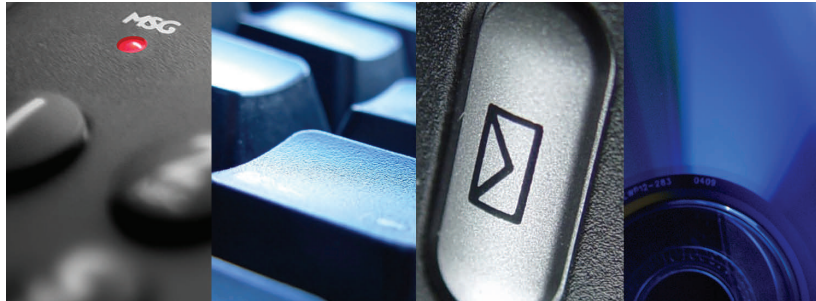




PDF inFusion eReview Drives Financial Compliance Review Workflow



“I now save 4 hours a day that was previously dedicated to nothing but paper shuffling.”

Overview

■ **IBM Business Partner:**

ITM Associates, a subsidiary of Barcode Technology (BTI)

■ **Customer:**



PFPC Distributors, Inc. is the broker dealer subsidiary of PFPC Inc., a member of The PNC Financial Services Group, Inc.

PFPC Distributors serves as a medallion underwriter that reviews and approves sales and marketing materials for mutual fund investment companies.

Challenge

PFPC Distributors' key business is to review and approve mutual fund sales literature to ensure compliance with the regulations of the SEC (Security Exchange Commission) and the NASD (National Association of Securities Dealers Inc.).

For example, Security Exchange Act Rule 17a-4 requires the mutual fund companies to retain all marketing/advertising material and related communication records. Manual efforts to achieve 17a-4 are becoming inadequate, especially in this age of electronic documents.

And non-compliance is costly. In 2002, SEC took joint action against five of the biggest dealer-brokers for non-compliance with the requirement of archiving email messages. Collectively the firms had to pay over \$8.2 million in fines.

To effectively comply with these policies, PFPC wants to find a solution that would automate the electronic record retention and provide a single point of electronic submission for all sales literature reviews. In the end, this solution would help PFPC streamline and manage the entire sales and marketing literature review process. One important requirement is ease of use. Despite the system's com-

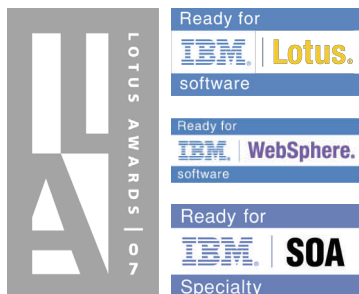
plex functionality, the users (both PFPC Principals and fund company customers) of varied technical background require a straight forward and intuitive user interface.


Eventually the marketing material review process will use no paper. Sorting through stacks and scraps of paper simply wastes too much valuable time. And the management can become more responsive through “the flexibility to approve and monitor all operations,” said Bruno DiStefano, Vice President and Director of PFPC Distributors.

Solution

PFPC Distributors selected ITM's *PDF inFusion eReview* to provide the electronic document review system. Through *eReview*, PFPC Distributors builds a secure web portal to engage both Principals and customers in a managed end-to-end collaboration process.

eReview allows the Principals to preserve enforceable audit trail that records the collaborative workflow of the geographically dispersed stakeholders. Working within the secure web portal, *eReview* brings order to the parallel routing and commenting process and improves regulatory transparency for PFPC Distributors and its customers.





Leveraging the published standard of PDF, *eReview* create a pixel-precise version of any graphically rich document for annotation and review. For example, the Principals are able to mark and comment directly on the document, allowing those involved to see the entire history of changes, eliminating those “he said, she said” scenarios. *eReview* also offers tools like time limits, reminders, and robust routing capabilities to help the Principals more efficiently manage the workflow.

The immediate return on investment is the outstanding productivity gain for the Principals. Time to market is greatly shortened. Ron Berge, Compliance Manager, said, “I now save 4 hours a day that was previously dedicated to nothing but paper shuffling.” The management relies on *eReview*'s instant and transparent view of all the literature submissions and status to meet performance goals.

The technical team cares more about *eReview*'s extensibility. According to Robert McDevitt, Technical Project Manager, “the project can be extended as needed to deliver repeatable performance across the board, so all PFPC lines of business can benefit from the new tool.” Currently, *eReview*'s user community has 180 users, including Principals and 20 mutual fund companies.

PFPC Distributors' customers are also very satisfied with the new tool. “Everyone likes the system,” said Bruno. Bruno is particularly impressed with *eReview*'s universal ease of use. “The whole system was intuitive and friendly, which makes training optional.” Wanting to duplicate PFPC Distributors' success, sister business unit – ABD (Automated Business Development) is close to deploying its own version of *eReview*. Other lines of business within PFPC Inc also express interest in implementing the *eReview* solution.

About ITM Associates

Founded in 1993, ITM is a subsidiary of International Barcode Corporation (BTI). ITM delivers automated form-based business processes for clients in both private and public sectors.

ITM's solutions leverage BTI's innovations in advanced bar code technology backed by dozens of issued and pending patents. BTI and its affiliate companies have offices in New York, NY, Rockville, MD, Philadelphia, PA, with a joint venture in Beijing, PRC. BTI is represented globally by a growing network of international licensees.

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