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U.S. DISTRICT COURT E.D.N.Y.
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LONG ISLAND OFFICE

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
----------X
CYBER FINANCIAL NETWORK, INC.,

Plaintiff,

-against-

LENDINGTREE, INC.,

Defendant.
----------X

COMPLAINT
DECLARATORY JUDGMENT

(SJ) CV 03 6062

Civil Action No.

FEUERSTEIN, J.

Plaint

WALL, M.J.

Plaintiff, Cyber Financial Network, Inc. ("CFN" or "Plaintiff"), by its attorneys, Jaspan Schlesinger Hoffman LLP, as and for its complaint for declaratory judgment against defendant, LendingTree, Inc. ("Defendant" or "LendingTree"), alleges as follows:

THE PARTIES

1. Plaintiff, CFN, is engaged in Internet based businesses and is a corporation existing under the laws of the State of Delaware and duly authorized to transact business in the State of New York, having its principal place of business at 1660 Walt Whitman Road, Suite 100, Melville, New York 11747.

2. Prior to 2001, CFN was known as Cyber Media Group, Inc. ("CMG") (together with CFN referred to herein as the "Company").

3. At all relevant times herein, Plaintiff has owned and operated an Internet website used in commerce with the duly registered domain name Mortgage Expo.com, with a URL address http://www.mortgageexpo.com (hereinafter, "Mortgage Expo" or "Website"), which enables consumers, at no cost, to complete a confidential online questionnaire in order to obtain a mortgage quote from a participating, licensed mortgage company, bank or broker.

4. At all relevant times herein, LendingTree is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 11115

Rushmore Drive, Charlotte, North Carolina 28277.

5. At all relevant times herein, LendingTree is a registered mortgage broker with the State of New York Banking Department.

6. Upon information and belief, at all relevant times herein LendingTree conducts business as a registered mortgage broker within the State of New York.

7. Upon information and belief, LT Technologies, in lieu of true name LendingTree, Inc., is a registered mortgage broker with the State of New York Banking Department, with Registration Number A004890.

8. Upon information and belief, LT Technologies is the same entity as LendingTree.

9. Upon information and belief, LT Technologies is an affiliate and/or related company of LendingTree.

10. Upon information and belief, LendingTree does substantial business in, and has general and systematic contacts with, the State of New York and this judicial district.

11. Upon information and belief, LendingTree is a computerized loan originator.

12. At all relevant times herein, LendingTree has owned and/or operated an Internet website used in commerce with the registered domain name, LendingTree.com., with a URL address http://www.lendingtree.com.

NATURE OF CLAIMS, JURISDICTION, AND VENUE

13. In this action, CFN seeks a declaratory judgment of patent noninfringement pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201-02, and the Patent Laws of the United States, 35 U.S.C. § 100 *et seq.* LendingTree's conduct has, and continues to, put CFN under a reasonable and serious apprehension of imminent suit for patent infringement. With this lawsuit, CFN seeks declaratory judgment that CFN's MortgageExpo website does not infringe the LendingTree patent.

14. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C §§ 2201-02 and 28 U.S.C. §§ 1331 and 1338(a).

15. This Court has personal jurisdiction over Defendant as Defendant transacts business within the State of New York and is a registered mortgage broker with the State of New York Banking Department and pursuant to CPLR § 302(a) in that, upon information and belief, Defendant:

(a) transacts business within the State of New York or contracts to supply goods or services in the State of New York; and/or

(b) owns, uses, or possesses any real property situated within the State of New York.

16. Venue lies in this Court pursuant to 28 U.S.C. §§ 1391(b)(2) and (c) since a substantial portion of the events giving rise to the instant action for declaratory relief have occurred in principal part in this judicial district.

FACTUAL BACKGROUND

17. During the period from at least the end of 1997 into the beginning of 1998, the Company developed and created its business model and the Mortgage Expo website.

18. The Mortgage Expo website was launched on the Internet for use in commerce on or about March 1, 1998, and has been doing business on the Internet ever since that time.

19. At all relevant times, the Company has owned and operated the Mortgage Expo website and its graphics, displays, content and programs.

20. For a period of time prior to Mortgage Expo coming online in March, 1998, the Company directed the creation and development of the design, graphics, content and computer software program written to operate the Website.

21. Plaintiff, by its affiliate, Mortgage Expo, Inc., submitted an application for registration of the service mark "Mortgage Expo" with the United States Patent and Trademark

Office on or about April 4, 2003, indicating that the Mortgage Expo mark has been in use since at least March 8, 1998.

22. Plaintiff, by its affiliate, Mortgage Expo, Inc., submitted the software source code of the Mortgage Expo website and the text of screen displays for the Website for copyright registration with the United States Copyright Office on or about September 24, 2003 and paid the requisite fees.

23. The source code created by Plaintiff for the operational program of the Website provides explanatory and instructional text as well as a series of software questionnaires for potential consumers to fill-out relating to their home financing needs. Each questionnaire was created by Plaintiff with consideration to the font, wording, categories, and what specific questions to ask.

24. The computer program created by the Company searches the Company's database of participating mortgage companies based on certain criteria provided by the consumer. The computer program attempts to disseminate the consumer's loan request based on the following criteria created by the Company: (1) property type, (2) what the loan will be used for, (3) a consumers' estimation of their credit history, and (4) where the property is located. Thus, the only credit information used by CFN is the estimate selected by the consumer using a selection from a pull-down menu containing six general categories, such as "Excellent Credit" and "Good Credit" choices. Once a single match is identified with a mortgage company, the mortgage company pursues a loan application with the consumer that is totally independent of CFN. The consumer is under no obligation to use the mortgage company or the type of loan identified. The information submitted by the consumer in the online questionnaire is kept completely confidential and is only shared with the participating mortgage company the consumer is matched with.

25. Unlike LendingTree, CFN does not access credit data from any credit reporting agency.

26. In order to join the Mortgage Expo network, participating mortgage companies are required to enter into a written contract created by the Company known as a Zip Code Lock In Agreement ("Agreement"). The Agreements enable the participating mortgage company, as the client of CFN, to obtain information entered by a consumer who visits the Website and completes an online Questionnaire in search of a mortgage or other home loan financing. Essentially, the mortgage company, as the client of CFN, contracts with Plaintiff to view consumer loan inquiries resulting from completed online Questionnaires in a chosen loan category in geographic areas chosen by the mortgage company client.

27. Upon information and belief, U.S. Patent No. 6,611,816 (the "'816 patent"), entitled "Method And Computer Network For Co-Ordinating A Loan Over The Internet" is a continuation of an application filed on May 8, 1998 and issued on August 26, 2003. The inventors named on the '816 patent are Douglas Lebda and Richard Stiegler. A copy of the '816 patent is attached hereto and incorporated herein as Exhibit "A". Upon information and belief, LendingTree is the assignee and owner of the '816 patent.

28. By letter dated October 14, 2003 (a copy of which is attached hereto as Exhibit "B") (the "October 14 Letter"), an Assistant General Counsel for LendingTree notified CFN that "[t]he '816 patent is directed to methods and computer networks for coordinating an electronic credit application between an Internet user and a plurality of lending institutions via the Internet." In addition, the October 14 Letter notified CFN that LendingTree's "online lending process enables a consumer to receive multiple loan offers from different lenders by submitting a single credit application over the Internet."

29. The October 14 Letter also advised CFN that LendingTree believed the Mortgage

Expo website "links borrowers to a plurality of lending institutions via the Internet" and "matches credit data supplied by the consumer via the Internet with lending criteria provided by various lending institutions and provides the consumer with one or more loan offers based upon those matches."

30. Although in its October 14 Letter Lending Tree claimed it was "not charging [CFN] with infringement of the '816 patent *at this time*" (emphasis added), LendingTree did advise CFN that "it is clear to us that the online service provided by your company is strikingly similar to the processes described in the patent."

31. By letter dated November 4, 2003 (a copy of which is attached hereto as Exhibit "C"), the undersigned firm advised LendingTree that CFN's business practices are a fundamentally different and distinct process from those described in the '816 patent.

32. LendingTree was advised that CFN does not provide an online service that links borrowers to a plurality of lending institutions via the Internet; that CFN does not match credit data supplied by the consumer via the Internet with lending criteria provided by various lending institutions; and that CFN does not receive or store selection criteria from a plurality of lending institutions and does not implement, employ, filter or match a selection criteria with credit data verified by any credit reporting agencies to select one or more mortgage companies.

33. Thereafter, by letter dated November 25, 2003 (a copy of which is attached as Exhibit "D") (the "November 25 Letter"), outside counsel for LendingTree advised the undersigned firm that it did "not understand how you have come to the conclusion that CFN is not infringing the '816 patent." In particular, the November 25 Letter included an "analysis of how CFN's business model appears to relate directly to Claim 1 of the '816 patent." The analysis contained in the November 25 Letter was "offered in an effort to provide you with an

understanding of why we disagree with your conclusion that CFN is not infringing the '816 patent."

34. In the specification of the '816 patent, at column 1, lines 56 through 65, it is asserted that an object of the patent is to provide a process to "apply for credit from a large number of lending institutions" and a further object is to "provide a universal credit application over the Internet and to allow the Internet user to submit a single credit application to a plurality of lending institutions who then make offers to the customer via the Internet."

35. The specification of the '816 patent, at column 1, line 66 to column 2, lines 1 through 25, teaches that LendingTree provides a method "for coordinating an electronic credit application between an Internet user and a plurality of lending institutions via the Internet" which "comprises the steps of displaying a plurality of documents to an Internet user, receiving a plurality of credit data sent from the Internet user; matching an electronic credit application to a filter comprising a plurality of selection criteria; transmitting the credit data to a plurality of lending institutions via one of four methods; and responding to the Internet user via the Internet." The documents sent to the Internet user "includes a series of questions pertaining to their desired loan, followed by the appropriate type of loan application." When the loan application is completed, a filter matches the credit data entered by the Internet user. The filter "is made up of a plurality of selection criteria in which a specific lending institution has given to" the Defendant. Once the electronic credit application is filtered, "it is sent to a list of lending institutions that match with the credit application," who "then reply as to whether the application has been accepted or rejected."

36. Upon information and belief, LendingTree's filters sort by Fair Isaac & Company ("FICO") credit score range; loan-to-value percentages; average loan size; and maximum and minimum loan amounts and loan type and term.

37. In its business model and Website, CFN does not sort by FICO credit score range; loan-to-value percentages; average loan size; or maximum and minimum loan amounts or loan type or term.

38. CFN's past and current business model does not use a method for coordinating an electronic credit application between an Internet user and a plurality of lending institutions via the Internet. In the Mortgage Expo website, a consumer who visits the site, completes a confidential online questionnaire, and forwards that questionnaire to CFN. CFN then forwards the information from the questionnaire to a licensed mortgage company that has paid a fee to CFN to view consumer loan inquiries resulting from completed online questionnaires in a chosen loan category by geographic area chosen by the mortgage company client.

39. In its business model and Website, CFN does not provide credit data to its participating licensed mortgage company members nor does CFN directly receive or display credit data other than that selected by a customer from the six broad categories of the pull-down menu selections of the Questionnaire.

40. Unlike LendingTree, CFN does not receive loan selection criteria from a plurality of lending institutions but uses its own search criteria for the filtering of consumer information.

41. Unlike LendingTree, CFN does not require consumers to complete an online loan application with required fields, such as Social Security number, date of birth, and co-borrower information, in order to obtain a mortgage quote.

42. In its business model and Website, CFN does not filter or transmit credit data to a plurality of lending institutions.

43. In its business model and Website, CFN does not employ selection criteria from its participating licensed mortgage companies to filter credit data to automatically select one or more lending institutions from the plurality of lending institutions.

44. In its business model and Website, CFN does not transmit credit data to each of the selected lending institutions.

45. In the CFN business model and Website, selected lending institutions do not compete with each other for business with the consumer, as the consumer loan inquiry is delivered exclusively to the mortgage company that has purchased the geographic area in which the consumer has requested a loan.

46. Unlike LendingTree, CFN does not earn fees from the closing of a consumer loan transaction.

47. Unlike LendingTree, CFN does not earn fees per loan request.

AS AND FOR THE FIRST CAUSE OF ACTION
(Declaratory Judgment Action for a Declaration of Noninfringement of U.S. Patent No. 6,611,816 B2)

48. Plaintiff repeats and realleges the allegations set forth in paragraphs "1" through "47" above as though fully set forth herein.

49. LendingTree has accused CFN of infringing the '816 patent through its use and operation of the Mortgage Expo website.

50. Based on the actions of LendingTree and the totality of the circumstances, CFN has a reasonable apprehension that LendingTree will file a patent infringement action against it if CFN continues to use and operate its duly registered Mortgage Expo website. Therefore, a valid and justifiable controversy has arisen and exists between CFN and LendingTree within the meaning of 28 U.S.C. § 2201.

51. CFN has not infringed any valid and enforceable claim of the '816 patent, either literally or under the doctrine of equivalents.

52. A judicial declaration of noninfringement is necessary and appropriate in order to resolve this controversy.

JURY TRIAL DEMAND

53. Plaintiff demands a trial by jury on all issues so triable in this action.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, CFN, prays for judgment against Defendant as follows:

1. Declaring that CFN has not infringed any of the claims of U.S. Patent No. 6,611,816 B2;

2. Awarding CFN its costs and disbursements in this action, including reasonable attorney's fees; and

3. Awarding CFN such other and further relief as the Court deems just and proper.

Dated: December 1, 2003
Garden City, New York

JASPAN SCHLESINGER HOFFMAN LLP
Attorneys for Plaintiff CYBER FINANCIAL NETWORK, INC.

By: _____

STEVEN R. SCHLESINGER (SS 4225)
SCOTT B. FISHER (SF 3696)
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Garden City, New York 11530
(516) 746-8000

Exhibit A

US006611816B2

(12) **United States Patent**
Lebda et al.

(10) **Patent No.: US 6,611,816 B2**
(45) **Date of Patent: *Aug. 26, 2003**

(54) **METHOD AND COMPUTER NETWORK FOR CO-ORDINATING A LOAN OVER THE INTERNET**

(75) Inventors: **Douglas Lebda**, Charlotte, NC (US); **Richard Stiegler**, Weddington, NC (US)

(73) Assignee: **LendingTree, Inc.**, Charlotte, NC (US)

(*) Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 24 days.

This patent is subject to a terminal disclaimer.

(21) Appl. No.: **10/080,891**

(22) Filed: **Feb. 22, 2002**

(65) **Prior Publication Data**

US 2002/0077970 A1 Jun. 20, 2002

Related U.S. Application Data

(63) Continuation of application No. 09/075,136, filed on May 8, 1998, now Pat. No. 6,385,594.

(51) **Int. Cl.**[7] **G06F 17/60**

(52) **U.S. Cl.** **705/38**; 705/1; 705/35

(58) **Field of Search** 705/1, 35, 38

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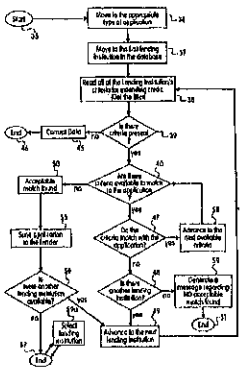
Primary Examiner—Tariq R. Hafiz
Assistant Examiner—Akiba Robinson-Boyce
(74) *Attorney, Agent, or Firm*—King & Spalding, LLP

(57) **ABSTRACT**

The invention relates to a method and a computer for coordinating an electronic credit application between an Internet user and a plurality of lending institutions via the Internet. This method involves displaying documents in a web site, and receiving credit data forming placed on the web site. After receiving this data a special loan processing computer applies a filter to the data. The filter comprises loan selection criteria provided by lending institutions which allows these institutions to filter out loan applications that they do not want. Next, after the data is filtered, it is transmitted to a plurality of lending institutions. Finally, the computer and the method then controls and coordinates communication between these lending institutions and the Internet user to match borrowers and lenders via the Internet.

24 Claims, 10 Drawing Sheets



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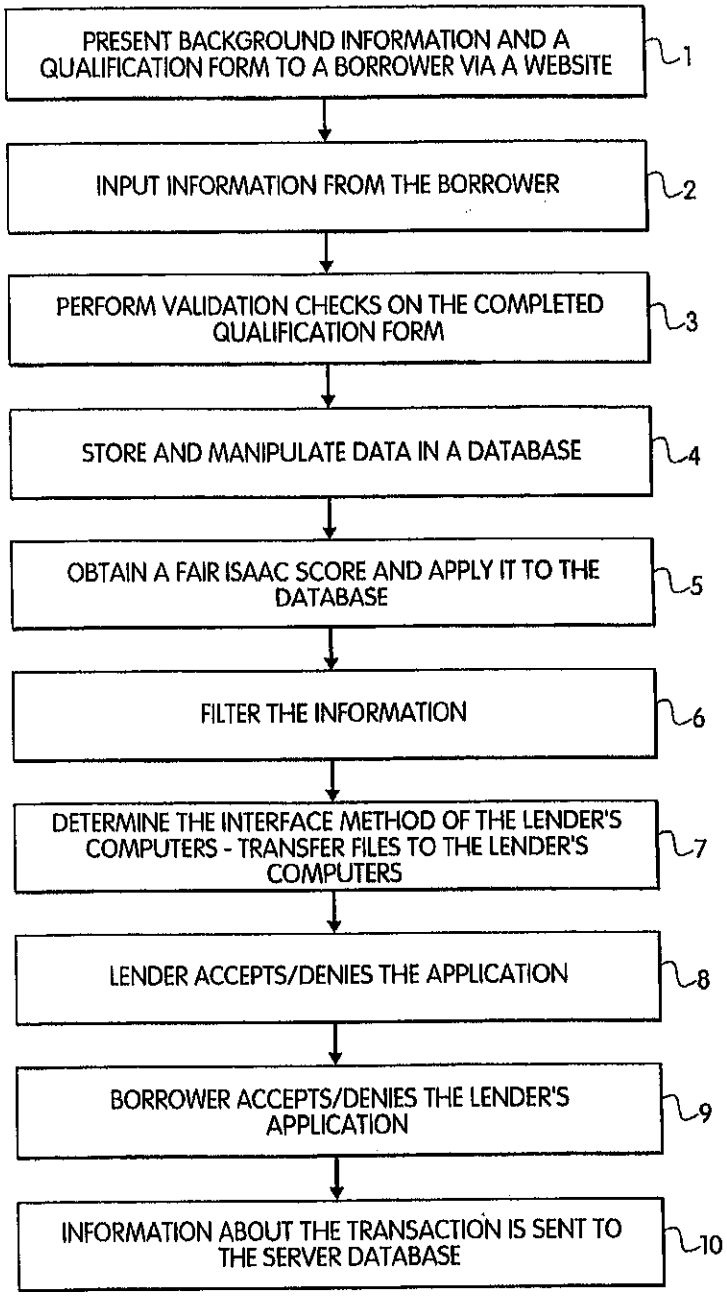
PRESENT BACKGROUND INFORMATION AND A QUALIFICATION FORM TO A BORROWER VIA A WEBSITE
1
INPUT INFORMATION FROM THE BORROWER
2
PERFORM VALIDATION CHECKS ON THE COMPLETED QUALIFICATION FORM
3
STORE AND MANIPULATE DATA IN A DATABASE
4
OBTAIN A FAIR ISAAC SCORE AND APPLY IT TO THE DATABASE
5
FILTER THE INFORMATION
6
DETERMINE THE INTERFACE METHOD OF THE LENDER'S COMPUTERS - TRANSFER FILES TO THE LENDER'S COMPUTERS
7
LENDER ACCEPTS/DENIES THE APPLICATION
8
BORROWER ACCEPTS/DENIES THE LENDER'S APPLICATION
9
INFORMATION ABOUT THE TRANSACTION IS SENT TO THE SERVER DATABASE
10

FIG. 1

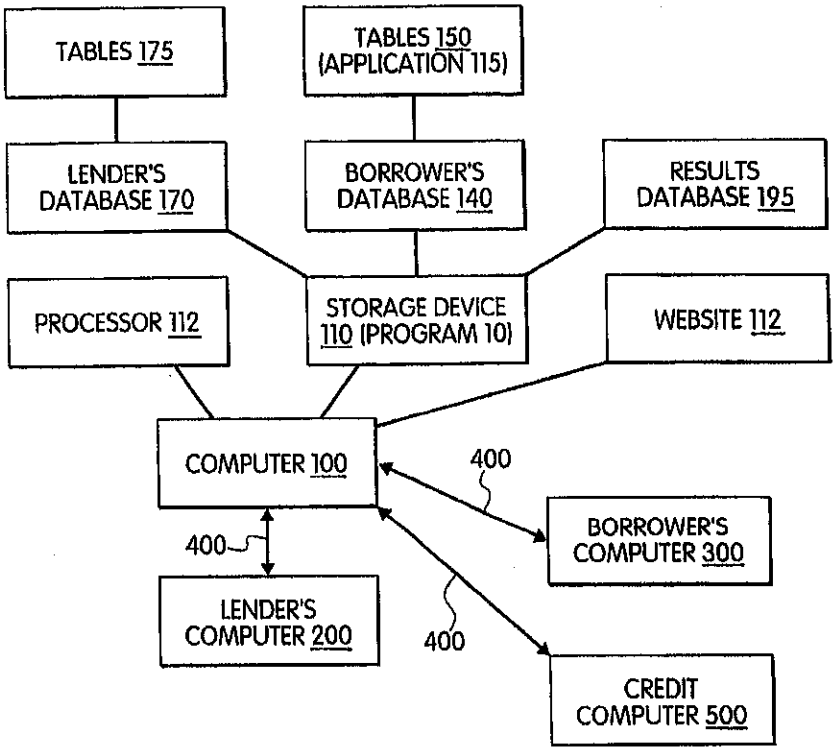
TABLES 175
TABLES 150 (APPLICATION 115)
LENDER'S DATABASE 170
BORROWER'S DATABASE 140
RESULTS DATABASE 195
PROCESSOR 112
STORAGE DEVICE 110 (PROGRAM 10)
WEBSITE 112
COMPUTER 100
400
BORROWER'S COMPUTER 300
400
LENDER'S COMPUTER 200
400
CREDIT COMPUTER 500

FIG. 2

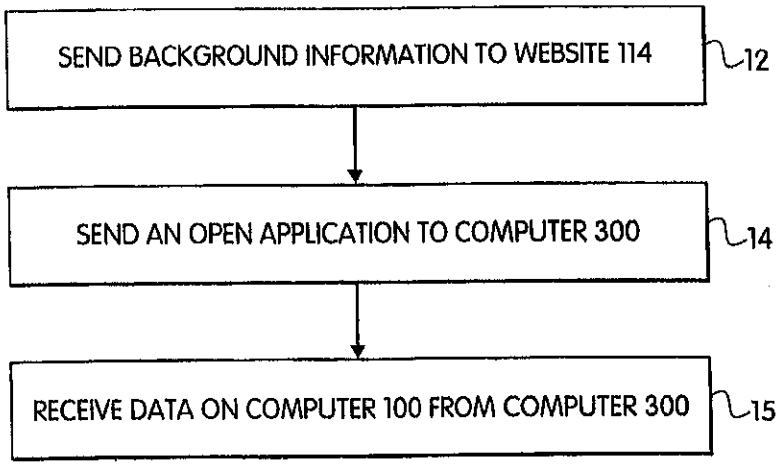
SEND BACKGROUND INFORMATION TO WEBSITE 114
12
SEND AN OPEN APPLICATION TO COMPUTER 300
14
RECEIVE DATA ON COMPUTER 100 FROM COMPUTER 300
15

FIG. 3A

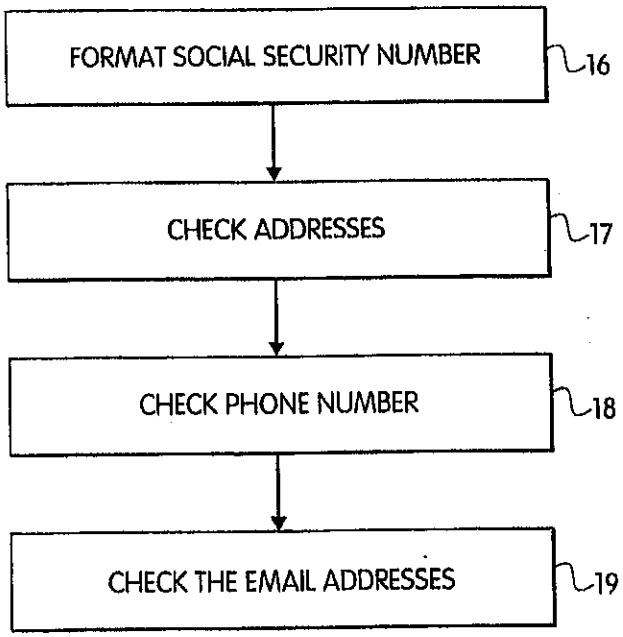
FORMAT SOCIAL SECURITY NUMBER
16
CHECK ADDRESSES
17
CHECK PHONE NUMBER
18
CHECK THE EMAIL ADDRESSES
19

FIG. 3B

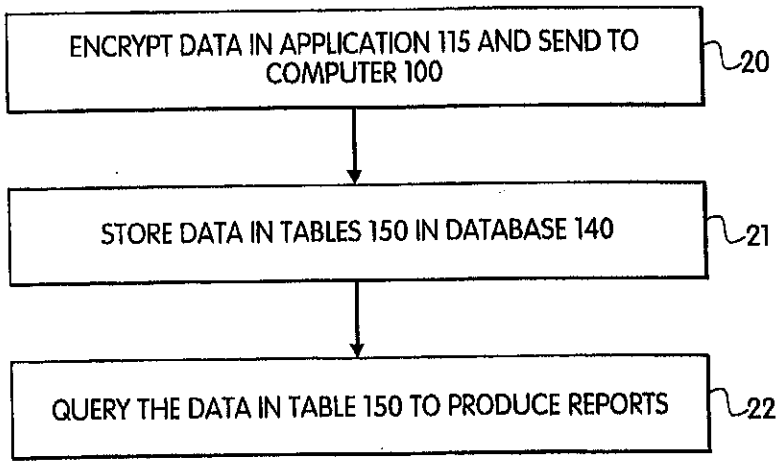
ENCRYPT DATA IN APPLICATION 115 AND SEND TO COMPUTER 100
20
STORE DATA IN TABLES 150 IN DATABASE 140
21
QUERY THE DATA IN TABLE 150 TO PRODUCE REPORTS
22

FIG. 4

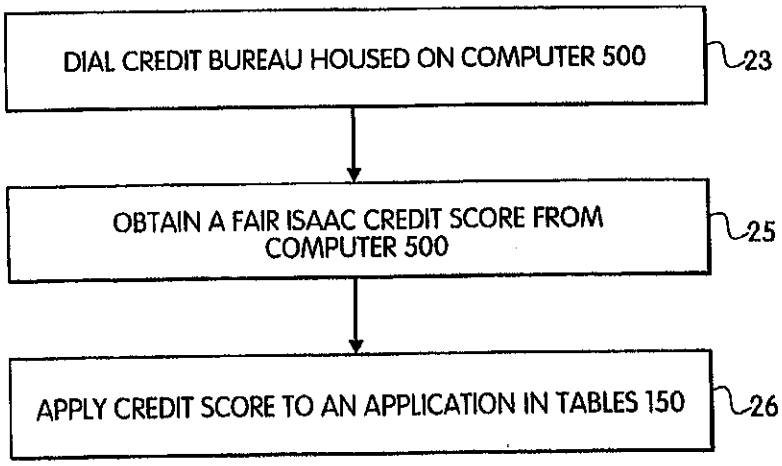
DIAL CREDIT BUREAU HOUSED ON COMPUTER 500
23
OBTAIN A FAIR ISAAC CREDIT SCORE FROM COMPUTER 500
25
APPLY CREDIT SCORE TO AN APPLICATION IN TABLES 150
26

FIG. 5

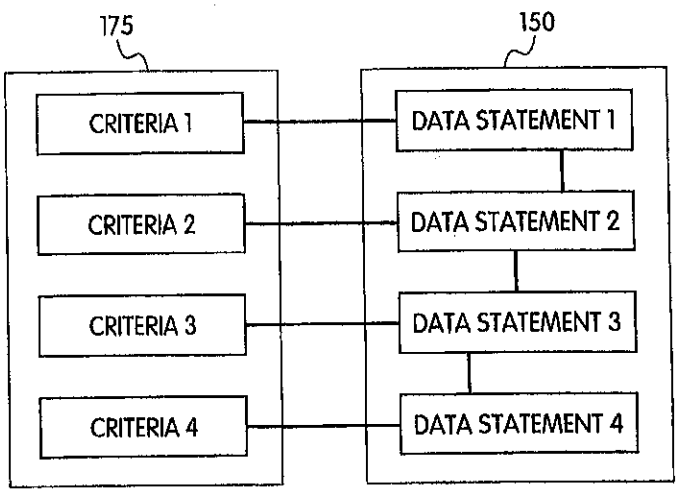
175
150
CRITERIA 1
CRITERIA 2
CRITERIA 3
CRITERIA 4
DATA STATEMENT 1
DATA STATEMENT 2
DATA STATEMENT 3
DATA STATEMENT 4

FIG. 6

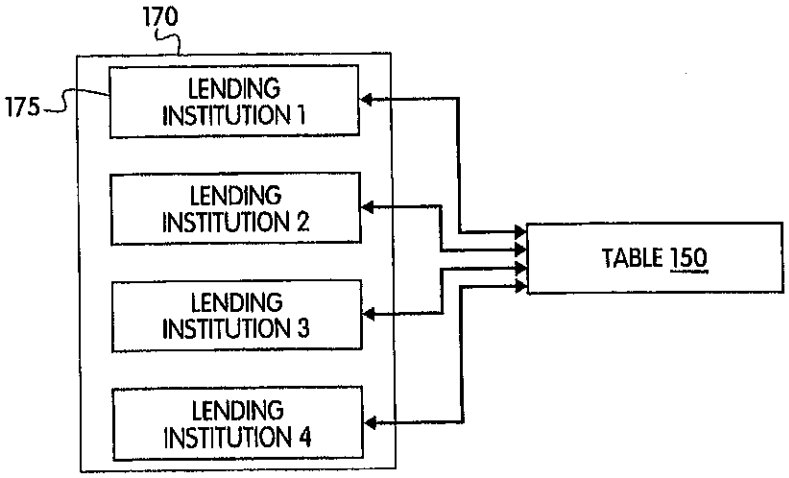
170
175
LENDING INSTITUTION 1
LENDING INSTITUTION 2
LENDING INSTITUTION 3
LENDING INSTITUTION 4
TABLE 150

FIG. 7

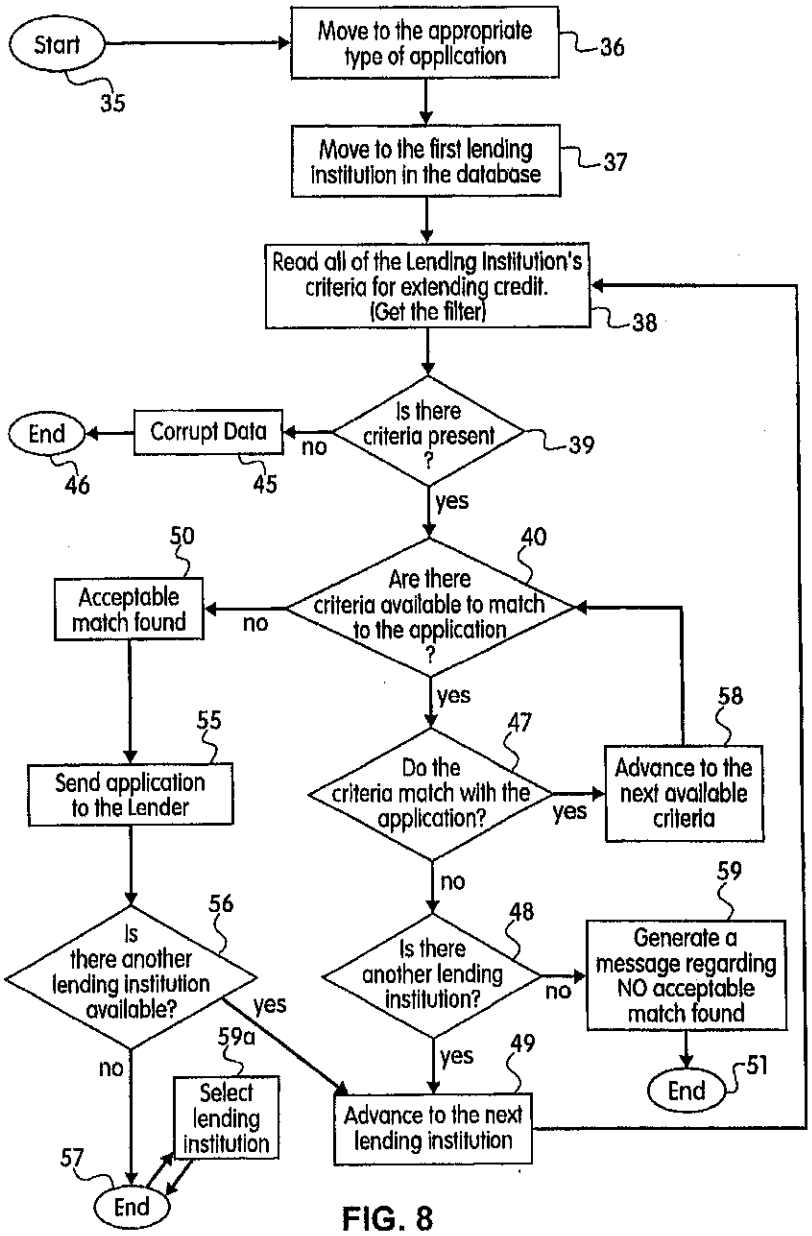
Start
35
Move to the appropriate type of application
36
Move to the first lending institution in the database
37
Read all of the Lending Institution's criteria for extending credit. (Get the filter)
38
Is there criteria present ?
39
no
Corrupt Data
45
End
46
yes
Are there criteria available to match to the application ?
40
no
Acceptable match found
50
yes
Do the criteria match with the application?
47
yes
Advance to the next available criteria
58
no
Is there another lending institution?
48
no
Generate a message regarding NO acceptable match found
59
End
51
yes
Advance to the next lending institution
49
Send application to the Lender
55
Is there another lending institution available?
56
yes
no
Select lending institution
59a
End
57

FIG. 8

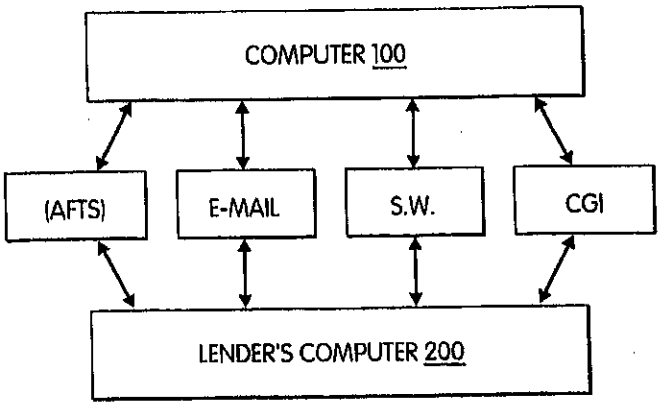
COMPUTER 100
(AFTS)
E-MAIL
S.W.
CGI
LENDER'S COMPUTER 200

FIG. 9A

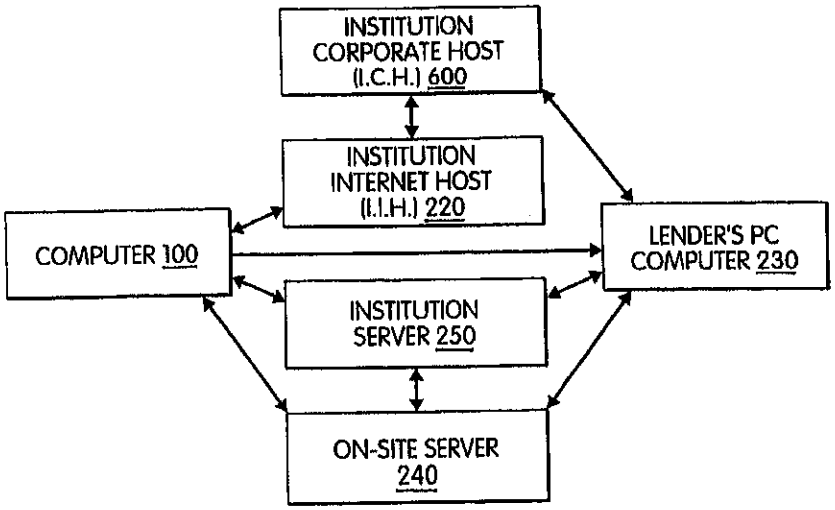
INSTITUTION CORPORATE HOST (I.C.H.) 600
INSTITUTION INTERNET HOST (I.I.H.) 220
COMPUTER 100
LENDER'S PC COMPUTER 230
INSTITUTION SERVER 250
ON-SITE SERVER 240

FIG. 9B

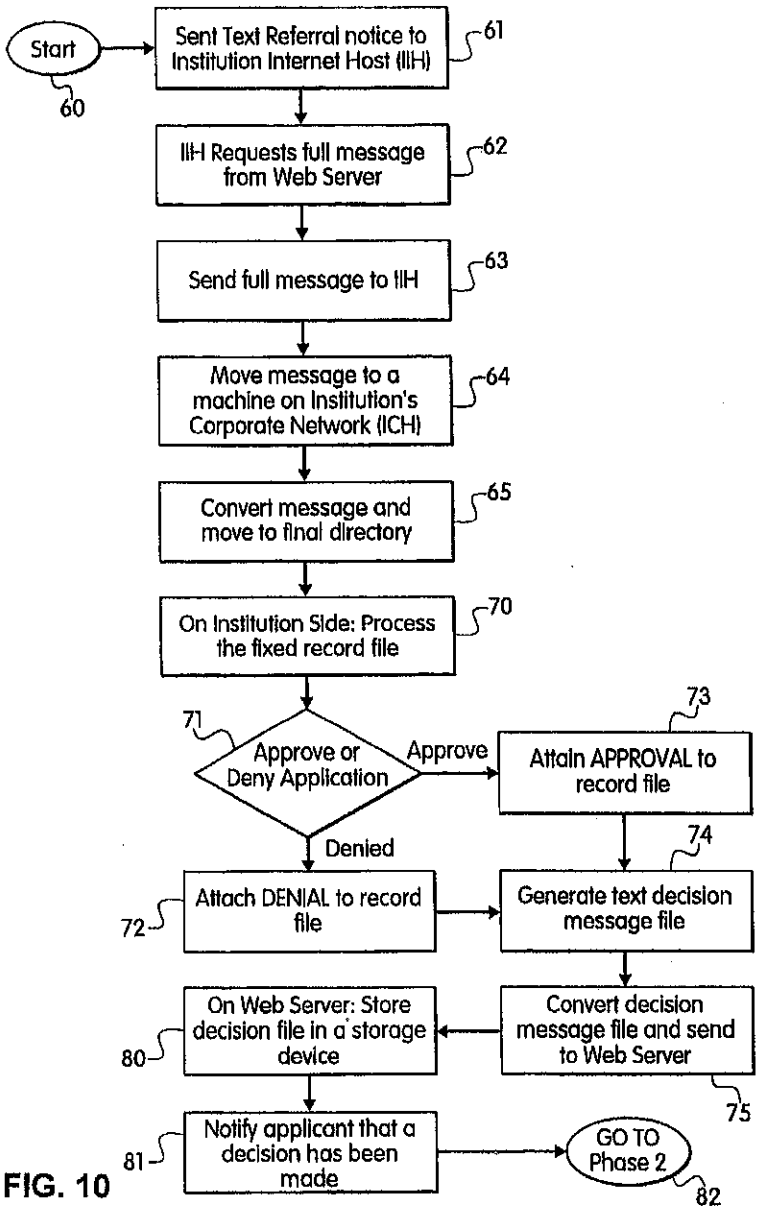
Start
60
Sent Text Referral notice to Institution Internet Host (IIH)
61
IIH Requests full message from Web Server
62
Send full message to IIH
63
Move message to a machine on Institution's Corporate Network (ICH)
64
Convert message and move to final directory
65
On Institution Side: Process the fixed record file
70
71
Approve or Deny Application
Approve
Denied
73
Attain APPROVAL to record file
74
Generate text decision message file
Convert decision message file and send to Web Server
75
72
Attach DENIAL to record file
80
On Web Server: Store decision file in a storage device
81
Notify applicant that a decision has been made
GO TO Phase 2
82

FIG. 10

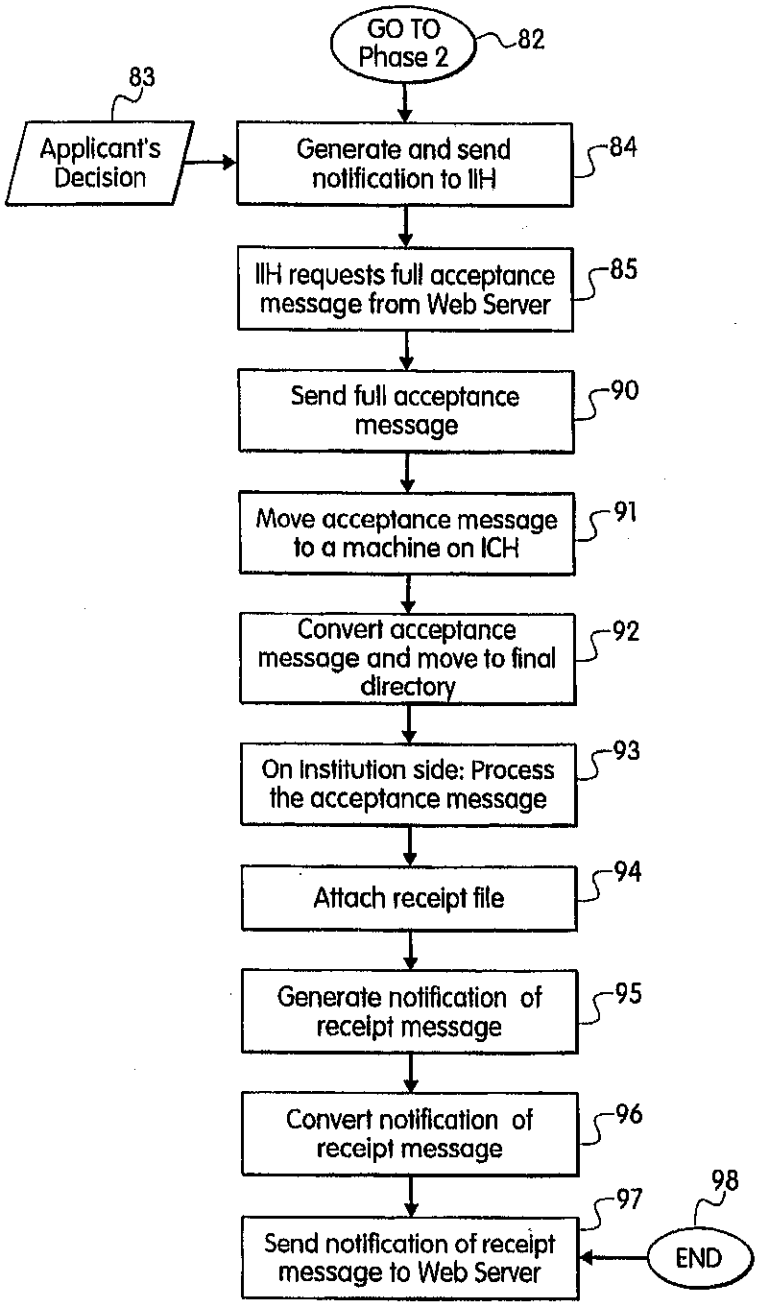
GO TO Phase 2
82
83
Applicant's Decision
Generate and send notification to IIH
84
IIH requests full acceptance message from Web Server
85
Send full acceptance message
90
Move acceptance message to a machine on ICH
91
Convert acceptance message and move to final directory
92
On Institution side: Process the acceptance message
93
Attach receipt file
94
Generate notification of receipt message
95
Convert notification of receipt message
96
Send notification of receipt message to Web Server
97
98
END

FIG. 11

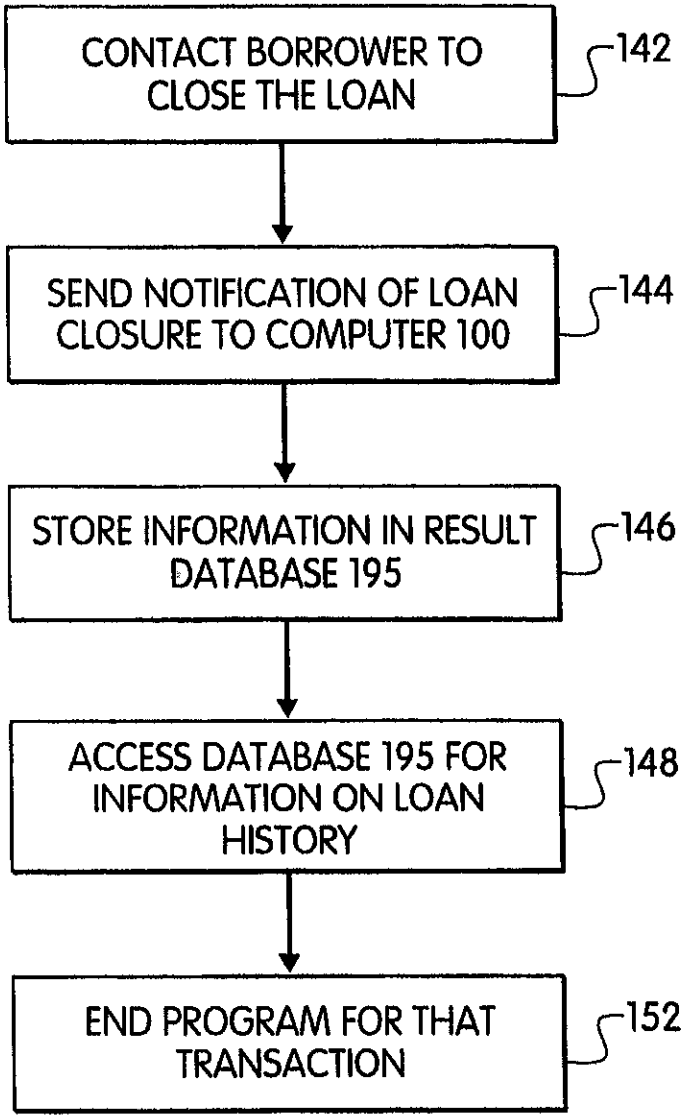
CONTACT BORROWER TO CLOSE THE LOAN
142
SEND NOTIFICATION OF LOAN CLOSURE TO COMPUTER 100
144
STORE INFORMATION IN RESULT DATABASE 195
146
ACCESS DATABASE 195 FOR INFORMATION ON LOAN HISTORY
148
END PROGRAM FOR THAT TRANSACTION
152

FIG. 12

METHOD AND COMPUTER NETWORK FOR CO-ORDINATING A LOAN OVER THE INTERNET

CROSS REFERENCE TO RELATED APPLICATION

This application is a continuation of U.S. application Ser. No. 09/075,136, filed May 8, 1998 now U.S. Pat. No. 6,385,594 filed May 7, 2002, entitled, "Method and Computer Network for Co-Ordinating a Loan Over the Internet", the entire contents of which are hereby incorporated by reference.

BACKGROUND OF THE INVENTION

1. The Field of the Invention

The invention relates to a process for coordinating loans on a loan processing computer over the Internet. The Internet, a vast collection of computers world wide, is a relatively new medium for both personal and commercial entities to transact business. To conduct business over the Internet, companies must find ways to communicate with potential customers. The two most common forms of communication across the Internet are web pages, and e-mail.

2. The Prior Art

Various methods are known for presenting web pages over the Internet. For example, information about the Internet and web browsers can be found in U.S. Pat. No. 5,701,451 to Rogers et al., which is incorporated herein by reference. Rogers et al., details how requests of a web browser are processed. The Rogers invention speeds up the process for receiving requests from web browser users and retrieving the required information. U.S. Pat. No. 5,535,407 to Yanagawa et al., details a customer data processing system which is used to assist credit card purchases made in stores. The Yanagawa invention simplifies the way in which credit card purchases are verified at the time of checkout. U.S. Pat. No. 4,346,442 to Musmanno details a securities brokerage-cash management system. The Musmanno invention maintains customer brokerage accounts, charge cards and checking accounts and calculates available credit for purchases of securities.

Until now, there has been no way to apply for credit from a multitude of lending institutions without physically going to or calling each lender and filling out an application. This process was tedious and time consuming. All applications required substantially the same information: name, address, occupation, debt, amount of loan, etc. This invention combines the vast resources and speed of the Internet with additional knowledge of various lending institution's selection criteria to create a simple mechanism whereby an Internet user can apply for credit from a multitude of lending institutions.

SUMMARY OF THE INVENTION

To overcome these limitations, it is therefore an object of the present invention to provide a fast, convenient process to apply for credit from a large number of lending institutions. In accordance with our invention, needless repetitive applications are eliminated.

It is a further object of the present invention to provide a universal credit application over the Internet and to allow the Internet user to submit a single credit application to a plurality of lending institutions who then make offers to the customer via the Internet.

To achieve these and other objects of the invention, there is provided a method and apparatus for coordinating an

electronic credit application between an Internet user and a plurality of lending institutions via the Internet. The method comprises the steps of displaying a plurality of documents to an Internet user, receiving a plurality of credit data sent from the Internet user; matching an electronic credit application to a filter comprising a plurality of selection criteria; transmitting the credit data to a plurality of lending institutions via one of four methods; and responding to the Internet user via the Internet. The documents sent to the Internet user includes a series of questions pertaining to their desired loan, followed by the appropriate type of loan application. The various types of loan applications include first and second mortgages, car loans, student loans, personal loans, and credit card applications. Other types of credit applications may exist without departing from the spirit of the invention. Upon completion of the application, the invention matches a unique filter to the credit data entered by the Internet user.

The filter is made up of a plurality of selection criteria in which a specific lending institution has given to the inventor. The filter is customizable by the specific lending institution in real time and unique to each lending institution. Once the application has been filtered, it is sent to a list of lending institutions that match with the credit application. These lending institutions then reply as to whether the application has been accepted or rejected.

The information can be sent in many different ways. For example, the information can be sent in an Active File Transfer system (AFTS), via e-mail, through a secured webpage or through a Common Gateway Interface (CGI). In addition, since much of the information relayed between the network of computers is private information, it is encrypted before it is sent from one computer to another.

BRIEF DESCRIPTION OF THE DRAWINGS

Other objects and features of the present invention will become apparent from the following detailed description considered in connection with the accompanying drawings which disclose several embodiments of the present invention. It should be understood, however, that the drawings are designed for the purpose of illustration only and not as a definition of the limits of the invention.

In the drawings, wherein similar reference characters denote similar elements throughout the several views:

FIG. 1 shows an overview of the method of the invention;

FIG. 2 shows a schematic depiction of network designed to achieve the method of the invention;

FIG. 3*a* shows the steps involving the second stage of the lending process;

FIG. 3*b* shows the steps involving the third stage of the lending process;

FIG. 4 shows the steps of the fourth stage of the lending process;

FIG. 5 shows the steps of the fifth stage of the lending process;

FIG. 6 shows a schematic of the filter process, matching an individual lender to an individual borrower;

FIG. 7 shows the lending process where an individual lender selects from a plurality of borrowers;

FIG. 8 shows the steps of the sixth stage of the lending process;

FIG. 9*a* shows a schematic of the seventh stage of the lending process;

FIG. 9*b* shows the various transfer methods in the eighth stage of the lending process; and

FIG. 10 shows the steps of the Active File Transfer System in the eighth stage in the of the lending process;

FIG. 11 shows the steps of the Active File Transfer System in the ninth stage of the lending process; and

FIG. 12 shows the tenth stage of the lending process.

DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENTS

Essentially, the invention is a process and a computer for coordinating loans between lending institutions and borrowers via the Internet. FIG. 1 illustrates the ten general stages in the process required to coordinate an electronic credit application between a prospective borrower and a plurality of lending institutions. For example, in stage 1 the process presents background information and a credit application to a prospective borrower-Internet user on a web site. In stage 2, the prospective borrower inputs information onto the web site. In stage 3, validation checks are performed on this information to make sure that the application is complete and correct. Next, stage 4 involves storing and manipulating the credit application in a database. In stage 5, a Fair Isaac Credit Score is obtained based upon the credit application and that score is matched to the application and stored in the database. Next, in stage 6, the application is filtered where it is compared to a list of criteria presented by a series of lending institutions. If the application passes this list of criteria then in stage 7 the application is sent to each one of those institutions whose criteria match with the application. In stage 8 the lender processes the application and can either accept or deny it. If the lender accepts the application then in stage 9, the borrower can reply stating whether he accepts or denies the lender's application. Finally, in stage 10, information about this transaction is sent to a database to allow lending institutions to have access to their lending history.

For this process to occur, there must be a series of computers connected to each other via telecommunication lines as shown in FIG. 2. Here, computer program 10, controls the process and is housed on loan processing computer 100. Loan processing computer 100 coordinates a loan application between a series of lending institution computers 200, and a plurality of borrower computers 300. Computer program 10 is stored on loan processing computer 100 in storage device 110 and is run by processor 112. Program 10 is designed to transmit and receive information through the Internet via a web browser such as Netscape or Internet Explorer, installed on the computers.

Loan processing computer 100 must have sufficient memory and processor power to project program 10 over the Internet. Therefore, the recommended minimum requirements for processor 12 on computer 100 is an Intel Pentium 200 Mhz processor. The remaining standard components are 64 megabytes of ram, 2 gigabytes of disk space, an Internet connection, additional Ethernet connection, and Windows NT workstation operating system. Computer 100 is installed with one Ethernet interface directly on the Internet, and the other Ethernet interface connected to a firewall storage device 110, to allow disposition of files on a designated server inside the corporate network. In addition computer 100 could be a Unix style server that interfaces with other Unix and non-Unix based computers on the Internet.

When program 10 runs on computer 100 it instructs computer 100 to interact with other computers through the Internet to co-ordinate a loan application. For example, as shown in FIGS. 1 and 2, in stage 1, computer 100 allows lender computers 200 to access information on web-page 114 housed in loan processing computer 100 at a predetermined URL address via telecommunication lines 400. In stage 2, computer 100 allows prospective borrowers using satellite computers 300 to view a plurality of documents provided by computer 100. Stage 2 consists of a series of steps that are shown in FIG. 3*a*. For example, in step 12, computer 100 sends the prospective borrower background information documents to web-site 114 concerning the loan application. These background information documents include a document welcoming the Internet user to the web site, a document explaining the application process, and a document explaining the services provided. In step 14, computer 100 sends an open application to a prospective borrower through the Internet to computer 300. In step 15, the prospective borrower inputs information onto the application. When the prospective borrower wants to send this information back to computer 100 he clicks a "SEND" button which initiates the third stage of the program.

FIG. 3*b* outlines stage 3 wherein computer 100 sends a series of instructions to computer 300 to initiate edit and validation checks. In step 16, computer 100 checks the Social Security number entered. In step 17 computer 100 checks the addresses, in step 18 it checks phone numbers, and in step 19 it checks the email addresses entered. The edit and validation checks in stage 3 insure that the data to be received by the database 140 in computer 100 is in the proper format for further processing. If computer 100 determines that the data is in the proper format, then the borrower can then transmit a completed application 115 to a database on computer 100.

FIG. 4 shows stage 4, wherein in step 20 the data from the completed application 115 is encrypted by SSL technology. Next in step 21, at the borrowers instruction, this information is sent to computer 100, unlocked and stored in storage device 110 for further manipulation. In this stage, the data from completed application 115 is sorted and stored in tables 150 in database 140 based on the type of loan requested(i.e. mortgage, home equity, credit card, etc.). Next, in step 22, program 10 queries the data from tables 150 to produce reports providing loan information based on data given any field in the application form (i.e., state of residence, borrower income, etc.).

In FIG. 5, computer 100 moves into stage 5, wherein in step 23, computer 100 dials to a credit bureau housed on Credit Computer 500 via telecommunication lines 400. In step 25, computer 100 obtains a Fair Isaac Credit Score from computer 500 based upon the data sent to computer 500. Next, in step 26, computer 100 inputs the Fair Isaac Credit Score to the database tables 150. The lenders can use this Fair Isaac Credit Score as one determinant to the borrower's credit risk.

FIGS. 6, 7, and 8 show stage 6 of the process, wherein computer 100 runs a filter to match completed application 115 in table 150 against preset criteria established by each lender. As shown in FIG. 6, lender criteria are stored in tables 175 in lender database 170 on computer 100. Wherein in FIG. 7 lender database 170 includes a listing of tables 175 for several lending institutions. The process for matching borrower's application in tables 150 to lender criteria in tables 175 is shown in FIG. 8. For example, in step 35, program 10 starts the filter process. Next, in step 36, the filter process initiates and moves to the appropriate type application 115 in tables 150. Next, in step 37 the filter moves to a first lending institution in table 175. In step 38, program 10 instructs computer 100 to read all of the lending institution's criteria for extending credit. In step 39, program 10 reads whether there are any criteria present in tables 175. If the

requested data is not present, next, in step **45** the filter checks to see if there is any database connection that is broken and whether the database information in the message. If the criteria are present, step **40** instructs computer **100** to see whether any remaining criteria to match to application **115** stored on tables **150**.

If there are more criteria to match to application **115**, then in step **47**, program **10** checks to see whether that remaining criteria matches with application **115**. If the criteria matches with application **115** then in step **58**, program **10** advances to the next available criteria in tables **175**. As shown in FIG. **6**, step **58** creates a loop back to step **40**. If the criteria does not match with application **115**, then in step **48**, program **10** checks to see whether there is another lending institution in database **170**. If there are no remaining lending institutions in database **170** then in step **59**, computer **100** generates a message that no acceptable match has been found. After this message, in step **51**, the filter process ends.

If there is another lending institution found, then the filter process advances to another lending institution in step **49**. Step **49** creates a loop back to step **38** wherein the filter process reads all of the criteria for the new lending institution. This loop continues until in step **40**, the filter finds there are no criteria available to match to completed application **115**.

If there are no more criteria to match to application **115**, then in step **50**, the filter determines whether there has been an acceptable match between a borrower and a lender. If there is an acceptable match, then in step **55** the filter selects that lender as a suitable lender for application **115**.

In step **56** program **10** checks to see if there is another lending institution available, if yes, then program **10** advances to the next lending institution in step **49**. If there are no more lending institutions available, then program **10** advances to step **57** wherein the filter process ends. Finally in step **59***a* computer **100** selects a limited number of matched lending institutions in which to send application **115**. For example, if the filter process matches application **115** with 20 lending institutions, computer **100** may send application **115** to only a fraction of those matched lending institutions. This selection process in step **58** is based upon either random selection or a predetermined set of criteria stored in computer **100**.

Next, as shown in FIG. **9***a* in stage **7**, program **10** determines the interface method between computer **100** and the selected lending institution computers **200**. The interface method can be Common Gateway Interface (CGI), Active File Transfer (AFTS), as a secured file on a secured webpage (S.W.) or via e-mail. Stage **7** allows loan computer **100** to access many different lender sites which thereby allows for greater communication flexibility within the system.

In stage **8**,as shown in FIGS. **9***a*, **9***b* and **10**, computer **100** sends data from table **150** via the interface method selected in stage **7** to the lending institutions selected in the filter process of stage **6**. FIG. **10** shows the Active File Transfer System (AFTS) of FIG. **9***b* in greater detail. For example, in step **60**, program **10** instructs computer **100** to start the AFTS. Next, in step **61** a text referral notice is sent to The Institution Internet Host (IIH) computer **220**. In step **62**, IIH computer **220** requests a full message from computer **100**. In step **63** computer **100** sends an encrypted full message to IIH computer **220**. Next, in step **64** computer **200** moves the message to the Institution's Corporate Network (ICH) **600**. In step **65**, ICH **600** converts the message from HTML format to a customized fixed record format defined and controlled by the destination institution. Next, in step **70**, outside program **10**, this information can be processed and stored in the lender's system. In step **71** the lender approves or denies application **115**. If the lending institution approves application **115** it attaches an approval to the record file in step **73**. Alternatively if the lending institution denies application **115**, then in step **72** it attaches a denial to the record file. In step **74**, the lender computers **700** generate a text decision message file. This message file is converted from the existing format into HTML format and sent to computer **100** web-site via encrypted transmission in step **75**. The text decision message file contains a loan id number and a request for more information from the borrower. Computer **100** next stores the decision file in database **180** in step **80**. Next, in step **81**, computer **100** notifies an applicant that a decision has been made.

In addition, the data from credit application **115** can also be sent via e-mail with Pretty Good Privacy (PGP) encryption as shown in FIG. **9***b*. PGP is an encryption program that can be used to encrypt, a binary file to someone, with very high security, without having to exchange a set of private encryption keys beforehand. In this style transfer system, the text of table **150** comprising credit application **115**, is transformed into an e-mail text message. Next, the e-mail message is encrypted in PGP format. Finally, computer **100** sends the e-mail message to computer **230** which is a remote networked computer on a lending institution's site.

The third transfer process, that of the secured dynamic website serves as a place for lenders to log in to a website to change their lending criteria filters and to view loan applications. In this process, information is stored on computer **100** in a website that can be accessed by a lender. To access this site, a lender is given a login access account to log into the website that is encrypted by SSL technology. Once the lender logs into the website he can download information relating to a borrower's request for information.

In the fourth transfer method, the Common Gateway Interface (CGI) format is shown in FIG. **9***b*. There, computer **100** sends data from table **150** to institution server **250** via a Common Gateway Interface (CGI) program. CGI programs allow for a server to server interface over which encrypted information can be transferred. For example, the data located on table **150** is first encrypted. Next the data can be sent from computer **100** to institution server **250**. Server **250** next stores and unlocks the encrypted data. This unlocked data can then be read by all other networked computers **230** in a lender's home network.

In stage **9**,as shown in FIG. **11**, computer program **10** moves into the second phase of (AFTS) in step **82**. In this stage, the borrower informs the lender of his decision concerning the loan. For example, in step **83** a borrower sends his decision notification from computer **300** to computer **100**. Next, in step **84**, computer **100** generates and sends a notification to computer **220** (IIH). In step, **85** computer **100** sends a full acceptance message to IIH computer **220** and next moves the acceptance message to ICH computer **600** in step **90**. After that, in step **91** ICH computer **600** converts the acceptance message from HTML format and moves it to a final directory **190** on computer **230** (step **91**).

At this point the lending institution program takes over so that in step **93**, institution computer **230** processes the acceptance message. In step **94**, institution computer **230** attaches a receipt file to the acceptance message. In step **95**, institution computer **230** generates a notification of receipt message, and in step **96**, it converts the notification from its standard database format into HTML format. Finally, in step

97 ICH computer **600** sends a notification of the receipt message to computer **100** and in step **98** the Active File Transfer System ends.

In the tenth and final stage, as shown in FIG. **12**, in step **142** the lender contacts the borrower to coordinate the closing of the loan. Here, the lending institution has the borrower's name, social security number, application id number, phone number at both work and home, and the best time to contact the borrower from the acceptance email sent when the offer was accepted. The loan closing can take place in any way that the lender typically closes loans. Once all documents are signed and delivered from the borrower, the loan is closed. Once the lender closes a loan, in step **144** it contacts computer **100** and sends a notification of the loan closure. In step **146** computer **100** stores this information in result database **195** which can be accessed by the lenders in step **148**. Finally in step **152**, the process according to the invention ends for that individual transaction.

While several embodiments of the present invention have been shown and described, it is to be understood that many changes and modifications may be made thereunto without departing from the spirit and scope of the invention as defined in the appended claims.

What is claimed is:

1. A method for coordinating an electronic qualification form between a computer user and a plurality of lending institutions via a computer network, comprising the steps of:

receiving selection criteria from a plurality of lending institutions;

receiving credit data sent from the computer user;

employing the selection criteria to filter the credit data and to automatically select one or more lending institutions from the plurality of lending institutions; and

transmitting the credit data to each of the selected lending institutions;

whereby the selected lending institutions compete with each other for business with the computer user.

2. The method of claim **1**, further comprising the step of determining an appropriate transfer method to forward the credit data to the selected lending institutions.

3. The method of claim **1**, further comprising the step of displaying a plurality of positive credit decisions from the selected lending institutions to the computer user.

4. The method of claim **4**, further comprising the step of assigning each lending institution a corresponding filter.

5. The method of claim **4**, further comprising the step of customizing selection criteria of each filter in response to receiving communications from a corresponding lending institution.

6. The method of claim **1**, wherein the step of receiving credit data further comprises receiving credit data from the credit user comprising information relating to one of a first mortgage, a second mortgage, a car loan, a student loan, a personal loan, and a credit card.

7. A method for coordinating business between a computer user and a plurality of lending institutions via a computer network, comprising the steps of:

storing selection criteria for a plurality of lending institutions;

receiving credit data sent from the computer user corresponding to an electronic qualification form;

matching the credit data with lending institutions and the selection criteria by employing the selection criteria to filter the credit data and to automatically select one or more lending institutions from the plurality of lending institutions;

determining an appropriate transfer method to transmit said electronic qualification form to the lending institutions associated with a match of said credit data;

transmitting the electronic qualification form to the lending institutions associated with a match of said credit data according to the determined transfer method;

whereby the selected lending institutions compete with each other for business with the computer user by electing to make offers to the computer user.

8. The method of claim **7**, further comprising the step of displaying one or more positive credit decisions from the selected lending institutions to the computer user.

9. The method of claim **7**, further comprising transmitting said electronic qualification form to said lending institutions associated with a match of said credit data via a Common Gateway Interface (CGI).

10. The method of claim **7**, further comprising transmitting said electronic qualification form to said lending institutions associated with a match of said credit data via a secured website.

11. The method of claim **7**, further comprising transmitting said qualification form to said lending institutions associated with a match of said credit data via a secured E-Mail.

12. A method for promoting commerce between a computer user and a plurality of lending institutions via a computer network, comprising the steps of:

receiving selection criteria from a plurality of lending institutions;

receiving credit data sent from the computer user;

matching the credit data with lending institutions and the selection criteria;

transmitting the credit data to one or more lending institutions associated with a match of the credit data; and

displaying a plurality of positive credit decisions from one or more of the lending institutions to the computer user or a website via the computer network.

13. The method of claim **11**, wherein the step of matching the credit data comprises employing the selection criteria to filter the credit data and to automatically select one or more lending institutions from the plurality of lending institutions.

14. The method of claim **11**, further comprising the step of determining an appropriate transfer method to transmit the credit data to the lending institutions associated with a match of said credit data.

15. The method of **14**, further comprising the step of transmitting the credit data to the lending institutions associated with a match of said credit data according to the determined transfer method.

16. The method of claim **11**, further comprising the step of receiving via the computer network at least one decision from the computer user regarding at least one of the positive credit decisions, the Internet user's decision comprising an acceptance, denial or request for more information regarding a positive decision for one of said lending institutions associated with a match of said credit data.

17. The method of claim **11**, further comprising the step of transmitting a computer user's decision regarding a positive credit decision to at least one lending institution corresponding with the positive credit decision so that said Internet user can obtain credit or a loan from one of said lending institutions associated with a match of said credit data.

18. A computer readable medium having computer-executable instructions for coordinating an electronic financial services application between an Internet user and a

plurality of financial institutions via the Internet, the instructions comprising the steps of:

receiving selection criteria from one or more financial institutions;

receiving credit data from the Internet user;

applying the credit data to a filter comprising a plurality of selection criteria to automatically select each one of the financial institutions associated with a match of the credit data to the selection criteria;

transmitting the credit data to the selected ones of the financial institutions to assist a determination of offering financial services to the Internet user; and

coordinating communication between the selected financial institutions and the Internet user so that the Internet user can accept financial services from one of the selected financial institutions.

19. The computer readable medium of claim **18**, wherein the step of coordinating communication further comprises the step of receiving a decision from the Internet user regarding one or more offers made from the selected ones of the financial institutions.

20. The computer readable medium of claim **18**, further comprises the step of displaying one or more positive credit decisions from the selected lending institutions to the computer user.

21. The computer readable medium of claim **18**, wherein the financial services comprise services relating to one of first mortgages, second mortgages, car loans, student loans, personal loans, and credit cards.

22. A system for coordinating business between a computer user and a plurality of lending institutions comprising:

a processing unit;

a memory storage device; and

a program module, stored in said memory storage device for providing instructions to said processing unit;

said processing unit responsive to said instructions of said program module, operable for

receiving selection criteria from a plurality of lending institutions;

receiving credit data sent from the computer user;

employing the selection criteria to filter the credit data and to automatically select one or more lending institutions from the plurality of lending institutions; and

forwarding the credit data to the selected one or more lending institutions;

whereby the selected lending institutions compete with each other for business with the computer user.

23. The system of claim **22**, wherein said processing unit is further operable for determining an appropriate transfer method to forward the credit data to the selected lending institutions.

24. The system of claim **22**, wherein said processing unit is further operable for displaying a plurality positive credit decisions from the selected lending institutions to the computer user.

* * * * *

Exhibit B

LendingTree®

October 14, 2003

VIA OVERNIGHT MAIL DELIVERY

Leonard Drew, CEO
Cyber Financial Network, Inc.
1660 Walt Whitman RD. STE 100
Melville, NY 11747

Re: LendingTree's US Patent No. 6,611,816 B2

Dear Mr. Drew:

Enclosed is a copy of U.S. Patent No. 6,611,816 B2 ("the '816 patent"), entitled "Method and Computer Network for Coordinating a Loan Over the Internet." The patent is assigned to LendingTree, Inc., the leading online lending exchange that connects consumers, lenders, and related service providers and an innovator in the online lending field.

The '816 patent is directed to methods and computer networks for coordinating an electronic credit application between an Internet user and a plurality of lending institutions via the Internet. The online lending process enables a consumer to receive multiple loan offers from different lenders by submitting a single credit application over the Internet.

We understand that your company provides an online consumer service at the Web site https://www.mortgageexpo.com. that links borrowers to a plurality of lending institutions via the Internet. More specifically, we understand that the online service provided by your company matches credit data supplied by the consumer via the Internet with lending criteria provided by various lending institutions and provides the consumer with one or more loan offers based upon those matches.

While we are not charging your company with infringement of the '816 patent at this time, it is clear to us that the online service provided by your company is strikingly similar to the processes described in the patent. Please review the '816 patent to determine whether the online process provided by your company is the same as described in the claims of the '816 patent. If you believe that your company's online process is

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www.lendingtree.com

different than those described in the patent, we look forward to receiving an explanation of those differences.

Please contact the undersigned within fourteen (14) days to discuss this matter. I look forward to hearing from you.

Sincerely,

Debra A. Ashley
Assistant General Counsel
LendingTree, Inc
11115 Rushmore Drive
Charlotte, NC. 28277
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Exhibit C

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November 4, 2003

Debra A. Ashley, Esq.
Assistant General Counsel
LendingTree, Inc.
11115 Rushmore Drive
Charlotte, NC 28277

Re: LendingTree's US Patent No. 6,611,816 B2

Dear Ms. Ashley:

We represent Cyber Financial Network, Inc. ("CFN"). CFN has forwarded your letter of October 14, 2003 to us for review and response. As you requested, we have reviewed U.S. Patent No. 6,611,816 to Lebda et. al ("Lebda"). The CFN business practices are a fundamentally different and distinct process from those described in Lebda. Therefore, CFN does not infringe Lebda.

CFN does not provide an online service that "links borrowers to a plurality of lending institutions via the Internet." Neither does CFN "match credit data supplied by the consumer via the Internet with lending criteria provided by various lending institutions and provides the consumer with one or more loan offers." Thus, the online service provided by MortgageExpo.com is not "strikingly similar" to the online service of Lebda.

Further, CFN does not receive or store "selection criteria from a plurality of lending institutions" or, in any manner, implement, employ, filter, or match a "selection criteria" with credit data to select one or more lending institutions. CFN neither practices the method, nor does it use the system claimed in Lebda.

The CFN business model is known within the industry. In fact, the CFN model is so distinguishable from Lebda that any assertion that CFN infringes Lebda would be specious, and CFN will counter any such claim with appropriate legal action. Please be guided accordingly.

Very truly yours,

Eileen Breslin

EMB/HGF/ai

Exhibit D

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Holmes J. Hawkins III
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November 25, 2003

VIA FACSIMILE AND US MAIL

Eileen M. Breslin, Esq.
Jaspan Schlesinger Hoffman LLP
300 Garden City Plaza
Garden City, NY 11530

Re: LendingTree's US Patent No. 6,611,816 B2

Dear Ms. Breslin:

This firm represents LendingTree, Inc. ("LendingTree") in connection with its intellectual property matters. Your letter to Debra Ashley dated November 4, 2003 has been forwarded to us for review and response.

Your letter concludes that the business model practiced by your client, Consumer Financial Network, Inc. ("CFN"), does not infringe on LendingTree's U.S. Patent No. 6,611,816 ("the '816 patent"). In support of your conclusions, you provide the following statements regarding the operation of the CFN business model:

1. "CFN does not provide an online service that 'links borrowers to a plurality of lending institutions via the Internet.'"

2. CFN does not "match credit data supplied by the consumer via the Internet with lending criteria provided by various lending institutions and provide[] the consumer with one or more loan offers."

3. "CFN does not receive or store 'selection criteria from a plurality of lending institutions' or, in any manner, implement, employ, filter or match a 'selection criteria' with credit data to select one or lending institutions."

Unfortunately, your letter does not provide any factual support for any of these conclusory statements. Moreover, the statements all appear to be directly contradicted by information provided on the MortgageExpo.com web site. For example, the website plainly states that "MortgageExpo.com is an online consumer service that links borrowers to a network of qualified mortgage brokers and bankers throughout the nation." See Exhibit A, attached hereto. In addition, it indicates that consumer loan application are "matched" with one or more

lenders based on "search criteria" stored in the system. See Exhibits B-D, attached hereto. Accordingly, we do not understand how you have come to the conclusion that CFN is not infringing the '816 patent.

For your convenience, we offer the following analysis of how CFN's business model appears to relate directly to Claim 1 of the '816 patent. This analysis is offered in an effort to provide you with an understanding of why we disagree with your conclusion that CFN is not infringing the '816 patent.

Claim 1 of U.S. Patent No. 6,611,816 B1	**MortgageExpo.com Website**
1. A method for coordinating an electronic qualification form between a computer user and a plurality of lending institutions via a computer network, comprising the steps of:	"MortgageExpo.com is an online consumer service that links borrowers to a network of qualified mortgage brokers and bankers throughout the nation." (See Exhibit A).
receiving selection criteria from a plurality of lending institutions;	"Your loan request will be released to the brokers or lender(s) meeting our search criteria." (See Exhibit B).
receiving credit data sent from the computer user;	"To make a successful match, we create a simple profile of you based on the information you submit. This information includes your name, address, phone number, e-mail address, income and any specific financial information related to the type of loan you seek." (See Exhibit C).
employing the selection criteria to filter the credit data and to automatically select one or more lending institutions from the plurality of lending institutions; and	"To make a successful match, we create a simple profile of you based on the information you submit. This information includes your name, address, phone number, e-mail address, income and any specific financial information related to the type of loan you seek. *This information is required by lenders to verify your eligibility for a loan. Your loan request will be released to the brokers or lender(s) meeting our search criteria, only upon your authorization (submission of a completed questionnaire qualifies as authorization).*" (emphasis added). (See Exhibit D).
transmitting the credit data to each of the	"Your information will be reviewed by the

selected lending institutions;	mortgage broker or banker in our network and you will then be contacted directly by phone or e-mail within one business day." (See Exhibit E).
whereby the selected lending institutions compete with each other for business with the computer user.	"Our online questionnaire takes a few minutes to complete and, based on what you tell us, we'll search our database of over 800 lenders to find a loan that matches your needs. Within just 24 hours, you'll receive an offer." (See Exhibit F).

In light of the foregoing information, we ask that you reconsider your analysis of the '816 patent as it relates to the CFN business model. If, after such reconsideration, your conclusion remains the same, we ask that you provide a more comprehensive explanation for the differences between the CFN business model and the claims of the '816 patent.

We look forward to hearing back from you.

Very truly yours,

Holmes J. Hawkins III /DS

Holmes J. Hawkins III

HJH/ds

cc: Debra A. Ashley, Esq.