

Comprehensive Backup Servicing Solutions

In today's dynamic financial landscape, ensuring seamless cash flow and operational continuity is paramount. Our **Backup Servicing Solutions**, through structured trilateral agreements, act as an "insurance policy" for investors and lenders, safeguarding receivable portfolios and supporting uninterrupted debt repayment.



Backup Loan Servicing Solutions

Ensuring uninterrupted service during transitions or unforeseen disruptions is crucial to sustaining borrower trust and regulatory compliance. Our Backup Loan Servicing solutions offer a full spectrum of support that adapts to the specific needs of your portfolio, whether you require basic security, proactive monitoring, or fully redundant operations.

The transition from backup servicing to successor servicing is completed within 30 days for unsecured accounts, 45 days for credit card accounts, and 60 days for secured accounts, ensures smooth and uninterrupted service across all account types.

STANDARD WARM BACKUP SERVICING



Effortless Data Integration

We map and integrate client portfolio data onto our proprietary servicing platform, enabling smooth transitions upon activation.



Secure Loan Data Management

Monthly electronic files with detailed obligor and payment information are verified, stored securely, and updated consistently.



Thorough Due Diligence

A detailed questionnaire ensure accurate data submission and system preparedness, supporting seamless servicing continuity.



Reliable Report Validation

We verify servicer reports, ensuring accuracy in key data elements while identifying discrepancies to maintain data integrity.

ENHANCED WARM BACKUP SERVICING

Unparalleled readiness, reliability, and data transparency



Service Overview

Standard Warm Backup Servicing with advanced features tailored to your program's unique needs, ensuring enhanced readiness and operational continuity.



Comprehensive Test Data Upload and Validation

We conduct a test data upload, reconciling issuer data in its proprietary servicing system and generating Loan Data Extracts for review.



Program-Specific Prework for Readiness

We prepare key operational elements, including welcome and collection letters, trust account setup, charge-off triggers, and vendor reviews, tailored to the platform.



On-Site Data Review Opportunity

Clients can opt for an on-site review for post-file upload to validate data accuracy and reconciliation reports, ensuring complete confidence.



Increased Frequency of Data Updates

We receive weekly or daily electronic file uploads instead of the standard monthly updates, ensuring more up-to-date information and quicker resolution of discrepancies.

Why Partner With Us?

With a proven track record and decades of industry expertise, our backup loan servicing solutions are tailored to meet the demands of modern financial services. Whether you're preparing for potential disruptions or ensuring compliance with complex regulatory frameworks, we provide the infrastructure and peace of mind you need to keep your business running smoothly.

Client Success Story: Backup Loan Servicing – Unsecured Consumer Loan Originator/Servicer

Restoring Stability for Client Amid Bankruptcy with Agile Backup Loan Servicing

The client who was a **key investor in a portfolio of loans serving the underbanked Hispanic market**, faced a critical challenge when their loan servicer declared bankruptcy. With **119K active and 50K charged-off unsecured consumer loans at immediate risk**, they turned to us for a solution.

The bankruptcy rendered the incumbent servicer's platform inoperable, disrupting their operations entirely. SST boarded ~119,000 active and 50,000 charged-off unsecured consumer loans to its Proprietary servicing system. Time was critical—these borrowers relied heavily on storefronts to make payments, and without swift action, their ability to repay loans would collapse. We took immediate steps to maintain key relationships with the five largest storefronts, negotiating agreements where they would continue accepting payments on our behalf. Each storefront received a fee per transaction, and we ensured seamless remittance through daily manifest submissions.

To further support these underbanked customers, we partnered with PayNearMe, allowing borrowers to generate QR codes and make payments in cash at over 40,000 locations, including CVS, Walmart, and Walgreens. This innovation ensured that despite the storefront closures, customers could continue paying their loans with minimal disruption.

Simultaneously, we recruited and trained **120 bilingual agents** in our Panama office, rapidly scaling our workforce to handle the transition. Despite the tight timeline—which spanned the Christmas and New Year holidays—we went live on **January 11, 2021**, stabilizing the portfolio in record time.

Initially, the bankruptcy triggered a **6-7% spike in delinquency**, but our team quickly brought the delinquency rate back down within **60 days**, outperforming the portfolio's previous performance. Over the next two years, the **\$100 million in securitized loans** tied to this portfolio were fully repaid, with zero investor losses. All **16 securitizations** tied to the loans paid off successfully, marking this case as a model of backup servicing excellence.

Our ability to step in during a crisis, implement effective solutions, and restore stability—under tight deadlines and challenging conditions—demonstrated the unmatched scalability, flexibility, and efficiency of our loan servicing operations.

