most advanced thinking in the industry, access to technology and security experts, and deep knowledge of industry regulatory and legislative issues, The Santa Fe Group brings outstanding results to its clients. For more information, contact Susanna Space, susanna@santa-fe-group.com.

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