



This Rules/Policy document is provided to you and your organization as a starting point or maturity checkpoint for existing rules/policies. It is brought to you on behalf of Jim McConnell, Principal Owner, and Ask McConnell, LLC – A Converged Security Services Provider. The content is not meant to cover every circumstance, industry, law, regulation, contractual requirement, threat, environment, or risk, but it provides an easy, defensible, highly accountable starting point for any organization. Please consult with your legal counsel and insurance provider about added requirements. If you know of peers that you think would find value in these resources, please have them contact us. These will be updated on our website regularly. We are not legally protecting these documents; we just ask for credit, shout-outs, and referrals if you find them helpful. If you have recommended updates, we are all ears. And if you need Converged Security Consulting and Training, please reach out, we would be honored to serve you and your organization.

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Supplier / Customer Due Diligence

Updated: 23 March 2025

Protecting human lives is the highest requirement of our entire organization, whether they are employees, customers, volunteers, visitors, or part of our supply chain while under some nexus to our organization. Knowing who our suppliers and customers are is not just for marketing, customer service and passion to serve but it is also important to not do business with suppliers or customers that could negatively impact our resources and brand due to their lack of integrity or part of illegal activities.

Reasonableness: Doing due diligence of Chipotle, that is used for the company picnic or Billy Bob buying some plumbing supplies from you, isn't practical. Developing a DD Criteria is critical.

Definition:

Due Diligence: A minimum set of checks, verification & validation on a company and its principal leadership to check for various reputation issues that could impact our organization

Supplier: Generally speaking, a company that we pay, directly or indirectly, that can have a financial, reputation, or brand impact, positive or negative.

Rules

- I will report supplier and customer security concerns, vulnerabilities, and threats to my supervisor or the organization's Ethics Hotline as soon as discovered.
- I will verify that a due diligence is completed on all suppliers that I use, required to have a due diligence before receiving products or services from them or providing them any access to organization assets.
- I will verify that a due diligence is completed on all customers, that I service, required to have a due diligence before starting to service them or delivering products to them.
- If I am responsible for supplier and customer due diligence, I will perform all checks as required by law, regulations, and customer requirements before releasing the entity to service or being serviced by our organization. Additionally performing the following checks, at a minimum (USA nomenclature):

OFAC / GSA Checks	Anti-bribery, Corruption checks
State Licensing	Publicly published Privacy Policy
State Incorporation	Publicly published Code of Conduct Policy
Any required licensing	Publicly published Ethics Hotline / Reporting policy
EIN/TIN Verification	Dun & Bradstreet
Adverse Media	Glassdoor
Address(es) Checks	Better Business Bureau
Criminal checks on principal leadership	Customer References (for Suppliers)
4 Bureau Credit Check	

- I will make sure all due diligences are updated at least yearly or sooner if required.
- I will hold all products and services from suppliers and to customers, that I use/service, if a due diligence is found to have flags of non-compliance or "red-flags".

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Signature Note: I am a huge fan of wet signatures on these types of documents for accountability and investigation reasons. So you can add the parts below to each rule/policy document or have a collective wet signature and references in the Security Agreement document, located on the same webpage you got this rule / policy from. Organizational preference.

Print Full Legal Name

(Blue Ink) full Legal Name Signature
Style of signature must closely match Driver's License

Date
