



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D.C. 20551

DIVISION OF SUPERVISION
AND REGULATION

SR 24-5

July 25, 2024

**TO THE OFFICER IN CHARGE OF SUPERVISION
AT EACH FEDERAL RESERVE BANK**

SUBJECT: Joint Statement on Banks' Arrangements with Third Parties to Deliver Bank Deposit Products and Services

Applicability: This letter is relevant to state member banks, including those with \$10 billion or less in consolidated assets.

The Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency (collectively, the agencies) have issued the attached "Joint Statement on Banks' Arrangements with Third Parties to Deliver Bank Deposit Products and Services" (the statement).

The agencies have issued the statement to note potential risks related to arrangements between banks and third parties to deliver bank deposit products and services to end users. The statement also highlights examples of effective risk management practices a bank may consider when participating in such arrangements based on existing requirements and supervisory guidance. The statement does not establish new supervisory expectations.

Reserve Banks are asked to distribute this letter to the state member banks in their districts and to appropriate supervisory staff. State member banks may send questions via the Board's public website.¹

Michael S. Gibson
Director
Division of Supervision
and Regulation

¹ See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>

Attachments:

- *Joint Statement on Banks' Arrangements with Third Parties to Deliver Bank Deposit Products and Services*

Cross References:

- SR 24-2/CA 24-1, "Third-Party Risk Management: A Guide for Community Banks"
- CA 24-2, "Interagency Guidance on Third-Party Relationships: Risk Management"
- SR 23-4, "Interagency Guidance on Third-Party Relationships: Risk Management"
- SR 22-5, "Joint Statement on the Risk-Based Approach to Assessing Customer Relationships and Conducting Customer Due Diligence"
- SR 21-16/CA 21-13, "Community Bank Access to Innovation through Partnerships"
- SR 21-15/CA 21-11, "Guide for Community Banking Organizations Conducting Due Diligence on Financial Technology Companies"
- SR 20-24, "Interagency Paper on Sound Practices to Strengthen Operational Resilience"
- CA 19-6, "Revised Interagency Examination Procedures for Regulation E"
- SR 18-10, "Joint Statement on Innovative Efforts to Combat Money Laundering and Terrorist Financing"
- SR 16-11, "Supervisory Guidance for Assessing Risk Management at Supervised Institutions with Total Consolidated Assets Less than \$100 Billion"
- SR 16-7, "Interagency Guidance to Issuing Banks on Applying Customer Identification Program Requirements to Holders of Prepaid Access Cards"
- CA 16-2, "Interagency Guidance Regarding Deposit Reconciliation Practices"
- SR 13-1/CA 13-1, "Supplemental Policy Statement on the Internal Audit Function and Its Outsourcing"
- SR 10-6, "Interagency Policy Statement on Funding and Liquidity Risk Management"
- SR 10-1, "Interagency Advisory on Interest Rate Risk"
- SR 05-8, "Interagency Interpretive Guidance on the Provision of Banking Services to Money Services Businesses Operating in the United States"
- CA 04-2, "Unfair or Deceptive Acts or Practices by State-Chartered Banks"
- SR 96-13, "Joint Policy Statement on Interest Rate Risk"