

# Republic Bank of Chicago Partners with Kobalt Labs to Modernize Third-Party Risk and Compliance Oversight

CHICAGO, IL, UNITED STATES, June 11, 2026 /EINPresswire.com/ -- Republic Bank of Chicago today announced it has selected Kobalt Labs, the AI-native compliance platform for financial institutions, to streamline back office compliance workflows. The initial rollout will replace Republic Bank's existing vendor management software and automate its annual policy review process, with further expansion into fintech partner diligence and marketing collateral review.

The partnership reflects Republic Bank of Chicago's broader focus on strengthening operational resilience, risk visibility, and scalable compliance as vendor portfolios, fintech partnerships, and regulatory expectations continue to grow in complexity. Based on initial testing, Republic Bank expects Kobalt to reduce cycle times for certain review and diligence processes by up to 80%, while improving consistency and documentation across the review process.

"At Republic Bank of Chicago, we view AI as a way to strengthen control quality, consistency, and decision support - not as a replacement for expert judgment," said Madhu Reddy, EVP and Chief Information Officer at Republic Bank of Chicago. "Third-party due diligence, policy oversight, and fintech partner reviews are critical to how we protect our customers and the institution. Kobalt gives our teams a more scalable way to identify risks earlier, document decisions more consistently, and focus our experts on the judgment calls that matter most."

## Why Republic Chose Kobalt

Republic Bank selected Kobalt after an extensive evaluation and testing process focused on identifying a scalable platform with consistent execution across multiple risk and compliance workflows. Kobalt distinguished itself through tailored workflows focused on financial institutions, built on top of powerful AI-enabled evidence extraction, automated control identification, gap analysis, and risk memo generation. The platform delivered faster and more rigorous results than both traditional manual processes and competing solutions.

Republic Bank also emphasized Kobalt's understanding of community banking, regulatory expectations, and the practical operating needs of lean risk and compliance teams. Kobalt carries the endorsement of the Alloy Labs Consortium, of which Republic Bank is a member. Republic Bank joins fellow consortium banks including Emprise Bank, Core Bank, and Lincoln Savings Bank in selecting Kobalt as their compliance partner of choice.

"Republic Bank joins a growing group of Alloy Labs member banks that are rethinking how risk and compliance work gets done," said Jason Henrichs, founder and CEO of Alloy Labs. "Kobalt has consistently helped member banks reduce manual effort, create more consistent defensible risk management programs, and strengthen exam preparedness. We're excited to see Republic build on that momentum as it modernizes its third-party risk and compliance operations."

## From Vendor Onboarding to Offboarding

As an initial deployment, Republic Bank expects to use Kobalt to manage the entire vendor lifecycle from onboarding to ongoing monitoring, including document intake, automated control extraction and validation, and automated risk memos across financial, compliance, and information security risk areas. The platform will go live in the summer of 2026.

The partnership comes as banks across the country reassess how they manage third-party risk, vendor oversight, fintech partnerships, and compliance workflows in an environment of rising regulatory expectations and growing operational complexity. The Kobalt Labs partnership is one of several investments Republic Bank is making to ensure its risk and compliance function can keep pace with the volume and complexity of the work ahead.

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### About Republic Bank

Republic Bank of Chicago is a locally owned and operated financial institution serving communities across Chicagoland. The bank provides a full suite of commercial and consumer services, including business lending, treasury management, personal banking, and digital banking solutions. Learn more at <https://www.republicbank.com>.

### About Kobalt Labs

Kobalt Labs is the AI-native TPRM and compliance platform built for financial institutions. Kobalt eliminates the manual steps from third-party reviews of vendors and fintech partners by extracting critical evidence and highlighting gaps in supplied documentation within minutes. Always synced to evolving state and federal regulations, Kobalt gives teams instant clarity on compliance and third-party risk, delivering consistency and speed that manual work can't match. Learn more at <https://www.kobaltlabs.com>.

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