

PRIVACY IMPACT ASSESSMENT

Eagle Technology Management (UPEXchange)

May 2013

FDIC External Service

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System Overview

When an FDIC-insured financial institution fails, and the FDIC is appointed as Receiver, the FDIC's Division of Resolutions and Receiverships (DRR) is responsible for disposing of the remaining assets and paying depositors of the failed institution. If there is excess cash generated by the disposition of these assets, then a dividend¹ may be declared and distributed to proven "claimants"².

When deposits or other funds remain unclaimed³, the FDIC as Receiver is responsible for transferring the unclaimed funds to the appropriate state treasury office. These unclaimed funds may include, for example, insured checking and savings accounts, certificates of deposit, and other official items not claimed by the depositor of the failed institution, as well as unclaimed shareholder funds and undeliverable or uncashed dividend checks. The state attempts to locate the owners of the funds for ten years⁴ before the funds (also known as "unclaimed property") are returned to the FDIC.

To help with unclaimed property reporting, FDIC/DRR utilizes UPEXchange, a web-based application that is owned by Eagle Technology Management (ETM) and interfaces to pre-loaded database for all jurisdiction-specific guidelines, requirements, and procedures for managing and reporting unclaimed property. DRR uses UPEXchange to create unclaimed property reports in the state-specific format. To generate the reports, authorized DRR Accounting staff uploads electronic files containing unclaimed property information to UPEXchange. This file includes personally identifiable information (PII) about depositors and non-deposit claimants (e.g., shareholders, creditors, vendors, etc.) of failed financial institutions, including their names, Social Security Numbers (SSNs)/Taxpayer Identification Numbers (TINs), home addresses, and financial information (e.g., account number and amount). After generating the reports using UPEXchange, DRR Accounting staff securely submit them to the appropriate state property offices via encrypted email, encrypted CD, or by directly uploading them to the state's web interface (depending on the method preferred by the state).

Personally Identifiable Information (PII) in UPEXchange

The unclaimed property file uploaded to UPEXchange includes PII about the owners of the unclaimed funds who may be customers/depositors or non-deposit claimants of failed financial institutions. Non-deposit claimants may include failed bank vendors, creditors, shareholders, and Receivership payees, who are entitled to payment from the FDIC in its Receivership capacity. In some instances, shareholders may be failed bank directors, officers, or employees. The unclaimed property files in UPEXchange include the following types of PII: names, SSNs/TINs, home addresses, and financial information (e.g., account number and amount).

¹ A dividend refers to the sum of money paid out regularly by the Corporation to the claimants out of the excess profits generated by the disposition of assets of the failed institutions.

² "Proven claimants" refers to depositors and non-depositors (e.g., creditors, vendors, stockholders, etc.) of failed financial institutions who are entitled to payment from the FDIC in its Receivership capacity.

³ Examples of reasons why funds may remain unclaimed include: (a) The insured deposit is never claimed from the assuming financial institution; (b) The dividend check on the excess deposit amount is not cashed by the check recipient; (c) The dividend check on the general creditor claim is not cashed by the recipient; (d) The check to the shareholder is not cashed; (e) A valid address does not exist on file and the dividend check has been returned to the FDIC.

⁴ Unclaimed properties sent to the states typically revert back to the FDIC after 10 years. Uncashed dividend checks, however, are considered to be a "true" escheatment to the states in that they are never returned to the FDIC.

Purpose & Use of Information in UPExchange

Authorized FDIC DRR Accounting staff securely uploads electronic files containing unclaimed property information to UPExchange in order to create reports in the state-specific reporting format. The PII contained in the files is necessary to ensure accurate reporting of unclaimed funds to the states as required by law and also allow the states to attempt to return the funds to the rightful owner.

Sources of Information in UPExchange

Authorized FDIC DRR Accounting staff access the FDIC Dividend Processing System (DPS) to generate an electronic file containing unclaimed property information. This file includes the following PII about the owners of the funds: names, SSNs/TINs, home addresses, and financial information, such as account numbers, check numbers (if applicable), and amounts. DRR Accounting staff securely uploads the file to UPExchange to generate reports in the state-specific reporting format. After generating the reports, DRR Accounting staff downloads and save the reports and securely submits them to the appropriate state property offices. The reports, which contain the PII mentioned above, are not saved on the UPExchange servers; however, a copy of the DPS data file used to generate the reports is retained on the UPExchange servers.

Notice & Consent

Individuals do not have the opportunity to “opt out” of providing their data and/or consenting to particular uses of their information. The information provided to UPExchange is obtained from the FDIC Dividend Processing System (DPS). This DPS data is based on the records of failed financial institutions; the data is necessary in order to ensure FDIC returns unclaimed deposits and other funds to the appropriate state officials as required by law. Therefore, an opt-out option is not provided.

Access to Data in UPExchange

Authorized FDIC DRR Accounting employees with a “need to know” have access to the data in UPExchange in order to perform their respective business duties, including but not limited to uploading the unclaimed property file to the UPExchange application and generating reports. As needed, FDIC contractors may also have access to the PII data in support of FDIC DRR staff in these responsibilities.

Authorized staff at Eagle Technology Management (ETM) and its data center partner (NetStandard) serve as the UPExchange administrators. In this capacity, they have access to the UPExchange application and database for system maintenance and administration purposes. As part of managing the database, UPExchange administrators have access to data on the server. However, all sensitive PII and other sensitive data elements (e.g., user passwords, SSNs, etc.) are encrypted at rest; administrators do not have access to these encrypted data elements. As necessary to their job responsibilities, UPExchange administrators do have access to non-sensitive PII (e.g., addresses, accounts, etc.) stored on the server.

State property offices do not have direct access to UPEXchange; however, they receive reports generated by DRR Accounting staff via UPEXchange. After DRR Accounting staff generates unclaimed property reports using UPEXchange, they securely send the report to appropriate state property offices via encrypted email, encrypted CD, or direct upload to the state's website.

Data Sharing

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

System Name	System Description	Type of Information Processed
Dividend Processing System (DPS)	DPS is used to calculate and issue payments to claimants. DRR Account staff import electronic files, which contain PII data obtained from DPS, into the UPEXchange database in order to generate reports in the required state-specific reporting format.	Name, SSN/TIN, home address, and financial information

Data Accuracy in UPEXchange

Data uploaded to UPEXchange is collected from FDIC's Dividend Processing System (DPS). DPS data is collected directly from individuals and/or from the failed financial institutions. As such, the FDIC relies on the individuals and/or financial institutions to provide accurate data. DPS data is also verified by a monthly reconciliation process that compares DPS balances to other internal FDIC systems. When importing data into UPEXchange, a standard template is utilized that requires specific fields be complete in order for the upload to be successful.

Data Security for UPEXchange

The UPEXchange service employs administrative and technical safeguards that meet a wide variety of compliance requirements and industry best practices. These controls include the use of 24/7 managed security services, vulnerability scans and verifications on a daily basis, the encryption of sensitive data while at rest and in transit, and monitoring and auditing of all database activities, including privileged users with local access.

Within FDIC, the UPEXchange Program Manager/Data Owner, Technical Monitors, and Oversight Manager, and DRR 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.

System of Records Notice (SORN)

UPEXchange operates under the applicable FDIC 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 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.

