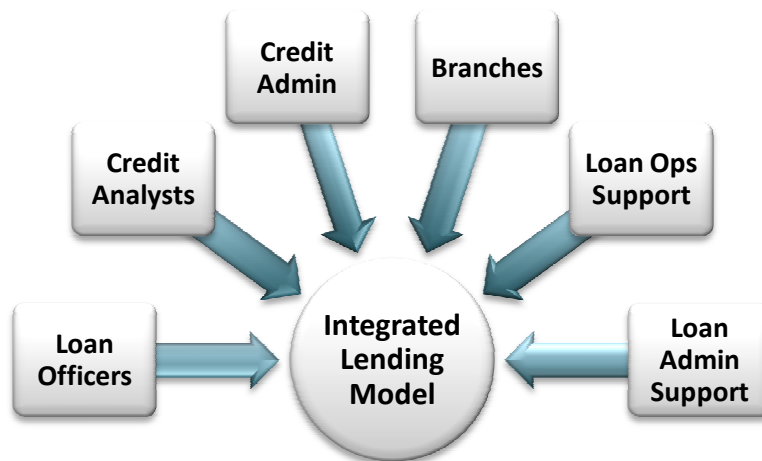


80/20 LendingSM | Lodestone Commercial Loan Process Review

Lodestone's commercial loan process business model incorporates review of all aspects of the lending function and processes from loan application to funding. Using an integrated consulting approach our team will analyze all workflow practices performed by lenders, credit analysts, loan operations, branches, and administration support staff in order to increase generation of new loans, reduce production costs, maximize automation and systems, and increase earnings.



Workflow Productivity

- Maximize productivity & efficiency
- Elimination of redundant activities
- Reduction in processing time
- System capacity & functionality evaluation
- Relieve process burden embedded in credit process

Credit Quality

- Standardization of forms & methodologies
- Enhanced credit file data integrity
- Reduction in document error rates
- Improved accuracy of key credit information/ratios

Loan Production | 80/20 LendingSM

- Increase loan production
- Time management & allocation for Loan Officers – Credit related duties vs. Non-credit or support functions
- Re-allocate non-business development activities to support staff
- Free up time for Loan Officers to concentrate on maintenance & development of existing and new relationships

Credit Approval Process

- Streamline credit approval process
- Decrease response time while maintaining appropriate risk
- Streamline annual loan review & loan renewal process

Quality Control | Risk Management

- Procedural uniformity across lending areas/departments
- Enhanced management reporting & communication
- Increase in quality & internal control standards
- Increase in customer service quality

Results

- HSBC Regional President described results as “First the branch footings grew in the number of business customers, assets, liabilities and non-fund income. Second the process change provided opportunities for branch managers to become more experienced in commercial lending. And finally, it reduced the workload of our senior credit officers, allowing them to focus on larger corporate customers.”