

## Dispute Affidavit Automation Case Study

### Snapshot

Dispute affidavit transactions, including credit and bank card fraud, credit and debit card disputes, and Automated Clearing House (ACH) disputes are sometimes time-consuming and laborious, with extra steps that take valuable resources. But, you can get through them with streamlined steps and a minimal number of obstacles if you readjust your process. Here's one scenario where a bank is finding a simpler way to handle dispute affidavits.

The bank currently generates between 7,000 - 8,000 affidavits monthly and they conservatively estimate spending \$1.67 per package, including flat-rate \$0.42 postage.

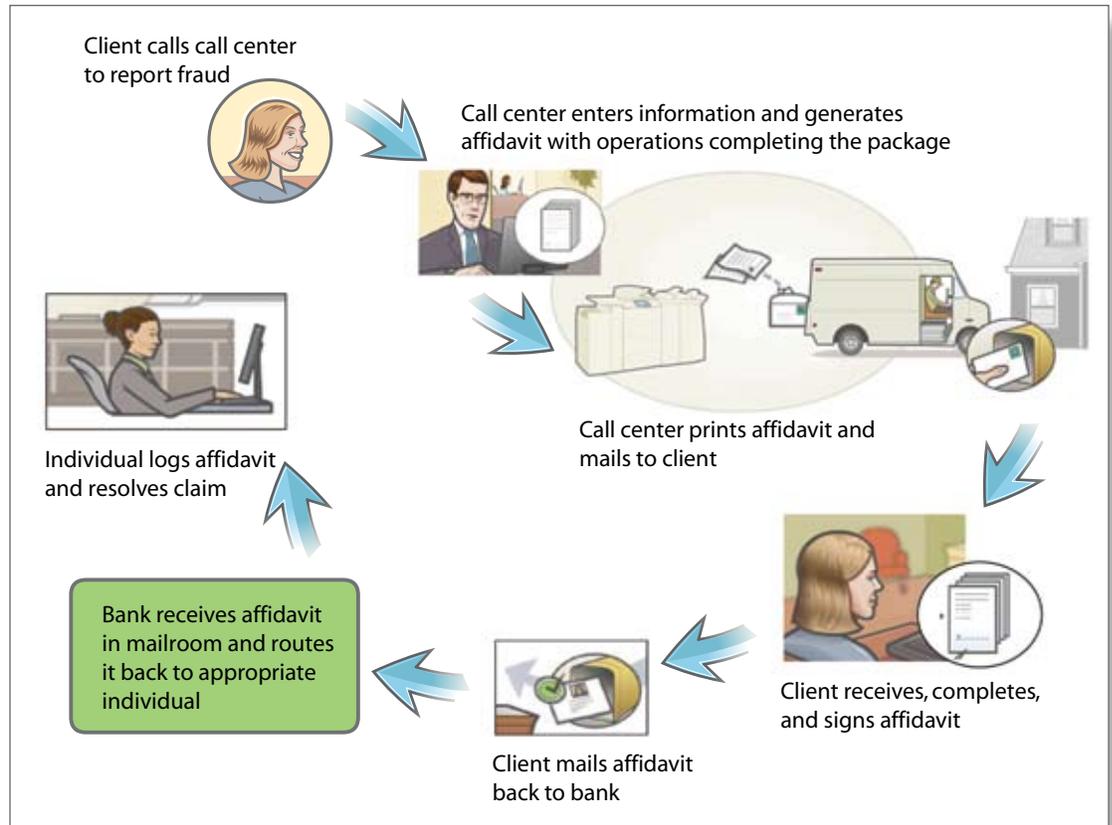
### Background

The bank's management staff came to us in the hopes of enhancing their affidavit dispute process. Their main issues are that their current process is manual, time-consuming, and not very client friendly.

In their current process, clients contact the bank's call center to begin the dispute resolution, and cases are opened and processed using tracking software. After staff members gain sufficient data from the client, the call center sends a request to bank operations to print the appropriate affidavit package, which is then assembled by operations in accordance with the type of disputed transaction.

Once assembled, the affidavit packages are generated and mailed (or faxed) to clients for manual completion and signature. The clients are asked to fax or mail the completed documents back to the bank, which then get manually routed to the appropriate dispute resolution center within the bank.

The overall time frame associated with the affidavit process is longer than desired and contains bottlenecks that are depicted in the workflow below.



Their software is the first bottleneck within their process, because (although the system can support the complete package) they are not currently using the system to generate the entire affidavit package, driving the need for manual assembly.

Another problem is that few of their clients have access to a fax machine, leaving mail as the only viable alternative, which is costly, as well as manual and time-consuming for both parties. The bank explored the option of emailing the packages but encryption concerns and security of client data nearly eliminated this option.

Unfortunately, adding to their process issues was that the bank's tracking and monitoring of outstanding affidavits were unreliable.

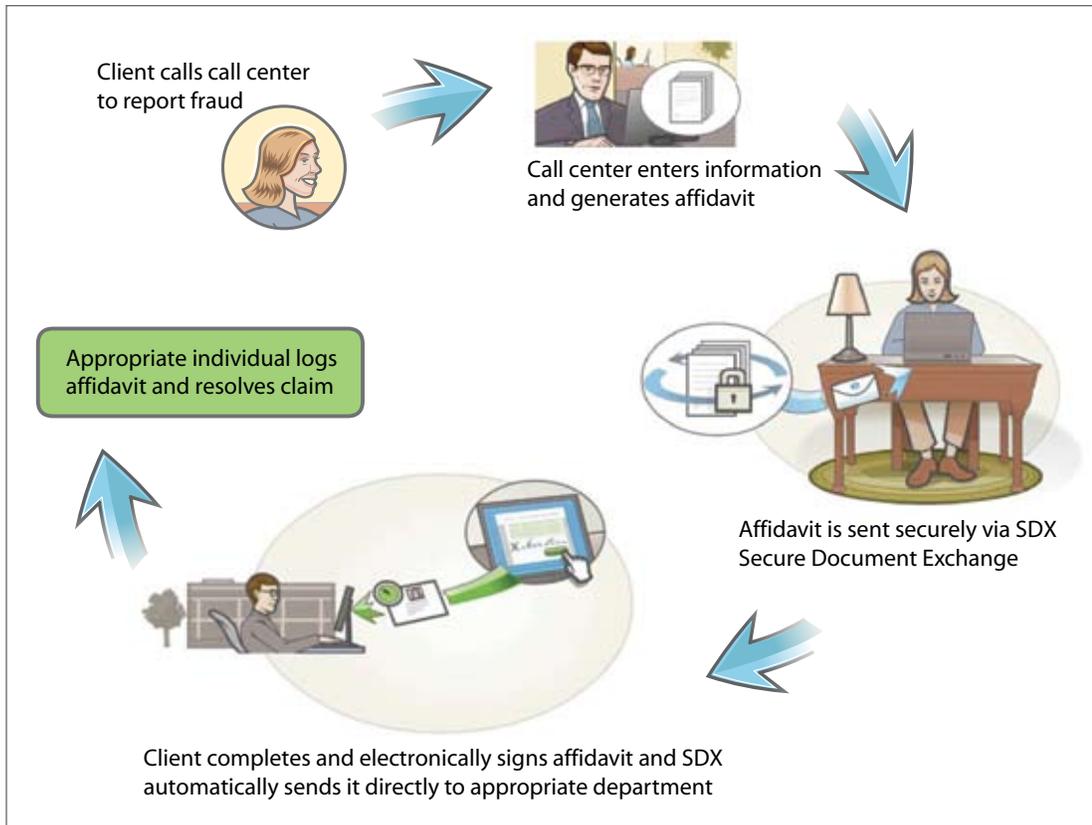
## Recommendations

Wolters Kluwer Financial Services recommended the following changes to the bank's existing workflow to help gain efficiency and reduce expenses associated with the affidavit process.

**Automated package generation:** Use the full functionality of their current software to generate the entire dispute affidavit package, in accordance to the type of transaction.

**Delivery of packages to clients:** Send affidavit packages electronically and securely, directly to the borrower, using SDX Secure Document Exchange. Complete packages that are generated in their current software can be printed to an electronic file—and SDX handles all encryption and delivery of affidavit packages. The electronic signature capabilities of SDX—developed following E-SIGN legislation—allow your clients to approve and send the packages back in a more immediate capacity.

The workflow below shows the proposed enhancements.



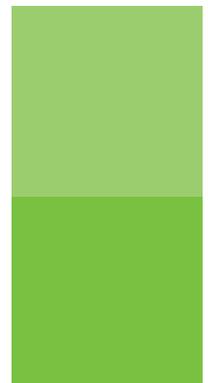
Secure Document Exchange provides value in many ways:

1. Greatly reduce, if not eliminate, the need for bank operations to be involved in the fulfillment process.
2. Decrease the time frame for delivering the package to the client—from days to minutes. In some cases, clients will be able to complete an affidavit while still talking to the call center.
3. Eliminate postage expense with the electronic delivery of affidavit packages via an encrypted two-way delivery system. Postage savings alone could reach \$40,000 annually.
4. Allow more options for client preference. Sign electronically and return with an Adobe® Acrobat® Standard PDF signature; or return by fax, using Secure Document Exchange (in either a .TIF or .PDF format), allowing easy electronic movement of the file directly back to the appropriate party within the bank.
5. Begin imaging of affidavit files in a format allowing immediate integration to an imaging system.
6. Track all transactions and communications using the SDX Secure Document Exchange system. SDX automatically tracks all events of a message, from sending, to delivery, to review, to approvals and back.

### SDX—Secure Document Exchange

The Secure Document Exchange system can help the bank increase efficiency and decrease costs while gaining control over any confidential information and transactions they conduct over the Internet.

A fully collaborative tool, SDX allows information to move between senders and recipients—providing an almost instantaneous transmission using industry and regulatory-accepted technology.



SDX keeps content safe and secure during transmission between senders and intended recipients and vice versa by employing the highest level of protective measures, including:

- Tamper Sealing—All messages and attachments are encrypted and tamper sealed inside a digital vault.
- Digital Rights Management—Supports “digital shredding” of secure messages and communications, print, and copy protection.
- Enforceable Integrity—Content is the lifeblood of any organization and its accuracy is paramount. SDX provides features to ensure the integrity of each message and the verification of content.

Unlike other solutions, SDX doesn't require the installation of any hardware or software for users to operate. And, SDX can be integrated into internal systems in a number of ways for maximum flexibility and user preference. With three integration options—Web-UI, SDX-Onsite (server), and SDX Web Services—to access its benefits, the flexible nature of SDX allows a seamless integration with most existing systems and networks.

## Updates

We are currently reviewing the existing affidavit packages the bank is using. The early minimum savings estimate with our recommended enhancements is \$1 per package. Such savings could easily save an institution of this size \$8,000 per month.

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Our solutions include integrated and stand-alone compliance and workflow tools, documentation, analytics, authoritative information, and professional services. Customers include banks, credit unions, mortgage lenders, and securities and insurance organizations of all sizes throughout the United States.

Our parent company, Wolters Kluwer, is a leading global information services and publishing company. The company provides products and services for professionals in the health, tax, accounting, corporate, financial services, legal, and regulatory sectors.

Wolters Kluwer has annual revenues (2007) of €3.4 billion (\$4.8 billion), maintains operations in over 33 countries across Europe, North America, and Asia Pacific and employs approximately 19,500 people worldwide. Wolters Kluwer is headquartered in Amsterdam, the Netherlands. Visit [www.WoltersKluwer.com](http://www.WoltersKluwer.com) for information about our market positions, customers, brands, and organization.

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