



# Silanis Solutions for Banking

In today's economic climate, retail banks are struggling to improve operational efficiency without compromising on customer experience or compliance. Silanis' next-generation, E-Signature Process Management solution addresses these challenges by enabling transactions to be processed without the paper, while ensuring that business, legal and regulatory requirements are enforced.

From consumer loan originations and account openings to mortgage closings and securitization of assets, executing transactions electronically delivers substantial benefits across all sales and service channels, including:

- ▶ **INCREASED BACK-OFFICE PROCESSING EFFICIENCY** elimination of manual preparation, verification, scanning and indexing
- ▶ **IMPROVED CUSTOMER EXPERIENCE** more convenient and faster turnaround
- ▶ **COSTS SAVINGS** elimination of documents-in-transit expense
- ▶ **FEWER NIGO APPLICATIONS** due to missing signatures and incomplete forms
- ▶ **INCREASED LOAN OFFICER PRODUCTIVITY** less time spent chasing outstanding paperwork
- ▶ **STRONGER LEGAL AND COMPLIANCE POSITION** more control, visibility and auditability of process

Silanis has extensive experience assisting leading financial institutions to transition to electronic processing. Below are some of the actual benefits our clients are seeing today or expect to see when fully deployed.

- ▶ **A TOP 10 US BANK** will execute consumer and business loans electronically across 2,000 branches. They expect to decrease lending risks by 50%.
- ▶ **STEWART TITLE** has reduced the time to close mortgages from 90 minutes to 15 minutes in its eClosingRoom, an online portal that enables a completely paperless mortgage process.
- ▶ **A TOP 5 ONLINE LENDER** e-signs over 90% of mortgage applications and disclosures. E-signed applications are processed with 3-5 days less back-office delays and generate 15% more closings than hand-signed applications.



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### REQUIREMENTS FOR SUCCESS

Through first-hand customer experience, Silanis has developed a thorough understanding of the key requirements needed to successfully bring retail banking processes online to achieve straight-through processing.

#### 1 – Transaction Execution

Moving paper-based, financial transactions into an electronic environment has always been a challenge due to the need to distribute, review and sign document packages. The challenge increases exponentially with the sheer number of products, people and documents involved; the legal and security risks associated with transactions; and varying federal and state regulatory requirements. A solution, therefore, must do more than provide simple e-signature capture and data authentication. It must also execute, control and monitor live electronic transactions from start to finish in order to mitigate risk and reduce errors, omissions, time delays, non-compliance, and costs.

#### 2 - Electronic Evidence

For e-signed records to provide strong legal recourse and auditing capabilities, they must do more than just authenticate users and ensure that the documents haven't been altered. They must reliably demonstrate that all parties have understood the contract terms and conditions and agreed to enter into a legally-binding agreement, and that compliant processes were followed. The solution must, therefore, collect and store extensive electronic evidence and audit trail information about the e-transaction. The electronic evidence must then be easily and reliably reproduced in the event of a dispute or audit.

#### 3 – Enterprise Scalability

Gone are the days of stovepipe, electronic signature implementations that do not scale. Banks now recognize the need for an enterprise electronic signature platform that can be leveraged across all lines of business, thus reducing the total cost of ownership and expediting time-to-market. However, processes can vary greatly between different lines of business and sales and service channels. The solution must provide a centralized, single-platform that supports the unique requirements of all signing processes and environments, while integrating with and leveraging existing core systems, portals, identity verification and credentialing, customer communication, content management and other infrastructure.

#### 4 – Ease-of-Use

Electronic processes must be easier and more convenient than their traditional, paper-based counterpart. If customers, agents and sales representatives have to make an extra effort to complete an online transaction, such as download a software program, they will simply abandon the process, making any claims of efficiency and responsiveness moot. Handling exceptions such as updating data mid-transaction, or providing conveniences such as printed review copies mirrors the paper-world and encourages adoption.



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### E-SIGNATURE PROCESS MANAGEMENT

The Approvelt Web Server from Silanis responds to evolving customer and market demands for greater compliance, control, flexibility and user acceptance. As a next-generation, electronic signature process management solution, Approvelt Web Server goes beyond simple signing to:

- ▶ Manage electronic transactions from start to finish. It provides a highly flexible solution for configuring the execution of transactions electronically in accordance with business, legal, and regulatory requirements while also providing unprecedented control and visibility of live e-transactions at all time. This includes everything from setting up e-transaction workflow rules to presenting documents for review and signing and delivering final copies to all parties and back-end systems.
- ▶ Produce stronger legal evidence and auditing capabilities than with paper by capturing and reproducing the entire electronic transaction, including all Web pages viewed and actions taken.
- ▶ Provide a flexible, enterprise electronic signature platform that can be scaled quickly and cost-effectively across all lines of business and channels, while meeting the unique requirements of each signing environment.
- ▶ Provide the most user-friendly method for participating in an electronic transaction to ensure high user adoption and a positive customer experience.

### KEY FEATURES OF APPROVEIT WEB SERVER

Approvelt Web Server supports offers a comprehensive set of features and functionality to support the demanding requirements of the banking industry.

#### 1. Preparing, Controlling and Monitoring E-Transactions

##### (i) Prepare:

Before a process can be automated, business and workflow rules must be defined and documents need to be prepared for signature. Approvelt Web Server has built-in process templates based on industry best practices to help banks quickly deploy e-signing, while also providing the flexibility to customize and save processes for their unique requirements. The templates make it possible to define a number of elements including: the sequence of events, the roles of signers, the types of documents in the process and how exceptions are handled.



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Mapping signing cues and signatures to the exact location in a document can be challenging especially for banks that deal with thousands of regulated forms. With Approvel Web Server, banks can either define signature placement in advance or have placement defined manually on-the-fly. The majority of forms and documents used in banking processes are standard and can therefore be prepared in advance and saved to a document library for efficient straight-through processing. For those processes that involve third party forms, not owned by the bank, representatives can manually define signature placement during the transaction.

### *(ii) Control:*

Once defined, Approvel Web Server controls the transaction from the point that documents are handed off to be executed, to when the e-transaction is completed and copies have been distributed to the necessary users and systems. The solution coordinates all activities of the signers and related documents; manages and saves the state of the process as users save, exit and re-enter the session; and triggers email notifications and automatic reminders.

Approvel Web Server also enables parts of the process to be modified or updated during a live transaction, including adding, removing or changing documents and users. This allows exceptions and changes to a transaction, such as increasing a loan amount or adding a co-signer, to occur without losing previous completed steps. Controlling the process from beginning to end ensures that no important steps or information during the e-signing transaction are missed, and that all business, legal and regulatory requirements are met.

### *(iii) Monitor:*

Approvel Web Server's E-Transaction Control Center provides live monitoring capabilities to ensure 24/7 system performance and that transactions are executed in a timely manner with fewer errors, exceptions and compliance issues. This role-based dashboard can be customized for use by both the operations team and sales and service personnel.

The operations team can use the E-Transaction Control Center to set up automatic notifications and alerts to supporting systems and parties involved in the e-signing process. Customers, for example, receive email notifications when documents are ready for signing or when a copy of the final electronically signed document package is available for download. The operations team can also monitor the status of transactions to identify trends, bottlenecks or anomalies, and be alerted of issues to system performance.

Sales and service personnel, on the other hand, can use the E-Transaction Control Center to monitor the status of live e-transactions that they are responsible for at every stage in order to identify problems or delays. They can then take immediate corrective action from within the dashboard.



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### 2 – Executing E-Transactions

The flexibility and extensive functionality of the Silanis solution ensures the optimal e-signing experience can be put in place for the many processes and channels throughout a bank.

#### *(i) Flexible Signing Options:*

Electronic signatures can be applied to documents through a variety of methods using ApproveIt Web Server, including click-to-sign and signature tablets. Organizations choose the most suitable method for each process and / or distribution channel.

Click-to-sign is critical for successful Web implementations and may even be preferred in point-of-sale environments because it does not require software to be installed or additional hardware to be purchased.

In the branch however, if customer access to a kiosk or monitor is not practical (representatives may not want to or be able to share their workstations with clients), it is possible to use signature tablets to capture handwritten signatures. When LCD signature tablets are used, document text can be displayed on the tablet itself helping to reinforce intent.

#### *(ii) Authenticating Users:*

ApproveIt Web Server supports a wide variety of external user authentication methods to address varying security and usability requirements for verifying the identities of signers based on the risk level of the transaction and signing environment.

For example, banks often choose to use knowledge-based authentication with usernames and passwords for most online consumer-facing transactions. For high-risk processes, such as the transfer of ownership on a pool of loans to a secondary market investor, organizations can require smart cards, biometrics, PKI or digital certificates as user authentication.

Support for external user authentication also makes it possible for organizations to leverage their existing user credentials and methods of authentication, thus minimizing the burden of yet another login for customers.

#### *(iii) Presenting Documents:*

ApproveIt Web Server enables documents to be presented to customers for review both on-screen and in traditional paper format. While reviewing electronic documents on-screen is required for Web processes, banks may prefer to present a printed version of the document for review in the branch prior to signing on a signature tablet – once again, to avoid the need to share employee workstations with clients.



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### *(iv) Distributing E-Signed Documents:*

Electronic signature and commerce legislation requires banks to make copies of electronic records available to all parties involved in a transaction. Approvelt Web Server provides options depending on the preferences and system capabilities of the customers involved. Electronic records can be viewed on the bank's Website and/or downloaded as a flattened or verifiable versions on the signer's local system for personal recordkeeping.

### *(v) Sequential/Simultaneous Signing*

Approvelt Web Server makes it possible for multiple signers to execute a transaction simultaneously, helping to expedite processes for both agents and customers.

Co-buyers of a home, for example, do not need to wait their turn for a single copy of the mortgage closing package to begin reviewing and signing documents; rather they begin the process on separate workstations in tandem.

In the event that a co-signer on a loan is not able to be present during a loan application in-branch, the primary borrower can electronically sign the documents in front of a representative while the co-signer can complete the paperwork online without delay.

### *(vi) Seamless User Interface Integration*

Banks invest heavily in attracting customers to their Websites and promoting the use of online customer portals. Approvelt Web Server, as a 'faceless application', leverages the existing user interface of a host portal, to enable a seamless experience when completing transactions online.

## **3 – Collecting Electronic Evidence**

Approvelt Web Server goes beyond simple signature audit trails and captures comprehensive evidence of e-signing transactions to help avoid legal disputes and strengthen the enforceability of signed records. The solution records the entire e-transaction from beginning to end, including all screens viewed and actions taken. The e-transaction can then be reproduced to demonstrate that:

- ▶ All required steps in the transaction were executed.
- ▶ All required documents and information were presented to parties in the correct format & order.
- ▶ It was clear to all parties that they were entering into a legally-binding contract.
- ▶ No signatures are missing



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- ▶ All parties received a copy of the final records.
- ▶ Any timing requirements (e.g. delivery of disclosures within timeframe specified by state regulations) were satisfied.

Archival and review tools facilitate storage and retrieval of evidence data and Web pages. The entire e-signing ceremony can then be quickly and reliably reproduced for purposes of litigation or audit.

### **4 – Managing Transferable Records**

Approvelt® Transferable Records Manager is an electronic vault management solution that integrates with Approvelt Web Server to support the unique requirements of electronic transferable records such as promissory notes and chattel paper. The solution manages secure transfers of assignment as well as other operations on electronic contracts stored in the e-vault. Its registry-based approach maintains secure audit trail records of transactions to prove the ownership of the loans and leases based on electronic contracts and e-notes. The solution also supports automated pool operations for securitization and transfer to paper and other e-vaulting systems.

### **CONCLUSION**

Approvelt Web Server provides maximum flexibility, scalability and auditability - leading to greater adoption of online processes, easier implementation and reduced risk – and is cost-effective to deploy and maintain across all of your lines of business.

### **SOLUTIONS BY SILANIS**

For more information on Silanis Technology's industry-leading e-signature solutions and to see examples of its work for its clients, visit [www.silanis.com](http://www.silanis.com) or call us at 1-888-SILANIS (745-2647).