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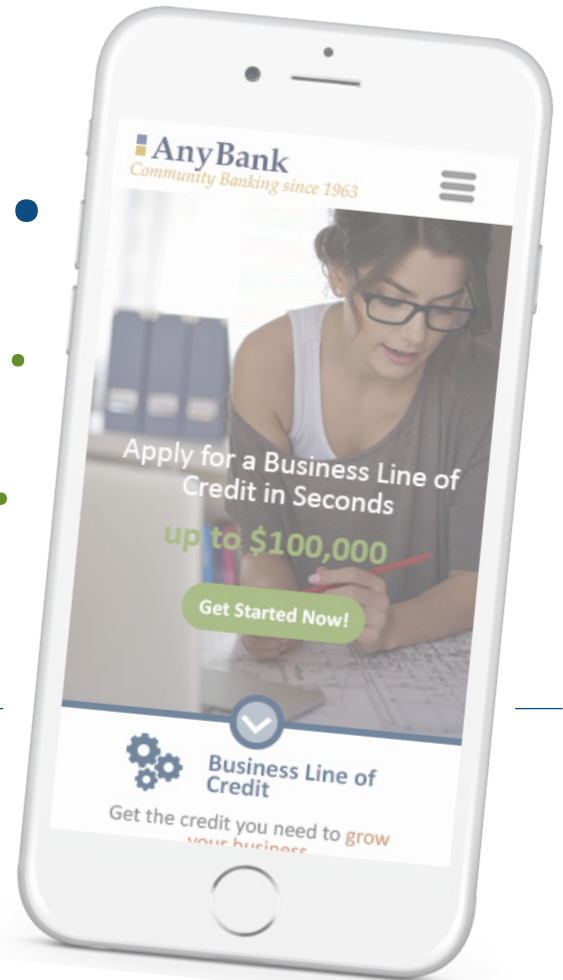
RCGILTNER  
Services, Inc.

**MinuteLender**<sup>®</sup>

**Business  
MinuteLender**<sup>®</sup>

# Your loans. Your underwriting. Your brand. Your control.

**MinuteLender**<sup>®</sup> and **Business MinuteLender**<sup>®</sup> digital lending technology platforms (powered by RCGILTNER Services, Inc.) allow your financial institution to grow revenues by offering small business loans under \$100,000 and consumer loans under \$35,000 – online and in minutes from any website, smart device or mobile phone.



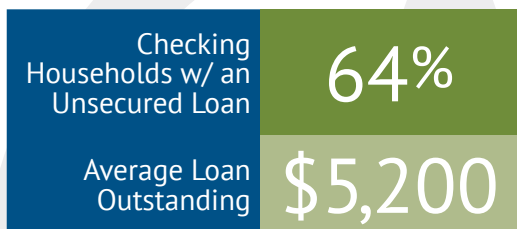
*“Banks need to accelerate investments in digital lending if they are to avoid a material decline in profits and loss in market share.”*

– Advisory firm **Bain & Company**

# Automate for Loan Profitability

More than half of your small business customers are likely to have a loan for less than \$100,000... *and it is not with your institution (Fig A).*<sup>1</sup>

Likewise, 64% of checking households in the U.S. hold an unsecured loan, with an average outstanding value of \$5,200.



For the past 20 years, many community institutions stopped making these short-term loans altogether, because the cost to underwrite and service them far outweighed the income to be earned. As a result, your customers found the funds they needed in credit cards, alternative lenders or even competitive institutions.

## Capitalize on Under-served Markets

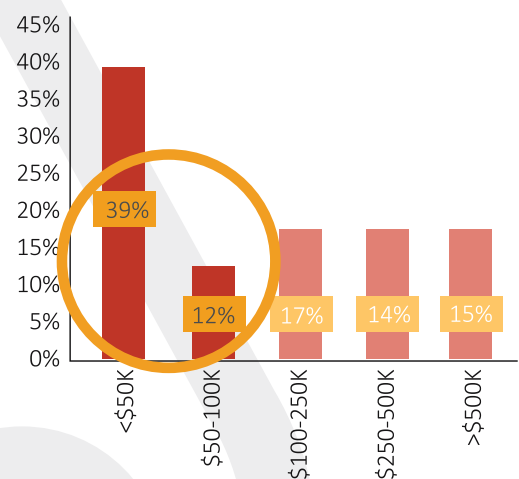
MinuteLender® and Business MinuteLender® digital technologies now make it possible to profitably offer small business loans and short-term lines of credit under \$100,000 and consumer loans under \$35,000.

MinuteLender® and Business MinuteLender® automate the entire lending process—from application and underwriting to set up, review and renewal—via end-to-end technology platforms. Streamlining the lending process in

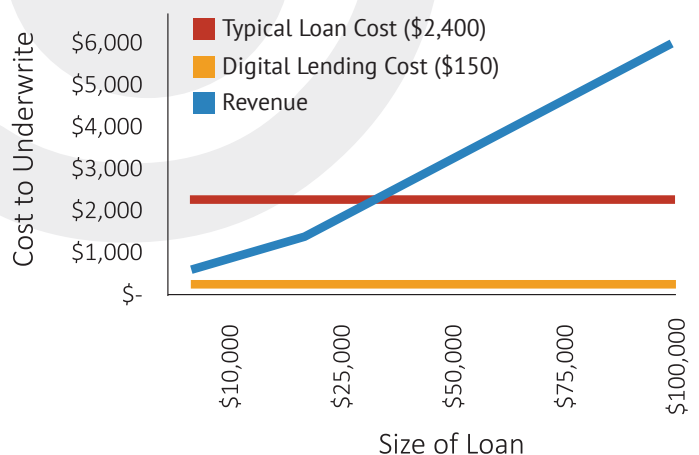
this way takes your lenders out of the equation (unless necessary) and **reduces the expense of processing and managing one loan from approximately \$2,400<sup>2</sup> to as little as \$150<sup>3</sup>** (Fig. B).

The efficiencies that MinuteLender® and Business MinuteLender® create allow your institution, with only minimal effort, to re-capture loans previously lost to other funding sources, while improving customer service and reducing costs.

**A.** Size of Loans by Small Firms



**B.** Cost to Underwrite & Manage Loans vs. Revenue



<sup>1,3</sup> R.C. Giltner Services, Inc.; <sup>2</sup> BAI Banking Strategies (<http://www.bai.org/banking-strategies/article-detail/making-small-business-loans-profitably>)

## A Digital Solution for a Digital World

Meeting consumers' ever-increasing digital demands with an online lending solution just makes sense.

A study by Magnify Money found that financial institutions with the highest digital adoption scores **grew their assets 16 times faster** than those less likely to adopt new digital technologies.

Further, banks that score highest in digital excellence measurements enjoy **a 50% higher average pretax profit per customer** than the median, while operating expenses per customer were 30% less.<sup>4</sup>

Today's consumers, especially millennials, seek easy, quick solutions. They use their mobile devices to accomplish the majority of their daily activities, and they will readily switch banks if they have a poor digital experience.

With MinuteLender® and Business MinuteLender®, your institution reaps the financial rewards of offering account holders the ability to apply and get approved for the funds they need from their smart phone or desktop computer... any time, any day, and all in less than three minutes.

'Fast-Track' MinuteLender® Process	
Types of Loans	Small Business <\$100K & Consumer <\$35K
Application & Response Process	Online, fully automated, requiring input of only five form fields—no paperwork
Customer Communication	Automated response requiring no paperwork or loan officer intervention
Document Upload/Capture	None required; no secondary docs required
Underwriting and Decisioning	Fully automated for approval/denial in seconds. No loan review required (but is possible)

*Financial institutions with the highest digital adoption scores grew their assets 16 times faster than those less likely to adopt new digital technologies.*

— Survey by **Magnify Money**

## A \$30 Billion Revenue Opportunity

Financial institutions stand to earn \$30 billion in the next eight years (driven by a \$600 billion loan market), according to 2016 studies by both Goldman Sachs and Ernst & Young, by utilizing digital lending technology. The significance of this opportunity can be compared to the revenue generated over the past two decades when NSF revenue grew from \$12 billion to \$34 billion and interchange income tripled \$6 billion to \$18 billion.

Your institution already has the stable, low cost of funds, the established customer relationships and the documented compliance standards to capitalize on digital lending. All you need is the right technology—MinuteLender® and Business MinuteLender.®

<sup>4</sup>BCG Perspectives, 2016 Retail Banking Excellence (REBEX) Benchmarking Study

## Automated Underwriting that is Safe, Compliant

Both MinuteLender® and Business MinuteLender® utilize your own underwriting and risk-rating standards. Your institution also retains all of the loans on your balance sheet as working assets.

The MinuteLender® and Business MinuteLender® platforms provide your account holders sound loan approval in seconds by, first, utilizing credit report data and, then, adding deposit information, which is immediately available from your institution's core system. For business loans, the system also requires owner guarantees.

**Proven, documented underwriting.** Underwriting with credit score information has a proven, 30-year history of soundness—all documented in governance, process and validation. Adding deposit and checking account activity to the credit score further reduces risk—from six percent (a high mid-point loss estimate) to as low as four percent.

This same underwriting methodology is also applied to automatically grade and monitor loans quarterly by analyzing cash flow and pulled credit information.

*Interpreting cash flow data using the Demand Deposit Account (DDA) as part of assessing credit worthiness is a major innovation brought by online lenders.*

*Banks could have formidable advantages if they can better tap DDA data, given they have such data on every small business customer which has an account with them.*

Harvard Business School,  
*The 2016 State of Small Business Lending*

## Deliver Through the Cloud with Complete Security

Cloud technology today allows users to access information from any location and any Internet-enabled device quickly and easily. The MinuteLender® and Business MinuteLender® online server houses your account holders' NON-CRITICAL information (no account numbers or Social Security identification), which is readily available from your core system. With this data, the system can easily identify any account holder at the beginning of the application process by requiring only a few pieces of data. The proxy information that is stored in the cloud is hashed and cannot be screen-scraped, so there is no risk to your account holders, even in the unlikely event of a server breach.

The 'fast-track' MinuteLender® and Business MinuteLender® loan approval process automates the steps your bank would normally take to manually gather this information. Once the loan is approved, the customer E-signs the required documents and disclosures—all within the loan platform software. The MinuteLender® and Business MinuteLender® systems manage compliance consistently without generating any paperwork and full documentation is stored on your institution's core system.

**Request a Demo Today!**

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