

NEWS RELEASE

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Aegis Mortgage Corp. Selects BasePoint FraudMark™ to Curb Mortgage Fraud

Leading Lender Leverages Technology to Proactively Prevent Fraudulent Loans

CARLSBAD, Calif. – November 6, 2006 – BasePoint Analytics™, a leading provider of scientific fraud analytics and consulting services, today announced Aegis Mortgage Corporation has selected BasePoint FraudMark™ for Origination as a key component of its fraud and risk management program. During the first two months of production at Aegis, FraudMark has identified suspicious loans, enabling the lender to quickly and effectively confirm fraudulent applications and stop them before funding.

FraudMark is the only technology solution in the mortgage market today that utilizes predictive analytic models similar to those used in the credit card industry to catch fraud. These models accurately predict the likelihood of a loan containing fraud that could result in financial loss to the lender. One of the biggest advantages to analytic technology in fighting fraud is its low false positive ratio. This means that lenders like Aegis have many fewer applications to review to identify and confirm fraud. FraudMark's first two months of performance has exceeded Aegis' expectations both in terms of volume of fraud caught, and low false positive rates. Prior to the introduction of FraudMark, lenders relied on a variety of tools including database verification to detect fraud. While database verification serves an important purpose in confirming fraud, using it alone results in extremely high false positive rates, which places an unnecessary burden on the loan review process.

"During the past year, mortgage lenders as a whole have experienced higher fraud loss rates, repurchase rates and broker-facilitated fraud. In an effort to stay ahead of the curve, Aegis continually pursues the most advanced solutions to help minimize our losses from fraud," said Barbara Mallott, senior vice president and director of Quality Assurance for Aegis Mortgage Corporation. "After an initial trial with FraudMark, we instantly saw this solution was more accurate in identifying suspicious loans than other technology on the market. We look forward to higher levels of productivity and accelerating the funding of good loans."

"Aegis' proactive approach to solving fraud positions it as a leader in fraud and risk management," said Tim Grace, president and CEO of BasePoint. "They are among the early adopters of predictive analytic technology that is destined to become the industry standard."

BasePoint's FraudMark uses patent pending statistical pattern recognition technology that combines two unique and highly effective approaches for finding fraud: 1) behavior trends for entities involved in the mortgage transaction, such as applicants and brokers, and 2) historical

patterns of activity and information for both fraudulent and non-fraudulent loan applications. Lenders have prevented more than \$650 million in fraudulent loans since the solution was launched nearly one year ago. FraudMark gives lenders the ability to review and verify only the riskiest loans, allowing the majority of loans to be quickly and securely funded. This is a significant advantage over traditional data verification tools. FraudMark provides a much higher degree of predictive power, precisely identifying which applications have the greatest risk of fraud. FraudMark helps mortgage lenders cost-effectively identify suspect loan applications before funding.

Aegis Mortgage Corporation, headquartered in Houston, Texas, is one of the top 40 mortgage lenders in the United States. With loan production of \$19.6 billion in 2005, the company works directly with consumers and through a strong network of independent brokers.

About BasePoint

BasePoint Analytics, based in Carlsbad, California offers a unique combination of scientific fraud scoring software and expert services. Using sophisticated predictive analytics, BasePoint enables global banks and high volume mortgage lenders to quickly identify fraudulent transactions early in the process, minimizing fraud loss while accelerating the processing of non-fraudulent transactions. The company's fraud experts have deep, real-world domain expertise and have successfully solved fraud for some of the highest profile banks and lending institutions in the world. BasePoint's industry-leading customers include: New Century Mortgage, Aegis Mortgage Corporation, MasterCard Worldwide and several top 20 global banks. In addition, the company has strategically partnered with First American Real Estate Solutions. For more information about BasePoint, visit www.basepointanalytics.com or call 760.602.4971.

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