LOANNEX EXCEPTIONS MANAGEMENT

Client Admin Configuration Setup Guide

Contents

SEPTEMBER 2, 2025

LoanNEX

16 North Central Avenue, Saint Louis, MO 63105

Exceptions Introduction

The LoanNEX Exception Management Workflow is a configurable, opt-in feature that allows buyers to manage loan-level exceptions with precision – improving transparency, control, and efficiency in managing loan-level exceptions across buyer and seller accounts. By default, sellers will not be able to request exceptions until the feature is enabled in the Buyer's account.

- Allow sellers to submit exception requests directly from ineligible pricing scenarios or through a general request flow.
- Buyers can review and respond to these requests using configurable forms, define exception-specific rules, and communicate approvals or denials with automated status updates and audit tracking.
- Approved exceptions update loan eligibility and pricing views for sellers, including lock confirmation and pipeline indicators.
- The workflow supports documentation uploads, custom form fields, and full exception lifecycle reporting.

To review the full Exceptions workflow for sellers and buyers, please see the Exceptions Workflow User Guide in the LoanNEX Resource Center.

For non-pricing adjustments, LoanNEX also allows for Eligibility Waivers which allow eligibility overrides without the formal exception adjustment. See additional information by going to the section of this guide.

Exceptions Configuration and Setup

Configuring the Exception Request Form Overview

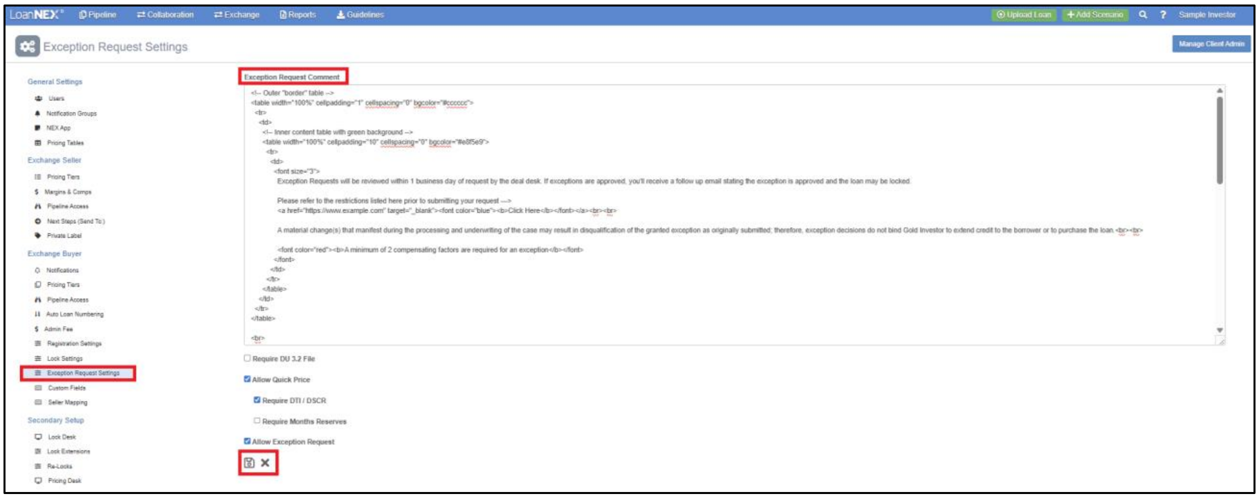
Create a customized Exception Request Form that fits your unique workflow.

- The form can include investor disclaimer text, links to relevant documents or guidelines, and fields for capturing request details and compensating factors.
- You'll also be able to define your own custom fields – ranging from dropdowns to numeric and text inputs – with full control over which are required.

Completing the Form configuration setup steps does NOT enable Exceptions for Sellers, ensure the Enable (Allow) Exception Requests steps are completed as well to enable Exceptions for Sellers on your Account.

Configure Exception Request Form Instructions

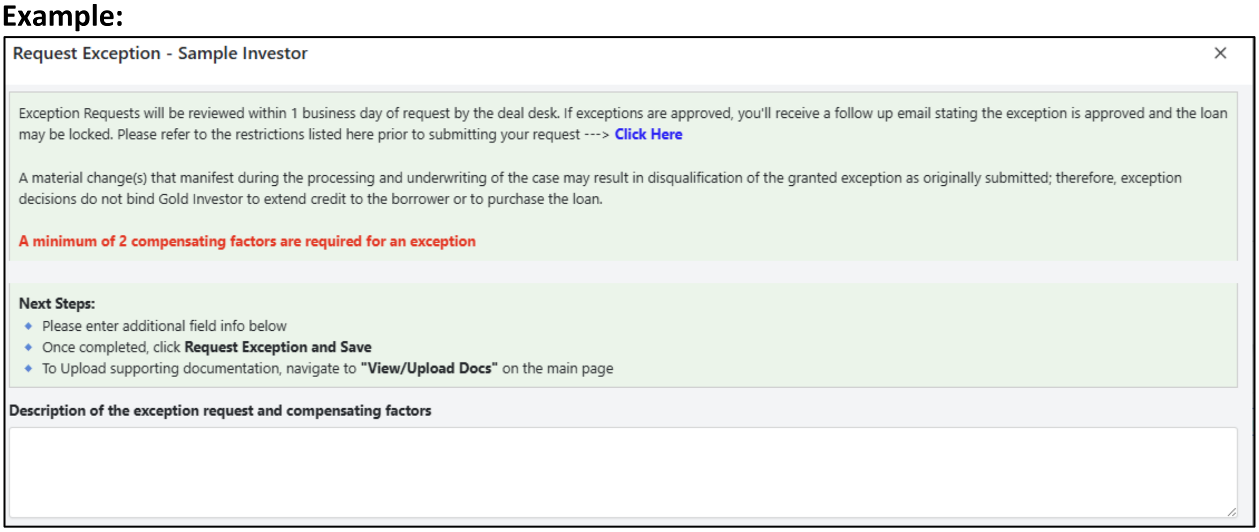
Customize the Request Exception Instructions text displayed at the top of the exception request form. This is useful for communicating submission guidelines, turn time expectations, or disallowed exception types to help sellers navigate the process more effectively. Hyperlinks and formatted text can also be included.



1. Select your Username in the upper left corner of the screen and select **Client Admin**
2. Select **Exception Request Settings** from the left menu bar
3. Enter your desired text instructions in the **Exception Request Comment** field
4. Click the **Save** icon

Note: If you'd like to include hyperlinks or rich formatting (as shown in the example), please contact support@loannex.com for assistance.

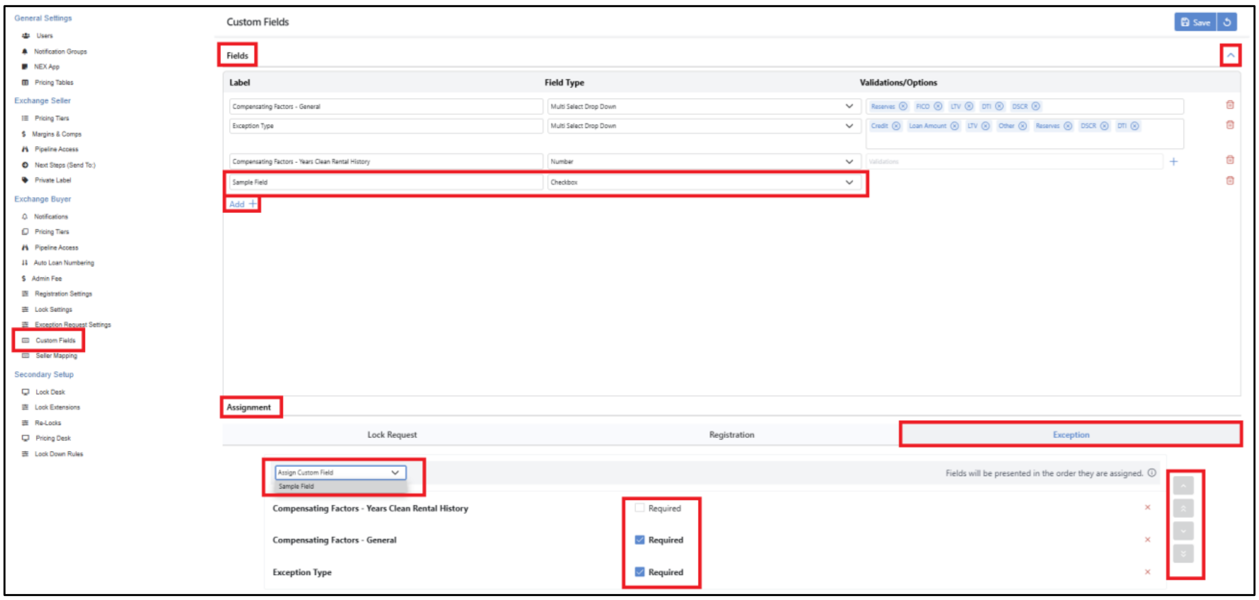
Example:



Configure Custom Fields for Exception Request Form

Configure custom fields for the Exception Request Form which sellers may complete, or be required to complete, as part of the exception request process. These may include items like compensating factors, employment type, years in the same job, and more.

- You can define fields as text inputs, dropdowns, or other supported formats.
- **Note:** There's no need to recreate loan attributes (LTV, Doc Type, Loan Amount) as custom fields–NEX App loan inputs will automatically appear on the exception request form.

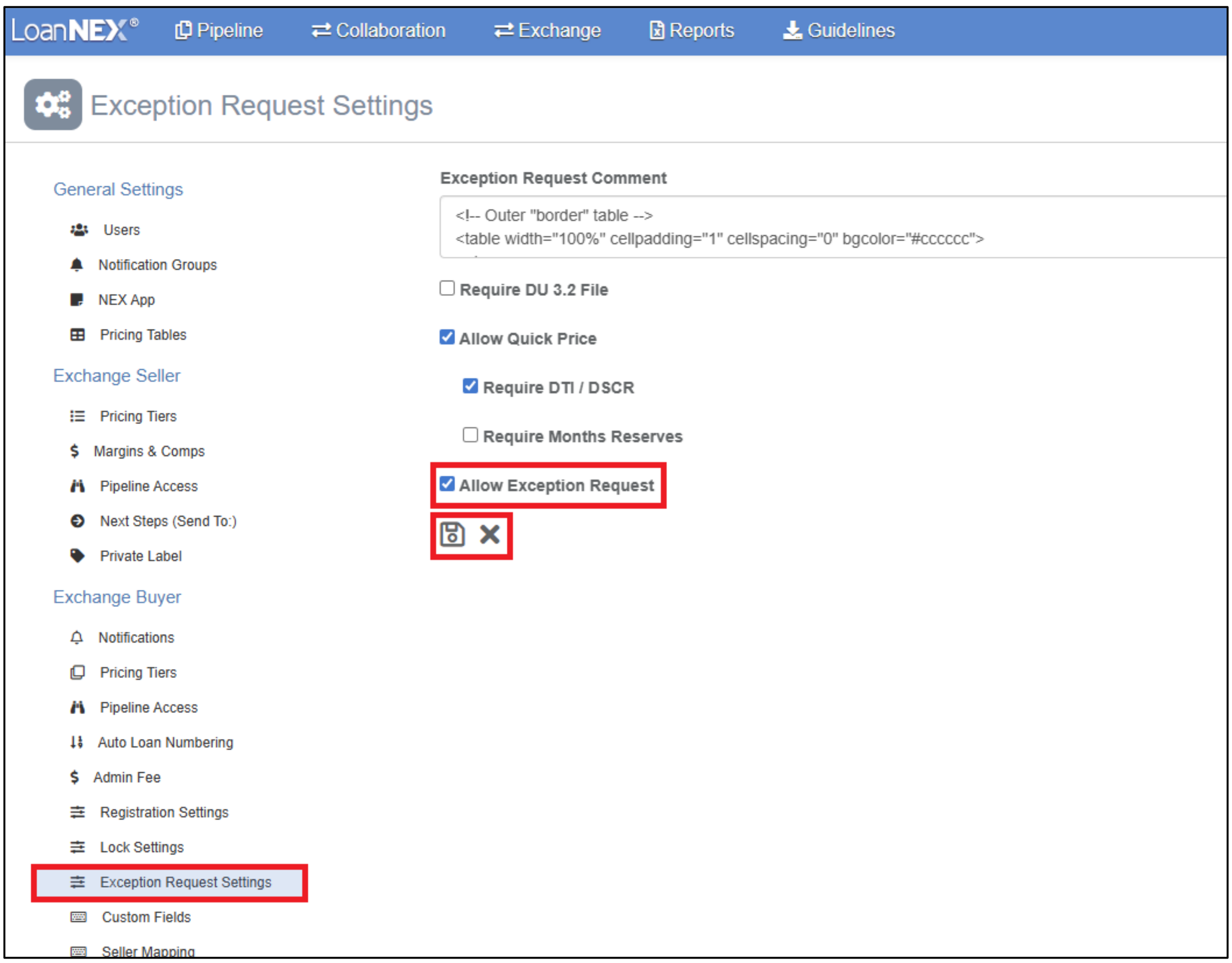


1. Select your Username in the upper left corner of the screen and select **Client Admin**
2. Select **Custom Fields** from the left menu bar
3. Select the arrow to open the **Fields** dropdown and select **Add**
4. Set a **Field Label** and choose a **Field Type**:
    a. String: Displays a text box. Under *Validation/Options*, you can set min/max length or use pattern validation:
        i. For phone number enter validation as follows: ^(\(?\d{3}\)?[\s.-]?)?\d{3}[\s.-]?\d{4}$
        ii. For emails enter validation as follows: ^[\w-\.]+@([\w-]+\.)+[\w-]{2,4}$
    b. Number: Define min/max values
    c. Dropdown: Enter each option in the *Validation/Options* box and press Enter. The order entered determines the display order
    d. Multi Select Dropdown**:** Same configuration as Dropdown above, but allows user to choose multiple options during request
5. Once your custom fields are created, assign them to the exception request form:
    a. Scroll to the **Assignment** section below Fields

b. Click **Exception**
c. Use the **Assign Custom Field** dropdown to add fields
d. Use the arrows to reorder fields as they appear to users
e. Specify which fields are **required** vs **optional**

Enable (Allow) Exception Requests

Enabling Exception Request for the Account will automatically allow Sellers to submit Exception Requests. Please ensure you have completed the Configuring the Exception Request Form and Custom fields steps before enabling (allowing) exception requests.



1. Select your Username in the upper left corner of the screen and select **Client Admin**
2. Select **Exception Request Settings** from the left menu bar
3. Check the box for **Allow Exception Request**
4. Click the **Save** icon

Exceptions User Experience

Seller Exceptions Experience

Once exception management is enabled, sellers will see new options when a program is ineligible or unavailable.

Trigger Points:
- Ineligible Products Window: Request exception on a specific program
- Generic Button: Submit a general exception request

Seller Workflow:
- User completes Exception Request form
    - Adds compensating factors
    - Uploads documentation (optional)
- User sees pipeline status update to "Exception Requested"
- User will receives email confirmations for approval or denied exceptions

Buyer Exceptions Experience

Reviewing Exception Requests

Buyers manage incoming requests from the Exception queue in the LoanNEX Exchange.
In the Exception Queue:

- View pending requests across entire pipeline
- See full transaction summary
- Access uploaded documents
- Review the formatted Exception Request PDF (displays loan data and Exception Request form responses).All actions are logged in the Activity Log

Approve or Deny Exception Requests

Once reviewed, buyers can either approve or deny the request.

Denying an Exception Request:
- Add optional denial comments
- Seller is notified via email
- Activity Log and Exchange Report are updated

- Seller may revise and resubmit the Exception Request

Approving an Exception Request:

- Define the program to be approved (program will be auto-filled if the Seller User submitted the Exception Request via the ineligible window)
- Configure custom rules:
    - Min/Max values for credit attributes (LTV, DTI, FICO)
    - Allowed selections for program attributes (Doc Type, Purpose)
    - Optional min rate or max price
    - Optional pricing adjustments
- Save and approve
- Optionally reprice the loan from seller view to validate rule impact

Post-Approval Process

Seller View:

- Pipeline status updates to "Exception Approved"
- Seller receives approval email
- Green E icon appears on eligible program
- Transaction summary and lock confirmation reflect exception status

Locking:

- Seller locks loan using approved exception
- Boundaries of the exception are visible via expanded info tooltips

Managing Non-Pricing Adjustments: Waivers and Late Eligibility

If a loan falls out of eligibility or if no pricing adjustment is needed, buyers may issue an eligibility waiver.

Use Cases:

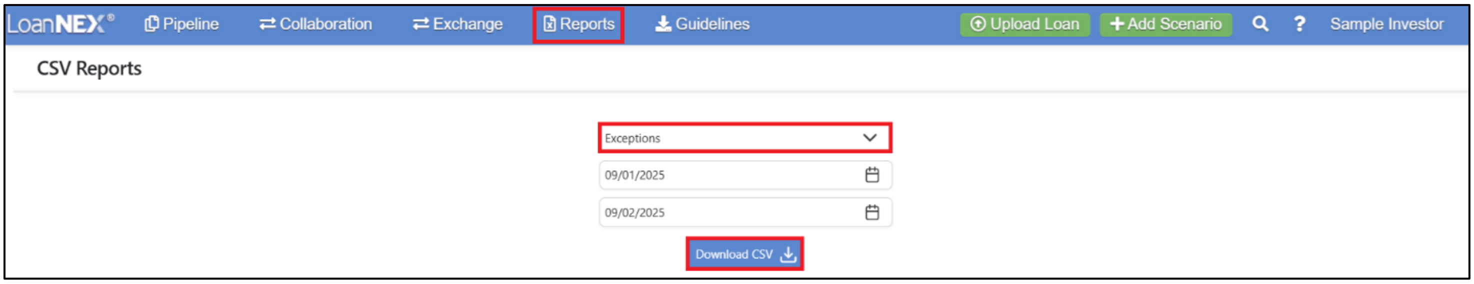
- Loan was initially eligible but later fails
- Seller modifies terms post-lock
- Only an eligibility override is needed

Process:

- Approve waiver
- Flag appears on pricing screen
- No formal exception adjustment needed

Exceptions Reporting and Auditing

Exception activity is fully reportable within Exchange Pipeline Reports. Use reports for audit, compliance, and pipeline trend analysis.



Nex Id	Lock Number	Primary Borrower Name	Official Loan Of	Buyer Name	Loan Purpose	Seller Originator	Lock Requested Date	Lock Approved Date	Last Exception Requ	Exception Requested Coun	Exception Requested Date(s	Exception Approved	Exception Approved Date	Last Exception Ap
22Z-U7B		Sam Second	Gold Bridge	Sample Investor	Purchase	GoldBridgeAdmin			GoldBridgeAdmin	1	9/2/2025 12:52	Y	9/2/2025 12:55	SampleInvestor
22Z-U7U		Deny Test	Gold Bridge	Sample Investor	Purchase	GoldBridgeAdmin			GoldBridgeAdmin	1	9/2/2025 12:46	N		
22Z-U7B		Sam Second	Gold Bridge	Sample Investor	Purchase	GoldBridgeAdmin			GoldBridgeAdmin	1	9/2/2025 12:52	Y	9/2/2025 12:55	SampleInvestor
22Z-U4V	22Z-U4V	Jane Doe	Gold Bridge	Sample Investor	Purchase	GoldBridgeAdmin	9/2/2025 12:33	9/2/2025 12:36	GoldBridgeAdmin	1	9/2/2025 10:47	Y	9/2/2025 12:29	SampleInvestor

Fields Captured:

- Request Date
- Approval/Denial Status
- Exception Adjustments
- Custom Form Responses
- Denial Comments
- Eligibility vs Pricing Exception Type

LoanNEX Support Information

Support Case Submission Process

1. Select the appropriate email address below:
    a. Client Support / Configuration Settings: support@loannex.com
    b. Eligibility & Pricing Inquiries: investorsupport@loannex.com
    c. LO Connect Integration Team Email: integrations@loannex.com
2. Include Contact Information:
    a. First and Last Name
    b. Company Name
    c. Email
    d. Telephone
3. Include a detailed description of your Case
4. A Case will be created, and the appropriate LoanNEX Team member notified
5. LoanNEX will respond within one business day to address your Case

Sales and General Inquiries Contact Information

- Main Phone: (314) 833-6464
- Sales Email: sales@loannex.com
    - Product demonstrations
    - Additional service requests
- General Inquiries Email: info@loannex.com
- Billing Inquiries Email: support@loannex.com