

# PRIVACY IMPACT ASSESSMENT

Asset Servicing Application Service Provider  
(ASP) Services

Fidelity National Information Services  
(Fidelity)

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FDIC External Services

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## System Overview

When a financial institution (FI) fails, the Federal Deposit Insurance Corporation (FDIC) assumes the responsibility of collecting and selling the assets (i.e., loans and non-loans<sup>1</sup>) of the failed bank and settling its debts. Within the FDIC, the Division of Resolutions and Receiverships (DRR) Asset Marketing branch is responsible for marketing and selling the assets acquired by the Receiver as quickly as possible after an institution fails. To accomplish this, DRR generally uses contractors and loan servicers, also known as interim servicers<sup>2</sup> and external asset servicers<sup>3</sup>, to help manage many of the assets until they can be sold or otherwise resolved. Under certain circumstances, loans may need to be managed in-house by DRR Staff, rather than being transferred to external loan servicers for management.

To manage assets internally, the FDIC has contracted Fidelity National Information Services (Fidelity) as the Application Service Provider (ASP) for the FDIC. Fidelity's application provides the Integrated Banking Services Insight (IBS INS) solution which is comprised of interrelated subsystems and reporting tools (henceforth referred to as FIS-INS). FIS-INS is used by DRR to track, manage and apply payments and proceeds for assets that are not maintained by interim or external servicers. The assets maintained in FIS-INS include but are not limited to non-loan assets, such as Owned Real Estate (ORE), securities, other owned assets (e.g., furniture and fixtures, automobiles, etc.), and off-book assets (e.g., restitution orders, liability claims, etc.). FIS-INS is also used as the system of record for certain loan assets, including those that are non-performing<sup>4</sup> and performing in nature, as well as (as applicable) loans related to legal actions or any other loans FDIC/DRR Senior Management may determine need to be managed internally.

During or subsequent to the closing of a failed FI, data for those assets that are to be managed internally is directly uploaded to the FIS-INS system or entered manually by authorized DRR staff members. This data includes both loan and non-loan asset data, and may contain sensitive personally identifiable information (PII) about loan customers/borrowers, as specified below. Additionally, data in FIS-INS may be securely imported from the FDIC's Communication, Capability, Challenge, and Control (4C) system, as well as third-party entities, specifically FDIC-contracted interim servicers and external asset servicers.

The FIS-INS system resides offsite at a secure, non-FDIC location that is owned, operated, monitored, and maintained by FIS. Authorized DRR staff members are able to remotely access and review asset data in the FIS-INS and their workstations or laptops via secure connection. In addition, authorized DRR users are able to record

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<sup>1</sup> Non-loan assets refer to intangible assets (e.g. securities) or tangible assets (e.g. real estate) of the failed FI or its subsidiaries. Additional examples of tangible non-loan assets include Fixtures, Furniture & Equipment (FF&E), computer hardware, computer software, land building improvements, leasehold improvements, other owned real estate, bank owned vehicles, repossessed assets, artwork, or other such items.

<sup>2</sup> For a period of time following a bank closing, FDIC may use the servicer of the failed institution on an interim basis, as DRR works to resolve or dispose any assets not initially transferred to an acquirer. Assets remaining after this period are converted from interim servicer to asset service providers or external asset servicers who work to resolve or dispose of the assets on behalf of the Receivership.

<sup>3</sup> External asset servicers refer to third-party firms that are under contract to service assets on behalf of FDIC. These firms provide files with data on serviced asset transactions and balances to DRR via secure FDIC-furnished transfer mechanism (e.g., Secure File Transfer Protocol).

<sup>4</sup> A non-performing loan refers to a loan on which a borrower is not making payments or has a history of not making payments in accordance with the contract.

activity such as applying cash payments, proceeds and other reductions or adjustments directly to assets in FIS-INS.

## Personally Identifiable Information (PII) - Fidelity

Fidelity collects personally identifiable information (PII) that may include: full name; Social Security number (SSN)/tax identification number (TIN); home address; phone number (personal); financial information; legal documents, records, or notes (e.g., divorce decree, criminal records, etc.); and criminal information (i.e., restitution, order dates, statute of limitation dates, etc.)

## Purpose & Use of Information - Fidelity

Authorized FDIC DRR staff use the PII identified above to help track and manage failed bank assets in-house, including non-loan assets and certain loan assets (e.g., non-performing loans). In addition, the use of TINs/SSNs in FIS-INS is required for tax reporting purposes. FIS-INS users do not access any data or PII contained in FIS-INS, except as required to perform their authorized system/database administrative and maintenance duties.

## Sources of Information – Fidelity

**Collected from Failed or Failing FIs:** During or subsequent to the closing of a failed FI, initial data for assets that will be managed in-house by the FDIC is collected from the FI's systems and or paper files. DRR Business Information Systems (BIS) staff may directly upload asset data that was obtained from the failed bank's systems to FIS-INS via secure batch process. This data may include PII about customers/borrowers of failed institutions, such as their names, home addresses, SSNs, TINs, loan account numbers, and account balances.

In addition, DRR's Asset Management staff may collect hardcopy asset/loan files and other pertinent documentation from the failed FI, such as legal correspondence related to litigation, restitution, and/or discovery. For those assets that are to be managed internally, DRR staff may manually enter or upload spreadsheets with data from these loan/asset files or other supplemental documentation into FIS-INS, as applicable. The data uploaded or manually entered into FIS-INS by DRR staff may include PII about customers/borrowers of failed institutions. In addition, DRR Financial Staff manually apply and make adjustments to payments and proceeds for non-loan and loan assets in FIS-INS. Financial information (i.e., non-PII data such as remittance date, amount, and wire number) is entered into FIS-INS as part of this process.

**Collected from FDIC system(s)/application(s):** Data in FIS-INS is also imported from DRR's 4C system through a secure batch process; data transferred includes detailed loan and non-loan data, the account/officer name, and identifying number associated with a particular loan/account. Data uploaded includes PII and non-PII pertaining to those loan assets that are to be maintained in-house by the FDIC, including the failed institution borrower's full name, home address, SSN, TIN, loan

account number, account balance, loan maturity date, name of property or security, and location of property. This information is necessary in order to establish a record and to link the data in FIS-INS to FDIC records, as well as to ensure that data in the system remains current and accurate.

**Collected from Loan Servicer(s) and Interim Servicer(s):** In addition, some asset data in FIS-INS may be obtained from FDIC-contracted interim servicers or external asset servicers. Specifically, after the closing of a failed FI, DRR BIS staff works with the external asset servicers or interim servicers to convert asset data to FIS-INS for those assets that have been identified as non-performing or are otherwise determined by FDIC to require in-house management. BIS securely obtains the files from the servicers and securely uploads the data directly to FIS-INS or via 4C to FIS-INS. Data uploaded includes PII and non-PII pertaining to those loan assets that are to be maintained in-house by the FDIC, including the borrower's full name, home address, SSN, TIN, loan account number, account balance, loan maturity data, name of property or security, and location of property.

## Notice & Consent

Individuals do not have the opportunity to "opt out" of providing their data and/or consenting to particular uses of their information. Information maintained in FIS-INS about borrowers of failed FIs is necessary to track the status of the activity of Receivership assets. This information is collected directly from failed FIs in Receivership or third-party servicers, not directly from individual borrowers. Therefore, individuals are not able to "opt out" of providing personal information, nor do they have the option of consenting only to a particular use.

## Access to Data - Fidelity

**Fidelity Staff, Subcontractors, and/or Systems:** Authorized administrators at Fidelity have access to all data in the system for system administration/maintenance, support services, and HelpDesk purposes.

**FDIC Personnel and/or FDIC Systems/Applications:** Authorized DRR staff, supervisory personnel, management officials, and system administrators, as well as other FDIC personnel (such as Legal Division staff) may be granted access to data in the system on a "need to know" basis in order to carry out their official duties. Specific role-based access permissions limit data sets each authorized user is able to access and what functions they are able to perform (i.e., read-only, data manipulation, system administration, etc.)

DRR's Asset Management staff has access to the system to update asset data for those assets that they are responsible for managing in-house. DRR's Financial Processing staff has access to the system to view and report on asset and financial data, make adjustments or updates to this data, and to apply payments and proceeds to non-loan and loan assets in FIS-INS. Authorized Legal Division users may be granted "read-only" access to data in FIS-INS, as needed to review assets that are related to a legal action, but they do not have the capability to change information within the system. Authorized DRR BIS employees are granted authority to report, maintain, manipulate, update, edit, and upload data to the system for

purposes of converting and importing asset data into the system. In addition, the DIT Project Manager may be granted emergency access to the production environment in order to assist with any system issues that may arise.

FIS-INS shares certain financial data with the FDIC's Control Totals Module (CTM) system, which allocates, records, and processes transactions pertaining to cash receipts and non-cash events for receiverships and subsidiaries. Information shared with CTM includes borrower name, account number, and certain non-financial coding data that is necessary for the purposes of updating CTM. In turn, CTM shares limited financial (non-PII) data with 4C in order to update the asset balances in 4C. In addition, FIS-INS shares non-financial data (non-PII) with 4C in order to update and synchronize reporting fields.

**Other Non-FDIC Entities/Parties and/or Non-FDIC Systems/Applications:**

Authorized FDIC DRR contractors are granted authority to report, maintain, manipulate, update, edit, and upload data to the system for purposes of converting and importing asset data into or out of the system on a "need to know" basis. In addition, contractors employed by the FDIC may perform duties identical to those carried out by FDIC employees specified above. This includes entering and updating data in FIS-INS, as well as providing trouble-shooting and maintenance services. FDIC contractors are also responsible for executing the data feed from 4C to FIS-INS and similar data updates to 4C.

As part of servicing assets in-house, authorized FDIC DRR employees or contractors provide borrowers with loan history and statements unique to the borrower. Authorized FDIC DRR employees or contractors securely provide asset activity data, which may include some or all of the PII identified above, to winning bidders/purchasers of assets between purchase effective data and conversion-off data.

**Federal, State, and/or Local Agencies:** Fidelity reports Internal Revenue Service (IRS) Reporting/Tax Form 1098s to federal taxing authorities. The completed 1098s contain borrower PII, such as name, home address, SSN/TIN, and are accessible to FDIC via a Fidelity reporting tool.

**Data Sharing**

**Other Systems that Share or Have Access to Data in the System:**

System Name	System Description	Type of Information Processed
Control Totals Module (CTM)	CTM allocates, records, and processes transactions pertaining to cash receipts and non-cash events for receiverships and subsidiaries.	Information shared with CTM includes borrower name, account number, and certain non-financial coding data that is necessary for the purposes of updating CTM.

System Name	System Description	Type of Information Processed
FDIC Communication, Capability, Challenge and Control (4C)	4C houses all asset data for failed FIs and managed data flow and updates from banks, application service providers (ASPs), as well as internal and external servicers.	Information shared with 4C includes limited financial (non-PII) data.

## Data Accuracy - Fidelity

Data is collected directly from the failed FIs. As such, the FDIC and Fidelity rely on the FIs to provide accurate data.

As necessary, an authorized FIS-INS administrator checks the data for completeness by reviewing the information, verifying whether or not certain documents or data is missing, and as feasible, updating this data when required.

The system is designed to require that specific information for each asset/loan be completed in order for the loan account to be considered complete. Data entry screens and load modules include edit checks to ensure that business rules and data relationships are maintained. Data validation has been incorporated within the front-end application and the back-end database to ensure information is entered in the required format. There are validations at the data field level (i.e., monetary fields must be numeric). In order to avoid manual entry errors, there are calculated fields in place.

## Data Security - Fidelity

Fidelity has gone through the security review required by the FDIC's Outsourced Information Service Provider Assessment Methodology to determine and/or verify their having appropriate physical, technical, and administrative security measures to safeguard FDIC-provided PII and other sensitive data.

The FDIC conducts background investigations on Fidelity's personnel and other applicable personnel prior to their beginning work on the contract.

Fidelity is subject to periodic compliance reviews by FDIC. Per the contract, scheduled and unannounced inspections and assessments of Fidelity's facilities, personnel, hardware, software and its security and privacy practices by either the FDIC information technology staff, the FDIC Inspector General, or the U.S. General Accountability Office (GAO). These inspections may be conducted either by phone, electronically or in-person, on both a pre-award basis and throughout the term of the contract or task order, to ensure and verify compliance with FDIC IT security and privacy requirements.

Within FDIC, the FIS-INS Program Manager/Data Owner, Technical Monitors, Oversight Manager, and Information Security Manager (ISM) are collectively responsible for assuring proper use of the data. In addition, it is every FDIC user's responsibility to abide by FDIC data protection rules which are outlined in the FDIC's Information Security and Privacy Awareness training course which all employees take annually and certify that they will abide by the corporation's Rules of Behavior for data protection.

Additionally, Fidelity is responsible for assuring proper use of the data. Policies and procedures have been established to delineate this responsibility, and Fidelity has designated its Vice President to have overall accountability for ensuring the proper handling of data by Fidelity personnel who have access to the data. All Fidelity personnel with access to the data are responsible for protecting privacy and abiding by the terms of their FDIC Confidentiality and Non-Disclosure Agreements, as well as Fidelity's own corporate policies for data protection. Access to certain data may be limited, depending on the nature and type of data.

## System of Records Notice (SORN)

Fidelity operates under the FDIC Privacy Act SORN 30-64-0013, *Insured Financial Institution Liquidation Records*.

## Contact Us

To learn more about the FDIC's Privacy Program, please visit:  
<http://www.fdic.gov/about/privacy/>.

If you have a privacy-related question or request, email [Privacy@fdic.gov](mailto:Privacy@fdic.gov) or one of the [FDIC Privacy Program Contacts](#). You may also mail your privacy question or request to the FDIC Privacy Program at the following address: 3501 Fairfax Drive, Arlington, VA 22226.

