



September 28, 2026

Via electronic submission

The Honorable Governor Michelle W. Bowman
Vice Chair for Supervision
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave NW
Washington, DC 20551

The Honorable Travis Hill
Chairman of the Board of Directors
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

The Honorable Jonathan Gould
Comptroller of the Currency
Office of the Comptroller of the Currency
400 7th Street, SW.
Washington, DC 20219

The Honorable Kyle S. Hauptman
Chairman
National Credit Union Administration
1775 Duke Street,
Alexandria, Virginia 22314 3428

RE: Proposed Third-Party Risk Management Guidance

To Governor Bowman, Chairman Hill, Comptroller Gould, and Chairman Hauptman:

Support for Proposal

Eval.com provides real estate evaluations, including commercial and residential evaluations, validations, broker price opinions, and automated valuation models to banks and credit unions for collateral decisions. We go through third-party due diligence with each institution we serve. The processes are often duplicative, take months, and apply the same requirements that fit far riskier relationships.

We support the general principles set forth in the proposed Third-Party Risk Management (TPRM) Guidance. We encourage the Federal financial institution regulatory agencies¹ (Agencies) to clarify that banking organizations' risk management oversight of third-party relationships should be proportionate to the risk presented. A risk-focused approach would:

¹ The Agencies consist of Office of the Comptroller of the Currency (OCC), Federal Deposit Insurance Corporation (FDIC) Board of Governors of the Federal Reserve System (FRB), and the National Credit Union Administration (NCUA).



- (1) Recognize that banking organizations have the experience – and retain the ultimate responsibility – for establishing appropriate TPRM practices consistent with safe and sound banking principles and applicable laws and regulations.
- (2) Enable banking organizations to tailor their TPRM practices based on a reasonable risk assessment of each third-party relationship, taking into account the nature, materiality, complexity, and risk profile of the activities performed through the relationship.
- (3) Avoid unnecessary burdens, costs, and protracted due diligence processes that adversely affect banking organizations and low-risk third parties without a corresponding benefit to either entity.

Recommendations

We ask the Agencies to consider three recommendations. First, we recommend the Agencies provide additional guidance and examples illustrating how banking organizations may classify third-party relationships based primarily on the nature, materiality, and risk of the activities performed. In particular, the Agencies should clarify that relationships involving activities that do not provide access to customer funds, enable transaction processing, perform critical operational functions, or create a material risk of operational disruption may appropriately warrant streamlined due diligence and oversight when supported by the institution's reasonable risk assessment.

Second, we recommend the Agencies confirm that banking organizations may rely on existing regulatory controls rather than impose a duplicative layer of TPRM requirements. A bank's use of evaluations is already governed by the Interagency Appraisal and Evaluation Guidelines, which address independence, review, and validation, while its use of automated valuation models is subject to the quality-control standards rule. Together, these requirements provide a sufficient framework for managing the associated third-party risks.

Third, we recommend that the Agencies clarify that banking organizations may tailor the scope and frequency of due diligence both when initially approving a third-party relationship and during ongoing monitoring for relationships reasonably assessed as lower risk. In particular, a banking organization should be permitted to rely on a current Systems and Organization Controls 2, Type II (SOC 2 Type II) independent auditor's report in lieu of requiring a vendor to complete a custom security questionnaire or undergo an on-site audit, unless the financial institution's risk assessment identifies a specific need for additional review. This reliance should apply at the initial approval stage, where duplicative due diligence can significantly delay onboarding, as well as ongoing monitoring.

Factors that may indicate a lower-risk relationship include:

- no custody of or access to customer funds or deposits;
- no connection to core banking systems;
- readily available alternative providers;
- activities that are not critical to the banking organization's operations; and
- independently verified controls.



Conclusion

Our company appreciates the Agencies' vital role in updating regulatory expectations as the financial industry evolves and develops greater expertise in managing third-party relationships. We look forward to working with the Agencies to improve the effectiveness and efficiency of the revised TPRM Guidance.

Please have your staff contact Suzy Gardner at Suzy@Eval.com with any questions or to arrange further discussion. Thank you for your consideration.

Sincerely,

Deb Clark

Deb Clark
CEO, Eval.com

Suzy Gardner

Suzy Gardner
President, Eval.com Advisory Services