SST powered by alorica

Fact Sheet

Comprehensive Backup **Servicing Solutions**

Investors and lenders need a backup plan that works when things go sideways. We step in with trilateral agreements to keep receivables flowing and debt repayments on track for uninterrupted debt repayment.

Backup Loan Servicing Solutions

When servicing gets disrupted, borrower trust and regulatory compliance are both at risk. That's where we come in. Our Backup Loan Servicing adapts to what your portfolio needs: basic security, proactive monitoring, or fully redundant operations. We match the level of support to your situation.

We transition from backup to successor servicing in 30 days for unsecured accounts, 45 days for credit cards, and 60 days for secured accounts, so there's smooth, uninterrupted service during the handoff.

Standard Warm Backup Servicing

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

Prepared Before You Need Us
Our onboarding questionnaire ensures our systems are set up correctly for your data, so we're always ready when you need us.

Keeping Data Current & Secure
We manage electronic files with obligor and payment details, verify the information, store it securely, and update it monthly.

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

Enhanced Warm Backup Servicing

Service Overview
Standard Warm Backup Servicing with advanced features built around your program's unique needs, so you can activate faster and keep operations running.

We Do the Prep Upfront
Before activation, we set up the operational pieces your program needs, welcome letters, collection letters, trust accounts, charge-off triggers, and vendor configurations.

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

On-Site Data Review
After the test data upload, you have the option to come on-site and validate data accuracy and reconciliation reports yourself.

Increased Update Frequency
Instead of monthly file uploads, enhanced warm backup servicing clients receive weekly or daily updates. That means more current information and faster fixes when discrepancies show up.

Loan Servicing Capabilities

We bring deep experience in end-to-end loan servicing with the scale of a global operation. That combination means consistent, high-quality service no matter what type of portfolio you're managing.

- **Buy Now/Pay Later**
- **Credit card**
- **Debt consolidations**
- **Variable APR loans**
- **Auto loans**
- **RV/boat**
- **Leases (equipment and auto)**
- **Unsecured consumer loans**
- **Student loans**

24/7 Omnichannel Availability

We support your borrowers around the clock through phone, digital, and self-service channels. Our platforms handle payment processing and IVR self-service, while back-office automation keeps operations running efficiently.

Easy Payment Options: Digital Wallet Integration

Alorica is the exclusive LoanPro partner to offer complete Pay Near Me (PNM) digital wallet integration, allowing borrowers to easily make self-service loan payments using Apple Pay, Venmo, PayPal, Google Pay, and multiple payment options that enhance payment flexibility, improve borrower service, and reduce default rates.

Why Partner with Us?

We've been doing this for decades, and we know what actually works in backup servicing. Whether you're planning for potential disruptions or navigating regulatory requirements, we give you the infrastructure and confidence to keep operations running without interruption.

Client Success Story: **Restoring Stability Amid Bankruptcy with Agile Backup Servicing**

The Problem

A major investor in loans serving the underbanked Hispanic market experienced major disruption when their loan servicer went bankrupt: 119K active loans and 50K charged-off accounts were suddenly at risk.

The bankruptcy shut down the servicer's platform completely. We had to move fast; these borrowers depended on physical storefronts to make payments, and if those agreements broke down, repayment would collapse.

Our Solution

We Kept Payment Channels Open

We immediately established agreements with five large storefronts, so borrowers could continue making uninterrupted payments. Each storefront received a fee per transaction and handled daily remittance through manifest submissions.

We also partnered with PayNearMe, letting borrowers generate QR codes and pay in cash at over 40,000 locations, including CVS, Walmart, and Walgreens. This ensured that customers could continue paying their loans with minimal disruption.

We Scaled Up in Weeks

Simultaneously, we recruited and trained 120 bilingual agents at Alorica Panama to handle the transition. The timeline was tight, from December 25th to January 1st, but we went live on January 11th, stabilizing the portfolio.

The Result

The delinquency rate spiked 6-7% right after the bankruptcy, but our team reduced this in only 60 days—achieving a lower rate than the portfolio had ever performed. Over the next two years, the $100 million in securitized loans tied to this portfolio was fully repaid with zero investor losses. All 16 securitizations tied to the loans were paid off successfully.

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