

Securing the Credit Union from the Inside to the Outside

Credit unions face a balancing act when opting to implement remote signing capabilities via the Web: ease of use and less costly or what is most secure? It is a serious question that is not asked often enough. We all know that shortcuts eventually catch up with us, but financial institutions still battle between the "it's simply legal" and "we'll take our chances" approach versus ensuring they gain enforceable technology that can be relied upon and trusted going forward. At IMM, we believe the scale should always tip toward security. Transactions can have significant financial consequences for lending or account origination when security is sacrificed; burdens with which travel, retail or other non-financial industries have no concern.

To be truly enforceable means being able to prove in a dispute that the individual signing the documents is who he or she says, that there is intent to sign and that the integrity of the records being executed have not been tampered with and the signatures can be validated as such.

Authentication is clearly meant to grant an individual access to documents for viewing and signing. It can be fulfilled from a home banking login, as a secure portal to the document signing site or through three levels of independent verification and authentication to gain a digital identity. Irrespective of the process, an audit log must be available to prove as a component of the process that the signee is whom he or she says. This requires a secure method of individual identity determination beyond just an e-mail address.

The second, and not any less important portion, of the signing event is the signature itself. The individual signing remotely should be in sole possession of his or her signing ability. In this case, the signee shows clear intent to sign with each required signature as opposed to the click-to-sign method where a third party vouches for the individual and signs the "wrapper," which equates to a low trust signature. It is important that the individual signing a document is the person who has been authenticated and verified, not a third-party vendor. Once documents are signed, being able to validate executed signatures on the document is crucial to have confidence and comfort going forward that your document portfolio can be trusted and enforced. Completed documents should be securely returned to the credit union as non-editable documents to ensure their integrity. It is paramount to be able to prove that signatures have not been tampered. Additionally, the validity of the signature and the location of the document must be independent of the signature vendor because financial institutions in a dispute scenario do not want to rely on a vendor that may have been purchased or exited the business.

As in all emerging technologies, it takes education and time to better understand the risk because not all signatures are created equal! But let us ask you this: who is behind the signature on your documents?

Nish Shah Chief Technology Officer



Nish Shah

is the chief technology officer for Integrated Media Management® (IMM), a document output management

and automation technology provider specializing in the paperless technologies that automate the space between a financial institution's core host system and imaging backend. Joining the company in 2000, Shah leads the company's strategic technology initiatives in addition to managing all technical definition, design and product development. Shah has been a pioneer in teller capture solutions for Check 21 and instrumental in forging the interfaces with many of the financial institutions' CORE system providers. Shah started at IMM with more than ten years of experience in systems architecture, workflow automation, electronic forms, output management, document imaging systems and various leading software technologies. Shah holds a bachelor's degree of computer information systems from DeVry Institute of Technology in Phoenix, where he graduated with honors.

Contact Info

www.immonline.com