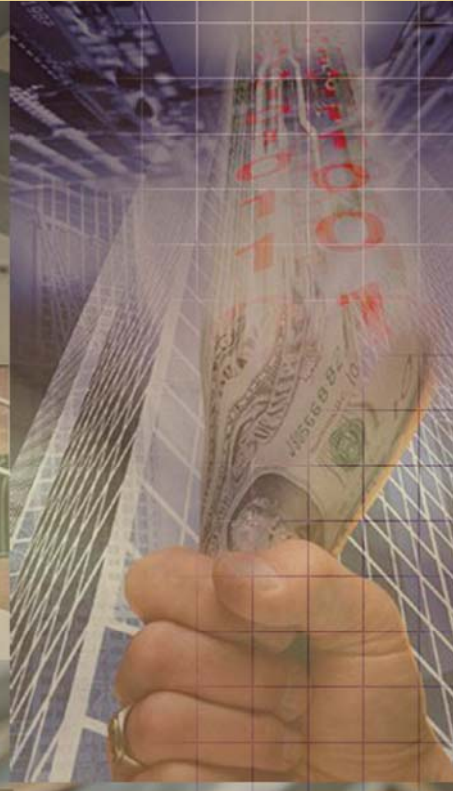




Case Study

The Customer:

Charles Schwab, the world's second largest discount brokerage, manages approximately \$1.2 trillion for more than 7 million individual and institutional clients. Traders can access its services via telephone, wireless device, the Internet, and through over 300 US offices. Besides discount brokerage, the firm offers mutual funds, annuities, private banking, and bond trading, as well as mortgages, CDs, and other banking products through its Charles Schwab Bank.



Solution:

CIC Electronic Signature Software with Adobe® forms technology

Result:

Currently in production, the combined Adobe and CIC solution has enabled Charles Schwab to process a major percentage of its account opening documents electronically.

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The Challenge:

Charles Schwab averages over 1,500 account openings per day. The processing of account opening packages represents a significant cost to the business. They include labor, logistical and equipment costs associated with handling the paper and wet signatures. This paper based process also created sales delays and quality of service issues due to periodic human error. In order to enhance its position as an industry leader and be more competitive as a leading discount brokerage, Charles Schwab implemented an initiative to automate its account opening processes and thereby improve its efficiency and effectiveness.

Charles Schwab

The analysis of potential business solutions presented many challenges. There were a number of technology components to consider that required integration in order to automate the account opening process. Although the first phase of the initiative was to automate the General Brokerage, IRA, and Schwab One® account forms processes, the intent was to eventually migrate all of its forms to an automated fully electronic system. This meant choosing best-of-breed components that offered both flexibility and scalability for the long-term which were still compatible with their legacy systems.

Being a highly reputable firm, it was also important for Charles Schwab to implement a solution that provided maximum transaction integrity, compliance and the strongest process for non-repudiation. This is a direct result of the great scrutiny given to financial transactions associated with their high risk nature. Additional consideration was also given for the various governing bodies that regulate the transaction process, ranging from disclosures and form design to general sales practices.

The Solution:

The Schwab Technology Enterprise (STech) team performed an extensive design analysis, prototyping and testing of various options to address the firm's needs. Two major components of the solution were determined to have the greatest impact on the immediate and long-term success of the system. These were forms and electronic signature technology. Both of these components greatly affect the transaction integrity and the ability to scale the solution into many business processes within the enterprise.

Forms Solution

Adobe® forms technology was selected and implemented as the means to create, present and process the account forms. With the Adobe document security, intelligence, flexibility and other valuable features, the Adobe forms provide the best format for creating the electronic documents. Adobe also enabled the seamless integration of electronic signatures through its Digital Signature Framework for the form signing process and the forms were readily integrated into the legacy workflow and archiving systems.

Electronic Signature Solution

CIC's Sign-it® electronic signature solution was selected and implemented to provide the biometric handwritten electronic signatures. CIC's electronic signature solution provides a critical element in the electronic transaction process for ensuring maximum process and transaction integrity. With CIC's solution, Charles Schwab has the ability to address multiple methods of electronic signature with one common product. These methods of electronic signature include biometric handwritten, voice, fingerprint, eSeal, click-wrap and pin/password. While each method of electronic signature has its own benefits, there is no one signature type that fits all application needs. The ability to consistently apply a best practice eSignature solution in a repeatable and consistent fashion independent of the eSignature method or application process was the key to vendor selection. Based on the time that this application was deployed and the minimal supporting legislation for electronic signatures, Charles Schwab heavily leveraged CIC's vast eSignature knowledge and experience in the development of the updated business process. This knowledge and experience was a result of CIC having several of the largest and most successful eSignature deployments in the financial industry at that time.

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“Early estimates on annual savings in excess of \$1.6 Million attributed to staff reductions in document control and account opening process...”

Steven Hirsch
VP Marketing

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Charles Schwab

Because of the rapidly evolving nature of hardware devices, vendors and standards, hardware independence was a critical factor for Charles Schwab in the system it deployed. CIC's eSignature solution is compatible with virtually all mainstream signature capture devices including Tablet PC's, PDA's, low-end signature capture pads and advanced signature capture devices that are capable of authenticating users, taking payment with a card, RFID, smart card, etc. Signature capture hardware is known to change rather frequently, it is constantly being advanced and prices continue to drop. Charles Schwab also recognized that there would be changes to its signature capture hardware over time and it planned to use multiple types and manufacturers of hardware. Charles Schwab was making a large investment in the software solution and its versatility was critical.

The Benefits:

Currently in production, the combined Adobe and CIC solution has enabled Charles Schwab to process a major percentage of its account opening documents electronically. The investment continues to show increased return, year after year, with the addition of other form types and increased volumes. On top of a significant dollar cost savings, Charles Schwab is now processing account opening documents significantly faster than with the previous paper based process and the human error component of the paper process has been significantly reduced. Charles Schwab's paperless account opening process, with electronic signature, continues to meet all legal and regulatory requirements.

Any method.

Any popular format.

The key to paperless business processes.

Communication Intelligence Corporation ("CIC") is a leading supplier of electronic signature solutions for business process automation in the Financial Industry and the recognized leader in biometric signature verification. CIC's products enable companies to achieve truly paperless work flow in their eBusiness processes by enabling them with "The Power to Sign Online®" with multiple signature technologies across virtually all applications. Industry leaders such as AIG, Charles Schwab, Prudential, Nationwide (UK) and Wells Fargo chose CIC's products to meet their needs. CIC is headquartered in Redwood Shores, California and its products are sold and supported globally. For more information, please visit our website www.cic.com.

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