

TLOC's strategic partnership with DocuSign contributed to AIG's \$1B Savings

- Going digital with DocuSign contributes to building award-winning, scalable legal services model that delivered \$1B in savings

DocuSign helps TLOC deliver cloud tools, processes, and information systems at scale.

With DocuSign, clients achieve the best legal outcomes at the most compelling value

Summary

Digital signatures and digital documents have become inevitable across the vast majority of industries, companies and departments. But hesitancy and caution still exist. Perhaps one of the most resounding endorsements of the digitization of sensitive documents is AIG's standardization on DocuSign's eSignature service and Digital Transaction Management (DTM) platform to enable its global business plan.

AIG is one of the world's largest property and casualty insurers, insuring more than 98% of Fortune 500 companies. AIG also represents a large number of its corporate clients legally. "We manage a very large legal spend – both in terms of dollars spent, and the number of law firms that we manage," says AIG Senior Vice President of Process and Chief Legal Officer, Brian McGovern.

To handle the load, AIG formed The Legal Operations Center about five years ago. Now as the Legal Operations Company, TLOC manages relationships with approximately 1,500 law firms. One can imagine the complexity, the sensitive nature, and the complex management of so many relationships – and resulting documents – globally. AIG's manual, paper-based processes simply had to be digitized in order to scale, and TLOC's DocuSign implementation was the most effective and trusted solution.

Challenge

The move to digitization was well planned and organized. TLOC identified several key challenges:

Scale –

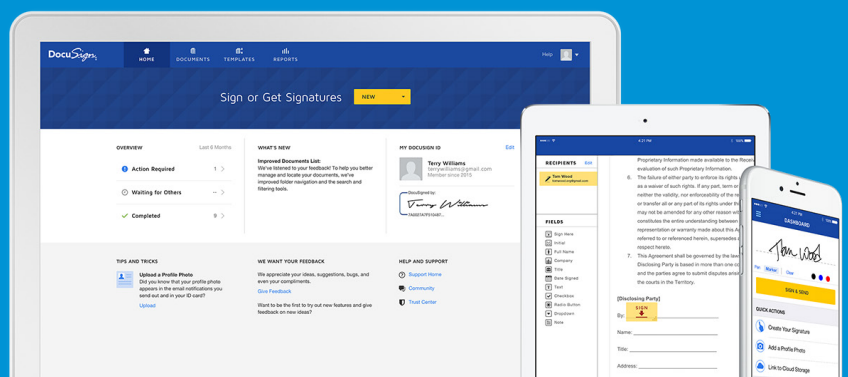
Managing an enormous number of legal relationships, each involving multiple documents, was a significant challenge. Producing, sending, tracking, amending, executing and archiving voluminous legal documents was a daunting task. "We looked at digitization from two sides. The enormity of the volume, and all the vendors with whom we contract business, made it virtually impossible with today's demands on productivity and expense reduction to manage it the old fashioned way on paper. We could no longer print the document out, send it to the law firm, have them physically sign it with pen to paper, send it back, sign it, scan it, and then send it back to the law firm. And secondly, having to archive a physical copy, and then archive a digital copy of the agreement, was burdensome and wasteful when we could be doing it digitally from start to finish to eliminate many of those unnecessary steps" says Sr. VP and Head of Firm Management, Dennis Grogan.

Security –

Making sure documents are managed securely was critical. "These are legal documents. There are pricing agreements, terms, and

Results Achieved

- ✓ Increased employee efficiency
- ✓ Faster and more accurate document processing and completion
- ✓ Ability to scale globally
- ✓ More efficient storage and archiving



private information – so having tight yet flexible security is really important to us. We like that DocuSign has multiple security levels that we can choose based on the needs of the business process,” adds McGovern.

Adaptability and customization –

Not all documents are the same. Each case, each client, each document is unique, and so, having a system that could be adapted, almost on a case-by-case basis, was needed.

Efficiency and personnel resources –

The traditional paper-based workflow had become outdated. It simply wasn’t functional anymore. Tracking documents – having them properly executed – and the waste of man-hours to manage the process had to change.

Results

Going digital with DocuSign represented a significant step forward in building an award-winning, scalable legal services model. TLOC estimates typical incremental savings in Law Firm Management at 10-25%, typical incremental savings in Non-Law Firm Management at 10-35%, Cost savings for AIG at \$1 billion in aggregate since mid 2012, and \$200 million per year in savings in 2015.

“The savings in terms of paper and envelopes is only part of the equation. The big ROI comes in the amount of time we save searching for documents, tracking them or dealing with incorrect forms. It’s not so much the shipping costs; It’s more the employee time and efficiency savings. An estimated ROI of 130% is way too low,” McGovern concludes.

Grogan adds, “Executing documents to scale is important, but to do that you have to have the proper security, efficient routing, and then the document has to be executed correctly. You know the signature and the date are going to be in the right place because the fields are locked and required. This is key to scaling.” He goes on to add, “We used to get a lot of calls – clients or partners asking where they could



We live in a world where we are integrating SaaS tools without IT help. I think that really tells us something pretty cool is going on.”

- Brian McGovern
SR VP The Legal Operations Company

find a copy of a document or how they could get a copy sent to them. Now, we just tell them to do a DocuSign search and they can find exactly what they are looking for in seconds. They don’t even need to call us anymore.”

TLOC is also able to integrate DocuSign solutions quickly and easily – which at scale – becomes significant. “In the beginning we did a little internal training on how to use DocuSign. But the system is so intuitive and it has become such standard operating procedure that when an agreement needs to be completed, everyone just naturally DocuSigns it,” says Grogan.

And of course there is the efficiency factor. AIG used to send paper documents back and forth, which commonly took months to complete. With TLOC’s integrated processes, most documents are now fully executed within a day or two, with the quickest turnaround taking only two hours.

About DocuSign

DocuSign® is changing how business gets done by empowering anyone to send, sign and manage documents anytime, anywhere, on any device with trust and confidence. DocuSign and Go to keep life and business moving forward.

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