

E-Sign eNote PIN Authentication Services  
Option - Proprietary PIN Site/All Lenders Charged per Transaction

Under this option, NCS as the authentication servicer will build, pay for, and operate the following:

- A proprietary web site in Iowa City where all Title IV loan program borrowers will enter their PIN authentication data elements during the eMPN signing process
- A secure connection from the NCS PIN web site to the SFA PIN database in the VDC (Connecticut) so the borrower can be authenticated to SFA's PIN data
- A system supporting the NCS PIN web site that:
  - creates an audit history of the PIN authentication requests
  - stores and provides customer access to the audit history
  - bills all customers (DL, FFEL and Perkins lenders)
  - provides customer support

Under this option, SFA will add an audit history and the necessary storage to capture the eMPN PIN authentications internally. Additionally, the authentication date/time stamp of eMPNs will be saved in DLO's eMPN digital document, and the digital document equivalents FFEL and Perkins lenders create. If a loan goes to court, the holder could use three different sources to verify the PIN authentication:

- Date/time stamp in digital document
- Audit trail from SFA PIN database
- Audit trail from NCS PIN site database (the trusted third party)

DLO, FFEL and Perkins lenders will all pay NCS each time one of their borrowers authenticates the SFA PIN to sign an electronic note. Other transactions that SFA conducts using the SFA PIN will remain unchanged, using the established connections to the SFA PIN web site, not the new NCS PIN site.