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DESCRIPTION

Field of invention:

The present invention generally relates to a system and a method for making or filing, processing and approval of an online loan or credit application using either computer programs or more specifically web-based interface application system or mobile application system for facilitating interaction between the borrower and lender (for purposes of this patent application, the term 'lender' includes licensed moneylenders, banks, financial institutions or any other entities that are authorized to provide to sell loan products to the mass consumer and business market).

Background of the invention:

The World Wide Web ("**web**") has evolved from a first generation web system that simply provided information to client computers over the Internet through a web browser program to a second generation web system that provides the dynamic, personalized information using application servers.

There are large numbers of commercial applications available that have been adapted to on-line systems. One traditional commercial application type that has become adapted to online implementations is that of financial loans. The loan application process is generally very complicated and confusing for borrowers. Traditionally, there are various websites offering online loans which act as lending institutions that accumulate money of both lenders and borrowers. In other words, they are active participants such as brokers in the process of collecting and distributing the money. This system has increased because of the rising number of people applying for home mortgage loans, more favourable refinancing terms, automobile loans, credit card consolidation loans, unsecured personal loans and other types of loans to purchase products or services or for any other personal/business purpose. Typically, the loan approval process requires a considerable amount of time involving extensive research of a borrower's financial history, credit rating, and other variables.

Various patents have provided systems and methods for online filing and approval of a loan application. A number of such online application systems such as those shown in:

U.S. patent application nos. 2009/0083173; US7620597; US8117117; US7472089; here the online loan application processing is done through a loan originating system. Here the consumer or borrower provides basic information about themselves (employment, income, assets, and liabilities), the subject property, and the desired loan. This information is gathered on a standard loan application form. The broker enters this data into various loan origination software (LOS) systems for storage and printing purposes. Once the data entry is complete, the broker assembles a credit package and accesses one or several lenders web for loan process. This package may include the loan application, a credit report obtained by the broker, documentation regarding the borrower's income, employment and assets, and an appraisal of the property to be purchased. This loan process module contains the lender's total information. This module extracts the data from the loan origination software that is matched with the format acceptable to lender. Then the loan data is transferred to the lender directly through a web server. Then the loan processing is done on the lender's browser. The loan origination software is handled by the module or the broker. This loan processing system, however, allows brokers to provide advance warning to lenders electronically, prior to sending a physical file. Here generally it takes about 3 weeks to complete the entire process which is very time consuming. The process described above is very cumbersome.

U.S. patent application nos. 2007/0244808; 2010/0023448; 2012/0143748 disclose other methods for online credit approval; here the loan application processing is done using borrower's profile information. Here in this system a network server computer is coupled, directly or indirectly, to one or more network client computers through a network that may be WAN, LAN or any combination. Here, the server computer (WWW) that stores data and transferred

it to the client computer in the form of HTML pages. The client uses the web browsers to read these HTML files. This online credit application system facilitates the loan selection and application process through the display of loan application interfaces to a user. Here, a loan application form is displayed on the client computer. The user chooses the loan product that he or she is interested in. The online credit application process on server searches its databases of lenders and displays products available on the user's choice and eligibility based on the credit score. The server performs a credit check to verify whether or not the user qualifies for the selected loan product. If the user qualifies, then the user applies for the loan and then accesses the application of the lender. If the user disqualifies then it displays other loan products that the user might be approved for. Here the application process involves the credit check strategy whether the borrower is eligible or not for the loan which is very time consuming and which also increases the chances of disagreement between the lender and the borrower.

Although comprehensive software systems have been developed to integrate lender, broker, and third party vendors within Internet-based loan application and fulfilment networks, such systems often involve extensive interfacing or customization of each party's computer networks which is a big problem. These systems also present potential sources of problems, and can often require redundant storage or transmission of existing data.

What is needed, therefore, is a loan processing system that provides an efficient interface between lender computers and borrower's computers that accesses data in controlled manner. We also need a web-based system that is capable of storage and transfer of data from a lender's computer network to a borrower's network without involvement of a human broker and also without requiring the lender to install stand-alone native programs or program interfaces.

Summary of the invention:

In view of the above disadvantages in the prior art, we have developed a process that provides an improved loan processing system as compared to the traditional

loan originating system and the credit score system using borrower's information. The improved loan processing system described herein begins with the running a browser or web application on the computer. Then the consumer or the borrower provides basic information about themselves (employment, income, assets, and liabilities), the subject property, and the desired loan. That information is entered into the browser or web application.

At this stage this new improved loan processing system differs from the traditional loan processing system described in the prior art in a variety of ways.

Firstly, in traditional methods, the loan applications are stored in the loan originating database or software (LOS). But in this improved loan processing system the borrower's information is transferred to and stored in a web-based back office application through an application programming interface or web service.

Secondly, in traditional methods, there is the involvement of a broker or the third party in between the borrower and the lender during loan processing. But in this improved loan processing system there is no involvement of broker or third party during loan processing. Here, the lender directly accesses the borrower's information from the web-based back office application using a web browser or web application running on a computer.

During the online submission process, no physical paperwork is exchanged between the borrower and lender. Here, the lender submits his decision directly through a single click onto the web based back office application using a browser or web application. Then the decision is stored within the web-based back office application. Then the lender's decision and any information from the web-based back office application is sent to the borrower's browser or web application through an application programming interface or web service. Then all the transacted data is synchronized and the online loan processing is concluded. Here the web based application acts as an intermediary between the lender and the borrower.

As per the present agenda, when it comes to borrowing money, it is very important to know whom to trust. In today's economic landscape, borrowers can find it difficult to pick great loan products out of the many poorer ones out there. But the new improved loan processing system provides a list of only the most reputable and responsible lenders, ensuring the complete safety for their borrowers. Another advantage of the loan processing system is that here the lender can gain access to a constant stream of new borrowers. Here also each time a lender's product matches a borrower's needs, it will be offered as an option. By means of simple comparison, customers will be able to clearly see which loan product best suits their needs.

Also this loan processing system can provide the user with an intuitive, understandable and transparent workflow of the whole system. This application system is more convenient and involves less hassles as it provides the user the ability to complete the application form online at home or on to go with the help of their mobile devices using mobile application system. This generally saves both time and energy as this does not allow the user to wait in the queue in the bank or any other financial institution.

This improved loan processing system has an additional feature that it provides secure protection of the personal information. That is no personal data and documents will ever be released to the lender until the borrower chooses to make a loan application with them.

Other objects, features, and advantages of the present invention will be apparent from the accompanying drawings and from the detailed description that follows below.

Brief description of the figures:

Figure 1 describes the process flow of online loan application and processing

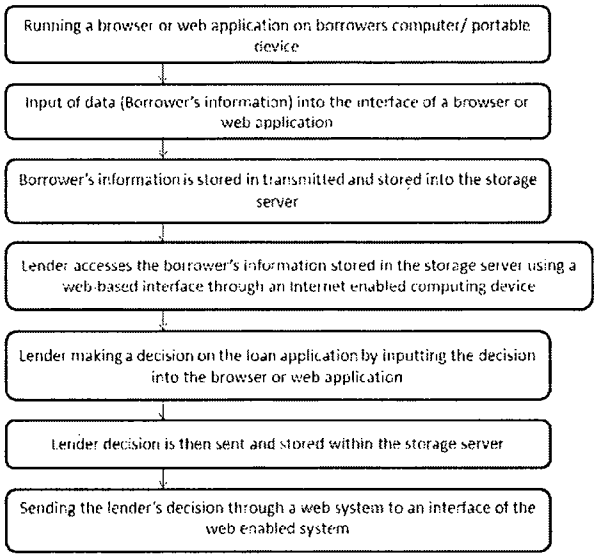

FIG- 1

Description of the invention:

Embodiments of the online filing and approval of the loan application through an application programming interface or web service is described here, for purposes of explanation, numerous specific details are set forth in order to provide a thorough understanding of the present invention. It will be evident, however, to one of ordinary skill in the art, that the present invention may be practiced without these specific details. In other embodiments, well-known structures and devices are shown in block diagram form to facilitate explanation. The description of preferred embodiments is not intended to limit the scope of the claims appended hereto.

In one embodiment, the present invention describes the online loan processing using web browser or internet based web application. Here the steps of accessing, downloading and manipulating the data as well as the aspects of the present invention are implemented using web browser or internet based web application and all the data are stored within the web based back office application.

Execution of the sequences of instructions causes the web based application to perform steps according to embodiments of the present invention.

In another embodiment of the present invention describes the online loan processing directly between the lender and the borrower without the involvement of the third party or broker. Here the web based application acts as an intermediary between the lender and the borrower. This means that all the transactions between the lender and the borrower are done offline which is a very important advantage to both lender and the borrower.

In another embodiment of the present invention describes choosing of the most trusted lenders with transparent loan options at borrower's desired interest rate. This embodiment is the most important one as when there is a question of borrowing money, it is very important to know whom to trust. In today's economic landscape, borrowers can find it difficult to pick great loan products out of the many poorer ones out from the traditional loan processing system. On this new improved loan processing system that is through a web-based application, the borrower can apply only to the most reputable and responsible lenders, ensuring complete safety. Through this improved web based loan processing system, lenders can gain access to a constant stream of new customers. Each time a lender's product matches a borrower's needs, it will be offered as an option to the borrower. By means of simple comparison, customers will be able to clearly see which loan product best suits their needs.

In another embodiment of the present invention describes the account subscription system in which the lender will be able to subscribe three different types of accounts according to his requirement in this new improved internet based web application or in this improved loan processing system. This generally involves not less than two (2) subscription plans. Based on payment history on the website, the system will use an algorithm to rate borrowers. (An internal

proprietary algorithm will be used.) This rating will be displayed to lenders when any borrower applies for a loan in case the borrower has already utilized this service earlier as well. There will be used a credit scoring model which is based solely on the credit history of repayment of the borrower and yearly income of the individual or the borrower's information.

In another embodiment of the present invention describes the ability of the lender to download the loan application form from the web application in PDF format. The criteria for this are that the lender has to pay the commission fee. Here, the PDF document will contain the applicant bio data, applicant documents, and also the application's details. Also the application's details will be sent to the lender via email.

In another embodiment of the present invention describes about the portfolio of the lenders and the sequence of their arrangement in this new improved loan processing system. Here in this web based application the lenders are listed according to their country. For example, if the visitor to the web application is from Singapore than it will show the loan options only from Singapore. However the visitor will be able to select other countries according to their requirement. For example a Singapore visitor can also select Brazil and the web application will show credit providers from Brazil. The information shown to the visitor about the lender includes the name of the lender, location (country), acceptance ratio, interest rates, loan quantum details and the feedback by borrowers, etc. The lenders will be ranked according to a series of proprietary algorithms.

Following examples are provided to describe various aspects of this invention and are not intended to reduce the otherwise broad scope of this invention.

EXAMPLES:

Example 1:

Online loan application using a computer containing web browser connected to Internet.

The borrower adds his details to create an account with the website providing the online loan application system and the said details and the account is verified by the system provider by following standard steps of authenticating the account like email verification, phone verification, identity verification, etc.

The borrower receives a login ID and password which he can use to log in into his account and manage his loan applications. Alternatively login credentials of social networking sites like Facebook, and LinkedIn can also be used to login into the account and apply or manage loan applications. The applicant has to select the type of loan product which he wishes to apply. The selection of the such product which he wish to apply for will be provided by an interface where he is required to submit the details about his requirement and about the particulars related to loan application which are required by the lender. The web interface will request for all the information about the details required by all the lenders in the category of product selected by the borrower. The borrower is also asked to upload documents such as a proof of the particulars which he has entered into the web interface. For example this may include proof of address, employment letter, salary slip, bank statement, national identity proof, and other details related to the purpose of the loan application.

The applicant can submit his application after submitting all the documents and information requested on the web-based interface. The submitted application is then sent to an web-based storage server.

Example 2:

Receiving and storage of the application on the web-based storage server

Once the application is submitted by the borrower, the said application along with the uploaded documents are sent to an web-based storage server which is capable of storage of the application under the specific category of credit application based on the type of loan product. The web-based storage server would allow the access of a specific category of loan applications to the lender who have subscribed to that category.

Example 3:

Accessing the loan applications by the lender

The specific categories of stored loan applications will be made accessible to the selected lenders who are subscribed to receive such applications. The lender can view the portion of the application in a read only access mode through a browser of a computer device connected to Internet. The browser can display the application made by the borrower and also allows the lender to put his comments on the application, request for specific inputs from the lender, give decision on the application i.e. approve or deny the application and send the comments, request for specific inputs on the application and decision on the application to the server.

Example 4:

Handling of the inputs provided by the lender

The inputs provided by the lender are sent to the server and are further forwarded to the borrower. The borrower can see the inputs and comments provided by the lender by accessing his account. The borrower can reply to the comments of the lender. This will provide a borrower an opportunity to reply to the comments of the lender.

Example 5:

Taking decision on the accepting or rejecting the credit application

Once the lender has sent his comments to the borrower, borrower can reply to the comments of the lender and fullfill the requirements as asked by the lender. Upon confirming the fulfilment of the requirements the lender can approve the credit and inform his decision to the borrower. Upon showing the intention to accept the credit by the borrower all information regarding the borrower is shown to the lender.

CLAIMS

We claim,

1. A system for online loan applications and online loan application processing comprising:

    a. A first Internet enabled computing platform or device comprising an interface capable of receiving inputs for a loan application in the form of data, electronic files, scanned documents or voice from the loan applicant and transmit the said inputs to a storage server through internet for storage of the said inputs into a said storage server;

    b. A second internet enabled computing platform or device containing an interface capable of receiving inputs provided by the loan applicant in the form of data, electronic files, scanned documents or voice from the storage server through internet and receive new inputs from the lender as a decision on the loan application in the form of comments, data, electronic files, scanned documents or voice from the lender and transmit the said new inputs to a storage server through internet for storage of the said new inputs into a said storage server and transmission of the said new inputs to the interface of the internet enabled platform of loan applicant or to contact details of the loan applicant;

    c. A storage server capable of receiving and storage of the inputs from the internet enabled computing platform of loan applicant and lender, and transmitting the said stored inputs to an internet enabled computing platform of the lender and loan applicant respectively.

2. The system as recited in claim 1 wherein the internet-enabled computing platform can be used through a group of computer, mobile phone, tablet, etc.

3. The system as recited in claim 1 wherein the interface of the internet enabled computing platform can be used through a group of a web browser, software connected to the internet, an application installed on a tablet, computer or mobile phone, etc.

4. The system as recited in claim 1 wherein the contact details of the loan applicant can include telephone number, mobile number, address of service (residential address,

permanent address, current address or any other address), email address, employment details etc.

5. A method of accepting and processing online loan applications comprising the steps from making an online loan application to receiving a decision on the said online application comprising the steps in the sequence of:

   a. Providing the inputs for a loan application in the form of data, electronic files, scanned documents or voice by the loan applicant to a first Internet enabled computing platform or device comprising an interface capable of receiving and transmit the said inputs to a storage server through internet;

   b. Storage of the transmitted inputs into a storage server capable of receiving and storage of the inputs from the internet enabled computing platform of loan applicant and transmitting the said stored inputs to an internet enabled computing platform of the lender;

   c. Receiving inputs provided by the loan applicant in the form of data, electronic files, scanned documents or voice from the storage server through internet onto a second internet enabled computing platform or device containing an interface capable of receiving and displaying the inputs received from the storage server and receiving new inputs from the lender as a decision on the loan application in the form of comments, data, electronic files, scanned documents or voice from the lender and transmit the said new inputs to a storage server through internet;

   d. A storage server capable of receiving and storage of the inputs from the internet enabled computing platform of loan applicant and credit provider, processing of said inputs by algorithms stored in the said storage server and transmitting the said stored inputs to an internet enabled computing platform of the lender and loan applicant respectively.

6. The method as recited in claim 1 wherein the internet-enabled computing platform can be used through a group of computer, mobile phone, tablet, etc.

7. The method as recited in claim 1 wherein the interface of the internet enabled computing platform can be used through a group of a web browser, software connected to the internet, an application installed on a tablet, computer or mobile phone, etc.

8. The method as recited in claim 5 wherein the contact details of the loan applicant can include telephone no, mobile no, address of service (residential address, permanent address, current address or any other address), email address, employment details etc.