

# AMS - Executive Summary

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## Background

The Arrears Management System (AMS) is provided and maintained by The Charlbury Group, an independent technology firm based in Kidlington, Oxfordshire. The firm specialises in providing IT solutions within the housing and financial services sector. Their management team consists of mortgage and technology experts with extensive experience of UK mortgage lending, arrears process management and information technology.

The Charlbury Group work with a number of well known brands and the Arrears Management System facilitates data flow between Lenders, Field Agent Companies, Asset Managers, and Litigation Firms.

## Arrears Management System

The Arrears Management System (AMS) is an advanced distribution and allocation engine offering instructing sources, such as lenders and mortgage servicers, a single interface which connects them to a wide number of their suppliers across the market. The system passes data directly from internal proprietary platforms to suppliers according to allocation preferences that can be updated and controlled by the instructing source according to supplier performance and business volumes. AMS generates a broad range of independent management information which enables lenders and servicers to control and monitor third party providers during the arrears process.

## Market Penetration and Distribution

The Arrears Management System connects firms throughout the housing market including Mortgage Lenders, Mortgage Servicers, Asset Managers, Litigation Solicitors, Contractors, and Field Agents. A selection of lenders using AMS include Barclays, HSBC, RBS, UKAR, Leeds Building Society, Paratus AMC (formerly GMAC RFC), Kensington and Bank of Ireland/Bristol & West Group.

The system has enjoyed steady growth since its launch and one of the many benefits for new lenders and instructing sources is that any third party suppliers already connected to AMS will require minimal additional work to receive new instructions.

## Benefits for Lenders

- AMS provides a single integration that facilitates instant access to multiple suppliers
- AMS provides simple, auditable control of business allocation to suppliers
- AMS allows lenders to change preferred suppliers without the need for additional IT work
- AMS creates efficiencies through a full co-ordination of the arrears process
- AMS generates independent management information to compare and contrast suppliers.

## Fee Structure

The Arrears Management System employs a fee structure that ensures fair and transparent pricing based on transactions rather than fixed fees irrespective of system use. This ensures that the cost of the system is appropriate to the benefit it is providing.

There is no set-up fee or ongoing license fees for lenders or mortgage servicers and the transaction-fee structure based upon instructions received means that third party suppliers absorb the majority of costs. Fees for suppliers vary by type but are consistent across the industry and are commensurate with the value being added.