



## FINANCIAL SERVICES ADVISORY AND COMPLIANCE

---

### JOHN DELPONTI

Managing Director  
704.347.7650  
john.delponti@navigant.com

### BEJI VARGHESE

Managing Director  
704.347.7639  
beji.varghese@navigant.com

[navigant.com](http://navigant.com)

#### About Navigant

Navigant Consulting, Inc. (NYSE: NCI) is a specialized, global professional services firm that helps clients take control of their future. Navigant's professionals apply deep industry knowledge, substantive technical expertise, and an enterprising approach to help clients build, manage and/or protect their business interests. With a focus on markets and clients facing transformational change and significant regulatory or legal pressures, the Firm primarily serves clients in the healthcare, energy and financial services industries. Across a range of advisory, consulting, outsourcing, and technology/analytics services, Navigant's practitioners bring sharp insight that pinpoints opportunities and delivers powerful results. More information about Navigant can be found at [navigant.com](http://navigant.com).

## COST-EFFECTIVE AND EFFICIENT COMPLIANCE SOLUTIONS

As regulatory oversight bodies such as the Consumer Financial Protection Bureau ("CFPB") continue to expand their scrutiny and levy significant penalties against non-compliant organizations, financial institutions are looking for cost-effective strategies to manage compliance requirements and their related expenses. In seeking to master compliance, companies often experience multiple pain points including:

- Understanding/managing various state, federal, regulatory, and investor rules;
- Rising cost of compliance and increased pressure to reduce costs;
- Limited capacity of internal resources;
- Increased volume of work;
- Lost efficiency due to increase in controls/oversight; and
- Increased personal liability (compliance and operations personnel).

After testing hundreds of thousands of consumer loans and financial transactions, Navigant has implemented a repeatable compliance testing platform grounded in quality and efficiency. Navigant is leveraging their consumer compliance expertise for our clients at a lower cost than traditional market solutions. Our model leverages technology, case management, and onshore/offshore personnel. Leveraging Navigant's compliance testing expertise may be the key to achieving efficiencies while managing compliance.

### HOW NAVIGANT CAN HELP

By leveraging Navigant's professional onshore and offshore compliance experts, our clients can focus on their core business processes while increasing cost savings and reducing regulatory risk. Our Compliance Business Process Outsourcing ("BPO") unit offers experienced resources to handle many routine consumer finance compliance functions. Our services include:

- Federal and State Originations and Servicing Compliance Testing
- HMDA Compliance Testing
- Claims Processing and Reconciliation
- Vendor Oversight and Testing
- Audit File Support Packages
- Data Scrubbing/Conversion Accounting

## OUR COMPLIANCE EXPERTS

Navigant's full-time onshore/offshore employees are experienced compliance and operations professionals. All personnel have completed a comprehensive NASSCOM background check and many possess relevant industry experience. Navigant's team is at the "front" line of regulatory issues working with top 20 banks and consumer finance companies. Thus emerging issues and regulatory interpretation are incorporated into our training/testing. All offshore work undergoes some level of QC review by our U.S.-based Management team. Our U.S. group holds regular status calls with offshore project managers to review project status, logistics, and answer questions. Extensive physical and data security is provided to keep client data secure. Navigant's onshore team conducts stringent training for the BPO team. The BPO team is informed of and trained on specific client requirements and regulations so that customized services can be applied for a client's unique needs. The onshore team performs Quality Control of all work performed during the training phase and provides feedback to the offshore team including setting up additional training sessions as needed. Our BPO team provides the following advantages:

- Expertise in dedicated subject areas
- Processes that have passed regulatory scrutiny
- Flexibility to handle regulatory change
- Staff to handle compliance needs (remediation, monitoring, managing regulatory change, etc.)

The result is a seamless customer experience with no trade off in quality of work performed.

### Benefits of working with Navigant's Onshore/Offshore BPO team include:

- Increased cost savings
- Reduced regulatory risk
- Increased efficiencies
- Improved service and profitability
- Enhanced risk management
- Quickly adapt/scale up to address newly identified risks



## WHY NAVIGANT

### EXPERIENCE IN COMPLIANCE

Navigant is focused on working with clients on reducing compliance risk. This is done through leveraging our experience in knowing what to test and the most effective way to test it. With the rules so numerous it is important to focus on items which may cause the most harm to potential customers and investors.

### CASE MANAGEMENT WORKFLOW

Navigant leverages technology to facilitate the tracking, recording and reporting of compliance results. This workflow is customizable across all stakeholders. Navigant's solutions also include ability to maintain image support as necessary.

### EXCEPTIONAL QUALITY CONTROL

Quality is the foundation for all work performed by Navigant. We carefully screen all of our BPO professionals for their experience, knowledge, and attention to detail, among other skills. At the onset, kick-off calls and webcasts are utilized to provide the critical background information and clarify instructions for each project. All work outputs are thoroughly vetted by our onshore experts to ensure accuracy and certify that superior work product is consistently delivered to clients. Constant communications and collaboration between onshore and offshore teams provide additional checkpoints throughout the project. Vigilant testing and monitoring (both remotely and at the BPO location) provide an additional level of confidence that work is being performed at the highest levels.

### EFFICIENCY EXPERTISE

Navigant is highly adept at establishing compliance solutions in very compressed time periods. With this additional global support, we can provide around-the-clock resources to expedite work outputs to save time in a cost effective manner.

### FOCUS ON SECURITY

Navigant's proprietary FSAVE approach safeguards our BPO work environment to provide a highly-secure environment for processing sensitive data. Our facility requires zone based proximity card access control. Security guards, surveillance cameras, and fire safety controls are also in place. Personnel controls, including secure laptops on Citrix™ servers on which data hosted on U.S. servers and does not cross borders. We have incorporated strict password requirements and electronic session termination and eliminated. Desktop controls eliminate unnecessary hardware such as phones, cameras, laptops or other types of media which are allowed in the production area. Our security measures are tested at various times throughout the project. Our practices are also ISO 27001/2 certified.

### CUSTOMIZED APPROACHES

One of our goals is to ensure that our process is the right size and scope for the underlying business and its inherent compliance risks. We have the ability to quickly adapt and scale up to address newly identified risks. We also apply proven methodologies, technology and tools for conducting operational and/or strategic assessments which can be customized and leveraged to maximize the benefit of any specific review. We work with your team to develop turn-key solutions that enhance control processes for your institution in the most seamless manner to your normal business operations.

## EXPERIENCE AT WORK

A top ten mortgage servicer/originator has chosen Navigant to perform end to end first line of defense monthly compliance testing. The team will be mixed onshore/offshore leveraging Navigant's case management technology and library of state/federal test plans.

A top investment bank is utilizing Navigant's onshore compliance experts for ongoing consumer compliance support and oversight of over 15 servicers. The team is assisting in vendor oversight including development of test plans, execution of testing.

A large regional bank identified a significant amount of loans that were at risk for inappropriate charges related to rates, coverage for disqualified borrowers, and other issues relating to their Debt Protection loan products. In order to identify and remediate cases of borrower harm, Navigant set up an onshore/offshore loan testing and remediation program to identify issues, correct them, calculate remediation amounts, and keep regulators (OCC) updated on remediation efforts. By leveraging Navigant's offshore team, the bank's productivity increased by 50%, and overall budget was reduced by 30%.

