

PRESS RELEASE

Firm Establishes Subprime Mortgage Task Force

September 27, 2007

(September 26, 2007) – Baker Donelson responds to the subprime mortgage crisis with the creation of its Subprime Mortgage Task Force, a multi-disciplinary practice group of attorneys from across Baker Donelson's five state Southeastern U.S. and Washington, D.C. geographic footprint. Linda S. Finley, a shareholder in the Atlanta, Georgia office and Hank Arnold, a shareholder in the New Orleans, Louisiana office are leading the Firm-wide effort. Baker Donelson has a long-standing history and solid reputation in the mortgage lending, servicing, securitization and real estate fields. The breadth of the Firm's legal experience and geographic reach will allow Baker Donelson to serve clients caught in the turmoil of this crisis.

Baker Donelson represents more than 100 mortgage lenders and servicers, mortgage investors, banks, savings and loans, finance companies, credit unions, their holding companies, and other financial institutions in connection with litigation, transactional, structural, regulatory, legislative and corporate matters unique to such businesses.

The impact of the subprime crisis is more than just a ripple effect. The surge in class action law suits continues to escalate with multi-faceted litigation issues facing loan servicers, investors and loan originators. "The situation created by the subprime mortgage meltdown poses unprecedented challenges for the mortgage and financial services industries and calls for experienced, knowledgeable counsel who have the legal and business acumen to provide an immediate and sophisticated response to this financial crisis as it affects individual clients," said **Ben Adams**, CEO and Chairman of Baker Donelson. "We've assembled a team of attorneys who can assist clients with the wide spectrum of matters, whether involving complex litigation defense in class-action suits, providing advice on regulatory compliance, or tracking and advancing financial institution client interests before local, state and federal legislative bodies. The Baker Donelson Subprime Task Force is charged with staying abreast of the unique nuances and claims which will arise as this situation continues to unfold."

Subprime Mortgage Task Force attorneys and advisors are experienced in the following specific areas:

- Representing lenders, servicers and investors in state, federal and bankruptcy courts, including complex litigation involving allegations of mortgage fraud, predatory lending and/or regulatory violations – class actions as well as individual actions relative to loan origination and servicing;
- All aspects of default representation including foreclosure, bankruptcy, eviction and REO;
- Assisting with state and federal public policies such as pending subprime mortgage legislation;
- Representing the mortgage lending and servicing community in all aspects of single-family, multi-family and commercial originations;
- Quality control/quality assurance review of suspect loans including review of loans originated through sub-prime loan products thought to be part of mortgage fraud schemes;
- Conducting discreet corporate investigations for Boards of Directors and Audit Committees of publicly-traded companies to ensure compliance with all federal and state laws;
- Creative, cost-effective ideas for loss mitigation and alternatives to litigation, and when necessary, providing a team of litigators who are focused on the client's best interest whether the issue is servicer or lender liability, white collar crime, government investigation, bankruptcy litigation, class action with potential punitive damages, or state or federal regulatory issues;

- State and federal regulatory compliance including TILA, RESPA, HUMDA, HOEPA, licensing, claims of unfair and deceptive trade practices and breach of fiduciary duty;
- Lender – investor relations, including repurchase and indemnification demands for alleged breach of purchase or pooling services agreements, early payment default and other issues;
- Title clearance and title claims;
- Environmental issues involving secured collateral;
- Capital market activities; and
- Investment banking and corporate acquisitions and divestitures.

For more detailed information about Baker Donelson's Subprime Mortgage Task Force, please visit the Subprime Mortgage Task Force area of www.bakerdonelson.com.