

# **Personal Qualifications of Daniel Morton Rafferty**

## ***Career History***

### **Current Position: SELF EMPLOYED CONSULTANT & INDEPENDENT LENDING EXPERT**

I have carried out due diligence audits on behalf of investors, seeking to purchase mortgage portfolios. This has included sub-prime lenders and non-status lenders offering Buy-to-Let Mortgages and Commercial loans. During this time, I was tasked with rating the commercial loans as to whether they were a suitable investment. I was also responsible for assessing the lender's underwriting criteria and processing procedures. In all, I personally reviewed in excess of 1500 loan files. (Owing to confidentiality agreements, I am not at liberty to disclose the names of the lenders)

Carrying out "put back" exercise where investors had purchased a sub-prime book and were looking to put back loans which had gone bad. I had to establish whether the lender had breached its lending criteria, and if no breach was made, whether it was imprudent to make the loan with the available information at the material time.

An independent lending expert, writing reports on the actions of Lenders, and assessing their Lending Policy, and Procedures. I have acted as an expert witness in a large number of cases and have been instrumental in obtaining significant reductions in Claims owing to contributory negligence on the part of the Lender. This has included very large commercial loans where mortgage fraud has been a significant factor. I have prepared reports on all aspects of lending including Self Cert Mortgages, Buy-to-Let and Commercial Loans. I have provided training to a law firm on the role of the expert witness and have spoken on the subject at a major conference in London.

### **March 1991- March 2006**

#### **MANAGING DIRECTOR, MORTGAGE RISK MANAGEMENT LIMITED**

Designing Mortgage Products for mortgage lenders. Analysing practice and procedures adopted by the lender and advising on best practices. Designing training programmes on lending and specialist courses on fraud avoidance and detection.

Advising lenders on the sale and purchase of mortgage portfolios including due diligence. Adviser to lenders considering securitisation of their mortgage portfolios.

Consultant to a number of law firms as an independent expert lending witness. Adviser to lenders on representations and warranties claims.

Retained as a consultant writing credit policy and procedure for major financial institutions in the UK and overseas. Examples of projects include:

Detailed credit policy infrastructure (10 policy manuals and a "control" manual) covering the full commercial and corporate operations of a major UK bank.

A contract entailing establishing target market criteria, documenting processes and products and writing detailed Credit Policy Manuals for each of its Commercial Banking, Retail Banking, Treasury and Hire Purchase Divisions

**Feb 1988-Mar 1991      DIRECTOR OF MARKETING AND UNDERWRITING,  
CREDIT AGRICOLE PERSONAL FINANCE PLC**

Duties:

Recruited as **Underwriting Manager** and first employee of this subsidiary of **Credit Agricole**. (then the largest retail bank in **Europe**) As number two in the company, reported directly to the Managing Director and Board of Directors. Setting the company up from scratch, as a vehicle for the future securitisation of its loan book. Responsibilities included setting the lending criteria and formalising procedures. Designing mortgage products that would be attractive to the credit rating agencies (Moody's and Standard & Poors). This involved negotiations at senior management and board level.

**Chairman of the Credit Committee** which considered all aspects of both residential and commercial lending. This included requests for loans from developers and housing associations.

Directly responsible for ensuring that all documents (including legal documents) were acceptable for securitisation.

Obtained Government approval for the company to be a "recognised lender" under the Housing Act, which allowed for loans to be made to borrowers wishing to buy under the right to buy schemes. Within 15 months all objectives had been successfully met and recognised in the promotion to **Director of Marketing and Underwriting**. Additional responsibility awarded to cover the entire "front end" operation, which included processing, underwriting, customer services and marketing. Latterly given responsibility for the collections department.

**Feb 1986-Feb 1988      Underwriting Manager, The Mortgage**

**Corporation** (A Centralised Lender set up for the sole purpose of helping to create a secondary mortgage market for its parent company, Solomon Brothers) Duties: Reporting to the Board with responsibility

for 9 underwriters. Involved with the setting of underwriting standards and criteria to suit customer requirements and those of the credit rating agencies. Also acted as fraud prevention officer involving the training of staff in all aspects of fraud prevention and detection. Insisted that the highest standards of underwriting were adopted which ensured that the mortgage portfolio was AAA rated. This was a key objective owing to the fact that the company was set up to securitise its loan book. To that end, this was one of the first centralised lenders to securitise. The first securitisation was of £400 million. This entailed close involvement with legal advisors and pool insurers.

Close liaison with sales and marketing teams in formulation of new product criteria plus development of new product assessment procedures to allow adaptation of underwriting style to suit the ongoing needs in the market. This style of underwriting resulted in a 15% increase in conversion and a substantial increase in business volume.

Generally very skilled in all technical aspects of mortgage lending and marketing.

**Jun 1987-Sept 1987    ACTING UNDERWRITING MANAGER**

Staff of seven. Duties as previously described.

**Sept 1986-Jun 1987    SENIOR UNDERWRITER**

Reporting to the Underwriting Manager with staff of seven.

**Feb 1986-Sept 1986    UNDERWRITER**

One of staff of four.

**1983-1986                SENIOR CREDIT ANALYST/UNDERWRITER, CANADA  
PERMANENT FUNDING**

Duties:

Assessing credit and equity risks, analysing accounts in cases of commercial propositions, making recommendations on particular deals and approving others. Gained experience in all aspects of secured lending procedures.

In September 1985 was given the task of marketing the company's products in Scotland, having first assessed the market there. Implemented and wrote the procedures for lending in Scotland. The results were very successful

**1976-1983                LAW ACCOUNTANT WITH A FIRM OF GLASGOW SOLICITORS**

Duties included all matters of a financial nature which affected clients: investment advice, tax planning, income tax, capital gains and capital

transfer tax. Preparation of Trust and Executory Accounts, and the administration of estates. Judicial factors, stock market transactions (both narrow and wider range investments). Property conveyancing, investigating title, preparing conveyance and security documents and arranging finance.

Experience also gained in leases (full repairing and insuring) negotiating insurance claims for personal injury. This provided an overall grounding in all matters of finance and their legal implications.

### ***Professional Appointments***

- ❑ **Founder member of the Association of Mortgage Lenders. Member of the Steering Committee. Chairman of the Legislation Committee**
- ❑ **Council of Mortgage Lenders. Member of the Mortgage Practitioners Panel. Member of the Courts and Legal Services Working Party**