



For Immediate Release

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**BITS RELEASES FINANCIAL SERVICES IT OUTSOURCING GUIDELINES
FOR PUBLIC COMMENT**

WASHINGTON, DC, September 30, 2003 -- BITS, a nonprofit consortium made up of 100 of the largest financial services institutions in the US, today announced it has released the 2003 *BITS Framework for Managing Technology Risk for Information Technology (IT) Service Provider Relationships* for public comment. This important tool for financial services companies, IT service providers and audit and assessment organizations is the leading document in a series of BITS publications created to help financial services organizations assess IT outsourcing risk. The final *Framework* will be released publicly at the BITS/American Banker Financial Services Outsourcing Conference on November 6 and 7 in Washington, DC.

Originally published in 2001, the *Framework* was subsequently endorsed by the BITS Board of Directors. This groundbreaking publication established practices that closely follow regulatory requirements. The 2003 *Framework* builds on the original publication, responding to regulatory and industry issues that have emerged since 2001, including additional considerations for disaster recovery, security audits and assessments, vendor management, and cross-border relationships. A chart included in the *Framework* compares its language to financial regulatory requirements, including OCC 2001-47 and 2002-16.

“The release of the 2003 *Framework* for public comment is an important part of the *Framework* development process,” said BITS CEO Catherine A. Allen. “We are proud to issue this version of the *Framework* and strongly encourage interested parties to respond.”

“The public release of the *Framework* illustrates the industry’s commitment to working with service providers and audit and assessment organizations to address critical financial services concerns,” said James E. Rohr, Chairman and Chief Executive Officer of The PNC Financial Services Group and Chairman of the BITS Board of Directors. “We value the input of all interested parties in responding to the *Framework*, particularly on the new considerations for security and disaster recovery practices, audit and assessments, and cross-border relationships.”

Financial institutions are outsourcing key functions to IT service providers at unprecedented rates. The BITS IT Service Providers Working Group helps financial services companies identify and mitigate the risks associated with outsourcing and satisfy regulatory requirements.

The 2003 *Framework* comment period will close on October 28, 2003. The final version will be released at the Second Annual BITS/American Banker Financial Services Outsourcing in Washington, DC on November 6 and 7. Speakers at the event will include executives from financial services, regulatory agencies and IT service providers.

The 2003 *Framework* was developed by members of the BITS IT Service Providers Working Group. The Working Group's members include financial services companies of all sizes, as well as representatives from the American Bankers Association, America's Community Bankers, Credit Union National Association, and the Independent Community Bankers of America. Co-Chairs of the Working Group are Viveca Ware, Independent Community Bankers of America, and Lari Sue Taylor, FleetBoston Financial Corporation.

The *BITS Framework for Managing Technology Risk for Information Technology (IT) Service Provider Relationships* will be available through October 28 at the BITS website, www.bitsinfo.org, at www.bitsinfo.org/wp.html. Respondents should send comments to Faith Boettger, BITS, faith@fsround.org.

About BITS

BITS (www.bitsinfo.org) was created in 1996 to foster the growth and development of electronic financial services and e-commerce for the benefit of financial institutions and their customers. A nonprofit industry consortium that shares membership with The Financial Services Roundtable, BITS seeks to sustain consumer confidence and trust by ensuring the security, privacy and integrity of financial transactions. BITS works as a strategic brain trust to provide intellectual capital and address emerging issues where financial services, technology and commerce intersect, acting quickly to address problems and galvanize the industry. BITS' activities are driven by the CEOs and their appointees—CIOs, CTOs, Vice Chairmen and Executive Vice Presidents—who make up the BITS Executive Committee, BITS Advisory Group and BITS Council.

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