

CryptonMobile.com

 onnecting borrowers and  
lenders in the digital world

**SMS e-Signature**

powered by

 **CRYPTON**  
Stop Mailing. Start Texting.

Established in 2010, DLange/CryptonMobile develops custom software primarily for mobile communication and messaging and offers companies across the globe improved customer communication tools utilizing text, audio/visual messaging, electronic document and digital signature technologies.

David Phillips is President of Augusta, Georgia based D'LangEmobile, CryptonMobile and Brokkr Inc., a cryptocurrency mining & payment company. A native of Atlanta, Georgia, David grew up in Milledgeville, Georgia, graduating from Georgia Military College Prep School. He earned his bachelor's degree in Political Science from Georgia College and attended John Marshall Law School in Atlanta.

David lives in Augusta, Georgia with his wife, Michelle. They have two sons, Cole and Luke.



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Brooks K. Hudson joined Hull Barrett, PC in 2011. As an associate in the litigation department, Brooks' practice will focus on general civil litigation where he will handle a wide variety of complex litigation matters. Brooks will focus primarily on commercial litigation matters, including prosecuting and defending claims in complex business disputes, health care litigation, First Amendment litigation, class actions and criminal litigation. Prior to joining Hull Barrett, Brooks served as the Assistant District Attorney for the District Attorney's Office where he conducted prosecutions and court proceedings on behalf of the State of Georgia and was appointed Special Drug Prosecutor. He also worked in the Public Defender's Office in the Augusta Judicial Circuit where he represented defendants in numerous court proceedings.





# What is an e-Signature?

An e-signature or electronic signature, refers to data used by a signatory on a document and provides the same legal standing as a handwritten signature as long as it adheres to the requirements of the specific regulation it was created under. The objective of an electronic signature is to quickly authenticate a document with a uniquely identifiable mark that doesn't require the use of paper and pen.

E-signatures are now widely used in legal and business transactions.



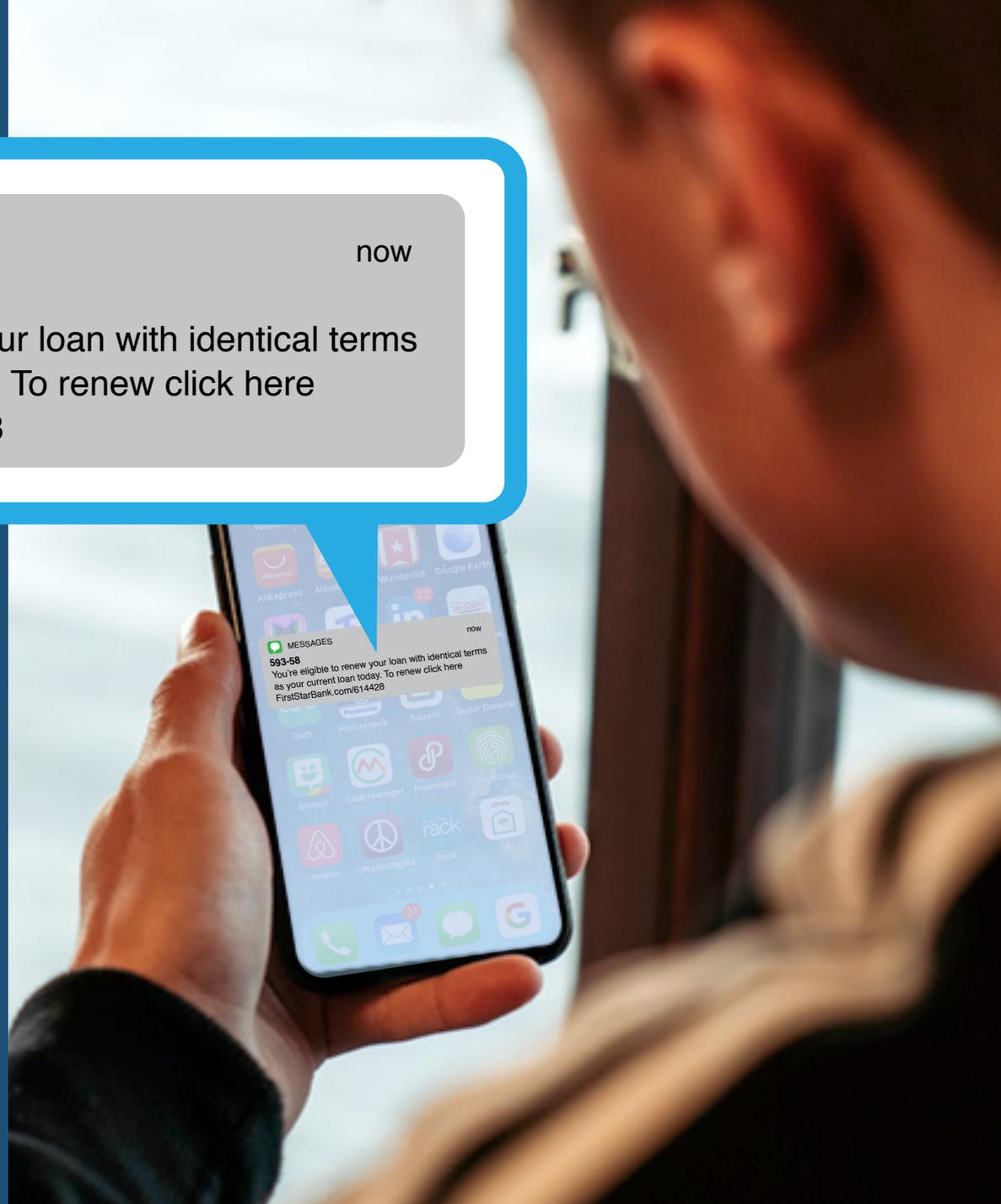
MESSAGES

now

**593-58**

You're eligible to renew your loan with identical terms as your current loan today. To renew click here [FirstStarBank.com/614428](https://FirstStarBank.com/614428)

Loan renewal is initiated with a text message.



Borrower logs  
into the secure  
platform.



## Customer Verification

Please enter your email address and the last four digits of your social security number:

Email

Code

Verify



GET STARTED

The entire contract is at the borrower's fingertips.

DISCLOSURE REQUIRED BY FEDERAL LAW  
NOTE - SECURITY AGREEMENT

DATE OF LOAN: \_\_\_\_\_ LOAN NUMBER: \_\_\_\_\_ Age: \_\_\_\_\_

BORROWER'S NAME AND ADDRESS: \_\_\_\_\_

LENDER/SECURED PARTY AND ADDRESS: \_\_\_\_\_

Annual Percentage Rate: \_\_\_\_\_ Finance Charge: \_\_\_\_\_

Amount Financed: \_\_\_\_\_ Total Of Payments: \_\_\_\_\_

SCHEDULE OF PAYMENTS: THE TOTAL OF PAYMENTS IS PAYABLE IN \_\_\_\_\_ INSTALLMENTS OF \_\_\_\_\_ AND 1 INSTALLMENTS OF \_\_\_\_\_ COMMENCING ON \_\_\_\_\_ AND DUE MONTHLY THEREAFTER, WITH FINAL INSTALLMENT DUE \_\_\_\_\_ MONTHS FROM DATE.

INSURANCE: BORROWER IS REQUIRED TO PURCHASE CREDIT LIFE AND ACCIDENTAL AND HEALTH INSURANCE TO OBTAIN THIS LOAN. BORROWER MAY CHOOSE THE PERSON THROUGH WHICH THE INSURANCE IS OBTAINED. IF IT IS OBTAINED THROUGH LENDER, THE COST OF SUCH INSURANCE FOR THE TERM OF THE LOAN IS AS INDICATED BELOW.

CREDIT LIFE & DISABILITY	TYPE	PREMIUM	SIGNATURE
<input type="checkbox"/> CREDIT LIFE	<input type="checkbox"/> THROUGH LENDER		X
<input type="checkbox"/> DISABILITY	<input type="checkbox"/> THROUGH LENDER		X

YOU MAY OBTAIN PROPERTY INSURANCE FROM ANYONE YOU WANT, PROVIDED THE INSURANCE COMPANY IS ACCEPTABLE TO THE CREDITOR. IF YOU GET THE INSURANCE FROM THE CREDITOR, IT WILL BE FOR THE TERM OF THE LOAN AND YOU WILL PAY: \_\_\_\_\_

SECURITY: YOU ARE GIVING A SECURITY INTEREST IN \_\_\_\_\_

Your Automobile  Loan is Unsecured

Personal Property as described in the security agreement below

Other Property: \_\_\_\_\_

FILING FEES \$0.00 NON-FILE INSURANCE \_\_\_\_\_

LATE CHARGE: YOU WILL BE CHARGED \$18.00 OR \$0.05 FOR EACH \$1.00 OF ANY INSTALLMENT, WHICHEVER IS GREATER, IF PAYMENT IS NOT MADE WITHIN FIVE (5) DAYS AFTER ITS DUE DATE.

PREPAYMENT: IF YOU PAY OFF EARLY, YOU MAY BE ENTITLED TO A REFUND OF PART OF THE FINANCE CHARGE. YOU WILL NOT HAVE TO PAY A PENALTY.

SEE YOUR CONTRACT DOCUMENT FOR ANY ADDITIONAL INFORMATION ABOUT NONPAYMENT, DEFAULT, ANY REQUIRED PREPAYMENT REFUNDS AND PENALTIES.

LOAN NOTE

FOR VALUE RECEIVED, Borrower(s) jointly and severally promise to pay to Lender, at its office, the total of payments as disclosed, in installments of the amounts and upon the dates shown above, plus a late or delinquent charge of \$10.00 or \$2.00 for each \$1.00 of any installment, whichever is greater, if not paid within five (5) days of the due date. (This late or delinquent charge shall not be collected more than once for the same default.) Failure to pay any installment when due, time being of the essence of this contract, or a default under any provision of the Security Agreement shall be treated as a default without notice or demand, and immediate charges will be reduced in proportion to the reduction in the loan term. All refunds (except closing fee refunds) in the event of prepayment without default shall be by the sum of the digits method. In either event, to the extent that in such case charges will be made upon interest greater than 6% per month, borrower shall receive an additional rebate of 1% of the amount of the loan. If the amount of the loan is \$100,000 or more, interest shall be refunded, however, you may retain a minimum of \$25.00. In full or refund, however, you may retain a minimum of \$25.00. In full or refund, however, you may retain a minimum of \$25.00. In full or refund, however, you may retain a minimum of \$25.00.

REQ\* FIELDS LEFT 20

NEXT >

THE CREDIT WILL COST YOU \_\_\_\_\_

THE AMOUNT OF CREDIT PROVIDED TO YOU OR ON YOUR BEHALF: \_\_\_\_\_

THE AMOUNT YOU WILL HAVE PAID AFTER YOU HAVE MADE ALL PAYMENTS AS SCHEDULED: \_\_\_\_\_

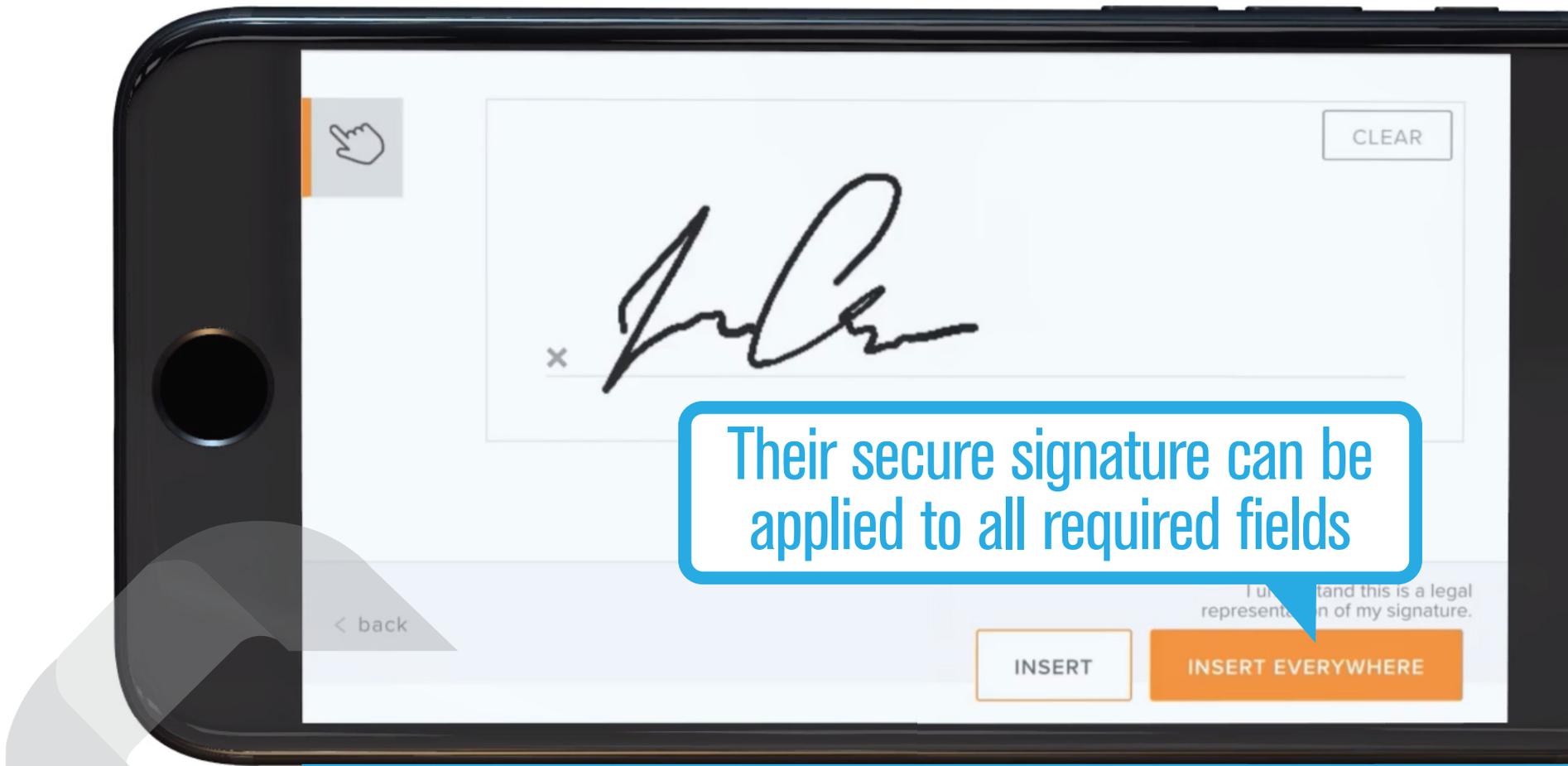
PAYMENTS IS PAYABLE IN: \_\_\_\_\_ INSTALLMENTS OF \_\_\_\_\_ AND 1 INSTALLMENTS OF \_\_\_\_\_ MONTHLY THEREAFTER, WITH FINAL INSTALLMENT DUE \_\_\_\_\_ MONTHS FROM DATE.

CREDIT LIFE AND ACCIDENTAL AND HEALTH INSURANCE TO OBTAIN THIS LOAN. BORROWER MAY CHOOSE THE PERSON THROUGH WHICH THE INSURANCE IS OBTAINED. IF IT IS OBTAINED THROUGH LENDER, THE COST OF SUCH INSURANCE FOR THE TERM OF THE LOAN IS AS INDICATED BELOW.

PREMIUM	SIGNATURE
	X Signature *
	X Signature *

ITEMIZED STATEMENT

- CASH RECEIVED BY BORROWER
- UNPAID BALANCE PRIOR LOAN
- INTEREST REFUND
- LOAN FEE REFUND
- CLOSING FEE REFUND
- MAINTENANCE CHG. REFUND



Their secure signature can be applied to all required fields

Borrower signs on their device touch screen.

Agree" you are legally signing this document and agreeing to the terms of Service.

< back

I AGREE

DISCLOSURE REQUIRED BY FEDERAL LAW NOTE - SECURITY AGREEMENT		LOAN NUMBER	Age:
ADDRESS		LENDER/SECURED PARTY AND ADDRESS	
Rate	Finance Charge	Amount Financed	Total Of Payments
THE DOLLAR AMOUNT THE CREDIT WILL COST YOU		THE AMOUNT OF CREDIT PROVIDED TO YOU OR ON YOUR BEHALF	THE AMOUNT YOU WILL HAVE PAID AFTER YOU HAVE MADE ALL PAYMENTS AS SCHEDULED
PAYMENTS: THE TOTAL OF PAYMENTS IS PAYABLE IN _____ INSTALLMENTS OF _____ AND 1 INSTALLMENTS OF _____ MONTHS FROM DATE.			
BORROWER IS REQUIRED TO PURCHASE CREDIT LIFE AND ACCIDENTAL AND HEALTH INSURANCE TO OBTAIN THIS LOAN. BORROWER MAY CHOOSE WHICH THE INSURANCE IS OBTAINED. IF IT IS OBTAINED THROUGH LENDER, THE COST OF SUCH INSURANCE FOR THE TERM OF THE LOAN IS AS FOLLOWS:			
TYPE	PREMIUM	SIGNATURE	
<input type="checkbox"/> INDIVIDUAL TERM <input type="checkbox"/> JOINT LIFE		X 	*
<input type="checkbox"/> INDIVIDUAL TERM <input type="checkbox"/> JOINT LIFE		X 	*
PROPERTY INSURANCE FROM ANYONE YOU CHOOSE OR AN INSURANCE COMPANY IS ACCEPTABLE TO YOU GET THE INSURANCE FROM THE LENDER FOR THE TERM OF THE LOAN AND		1. CASH RECEIVED BY BORROWER _____ 2. UNPAID BALANCE PRIOR LOAN _____ 3. INTEREST REFUND _____ 4. LOANLESS REFUND _____	

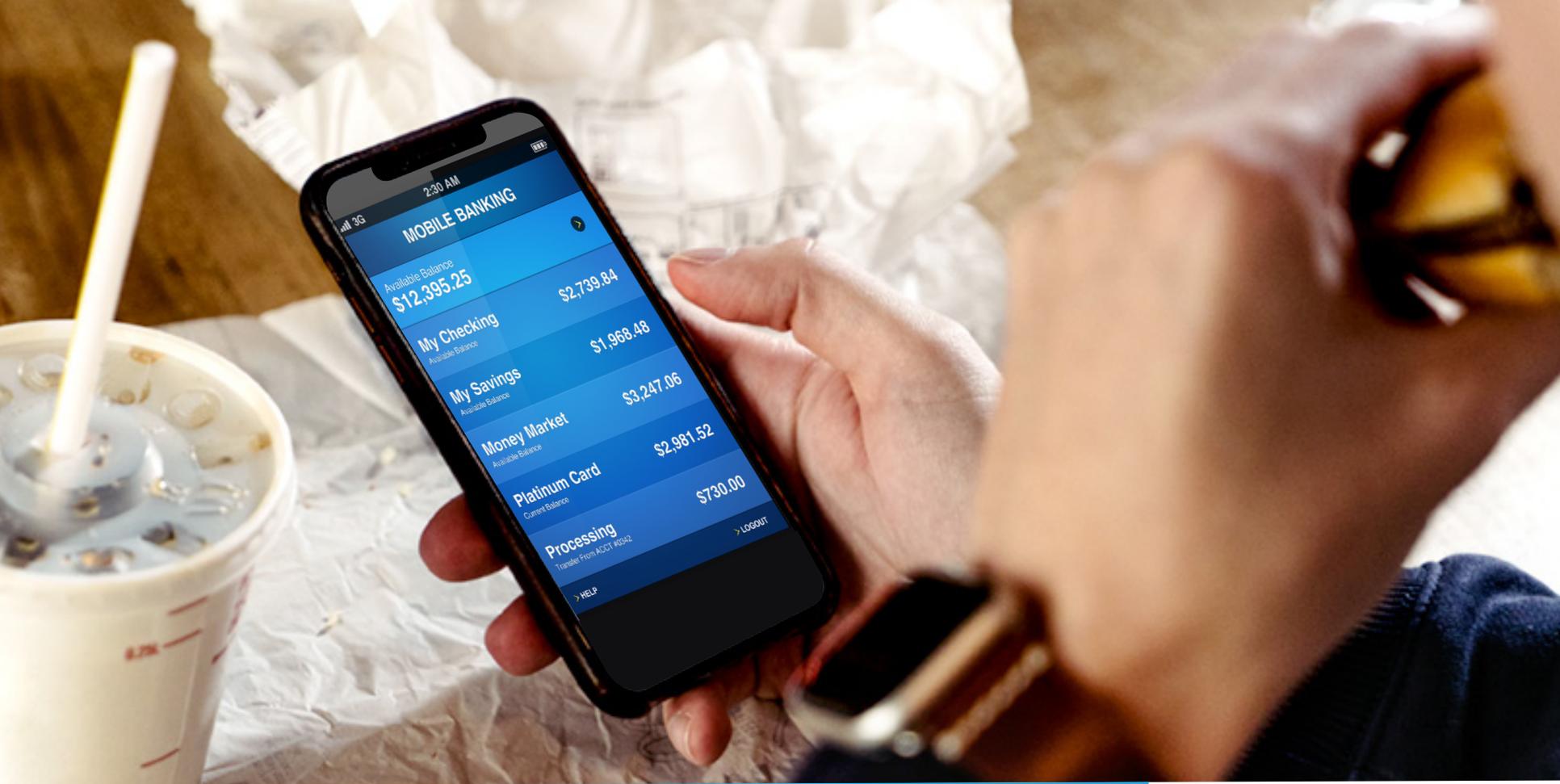
AT&T 11:39 PM  
esign.dlangemobile.com



Thank you for completing your loan renewal documents. You will receive a text message from us shortly ....

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Borrower agrees to terms and receives confirmation.



Within 30 minutes, funds appear in Borrower's account.



REPAY<sup>®</sup>



# Keep Pace in the Digital World

“Applications received via branch are diminishing while the digital channel is growing rapidly. Lenders must position themselves digitally or risk losing to other lenders who innovate quickly.”

Kyle Kehoe, President of the ACTION Business Unit at CRIF Lending Solutions

Retailers are also increasingly using e-signature to untether employees from point of sale terminals. Transactions can now be conducted and receipts signed via a tablet or other mobile device.

# Why deliver electronic documents via Text?

Delivery, open & read rates are all greater than 90%!

Email has been the standard in the Electronic Document industry. It works well, but emails can get filtered, routed to SPAM or Junk folders, blocked, never get delivered or never opened.

SMS Delivery, Open & Read rates are all greater than 90%!



# CryptonMobile (SMS) vs. MailChimp (EMAIL)

2018 CryptonMobile SMS services used by doctoral student for research and dissertation purposes measured efficiency & reliability of SMS (Crypton) over email (Mailchimp)

- Findings and differences were statistically significant:
- SMS was the preferred vehicle to deliver content to an age group of 18-24 used partial least squares path modeling
- Email was less reliable & experienced overload, email server & email client software issues
- Email had drastically inhibited delivery time
- SMS had reliable and fast delivery time
- SMS had much higher open rates and quicker response rates
- Screen size and other hypothesized mobile issues were not found to be significant

# Other Advantages of SMS e-Signature for Electronic Documents

- ☞ It's paperless
- ☞ Documents can be signed anywhere, any time, from any device
- ☞ Bomb-proof security encryption
- ☞ No overnight mail, faxing and waiting
- ☞ Extra level of security not provided by physical documents
- ☞ Smoother, quicker experience, which builds customer confidence
- ☞ More affordable than stocking print supplies
- ☞ Ease of use: no learning curve or time-consuming tutorials

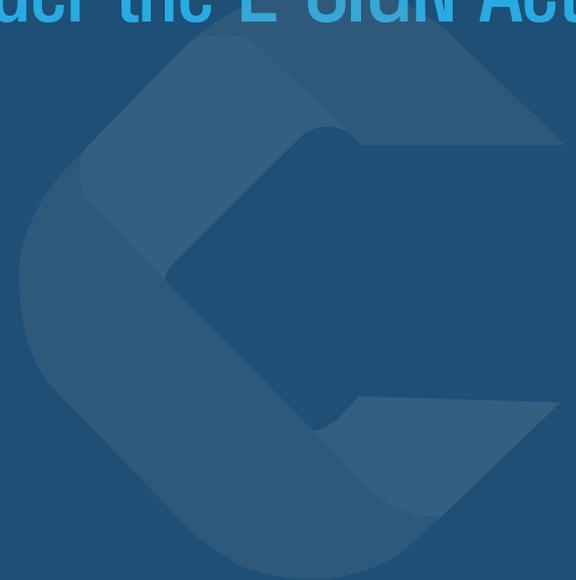
# The Main Components of the ESIGN Act

- It satisfies most statutes that require handwritten signatures on documents
- It allows a contract to be used as evidence in a court of law as long as surrounding processes are well designed and implemented and the usual elements of a contract exist
- It prevents denial of legal effect, validity or enforceability of an electronically signed document solely because it is in electronic form

## Methods of Electronic Signatures Under the E-SIGN Act

Under the ESIGN act, an electronic signature may be made by:

- Typing the signer's name into the signature area
- Pasting a scanned version of the signer's signature
- Clicking an "I accept" button, or
- Using a cryptographic signature



# Disclosures Required Before Consumer Consent to E-Signature

Prior to consenting, the customer must give a clear and conspicuous statement of:

- Any right or option to receive the disclosure in non-electronic form
- The right to withdraw consent and the procedures for and consequences of doing so
- Which transactions the consumer's consent applies to
- The procedures for updating the information needed to contact the consumer electronically
- How, after consenting to electronic disclosures, to obtain a paper copy of any disclosures, and whether any fees will be imposed

# The E-SIGN Act does not apply to the following documents:

- Negotiable instruments (such as bank notes)
- Bank deposits and collections
- Letters of credit
- Documents of title for personal property
- Investment Securities
- Secured transactions
- Fund transfers



# UETA What is it?

- ❏ The Uniform Electronic Transactions Act (UETA) is an act published by the Uniform Law Commission in 1999 giving electronic signatures the same legal effect as traditional handwritten signatures. The UETA only applies in certain types of transactions and only when the parties have agreed to conduct the transaction electronically. It essentially operates in tandem with the ESIGN Act to admit the validity and enforceability of electronic signatures.
- ❏ An electronic signature under the UETA can be any electronic sounds, symbol, or process that is both:  
Attached to or associated with a record or contract  
Executed with the intent to sign the record.
- ❏ UETA has been adopted by 47 states, the District of Columbia, Puerto Rico and the Virgin Islands. The three states that have not adopted the UETA are New York, Illinois and Washington. And those three states have all adopted similar laws making electronic signatures legally enforceable.

# Keeping a Record of the Electronic Signature

The E-SIGN Act enables electronic records to satisfy the record retention requirements that are imposed under other laws. The electronic records must accurately reflect the information set forth in the agreement and remain accessible in a form that allows the record to be accurately reproduced for anyone who is entitled by other laws to access the record. Often, this means providing a fully executed copy to the signer or permitting the signer to download a copy of the agreement. The records must be maintained for the same period of time as required of paper records (discussed earlier).

# Acquiring Consent to Communicate by Text

- Text messages are subject to the same consumer protections under the TCPA as voice calls.
- Businesses **MUST** obtain prior consent before making SMS contact with a customer.
- The TCPA requires written opt-in consent from a customer to receive telemarketing text messages.
  - However, the FCC has established a two-tier system of consent for text messages and calls, distinguishing between marketing/advertisements and other text messages.
  - See *Rotberg v. Jos. A. Bank Clothiers*, 2018 WL 578480, at \*1 (S.D.N.Y. Nov. 5, 2018): “The level of consent required for any call turns on that call’s content.”
  - All calls other than those containing advertisements or constituting telemarketing only require “the prior consent of the called party.”
  - So, if a customer gives his cell number voluntarily to a business (on an application), that is sufficient to establish prior express consent to receive nonmarketing telemarketing calls.
- In the case of debtors and creditors, the FCC has interpreted “prior express consent” as being satisfied where the party that is contacted provides its cell number in connection with an existing debt and the call/text is made regarding that debt.
- As long as the debtor consents to be called in connection with the debt, the “prior express consent” provision of the TCPA is satisfied.
- Signatures on consent forms can be electronic or digital under the E-SIGN Act.
- The customer must have the ability to opt-out of receiving text notifications at any time.
- Per the TCPA, text messages may only be sent between 8 a.m. and 9 p.m. in the time zone where the customer is located.

# Maintaining Proof of Consent

Businesses must retain records of communications regarding consent through text messaging applications. There is no hard and fast rule on how long these messages should be retained, but it is recommended they are maintained for at least four years from the date that consent is given, since four years is the federal statute of limitations for bringing an action under the TCPA.

Each state may have a varying statute of limitations for state actions under similarly enacted statutes, so you will want to check what that limitation is for the state you in which you operate.

Receiving and processing withdrawal of consent to text The TCPA is silent as to revocation of consent. However, many courts have held that consumers may revoke their prior consent.

- See *Van Patten v. Vertical Fitness Group, LLC*, 847 F.3d 1047 (9th Cir. 2017); *Ginwright v. Exeter Finance Corp.*, 280 F. Supp. 3d 674 D. Md. 2014)

Most courts have held that whether consent was revoked by a customer is an issue of fact for a jury to decide. Each of the courts above, based their finding on three main ideas: The TCPA was passed to protect customers and revocable consent is consistent with said purpose of the TCPA. The common law concept of “consent” provides that it may be withdrawn. The FCC has ruled that under the TCPA, a consumer may revoke consent “at any time and through any reasonable means.”

# Revocation of consent may be made by the customer in any way – even via a telephone call.

There are, however, guidelines a customer must follow to revoke consent: Revocation of consent must be:

1. Clearly made by the customer
2. The customer must express a desire not to be called or texted
3. The customer must be able to provide evidence that he/she told the sender to cease contacting him on his cell phone. See the Van Patten case above.

So clearly, revocation of consent must be expressly made by the consumer. But the means of said consent remain unclear due to the FCC ruling discussed above.

So how can businesses afford themselves more clarity and predictability when it comes to revocation of consent?

Businesses can enter into a bilateral agreement with a customer that includes an agreed-upon mechanism for revoking consent. See *ACA International v. FCC*, 885 F.3d 687 (D.C. Cir. 2018): “nothing in the FCC’s rules prevents parties from agreeing on revocation procedures.”

Businesses should also make available clearly-defined and easy to use opt-out methods.

# You have overcome the obstacles, so where do you start?

## Build a solution in-house

### Pros:

- Full Control from front to the back end
- Customize software exactly how you want it
- Don't have to rely on a 3rd party fixes, emergencies, support
- May save you more money in the long run

### Cons:

- Long time to develop a very robust system
- Hire more developers for build and for maintenance and updates
- Time to test will be prolonged
- Time to live launch could take months or years
- Competition has already begun using vendor
- May cost you more money in the long run



# Partner with a Vendor

## Vendor management considerations

Does the vendor specialize in mobile messaging?

Does the vendor specialize in electronic documents/signatures?

Is the vendor compliant?

Does the vendor provide another level of compliance for your organization?

Does the vendor provide legal support?

Does the vendor provide another level of technological expertise that's an asset to your organization?

Does the vendor provide customizations?

Does the vendor provide delivery methods via API & FTP?

Does the vendor provide reliable and immediate customer/tech support?

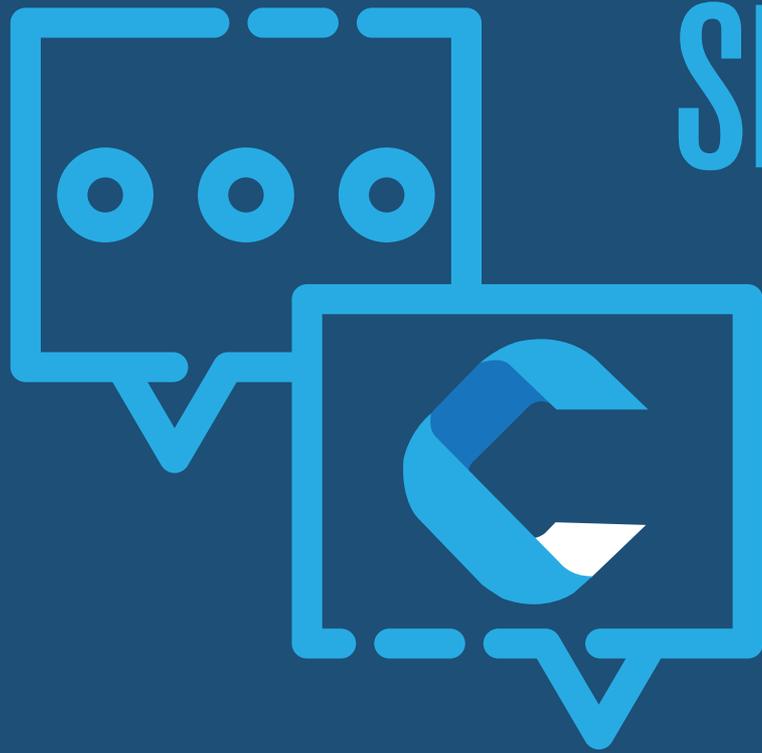
Is the vendor familiar with consumer finance, auto, insurance & banking space?

Is the vendor familiar with issues related to the CFPB?

Is the vendor up to date on cyber security?

Does the vendor have appropriate levels of cyber security and data breach insurance?

Does the vendor support your association/industry?



# SMS e-Signature

Bank documents  
Proposals  
Medical forms  
Loan agreements  
Contracts  
Reminders  
Notices

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**Text ELOAN to 59358 to demo SMS e-Sign**