



INTRODUCTION: WHAT IS THE INTERAGENCY GUIDANCE ON THIRD-PARTY RISK MANAGEMENT?



The June 2023 Interagency Guidance on Third-Party Risk Management (the "Guidance") aims to shape the Agencies' supervision of banking organizations' third-party risk management systems going forward.

On June 6, 2023, the <u>Federal Reserve</u>, <u>FDIC</u>, and <u>OCC</u> released final <u>guidance</u> on managing risks associated with third-party relationships, including relationships with fintechs.

This guidance helps banks align their risk management practices with the nature and risk profile of their third-party relationships, including fintechs.

- On June 6, 2023, the Federal Reserve, FDIC and OCC released final guidance on managing risks associated with third-party relationships, including relationships with fintechs.
- This Guidance replaces existing guidance to help banks align their risk management practices with the nature and risk profile of their third-party relationships, including fintechs.
- While the Guidance does not have the force and effect of law nor does it impose new requirements, it is expected to guide future supervision of banking organizations' third-party risk management systems going forward.



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The Author: InnReg is a team of over 30 Regulatory Compliance and Innovation Consulting experts helping fintechs succeed in highly regulated markets since 2013, globally. InnReg provides fintech compliance and operations consulting and outsourcing services focused on mitigating regulatory risk while helping clients launch innovative fintech products and services.

