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| **FEDERAL RESERVE BANK OF CLEVELAND**  **CREDIT CARD ACCOUNT RECEIVABLES QUESTIONNAIRE/CERTIFICATION**  To Be Completed by Depository Institution | |
| **ABA NUMBER:** |  |
| **NAME OF DEPOSITORY INSTITUTION:** |  |
| **MAILING ADDRESS:** |  |
| **PRIMARY CONTACT NAME / TITLE:** |  |
| EMAIL ADDRESS: |  |
| TELEPHONE NUMBER: |  |
| **COLLATERAL/OPERATIONS CONTACT NAME / TITLE:** |  |
| EMAIL ADDRESS: |  |
| TELEPHONE NUMBER: |  |
| **THE FOLLOWING CERTIFICATION SHOULD BE COMPLETED BY THE INTERNAL AUDIT FUNCTION OF YOUR INSTITUTION. IF YOUR INSTITUTION DOES NOT HAVE AN INTERNAL AUDIT FUNCTION, TWO OFFICIALS OF YOUR INSTITUTION CAN COMPLETE THE CERTIFICATION, PENDING THE RESERVE BANK’S APPROVAL.** | |
| **PART ONE – BACKGROUND** | |
| 1. **INDICATE HOW YOUR INSTITUTION USES THE CREDIT CARD RECEIVABLE:** | |
| **Discount Window  Payments System Risk** | |
| 1. **DESCRIBE THE COMPOSITION OF THE CREDIT CARD PORTFOLIO (e.g. general purpose, affinity, corporate, secured).** | |
| 1. Type (e.g. General purpose, affinity, corporate, secured): | |
| 1. Range or description of the accounts in the pool that will be pledged/are pledged. Please also elaborate on how the accounts pledged to the Reserve Bank can be identified on your credit card accounting / tracking systems. | |
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| 1. Describe how the credit card accounts are evidenced (e.g. physical documents, imaging, etc). Explain how the credit card receivables’ outstanding balances can be retrieved. | |
| **PART TWO – OPERATIONAL RISK** | |
| 1. **DOES YOUR INSTITUTION OR A THIRD PARTY SERVICE THE CARDS?** | |
| * + If serviced internally, do you have contingency plans should there be a disruption in service? (E.G. back-up servicing arrangements). If so, please describe your contingency plan. | |
| * + If third party, who is performing the servicing? * Does the servicer have a preferential security interest in the credit card receivables? * Is the servicer affiliated with your institution? Is the servicer a subsidiary of your institution? * Does the servicer have a contingency plan should there be a disruption in service? If so, please describe this contingency plan. | |
| 1. **PLEASE PROVIDE THE SERVICER LOCATION (ADDRESS) AND CONTACT INFORMATION INCLUDING THE PHONE NUMBERS FOR KEY EMPLOYEES.** | |
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| 1. **HOW DOES YOUR INSTITUTION MONITOR COLLATERAL LEVELS ENSURING THAT THE PLEDGE BALANCE DOES NOT FALL BELOW THE 10% OF VALUE REQUIRED BETWEEN REPORTING DATES?** | |
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| **PART THREE – CREDIT RISK** | |
| 1. **WHAT ARE THE POLICIES GOVERNING THE CREDIT CARDS (e.g. new accounts, re-aging of past due accounts, charge-off, recoveries)?** | |
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| 1. **DESCRIBE HOW FICO SCORES OR SIMILAR CREDIT SCORING IS USED AND WHAT THE CRITERIA IS FOR ACCEPTABILITY.** | |
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| 1. **HAVE THE POLICIES ABOVE CHANGED SINCE YOUR LAST REGULATORY EXAMINATION? IF YES, WHAT ELEMENTS?** | |
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| 1. **PLEASE PROVIDE US WITH YOUR INTERNAL PERFORMANCE STATISTICS FOR THE PLEDGED CREDIT CARD RECEIVABLES FOR THE PAST YEAR. ATTACH ADDITIONAL INFORMATION AND DOCUMENTATION AS NECESSARY.** | |
| Number of accounts pledged:  Total outstanding principal balance:  Gross-rate of charge off:  Total delinquencies reported according to regulatory guidelines:    Roll rates according to deliquency bucket: | |
| **PART FOUR – LEGAL RISK** | |
| 1. **WHICH ENTITY ARE THE CREDIT CARD RECEIVABLES ORIGINATED BY?** | |
| Your instituion  an affiliate of your instituion:  a subsidary of your bank holding company:  Other: | |
| * + IF THE CREDIT CARD RECEIVABLES WERE NOT ORIGINATED BY YOUR INSTITUTION, HOW WERE THE RECEIVABLE ASSIGNED OR TRANSFERRED TO YOUR INSTITUTION? | |
| 1. **DOES ANY OTHER PARTY HAVE A LIEN (BLANKET OR SPECIFIC) ON THE RECEIVABLES BEING PLEDGED TO THE FEDERAL RESERVE?** | |
| **Yes  No** | |
| * + IF YES, WHAT IS THE NAME OF THE ORANIZATION THAT HAS A LIEN ON THE RECEIVABLES BEING PLEDGED TO THE FEDERAL RESERVE: | |
| 1. **WHEN WAS THE LAST INTERNAL AUDIT OF YOUR INSTITUTION’S CREDIT CARDS RECEIVABLES PORTFOLIO RELATING TO THE PLEDGED ITEMS? PLEASE COMMENT ON THE FINDINGS NOTED IN THE AUDIT AND ANY SUBSEQUENT ACTION TAKEN.** | |
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| **AUTHORIZATION** |
| **PLEASE HAVE THE APPROPRIATE OFFICIALS OF YOUR INSTITUTION REVIEW AND SIGN THIS FORM.** |
| I have reviewed the above responses to the Borrower-In-Custody Certification and attest that the responses are accurate.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_  Authorized Signature\* Print Name and Title Date  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_  Authorized Signature\* Print Name and Title Date  [\*Number of required signatures determined by the Borrowing Resolution on file with the Federal Reserve Bank ] |
| **Audit Attestation** |
| I certify that I am in receipt of, and have reviewed the Borrower-In-Custody of Collateral Program Guidelines and Operating Circular 10. Further, for existing Borrower-In-Custody relationships, I attest that all relevant internal policies and procedures have been reviewed and examined for Borrower-In-Custody program conformance and confirm this institution to be in compliance.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_  Authorized Signature\*\* Print Name and Title Date  [\*\* External auditor, internal auditor, or responsible director] |
| **Please provide the following required information:**   1. names of any acquired financial institutions in which current, pledged loans originated. 2. a complete copy of your institution’s most recent Internal/external Audit covering applicable loan operations areas including any findings, management’s response, and corrective action plan. 3. for existing borrower in custody arrangements, a complete copy of your institution’s most recent internal/external audit attesting to compliance with borrower–in-custody program guidelines. 4. If applicable, a complete copy of the most recent internal audit regarding the imaging and destruction of original promissory notes 5. if applicable, a complete copy of the most recent internal audit regarding the adequacy of internal controls for the electronic note process   if applicable, policies and procedures regarding the imaging and destruction of original promissory notes and/or electronic notes   1. if applicable, a completed copy of the image and destroy certification form and/or electronic note certification form 2. a complete copy of your institution’s most recent internal /external loan review report. 3. a complete copy of your institution’s loan policy relating to the type of loans pledged. 4. Any Additional information needed to support questionnaire comments. |