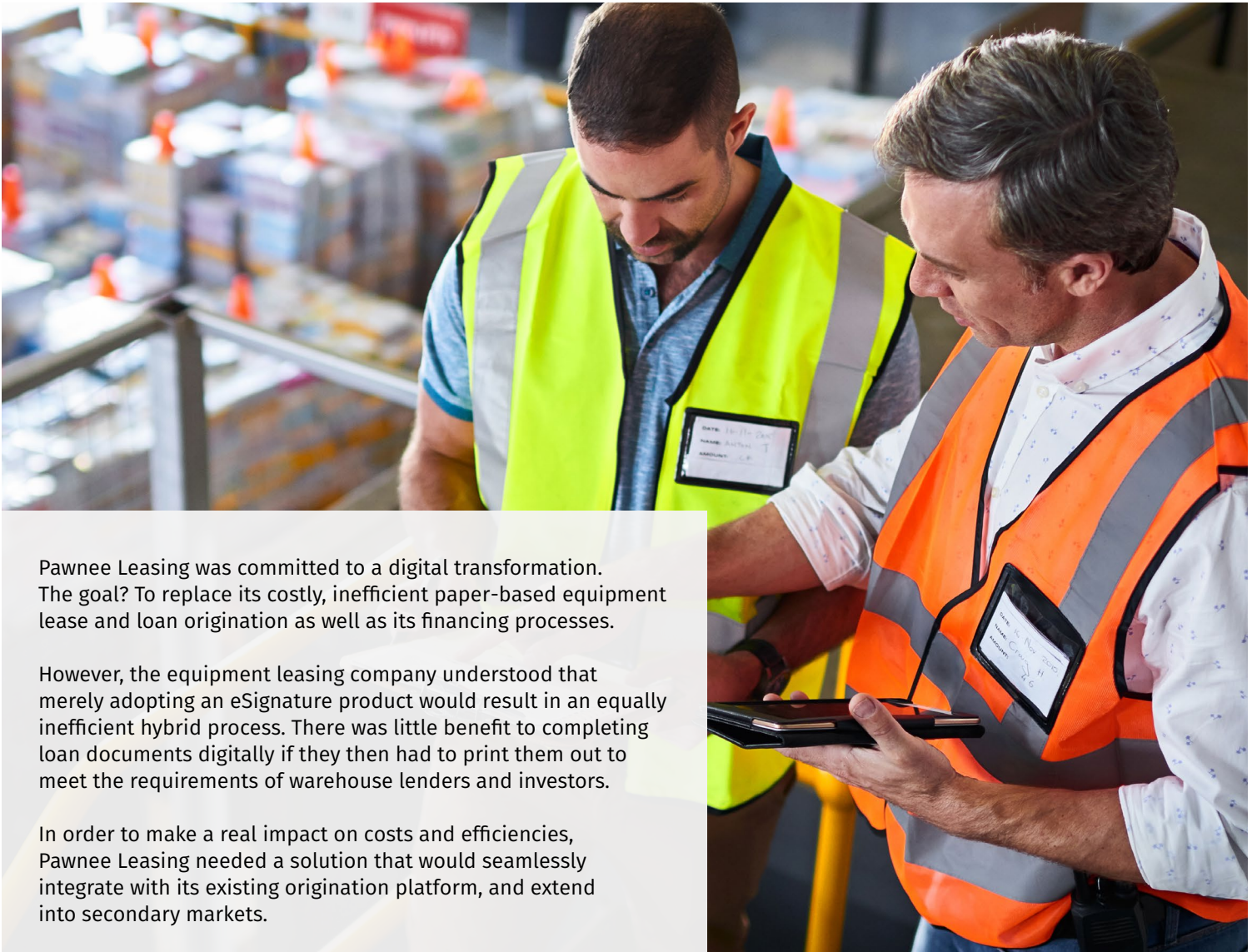




Case Study

Going digital enables Pawnee Leasing to close a \$250+ million warehouse facility



Pawnee Leasing was committed to a digital transformation. The goal? To replace its costly, inefficient paper-based equipment lease and loan origination as well as its financing processes.

However, the equipment leasing company understood that merely adopting an eSignature product would result in an equally inefficient hybrid process. There was little benefit to completing loan documents digitally if they then had to print them out to meet the requirements of warehouse lenders and investors.

In order to make a real impact on costs and efficiencies, Pawnee Leasing needed a solution that would seamlessly integrate with its existing origination platform, and extend into secondary markets.

Who is Pawnee Leasing?



Founded in 1982, Pawnee Leasing provides small-ticket commercial equipment leases and loans up to \$250,000 for all levels of lessors and credit applicants. With more than 90 employees in charge of underwriting, servicing, and collecting its leases and loans, they originate their contracts through an independent broker network, and conduct business in all 48 lower states.

In 2006, Pawnee Leasing was acquired by Chesswood Group Ltd and today operates as Chesswood's largest subsidiary company.



Why did they choose eOriginal?

Limitations of Pawnee's existing digital origination platform weakened its competitive advantage because it lacked key capabilities such as eSignature and eVault. Digitally generated documents still had to be printed out for signature, then stored in physical warehouses. This process became even more time-consuming and costly when corrections or changes were required.

Pawnee Leasing set out to find an end-to-end solution that would improve speed to capital, cut costs, eliminate errors, and enhance the customer experience.

The solution would have to manage leases and loans in a fully compliant digital environment. It was crucial for Pawnee Leasing to retain the confidence of its banking partners by meeting their high criteria for transparency and security.

eOriginal's solution fulfilled all of Pawnee Leasing's requirements by enabling the creation of 'digital original' documents that are as legally enforceable as paper contracts, providing some of the most secure transactions in the market.

The eOriginal advantage

The key to the eOriginal solution was integration. Pawnee Leasing had collaborated with partner DocuSign to add eSigning capabilities to its loan origination platform.

Having eliminated the need to print out documents for signature, it now needed a way to store, manage, and transfer these virtual assets. Integrating an eVaulting solution into the existing platform was a natural next step, but not any eVaulting solution would serve Pawnee Leasing's stringent requirements for confidence and compliance.

eOriginal's eAsset Management solution could prove to warehouse lenders that there was clear management and control of the chattel paper, which ensured the negotiable instrument and security agreement. In other words, Pawnee Leasing and its financing network could fully trust the transactions.

The results

eOriginal's eAsset Management enabled Pawnee Leasing to originate and manage its contracts in a completely digital format throughout the nation. How did this impact their business?



With physical storage no longer a necessity, Pawnee Leasing closed a **\$250+ million warehouse facility**, and ahead of first term securitization.



Time to closing was **reduced from days/weeks to hours**, and ahead of first term securitization.



More than 1/3 of its brokers originating leases and loans adopted **digital transactions**.



Risk of human error was mitigated, eliminating the need to reprocess transactions.

Pawnee's loan origination platform is now industry-leading with enhanced operational efficiency and speed to capital.

Pawnee Leasing adopted digital processes that earned the trust of its warehouse lenders, Royal Bank of Canada (RBC), Bank of Montreal, and SunTrust, which accepted the digitally controlled loan documents as part of warehouse facilities worth \$250 million. That transaction was carried out by a \$75 million non-recourse asset backed facility with Capital One.

With adoption of compliant and secure technologies on both the front end and back end of the leasing and lending process, Pawnee Leasing has become a stellar example of how investing in digital lending transformation can elevate a company's profile along with its bottom line.

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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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