



## **Encore Discovery Solutions Forms Subprime Services Unit**

*Leading E-Discovery Services Provider Forms Interdisciplinary Team to Provide Knowledge, Experience in Subprime Cases*

Phoenix, AZ (July 15, 2008) - Encore Discovery Solutions, a knowledge-based provider of electronic discovery and related services, announced today that it has formed a business unit featuring industry experts in matters related to subprime litigation. The group of professionals selected for this effort reflects the diversity of background, experience and expertise of Encore's staff and the broad range of legal and technical knowledge the company has developed. Subprime Unit members include attorneys, paralegals, experts in operations and workflows, forensic experts, project managers and technical experts. Encore's dedicated Subprime Unit includes professionals based in multiple venues across the United States and exists to help its clients gain the full value of Encore's experience with large complex litigation in general and subprime lending-related litigation in particular.

The financial crisis in the subprime market has led to an unprecedented wave of regulatory inquiries and private securities litigation. Encore's Subprime Services Unit is specifically built to create repetitive and defensible processes, which is especially important given the number of cases and the potential for serial litigation. In the hundreds of subprime related suits that have been filed already, there have been various theories of liability and very diverse causes of action, resulting in complex cases that can be expensive to litigate and may ultimately turn on evidence generated from the electronic discovery process.

Because of the high financial stakes, great number of stakeholders and large troves of electronic documents, subprime cases are expected to be some of the largest cases in history, possibly even exceeding the Enron litigation, which is generally acknowledged to be the largest case ever. Large cases can be especially difficult, as costs and errors can grow exponentially. "Our Subprime Services Unit leverages much of the experience Encore gained by managing large matters with complex, repetitive data and tight deadlines, as we did over many years with Enron," said Gregory J. Mazares, Encore's President and CEO. Encore was selected by both the plaintiff and defense groups to become the court-appointed provider of litigation support services to hundreds of law firms and parties in the Enron civil litigation. "We are uniquely situated to help clients with large, high-profile cases where we can expect immense scrutiny by the courts, government agencies and the general public."

“Subprime lending cases are not your standard litigation,” added Mazares. “Not only are the cases enormous, but they are extremely complex, with many interconnected stakeholders. Mortgage holders, banks, mortgage companies, real estate brokers, title companies, shareholders, government and regulatory agencies, state attorneys general and bond rating agencies are all among those involved – sometimes in the same case.” Encore has experience working with all of these constituencies and has already worked for most of the large law firms and government agencies involved in subprime litigation, as well as at least six affected companies, including some of the best-known financial institutions.

The fact that numerous government entities are involved puts a high premium on the use of sound electronic discovery processes, chain of custody and especially forensic expertise. “What may start as a broad-based investigation by the SEC could quickly evolve into a complex web of related cases,” said Hemanth Salem, Encore’s Vice President of Professional Services and member of the Subprime Services Unit. “For example, the discovery process must factor in that an investigation could quickly expand to include 10b-5 and derivative cases, ERISA ‘stock-drop’ cases, fraud or negligence claims revolving around slack underwriting standards, lack of appropriate internal accounting controls and failure to disclose exposure to risk in MBSs and CDOs.”

The members of Encore’s Subprime Services Unit have the knowledge and experience to put together unique workflows and technologies based on repeatable, defensible processes that help its clients manage such intense scrutiny from multiple angles consistently and efficiently. This reflects Encore’s overall philosophy of working with its clients to choose the best processes and technologies for each project, ensuring the highest level of quality, efficiency, and cost savings. Added Mazares, “The experience of our Subprime Unit members in working within many discovery processes and workflows, combined with Encore’s commitment to utilize best-in-breed technology, can provide our clients with a distinct advantage in the large, complex cases revolving around subprime lending.”

### **About Encore Discovery Solutions**

Through a combination of knowledge and innovation, and with a focus on helping clients achieve favorable results, Encore Discovery Solutions provides a broad range of discovery solutions to major law firms and corporate legal departments across the U.S. According to independent surveys in 2006 and 2007, Encore is ranked as one of the leading providers of electronic data discovery and related services, including Web hosting, data forensics and collections, imaging, coding and reprographics. For more information, please visit [www.encorediscovery.com](http://www.encorediscovery.com).

### **Contact**

Brad Blickstein for Encore Discovery Solutions  
Blickstein Group, Inc.  
847-256-5298  
[brad@blicksteingroup.com](mailto:brad@blicksteingroup.com)