

It's Elementary- eCommerce Basics

An Overview of Technology Standards and Industry
Standards Organizations

MBA Document Custody Conference
Las Vegas, NV
September 8, 2003
Roger Gudobba



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

eCommerce

- “Business is going to change more in the next ten years than it has in the last fifty.”¹

¹Bill Gates, *Business @ the Speed of Thought*, 1999



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

Why?

- Information Age for 30 years
 - Most of the information is still moved in paper form



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

How?

- It's simple
 - The Flow of Digital Information

Horizontal vs. Vertical Standards

- Horizontal
 - Apply across multiple industries
 - Sometimes customized for a specific industry
 - Examples: XML, HTML, TCP/IP
- Vertical
 - Industry-specific
 - Examples: MISMO (Mortgage Industry), LegalXML (Law), ACORD (Insurance)



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

Business to Business (B2B)

- Mortgage Industry Information Interchange
 - Automated Underwriting Systems
 - Credit Reporting
 - Branch Office Consolidation



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

X12

- General-purpose EDI (Electronic Data Interchange) framework with specific transaction sets for many different industries
- Pre-dates XML, many legacy systems in place
- Requires expensive software for parsing and processing
- Business partners must agree on exact message format before production operation





MISMO

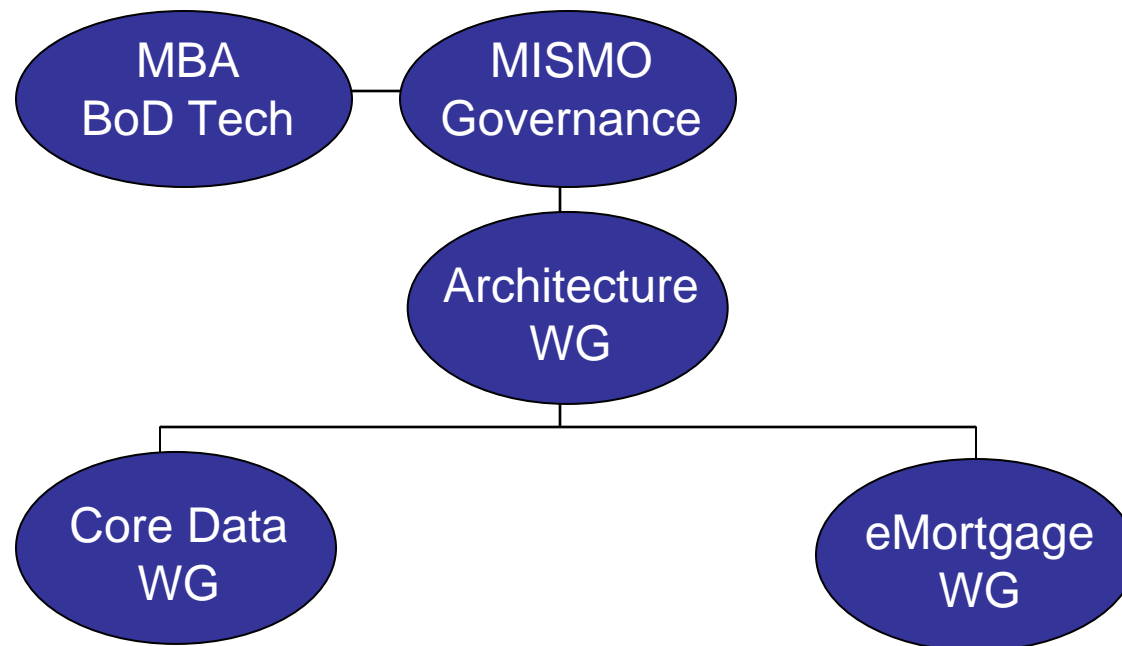
- Mortgage Industry Standards Maintenance Organization
 - Data Standards
 - eMortgages
 - Security
- Website: www.mismo.org



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

The Structure



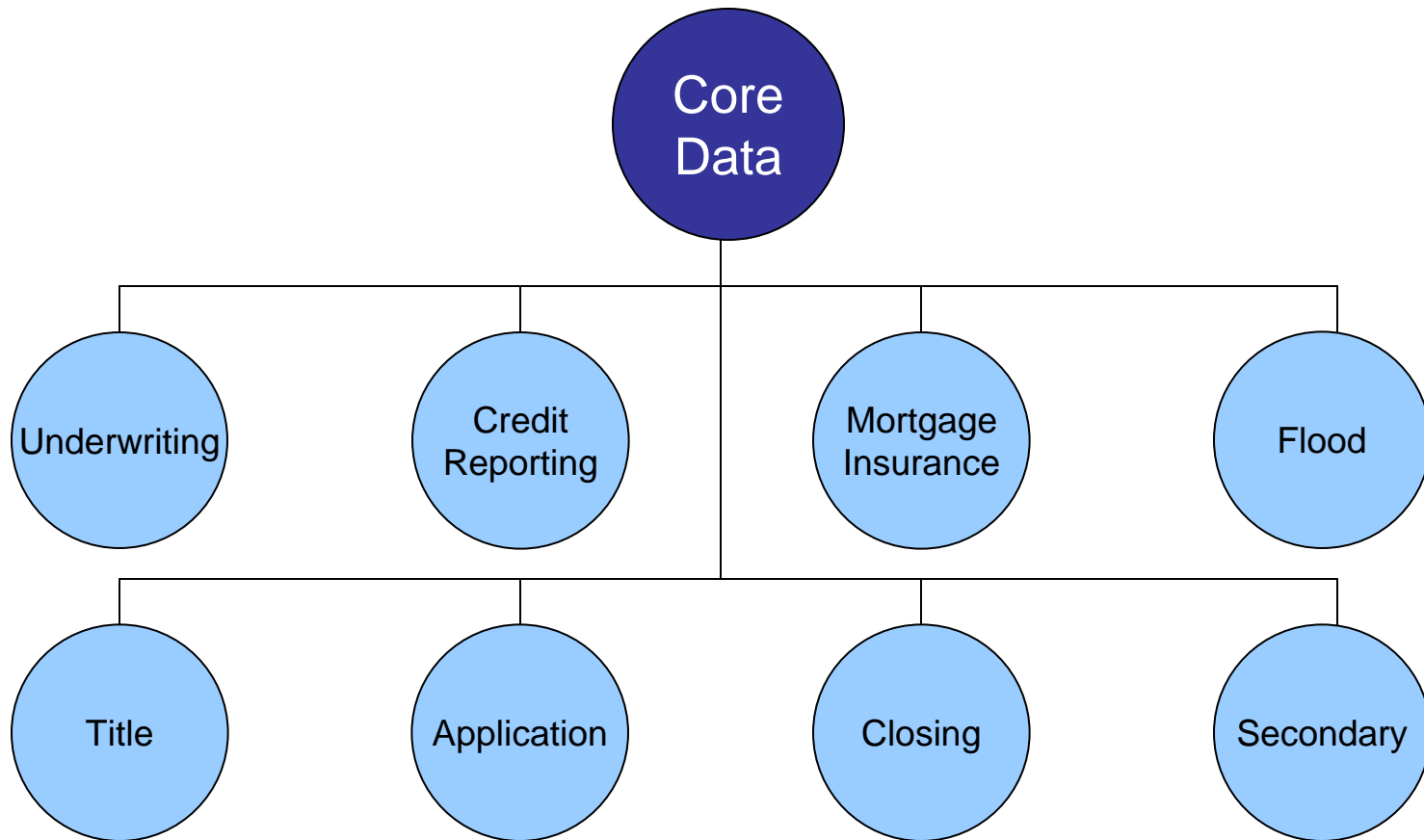
m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

The Foundation

- It's All About The Data
 - Logical Data Dictionary (LDD)

The Framework



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

The Challenge

- To move
 - from a paper intensive industry
 - to paperless(electronic mortgages)



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

What is a document?

- Templates
 - that change and evolve over time
- Data
 - from an origination system

merged together as required for presentation



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

SMART Document

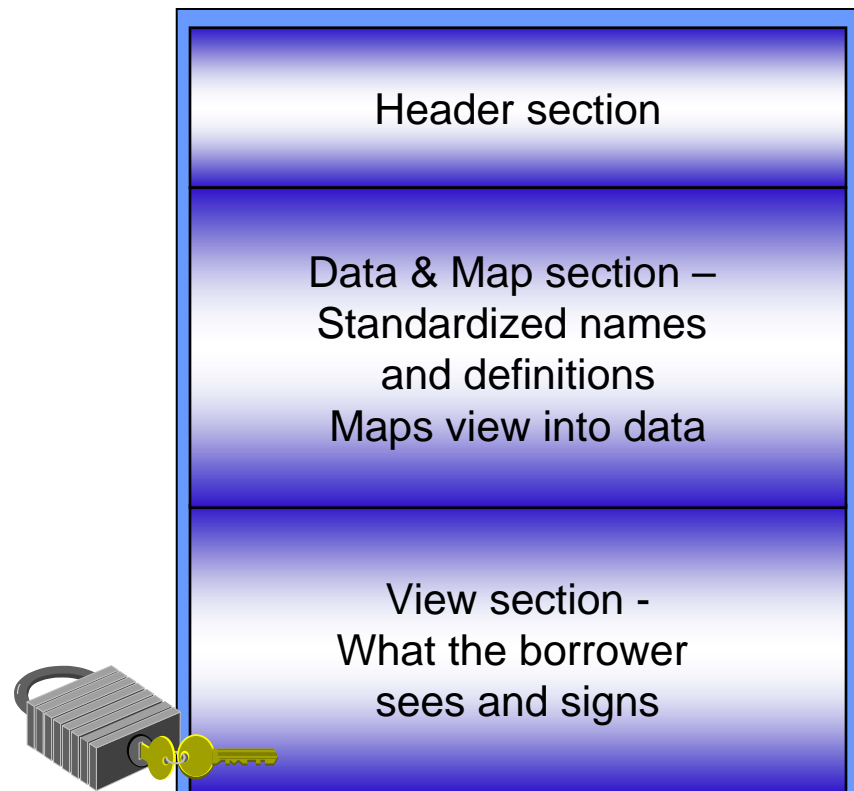
- Template can be easily presented for viewing
 - (Browser)
- Data can be easily extracted for downstream processing
 - (XML data tags)
- Templates and data electronically locked together
 - (Digitally signed)



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

SMART Doc Visualization



`<DocType>note</DocType>`

`<ClosingDate>20030501</ClosingDate>`

Note:

May 1st, 2003
Closing Date

Digital Signature makes it tamperproof

eMortgage Workgroup

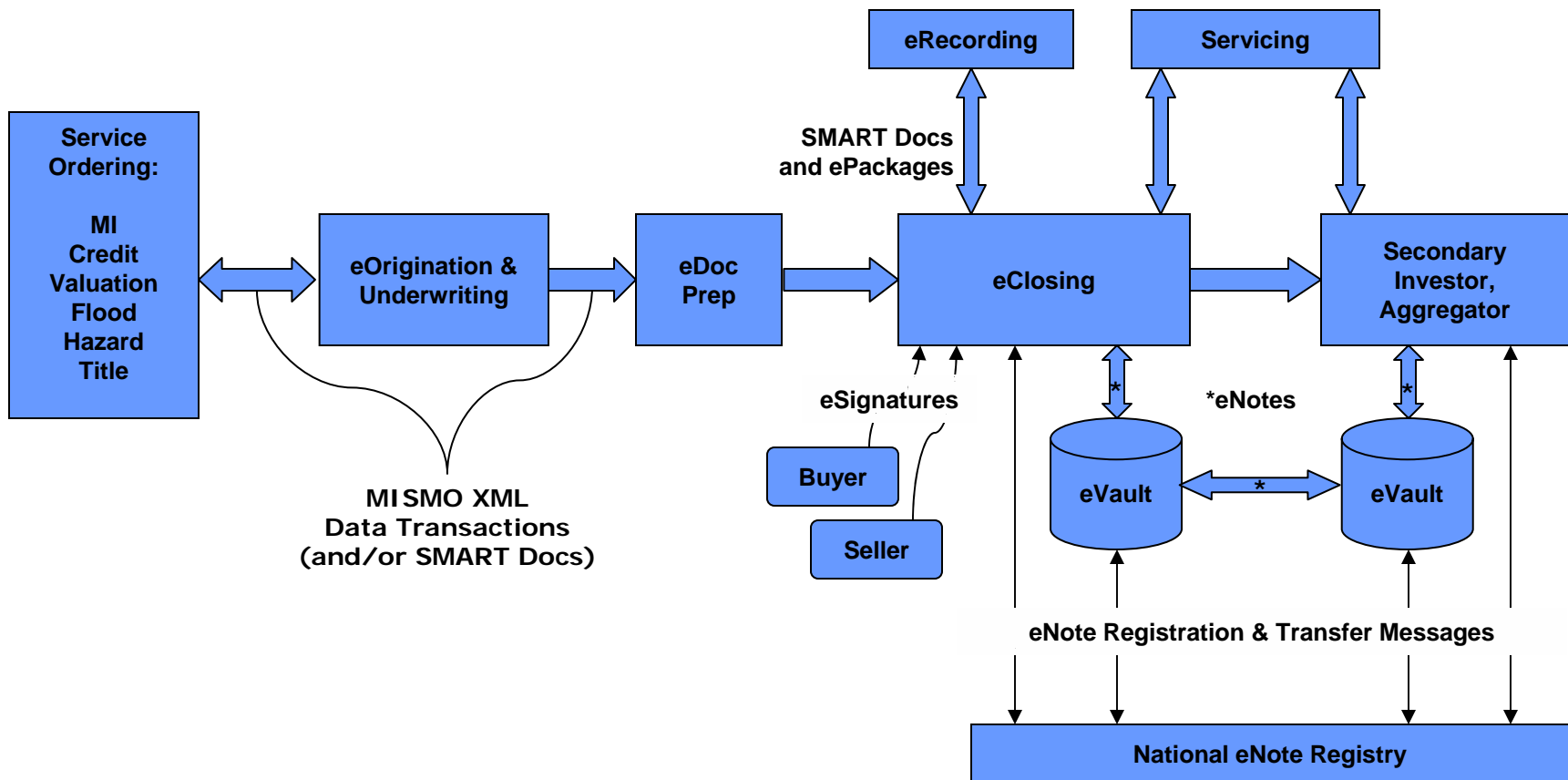
- eMortgage Guidelines and Recommendations Release 1.0
- SMART Doc Implementation Guide
- Website (public standards)
 - www.mismo.org
- Website (workgroup efforts)
 - emortgage.mbaa.org



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

eMortgage Process Flow



Commercial Mortgages

- MISMO Commercial Work Groups
 - Architecture
 - Core Data
 - eMortgage
 - Originations
 - Servicing
- More information
 - www.mismo.org



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

SISAC

- Secure Industry Standards Accreditation Corporation
- Wholly-owned non-profit subsidiary of MBA
- Setting baseline industry standards for accrediting Certificate Authorities
- Goal: Interoperable PKI certificates that all meet the same baseline standards
- Website: www.sisac.org



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

SISAC - Details

- SISAC services define minimum standards for technology, and policies and rule sets for *governance* of digital credentials
- Technology and governance combine autonomous and heterogeneous systems so that parties to a transaction may not be previously known to each other and must rely on a digital credential
- Allows non-affiliated organizations to transact business in a trusted environment



PRIA

Property Records Industry Association

- XML DTDs
 - eRecording Standard, Vers. 1.1, April, 2003
 - eNotary Standard
- Website: www.pria.us



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

SPeRS

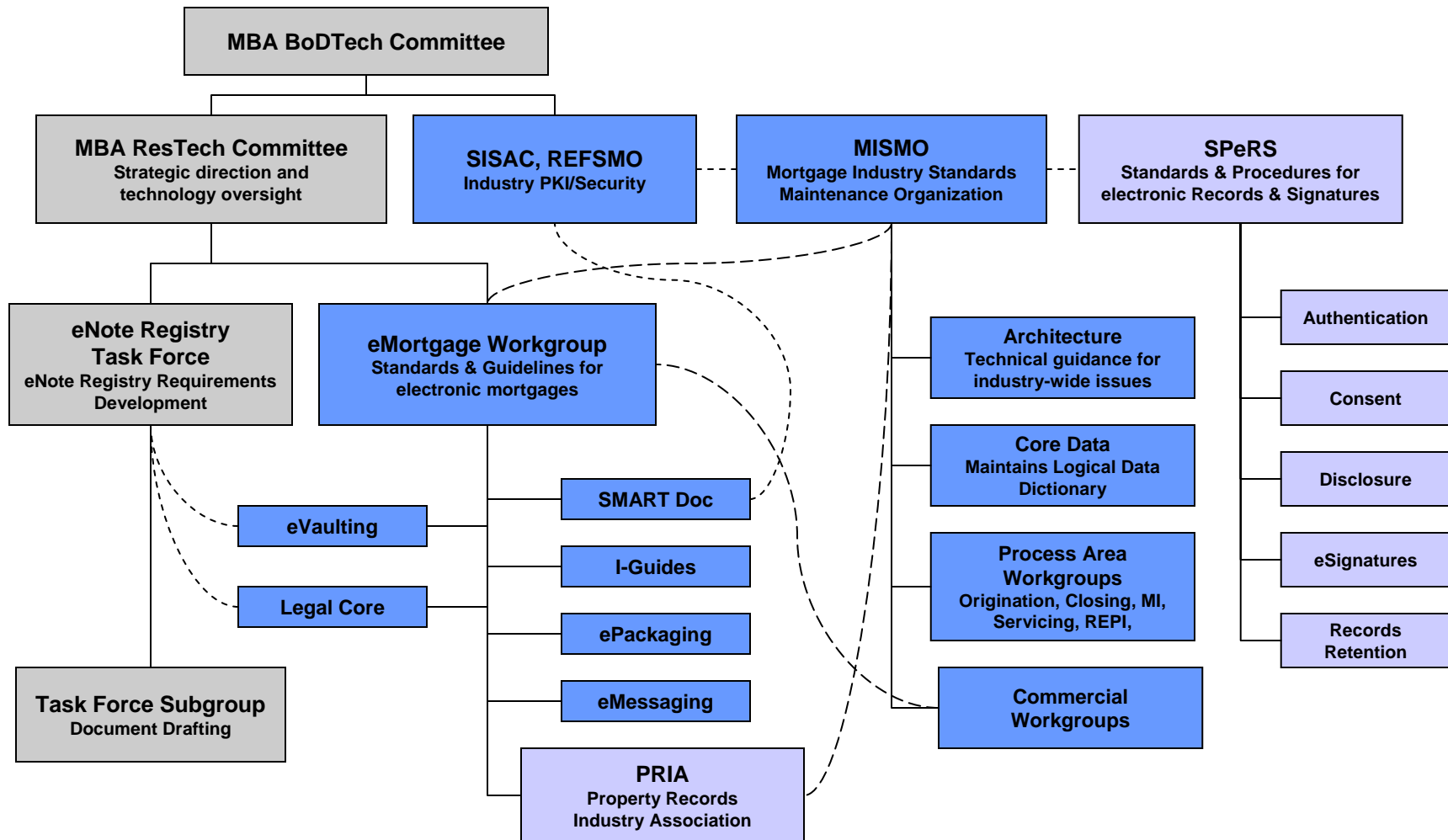
- Standards & Procedures for electronic Records & Signatures
- Cross-industry group formed by EFSC (Electronic Financial Services Council) and Goodwin-Procter
- Releasing finished Guidelines document this month
- Website: www.spers.org



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

The Big Picture



Prepare For the Digital Future

- “Any time there is change, there is opportunity. So it is paramount that an organization get energized rather than paralyzed.”¹

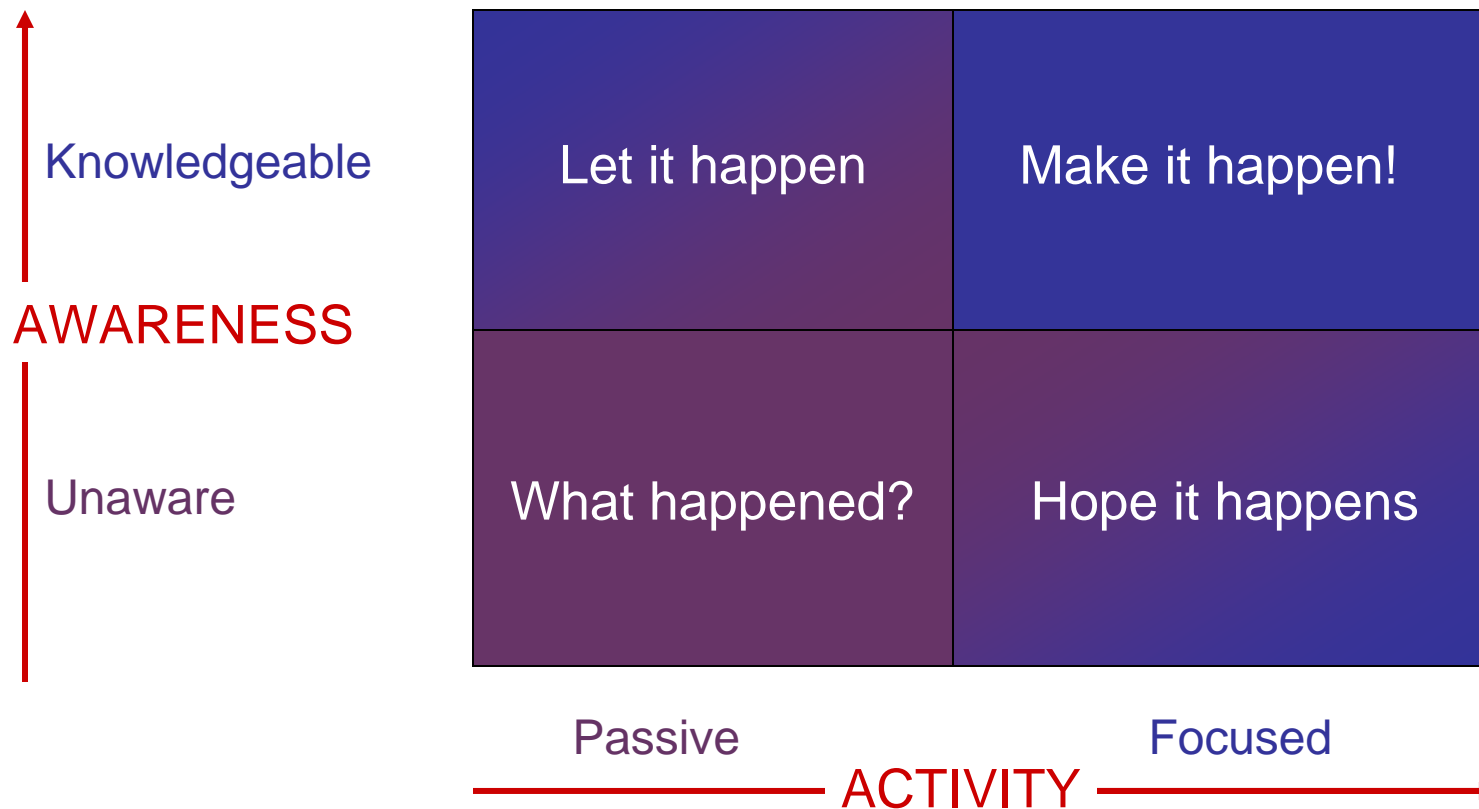
¹Jack Welch, CEO, General Electric



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

Where is Your Company?



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company

Thank you

Roger Gudobba

roger.gudobba@vmpmtg.com

800-327-0545



m o r t g a g e
s o l u t i o n s

a Bankers Systems, Inc. company