

**Borrower-IN-CustodY (BIC) PROGRAM**

Imaging Questionnaire

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **PART I: INSTITUTION OVERVIEW** | | | | | | | | | |
| Date: | | | | | | ABA #: | | | |
| Institution Name: | | | | | | | | | |
| **Contact Information (OC-10/BIC Contacts)** | | | | | | | | | |
| Name/Title: | | | | | Name/Title: | | | | |
| Phone: | | | | | Phone: | | | | |
| Email: | | | | | Email: | | | | |
| **PART II: IMAGED LOAN DOCUMENTS** | | | | | | | | | |
| 1. Indicate “only proposed or pledged” loan types that are imaged, imaged and destroyed, or originated electronically (check all that apply): | | | | | | | | |
|  | **FRB Loan Category[[1]](#footnote-2)** | | **FFIEC Call Report Codes** | | | **NCUA Call Report Codes** | | **FBO Call Report Codes** |
|  | Agricultural Loans (705): | | 3 | | | 1.g. & 2.g. | | 8[[2]](#footnote-3) |
|  | Agricultural Loans secured by farmland (780): | | 1.b. | | | 1.b. & 2.b., 11 | | 1.b. |
|  | Commercial Leases (710): | | 10.b. | | | NA | | 9.a.2 |
|  | Commercial Loans (710): | | 4. 4.a., 9. 9.a 9.b 9.b(1) 9.b(2), 2. 2.a.(1) 2.a.(2) 2.a. 2.b. | | | 1.h., 1.j., 1.i., 2.h., 2.j., 2.i., 13 | | 2.a.(1), 2.a.(2), 2.b., 3., 4.a., 7., 8.2 |
|  | Commercial Real Estate Loans (780): | | 1.e.(2) | | | 1.e. & 2.e., 11, 12 | | 1.e. |
|  | Construction Loans (790): | | 1.a.(1) & 1.a.(2) | | | 1.a. & 2.a. | | 1.a. |
|  | Consumer Leases— Auto, Marine (743): | | 10.a. | | | 7 | | 9.a.2 |
|  | Consumer Loans—Secured Auto, Marine (741): | | 6.c. & 6.d. | | | 5, 6, 8 | | 82 |
|  | Consumer Loans—Unsecured (740): | | 6.b. and 6.d. | | | 4 | | 82 |
|  | Credit Card Receivables-Prime (842): | | 6.a | | | 1 | | NA |
|  | Credit Card Receivables-Subprime (845): | | 6.a | | | 1 | | NA |
|  | Home Equity Loans or Lines (760): | | 1.c.(1) & 1.c.(2)(b) | | | 10[[3]](#footnote-4) | | 1.c.(1), 1.c.(2)2 |
|  | Mortgage 1-4 Family Loans (750): | | 1.c.(2)(a) | | | 9[[4]](#footnote-5) | | 1.c.(2) |
|  | Multifamily 5+ Mortgage Loans (780): | | 1.d. | | | 1.c., 2.c. | | 1.d. |
|  | **FRB Loan Category[[5]](#footnote-6)** | | **FFIEC Call Report Codes** | | | **NCUA Call Report Codes** | | **FBO Call Report Codes** |
|  | Municipalities Loans (550): | | 8 | | | NA | | 82 |
|  | Owner Occupied CRE (780): | | 1.e.(1) | | | 1.d. & 2.d | | NA |
|  | Raw Land Loans (791)[[6]](#footnote-7): | | 1.a.(2) | | | 1.a. & 2.a., 11 | | 1.a. |
|  | Student Loans (744): | | 6.d. | | | 3 | | NA |
|  | US / US Agency Guaranteed Loans (720)[[7]](#footnote-8): | | Gtd loan amounts | | | | | |
| 1. For each loan type selected in #1, complete applicable boxes below (see example): | | | | | | | | |
|  | | **Legal Documents[[8]](#footnote-9)**  (Examples: promissory note, modification or change in terms, certificate of title/electronic title, credit or loan agreements, business loan agreements, construction agreements, etc.) | | | **Supporting/Collateral Documents**  (Examples: recorded deed of trust, final title policy, UCC filings, etc.) | | | |
| **Imaged and Originals Retained** | | <insert loan type(s)>  (example: Commercial Loans – 710) | | | <insert loan type(s)>  (example: Commercial Loans – 710) | | | |
| **Imaged and Originals Destroyed** | | <insert loan type(s)> | | | <insert loan type(s)> | | | |
| **Electronically Originated (i.e. DocuSign)** | | <insert loan type(s)> | | | <insert loan type(s)> | | | |
| **Special Cases[[9]](#footnote-10)** | | <insert loan type(s)> | | | <insert loan type(s)> | | | |
| If Special Cases are indicated, explain in detail: | | | | | | | | |
| **PART III: IMAGED LOAN DOCUMENTS INFORMATION** | | | | | | | | | |
| 1. When did your institution start imaging loan documents? | | | | | | | | | |
| 1. Are processes and procedures in place to ensure images of the loan documents are accurate, legible, and available to be produced? | | | | | | | | Yes  No | |
| If no, describe why this is not necessary: | | | | | | | | | |
| 1. Who has access to the application used to store imaged loan documents? | | | | | | | | | |
| * 1. How is access granted and monitored? | | | | | | | | | |
| * 1. Is there a history log tracking when images are accessed or edited? | | | | | | | | Yes  No | |
| If no, describe why this is not necessary: | | | | | | | | | |
| 1. Are your institution’s policies and procedures for managing imaged loan documents periodically reviewed by your internal/external audit? | | | | | | | | Yes  No | |
| 1. If **no**, describe why this is not necessary: | | | | | | | | | |
| 1. If **yes**, how often is the audit conducted, and what is the scope of each audit? | | | | | | | | | |
| 1. Attach most recent audit report. If not, explain why this cannot be provided: | | | | | | | | | |
| 1. If there were any corrective measures taken by your institution to address any items highlighted in the report that are in reference to electronically originated or imaged loan documents, describe below: | | | | | | | | | |
| 1. Does your institution image and destroy, or electronically originate loan, legal, and collateral documents? | | | | | | | | Yes  No | |
| **If yes, complete the relevant questions in Part IV. If no, skip to Part V.** | | | | | | | | | |
| **PART IV: ORIGINATION AND MANAGEMENT OF ELECTRONIC COLLATERAL[[10]](#footnote-11)** | | | | | | | | | |
| 1. Does your institution use electronic signatures to originate loans “for any proposed/approved pledged loan types” as noted in Part II #2? | | | | | | | | Yes  No | |
| If no, skip to the next question.  If **yes**, attach a copy of the policy and procedures for originating loans using electronic signatures. | | | | | | | | | |
| 1. If you do not have any policy and procedures, describe why they are not necessary: | | | | | | | | | |
| 1. Identify any external vendors used for electronic signatures. | | | | | | | | | |
| 1. Does your institution possess any legal opinion supporting the usage of electronic signatures for each of the loan types and documents in which electronic signatures are used, in particular mortgage loans or any loan with a Deed of Trust? If **yes**, attach a copy of the legal opinion for review. | | | | | | | | ☐ Yes ☐ No | |
| If no, describe why this is not necessary. | | | | | | | | | |
| 1. Does the borrower receive an electronic record or correspondence in reference to the loan documentation for electronically originated loans? | | | | | | | | Yes  No | |
| If no, describe why this is not necessary. | | | | | | | | | |
| 1. Does your institution accept faxed signatures in lieu of wet signatures on legal documentation? | | | | | | | | Yes  No | |
| If no, skip this question. If **yes**, answer questions 2a - 2d | | | | | | | | | |
| 1. How does your institution ensure faxed signatures are authentic? | | | | | | | | | |
| 1. Do your loan documents contain standardized language stating that a fax signature is acceptable in place of an original signature? | | | | | | | | Yes  No | |
| 1. Does your institution possess any legal opinion regarding the acceptance of faxed signatures? | | | | | | | | Yes  No | |
| If **yes**, attach a copy of the legal opinion. | | | | | | | | | |
| If no, describe why this was not necessary: | | | | | | | | | |
| 1. Describe what happens to the original hardcopy loan documentation after it is faxed to your institution: | | | | | | | | | |
| 1. For electronic certificate of titles administered/held by a third party custodian (e.g. DealerTrack, DDI), is the Form of Agreement for Third Party Custodian to Hold Collateral executed by the custodian in place? | | | | | | | | Yes  No ☐ N/A | |
| If **no**, attach the service agreement between your institution and the custodian, and the executed Form of Agreement for Third Party Custodian to Hold Collateral. | | | | | | | | | |
| 1. Is your institution pledging or proposing to pledge electronic chattel paper[[11]](#footnote-12)? If no, skip this question.   If **yes**, with respect to the system for creating, storing, and assigning the electronic chattel paper records, answer questions 4a-4g. | | | | | | | | Yes  No | |
| 1. Describe the electronic chattel paper that will be/is being pledged: | | | | | | | | | |
| 1. Does your institution, from time to time, sell electronic chattel paper and is it of the type that you are pledging or proposing to pledge? | | | | | | | | Yes  No | |
| 1. How do you ensure that a single authoritative copy of the electronic chattel paper exists which is unique, identifiable and unalterable? | | | | | | | | | |
| 1. How does the authoritative copy identify the Reserve Bank as the secured party and the assignee of the record? | | | | | | | | | |
| 1. How is the authoritative copy communicated to the Reserve Bank as the secured party based on UCC 9-105(b)? | | | | | | | | | |
| 1. What controls are in place to ensure that changes to an identified assignee of the authoritative copy can only be made with the consent of the secured party? | | | | | | | | | |
| 1. Are other copies of the electronic chattel paper, including copies of a copy, labeled as not authoritative? | | | | | | | | Yes  No | |
| If **yes**, describe the labeling process: | | | | | | | | | |
| If **no**, describe why this is not necessary: | | | | | | | | | |
| **PART V: MANAGEMENT AND STORAGE OF ELECTRONIC COLLATERAL** | | | | | | | | | |
| 1. How and where is the electronic collateral stored, indexed, categorized and identified? | | | | | | | | | |
| 1. Are the proposed/currently pledged electronic collateral**[[12]](#footnote-13)** stored, and managed within your organization? (“only for proposed/approved pledged loan types”)   If **Yes**, skip to #3 below. | | | | | | | | Yes  No | |
| 1. If no, do you have an executed Form of Third Party Custodian to Hold Collateral in place? | | | | | | | | Yes  No | |
| 1. If no, describe why this is not necessary and attach the servicing agreement between the third party and your institution, and legal opinion, if any. If further clarification is required, please contact FRBSF. | | | | | | | | | |
| 1. Describe the contingency plan to ensure the accuracy, availability and backup of the electronic collateral: | | | | | | | | | |
| 1. Are the backup servers located off site? | | | | | | | | Yes  No | |
| * 1. If **yes**, how often are the records backed up? | | | | | | | | | |
| * 1. What is the retention period for backup files? | | | | | | | | | |
| **PART VI: DESTRUCTION OVERVIEW** | | | | | | | | | |
| 1. Does your institution destroy legal, supporting, and collateral documents as defined in Part II, number 2 of this Imaging Questionnaire for loans that are still active (e.g., not paid off)?   **If yes, complete the questions in Part VI. If no, skip to Part VII.** | | | | | | | | Yes  No | |
| 1. List all original wet signature legal documentation[[13]](#footnote-14) that is currently being pledged or planning to pledge your institution destroys for loans that are active(not paid off):   Attach a copy of your document retention schedule for active loans. | | | | | | | | | |
| 1. Are there procedures in place for the document destruction process? | | | | | | | | Yes  No | |
| If **yes**, attach a copy of the policy and procedures and provide a brief description below including approval or reviews required before destruction of active loans and their associated legal documentation: | | | | | | | | | |
| If no, describe why this is not necessary: | | | | | | | | | |
| 1. Does your institution maintain a destruction log? | | | | | | | | Yes  No | |
| If **yes**, what is the retention period for the log? | | | | | | | |  | |
| If **no**, describe why this is not necessary: | | | | | | | |  | |
| 1. Does your institution possess any legal opinion regarding its destruction process and enforceability of active loans/loans not paid off? | | | | | | | | Yes  No ☐ N/A | |
| If **yes**, attached the legal opinion and describe any concerns, limitations, or qualifications identified in the opinion. | | | | | | | | | |
| If no, describe why this is not necessary: | | | | | | | | | |
| **PART VII: CONFIRMATION** | | | | | | | | | |
| **Authorized Signature[[14]](#footnote-15):** | | | | | | **Date:** | | | |
| **Print Name:** | | | | | | | | | |
| **Title:** | | | | | | | | | |
| **RETURN THIS COMPLETED AND SIGNED QUESTIONNAIRE ALONG WITH REQUIRED DOCUMENTATION BY EMAIL TO:**  [**sf.crmcco@sf.frb.org**](mailto:sf.crmcco@sf.frb.org) | | | | | | | | | |

1. For Reserve Bank pledging purposes, loans should be classified and coded according to the Report of Condition and Income (“call report”) definitions. Refer to the Federal Reserve Collateral Guidelines or contact the Federal Reserve Bank of San Francisco (FRBSF) at (866) 974-7475, option 1 if you have any questions. [↑](#footnote-ref-2)
2. Refer to FR Collateral Guidelines for additional details to parse loans into the correct category codes and/or contact FRBSF for instructions. [↑](#footnote-ref-3)
3. Exclude non-residential real estate and exclude residential >5 unit mortgage loans (NCUA call report only) [↑](#footnote-ref-4)
4. Exclude open ended, exclude non-residential real estate, and exclude residential >5 unit mortgage loans (NCUA call report only). [↑](#footnote-ref-5)
5. For Reserve Bank pledging purposes, loans should be classified and coded according to the Report of Condition and Income (“call report”) definitions. Refer to the [Federal Reserve Collateral Guidelines](https://www.frbdiscountwindow.org/pages/collateral/discount%20window%20margins%20and%20collateral%20guidelines) or contact the Federal Reserve Bank of San Francisco (FRBSF) at (866) 974-7475, option 1 if you have any questions. [↑](#footnote-ref-6)
6. For FFIEC, NCUA, and FBO, raw land loans fall under the construction loan category. For FRB pledge purposes, raw land loans are secured by land that has not been improved upon, e.g. no plumbing, sewage, electricity. [↑](#footnote-ref-7)
7. Only the guaranteed portion of the US Agency Guaranteed loans will receive the guaranteed margin. The remaining non-guaranteed portion may be pledged under the respective loan category, depending on the agency, and the regular loan margin will be applied. [↑](#footnote-ref-8)
8. Refer to [FRBSF BIC Guidelines](https://www.frbdiscountwindow.org/pages/select-your-district/san%20francisco/12th-district-san-francisco-borrower-in-custody-program-information), Table 1 for documentation requirements or contact FRBSF at (866) 974-7475. [↑](#footnote-ref-9)
9. E.g. If the legal documents within a FRB Loan Category have a mix of original wet signature and electronically originated form. For further clarifications, contact FRBSF at (866)974-7475. [↑](#footnote-ref-10)
10. Electronic collateral refers to (1) loans originally in tangible form that have been converted to electronic copies and the original paper copies have been intentionally destroyed, and (2) loans that originated in electronic form. [↑](#footnote-ref-11)
11. Under UCC 9-105, auto loans and leases, commercial loans secured by goods, commercial leases on goods, and consumer loans secured by goods in electronic form are considered electronic chattel paper. [↑](#footnote-ref-12)
12. Electronic collateral refers to (1) loans originally in tangible form that have been converted to electronic copies and the original paper copies have been intentionally destroyed, and (2) loans that originated in electronic form. [↑](#footnote-ref-13)
13. Refer to BIC Guidelines, Table 1 for documentation requirements or contact FRBSF at (866) 974-7475. [↑](#footnote-ref-14)
14. As required by your institution’s borrowing resolution (Operating Circular 10) on file with the Federal Reserve Bank of San Francisco. [↑](#footnote-ref-15)