



225 South East Street, Suite 300
Indianapolis, IN 46202
elements.org | (800) 621-2105

January 12, 2017

Thomas J. Curry, Comptroller of the Currency
Office of the Comptroller of the Currency
400 7th Street, SW
Washington, D.C. 20219

Dear Mr. Curry:

I am writing this letter on behalf of the members of Elements Financial Federal Credit Union, the Board of Directors and management regarding the Office of the Comptroller of the Currency's (OCC) chartering of special purpose national banks for Fintech companies.

The banking industry will continue to innovate to provide value-added services to consumers and regulators should be supportive of those who wish to move the industry forward to improve service and convenience. Innovation can also lead to enhanced internal fraud protection capabilities and may create operational efficiencies.

Elements Financial believes the introduction of Fintech companies into the banking space underscores the need to modernize existing regulatory rules, regulations, and laws to facilitate greater access to credit for consumers, with common sense disclosure requirements.

Unregulated nonbank companies that offer banking-related products potentially harm the industry through (i) gross disparities in compliance costs and (ii) consumer confusion resulting from inconsistent consumer protections, inconsistent product advertisement and disclosure requirements, and no federal insurance protections. We recognize the chartering of new players may create new challenges for the industry. An appropriately designed charter should allow innovation scrutiny and best practice guidance and creates a level playing field which will encompass appropriate safeguards for consumers as well as regulators.

We agree with the OCC that applying a bank regulatory framework to Fintech companies will provide a safe and sound environment to effectively serve the needs of consumers. We believe a special purpose national bank should engage only in activities which are permissible to national banks. Banking activities should naturally progress and evolve. That being stated, we encourage the OCC to regulate special purpose national banks in a manner which upholds appropriate and consistent Truth in Lending standards, underwriting standards, and applicable usury laws in an

effort to protect both consumers as well as the industry. In order to perpetuate confidence within the banking system, all types of banks should be subject to prudent capital requirements commensurate with the risks and complexities of the organization's activities.

We applaud the OCC's plan to work with several regulators and the CFPB to avoid inconsistencies between regulators and to create better standard examination requirements. Elements Financial appreciates the opportunity to comment on this endeavor as well as the OCC's willingness to work with all regulators to determine the best actions.

Thank you for your consideration,

//S//

Joseph R. Hasto, Jr.

Chief Financial Officer

Elements Financial Federal Credit Union

jhasto@elements.org

317-524-5051