

## I. Small Business Loan Processes and Underwriting

### IE. Financial Technology

#### About This Section

In this section we ask questions about your bank’s usage and development of financial technology—FinTech—and your bank’s interactions with FinTech firms in connection to small business lending, which we collectively refer to as “FinTech activity.”

Please base your answers on any loan product offered by your bank to small businesses where you use or are considering using internally developed FinTech or working with FinTech firms.

#### FinTech

By “FinTech” we mean new business processes that use recent technological innovations to alter or improve how financial services are conducted. These processes may be for customer-facing or backend operations, and may include but are not limited to artificial intelligence and machine learning, automation, large data analysis, and mobile payments and other mobile or internet-based applications.

#### FinTech Firms

By “FinTech firms,” we mean firms that specialize in using FinTech. This includes both firms that lend to or otherwise interact directly with businesses and consumers, as well as firms that provide or sell FinTech to other financial institutions.

**Important Note:** If your bank answered “No” to question IA.1, then your institution will not be asked to answer any of the questions here nor any remaining questions in Sections I, II, and III. Please go directly to Section IVA (page 29).

IE.1 In which stages of the small business loan process does your bank use or plan to use FinTech? Include usage or planned usage of both in-house technology or through interactions with outside FinTech providers.

Select ALL that apply per small business loan process stage.

Stage of small business loan process	No plans to use FinTech	Under discussion	Under development or in pilot testing	Currently using	Don’t know	Not a stage of our loan process
a. Identifying potential borrowers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Loan application submission from borrowers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Application processing by bank	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Stage of small business loan process	No plans to use FinTech	Under discussion	Under development or in pilot testing	Currently using	Don't know	Not a stage of our loan process
d. Under-writing and decision-making process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Post-decision quality control (e.g., anti-fraud)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Regulatory compliance (e.g., AML, BSA, or KYC)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Closing process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Loan funding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Loan performance tracking and servicing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Portfolio analytics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*[If any instance of IE.1 not = "No plans to use Fintech", "Don't know", or "Not a stage"]* IE.2 Is your bank currently using or planning to use any of the following ways to develop FinTech for small business lending or to interact with FinTech firms in connection to its small business lending?

Select ALL that apply per way listed.

Way of developing FinTech or interacting with FinTech firms	No plans or interest	General interest	General plans	Actively considering specific offers or plans	Conducting due diligence and compliance	Currently using	Don't know
a. Acquire existing FinTech companies to offer new products/services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Develop own products/services in-house using new technologies without cooperating with FinTech companies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Form commercial partnerships with existing FinTech companies to offer new products/services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Invest in FinTech companies (e.g., venture capital)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Participate in FinTech-related bank consortiums	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Participate in non-commercial partnerships with FinTech companies (e.g., through joint research or knowledge-sharing)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Way of developing FinTech or interacting with FinTech firms	No plans or interest	General interest	General plans	Actively considering specific offers or plans	Conducting due diligence and compliance	Currently using	Don't know
g. Set-up/sponsor FinTech incubators/accelerators	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IE.3 To what extent are each of the following factors a concern that limits or discourages your bank from using FinTech or more FinTech than current levels in your bank's small business lending, including both externally and internally developed FinTech?

Select only ONE option for each factor.

Factor	Not a concern	Small concern	Moderate concern	Large concern	Very large concern	Don't know
a. Compliance/regulatory risk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Cost (e.g., integrating with legacy IT systems, investing in human capital)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Cybersecurity risk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Don't want to share data with third parties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Lack of awareness of relevant technology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Lack of perceived benefit to my bank's current business model	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Reputational risk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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