

Minutes of the Meeting of the Technology Initiatives Committee

MBA Commercial Board of Governors

Sunday, February 4, 2001

San Diego Marriott, San Diego, CA

The meeting was called to order by Gennaro Cataldo, committee chairman, at 11:05 AM. Following the introduction of John Super (vice chairman), Daniel Szparaga (MBA staff representative) and special guest Andrew Gold from the University of North Carolina, Gennaro extended an invitation to all members of the Technology Initiatives Committee to participate in the leadership of the Committee. The current leadership welcomed the opportunity to work with other MBA members on issues of mutual interest and concern.

Mr. Cataldo then described the two COMBOG strategic objectives for which the Technology Initiatives Committee had responsibility. These were Objective 5 (Understand the Technology Landscape As It Exists Today) and Objective 6 (Advance the Use of Technology in the Industry). Objective 5 is being met by the completion of the e-commerce White Paper that Mr. Gold would address later in the meeting. Objective 6 is being met by a variety of activities, such as the work being advanced by Lender Technologies Corporation (LTC), the MISMO effort (in conjunction with the CMSA) and another effort by the MBA that is just underway known as PKI. Mr. Cataldo presented summary information about PKI, its potential uses in the industry and MBA's role in the effort. Mr. Cataldo announced the hiring of Gabe Minton by the MBA to staff MISMO and activate its PKI efforts.

Mr. Szparaga next provided an overview of the MISMO Commercial Working Group's activities to date. This overview covered the members of the group, its mission, the status of the meetings and its initial set of deliverables to the industry. Maynard Ahner of SS & C Inc. asked about anticipated adoption of version 1.0 of the standard. Mr. Szparaga responded that it was impossible to predict, but it was likely that the dot-com's would be the early adopters, followed by other mainstream users once the standard had been accepted by the industry. Mr. Cataldo further responded that the development and adoption of a standard was a long-term effort that would take several years to manifest itself.

Mr. Gold of UNC next provided a summary of the White Paper that would soon be released by the COMBOG. Included in his presentation was an announcement of the Registry component of the project and overviews of cross-industry developments that could have an impact on our industry.

Following Mr. Gold's presentation, Mr. Cataldo announced that the formation of COMBOG's National Policy Agenda included three technology items. He explained the formation of the Agenda, the tech items on it and the role it would play within the Association. Mr. Szparaga offered summaries of the tech items to interested parties via a handout.

Mr. Cataldo opened the meeting to questions. Jim Simpson of e-Cognita asked about the level of government regulation foreseen by the MBA regarding the common standards effort. Mr. Gold described the regulatory activities of government agencies to date in other standards efforts (such as Covisint by the Big 3 automakers). Mr. Szparaga spoke for the Association by stating that MISMO's drive for open standards should satisfy any regulatory concern. Allen Zitting of Allen Mortgage asked about impacts on the small originator. Mr. Cataldo answered that the migration to a common data standard should help the small mortgage banker by easing data transmission and reducing manual entry. Mr. Ahner offered that Mr. Zitting's question spoke to his earlier question about adoption. Mr. Simpson next asked about other industry's data standards efforts, and Mr. Gold elaborated upon his previous answer. A question was asked if news on the MISMO effort would be available on-line, and Gail Davis (Senior Staff Vice President for CREF) replied that the MISMO web site would soon be updated for news of the commercial effort. She also requested that people interested in receiving e-mail updates leave their e-mail address with Mr. Szparaga.

Mr. Cataldo closed out the question session, announced that the next meeting of the Technology Initiatives Committee would be held at the Fall Forum in Toronto, and adjourned the meeting at 11:50 AM.

Respectfully Submitted,

Daniel P. Szparaga

Mortgage Bankers Association

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