



September 22, 2020

Dear Executive Secretary Feldman:

Re: Federal Deposit Insurance Corporation RIN 3064-ZA18

As a fintech company with more than 30 years of experience in the banking industry, and currently serving over 2,000 clients, we believe that the various avenues the FDIC is pursuing to encourage innovation and technology partnerships among community banks – including initiatives such as the competition to modernize financial reporting and a potential voluntary fintech certification program – will bring much-needed support to these financial institutions.

Since 1986, we at QwickRate have made the support of community banks the primary focus in our ongoing design and enhancement of technology that is easy for them to own, use and maintain. Specifically, we have concentrated on developing and providing products and services that enable smaller banks to benefit from affordable technology, innovative tools and models that were previously accessible only to large institutions with equally sizeable resources.

The RFI stated that the FDIC is particularly interested in information on models and technology services developed and provided by financial technology companies. QwickRate provides two solutions that have wide-reaching benefits both for the FDIC in its efforts to standardize models for banks, and for the banks themselves. These solutions are QwickAnalytics® and IntelliCredit™.

#### **QwickAnalytics: Value-added, time-saving tools designed for community bankers**

Using the models and streamlined solutions created by our QwickAnalytics® solution, community banks are taking advantage of performance analysis, peer analysis and regulatory compliance tools (such as CECL and Credit Stress Test models/templates), without being burdened with heavy costs and staff commitments. QwickAnalytics is useful, well organized, customizable, fast and easy to navigate for valuable insights. Our analysis is driven primarily by the current call report data system, which offers the benefit of standardized data comparisons. By logging into this web-based application, a banker or a regulator can review, research and download reams of actual and relative performance metrics – either prior to a bank examination or during the regulator’s visit to the bank. This is an expedient, robust and consistent way to measure the performance of a bank against any peer group. Plus, QwickAnalytics delivers all of the models and calculations, and handles the import of all the data, eliminating work for the bank.

#### **IntelliCredit: Helping bankers stay on top of emergent credit risk in real time**

Our IntelliCredit Portal was built by experts who have extensive credit risk experience. The solution automatically identifies and measures emergent credit risk at both the aggregate and transactional (loan) level – automatically and electronically uniting these two for the first time – so that bankers can learn answers to macro-level questions such as “what direction are we headed risk-wise?” They can then go deeper to assess their portfolio by subsets – segregating the loans and determining where the next credit hotspots may lie – and drill down all the way to any individual loan. IntelliCredit also transforms a decades-old loan review process by introducing technology that applies

diagnostics to sampling and supports real-time exception clearing. The result is a more efficient and effective approach to loan reviews, whether performed by a third party or internally. This is just the type of solution that will change the game for bankers moving forward, by introducing easy-to-launch technology to an area fraught with old processes and high risk.

We believe this product could also assist the FDIC in providing more timely and granular data on industry health, as well as in promoting efficient supervision of individual banks. An added benefit is our ability to rapidly amplify the solution to accommodate additional categories of real-time data that the FDIC may require.

### **Standardized due diligence and vendor review support**

QwickRate has always made it a practice to fulfill our banking customers' requirements relative to their due diligence and vendor reviews as they onboard new technologies and maintain fintech relationships. As a provider to over 2,000 financial institutions, we receive many different forms of due diligence requests. Some requests come directly from the financial institutions themselves; however, many have hired third parties to manage and maintain their vendor due diligence. Multiple formats of questionnaires are also being presented for completion, all requiring varying degrees of detail. Often a third-party vendor will require a login to be established for accessing their vendor portal, and they request that vendors upload documentation, which can sometimes be sensitive in nature. We feel wholly responsible for providing the necessary information to our clients; however, we are less inclined to provide that same information to multiple unaffiliated third parties. We are in total agreement with the FDIC's position that standard compliance and due diligence are the right strategies for community banks, and we would gladly participate in the process.

Reflecting our understanding that all financial institutions and licensees are required to adhere to a comprehensive and continual process for monitoring their third-party service providers, we have created comprehensive Third Party Due Diligence Packages to satisfy the appropriate documentation requirements of our clients. These packages provide information applicable to our overall company and corporate structure, as well as to the unique structure, policies, administration, design, products and procedures of a specific business unit. In addition to providing a complete description of our company and corporate structure, our due diligence packages cover a range of information categories that includes Risk Assessment, Data Security, Disaster Recovery, Cyber Security Plan Overview (including oversight, system safeguards, access, awareness training and more), Electronic Communications, Security Threat Assessments, Statement of Practices (including privacy policies and procedures), Data Confidentiality and Use Agreement, plus our Certificate of Liability Insurance. We see these as standard documents that should be part of a vendor due diligence review and encourage the FDIC to consider this level of information when establishing a voluntary certification or assessment program.

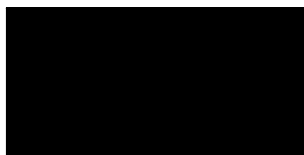
### **In conclusion**

Throughout our history, QwickRate's sweeping perspective of community bankers' needs and requirements has driven our substantial and continual investments in cloud-based products and services for the community banking industry. The results have earned QwickRate the distinction of being named a Preferred Service Provider of the Independent Community Bankers of America.

Equally important, as valuable as QwickRate tools are to our bank customers, we believe that our innovations can be just as helpful to regulators, even as the technologies exist today. We

respectfully request an opportunity to explore this possibility with you at your convenience, and will gladly be available to you at any time.

Sincerely,



Shawn O'Brien  
President