

INDUSTRY CHECKLIST FOR ASSESSING SERVICE PROVIDER - INITIAL ASSESSMENT

INVESTMENT MANAGEMENT ASSOCIATION OF SINGAPORE
("IMAS")

12 OCTOBER 2016

Checklist for Assessing Service Provider - Initial Assessment

Name of Service Provider: (include intra-group company)	
Business registration number:	
Address of Service Provider:	
List of cities where services will be provided:	
Nature of Business Activity(ies)Outsourced to above Service Provider:	
Business Activity Outsourced is Material?	Yes / No

Evaluation of the Completed Questionnaire (Initial Assessment of Service Provider)

Section	Reviewer	Comment
Section I Organisation Overview, Experience and Competency		
Section II Financial Strength		
Section III Governance, Risk and Compliance		
Section IV Internal Controls, Audit & Regulatory inspection		
Section V Business Continuity Plan (BCP)		
Section VI Insurance Coverage		
Section VII Information Technology, Confidentiality and Security		
Section VIII Sub-contracting		

Director / Chairman of the Outsourcing Committee (or equivalent)

I have reviewed the assessment as laid out above. Subject to the comments below, the Company (Please tick off the box)

- proceed; or
- not to proceed

with the engagement.

Signature:

Name:

Date of review:

Comments: ("N/A" or remarks)

Initial Assessment of Service Provider

To be completed by Service Provider

Name of Service Provider:	
Address:	
Name of Respondent:	
Designation of Respondent:	
Contact Number of Respondent:	
Email Address of Respondent:	
Date:	

Note: Unless otherwise stated, please answer the following questions with respect to the service that you will be providing us.

Section I Organisation Overview, Experience and Capability

(Ref: MAS Guidelines Para 5.4.3(a))

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
1.	Please provide your latest organisation chart showing your organisation and reporting structure and any governance committees such as Audit and Risk Committee. Please include your total staff strength.			
2.	Please provide us the background and experience of the team (including your sub-contractors' employees) that will be servicing our company.			
3.	Please provide a copy of your hiring and screening policies for employees.			
4.	Has there been any material change, over the trailing 12 months, in circumstances (either internally or caused by external environment) which could have a material impact on the provision of services by your firm?			

Section II Financial Strength and Resources

(Ref: MAS Guidelines Para 5.4.3(b))

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
1.	Please provide the latest audited financial statements of your firm.			
2.	<p>What percentage of your trailing 12 months' revenue is generated by a) your largest single client and b) your largest 10 clients?</p> <p>How would a failure of one or several of those clients or counterparties impact your financial stability?</p>			
3.	<i>(For regulated financial institutions only)</i> What are your regulatory capital requirements and current status in meeting these requirements?			

Section III Corporate Governance, Business Reputation and Culture, Compliance, and Pending or Potential Litigation

**(For regulated financial institutions only)*

(Ref: MAS Guidelines Para 5.4.3(c), (d) & (e))

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
1.	*Please describe your firm's regulatory status and which organization(s) is your firm registered with or is a member of.			
2.	*Have there been any material regulatory issues or lapses in relation to the services rendered by your firm in the past year?			
3.	Has your firm, or any of your directors or senior management been subject to any material investigations, disciplinary actions, complaints or been issued a warning or reprimand by any regulatory body in the trailing 12 months? If so, please describe the circumstances. What was done to remedy the situation?			
4.	Please confirm that you have an escalation process within the Company to inform us of any material breaches (including but not limited to confidentiality and security breaches of customer information) in relation the services that will be rendered to us.			

Section IV Security and Internal Controls, Audit Coverage, Reporting and Monitoring Environment

(Ref: MAS Guidelines Para 5.4.3(d), Para 5.9.5)

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
1.	Has a risk assessment (which includes a mapping to controls) been performed around the services rendered to us? Have these controls been implemented and are they operating effectively?			
2.	Has your firm been subjected to any internal audit, external audit or inspections, in the trailing 12 months? If yes, please detail any significant matters relating to services rendered to us that were raised and the status of resolution.			
3.	Has your firm obtained any ISAE 3402 or SSAE 16 certification (or equivalent certification), which includes an assessment of the firm's security (physical and IT) and control environment, and incident management process? Please provide the latest copy of the report, if available.			

Section V Disaster Recovery Arrangements and Disaster Recovery Track Record

(Ref: MAS Guidelines Para 5.4.3(f))

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
1.	<p>How do you ensure that the services can be continuously provided to us (i.e. your service level availability)? Does your firm have written policies and procedures on BCP containing the recovery time objective (“RTO”), recovery point objectives (“RPO”) and resumption operating capacities for the services that you will be providing to us?</p> <p>Does your firm have procedures to monitor unscheduled downtime of systems used in the services provided to us in order to meet the maximum unscheduled downtime (to be agreed with us), where applicable?</p> <p>Please provide a brief summary of your BCP.</p>			
2.	<p>Have there been any disaster or significant interruptions before? If yes, were your plans prudent to tide over?</p>			
3	<p>Please state the date of the last BCP test conducted. Were there any findings from the BCP test in relation to the services that you will be providing to us?</p>			

Section VI Insurance Coverage

(Ref: MAS Guidelines Para 5.4.3(h))

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
1.	<p>Do you currently hold insurance for the following:</p> <ul style="list-style-type: none"> • Director & Officers Liability • Professional Indemnity • Crime (Employee fidelity/third party fraud) • Key Person Insurance • Others (please specify) <p>Please provide coverage information and the name of the carrier(s) for all such policies.</p>			
2.	<p>Have any claims been made against any of the above insurance during the trailing 12 months? If so, please provide more details.</p>			

Section VII Information Technology, Confidentiality and Security

(Ref: MAS Guidelines Para 5.4.3(e), Para 5.6.2 and Para 6)

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
1.	Is your firm, in all material aspects, comply with the MAS Technology Risk Management Guidelines ¹ ?			
2.	Are you using dedicated hardware (i.e. servers/network devices) or cloud services? Does your system architecture involve multi-tenancy and data commingling for the services provided?			

¹ [MAS Technology Risk Management Guidelines June 2013](#)

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
3.	<p>Where cloud services are used, does it take the form of a private or public cloud or a combination of both?</p> <p>If public cloud or a combination of both is used, does your firm have cloud risk governance framework to ensure that control procedures (physical and IT) in place to (a) clearly isolate and clearly identify the firm's customer information and (b) prevent unauthorized access and protect the confidentiality of such information?</p>			
4.	<p>Are there procedures to securely destroy or remove the firm's customer information when the need arises? Please elaborate.</p>			
5.	<p>Where would the firm's sensitive data be stored (i.e. where is the data centre?) Has there been a Threat and Vulnerability Risk Assessment performed on the physical security and environmental controls of the data centre? If yes, what were the key risks and security issues raised and how were they addressed?</p>			

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
6.	<p>Are the following controls and measures put in place?</p> <p>(a) The activities of privileged accounts are logged and reviewed regularly.</p> <p>(b) Audit and activity logs are protected against tampering by privileged users.</p> <p>(c) Access to sensitive files, commands and services are restricted and protected from manipulation.</p> <p>(d) Integrity checks are implemented to detect unauthorized changes to databases, files, programs and system configuration.</p> <p>(e) Password controls for the systems and applications used in providing outsourced services are reviewed for compliance on a regular basis.</p> <p>(f) Access rights for the systems and applications used in providing outsourced services are reviewed for compliance on a regular basis.</p>			

Section VIII Sub-contracting

(Ref: MAS Guidelines Para 5.4.3(g), 5.5.2(j))

S/N	Question	(Yes/No/NA) If yes, please provide the Ref Material	Ref Material	Comments
1.	<p>Do you sub-contract any part of the contracted service to third parties or affiliated companies?</p> <p>If so, please provide their detailed information similar to the cover page (see Page 1) and describe the services sub-contracted by your firm.</p> <p>Please indicate the services which have been newly sub-contracted in the past one year.</p>			
2.	<p>Please provide your policy with respect to monitoring the performance and risk management practices of your sub-contractors.</p>			

<p>Confirmation by Service Provider</p> <p>I confirm the information provided in this “Initial Assessment of Service Provider” is true and accurate.</p>	<p>Signature:</p> <p>Name:</p> <p>Designation:</p> <p>Date submitted:</p>
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