GOVERNMENT BLOCKCHAIN ASSOCIATION, REMI ALLI

Proposal and Comment Information

Title: Proposed Third-Party Risk Management Guide for Traditional Community Banking Organizations, OP-1880

Comment ID: FR-2026-0030-01-C22

Submitter Information

Organization Name: Government Blockchain Association

Organization Type: Organization

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Thank you

FORMAL SUPPLEMENTAL TECHNICAL COMMENT MEMORANDUM • PUBLIC ADMINISTRATIVE RECORD

Supplemental Technical Comment: Proposed Interagency Guidance on Third-Party Relationships: Risk Management (91 FR 58536) & Community Bank Guide (91 FR 58439)

Submitted By: Remi Alli (Government Blockchain Association) | **Jurisdiction:** Pennsylvania, USA

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Recipient Agencies: Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation (FDIC), and National Credit Union Administration (NCUA)

Primary Docket ID: OCC-2026-0793 | **Federal Register Citations:** 91 FR 58536 (Sept. 15, 2026) & 91 FR 58439

Companion 2026 SSRN Working Paper Series Abstract IDs: 7696443, 7696478, 7696482, 7696640, and 7696621

1. Executive Standing & Purpose of Supplemental Filing

This Supplemental Technical Comment Memorandum is respectfully submitted for inclusion in the permanent administrative record of **Docket No. OCC-2026-0793** regarding the *Proposed Interagency Guidance on Third-Party Relationships: Risk Management* (91 FR 58536) and the companion *Proposed Guide for Traditional Community Banking Organizations* (91 FR 58439). Building upon initial docket commentary, this filing provides four concrete, exam-ready regulatory redlines—backed by a five-paper working paper series indexed on the Social Science Research Network (SSRN Abstract IDs **7696443**, **7696478**, **7696482**, **7696640**, and **7696621**)—designed to prevent cascading fourth-party contagion, eliminate unilateral cross-border regulatory drag, and establish proportionate safe harbors for community institutions.

2. Four Structural Critique & Redline Proposals for the Final Guidance

Proposal A: Endorse a 27-Point Three-Axis Contagion Engine Over Flat 2D Checklists (Section III.A — Planning & Risk Assessment)

Structural Critique: Relying on static two-dimensional "High/Moderate/Low" vendor ratings obscures systemic exposure where fourth-party sub-processor concentration intersects with sub-second API or payment settlement velocity. Drawing upon multi-planar contagion analytics established by Dr. Christopher William Smithmyer (*Digital Exchequer: Crypto Analytics Through Crypto-Cubism*; *Dragons of The Digital Age*), the Final Guidance should validate multiplicative scoring across three orthogonal planes (Operational Dependency × Fourth-Party Entanglement × Settlement/Data Velocity, scored 1–3 per axis for a 1–27 composite range).

> ***Proposed Final Guidance Text:*** *"Banking organizations may calibrate due diligence and ongoing monitoring intensity using a three-dimensional scoring model evaluating direct operational criticality, fourth-party sub-processor concentration, and transaction or data-exfiltration velocity, reserving enhanced continuous telemetry and board-level sign-off for relationships scoring in the upper contagion tier (18–27)."*

Proposal B: Recognize a 14-Day Technical Mediation Safe Harbor Prior to Unilateral Termination (Section III.C & Section III.E)

Structural Critique: Treating abrupt contract termination as the primary remedy for vendor control deficiencies generates severe operational shock when a core processor, cloud host, or clinical data exchange is disconnected prematurely. Synthesizing conflict-resolution methodology (Dr. Christopher William Smithmyer) with cross-organizational governance ethics (Dr. Remi Alli, *195: Business, Culture and Ethics Worldwide*), agencies should recognize time-boxed technical mediation as an acceptable supervisory remediation tool.

> ***Proposed Final Guidance Text:*** *"Where a third-party relationship supports critical activities, banking organizations are encouraged to incorporate tiered escalation and time-boxed technical mediation protocols (e.g., a 14-calendar-day supervised remediation window) prior to unilateral service suspension, except where immediate API token isolation is required to halt active data exfiltration or liquidity drain."*

Proposal C: Synchronize 24-Hour Upstream Breach Flow-Downs & Cross-Border Addenda (Section III.D — Ongoing Monitoring)

Structural Critique: Legacy vendor SLAs granting five to ten business days for incident notice conflict directly with the SEC Form 8-K Item 1.05 four-business-day materiality clock, CISA CIRCIA 72-hour reporting rules, and modernized SEC Regulation S-P / HIPAA notification timelines. Furthermore, unilateral domestic rules without modular cross-border addenda create compliance friction across global digital settlement rails (Smithmyer, *Web3 and Fintech in Business*).

> ***Proposed Final Guidance Text:*** *"For critical technology, cloud, and digital settlement providers, contractual service-level agreements should establish preliminary incident telemetry notification within 24 hours of confirmed unauthorized access—flowed down to critical fourth-party sub-processors—alongside modular cross-border compliance addenda where services span multiple supervisory jurisdictions."*

Proposal D: Protect Audited Governance Workflows & Enforce Zero-Data-Retention Covenants (Section III.B — Due Diligence)

Structural Critique: As demonstrated in *Tokenize Everything* (Dr. Remi Alli), structured governance frameworks, proprietary clinical/credit pathways, and machine-readable audit ledgers constitute balance-sheet operational intellectual property. When regulated firms deploy third-party foundation models or analytics APIs, contracts must bar vendors from training commercial models on institutional prompts or customer records.

> ***Proposed Final Guidance Text:*** *"Due diligence and contracting for third-party artificial intelligence and analytics providers should incorporate explicit Zero-Data-Retention (ZDR) and intellectual property isolation covenants prohibiting third-party providers from retaining, logging, or training proprietary models on banking organization data or customer records."*

3. Companion 2026 SSRN Working Paper Series (Permanent Administrative Record Links)

The empirical models, scoring workbooks, and sector-specific redlines supporting this filing are published across five self-funded working papers authored by **Remi Alli (Government Blockchain Association)** on SSRN:

Series & ID	Working Paper Title & Domain Alignment	Permanent SSRN URL
Paper 1 of 5 ID: 7696443	*Multi-Dimensional Vendor Contagion and Tiered De-Escalation Under Proposed Interagency Third-Party Risk Management Guidance (91 FR 58536)*	https://papers.ssrn.com/sol3/papers.cfm?abstract_id=7696443
Paper 2 of 5 ID: 7696478	*Cross-Border Stablecoin Reserve Segregation and Crypto-Cubism Contagion Modeling Under Multi-Jurisdictional Supervisory Mandates*	https://papers.ssrn.com/sol3/papers.cfm?abstract_id=7696478
Paper 3 of 5 ID: 7696482	*Algorithmic Accountability, Zero-Data-Retention Covenants, and Supervisory Kill-Switch Protocols in Regulated Enterprise AI*	https://papers.ssrn.com/sol3/papers.cfm?abstract_id=7696482
Paper 4 of 5 ID: 7696640	*Synchronized Breach Clocks and Fourth-Party Cyber Contagion Modeling Under SEC Reg S-P, Item 1.05, and CIRCIA*	https://papers.ssrn.com/sol3/papers.cfm?abstract_id=7696640
Paper 5 of 5 ID: 7696621	*Differential Diagnostic Rigor, Emergency Escalation, and Algorithmic Transparency in Regulated Healthcare & Telehealth Systems* (incorporating clinical diagnostic frameworks by Chancellor Dr. Benjamin Alli, RCPSUS)	https://papers.ssrn.com/sol3/papers.cfm?abstract_id=7696621

4. Foundational Scholarly & Statutory Authorities

- **Alli, Benjamin** (Chancellor, The Royal College of Physicians & Surgeons USA, https://www.rcpsus.com/). *Management of an Unconscious Pediatric Patient*; *Selective Diagnosis And Causes of Death*; *The Tropical Medicine Handbook*; and *Not Just Covid*. RCPSUS Publications.
- **Alli, Remi** (JD, MS, CIO, Black Wallet Limited; Government Blockchain Association). *Tokenize Everything*; and *195: Business, Culture and Ethics Worldwide*.
- **Smithmyer, Christopher William** (PhD, LLM, JD, CEO, Black Wallet Limited). *Dragons of The Digital Age*; *Web3 and Fintech in Business*; *Digital Exchequer: Crypto Analytics Through Crypto-Cubism*; and *The Stablecoin Book*.
- **Board of Governors of the Federal Reserve System, FDIC, OCC, & NCUA.** *Proposed Interagency Guidance on Third-Party Relationships: Risk Management*, 91 FR 58536 (Sept. 15, 2026) (Docket No. OCC-2026-0793), and *Proposed Guide for Traditional Community Banking Organizations*, 91 FR 58439.

Submission & Disclosure Notice: *Respectfully submitted on November 12, 2026 by Remi Alli (Government Blockchain Association). This supplemental technical comment and its companion SSRN working paper series were self-funded by the author with no external grants or third-party financial sponsorship, and are provided for public policy and institutional governance education purposes only.*