



The competitive value of trust

Fremont Bank

Client story



Client
Regional lender

Sector
Mortgage banking

Project
Loan origination system/upgrade



Client challenge

In the end, software and systems are as good as the implementation behind them. When privately held Fremont Bank invited KPMG to discuss a focused set of software-testing and defect questions in 2017, it was eager to position itself for continued growth as a regional mortgage lender. Bank leadership was determined to assure the resilience of Fremont Bank's mortgage software and systems, which it saw as the foundation for new strategic initiatives.

Fremont Bank understood that technology-intensive functions like mortgage lending require robust support networks. It knew solid external partnerships—with software vendors, regulatory risk experts, and mortgage-lending advisers—were an important basis for future competitiveness. Perhaps as important, the bank was willing to act decisively on its perspective. Fremont Bank and KPMG identified their LoanSphere upgrade as a pilot opportunity to model vigorous partnerships.



Benefits to client

Working closely with our client through three successive assignments, KPMG helped the bank tap into multiple streams of outside expertise that complemented its own strengths:

- Fremont Bank's IT and PMO organizations consolidated their role as a center for best practice in areas like project documentation and management, software testing methodologies, and process flow planning.
- A strengthened relationship with LoanSphere Web provider Black Knight, facilitated by KPMG, now provides the bank with ongoing regulatory insight and upgrade-release savvy.
- With mortgage-lending infrastructure in place, the bank is well situated to add new features to its mortgage-lending offer and strategically grow market share.



KPMG response

KPMG used two preliminary assignments at Fremont Bank to assess and map out a client server upgrade for the bank's LoanSphere Empower Web 7.2 system. On the success of those engagements, KPMG carried out a thorough 14-month implementation project, collaborating closely with their IT organization through planning,

building, testing, pilot, and full-launch stages. As part of the project, KPMG:

- Assembled a multidisciplinary KPMG team that included specialists in Black Knight software, loan origination system implementations, financial risk compliance, and project management
- Created a test plan and more than 400 testing scripts to support all phases of testing
- Worked with the bank's IT team from a shared implementation ethos of simple, pragmatic solutions and foundational competence
- Leveraged C-level sponsorship from Fremont Bank's CEO and board, maintaining continuous stakeholder buy-in at every step of the project through weekly status calls and a track record of meeting every interim deadline
- Documented and maintained process-flow diagrams usable by the bank for future testing, training, and process improvements
- Actively invited the continuous participation of the vendor, Black Knight, throughout the project, as a key source of practical upgrade experience and regulatory perspective



KPMG insights

External partnerships help organizations stay competitive.

In IT-intensive fields like banking, organizations need to be able to confidently rely upon on external partners to complement their own strengths.

Internal partnerships are critical.

KPMG helped Fremont Bank's CEO and board forge even stronger alignment with the bank's IT team, so that all important internal stakeholders remain equally invested in shared objectives.

Trust is earned a day at a time...

KPMG built credibility through a demonstrated commitment to our client's success, proven daily through insights shared, deadlines met, and results delivered.



"Implementing a LOS as rich and complex as BKFS Loansphere once every ten years is very challenging. Finding a partner that had helped others through these transitions, and had the management skills to handle this large scale project was instrumental in our selection of KPMG. KPMG's experience and staff augmentation allowed us recommit to a realistic timeline and achieve our implementation dates. Their perspective on industry leading practices and vendor integrations helped our focus on efficient operations."

— Michael Moran
Vice President and Chief Technology Officer, Fremont Bank

If you are interested in learning more about this case study, or if you are experiencing similar issues, please contact us.

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For more information about KPMG's Information Technology capabilities, go to: <https://1.kpmg.us/lendingtransformation>.

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