

PUBLICATION

Proposed Third-Party Relationships Guidance Comment Period Extended

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On July 13, 2021, the Board of Governors of the Federal Reserve (the "Fed"), the Federal Deposit Insurance Corporation (FDIC) and the Office of the Comptroller of the Currency (the OCC, collectively referred to herein with the Fed and the FDIC as the "Regulators") proposed for comment new interagency guidance on managing risks with third-party relationships (the "Proposed Guidance"). The new Proposed Guidance would replace each Regulator's existing guidance on vendor management and would be directed to all banking organizations. Baker Donelson previously issued a client alert on this guidance [here](#).

Comments on the Proposed Guidance were due on September 17, 2021. On September 7, 2021, the Regulators extended the comment period until October 18, 2021.

Recently, the Regulators also issued guidance on due diligence in FinTech relationships directed to community banks as previously discussed [here](#).

FinTech relationships have never escaped regulatory notice, but these recent actions may foretell an increased scrutiny which can directly impact a bank's CAMEL rating.

Baker Donelson stands ready to assist any of our banking clients in evaluating how these regulatory actions may impact their operations and their strategic planning. If you have any questions, contact [Scott Sargent](#) or any member of Baker Donelson's [Financial Services Team](#).