

A photograph of a modern office environment. In the foreground, a man in a dark suit is leaning over a desk, looking at a document. Behind him, several other people are seated at desks with computers, engaged in their work. The office has large windows, potted plants, and a clean, professional atmosphere. A blue semi-transparent banner is overlaid on the middle of the image, containing the title text.

Perfect and Protect:

The Top 3 Challenges to Your In-House Filing Practices—And How to Overcome Them

Filing Directly: Saving Costs or Creating Them?

When you file a UCC financing statement, you expect to minimize risk and secure your assets over the life of your loan. But many factors can threaten your ability to maintain lien perfection—particularly if you're growing fast or have loans across many states.

Many lenders are experiencing growth in the volume and speed of transactions. At the same time, as you grow, you likely face more audits—and more pressure to optimize your processes and documentation capabilities to pass them. Meanwhile, an expanded footprint also means you have to navigate more filing processes that change continually and vary by jurisdiction.

Facing these pressures, more than 8,000 financial institutions with at least one UCC lien on public records use an expert partner to file UCCs.¹ But for those who go it alone—i.e. in-house filers—all these challenges intensify. If you can't address them, you could experience:

- Significantly higher error and rejection rates
- Loss of lien position—and potentially your assets—if you fail to file a continuation statement before your lien expires
- A limited ability to manage liens after the initial filing—which exposes you to hidden risks you may never even know about

Avoiding these outcomes demands a different approach—based on the recognition that protecting your assets requires dedicated end-to-end management that is hard to do without the right partner and technology.

But getting there isn't easy. To manage risk throughout the life of your loans, you must think differently about overcoming the challenges you face as an in-house filer.

Those challenges include:



Limited ability to manage lien perfection risks that occur after the initial filing



Fragmented, manual workflows that don't meet the increasing demands of your business



Limited visibility into and across your lien and search portfolio

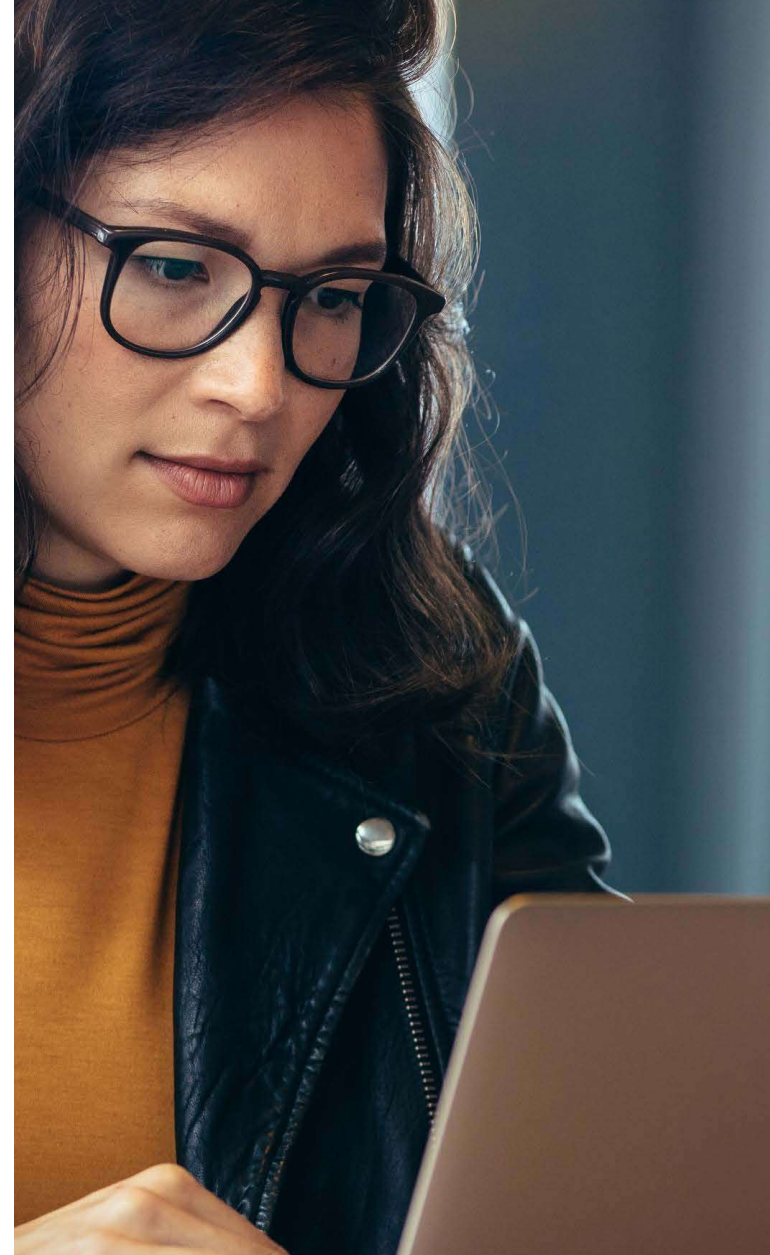
Your Challenge:

Threats to lien perfection after the initial filing

Due diligence searching and lien filing are just the first steps toward achieving and maintaining lien perfection. Many challenges come into play after the initial filing—especially if your debtor is like the average one who has two active liens (or like the 25 percent who have more than four).²

These challenges could include change events involving debtor names or entities. They might be loan expiration dates that aren't being scrupulously monitored. They could be hidden issues like address variations, which can impact perfection. There's also the risk of error or loan loss due to liens with misspelled or incorrect information—which is more likely to happen when lenders have to manually rekey loan information.

Filing UCCs in-house might seem like the simple, cost-effective approach. But it could actually prove very costly to your business if you can't spot, manage and minimize risks that can arise after you file. The secretaries of state can't offer that degree of visibility into UCC or debtor changes that occur throughout the duration of your loan—and these gaps could harm your ability to protect your assets.



On average, **16% of debtor names change** in a given year³

Manage risk across the lifecycle of your loans



What does it take to minimize risk and maintain lien perfection after your initial UCC filing? Above all, it requires a mentality shift that views lien perfection as an end-to-end process—an approach to managing risk that you need to apply across the lifecycle of your loans.

A big part of making that shift is getting more robust visibility into critical change events when they happen, as well as into other hidden risks that could cause you to lose lien position or hinder your ability to collect.

With Lien Solutions' end-to-end Lien Management suite, you're protected against the hidden risks that could jeopardize compliance and lien perfection. On the ground-level, that means taking advantage of risk-minimizing capabilities, such as:

- UCC and business entity monitoring so you can track changes to debtors or UCCs that could affect your ability to collect
- Auto Continuation to prevent unwanted lien expiration so you can maintain lien position
- On-demand analytics so you can understand any potential risk to your portfolio due to unperfected liens

When you leverage Lien Solutions, the visibility and protection you need doesn't begin and end with due diligence searches and lien filings—it extends as you navigate change events, monitor portfolio health, report on your lien operations and file the necessary UCC-3s to maintain perfection.



Contact our risk management experts to learn how our solution can help you stay informed on any changes or issues that impact lien perfection



Your Challenge:

Inefficient, error-prone workflows that don't scale with your business

If you file liens directly with multiple secretary of state offices, you already know that each state has its own website within which you file your UCCs, conduct public records searches and execute other lending-related activities. That means that as your footprint expands, so does your number of processes. If those workflows are already cumbersome and overly reliant on tickler systems, tracking liens in spreadsheets or manual processes that require re-keying of important data, the issue only snowballs as you try to scale them to more jurisdictions.

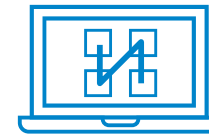
While manual processes might have worked when you did business in a limited number of jurisdictions, they can impede success as you expand into new ones—especially as the speed and volume of transactions ramp up. Similarly, if you have loans across multiple states, it can be a hassle to manage different logins, different state-specific requirements and different website interfaces on your own.

How do these challenges multiply as you grow? First, you'll increase risk of filing rejections, error and imperfection—especially if you have too many manual processes in place and are filing liens in less familiar jurisdictions. And, besides hamstringing your ability to handle higher volumes, inefficient workflows are also the enemy of process consistency and documentation, which become even more important as you grow and face greater regulatory scrutiny.




In-house filers could experience a **22% rejection rate**⁴

Streamline workflows to meet the demands of your business



Growth equals increasing pressure to be cost-effective and competitive, which means you can't afford to absorb overtime costs to handle volume spikes, or to waste time toggling between tools. To stay efficient, you must improve and automate processes to help you cope with the increasing speed and volume of transactions. To stay competitive, you need to control costs, mitigate risk and run an operation that supports business expansion.

With Lien Solutions, you can file and manage your UCCs in one place, using one system and one streamlined and integrated workflow. This means you can grow your footprint with administrative ease, improve operational efficiency and productivity and strengthen your ability to pass audits by having better process consistency and documentation capabilities in place.

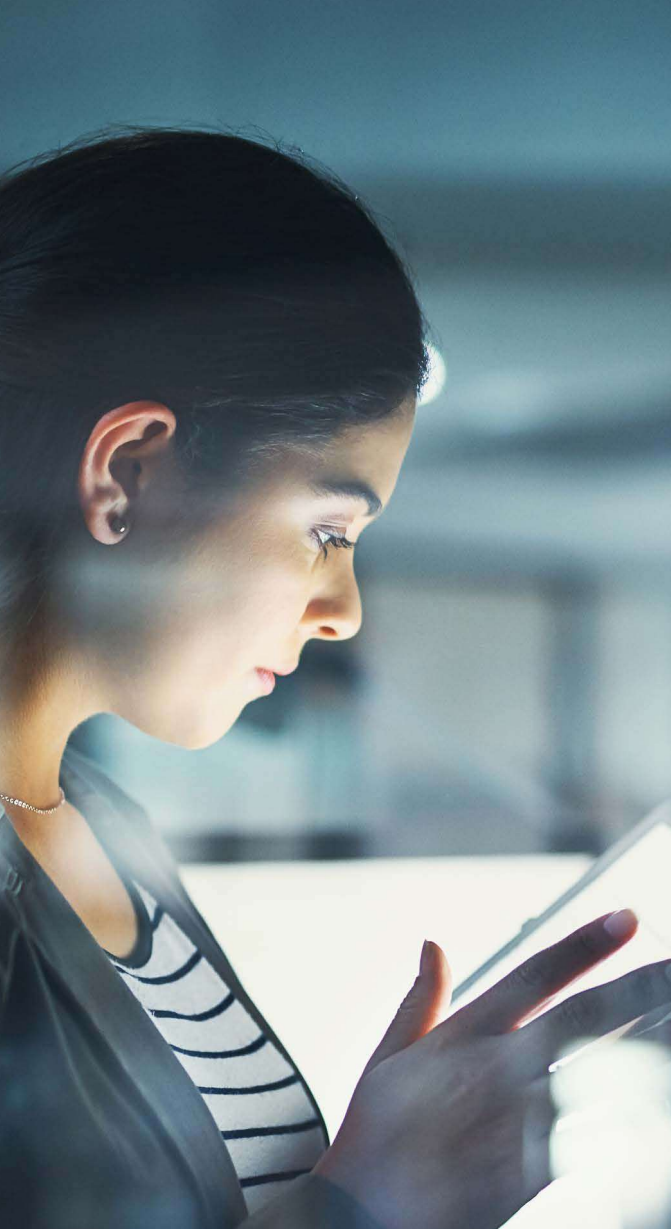
When you take advantage of iLien's automation and integration capabilities, you'll streamline your lien management processes with the support of an expert provider. For example, you'll use multi-jurisdictional templates pre-programmed with the specific jurisdictional requirements to ensure filing acceptance and accuracy; a centralized image repository to pull data and images from the public record to store your filings and searches; and the automatic continuation of liens in bulk to improve workflow efficiency. And, when you leverage tools, expertise and easy system integrations, your team can continue working seamlessly with existing systems. 

Due Diligence, Perfected

With iLien's search logic and robust database of information from all jurisdictions, you can conduct searches on your debtors that are faster, easier and more exact. Searching in iLien returns more records that are more closely matched to your search parameters. If the jurisdiction doesn't make information available electronically, you can leverage a wide-reaching network of expert correspondents to track down the documents on your behalf.

Contact our lien management specialists to learn how you can streamline your processes





Your Challenge:

Lack of visibility into and across your lien and search portfolio

If you're managing your filings in multiple places, you likely lack the visibility you need to assess your portfolio health in a holistic way. As a result, you might not know about changes to your liens or risks to your portfolio. You could also have blind spots when it comes to analyzing operational efficiency.

That could interfere with your ability to take critical actions. These actions might include filing UCC-3s, conducting additional or refreshed due diligence searching or sending information on debtor issues to the relationship manager, credit or legal. Depending on your existing processes, these actions might also involve leveraging certain automation tools that have the power to transform and streamline your workflow.

Another potential due diligence gap? Not having a search portfolio that allows you to see all of your searches in one place. Without that visibility, you'll struggle to log all of the due diligence searching you've conducted, and you won't be able to easily repeat or refresh searches. That means it's not just hindering your due diligence efforts—it's hurting workflow efficiency, too.



Unperfected liens can range from as low as **3% to as high as 30%** of a portfolio without lenders even knowing⁵

Break through the barriers to portfolio visibility



To get a complete picture of your portfolio health, you need visibility into and across your lien and search portfolios. Having visibility into your portfolio to quickly see issues that affect your asset protection is part of a proactive, ongoing approach to end-to-end lien management. You need a partner that offers insightful tools, such as:

- Portfolio Sync, which brings together your filings from all locations to give you a single place to view and manage all your liens
- On-demand reporting and analytics to help you better understand portfolio and operational health

If you file UCCs in multiple places, the first step to full portfolio visibility is bringing all your liens together in one place.. With this level of visibility, you'll be able to more confidently take the necessary actions on your liens, whether it's filing UCC-3s, conducting additional due diligence searching or identifying training opportunities for your staff to improve the quality and efficiency of your lien operations. And that means you'll have the insights you need to better prepare for, react to and make the right decisions—based on better information and a more robust understanding of your portfolio.



Contact our reporting and analytics experts to learn how to assess your portfolio quality and operational efficiency



Why Lien Solutions?

Maintaining lien perfection doesn't begin and end with due diligence searches and filing. To protect your assets, you need to think of your liens as requiring an end-to-end lien management process. When you work with Lien Solutions you'll put that mentality into practice, gaining the visibility, insight and ongoing support you need to minimize risk as your business evolves.

With Lien Solutions, you can:



Manage risk throughout the lifecycle of your liens:

By taking advantage of a suite of tools to help you monitor UCCs and business entities, you can spot, manage and minimize threats to lien perfection that occur after the initial filing.



Implement workflows that scale with your business:

By leveraging solutions that help you handle increased speed and volume of transactions, you can stay efficient and competitive as you grow.



Break through the barriers to portfolio visibility:

By accessing filing and search portfolios in one place, no matter where you filed your liens or which jurisdiction you searched, you can better analyze and understand your portfolio health and take actions to minimize risk.

Our team at Lien Solutions can help lessen the burden of your lending processes. Learn how having the right partnership and technology can transform your business and prepare you for the future.

Contact us today for a free customized demo.



1 Wolters Kluwer analysis of public records data
2 Wolters Kluwer analysis of public records data
3 Wolters Kluwer analysis of public records data
4 Based on Wolters Kluwer internal customer data
5 Wolters Kluwer analysis of public records data

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