

Proposed Interagency Guidance on Third-Party Relationships: Risk Management



This is a summary of “[Proposed Interagency Guidance on Third-Party Relationships](#),” first published by the Office of the Federal Register.

1. Planning

2. Due Diligence and Third-Party Selection

- A.** Strategies and Goals
- B.** Legal and Regulatory Compliance
- C.** Financial Condition
- D.** Business Experience
- E.** Fee Structure and Incentives
- F.** Qualifications and Backgrounds of Company Principals
- G.** Risk Management
- H.** Information Security
- I.** Management of Information Systems
- J.** Operational Resilience
- K.** Incident Reporting and Management Programs
- L.** Physical Security
- M.** Human Resource Management
- N.** Reliance on Subcontractors
- O.** Insurance Coverage
- P.** Conflicting Contractual Arrangements with Other Parties

3. Contract Negotiation

- A.** Nature and Scope of Arrangement
- B.** Performance Measures or Benchmarks
- C.** Responsibilities for Providing, Receiving, and Retaining Information
- D.** The Right to Audit and Require Remediation
- E.** Responsibility for Compliance with Applicable Laws and Regulations
- F.** Cost and Compensation
- G.** Ownership and License
- H.** Confidentiality and Integrity
- I.** Operational Resilience and Business Continuity
- J.** Indemnification
- K.** Insurance
- L.** Dispute Resolution
- M.** Limits on Liability
- N.** Default and Termination
- O.** Customer Complaints
- P.** Subcontracting
- Q.** Foreign Based Third Parties
- R.** Regulatory Supervision

4. Oversight and Accountability

- A.** Board of Directors
- B.** Management
- C.** Independent Reviews
- D.** Documentation and Reporting

5. Ongoing Monitoring

6. Termination