



PRIMARY SERVICING

SST specializes in consumer loan servicing for securitized, non-securitized, prime, non/near prime, and distressed asset portfolios. SST was formed in 1995 to service a variety of consumer assets, with the initial focus on sub-prime auto loans. As the nation's leading third-party servicer, we have boarded and serviced receivables with original balances in excess of \$27 billion.

SST brings experience, flexibility, and customized, cost-effective solutions to every assignment.

Today, SST services auto loans and leases, recreational vehicles, boats, motorcycles and power sports equipment, credit cards, signature loans, manufactured housing, and other consumer receivables. SST provides primary servicing through two channels: conduits (daily flow relationships) and whole loan or bulk transfer transactions.

- **Conduits** – receivables are originated daily by our clients and we service from loan creation to satisfaction, including deficiency collections. Conduits represent a full outsourcing of all functions of our client's business, excluding loan underwriting and marketing.
- **Whole Loan/Bulk transfers** – existing pools of loans are transferred to us when an institutional investor purchases the pool. Bulk transfers generally represent a total outsourcing of all functions. The owner of the receivables is typically not the originator of the loans.

Every new servicing assignment is customized and managed through a dedicated client management team and a single point of contact:

- **Private Label** – SST interfaces with the obligor wholly in our client's name. In

this arrangement, SST is invisible to the consumer.

- **Co-branding** – both our client and SST maintain a presence with the consumer. Co-branding can take place on many levels. For example, customer service calls are answered in our client's name, allowing the client to maintain a brand image, while collection calls could be made in SST's name.
- **Third-party** – only SST's name and brand are utilized. This is often the case when SST is the successor servicer for portfolios in which the prior servicer is exiting the business. Third-party branding can be an attractive option with lower-tier credit paper.

From our in-house proprietary servicing system to our specialized training programs, SST was built to be a third-party servicing operation. We are not a lender ourselves but concentrate 100% of our efforts on our clients. SST excels as a result of our:

- **Low facility cost structure** – two locations: St. Joseph, Missouri and Joplin, Missouri. These serve as highly functional servicing centers, subject to low overhead costs. Both have redundant processing capability and are tested regularly for disaster recovery. Data transfers to facilitate a "real-time" recovery occur on an automated basis.
- **Low employment cost structure** – St. Joseph and Joplin provide both stable and low-cost employment bases. Furthermore, SST's annual employee turnover is less than 25%, significantly lower than the industry average.
- **Proprietary system** – our universal system is designed specifically to handle consumer receivables, from boarding through deficiency collections.

The system has been recognized by both client and industry participants (investment banks, insurers, rating agencies, etc.) as the "best in industry." SST's ownership of the system provides a competitive advantage in transferring portfolios. The control gives us the ability to transfer portfolios faster and with fewer complications.

- **National coverage** – SST services receivables in all 50 states, covering a broad base of obligors. SST has a team of employees that specialize in non-English speaking collections and customer service.
- **Training** – every SST employee who interacts with obligors receives extensive training that includes a review of applicable laws and regulations. All employees are required to participate in regular update/refresher training programs.
- **Employee Incentive Programs** – we offer a monthly performance incentive plan for our employees. The percentage paid is based on individual performance and is typically around 10% of base salary. Performance levels are established monthly and are set based on our client's expectations and the performance trend of the portfolio (taking seasonality and other factors into consideration). A "stretch goal" is always included. We measure and incent our employees based on productivity, delinquency, and quality tracked in our employee scorecard.

Contact us

To speak with a SST business advisor, please call us at **800-392-8308**, or visit our Web site at **www.sst-mo.com**.

