

# Mutual Savings Association Advisory Committee Meeting

April 27, 2021



# OCC Introductions

**Blake Paulson**, *Acting Comptroller*

**Sydney Menefee**, *Senior Deputy  
Comptroller for Midsize and Community  
Bank Supervision*

**Michael Brickman**, *Deputy Comptroller for  
Thrift Supervision*

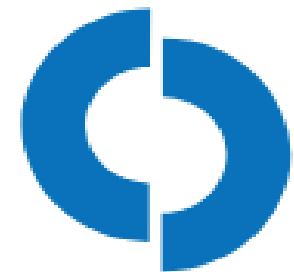
**Charlotte Bahin**, *Senior Advisor for Thrift  
Supervision*





## OCC District Deputy Comptrollers

- **Karen Boehler** – Western District
- **Troy Thornton** – Southern District
- **Beverly Cole** – Northeastern District
- **Brian James** – Central District



# Welcome MSAAC Members

## Returning

**Ana Babiasz**, *President and CEO of Fidelity Federal Savings and Loan Association, Delaware, OH*

**John Coyne III**, *President and CEO of Big Horn Federal Savings Bank, Greybull, Wyoming*

**Brian North**, *President and CEO of Fifth District Savings Bank, New Orleans, LA*

**Dennis L. Parente**, *President and CEO of Foxboro Federal Savings, Foxboro, Massachusetts*

**Annette Russell**, *President and CEO of Security Federal Savings Bank, Logansport, Indiana*

## New

**David Barksdale**, *President and CEO of Piedmont Federal Savings Bank, Winston-Salem, North Carolina*

**George Hermann**, *President and CEO of Windsor Federal Savings, Windsor, Connecticut*

**James (Jay) McKenna**, *President and CEO of North Short Bank, Brookfield, Wisconsin*

**David Reynolds**, *President and CEO of Home Federal Bank of Tennessee, Knoxville, Tennessee*

**Thomas Rudzewick**, *President and CEO of Maspeth Federal Savings and Loan Association, Maspeth, New York*

# Federal Advisory Committee Information

- MSAAC is a federal advisory committee established under the Federal Advisory Committee Act
- The purpose of MSAAC is to advise the Comptroller and OCC staff on mutual issues
- Each member is a representative member
- Meetings are public
  - Members of the public attend, and may only participate in the designated public comment period of the meeting
  - Minutes are taken
  - Materials are available on the MSAAC page of OCC.gov and on the Treasury Department's Federal Advisory Committee database.

# MSAAC Accomplishments and Influence

- [OCC Bulletin 2014-35](#) – *Mutual Federal Savings Associations: Characteristics and Supervisory Considerations* – July 2014
- [An Opportunity for Community Banks: Working Together Collaboratively](#) – January 2015
- Covered Savings Association – Statute, Regulation, and Guidance
- [Key Differences Among National Bank, Federal Savings Association, and Covered Savings Association Requirements](#) – July 2019
- Annual Mutual Forum – Save the date for June 29, 2021

# MSAAC Focus Areas

- Examination feedback and education
- Capital
- Chartering – Benefits of Mutuality
- Diversity and Inclusion – Banking the unbanked and underbanked
- Corporate transactions – liquidations, supervisory conversions, MHCs, mergers
- ?

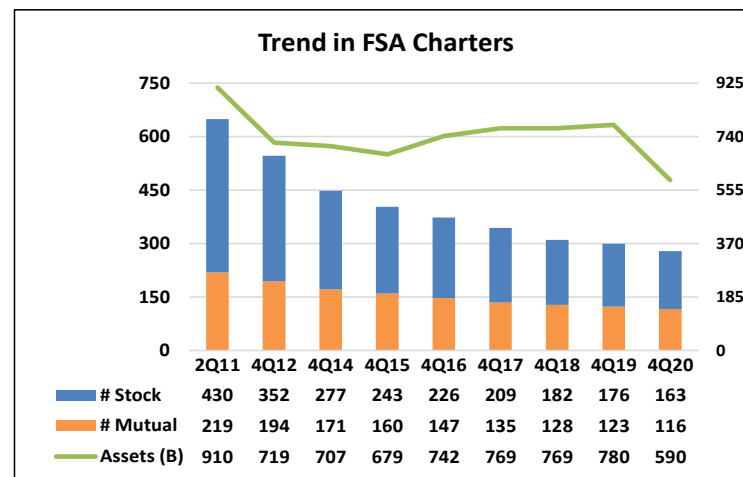
# Covered Savings Association Update

- 21 federal savings associations have made the election to become covered savings associations.
- 52 percent of CSAs are mutuals.
- The OCC is having ongoing conversations with multiple FSAs contemplating making the election.
- On April 1, 2021, the Federal Reserve Board of Governors issued two interpretive letters on the treatment of CSAs and their holding companies. Please contact the FRB with any questions.



# Mutual Trends

- The OCC supervised 1,094 NBs and FSAs as of December 31, 2020. The OCC supervised 279 FSAs, of which mutual FSAs represent 140 charters (12.8 percent of total charters)
- Over the past ten years the number of OCC supervised “pure” mutuals declined from 219 at integration to 116 at year end 2020.
  - 33 percent converted to a stock form of organization
  - 32 percent were acquired (19.4 percent by federal charters, 12.6 percent by state charters)
  - 30.1 percent converted to state charters
  - 3.8 percent failed
  - 1 percent liquidated
- The mutual consolidation trends mirror the broader community bank population, but mutual consolidation is slower than compared to stock FSAs.



# Mutual Forum Planning

- The Forum is June 29, 2021. It will be virtual and will include both federal and state-regulated mutuals.
- We are soliciting panel topic areas and volunteers to participate on panels
  - Keynote will be Acting Comptroller Paulson and FDIC Chair McWilliams
  - Each general session panel will have banker and regulator speakers
  - There will be agency-specific breakouts to meet with OCC, FDIC, or FRB leadership
  - Topics under consideration include cybersecurity/ransomware, benefits of mutuality, economics update, COVID lessons learned
- Outreach to mutual peers