



# *GSE Activity Report*

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Wednesday, June 29, 2022

## *Sliding Into Fourth*

In response to a request from its [Inspector General](#), FHFA renewed the commitment to fourth-party supervision. It now states that it will look even harder at GSE fourth-party risk management, assess trends in this sector, and take a look at rewriting current guidance to capture these exogenous, but nontrivial, risks. FHFA is hard-pressed to reach directly to fourth parties since it's alone among major regulators with no authority to scrutinize third-party service providers. However, it can and apparently will tell the GSEs to do more to reduce risks that come at them by way of subservicers, cyber-security providers, MI reinsurers, and other counterparties, affiliates, and vendors critical to GSE operations. No timeline or specifics are provided.