**American National Standard
for Financial Services**

ANSI X9.110–2008 (R2020)

TOLEC -

Transfer of location

of electronic contracts

Accredited Standards Committee X9, Incorporated
Financial Industry Standards

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ANSI X9.110-2008 (R2020)

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Foreword

Approval of an American National Standard requires verification by ANSI that the requirements for due process, consensus, and other criteria for approval have been met by the standards developer.

Consensus is established when, in the judgment of the ANSI Board of Standards Review, substantial agreement has been reached by directly and materially affected interests. Substantial agreement means much more than a simple majority, but not necessarily unanimity. Consensus requires that all views and objections be considered, and that a concerted effort be made toward their resolution.

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Suite 200
Annapolis, MD 21401 USA
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Introduction

This American National Standard compliments the American National Standard X9.103-2004 elements of perfection by control of electronic record storage by addressing the elements required when transferring Electronic Chattel Paper and its related ancillary documentation (the Electronic Contract Package) from one physical location to another physical location.

The purpose of this document is to provide automotive finance industry standards for the vault-to-vault transfer of an Electronic Contract Package. An Electronic Contact Package that falls under the rules of this standard at a minimum includes the Authoritative Copy of Electronic Chattel Paper.

Note: The completed retail installment sale or lease contract is Chattel Paper. If the Chattel Paper is evidenced by a Record or Records consisting of information stored in an electronic medium, the Chattel Paper is Electronic Chattel Paper.

Vault-to-vault transfer is used to describe the process of moving the Authoritative Copy of Electronic Chattel Paper from a sending Electronic Vault to a receiving Electronic Vault. Prior to this document there has been no authoritative source that defines the broad constraints and standards of this process for the automotive finance industry.

Electronic Chattel Paper is stored for safekeeping in physical, logically secure environmental systems called Electronic Vaults. This standard does not define the requirements for Electronic Vaults and the protection of data stored in Electronic Vaults, but is intended to provide standards to facilitate the safe and efficient delivery of Electronic Contract Packages between Electronic Vaults.

Note: The protection and privacy of personal or financial data at rest or in long-term storage is addressed in other standards which apply to the integrity and safety of sensitive data, such as but not limited to ANS X9.52-1998 *"Triple Data Encryption Algorithm Modes of Operation, ";* ANS X9.65-2004 *"Triple Data Encryption Algorithm (TDEA) Implementation";* NIST Special Publication 800-57 "*Recommendation for Key Management*"; and NIST Special Publication 800-78-1 *"Cryptographic Algorithms and Key Sizes for Personal Identity Verification" .*

To encourage finance industry acceptance of vault-to-vault transfers both the sender and recipient of Electronic Contract Packages require assurance that the Authoritative Copy is sent, delivered and received via electronic communication and that the Authoritative Copy retains its essential legal elements and other unique attributes.

American National Standard X9.103-2004 *Motor Vehicle Retail Sale and Lease Electronic Contracting* provides guidance and direction to the creation, storage and assignment where assignment of Electronic Chattel Paper is perfected by control. For a Secured Party to have control of Electronic Chattel Paper, an Authoritative Copy of the Electronic Chattel Paper shall be created in a way that ensures a single Authoritative Copy of the Record or Records comprising the Electronic Chattel Paper exists that is unique, identifiable, and unalterable in accordance with ANS X9.103-2004.

The Authoritative Copy created under ANS X9.103 may reside in Electronic Vaults that provide processing and secure electronic storage services. The owners of, or investors in, Electronic Chattel Paper may require delivery of the Authoritative Copy they purchased to their own Electronic Vault or to a contractual third party facility that holds the Authoritative Copy for the owner/investor. As the finance industry environment for Electronic Contracts develops and matures, these standards should be modified to accommodate changes in technology, law and business practice.

Since this document is authored under the auspices of X9C WG2, it does not define requirements for vault-to-vault transfers, nor does it prescribe any particular technological solution. Definition of business requirements and a complementary technical solution should ensure that the requirements and technical implementation are in

compliance with this standard. In the event that changes in laws or technical solutions evolve which could improve this standard, the implementing organization is encouraged to propose changes to ASC X9 to make the standards accurately reflect the current realities of the marketplace. Likewise, business requirements, technical solutions and this standard should be reviewed with potential investors of electronic contracts to ensure compatibility and compliance for storing and accessing Authoritative Copies of electronic contracts.

NOTE   The user's attention is called to the possibility that compliance with this standard may require use of an invention covered by patent rights.

By publication of this standard, no position is taken with respect to the validity of this claim or of any patent rights in connection therewith. The patent holder has, however, filed a statement of willingness to grant a license under these rights on reasonable and nondiscriminatory terms and conditions to applicants desiring to obtain such a license. Details may be obtained from the standards developer.

Suggestions for the improvement or revision of this Standard are welcome. They should be sent to the X9 Committee Secretariat, Accredited Standards Committee X9, Inc., Financial Industry Standards, 1212 West Street, Suite 200, Annapolis, MD 21401 USA.

This Standard was processed and approved for submittal to ANSI by the Accredited Standards Committee on Financial Services, X9. Committee approval of the Standard does not necessarily imply that all the committee members voted for its approval.

The X9 committee had the following members:
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Richard Sweeney	VISA
Brad McGuinness	VeriFone, Inc
Raymond Gatland	Wachovia Bank
Ruven Schwartz	Wells Fargo Bank

The X9C subcommittee on Credit had the following members:

Mark Zalewski, Chairman

Vice Chairman position was vacant at time of drafting of this standard.

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American Bankers Association	C. Diane Poole
American Financial Services Association	Mark Zalewski
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The X9C WG2 Transfer of Location of Electronic Contracts working group which developed this standard had the following members:

Bryan Caporlette, Convenor and Mark Zalewski, Project Editor

Organization Represented	Representative
American Financial Services Association	Mark Zalewski
DaimlerChrysler Financial Services Americas, LLC	Bill Ording

DaimlerChrysler Financial Services Americas, LLC	DJ Culkar, Esq.
DaimlerChrysler Financial Services Americas, LLC	Laura Khoury
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Silanis	Michael Laurie
Toyota Financial Services	Matthew M. Heydon
Toyota Financial Services	Thomas Dherbecourt

Transfer of location of electronic contracts

1 Scope

This specification describes a method of transfer for electronic contracts, or electronic records between two disparate **Electronic Vaults** across a private or public network. The methods and approach described herein prescribe the requirements necessary to maintain compliance with legislation for **Electronic Chattel Paper** defined in revised UCC Article 9, Section 105.

2 Normative references

The following referenced documents are indispensable for the application of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ANS X9.52-1998, *Triple Data Encryption Algorithm Modes of Operation*

ANS X9.65-2004, *Triple Data Encryption Algorithm (TDEA) Implementation*

ANS X9.103-2004, *Motor Vehicle Retail Sale and Lease Electronic Contracts*

ISO 8601, *Data elements and interchange formats – Information interchange- Representation of dates and times: 2004*

NIST Special Publication 800-57 « Recommendation on Key Management » 2005

NIST Special Publication 800-78-1 « Cryptographic Algorithms and Key Sizes for Personal Identity Verification » (2006)

Cooper, Corinne." The New Article 9." Uniform Commercial Code. 2nd edition. 2000. American Bar Association

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http://www.w3.org/TR/2001/REC-xml-c14n-20010315

IETF W3C® Exclusive XML Canonicalization Version 1.0 : July 2002
http://www.w3.org/TR/xml-exc-c14n/

IETF W3C® SOAP Version 1.2 Part 2: Adjuncts; 24 June 2003 *SOAP binding to HTTP* :
http://www.w3.org/TR/2003/REC-soap12-part2-20030624/#soapinhttp.

IETF W3C® XML Scheme Part 2 : Datatypes Second Edition
http://www.w3.org/TR/xmlschema-2/

IETF W3C® XML-Signature Syntax and Processing –
http://www.w3.org/TR/2000/CR-xmldsig-core-20001031/