



Case Study

Park National Bank successfully transitions to electronic asset pledging; enhances efficiency, automation, and compliance



Park National Bank transformed its asset pledging activity by implementing a fully integrated loan origination system, automating workflows, and ensuring compliance with Federal Reserve Bank (FRB) requirements. The bank partnered with Wolters Kluwer to create an effective eAsset management strategy for successfully pledging electronic assets to the FRB, complying with applicable eSignature regulations, and building a solid foundation for digital lending and asset monetization.





Background

Newark, Ohio-based [Park National Bank](#) operates in 87 office locations in four states: Ohio, Kentucky, North Carolina, and South Carolina. Since 1908, the company has delivered “an exceptional breadth and depth of services to individuals and businesses.”

The organization has grown rapidly over the past few years through strategic acquisitions that have given it a foothold in multiple new regions. Today, Park National Bank manages total assets valued at \$9.9 billion (as of March 31, 2025). It continues to invest heavily in the communities it serves and provides customers with personalized, hands-on experiences.

Goal

Park National wanted to take advantage of the Federal Reserve Bank’s (FRB) allowance to pledge electronic assets within the discount window and monetize loans in the secondary market. The team also strived to position the bank for future digital lending expansion by ensuring all assets can be digitally originated and are legally enforceable.

Creating a better digital experience for borrowers was an equally important goal. “We wanted to get electronic processes and integrations right to improve efficiency for our team and create a better customer experience,” said Amy Pinson, Park National’s Senior Consumer Loan Business Analyst. Reducing delays associated with paper-based processing was key to meeting this objective.

Challenge

Like many of her peers at other banks, Pinson's team soon discovered that pledging electronically signed documents is different than pledging traditional wet-signed documents. The FRB has strict and unique rules around the pledging of electronic assets, making it time-consuming for banks like Park National to transition to digital, before they can realize the ROI from it. For instance:



Electronic assets must be encrypted and deposited into a compliant eVault to ensure asset control, security, authenticity, and evidentiary integrity.



The FRB requires additional new documentation for electronic assets, including legal attestations confirming the assets meet transferrable record requirements under applicable laws.



The FRB also calls for financial institutions to label electronic assets clearly with tamper-evident security measures.

Applicable regulations also proved more challenging than the Park National team anticipated especially with its regional growth. Certain states do not fully accept electronic signatures or electronic notarization, requiring Park National to perform extra due diligence to ensure compliance. The bank also needed to ensure the integrity, transferability, and legal recognition of its electronic assets and provide detailed documentation adhering to applicable Uniform Commercial Code (UCC) Articles.

"We confirmed acceptance of electronic signatures and notarization for certain states, but we quickly learned that county regulations across our regions could vary significantly," said Pinson. "This required us to dig deeper into compliance at a highly granular level."

Park National initially stored electronic assets in a third-party eVault that did not integrate with the company's loan origination system or internal document storage system. Without an integrated eVault, however, the bank chose not to pledge electronic assets. Bank personnel had to manually track, verify, and transfer file documents to storage, leading to delays, potential errors, and increased administrative burden.

"Our initial system required a lot of manual effort and wasn't scalable," explained Pinson. "It became clear that to improve efficiency and support electronic asset pledging, we needed a fully integrated solution."



Solution



Dual eVaults for asset separation and protection

Members of [Wolters Kluwer's eAsset Pledge Support Program](#) met with Pinson and her team and provided a roadmap to eAsset management success. They worked closely to implement Wolters Kluwer's eOriginal® eAsset Management solution to streamline workflows, expedite pledges, and ensure compliance with federal and local regulations.

Wolters Kluwer replaced Park National's difficult-to-manage process with two integrated eVaults. The main eVault receives and stores originated digital assets. All pledged assets are transferred to a second eVault. Both established the entity to which a single, authoritative copy of an electronic asset is signed, issued, or transferred. The eVaults contained immutable digital records that allowed Park National to pledge and securitize electronic assets over time with full compliance.

The dual system ensured clear separation between assets, prevented cross-contamination of pledged and non-pledged assets, and streamlined FRB audits. "By separating pledged assets into a dedicated eVault, we simplified compliance, improved auditability, and eliminated potential confusion and minimized our risk," said Pinson.



Expert consultation for accurate and efficient eAsset pledging

Wolters Kluwer guided Park National through best practices for eAsset management and pledging, including clarifying the necessary controls, attestations, and operational expectations. The Wolters Kluwer team leveraged its experience in electronic asset management and pledging to serve as a convenor between the FRB and Park National, helping the latter interpret requirements and meet the FRB's security standards and reporting requirements.

"The certification documents and attestations are complex and difficult to interpret. Each FRB district has its questionnaires, legal assessments, and documentation," Pinson explained. "Wolters Kluwer helped us structure our responses and validate our compliance framework for our unique situation."



Automation for improved pledging efficiency

Park National coordinated with Wolters Kluwer to integrate automated compliance checkpoints into the bank's loan origination and pledging workflows. Pledged assets were automatically labeled and then segregated to meet FRB requirements. Park National also administered tamper-evident watermarking to protect these assets and confirm ownership verification.

By automating workflows and utilizing tools within the eVault, such as collections, Park National significantly expedited its asset transfer times.

"Automation was the game-changer that significantly improved the efficiency of our pledging," said Pinson. "Wolters Kluwer was instrumental in ensuring our technology and processes aligned perfectly with compliance requirements and helping us reap the full benefits of eAsset management and pledging."

Results



Implemented streamlined digital loan process from origination to loan closing, reducing inefficiencies and improving the overall customer experience. Loan processing times were reduced 50 percent when comparing the integrated process to the paper process with a non-integrated loan origination system.



Reduced asset transfer time, accelerating the pledging process.



Achieved regulatory compliance by ensuring that pledges and eSignatures complied with federal and local regulations.



Early engagement with the FRB clarified requirements and streamlined the pledging process.



Assets are marked and segregated into dual eVaults, reducing compliance risks.



Created a solid foundation for future scalability that allows for additional asset categories.



[Visit our site](#) to discover how Wolters Kluwer can help your organization benefit from electronic asset pledging or [contact us](#) to set up a free consultation.

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Wolters Kluwer reported 2024 annual revenues of €5.9 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 21,600 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

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