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Hello,

I'd like to provide comment on the proposed rulemaking for the branch application process. Overall, I think the proposed changes are good and will make the process more effective and efficient both for bankers and internally within the FDIC with minimal trade-off.

- Insider Involvement - The FDIC should reconsider not having bank's detail insider involvement in the branch application. The FDIC should continue to make the applicant disclose and attest to any details concerning any involvement in the proposal by an insider of the bank, including any financial arrangements relating to fees, the acquisition of property, leasing of property, and construction contracts. By including this information, it will help the FDIC investigate and follow-up on any potential insider fraud or abuse. I'm not suggesting that this disclosure should slow down the application process or timelines, but it would be prudent to have bankers identify and detail out any insider involvement.

- Digital Application Submission System - I'm not sure if this is required to go in the proposed rulemaking process, but the FDIC should strongly consider how applications are received/processed, especially given the shortened turnaround time frames proposed. First and foremost, the FDIC should seek to eliminate all paper & email filings. Make bankers submit applications through one online portal instead of having multiple options (e.g. email, mail, EFX). There are still banks that file certain applications, including branch applications, via the US Postal Service. This makes processing/distributing the material cumbersome and time consuming. There have also been instances of losing several days of processing time because the paper mail wasn't processed timely for a variety of reasons. I could see this happening more frequently given the recent admin staffing changes. If the application is emailed to a Case Manager who is out of office for some reason, this can also be an issue with a 3-day processing window. Ideally, the FDIC should establish an electronic portal that funnels data directly into the new S360 system. If possible, tie the existing EFX application submission process into

S360 or create a new branch application portal that ties directly into S360. S360 could then automatically check to make sure the criteria/statutory factors are met, notify the proper internal parties for sign-off, and create a draft response letter. The individual(s) with the proper delegated authority could review the information for accuracy and take the appropriate action. The entire process should be automated as much as possible starting on the front-end when the application is submitted by the bank.

Please let me know if you have any questions.

Regards,

Josh E. Howard
Case Manager ███████████████████████████████

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