
August 17, 2016

Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Re: Comments on Notice of Proposed Rulemaking Regarding Record Keeping for Timely Deposit Insurance Determination (12 CFR 370; RIN 3064-AE33)

Dear Mr. Feldman:

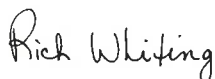
As the only national association exclusively representing boards of directors of the nation's banks, we write to express our concern with the certification requirements to be imposed on covered boards by section 370.6 of the above-referenced proposal. Specifically, that provision would require covered bank boards annually to certify that the "institution has implemented and successfully tested its information technology system for compliance" and describe "the effects of all approved or pending applications for exception or extension on the ability to determine deposit insurance coverage using the covered institution's information technology system."

We oppose imposition of these requirements on bank boards of directors for several reasons:

- The proper role of a board of directors is oversight of management. However, in order to accurately perform the proposed certification, the board necessarily would be implicated in management operations in violation of the core corporate governance principle of separation of management and board oversight;
- The existing fiduciary obligations for boards to: i) establish operational policies and ii) hold management responsible for their compliance already establish a process for regulators to enforce compliance with regulatory provisions, and imposition of the proposed attestation requirement is both redundant and overly burdensome;
- The board attestation requirement is not statutory, unlike the attestation requirements for call reports, and therefore is not required by law;
- Implementation of the proposed attestation requirements, because of the time and effort required to perform them satisfactorily, would divert the attention and energy that board members must apply to their oversight duties and obligations; and
- Bank boards are already overburdened by 800 plus provisions in law, regulation and bank regulatory guidance, as documented in AABD's Bank Director Regulatory Burden Report, Second Edition.

In conclusion, on behalf of bank boards of directors, we respectfully urge that the board attestation requirements in the proposed rule be replaced with a provision specifically directing the board to oversee the bank's establishment and compliance with the standards in the rule, but with the caveat that the board may rely reasonably on the work and advice of management, advisors and board committees.

Sincerely,



Richard Whiting
Executive Director



David Baris
President