

# INRULE FOR FINANCIAL SERVICES

## Automating Complex Decisions for Loan Eligibility Determination and Origination

Banking and financial services organizations around the world rely on the InRule® Decision Platform and business rules management system (BRMS) to respond to and take advantage of changing market conditions and requirements. InRule provides flexibility and agility by allowing analysts and subject matter experts to quickly and easily change business rules.

InRule is also proven to handle complex logic: InRule-powered systems process millions of transactions with tens of thousands of rules on a daily basis. Last but not least, InRule provides transparency into rules and processes, helping organizations to ensure compliance with the latest rules and regulations.



## Powering Mission-Critical Systems for Financial Services Organizations

Trusted by leading companies throughout the industry including American Express, Bank of America/Merrill Lynch Wealth Management, Wells Fargo, SunTrust, Barclays, Caliber Home Loans, LoanDepot, Mashreq, Nationwide Building Society, Fidelity National Information Services, and Lender Processing Services, InRule produces measurable financial impact.

InRule customers experience real business results. For example, a top U.S. bank used InRule to enable their Credit Risk Analysts to configure new scorecards and revise existing ones, taking 60%-70% of initial programming out of the cycle time, reducing ongoing IT maintenance and significantly enhancing speed to market.

InRule can enhance the outcomes of processes most critical to the business of banking and finance, such as:

- **PRODUCT ELIGIBILITY**
- **LOAN ORIGINATION**
- **REGULATORY COMPLIANCE**
- **CREDIT SCORING**
- **FRAUD AND MONEY LAUNDERING DETECTION**

In addition, banking and financial services organizations rely on InRule to manage rules and logic associated with:

- **E-FORM VALIDATION**
- **INVESTMENT TRADE VALIDATION**
- **SCORECARD ANALYSIS**



## InRule for Product Eligibility and Loan Origination

### Determining Eligibility

Many lenders offer numerous products. Determining which products a borrower is eligible for can involve thousands, if not tens of thousands, of rules. InRule offers rule constructs like reusable vocabulary templates, decision tables, and business language rules, making eligibility efforts more manageable.

## Loan Origination

Numerous steps and decisions must be made before a loan can be approved and closed. Whether the financial institution is taking steps to assess the risk of lending to an individual or group, or to ensure compliance with government regulations, InRule helps lenders make these determinations faster and with more accuracy.



## Validating the Information

Loans, especially home loans, require extensive data collection and validation before the loan can move forward. Ensuring up front that a borrower's birthday or a loan amount falls within an acceptable range saves time and money. In some cases, the validation rules may not be known before a system goes live. In other situations, the rules may change due to evolving regulations or marketplace conditions. InRule allows analysts to make the changes quickly, without programming effort.

## Calculating the Inputs


Once the data is collected and validated, it needs to be massaged into measures that can be acted upon. The calculation of some of those measures, like the Debt-To-Income (DTI) ratio and Loan-To-Value ratio, can be complex and involve multiple steps. For DTI, the proposed mortgage, credit card, and other monthly payments need to be aggregated and divided by cumulative monthly income. This can get complex as each active trade line needs to be inspected and evaluated for suitability. InRule can apply the analyst-driven rules and provide a detailed output of how it arrived at the result. If a new measure is required by regulation or a lender's internal scoring mechanism, it can be added with ease and without code modifications.

## Pricing the Loan

Numerous factors affect the loan rate, including credit score, type of housing, secondary loan, and loan-to-value. InRule makes it easy to manage and update the rules that impact loan pricing.

## Providing Stipulations

During the application process the lender makes stipulations to ensure that the borrower meets the criteria or profile of the loan agreement. Common stipulations include "borrower needs to provide at least three months of income history" or "at the time of closing, borrower must present two forms of identification." InRule can generate these messages with ease based on rules derived from the lender's policy.



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