Based upon our meeting of today we agreed to the following:

1. Stan will oversee all of the corrective processes that will be put into effect to permanently avoid the errors of both judgement and protocol that have led to the issues that we face today caused by the buybacks mandated by HSBC.

2. Sambol will make certain that the people responsible for the origination process understand the necessity for adhering to the guidelines for 100% LTV sub-prime product. This is the most dangerous product in existence and there can be nothing more toxic and therefore requires that no deviation from guidelines be permitted irrespective of the circumstances.

3. In addition Sambol, Spector and McMurray will coordinate with Bailey to assure that the loans originated are immediately put in the hands of our best sub prime collectors in order to avoid the EPD issue that we are currently facing.

4. Spector is to review the buybacks and to take every step possible to correct the deficiencies and look for another secondary sale opportunity in order to reduce the loans of this type on our balance sheet.

5. McMurray is to assure that the process of assessing risk is re-examined to make certain that there are absolutely no holes in the assembly line of risk assessment and contractual obligations which could cause this situation to repeat itself.

6. Spector is to take a fresh look at all of our contractual obligations relative to secondary market requirements to assure that we don't commit ourselves to subordinate the balance sheet of the Company to a third party. That is what we have done relative to our commitments to HSBC. We simply cannot tolerate trailing indemnifications which are infinite in time and nature. Again, this was a juvenile mistake that can never be repeated.

7. Sieracki is to keep me apprised of the ultimate financial impact on the Company including reserves, write offs, etc. relative to the HSBC project.

Again it is important that we take all of the corrective measures to resolve the outstanding issues with this product but more important is establish all of the necessary protocols to assure that we are originating these loans in a manner which takes us out of harms way and that the loans are sold in a manner to avoid further and unnecessary exposure to the Company.

Let me know if you have any questions concerning any aspect of this e-mail.