[Large Fintechs and Other Payments Companies Move to a Single Exam for Nationwide Regulatory Compliance]

PRESS RELEASES

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Washington, D.C. — The Conference of State Bank Supervisors (CSBS) announced today that 13 nationwide payments firms have undergone or are currently undergoing their single comprehensive exams in the first quarter of 2021 as part of the One Company, One Exam program.

“Our goal of completing single, coordinated exams for each nationally operating money service business in 2021 is an important part of our evolution from the siloed system of the past to a nationwide federated system of licensing and supervision,” said **John W. Ryan**, CSBS President and CEO.

Implementing the One Company, One Exam program for MSBs and expanding the program to nonbank mortgage companies are two of state regulators’ recently released eight priorities for advancing Networked Supervision. Those priorities also include nationwide adoption of the multistate licensing agreement for MSBs, building and launching a modernized NMLS, and coordinated cyber-risk examinations for all regulated nonbank companies.

The One Company, One Exam initiative for MSBs aims to satisfy all state examination requirements and applies to companies that operate in 40 or more states. Each exam is led by one state overseeing a multistate group of examiners with a wide range of expertise, including cyber security and anti-money laundering.

“One Company, One Exam takes a risk-based approach to company operations, which allows state regulators to focus on issues that directly impact consumers and frees individual state resources to be deployed more effectively,” said **Kevin Hagler**, CSBS Chairman and Georgia Department of Banking and Finance Commissioner. “There’s no need to duplicate exams of my fellow states when I can rely on their expertise and they on mine.”

Andrea Donkor, Vice President, Head of Global Regulatory Relations at PayPal, said, “We are pleased that the CSBS has been consistent in seeking industry insights and partnership to understand opportunities for streamlined supervision. CSBS’s One Company, One Exam initiative is a transformative moment that maintains the rigor of regulatory oversight while reducing undue regulatory impact on the industry.”

One Company, One Exam was initially developed as part of the states' Vision 2020 initiative and became a program for MSBs in late 2020 after a successful pilot with several companies. The program is now a key component of the states' Networked Supervision strategy to unite the state system through uniform standards and technology.

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