The Clearing House
At the Center of Banking Since 1853®

April 14, 2017

Via Electronic Mail

Office of the Comptroller of the Currency
400 7th Street, S.W.
Washington, D.C. 20219

Re: Draft Licensing Manual Supplement for Evaluating Charter Applications From Financial Technology Companies (NR 2017-31)

Ladies and Gentlemen:

The Clearing House Association L.L.C.[1] appreciates the opportunity to comment on the draft supplement to the *Comptroller's Licensing Manual* published by the Office of the Comptroller of the Currency ("OCC") entitled *Evaluating Charter Applications From Financial Technology Companies*.[2] The draft supplement would provide information regarding how the OCC intends to consider applications for a special-purpose national bank ("SPNB") charter from

[1] The Clearing House is a banking association and payments company that is owned by the largest commercial banks and dates back to 1853. The Clearing House Association L.L.C. is a nonpartisan organization that engages in research, analysis, advocacy and litigation focused on financial regulation that supports a safe, sound and competitive banking system. Its affiliate, The Clearing House Payments Company L.L.C., owns and operates core payments system infrastructure in the United States and is currently working to modernize that infrastructure by building a new, ubiquitous, real-time payment system. The Payments Company is the only private-sector ACH and wire operator in the United States, clearing and settling nearly $2 trillion in U.S. dollar payments each day, representing half of all commercial ACH and wire volume.

[2] OCC, *Comptroller's Licensing Manual Draft Supplement: Evaluating Charter Applications From Financial Technology Companies* (Mar. 15, 2017), available at https://www.occ.gov/publications/publications-by-type/licensing-manuals/file-pub-lm-fintech-licensing-manual-supplement.pdf.

financial technology ("FinTech") companies, and is largely consistent with a white paper issued by the OCC on the same topic in December 2016.[3]

As you know, the Clearing House submitted a comprehensive letter on the December 2016 white paper that raised a number of significant procedural and policy questions and concerns that we believe must be thoroughly considered and satisfactorily addressed before national bank charters are made available to FinTech companies. These included, among others, the need for (i) a clear and transparent regulatory and supervisory framework for SPNBs, (ii) regulatory coordination with other relevant agencies necessary to ensure that well-established principles of bank regulatory policy are not undermined as FinTech companies are incorporated into the supervised financial services sector, (iii) consistent, rigorous, and transparent application of consumer protection and financial inclusion measures, and (iv) a formal rule-making process which complies with the Administrative Procedure Act. Because neither the draft supplement nor the accompanying explanatory materials meaningfully addresses our questions, comments and concerns, we reiterate and resubmit them all here, attaching our prior comment letter as Annex A hereto.

In addition, we offer two comments on new issues raised by the draft supplement:

1. <u>The OCC should clarify what qualifies as a "FinTech" company and what would constitute "core banking activities" for purposes of determining charter eligibility.</u>

We believe further consideration should be given to the scope of activities that would constitute "core banking activities." We agree with the OCC that "the National Bank Act . . . [is] sufficiently adaptable to permit national banks to engage in new activities as part of the business of banking or to engage in traditional activities in new ways."[4] The OCC's interpretations of what is part of the business of banking, however, have virtually always been made in the context of considering what activities are ***permissible*** for entities that are already licensed and regulated as national banks and, therefore, are assumed to engage in core banking activities. When determining whether the applicant's proposed activities are core banking activities, the OCC faces quite a different question: namely, what activities are ***necessary*** for a company to undertake in order for it to be eligible to be licensed as a national bank. As such, the OCC's previous interpretations regarding what activities are permissible for a national bank as part of the business of banking are not necessarily directly relevant for determining what activities

---

[3] OCC, *Exploring Special Purpose National Bank Charters for Fintech Companies* (Dec. 2, 2016), available at https://www.occ.gov/topics/bank-operations/innovation/special-purpose-national-bank-charters-for-fintech.pdf.

[4] Licensing Supplement at 5.

qualify as core banking activities in this particular context, and relying on such interpretations without further analysis could lead to unintended results.

To illustrate the point, consider that the OCC suggests that "purchasing bank-permissible debt securities" would, on its own, constitute a core banking activity.[5] This appears to imply that a closed-end investment vehicle, such as one that invests in investment grade debt securities, would be engaged in a core banking activity and therefore could be eligible for a national bank license, assuming it also qualifies as a FinTech company.

We do not believe this is the OCC's intent, and we therefore urge the OCC to undertake a more thorough consideration of the appropriate scope of what qualifies as a FinTech company and what would constitute core banking activities. Specifically, we suggest that the OCC provide guidance that allows a company to determine (1) whether or not it is a FinTech company and (2) whether or not its business activities would be core banking activities in the context of FinTech as opposed to full-service charter banking. The interrelated definitional issues surrounding "FinTech" and "core banking activities" are critical to the sanctity of the national bank charter and so we recommend that the OCC request public comment when issuing this guidance so that all stakeholders can weigh in.

2. <u>The OCC should clarify the types of commercial activities it deems appropriate to commingle with banking activities.</u>

The draft supplement states that "the OCC will not approve proposals that would result in an inappropriate commingling of banking and commerce."[6] Here, it would be useful if the OCC could provide additional information (and also seek public comment) on how its views on the "inappropriate commingling of banking and commerce" align with or differ from the existing U.S. statutory and regulatory restrictions on the commingling of banking and commerce that are applicable to bank holding companies under the U.S. Bank Holding Company Act and the Federal Reserve's Regulation Y.

* * *

[5] *Id*.

[6] *Id.* at 7.

If you have any questions or need further information, please contact John Court of The Clearing House (e-mail: john.court*@theclearinghouse.org*; 202-649-4628).

Respectfully submitted,

John Court
Managing Director and Deputy General Counsel
The Clearing House Association L.L.C.

ANNEX A

January 17, 2017

Via Electronic Mail

Office of the Comptroller of the Currency
400 7th Street, S.W.
Washington, D.C. 20219

Re: Exploring Special Purpose National Bank Charters for Fintech Companies (NR 2016-152)

Ladies and Gentlemen:

The Clearing House Association L.L.C., the Independent Community Bankers of America, and the Securities Industry and Financial Markets Association (collectively, the "**Associations**")[1] appreciate the opportunity to comment on the white paper published by the Office of the Comptroller of the Currency (the "**OCC**") entitled *Exploring Special Purpose National Bank Charters for Fintech Companies* (the "**White Paper**").[2] The White Paper discusses innovation in the financial services industry and announces the OCC's initiative to offer special purpose national bank ("**SPNB**") charters to eligible financial technology ("**FinTech**") companies. In connection with publishing the White Paper, Comptroller of the Currency Thomas Curry announced that the OCC "would move forward with considering applications from companies to become special purpose national banks."[3]

As is evident in the White Paper itself, there are multiple, fundamental policy and other issues that need to be considered and resolved before SPNB charters can be issued to FinTech

---

1 Descriptions of the Associations are provided in *Annex A* of this letter.

2 OCC, *Exploring Special Purpose National Bank Charters for Fintech Companies* (Dec. 2, 2016), available at https://www.occ.gov/topics/bank-operations/innovation/special-purpose-national-bank-charters-for-fintech.pdf.

3 OCC, *OCC to Consider Fintech Charter Applications, Seeks Comment* (Dec. 2, 2016), available at https://www.occ.gov/news-issuances/news-releases/2016/nr-occ-2016-152.html.

companies. These relate, among other things, to the nature and extent of regulation and supervision of these institutions, the factors supporting issuance of a particular charter, the views of other agencies, financial inclusion and consumer protection, safety and soundness, and competitive equality. In our view, this comprehensive analysis of these complex issues is necessary because chartering a new category of national banks as contemplated in the White Paper represents a significant shift in the bank regulatory approach and philosophy.

Because SPNBs would have "the same status and attributes under federal law as a full-service national bank," we believe that many critical issues associated with SPNBs, including those discussed below, must be carefully considered and a robust regulatory and supervisory framework adopted before the OCC should grant SPNB charters.[4] In the FinTech context, clear and comprehensive regulation is a particularly difficult issue because FinTech is not one type of business, but a term that encompasses a multitude of business plans, products, and services. For instance, the operations and business considerations of a marketplace lender, a payments processor, and a service provider using distributed ledger software — and the risks that the activities of such market actors may pose to the financial system if not properly managed and supervised — are thoroughly different. Further, the risks associated with customer-facing and non-customer-facing FinTech companies are likely to be different as well. Accordingly, we believe that the OCC and other relevant regulators must provide a clear and comprehensive regulatory and supervisory framework before the OCC charters SPNBs, and we hope that our comments are helpful in the crafting of that framework.

Summary of Key Comments

We have summarized our key comments below and discuss them in greater detail in the subsequent pages:

- The OCC should provide the public with more concrete guidance on the OCC's current expectations about the types of businesses that the OCC considers eligible for an SPNB charter;

[4] White Paper at p. 5. In our view, the OCC's chartering policy and regulations should be explicit regarding the OCC's understanding that all laws, regulations and policies that apply to national banks and to banks that are members of the Federal Reserve System apply to SPNBs. This includes, among other laws, the Securities Act of 1933, the Securities and Exchange Act of 1934 and the Investment Company Act of 1940. The OCC should also clarify by regulation how it will ensure that provisions that apply by their terms only to insured depository institutions, such as the safety and soundness standards of 12 USC § 1831p-1, will be applied to SPNBs. In addition, we recommend that the OCC undertake a comprehensive review of statutes and regulations that apply to insured depository institutions to evaluate whether they should (and how they would) apply to SPNBs (such as the Volcker Rule).

- The regulatory and supervisory framework for SPNBs should be transparent both for FinTech companies considering seeking a charter and for those dealing with FinTech SPNBs on an ongoing basis;

- Regulatory coordination is necessary to ensure that well-established principles of bank regulatory policy, such as separation of banking and commerce and consolidated supervision, are not undermined as FinTech companies are incorporated into the supervised financial services sector;

- Issues of consumer protection and financial inclusion must be the subject of consistent, rigorous, and transparent application across FinTech SPNBs and full-service national banks;

- The OCC must establish a fair and level competitive playing field to address the concern that FinTech SPNBs would be able to offer services and products in direct competition with full-service banks, but subject to a more limited and less burdensome regulatory regime; and

- The OCC should engage in a robust outreach program for the White Paper's FinTech SPNB proposal, which could include convening a public hearing as well as a formal rule-making process subject to the Administrative Procedure Act.

SPNBs and the National Bank Charter

As noted in the White Paper, the OCC intends to "consider on a case-by-case basis the permissibility of a new activity that a company seeking a special purpose charter wishes to conduct."[5] However, we believe that the public's evaluation of the White Paper proposal requires that the OCC provide some guidance on the types of businesses that the OCC anticipates would warrant the issuance of an SPNB charter. Although the requirement in the OCC's current regulations that a (non-trust) SPNB engage in at least one of three "core banking activities": receiving deposits, paying checks, or lending money, the scope of these terms is sufficiently indeterminate that they do not provide potential applicants and other stakeholders with adequate guidance as to what types of activities a company must engage in to be considered for an SPNB charter. Given the centrality of these issues to the proposal to grant SPNB charters to FinTech companies, the OCC should provide the public with more concrete guidance on the OCC's current expectations about the types of businesses that the OCC considers eligible for an SPNB charter.

[5] *Id.* at p. 4.

We are also concerned about how the OCC will ensure that safety and soundness issues are addressed. Comptroller Curry has spoken in the past about the "sanctity of the national bank charter" as a special corporate franchise that involves the fiduciary duty to ensure the safety and soundness of the national bank.[6] Two core elements of safety and soundness are strong capital and liquidity. In this regard, we note that existing FinTech companies often have atypical funding models and complex equity and ownership structures due to their venture capital and private equity investors. SPNB charter applicants in many cases will also have nontraditional balance sheet compositions that do not fit readily into the existing capital frameworks for full-service national banks.[7] Certain FinTech companies also have high levels of loan concentration, which historically has been an area of regulatory concern, and should be addressed in this context. Similarly, it is not clear what liquidity standards will be applied. A clear, consistent capital and liquidity framework is critical to understanding the financial soundness of a potential service provider or partner and to the safety and soundness of the financial system.

A fundamental question for all of these issues is how the OCC will evaluate, supervise, and examine. An anticipated benefit of a FinTech receiving an SPNB charter is that the charter may be perceived as a "stamp of approval" – both for financial institutions wishing to use the SPNB's products and services as a vendor or partner, and for consumers who know that they are dealing with an OCC-regulated institution. In this regard, consumers are likely to believe they are comparing "apples to apples" when dealing with an OCC-regulated institution, whether it is an SPNB or a full-service national bank. The White Paper acknowledges that non-deposit taking FinTech SPNBs will not have the entire regulatory structure that full-service national banks have. If there is any legal, regulatory, consumer protection or supervisory "gap" for customers of SPNBs, we believe that the OCC should consider how to ensure that potential vendors, partners and consumers will understand what those gaps – and their attendant risks – are. In general, we believe that the regulatory and supervisory framework for SPNBs should be transparent both for

---

6 Remarks by Thomas J. Curry, Comptroller of the Currency, Before The Clearing House, Second Annual Business Meeting & Conference, New York, New York, November 15, 2012, at p. 6-7, available at https://www.occ.gov/news-issuances/speeches/2012/pub-speech-2012-165.pdf ("And finally, we expect directors to be truly independent and to set a clear direction for their institutions, and to be capable of presenting a credible challenge to management, while fulfilling their fiduciary responsibility to preserve the sanctity of the national bank charter. When I refer to the sanctity of the national bank charter, I have something very specific in mind, and I suspect other supervisory agencies would say much the same thing about the state charter. We want to be sure that national banks and federal thrifts are not just booking entities for the holding company. The charter is a special corporate franchise that provides a gateway to federal deposit insurance and access to the discount window, and the highest fiduciary duty of the Board of Directors is to ensure the safety and soundness of the national bank or federal thrift.").

7 Marketplace lenders routinely fund their balance sheets nearly entirely from the wholesale funding markets. What will be the OCC's regulatory approach to FinTech SPNB securitizations?

FinTech companies considering seeking a charter and for those dealing with FinTech SPNBs on an ongoing basis.[8]

SPNBs and the Banking and Payments Systems

As a general matter, the regulatory scheme for U.S. banking organizations has been to distance institutions with special or limited purpose business plans from access to the federal safety net. There also has been concern over ownership or control of bank charters by persons or entities (1) not subject to supervision or (2) engaged in "commerce."[9] The OCC's new chartering policy may represent a departure from this framework. We believe that such a departure has structural and policy ramifications for both the unregulated and regulated financial services sectors, and calls for regulatory coordination between the OCC, the Board of Governors of the Federal Reserve System (the "**FRB**"), the Federal Deposit Insurance Corporation (the "**FDIC**"), the Consumer Financial Protection Bureau (the "**CFPB**"), the Securities and Exchange Commission (the "**SEC**"), and other agencies. This coordination is necessary to ensure that well-established principles of bank regulatory policy, such as the separation of banking and commerce and consolidated supervision, are not undermined as FinTech companies are incorporated into the supervised financial services sector.

In particular, we believe that the OCC should clearly address, and coordinate with the FRB about, the full ramifications of the FinTech SPNB proposal with respect to the banking and payments systems. Chief among these, in our view, are issues relating to systemic risk – such as access to the discount window and payments systems by SPNBs, principally those that do not have a regulated bank holding company ("**BHC**") parent subject to the "source of strength" requirement among other things. The examination authority of the FRB over BHCs enables the agency to review a BHC's systems for identifying and managing risk across the entire BHC structure to monitor and evaluate the overall strength of the organization. The OCC White Paper offers a markedly different regime for the holding company of a non-deposit taking FinTech

---

8 See note 4 above.

9 As one recent example, in its Report Pursuant to § 620 of the Dodd-Frank Act, the Federal Reserve Board, recommended "statutory changes that would eliminate special exemptions that permit certain firms to operate free of activities restrictions and/or outside of the prudential framework applicable to other banking entities." *See*, FRB, FDIC, and OCC, *Report to the Congress and the Financial Stability Oversight Council Pursuant to § 620 of the Dodd-Frank Act* (September 2016), available at https://occ.gov/news-issuances/news-releases/2016/nr-ia-2016-107a.pdf at p. 28. Specifically, the Federal Reserve Board recommended that Congress repeal (1) the authority of financial holding companies to engage in merchant banking activities, (2) the commodities activities grandfather authority, (3) the exemption that prevents parent companies of industrial loan companies from being regulated as bank holding companies, and (4) the grandfather provision for unitary savings and loan holding companies that allows a full range of commercial activities. *Id*.

SPNB. In a sense, the White Paper contemplates a framework similar to that which historically had applied to diversified unitary savings and loan holding companies or industrial loan companies, both structures which have not been encouraged by the Federal banking agencies or by Congress in recent years.[10]

The White Paper does not indicate specific limitations on the types of companies that can charter an SPNB as a subsidiary or whether any additional requirements would apply to a company that planned to seek access to FRB services.[11] The White Paper also does not address to what extent consideration has been given to the potential risks that could be posed to the banking and payments system from making FRB services available to SPNBs that are not subject to consolidated supervision by the FRB and that may lack a balance sheet structure that sufficiently mitigates risks to the FRB and other payments system participants. The potential systemic impact of the proposed SPNB charter for FinTech companies, as well as ways to mitigate that impact, should be thoughtfully considered by the OCC in consultation with the other regulatory agencies and stakeholders before the OCC's chartering policy is finalized.

SPNBs as Depository Institutions

The White Paper contemplates that some FinTech companies pursuing an SPNB charter may seek to take deposits. In establishing a chartering policy, the OCC should coordinate with the FDIC regarding the criteria for deposit insurance, particularly because many FinTech companies are likely to have narrowly-focused lines of business. The majority of existing FinTech companies offer monoline products and services. The FDIC has acknowledged that narrowly-focused banks pose greater risks than banks that engage in a broader set of activities.[12]

---

10 *Id.*

11 If the OCC does contemplate limitations on SPNB charters to FinTech companies, we believe that the OCC should define what the parameters of a FinTech company are.

12 *See* FDIC, *Applying for Deposit Insurance: A Handbook for Organizers of De Novo Institutions* (December 2016), at p. 14, available at https://www.fdic.gov/regulations/applications/handbook.pdf ("Narrow focus proposals, including monoline operations or other proposals considering a limited set of banking activities, should address in this section how the institution will mitigate concentration risk, how the institution intends to maintain adequate liquidity, and how credit-sensitive funding risks will be managed."). *See id.* at p. 17 ("For example, proposals involving monoline operations or high levels of non-core funding may need higher capital to mitigate the risks of engaging in a single line of business or operating with potentially volatile funding."). *See also* FDIC, *Supervisory Insights, Vol. 13, Issue 1* (Summer 2016), at p. 6, available at https://www.fdic.gov/regulations/examinations/supervisory/insights/sisum16/SI_Summer16.pdf ("For example, certain monoline institutions are subject to heightened supervisory expectations to mitigate risks associated with engaging in a single line of business."). This was the OCC's experience with monoline credit card national banks in the late 1990s and early 2000s as well. *See* OCC *Performance and Accountability Report* (2002), at p. 11, available at https://www.occ.gov/publications/publications-by-type/other-publications-reports/pafy02.pdf. *See also* GAO, *Bank Holding Company Act: Characteristics*

Indeed, SPNBs may by their very nature pose greater risks to the deposit insurance fund given that the nature of innovation, as well as non-diversification, is inherently risky.[13] We believe that the OCC and FDIC should reach a common understanding on this question that is announced publicly before the OCC finalizes its FinTech SPNB chartering policy.

Financial Inclusion and Consumer Protection

Because FinTech's potential "to expand financial inclusion, empower consumers, and help families and businesses take more control of their financial matters" is a driving force behind the OCC's proposal,[14] issues of consumer protection and financial inclusion must be the subject of consistent, rigorous, and transparent application across FinTech SPNBs and full-service national banks.

The White Paper's laudable focus on financial inclusion requirements for non-deposit taking FinTech SPNBs that are not subject to Community Reinvestment Act requirements is illustrative of the inapplicability of certain full-service national bank laws to SPNBs. If the mechanism for such requirements is an operating agreement received by the FinTech during the SPNB process, it will be difficult for FinTech companies to determine which laws they may be subject to as an SPNB prior to commencing the application process. Given that the OCC contemplates imposing requirements that are "similar to certain statutory requirements applicable to insured banks"[15] and that the OCC stated that it would consider new activities on a case-by-case basis,[16] we believe that the OCC should include an SPNB's operating agreement as part of the public application, so that commenters will have a full understanding of the charter and business being considered. Regulating an organization through operating agreements and similar agreements that are not public or consistent across an industry could result in significant information asymmetry and an unlevel playing field.

---

and Regulation of Exempt Institutions and the Implications of Removing the Exemptions (January 2012), at p. 44, available at http://www.gao.gov/assets/590/587830.pdf.

[13] The OCC received a comment on its non-depository resolution proposal to this effect: "Failure and innovation go hand-in-hand. Innovative approaches to meeting financial needs are by definition less well understood and riskier than traditional methods. Innovative firms may be more prone to failure than traditional firms." Brian Knight and J.W. Verret, Mercatus Center, *Comment on the Proposed Rule Regarding Receiverships for Uninsured National Banks* (Nov. 14, 2016), at p. 3.

[14] Remarks by Thomas J. Curry, Comptroller of the Currency, at the Georgetown University Law Center (Dec. 2, 2016), at p. 3-4, available at https://www.occ.gov/news-issuances/speeches/2016/pub-speech-2016-152.pdf.

[15] White Paper at p. 6.

[16] *Id*. at p. 4.

We believe that the OCC should also coordinate with the CFPB on special consumer issues posed by FinTech SPNBs, in particular usury. The usury issue is of special concern because it is not mentioned in the White Paper's discussion of preemption. Indeed, we suggest that the OCC might, supplementally, seek specific comment on this important issue. Solicitation of comments on this issue and coordination with the CFPB will allow the OCC to arrive at the balanced regulation necessary to make sure that usury rate arbitrageurs do not see the FinTech SPNB as a way to exploit consumers.

Additionally, given the focus of FinTech companies on the technological aspects of the delivery of financial products and services, another key area consists of the standards that the OCC would apply in the cybersecurity, data protection, BSA/AML and OFAC areas. An appropriate compliance program in this area for the delivery of financial services and products is also important to the integrity and safety and soundness of the financial system.

Level Playing Field

In considering issues of consumer protection and safety and soundness through the relatively opaque chartering process, it is important that the OCC establish a fair and level competitive playing field to address the concern that FinTech SPNBs would be able to offer services and products in direct competition with full-service banks, but subject to a more limited and less burdensome regulatory regime both with respect to the regulation of the particular service or product and, potentially, with respect to the accompanying enforcement risks of noncompliant products and services. As the OCC noted in the White Paper, there is a potential for regulatory arbitrage concerning laws and regulations that apply to insured depository institutions, but not to national banks per se.[17] In the instances where there is opportunity for non-deposit taking FinTech SPNBs or their affiliates to take advantage of regulatory gaps offering economic benefits that are not otherwise available to full-service national banks engaging in at least a subset of substantially the same types of activities, the OCC should be vigilant in avoiding such an outcome. By doing so, the OCC will enhance and improve the ability of full-service national banks to innovate and invest in innovation without unfairly advantaging the non-depository FinTech SPNB business model vis-à-vis the full-service national bank business model.

Next Steps

In view of the numerous policy and precedential issues raised by the White Paper and the OCC's new chartering policy, and their implications for consumers, vendors/partners and the financial system, we believe that the OCC should engage in a robust outreach program for the White Paper's FinTech SPNB proposal. This could include convening a public hearing, as well

[17] White Paper at p. 6.

as a formal rule-making process subject to the Administrative Procedure Act.[18] Recognizing that FinTech is a new and integral aspect of the financial services ecosystem and that the innovation it offers consumers is crucial to the development of new products and services, corresponding FinTech regulation should be carefully considered so that it encourages further innovation without inappropriately upsetting the existing bank regulatory framework and competitive landscape. In our view, the delicate balancing needed for this should not be rushed or undertaken without extensive input from interested industry participants, other regulatory agencies, and the public.

* * * * *

The Associations appreciate the opportunity to comment on the OCC's White Paper. If you have any questions or need further information, please contact John Court (john.court*@theclearinghouse.org*; 202-649-4628), Christopher Cole (chris.cole*@icba.org*; 202-821-4431), or Christopher B. Killian (ckillian*@sifma.org*; 212-313-1126).

Respectfully submitted,

//S//

John Court
Managing Director and Deputy General Counsel
The Clearing House Association L.L.C.

//S//

Christopher Cole
Executive Vice President and Senior Regulatory Counsel
Independent Community Bankers of America

//S//

Christopher B. Killian
Managing Director
SIFMA

[18] 5 USC §§ 551-559.

ANNEX A

The Clearing House. The Clearing House is a banking association and payments company that is owned by the largest commercial banks and dates back to 1853. The Clearing House Association L.L.C. is a nonpartisan organization that engages in research, analysis, advocacy and litigation focused on financial regulation that supports a safe, sound and competitive banking system. Its affiliate, The Clearing House Payments Company L.L.C., owns and operates core payments system infrastructure in the United States and is currently working to modernize that infrastructure by building a new, ubiquitous, real-time payment system. The Payments Company is the only private-sector ACH and wire operator in the United States, clearing and settling nearly $2 trillion in U.S. dollar payments each day, representing half of all commercial ACH and wire volume.

The Independent Community Bankers of America. The Independent Community Bankers of America®, the nation's voice for nearly 6,000 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services. With 51,000 locations nationwide, community banks employ 700,000 Americans, hold $3.9 trillion in assets, $3.1 trillion in deposits, and $2.6 trillion in loans to consumers, small businesses, and the agricultural community. For more information, visit ICBA's website at www.icba.org.

The Securities Industry and Financial Markets Association. SIFMA is the voice of the U.S. securities industry. We represent the broker-dealers, banks and asset managers whose nearly 1 million employees provide access to the capital markets, raising over $2.5 trillion for businesses and municipalities in the U.S., serving clients with over $20 trillion in assets and managing more than $67 trillion in assets for individual and institutional clients including mutual funds and retirement plans. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit http://www.sifma.org.