

# RESPONSE TO FEEDBACK RECEIVED

November 2019

## Outsourcing by Banks and Merchant Banks

MAS

Monetary Authority of Singapore

## Contents

1.	Preface .....	3
2.	Arrangements within scope of BA amendments and ON.....	3
3	Definitions .....	5
4	Management of outsourcing arrangements.....	7
5	Due diligence checks on service provider and sub-contractor.....	8
6	Written agreement and access to information .....	9
7	Protection of customer data .....	10
8	Audit.....	11
9	Termination and exit of outsourcing .....	13
10	Access to information by overseas regulated financial institutions.....	15
11	Effective date .....	16
12	Purpose for which customer information may be disclosed.....	16
Annex A	List of Respondents to the Consultation Paper on Outsourcing by Banks and Merchant Banks.....	18
Annex B	Full submissions.....	20

## **1. Preface**

1.1 On 7 February 2019, MAS issued a consultation paper on proposed revisions to the regime governing banks' and merchant banks' (collectively "banks") outsourcing arrangements, including proposed amendments to the Banking Act ("BA").

1.2 MAS thanks all respondents for their feedback. The list of respondents is in Annex A. Full submissions are published in Annex B.

1.3 MAS has carefully considered the feedback from the consultation, in addition to those provided in response to the consultation paper on the proposed MAS Notice on Outsourcing ("ON") issued in September 2014, and where appropriate, has incorporated them into the revised proposal for the ON for banks. Feedback of wider interest are set out below together with MAS' responses.

1.4 MAS intends to seek feedback on the draft ON for banks in due course. MAS will also seek feedback on requirements that will apply to other classes of FIs, where relevant, at a later date. In the meantime, MAS expects financial institutions ("FIs") to continue to observe the Guidelines on Outsourcing ("OG").

## **2. Arrangements within scope of BA amendments and ON**

2.1 Several respondents commented that the proposed definition of "outsourcing arrangement" in the draft amendments to the BA is too broad as it includes an arrangement that is non-ongoing or "one-off". It is also not risk-proportionate to impose ON requirements on such arrangements.

2.2 Respondents sought clarification on whether the ON would apply to an:

- a) Existing outsourcing arrangement which was previously not subject to MAS Notice 634/1108 requirements, as the outsourcing arrangement (i) was performed by a service provider located in Singapore; (ii) did not involve disclosure of customer information or (iii) was supported by customers' written consent for disclosure of customer information;
- b) Outsourcing arrangement where the service provider has in turn outsourced the provision of service to another service provider ("sub-contracting"); and
- c) Intragroup outsourcing arrangement, including where head office ("HO") or a related entity is the service provider.

2.3 Several respondents also suggested that MAS' powers should be limited to outsourcing arrangements in respect of a bank incorporated in Singapore and the Singapore branches and offices of a bank incorporated elsewhere ("banks in Singapore").

MAS' Response

2.4 MAS' focus remains on the following:

- a) material outsourcing arrangements as set out in paragraph 3.2 of this Response paper, which will only comprise of ongoing arrangements; and
- b) other arrangements which involve the disclosure of customer information (whether ongoing or otherwise).

2.5 While the BA amendments empower MAS to impose requirements on banks in relation to "relevant services"<sup>1</sup>, MAS intends to operationalise these powers only in respect of arrangements described in paragraph 2.4. MAS will seek further feedback on the definitions of "outsourcing arrangement" and "material outsourcing arrangement" as part of our consultation on the draft ON.

2.6 MAS currently has no plans to impose requirements beyond the arrangements described in paragraph 2.4. MAS will consult industry and relevant stakeholders in any future review on imposing requirements on relevant services beyond that described in paragraph 2.4.

2.7 The full scope of ON requirements, which MAS will seek feedback on in due course, will apply to outsourcing arrangements assessed to be material by the bank. For outsourcing arrangements which are assessed to be non-material, banks are expected to observe the OG.

2.8 Taking into consideration feedback received, MAS intends to apply a subset of the ON requirements, which are specific to the protection of customer information, to arrangements that involve disclosure of customer information and are not material outsourcing arrangements. This specific subset of ON requirements would therefore apply regardless of whether the disclosure of customer information is to a service provider in Singapore or overseas, or if the bank had obtained prior written customer consent to

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<sup>1</sup> Relevant service is defined in the BA, in relation to a bank in Singapore, to mean any service obtained or received by the bank, other than a service provided in the course of employment by an employee of the bank or a service provided by an director or officer of the bank in the course of his or her appointment, and does not include any service specified by the Authority by written notice.

disclose customer information. This is to ensure that banks pay due care to all outsourcing arrangements that involve the disclosure of customer information.

2.9 MAS intends for the definition of “outsourcing arrangement” in the ON to include intragroup outsourcing arrangements. The ON will impose requirements in relation to sub-contracting as well.

2.10 MAS agrees with respondents that MAS’ powers should be limited to banks in Singapore. Where intragroup entities enter into outsourcing arrangements on behalf of the bank in Singapore, the requirements under the ON would apply to an outsourcing arrangement only to the extent the service is obtained for or is provided to the bank in Singapore.

### **3 Definitions**

#### *Definition of “material outsourcing arrangement”*

3.1 Several respondents commented that the proposed definition of “material outsourcing arrangement”, by including all outsourcing arrangements involving the disclosure of customer information regardless of materiality and duration of the arrangement, was too broad. A few respondents requested for a risk-proportionate approach such that non-ongoing arrangements and outsourcing arrangements with minimal impact to customers from breaches of unauthorised disclosure of customer information, would not be considered material outsourcing arrangements and not be subject to ON requirements.

#### MAS’ Response

3.2 MAS agrees with respondents that requirements imposed under the ON should be risk-proportionate. MAS intends for the definition of material outsourcing arrangement in the ON to include only ongoing outsourcing arrangements and to allow banks to consider whether the unauthorized access or disclosure, loss or theft of customer information would materially affect the bank or its customers adversely in assessing whether an outsourcing arrangement is material.

3.3 MAS would generally consider arrangements that last for more than a year as ongoing arrangements. However, if arrangements that are a year or less are renewed or extended, or are intended to be renewed or extended, such that the cumulative contract period exceeds or would exceed one year, these arrangements would be considered as ongoing.

3.4 As mentioned in paragraph 2.8, given the sensitive nature of customer information, a subset of ON requirements specific to the protection of customer information would apply to arrangements that involve disclosure of customer information and are not material outsourcing arrangements.

*Definition of “customer” and “customer information”*

3.5 Respondents sought clarification on whether the definition of “customer” for the purposes of the ON would include:

- a) Banks/other FIs when they are customers of other banks, given that the definition of customer in section 40A (s40A) of the BA excludes banks; and
- b) Customers of HO which are managed by the bank in Singapore for business and operational reasons, regardless of the booking location of their accounts.

3.6 Respondents also sought clarification on whether “customer information” for the purposes of the ON would include information that is public, anonymised or encrypted in a secure manner such that the identities of customers cannot be readily inferred, noting that such information would not currently constitute “customer information” in the OG.

3.7 Some respondents also asked whether employee information would be considered customer information. Another respondent suggested that only “sensitive” or “material” information, e.g. transactional/authentication information and account balances be considered customer information.

MAS’ Response

3.8 For the purposes of the ON, MAS intends for “customer” in the ON to include banks and other FIs, as unauthorised access or disclosure of customer information, even where the customer is a bank or FI, can present legal and reputational risks to a bank, and these should be adequately managed by the bank. “Customer” will include customers who are managed by the bank in Singapore regardless of whether their accounts are booked in Singapore or elsewhere. This is because any unauthorised disclosure of customer information processed or handled in Singapore would result in an adverse impact on the local entity’s reputation, regardless of the booking location of the customer’s account.

3.9 Consistent with the current approach under the OG, information that is encrypted in a secure manner or anonymised, such that it is not referable to any customer, will not be considered “customer information” under the ON. That said, where the service provider receives encrypted customer information but is able to decrypt the information,

the information so disclosed to that service provider will be considered as “customer information”.

3.10 MAS notes that even where the information disclosed is public, the unauthorised disclosure of such information will inadvertently divulge the existence of a (non-public) relationship between the customer and the bank. MAS further notes that the ostensibly public information held by a bank, if disclosed in an unauthorised manner could be used against the wishes of the customer to corroborate information that is public. Given these considerations, information that is public will not be excluded from being considered “customer information” for the purposes of the ON. MAS intends to revise the OG to be in line with this approach.

3.11 Information of an employee would not be considered as “customer information” insofar as the information is not in relation to the employee also being a customer of the bank.

## **4 Management of outsourcing arrangements**

### *Notification to MAS of outsourcing arrangements*

4.1 Many respondents proposed that the notification to MAS upon entering into any outsourcing arrangement involving disclosure of customer information could be provided through outsourcing registers which banks are currently submitting annually, or upon request.

#### MAS’ Response

4.2 MAS has considered the feedback received and will not require banks to notify MAS of all outsourcing arrangements involving the disclosure of customer information upon entering into the outsourcing agreement. To allow MAS to be kept updated of banks’ new outsourcing arrangements on a timely basis, banks will be required to ensure that their outsourcing registers<sup>2</sup> remain updated and to submit their outsourcing registers more frequently or upon request. MAS is considering a semi-annual submission but plans to seek further feedback as part of the upcoming consultation on the draft ON.

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<sup>2</sup> The outsourcing register should include all ongoing outsourcing arrangements, material or otherwise, as well as sub-contracting arrangements.

## **5 Due diligence checks on service provider and sub-contractor**

5.1 Several respondents highlighted that the expectation to perform annual due diligence checks on service providers and sub-contractors is onerous, especially for multi-year outsourcing arrangements, outsourcing arrangements of lower risk, outsourcing arrangements performed by intragroup entities, regulated service providers, sub-contractors or when a bank has numerous service providers and sub-contractors. Many respondents also queried on the scope and form of the assessment and whether reduced due diligence is allowed for intragroup arrangements. Respondents also proposed to adopt a risk-based approach in determining the frequency of these checks. One respondent suggested to allow banks, as part of their due diligence checks, to place reliance on third-party certification of industry standards or on self-certification of industry standards by service providers or sub-contractors.

### MAS' Response

5.2 MAS has considered industry's feedback and intends to require banks to (i) complete due diligence on service providers prior to obtaining services from the service provider; and (ii) conduct a subsequent due diligence check at the end of the first year of service.

5.3 Banks will also be required to establish a policy on the frequency of due diligence to be conducted for outsourcing arrangements. The endorsement by the bank's board or senior management on the frequency of such subsequent due diligence should be obtained after the board or senior management has assessed that the frequency determined is appropriate for the risks posed by the outsourcing arrangement. As currently provided for under the OG, banks may perform reduced due diligence for intragroup outsourcing.

5.4 Where the bank has permitted the service provider to enter into a sub-contracting arrangement with a sub-contractor, the bank should take reasonable steps to ensure that the service provider reviews the sub-contractors as part of its due diligence checks.

5.5 MAS intends for the scope of due diligence to assess the ability of the service provider or sub-contractor to (i) provide the outsourced service, (ii) ensure continuity of the outsourced service, (iii) safeguard the confidentiality and integrity of information of the bank, (iv) comply with written laws and (v) manage legal, reputational, technological and operational risks. Banks may place reliance on certifications of industry service or security standards as part of their due diligence checks and assessment of the service provider or sub-contractor, but not self-attestation.



5.6 Where the outsourcing arrangement is entered into by an intragroup entity on behalf of the bank, the bank may place reliance on its intragroup entity as part of its due diligence checks and assessment of the service provider or sub-contractor.

## **6 Written agreement and access to information**

*Written document/contract setting out the terms of an outsourcing arrangement (collectively “outsourcing agreement”)*

6.1 Some respondents highlighted that a bank in Singapore may not be involved during the contract negotiation process, e.g. between HO and the service provider, and may not be able to ensure the inclusion of terms required in the ON in the outsourcing agreement.

6.2 Several respondents sought clarity on how the requirement for a bank to ensure that the service provider includes the required terms in the ON in its outsourcing agreement with a sub-contractor could be operationalised, given that the bank will not have a direct relationship with the sub-contractor.

### MAS’ Response

6.3 As with other regulatory requirements, it is the obligation of the bank in Singapore to ensure it can comply with the requirements of the ON. A bank in Singapore which is relying on related entities for the negotiation of contract should appropriately apprise its related entities of the requirements under the ON to ensure its compliance with the ON.

6.4 MAS intends to require banks, where the service provider is another separate legal entity, to enter into a written contract detailing the terms of an outsourcing arrangement. Where the service provider is a sister branch or HO of the bank, a bank in Singapore will be required to have policies and procedures in place to ensure there is a written document<sup>3</sup> setting out the mutual understanding of the terms of the arrangement. For the purposes of sub-contracting, MAS intends to require banks to take reasonable steps to ensure that a service provider includes relevant terms in the service provider’s outsourcing agreement with the sub-contractor. This includes requiring a bank to include in its outsourcing agreement with a service provider, a requirement on the service provider to include such terms in its agreement with its sub-contractor.

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<sup>3</sup> For example, this could be a Service Level Agreement or a Memorandum of Understanding.

*Right to audit by banks and MAS*

6.5 Several respondents, specifically cloud service providers or sub-contractors, highlighted that an audit of cloud facilities would need to be restricted to limited parties to safeguard the integrity of third-party confidential information and to ensure minimal disruption to service capabilities. Many respondents also highlighted challenges in including audit rights in (i) outsourcing agreements with large international service providers or cloud service providers or (ii) in certain jurisdictions.

MAS' Response

6.6 Having considered industry feedback and the approaches taken in other jurisdictions, MAS will not require banks to include a right for banks to audit their service providers or sub-contractors in the agreements for material outsourcing arrangements. Nonetheless, MAS will have powers under the BA to impose such a requirement if necessary. MAS will continue to monitor international developments and review the need for such a requirement, and will engage with the industry before imposing such a requirement.

6.7 Banks should take reasonable steps to negotiate for the inclusion of such a term in their outsourcing agreements where feasible. This expectation will remain in the OG as a good practice.

6.8 For the avoidance of doubt, banks will be required to include a term in their contract for material outsourcing arrangements for MAS to have the right to audit and access audit reports of their service providers or sub-contractors.

## **7 Protection of customer data**

*Notification of the bank's, service provider's and sub-contractor's obligations of confidentiality*

7.1 One respondent queried on the necessity to notify the service provider or sub-contractor of its confidentiality obligations if (i) a provision to this effect has already been included in the outsourcing agreement signed between the bank and the service provider; or (ii) the service provider is already obliged to comply with its local laws relating to protection of customer information.

MAS' Response

7.2 Service providers can be notified of their confidentiality obligations through contractual provisions, provided that the obligations are clearly stated. Nonetheless, as laws relating to protection of customer data may vary across jurisdictions, the requirement for the bank to notify its service provider would apply even if the service provider is subject to local laws relating to the protection of customer information.

*Obtaining of legal advice where an outsourcing arrangement involves the disclosure of customer information to a service provider outside Singapore*

7.3 Some respondents sought clarity on the frequency of obtaining legal advice and the parties from whom they can obtain such legal advice. Some respondents requested this requirement take the form of a good practice rather than a requirement due to the costs of obtaining legal advice on a regular basis.

MAS' Response

7.4 MAS will revise the requirement such that banks will be required to update the legal advice based on a frequency approved by the board or senior management of the bank or when there are significant changes in the written law, whichever is earlier. Banks may approach any party assessed by the bank to be qualified to provide the legal advice. This may include in-house counsel if the counsel has the relevant competencies.

## **8 Audit**

*Applicability of audit requirement*

8.1 Some respondents commented that the requirement was impractical for one-off or short-term outsourcing arrangements, and sought clarification that audits would be limited to the provision of outsourced services to the bank in Singapore.

MAS' Response

8.2 As mentioned in paragraph 3.3, arrangements lasting a year or less would typically not be considered as ongoing arrangements and consequently would not constitute material outsourcing arrangements. The audit requirements would therefore not apply to such arrangements. Where audits are required, i.e. in the case of material outsourcing arrangements, these audits would be limited to areas relevant to the provision of services to the bank in Singapore.

*Details on audit requirement*

8.3 Several respondents sought clarity on the details of the audit requirement i.e. timeframe for submission of audit reports to MAS, required credentials of the auditor, level of assurance required for the audits, use of pooled audits or third-party certification and type of audit reports, e.g. OSPAR, ISAE 3000, SOC2, audited long-form report of the service provider, which would meet the requirement.

MAS' Response

8.4 MAS proposes to revise the requirement such that banks are to provide MAS with a list of all audits performed in the past 12 months on its material outsourcing arrangements. Banks will be required, upon request, to provide MAS with reports of selected audits. This will ease the operational burden on banks while still providing MAS access to relevant audit reports.

8.5 MAS intends that audits may be conducted by any party assessed by the bank to possess the requisite knowledge and skills and is independent of the unit performing the outsourcing arrangement. Banks may rely on pooled audits or third-party certification (but not self-attestations) to comply with this requirement. Audit reports must fulfil requirements set out in the ON. MAS will seek feedback on these requirements as part of the consultation on the draft ON.

*Audit frequency*

8.6 Many respondents provided feedback that the three-year audit frequency for material outsourcing arrangements is too onerous, especially for service providers or sub-contractors located overseas, and suggested a risk-based approach in determining the audit frequency. Some respondents also requested for intragroup outsourcing arrangements to be exempted from the three-year audit requirement given that they usually involve regulated entities which are already subjected to regulatory supervision and internal audit within the banking group. Some respondents also noted that the frequency had been removed in the OG revised in 2016 and queried on the rationale for re-including the requirement in the ON.

MAS' Response

8.7 The proposed requirement is to ensure that all material outsourcing arrangements would be subject to a minimum audit frequency. Banks may still adopt a risk-based approach in determining the audit frequency as long as it is kept within the three-year cycle.

8.8 Intragroup arrangements which are material, will be subject to the minimum audit frequency. While intragroup entities would be subject to regulation in their respective operating jurisdictions, some level of risk may remain given that regulatory and supervisory standards may vary across jurisdictions. Therefore, it would be necessary to subject material intragroup arrangements to the minimum audit frequency. The audit frequency applicable to all outsourcing arrangements had been removed from the OG, as this expectation would not be applicable for non-material outsourcing arrangements, i.e. there is no minimum audit frequency for such arrangements.

## **9 Termination and exit of outsourcing**

### *Circumstances when outsourcing arrangements may be terminated*

9.1 Some respondents queried on the meaning of the terms “change in ownership”, “deterioration in the ability of the service provider” and “breach of confidentiality”. Respondents also proposed to consider the materiality of these circumstances when deciding on the termination of outsourcing arrangements when these circumstances arise.

9.2 Many respondents also requested MAS to provide exemptions for situations where termination of the outsourcing arrangement is not permitted by applicable laws, e.g. where the service provider is the subject of insolvency proceedings, or not possible when the outsourcing arrangement is entered into by multiple intragroup entities at the group level. Some respondents also highlighted potential contract breaches and challenges in finding alternate service providers for the provision of the outsourced services upon involuntary termination of outsourcing arrangements if directed by MAS to do so. Two respondents sought clarification on whether banks can exercise its right to terminate an outsourcing agreement where warranted without MAS' direction.

### MAS' Response

9.3 Banks may specify their own criteria in determining whether there has been a change in ownership or a deterioration in the ability of the service provider or sub-contractor to provide the service and whether to terminate the outsourcing arrangement based on the circumstances stated in the ON. Similarly, banks would be better placed to assess and set their own materiality thresholds to determine whether a breach of confidentiality would warrant a termination.

9.4 MAS intends to apply requirements that affect contractual terms only to new or renewed contracts entered into after the issuance of the ON. A bank should therefore

ensure that new or renewed contracts include a right allowing the bank to, subject to applicable laws, terminate the outsourcing arrangements, to reduce the risk of a breach of contract.

9.5 In the event a bank is directed by MAS to terminate the outsourcing arrangement, the bank will generally be given advance notice and a reasonable timeframe to ensure a smooth transition when the arrangement is terminated. Banks may also terminate outsourcing arrangements without MAS' direction.

*Removal of information from the service provider or sub-contractor at termination of outsourcing arrangements*

9.6 Some respondents highlighted that it may be challenging for a service provider or sub-contractor to remove all information upon termination of the outsourcing arrangement. This may be due to regulatory record retention requirements or technical difficulties where customer information is stored in an information system or data centre which is shared across entities at the group level, in the case when the service provider or sub-contractor is an intragroup entity.

MAS' Response

9.7 MAS intends to subject the requirement on removal of information with service providers or sub-contractors to applicable laws or regulations (such as those on records retention). However, MAS does not agree that technical reasons are a basis for not removing information from the service provider or sub-contractor given that such technical challenges should have been considered and addressed before entering into the outsourcing agreement.

*Measures to minimise disruption to the bank's operations*

9.8 Several respondents requested for clarity on the requirements and obligations relating to measures to minimise disruption to the bank's operations, in the event the service provider is unable to provide the service to the bank or where the outsourcing arrangement needs to be terminated.

MAS' Response

9.9 Banks may refer to paragraph 5.7 of the OG on business continuity management for guidance on MAS' expectations on the measures to minimise disruption to a bank's operations.

## **10 Access to information by overseas regulated financial institutions**

10.1 Many respondents highlighted challenges in obtaining a written confirmation from the regulator of an overseas regulated FI where a bank is obtaining or receiving services, which involves the disclosure of customer information, from such an institution. This is because not all foreign regulators would be willing to provide such confirmations in practice. Several of these respondents also noted that under MAS' proposal, banks which had previously not been required to obtain such a confirmation, by obtaining prior written customer consent to disclose customer information, will now be required to obtain such a confirmation from the foreign regulator. This could affect the ease with which banks may leverage on outsourcing for greater efficiency.

10.2 Some respondents suggested a one-time blanket confirmation could be provided for all current and future outsourcing arrangements performed by the same service provider located overseas. Some respondents also requested for MAS' assistance to obtain the confirmation or to exempt this requirement from intragroup arrangements or arrangements in certain jurisdictions. One respondent also queried on the applicability of this requirement for overseas entities of a local bank.

### MAS' Response

10.3 Taking into account feedback from the industry, MAS plans to revise the proposal such that the bank, instead of the foreign regulator, provides the written confirmation to MAS on how it would manage requests from the foreign regulator to access or disclose customer information. On this basis, the foreign regulator and bank would be permitted to onward disclose customer information only if it is legally compelled to do so and to notify MAS if it is so compelled, subject to applicable laws. The bank is required to (i) assess the foreign regulator's legal basis and purpose for any request to access customer information, and whether there would be further disclosure; and (ii) notify MAS accordingly as soon as possible after the foreign regulator has requested access to the customer information.

10.4 MAS intends to retain the requirement to obtain a written confirmation from the foreign regulator ensuring MAS' continued access to information relating to the outsourcing arrangement.

10.5 The above requirements will apply to existing and new material outsourcing arrangements (including intragroup arrangements). MAS intends to allow these requirements to be satisfied by a one-time blanket confirmation, i.e. it is not necessary to have individual confirmation for each material outsourcing arrangement subject to this

requirement. MAS will consult on the revised requirements as part of seeking industry feedback on the draft ON.

## **11 Effective date**

11.1 Many respondents highlighted that the proposed transition period of 12 months is insufficient and requested for a longer transition period ranging from 18-24 months. Some respondents also sought clarification on whether there will be retrospective application of the new ON requirements on existing outsourcing arrangements and arrangements previously not classified as outsourcing arrangements.

### MAS' Response

11.2 MAS intends to apply requirements that affect contractual terms only to (i) new material outsourcing arrangements and (ii) existing material outsourcing arrangements (including arrangements newly classified as "material") upon their renewal. For other requirements that do not affect contractual terms, banks will have 12 months from the date of issuance of the ON to comply.

## **12 Purpose for which customer information may be disclosed**

12.1 Item 3 of Part II of the Third Schedule of the BA ("Item 3") currently allows for disclosure of customer information if it is solely in connection with the performance of operational functions of the bank where such operational functions have been outsourced ("Third Schedule exception"). Some respondents suggested not to refer this exception to the outsourcing provision in the BA or the ON as the industry has generally interpreted such operational functions in a broader manner than the definition of "outsourcing" in the OG.

12.2 Several respondents also clarified whether service providers could rely on this exemption to disclose customer information to other parties, e.g. sub-contractors, external auditors and other third parties engaged by the service provider, though they may not be directly engaged by the bank.

### MAS' Response

12.3 The purpose for which customer information may be disclosed under Item 3 has not changed. However, the new outsourcing provision (s47A) introduces powers on MAS to impose on banks requirements in relation to outsourcing that will be set out in the ON,



as well as a subset of ON requirements specific to protection of customer information (as mentioned at paragraph 2.8). In order to rationalise and streamline the requirements which banks are subject to under the new outsourcing provision and under the Third Schedule, a bank which intends to rely on Item 3 to disclose customer information will need to comply with the same subset of ON requirements specific to protection of customer information. As such, the notice which sets out the conditions which banks have to comply with under the Third Column of Item 3 will refer to the same subset of requirements found in the ON, and Notices 634 and 1108 will be repealed once the ON comes into force.

12.4 To clarify, the Third Schedule exception cannot be applied beyond the immediate service provider to whom the bank has disclosed the customer information, i.e. customer information cannot be further disclosed to sub-contractors by the service provider. However, immediate service providers can disclose customer information to their sub-contractors provided the customer has permitted such disclosure in writing (see exception under Item 1 of Part I of the Third Schedule of the BA). MAS would like to remind banks that even if prior written customer consent has been obtained for disclosure of customer information by the bank's immediate service provider to sub-contractors, any such further outsourcing is still subject to the requirements set out in the ON if the arrangement is considered as a material outsourcing arrangement.

## **MONETARY AUTHORITY OF SINGAPORE**

5 November 2019

**ANNEX A**

**LIST OF RESPONDENTS TO THE CONSULTATION PAPER ON  
OUTSOURCING BY BANKS AND MERCHANT BANKS**

**Banks**

1. The Association of Banks in Singapore
2. Bank of China Limited Singapore Branch
3. BNP Paribas Singapore Branch
4. CIMB Bank Berhad Singapore Branch
5. Commerzbank AG Singapore Branch
6. Credit Industriel et Commercial Singapore Branch
7. Deutsche Bank AG Singapore Branch
8. DZ Bank AG Singapore Branch
9. HSBC Bank (Singapore) Limited
10. HSBC Singapore branch
11. Mizuho Bank Ltd Singapore Branch
12. MUFG Bank Ltd Singapore Branch
13. OCBC Bank
14. Rabobank Singapore Branch
15. Sumitomo Mitsui Banking Corporation Singapore Branch
16. The Northern Trust Company Singapore Branch
17. Union de Banques Arabes et Francaises Singapore branch
18. 16 other respondents under this category requested for confidentiality of identity

**Others**

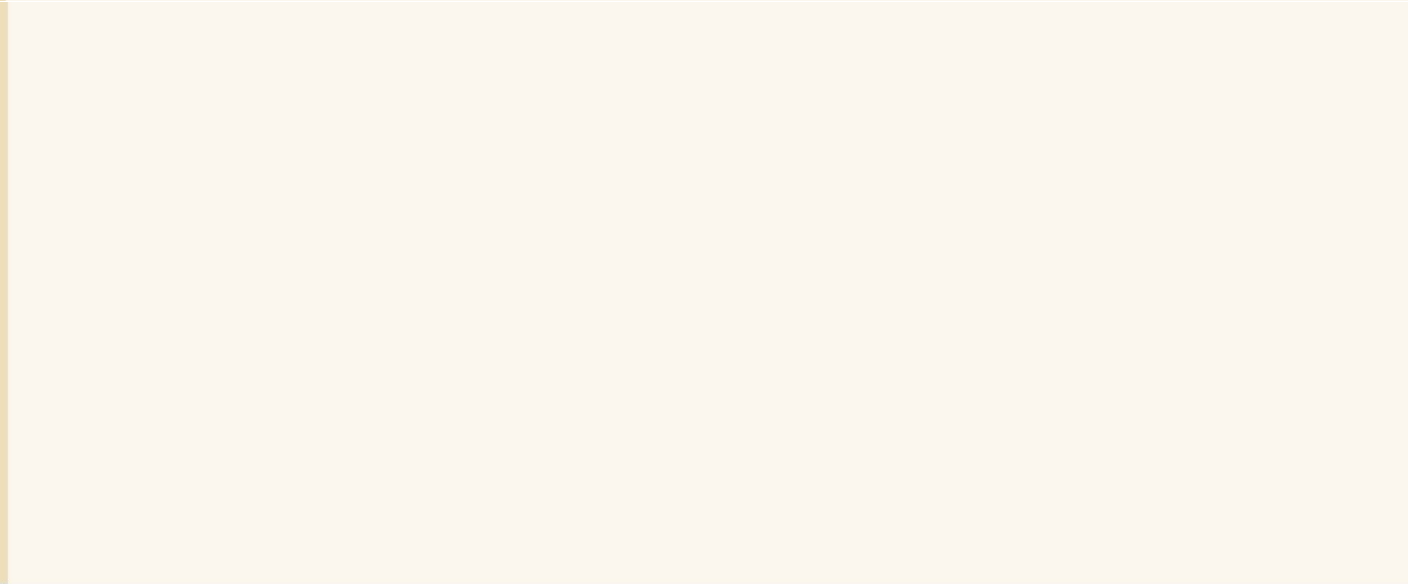
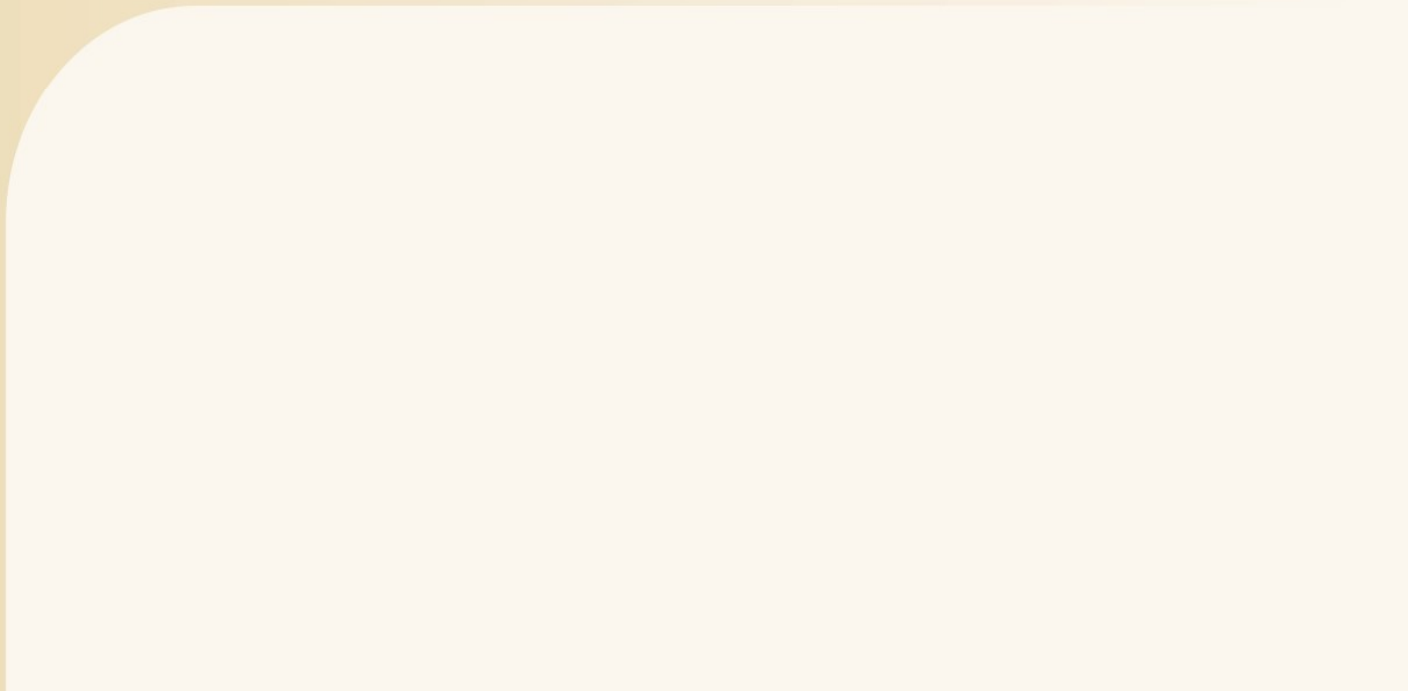
1. Amazon Web Services
2. Asia Cloud Computing Association

3. Asia Securities Industry & Financial Markets Association (ASIFMA)
4. BSA The Software Alliance
5. Deloitte & Touche LLP
6. Ernst & Young LLP
7. IBM Singapore
8. KPMG Services Pte Ltd, Singapore
9. Microsoft
10. RHTLaw Taylor Wessing LLP
11. Salesforce
12. Singapore Exchange Limited
13. Workday
14. Two other respondents under this category requested for confidentiality of identity

**ANNEX B**

**SUBMISSIONS FROM RESPONDENTS TO THE CONSULTATION PAPER ON  
OUTSOURCING BY BANKS AND MERCHANT BANKS**

*Note: Please refer to attachment uploaded separately. Only submissions for which respondents did not request for confidentiality have been included.*



Monetary Authority of Singapore