

Privacy Threshold Analysis (PTA)  
and/or Privacy Impact Assessment (PIA)

for

Financial Advisory Services for Mortgage Servicing Rights

First Financial Network

*(RECVR-17-G-0368)*



**Date Approved by Chief Privacy Officer (CPO)/Designee: 9/27/2018**

**PTA/PIA TEMPLATE VERSION 1.7 - August 2016**

## **SECTION I – OUTSOURCED INFORMATION SERVICE DESCRIPTION**

### **1. Describe the outsourced service and its purpose.**

The FDIC serves as a regulator for financial institutions (FIs). One of the primary functions as regulator is to assume responsibility for failed FIs. The FDIC aims to maximize the value of a failed institution's assets, which in turn limits losses to the deposit insurance fund and repay uninsured depositors and general creditors. It is essential to satisfy assets and keep costs at minimum.

FFN shall provide a full-range of services to the FDIC such as advising and assisting with the financial analysis, valuation, management, sales and disposition of Mortgage Servicing Rights or Assets (MSR/As) on an as-needed basis. First Financial is expected to perform some or all of the following tasks bulleted below:

- Make recommendations to the FDIC as it pertains to the development of disposition documents, instructions to bid, form of bid sheet, and other documents needed to complete the sale and transfer of ownership
- Execute marketing and sales campaigns
- Identify and qualify potential bidders
- Coordinate the bidding process, which includes developing and distributing bid packages and bid package supplements to potential investors; this is necessary facilitate the transactions
- Develop preliminary final data and other information related to the MSR/As to provide an initial assessment of the MSR/As

## **SECTION II – DATA TYPE, SOURCES, AND USE**

### **2. Describe all information/data that will be collected, used, maintained or generated by the Outsourced Provider (Vendor) as part of the services provided under the contract. If no information/data is involved, select Not Applicable.**

When the FDIC engages FFN with a project, FFN typically receives a weekly BIS feed in the form of Microsoft Excel spreadsheets that contain all data elements related to that current project. The data elements FFN could potentially receive include fund name, balances, account numbers, note numbers, loan types, maturity dates, asset type, collateral description type, rates, escrow details, days late, charge off amounts, charge off dates, foreclosure statuses, payment histories, etc. Typically, prior to the vendor's review, the FDIC will scrub and redact all PII elements contained within the data. However, the data FFN receives under this specific contract may contain PII elements such as full names, home addresses, and legal documents (e.g., bankruptcy information). The FDIC will send data to FFN through a secure virtual data room (VDR) known as Venue and via Secure Email (ZixMail). FFN will receive access to Venue, which will be provided and administered by the FDIC. As part of its analysis process, FFN will need the ability to extract data.. FFN utilizes this data to analyze the portfolio, determine preliminary valuation metrics, control inventory,

prepare and present portfolio information to the investor market, and facilitate closing transactions. In order to facilitate due diligence and bidding activities if a loan sale transaction occurs, this information is also uploaded to the VDR.FFN may request the services of its subcontractors, Situs and Clyaton to assist with qualifying bidders. Situs and Clayton assess bidders financial statements referencing loan amounts and account balances to determine their financial capacity in being able to service the loan; however, no PII is shared with the subcontractors.

**3. Describe the intended purpose and use of the above information/data. If no information/data is involved, select Not Applicable.**

FFN provides financial advisory services, which include the assessment of data from failed FIs as it relates to MSR/As. As part of this process, it is FFN’s responsibility to ensure the data received (which includes loan level files with information that describes the loan) meets the general requirements and standards to market the assigned assets about each area as appropriate in preparation for the MSR/As to be sold.

**4. What types of personally identifiable information (PII) are (or may be) included in the information specified above? *(This is not intended to be an all-inclusive list. Specify other categories of PII, as needed.)*:**

PII Element	Yes	No
Full Name	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date of Birth	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Place of Birth	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Social Security Number	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employment Status, History or Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mother’s Maiden Name	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Certificates (e.g., birth, death, naturalization, marriage, etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Medical Information (Medical Records Numbers, Medical Notes, or X-rays)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Home Address	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Phone Number(s) (non-work)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Email Address (non-work)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employee Identification Number (EIN)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Information (e.g., checking account #/PINs/passwords, credit report, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Driver’s License/State Identification Number	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Vehicle Identifiers (e.g., license plates)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legal Documents, Records, or Notes (e.g., divorce decree, criminal records, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Education Records	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Criminal Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Military Status and/or Records	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Investigation Report or Database	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Biometric Identifiers (e.g., fingerprint, voiceprint)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Photographic Identifiers (e.g., image, x-ray, video)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other (Specify: Bankruptcy status, filing date and chapter)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

5. If Social Security Number (SSN) is checked in question 4, please answer the following:
- a) Explain the business purpose requiring the collection of SSNs: *(Please explain.)*
  - b) Provide the legal authority which permits the collection of SSNs.

N/A

- c) Identify whether the SSN is masked or otherwise truncated within the system: *(Please explain.)*

N/A

**6a. Please provide an estimate of the number of records maintained by the vendor for this contract that contain PII:**

Estimated Number of Records Containing PII				
0 <input checked="" type="checkbox"/>	1-500 <input type="checkbox"/>	501-1,000 <input type="checkbox"/>	1,001 - 2,500 <input type="checkbox"/>	2,501 - 5,000 <input type="checkbox"/>
5,001 - 7,500 <input type="checkbox"/>	7,501 - 10,000 <input type="checkbox"/>	10,001 - 50,000 <input type="checkbox"/>	50,001 - 100,000 <input type="checkbox"/>	over 100,000 <input type="checkbox"/>

**6b. If “0” was answered for 6a, please explain<sup>1</sup>:**

The contract’s Oversight Manager has confirmed that, as of March 30, 2018, FFN has not been issued any active task orders and does not anticipate any task orders will be awarded until assets are assigned for marketing and sales purposes. An estimate of the number of records that could potentially be maintained if the vendor were assigned work in the future estimating large bank failures is 10,000 or less.

**7. What are the sources of data (both PII and non-PII) for the outsourced service/project? How is the data derived?**

Data Source <sup>2</sup> (List all sources that the Outsourced Provider collects, obtains or receives data from, as part of the services provided under the contract.)	Type of Data Provided by Source & How It is Derived (Describe the type of PII and non-PII data provided by each source. If PII is included in the data, list the specific PII elements, and explain how the PII is derived.)	Does Data Include PII?
FDIC Secure Email	FFN uses FDIC’s secure email to retrieve data from the FDIC as it relates the MSR/As, which includes loan level files with information that describes the loan such as loan account number, loan type, current balance, note date, fixed rate or ARM, the	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<sup>1</sup> If the vendor has not received work to date for this contract and “0” is checked in 6a, please explain approximately how many records may be maintained by the vendor if they are awarded work under this contract in the future. Additionally, the Division responsible for this vendor must update this PIA to reflect the accurate number of records containing PII that the vendor maintains if this changes in the future.

<sup>2</sup> Examples of potential data sources include, but are not limited to: internal (FDIC) or external (non-FDIC) systems, websites, individual members of the public (e.g., customers, borrowers, etc.), FDIC employees, FDIC contractors, credit bureaus, commercial entities, public records, government agencies, etc.

	pricing of the MSR/As, etc.	
Venue	Venue is used as a platform to upload and extract data securely as it relates the MSR/As, which includes loan level files with information that describes the loan such as loan account number, loan type, current balance, note date, the pricing of the MSR/As, etc.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**8. How will FDIC and/or the Outsourced Service Provider retrieve data or records as part of the outsourced service or project? Can data be retrieved using a personal identifier (e.g., name, address, SSN, EIN, or other unique identifier)?**

FFN will not have any unique identifiers associated with the data received

**9. In the Federal Register, under which Privacy Act Systems of Record Notice (SORN) does this system operate? Provide number and name.**

30-64-0013, *Insured Financial Institution Liquidation Records.*



**This completes the PTA.**

- Do not complete the rest of the form, if the service provider is not processing or maintaining sensitive PII. This is the case, if you checked:
  - NOT APPLICABLE for question 3 and NO for all items in question 4; OR
  - Only Full Name in question 4.
  
- Continue completing the remainder of the form, i.e., Sections III thru VI in their entirety (questions 10 through 18), if the service provider is processing or maintaining sensitive PII. This is the case, if you checked:
  - YES for Social Security Number (SSN) in question 4; OR
  - YES for SSN or for Full Name in addition to one or more boxes in question 4.

- If you have questions or are unsure about whether or not you should complete the remainder of this form, please contact your Division ISM or the Privacy Program Office ([privacy@fdic.gov](mailto:privacy@fdic.gov)).

## SECTION III - DATA ACCESS AND SHARING

**10. In the table below, specify the systems/applications and parties (FDIC and non-FDIC) that will access or receive PII data as part of the outsourced service/project.**

PII Will Be Accessed By and/or Provided To:	Yes	No	If Yes, Explain How and Why the PII Will Be Accessed/Shared
<b>10a. FDIC Outsourced Service Provider (OSP) Staff; OSP Subcontractors; and/or OSP Systems</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	FDIC may send PII as it pertains to MSR/As, such as full names, home addresses, and legal documents (e.g., bankruptcy information) to twelve (12) FFN personnel. If a due diligence requirement is established by the FDIC, sub-contractors Situs and/or Clayton will have access to FDIC's data that may or may not include PII. These personnel are key personnel on this contract and need access to the data files to analyze MSR/As and prepare for the sale. Access is provided to the vendor from the FDIC via Venue and/or FDIC's Secure Email for secure data transmissions.
<b>10b. FDIC Personnel and/or FDIC Systems/Applications</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Those that would have access to PII would include the Contracting Officer, Oversight Manager, IT Specialists, Information Security Manager, Program Manager, and Contractors from FDIC's DRR Division. FDIC serves as the receiver for failed institutions and receives MSR/As from such institutions which may include PII data sources such as full names, home addresses, and legal documents (e.g., bankruptcy information). DRR brings forth assistance from an outside vendor to assist with disposing the assets. In this case, FFN is the vendor on this contract. The data contained in these assets consists of MSR/As and is accessed via FDIC's Secure Email and Venue. Data also resided on FDIC systems as well as FFN's systems.
<b>10c. Individual Members of the Public (e.g., bidders, investors, borrowers, customers, etc.)</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Bidders/Investors are provided with the MSR Portfolio, which will include PII such as full names, home addresses, and legal documents (e.g., bankruptcy information). Level 2 Bidders and/or investors who have gone through additional FDIC vetting steps and submitted a \$50,000 deposit to FDIC are provided with PII elements via FFN's LSN website such as name and address information and access to imaged loan documents.
<b>10d. Other Non-FDIC Entities/ Parties and/or Non-FDIC Systems/Applications</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PII will be accessed, shared, and maintained via Venue, FDIC's VDR. FFN has access to Venue and needs the ability to extract data and upload files as part of its analysis process, which may include receiving PII data. FDIC Personnel will send and receive PII data to and from venue, which will include full names, home addresses, and legal documents (e.g., bankruptcy information). Possibly, this PII data could be included in preparation for a sale of MSR/As from Venue.
<b>10e. Federal, State,</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

and/or Local Agencies			
10f. Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

**11. If data will be provided to, shared with, or maintained by non-FDIC entities (such as government agencies, contractors, or Outsourced Information Service Providers), have any of the following agreements been issued?**

<b>Data Protection and/or Sharing Agreements</b>	<b>Yes</b>	<b>No</b>
FDIC Confidentiality Agreement (Corporation)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FDIC Confidentiality Agreement (Individual)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non-Disclosure Agreement (NDA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Memoranda of Understanding (MOU)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Information Sharing Agreements (ISA)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Authentication Risk Assessment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other Applicable Agreement(s) (Specify: _____)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p><b>If you answered NO to any item above, please provide additional information if available: First Financial Network is an Outsourced Information Service Provider and therefore is not subject to MOUs or ISAs.</b></p>		



## SECTION IV – NOTICE AND CONSENT

12. Do individuals have the opportunity to decline to provide information or to consent to particular uses of their information (other than required or authorized uses)?

- No. Individuals do not have the opportunity to “opt out” of providing their data and/or consenting to particular uses of their information. ***(Explain why individuals are not able to opt out (either for specific data elements or specific uses of their data.):***
- Yes. Individuals have the opportunity to decline to provide their personal data or to consent to particular uses of their information. ***(Explain how individuals may decline or consent to the use of their information.):***
- Not applicable. Information is not collected directly from individuals.

13. If PII is being collected via a public-facing website and/or application as part of this outsourced service, has the Outsourced Information Service Provider posted any of the following types of privacy policies or Privacy Act notices?

- No
- Yes ***(If yes, check applicable box(es) below.)***
- Link to FDIC Privacy Policy
  - FDIC Privacy Act Statement
  - Contractor Privacy Policy or Statement
  - No Privacy Policy has been posted
- Not applicable

## SECTION V – DATA SECURITY AND ACCURACY

14. Please assert what administrative procedures and technical safeguards are in place to protect sensitive PII data in the Outsourced Information Service Provider’s care. ***[Provide the name of the Outsourced Service Provider and check all applicable box(es).]***

- First Financial 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. If it has gone through the Methodology, has it been approved?  NO  YES
- The FDIC conducts background investigations (BIs) on key [First Financial] personnel and other applicable personnel prior to their beginning work on the contract.
- The [First Financial] is subject to periodic compliance reviews by FDIC. Per the contract, scheduled and unannounced inspections and assessments of the Outsource Service Provider’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.

Other (Explain any other administrative and/or technical safeguards in place to protect PII data in the Outsourced Information Service Provider's care.) ***Attach the Contract Clause Verification Checklist to the back of this form.***

**15. What are the procedure(s) for ensuring that the information maintained is accurate, complete and up-to-date? *(Check all applicable box(es) and insert the appropriate response and System/Project name.)***

Data is collected directly from individuals and/or from the failed financial institutions. As such, the FDIC and its vendors rely on the individuals and/or financial institutions to provide accurate data.

The vendor/contractor works with FDIC to verify the integrity of the data in conjunction with inputting it into the system or using it to support the project.

As necessary, an administrator of the advisory team 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.

Other (*Please explain.*)

**16. In terms of assuring proper use of the data, please assert whether the following statements are true for the Outsourced Information Service Provider. *(Check all applicable box(es) and insert the name of the Outsourced Information Service Provider and title of the firm's senior management official.)***

Within FDIC, the [First Financial] 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, the Outsourced Information Service Provider is responsible for assuring proper use of the data. Policies and procedures have been established to delineate this responsibility, and the vendor has designated [Information Security Officer] to have overall accountability for ensuring the proper handling of data by vendor personnel who have access to the data. All vendor 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 the vendor's corporate policies for data protection. Access to certain data may be limited, depending on the nature and type of data. (Refer to Section III of this Privacy Impact Assessment for more information on data access criteria.)

The Outsourced Provider must comply with the Incident Response and Incident Monitoring contractual requirement.

None of the above. *(Explain why no FDIC staff or Outsourced Information Service Provider personnel have been designated responsibility for assuring proper use of the data.)*

## SECTION VI – DATA RETENTION AND DISPOSAL

**17. Where will the Outsourced Service Provider store or maintain the PII data identified in question 4? Describe both electronic and physical storage repositories, as applicable.**

FDIC's data will be stored internally on a Network Area Storage (NAS) device physically located in a secure access server room at FFN's corporate offices in Oklahoma City, OK

**18. Specify the period of time that data is retained by the Outsourced Service Provider and the specific procedures for disposing of or returning the data at the end of the retention period or contract, whichever is first.**

In accordance with FFN's corporate Retention Policy, FFN will retain FDIC data until expiration of the contract, or at FDIC's direction through the Contracting Officer. At FDIC's direction, FFN will provide FDIC a copy of the retained data in a secure manner of FDIC's choosing under current FDIC policies. FFN will also destroy all hard copies and erase or destroy (through disk wiping or media sanitizing procedures) any electronic copies of FDIC's data upon FDIC's authorization, in accordance with FFN's corporate Media Sanitization and Destruction Policy.