

Lien Solutions

# Mergers and Acquisitions, Simplified

Many players in a typical M&A situation think they are well-equipped for the transaction's demands by using the typical methods for underwriting and lien perfection. However, whether working with a third-party or, as is often the case, trying to do it yourself, the risks of unperfected liens or lost collateral can become a very serious matter when workload increases or different types of lien management are integrated under one roof.

What if you could reduce your exposure to risk when a merger or acquisition takes place? The right partner can oversee the entire portfolio from one, two, or even three or more separate banks and manage the process methodically to ensure proper filings are completed, continuations are issued and the rest of the secured loans are managed correctly.

Lien Solutions Professional Services helps many of the largest financial institutions with activities originating from mergers and acquisitions every year. Professional Services completes your projects accurately and quickly, with minimal disruption.



## We deliver:



A dedicated account manager to manage your project.



Understanding of your unique environment and requirements.



Personalized services and execution based on your business needs.



The results you need and alignment for future success.



### Reduce risk, minimize disruption, stay perfected

Consolidating a lien portfolio properly and ensuring liens stay perfected during a merger is a crucial but difficult task. In Q2 2017, the average commercial loan size from a domestic bank was \$663,000.<sup>1</sup> If only 100 loans of that value that move from one bank entity to another are unperfected or are somehow neglected during a bank acquisition, \$66.3 million is at risk. And 100 exceptions is an extremely low number when it comes to unsecured or lapsed liens. The percentage of a total portfolio is typically significantly higher during normal M&A activity when an acquiring bank has to ensure that the liens on the target bank's loans have the correct secured party names.

Lien Solutions delivers the expertise to make sure all active liens in an M&A portfolio are consolidated efficiently, with the correct secured party name, and remain perfected. Our team facilitates UCC-3 assignments and amendments, correctly updating lienholder names in bulk.



### The tools that make taking action fast and simple

All banks file liens in different places, whether on their own, through other third-parties or even with our web-based platform iLien. For a successful transition, you have to have visibility of all liens, no matter where they reside, because without necessary action, there can be gaps that lead to lost standing.

We have the domain expertise to give banks complete and comprehensive consolidated lien information. As part of the integration process, Professional Services imports data from both public records and dedicated systems, and ensures that all the relevant fields are populated.

Once the consolidated information is in iLien, you can use it to access your information from anywhere, any time of day. iLien has a variety of tools to monitor, analyze, and report on liens, giving you the knowledge to take appropriate actions and keep your portfolio perfected.



### Mitigate risk

When there are disparate processes to track liens, it's a challenge for the acquiring bank to use multiple processes to track any debtor-related changes like name or status. It can be highly inefficient and increases chances of losing priority or ownership on those liens.

Professional Services identifies all debtor-related changes to help with lien perfection. We can also bring all relevant data into your portfolio and enable monitoring so that you know about any debtor-related changes immediately, giving you enough time to act on your liens and keep them perfected.



### Minimize disruption and improve productivity

System integration resulting from a merger may be the toughest task of all. Lien lifecycle management can suffer when there are disparate systems, different processes, and two sets of employees unfamiliar with the other's processes.



*Professional Services brings all relevant data into your portfolio and enables monitoring. You know about any debtor-related changes immediately, giving you time to act on your liens and keep them perfected.*

<sup>1</sup>Federal Reserve Survey of Terms of Business Lending: May 1-5, 2017

To ensure that the number of loans processed scale with the expectations of the consolidated bank, lien processing in the acquired bank has to be scaled as well. This can lead to a backlog of UCCs that need to be filed as new loans are approved.

Professional Services can help automate lien processing including UCC searches and filing; then the lien management toolset simplifies complete lifecycle processing and increases process efficiency and employee productivity.

We handle the extra work, you take care of your customers.



### Motor vehicle liens

Motor vehicle loans are often a large part of a bank's loan portfolio. Making sure your motor vehicle titles reflect the new entity name is critical to protecting these assets. When you partner with us for your M&A work, we quickly and easily handle all your motor vehicle titling needs and help reduce time to perfection. We stay up to date with the changing jurisdictional requirements across all 50 states so you don't have to.

We can facilitate:

- **Lien adds** - Add a lienholder (name and address) to the existing title; an existing lienholder can be removed at the same time
- **Duplicate title** - Order a duplicate of a current title from the state
- **VIN search** - A search of DMV records, by state, to obtain information on a specific vehicle; searches reveal registered owner name and lienholder



### Real Property Services

#### Choice, control, and automation for public record searching and recording

In order to protect all your assets, your real property loan portfolio also needs to reflect new entity information as a result of the merger or acquisition. The following services can ease your workload and help ensure your mortgage liens are perfected:

- **Bulk assignment recordings** eliminate the manual work to update your mortgage recordings; use our county-specific forms and rules and let us help with signing and processing in either paper or electronic format according to your preference
- **Our Real Property search options** for both commercial and residential properties speed up the time to obtain important property information that includes filling data and document gaps in your portfolio; choose from a variety of search types, data sources, and delivery methods to meet your needs such as Ownership and Encumbrance, Legal Description and Vesting, Recording Verification, Specific Document Retrieval, and many more



### When we're done, you take over with iLien

As the industry leader, Lien Solutions can manage your entire loan lifecycle across multiple lien types. Through a workflow analysis conducted by our experts you can visualize the workflow that maximizes efficiency and minimizes risk-causing steps. The result can eventually be a complete integration with iLien, where you can search, file, and manage your portfolio from a single platform. Not only that, we offer custom, proprietary reporting to provide oversight into your entire portfolio of loans.



### Why Lien Solutions Professional Services?

- ✓ **Industry leading expertise:** Leverage our nearly four decades of lien management experience to ensure lien management activities are optimized for your operations.
- ✓ **Minimized risk and full compliance:** Our experts help you in ensuring that your liens are properly filed and maintained with accurate information so that your lien position is maintained.
- ✓ **Agility:** Professional Services brings in the efficiency to complete the projects quickly to help relieve some of the extra burden of your consolidation activities.
- ✓ **Cost-efficient:** In addition to the work around the M&A, banks still have the everyday work to get done and keep their customers happy. Professional Services can complete these additional tasks for you in a cost-efficient and timely manner so you can focus on your core business needs.

## Our M&A Package includes:

Service	Components	Benefits
<b>A dedicated team</b>	<ul style="list-style-type: none"> <li>• Dedicated account manager for your project</li> <li>• Understanding of your unique environment and requirements</li> <li>• Personalized services based on your business needs</li> <li>• Worry-free experience</li> <li>• Alignment with your team ensuring that the new environment can be managed easily and in a productive way</li> </ul>	40 years of lien management experience across segments and with banks and financial institutions of all sizes.
<b>UCC-3</b>	<ul style="list-style-type: none"> <li>• UCC-3 Amendment</li> <li>• UCC-3 Assignment</li> </ul>	Maintain standing.
<b>Monitoring</b>	Monitoring activation, debtor's corporate data scrub.	Visibility of debtor information.
<b>Onboarding</b>	Complex historical client data import, third-party historical import, UCC pre-population, portfolio duplicate filing consolidation, reference field transfer, UCC filing data transfer, search data transfer, UCC image pre-pop.	Easy lien lifecycle management; iLien tools provide the right insights and reports.
<b>Automation</b>	iLien integration.	Build in a uniform process.
<b>Motor Vehicle Liens</b>	Lien adds, duplicate title, VIN search.	Motor vehicle lien portfolio stays perfected.
<b>Real Property Liens</b>	<ul style="list-style-type: none"> <li>• Bulk assignment recordings</li> <li>• Real Property search options</li> </ul>	<ul style="list-style-type: none"> <li>• Eliminates manual work to make updates</li> <li>• Obtain real property information quickly and accurately</li> </ul>



Call (800) 833-5778 x 3 to speak with a representative and learn more about our M&A services.

### About Wolters Kluwer Financial & Corporate Compliance

Wolters Kluwer (EURONEXT: WKL) is a global leader in information, software, and services for professionals in healthcare, tax and accounting, financial and corporate compliance, legal and regulatory, and corporate performance and ESG. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with specialized technology and services.

Wolters Kluwer reported 2022 annual revenues of €5.5 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 20,000 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

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