

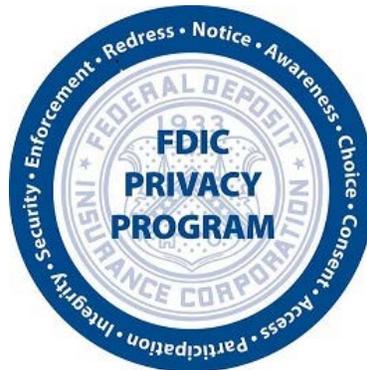
Privacy Threshold Analysis (PTA)
and/or Privacy Impact Assessment (PIA)

for

Claims & Noticing Administrator for Complex Financial
Institutions

Prime Clerk, LLC

(RECVR-16-G-0523)



Date Approved by Chief Privacy Officer (CPO)/Designee: 6/28/2017

SECTION I – OUTSOURCED INFORMATION SERVICE DESCRIPTION

1. Describe the outsourced service and its purpose.

The FDIC's Division of Resolutions and Receiverships (DRR) has contracted with Prime Clerk, LLC (Prime Clerk) for noticing and claims administration services. A Claimant under this contract would typically be a company who is claiming that a debt is owed them. It is possible, however, for a Claimant to be an individual, in which case Prime Clerk is responsible for providing claims administration services to that individual. Prime Clerk is to provide operational expertise in planning and executing all elements of the claims administration process for the resolution of: a systematically important financial institution (SIFI)¹ under the Dodd Frank Act, the U.S. holding of a SIFI, or an insured depository institution (IDI) with over one million depositor accounts and customers under the Federal Deposit Insurance Act (FDI Act). Under the IDI scenario, the FDIC may require Prime Clerk to act in a supporting role to provide additional capacity and assistance with claims and data issues.

The resolution of an institution, either a SIFI or IDI as defined under the Dodd-Frank Act or the FDI Act will be highly complex and has the potential to exceed the largest bankruptcies in U.S. history to date, based on asset size and liability complexity. In addition, the duration of the Dodd-Frank Act or FDI Act claims process is expected to be substantially accelerated relative to typical bankruptcy proceedings in order to make prompt distributions to creditors. Prime Clerk and their key personnel have extensive claims management experience for the largest U.S. and/or international bankruptcies and other relevant governmental (or similarly complicated and large) claims administration and noticing projects. In addition, Prime Clerk is knowledgeable regarding the Dodd-Frank Act and FDI Act in order to effectively administer the entire claims process and advise and assist FDIC staff.

Tasks that could be assigned to Prime Clerk are:

Develop Creditor List - Review books, records, and other key documents and data sources relating to the institution's assets and liabilities, and prepare a list of all of the institution's known creditors (commonly referred to as the "creditor matrix" or "mailing matrix"), all of which may be required to be done on short notice. A creditor is typically recognized on the books and records of the financial institution as potentially having a valid claim depending on the nature of the obligation. Prime Clerk will work with DRR staff to develop a list of all creditors, employees, customers, contract counterparties, taxing authorities, utility companies, equity holders, and all other creditor parties to assemble a comprehensive mailing matrix of all prospective creditor parties for the purpose of notifying and communicating with potential claimants.

Develop and Maintain Claims Management System and Claims Database – Develop and maintain a highly secure database of all filed claims to assist DRR with identifying and determining the validity of claims. The database will capture critical information from each claim and shall include, but not be limited to: claimant name, creditor type, date filed, amount of claim, claim type, claim priority, if any, and claim status. Prime Clerk should demonstrate capability to securely store and produce immediately full electronic copies of specific filed claims as requested by DRR.

¹ The determination includes factors for assessing whether a financial institution is systemically important: its size, its complexity, its interconnectedness, the lack of readily available substitutes for the financial infrastructure it provides, and its global (cross-jurisdictional) activity.

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.

Data collected from failing FIs

Prime Clerk will receive data related to the failed financial institution’s (FI’s) accounting records to identify assets and liabilities via Secure File Transfer Protocol (SFTP). The data file may contain financial information of the failed FI and may contain the names of the FI’s creditor companies and fiduciaries. Prime Clerk works with DRR staff to compile a comprehensive list of all prospective creditor parties for the purposes of notifying and communicating with potential claimants. Prime Clerk and DRR staff work together to compile the list via the FDIC Secure Email Service. The compiled creditor list, known as the ‘creditor matrix’, is utilized by Prime Clerk and DRR to promptly notify potential claimants upon failure of the FI.

Data collected from Potential Claimants

Prime Clerk’s claims website allows potential claimants to file a web-based claim via HTTPS. Claimants can also mail a claim via USPS, or hand deliver their claim. Claims that are mailed to Prime Clerk are manually added into Prime Clerk’s claims database by Prime Clerk personnel. Potential Claimants are the creditors for the failed FI. Claims in this case are more typically filed by companies and fiduciaries than individuals. The claims website would include instructions to enable electronic filing of claims, links to any applicable FDIC forms, documents, and FAQs. Authorized Prime Clerk personnel pull the claims and enter the information into Prime Clerk’s claims register. The claims register captures critical information from each claim including, but not limited to: claimant’s name, claimant’s address, claimant’s contact information (phone or email), date filed, amount of claim, claim type, claim priority, if any, and claim status. Collection of data from potential Claimants may also include other information, including taxpayer identification number (TIN)/Social Security Number (SSN).

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

The PII collected by Prime Clerk is necessary for identifying and assisting claimants, processing claims, and determining final claim determinations.

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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
Email Address (non-work)	<input checked="" type="checkbox"/>	<input 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: _____)	<input type="checkbox"/>	<input checked="" 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:

Claimants are instructed not to include their SSN in their claim; however the claimant could provide a TIN/SSN in their submission.

b) Provide the legal authority which permits the collection of SSNs.

The collection of SSNs is not required for the scope of work being conducted. Sections 9, 11, and 13 of the Federal Deposit Insurance Act (12 U.S.C. 1819, 1821, and 1823) and applicable State laws provide the legal authority governing the liquidation of assets and wind-up of the affairs of failed financial institutions.

c) Identify whether the SSN is masked or otherwise truncated within the system:

Any SSNs contained in the documents provided to Prime Clerk may or may not be masked or truncated. As noted earlier, any collection of SSNs would be incidental.

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	1-500	501-1,000	1,001 - 2,500	2,501 - 5,000
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5,001 - 7,500	7,501 - 10,000	10,001 - 50,000	50,001 - 100,000	over 100,000
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6b. If "0" was answered for 6a, please explain²: To date, Prime Clerk has not been awarded any task orders under this agreement. In the event of a major crisis, the number of estimated records that contain PII may be up to 100,000 depending upon the failed FI and how many of their Claimants are individuals, not LLCs.

² 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.

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

Data Source³ (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?
Failed Financial Institutions	Prime Clerk will receive data related to the failed FI's accounting records to identify assets and liabilities via Secure File Transfer Protocol (SFTP). The data file may contain financial information of the failed FI and the names of the creditor companies, fiduciaries, and individuals (as applicable). Prime Clerk works with DRR staff to compile a comprehensive list of all prospective creditor parties for the purposes of notifying and communicating with potential claimants. Prime Clerk and DRR staff work together to compile the list via the FDIC Secure Email Service. The compiled creditor list, known as the 'creditor matrix', is utilized by Prime Clerk and DRR to promptly notify potential claimants upon failure of the FI.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Potential Claimants (typically companies/fiduciaries, but may occasionally be individuals)	Prime Clerk's claims website allows potential claimants to file a web-based claim via HTTPS. Claimants can also mail a claim via USPS, or hand deliver their claim. Claims that are mailed to Prime Clerk are manually added into Prime Clerk's claims database by Prime Clerk personnel. Potential claimants are the creditors at the holding company for the FI. Claims in this case are more typically filed by companies and fiduciaries than individuals. The claims website includes instructions to enable electronic filing of claims, links to potential FDIC forms, documents, and FAQs. Authorized Prime Clerk personnel pull the claims and enter the information into Prime Clerk's claims register. The claims register captures critical information from each claim and shall include, but not be limited to: claimant's name, claimant's address, claimant's contact information (phone or email), date filed, amount of claim, claim type, claim priority, if any, and claim status.	<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)?

Yes, data may be retrieved using a personal identifier. Authorized Prime Clerk personnel may retrieve filed claims within Prime Clerk's claims database and claims register using identifier such as the claim number or claimant's name, claimant's address, or claimant's contact information (email or phone number).

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*. 80 FR 66998 (October 30, 2015)

³ 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.



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).

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. (Check “No” or “Yes” for each category. For each category checked “Yes,” specify who will have access to, be provided with, or maintain the PII, what PII elements will be accessed/shared/maintained by them, how the access or sharing will occur, and the purpose and use of this PII.)

PII Will Be Accessed By and/or Provided To:	Yes	No	If Yes, Explain How and Why the PII Will Be Accessed/Shared
10a. FDIC Outsourced Service Provider (OSP) Staff; OSP Subcontractors; and/or OSP Systems	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Authorized Prime Clerk personnel have access to potential PII stored within Prime Clerk’s claims database and claims register on a “need to know” basis as part of the claims and noticing administration services provided to the FDIC. Prime Clerk’s Project Manager is in charge of overall program and quality management. The Senior Level Professionals are responsible for the work performed, directly supervising personnel working under this engagement, and serve as the primary contact for FDIC personnel for banking and distribution related issues. Prime Clerk’s call center and distribution personnel at the Manhattan, New York Headquarters have access control enforced via user name and passwords.</p> <p>Authorized Prime Clerk personnel upload, enter, manage, and maintain potential PII stored within Prime Clerk’s claims database and claims register. The claims database contains all information related to filed claims and relevant information generated as part of the claim reconciliation process. The claims register captures critical information from each claim and shall include, but not be limited to: claimant’s name, claimant’s address, claimant’s contact information (phone or email), date filed, amount of claim, claim type, claim priority, if any, and claim status. The Claims Register is stored within Prime Clerk’s Claims Database.</p>
10b. FDIC Personnel and/or FDIC Systems/Applications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Authorized FDIC/DRR staff, involved in the planning and executing of the claims administration process, work together with authorized Prime Clerk personnel to compile a comprehensive list of all prospective creditor parties for the purposes of notifying and communicating with potential claimants via the FDIC Secure Email Service. The compiled creditor list, known as the ‘creditor matrix’, is utilized by Prime Clerk and DRR to promptly notify potential claimants upon failure of the FI.</p> <p>Authorized Prime Clerk personnel also provide FDIC/DRR with detailed claims and noticing reports which include interim data on the amount of claims by class, anticipated distribution waterfall per class, and other pertinent information via FDIC Secured Email Service. FDIC/DRR staff utilizes the reports for the resolution of the failed FI.</p>
10c. Individual Members of the Public (e.g., bidders, investors,	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Claims may be filed directly by individuals, though this is extremely rare. Prime Clerk claims website allows potential claimants to file a web-based claim form via HTTPS. The</p>

borrowers, customers, etc.)			claims website includes instructions to enable electronic filing of claims, links to potential FDIC forms, documents, and FAQs. Prime Clerk's claims website will allow hyperlinks for claimants to be directed to Prime Clerk's claims register with available information customized or redacted at the FDIC's request. Portions of Prime Clerk's claims register may potentially be available to the potential claimants for the benefit of claimants to track the status, history, and disposition with respect to each claim and will not be shared with any entity other than the FDIC without prior written authorization from the FDIC.
10d. Other Non-FDIC Entities/ Parties and/or Non-FDIC Systems/Applications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Typically a claim will be filed by companies and fiduciaries. Prime Clerk's claims website allows potential claimants to file a web-based claim form via HTTPS. The claims website includes instructions to enable electronic filing of claims, links to potential FDIC forms, documents, and FAQs. Prime Clerk's claims website will allow hyperlinks for claimants to be directed to Prime Clerk's claims register with available information customized or redacted at the FDIC's request. Portions of Prime Clerk's claims register may potentially be available to the potential claimants for the benefit of claimants to track the status, history, and disposition with respect to each claim and will not be shared with any entity other than the FDIC without prior written authorization from the FDIC.
10e. Federal, State, and/or Local Agencies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Not applicable.
10f. Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Not applicable.

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?

Data Protection and/or Sharing Agreements	Yes	No
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>If you answered NO to any item above, please provide additional information if available: Prime Clerk is an Outsourced Information Service Provider and therefore is not subject to MOUs or ISAs.</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.

Individuals may not opt out, as the FDIC, acting in its Receivership capacity is required to implement all elements of the claims administration process for the resolution of: a systematically important financial institution (SIFI), the U.S. holding of a SIFI, or an insured depository institution (IDI) with over one million depositor accounts and customers under the Federal Deposit Insurance Act (FDI Act). To achieve this goal, the FDIC has contracted Prime Clerk to provide operational expertise in planning and executing all elements of the claims administration process. As part of these duties, Prime Clerk personnel require access to all information of each claim, including any PII in case it is necessary.

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).]*****

Prime Clerk LLC 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 Prime Clerk personnel and other applicable personnel prior to their beginning work on the contract.

Prime Clerk LLC 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 to inputting it into the system or using it to support the project.

As necessary, Prime Clerk's Project Manager 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, Prime Clerk's 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 Project Manager 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.

Prime Clerk maintains their Claims Database, Claims Register within their network on the on-site server which is located in a locked location within Prime Clerk’s access restricted offices. Call center and distribution base also at their Manhattan, New York Headquarters. Prime Clerk has established a unique instance on the Claims Database specifically for FDIC data. Hardcopy claims that are mailed-in and manually uploaded to the claims database by Prime Clerk personnel are securely disposed. In addition, all detailed claims and noticing reports provided back to FDIC/DRR are stored at the AWS datacenter. The Claims Database is backed up to Prime Clerk’s backup server maintained at their AWS datacenter.

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.

Unless a court order or FDIC instructs otherwise, Prime Clerk generally maintains case related documentation for 10 years following case closure. In all cases, Prime Clerk is required to securely handle, maintain, and dispose of such PII, in accord with its contract and signed Confidentiality Agreements with FDIC. In addition, data is retired and destroyed in accordance with National Archives and Records Administration (NARA) guidance and FDIC Records Retention and Disposition Schedules.