

Banking and Insurance- FAQs

Is Formpipe aware of the regulations applying to financial outsourcing?

Formpipe acts for leading financial institutions in both the UK and the EU.

Formpipe recognises that, as a supplier to the financial services sector, it needs to be aware of, and assist organisations with, their compliance with their regulatory obligations, including under the UK PRA's SS2/21 and the EU Digital Operational Resilience for the Financial Sector Regulation (DORA) (the "**Outsourcing Regulations**").

Does Formpipe consider its services are a material outsourced function?

Some of these regulations impose more stringent requirements where the supplier is deemed to be providing a 'material' outsourced function. Formpipe does not consider that the services it provides constitute material outsourced functions.

The outsourced functions Formpipe may provide its customers, if the customer expressly requests such outsourced functions/services from Formpipe are: Hosting Services and Support Services.

Nevertheless, it has drafted its terms to be compliant with these requirements, in the event an institution deems the services to be caught.

Where has Formpipe set out the mandatory provisions?

Many of the requirements of the Outsourcing Regulations are discharged via our Banking and Insurance Appendix.

This can be requested, where you are subject to the Outsourcing Regulations, and included in your contract with Formpipe.

Some mandatory clauses are however included elsewhere in our contract, reflecting the fact that these provisions also apply to organisations who operate outside the financial sector.

Can you help signpost those mandatory clauses not contained within the Banking and Insurance Appendix?

We have set out below the location of some of the key provisions, where not covered by the Banking and Insurance Appendix. These deal only with the hosting and support services offered by Formpipe, which are the outsourced services it offers.

Obligation	Location
Include a description of the outsourced function and service and information about start dates, end dates, renewals and applicable notice periods	Appendix 2 (Hosting Services), Appendix 3 (Support Services), clause 16 and the Order (which sets out the date the relevant service will commence).
Include a governing law provision	Clause 22.15
Make clear the financial obligations under the contract	The fees are set out in the Order and clause 14.

	Additional obligations regarding taxes are included at clause 15.
Set out the locations at which Formpipe will perform the outsourced function (including storage)	Appendix 2 (Hosting Services), Appendix 3 (Support Services) and the Order (which sets out the storage location chosen by the Customer).
Include provisions regarding accessibility, availability, authenticity, integrity, confidentiality, privacy , and safety of relevant data	<p>The nature of the services provided by Formpipe allow for access to your data at all times (including in the event of your insolvency). Access is subject to the availability commitments regarding hosting contained at paragraph 3 of Appendix 2.</p> <p>The availability of Formpipe's services are set out, for hosting, at paragraph 3 of Appendix 2 and for support at paragraph 3 of Appendix 3.</p> <p>Formpipe provide suitable provisions regarding confidentiality and privacy at clause 9 (Information, data and Customer Materials) and 11 (Data protection), paragraph 2, Exhibit 1 and Exhibit 2 of Appendix 1 (Data protection).</p>
Include provisions setting out the monitoring of the service provision and applicable service levels	<p>The contract contains SLAs and KPIs in Appendix 2 and Appendix 3.</p> <p>The right to monitor Formpipe's performance against these requirements is included at 3.1 of Appendix 2, the inclusion of the audit right at paragraph 7 of the Banking and Insurance Appendix and clause 21 (which allows for the parties to discuss performance concerns).</p>
Maintain suitable insurance coverage	Paragraph 5 of Appendix 1
Include suitable termination and exit provisions (including in stressed circumstances)	In addition to the termination and exit rights set out under paragraphs 8.4, 9 and 10 of the Banking and Insurance Appendix, you have additional termination rights at clause 16.3, clause 22.8 and clause 22.12.
Include suitable obligations to require Formpipe to oversee sub-contracted services	<p>Formpipe agrees, in the Banking and Insurance Appendix, to remain liable for the acts and omissions of the applicable sub-contractors.</p> <p>It also agrees in paragraph 2.1 of Appendix 2 to monitor its sub-contractor to ensure it complies with its performance obligations.</p>

How do you discharge your obligations in relation to Microsoft Azure?

Microsoft Azure is an industry leading provider of hosting services and provides the hosting platform which underpins Formpipe's hosting services.

As one of the industry's dominant players, we cannot pass bespoke requirements on to Microsoft Azure. Instead we have entered into Microsoft's standard financial addendum which seeks to ensure you can get comfortable that the services provided by Microsoft are consistent with your requirements under the Outsourcing Regulations.

By using one of the industry's leading hosting platforms, Formpipe also aims to mitigate any concerns you may have regarding the security of your data.

Are you aware of the information-gathering and investigatory powers of the Bank of England and Prudential Regulation Authority?

Formpipe is aware of these powers.

Are you happy to participate in our security awareness programmes and digital operational resilience training?

Formpipe doesn't generally consider, given the services that it provides, that it's involvement in a customer's awareness programmes and training will be required. We are however happy to help, if you think it is necessary and we can discuss this further with you.

Are there any other points you wanted to tell us about?

We include standard termination rights at clause 16. We recognise these can make it difficult to comply with the Outsourcing Regulations and you should note these have been amended, in circumstances where the Banking and Insurance Appendix is used, to make them compliant with the Outsourcing Regulations.

We also include a suspension right in our contract at clause 17. As above, we recognise this could make it difficult to comply with the Outsourcing Regulations and so it has been disapplied, where the Banking and Insurance Appendix is used.