May 7, 2007

Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street N.W.
Washington, D.C. 20429

VIA E-MAIL TO comments@FDIC.gov

Re: Proposed Rule Part 354—Industrial Bank Subsidiaries of Financial Companies, RIN number 3064-AD15

Dear Mr. Feldman,

The Securities Industry and Financial Markets Association ("SIFMA")[1] appreciates the opportunity to comment on the draft rule titled "Part 354—Industrial Bank Subsidiaries of Financial Companies" (the "Rule"), issued for comment on December 31, 2007. SIFMA has a direct interest in this subject because industrial banks owned by SIFMA members currently hold about 80 percent of all industrial bank assets. In addition, the substantive provisions of this Rule will affect some of our members that may decide to organize an industrial bank subsidiary in the future. Moreover, the Rule may serve as a template for a subsequent regulation that could apply to all of our members.

In principle, SIFMA does not oppose a regulation to implement the FDIC's authorities and procedures for regulating industrial bank parent companies that is consistent with applicable law and that is not unduly burdensome. Currently, the various statutes, regulations, policy statements, guidelines and informal practices that govern the regulation of industrial bank parent companies can be difficult to locate and understand. Bringing all of those provisions together in one place

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[1] The Securities Industry and Financial Markets Association brings together the shared interests of more than 650 securities firms, banks and asset managers locally and globally through offices in New York, Washington D.C., and London. Its associated firm, the Asia Securities Industry and Financial Markets Association, is based in Hong Kong. SIFMA's mission is to champion policies and practices that benefit investors and issuers, expand and perfect global capital markets, and foster the development of new products and services. Fundamental to achieving this mission is earning, inspiring and upholding the public's trust in the industry and the markets. (More information about SIFMA is available at http://www.sifma.org.)

would help resolve that difficulty. A regulation will also provide a more open system for considering and adopting new standards and procedures as the FDIC's oversight of holding companies evolves in the future.

The Rule mainly implements the procedures the FDIC has used for many years to regulate industrial bank holding companies and their affiliates. For example, FDIC examiners usually obtain current financial information about parent companies and affiliates during their examinations. Occasionally, examiners request additional information which, to our knowledge, bank affiliates have given promptly and completely. Bank parents or affiliates that provide services to a bank are examined to ensure compliance with all terms and conditions of the service contracts as well as the systems utilized to perform those services. In these respects, the Rule only formalizes and reiterates the FDIC's current practices, which we believe are reasonable, prudent and not unduly burdensome. As such, we support the adoption of those provisions of the Rule.

Comments on Specific Sections of the Rule

§ 354.2(c)—This section describes the industrial bank owners that are not required to become an "industrial bank holding company" if they are already subject to consolidated holding company supervision. SIFMA strongly urges the FDIC to include companies regulated as "consolidated supervised entities" by the SEC in this definition. This change is clearly consistent with Congressional views on the oversight of firms that control industrial banks. On May 2, 2007 the House Financial Services Committee approved H.R. 698 ("The Industrial Bank Holding Company Act of 2007") with strong bipartisan support. That legislation subjects all industrial bank owners to consolidated oversight by "an appropriate federal supervisory agency," a term that is defined to include the Securities and Exchange Commission and its "consolidated supervised entity" oversight regime. Although this legislation is still under consideration by Congress, support for language recognizing the SEC's role as a consolidated supervisor by Committee members who have been urging the FDIC to address the supervision of industrial banks is a strong indication that the inclusion of similar language in an FDIC regulation would reflect Congressional intent in this area.

The SEC is recognized internationally as a consolidated regulator along with the Federal Reserve and the OTS. This designation is critically important to the operations of many of the largest securities firms based in the United States. The importance of this designation was described by the SEC in its introduction to the consolidated supervision rules when they were adopted in August, 2004:

> The rule amendments also respond to international developments. Affiliates of certain U.S. Broker-dealers that conduct business in the European Union ("EU") have stated

> that they must demonstrate that they are subject to consolidated supervision at the ultimate holding company level that is "equivalent" to EU consolidated supervision. Commission supervision incorporated into these rule amendments is intended to meet this standard. As a result, we believe these amendments will minimize duplicative regulatory burdens on firms that are active in the EU as well as in other jurisdictions that may have similar laws. *Federal Register, Vol 69, No. 118, Monday, June 21, 2004.*

Failure to recognize the SEC as a consolidated regulator in this Rule will raise questions about its standing as a consolidated regulator elsewhere, potentially seriously damaging the international operations of U.S.-based securities companies.

Securities firms with industrial bank subsidiaries are currently subject to multiple levels of supervision. They are all regulated by the SEC as securities dealers, and all of the SIFMA member securities companies that currently have industrial bank subsidiaries have elected more comprehensive enterprise-wide regulation by the SEC under its "consolidated supervisory entity" regime.

The requirements relating to securities companies supervised by the SEC as consolidated supervised entities were adopted under the authority of the Securities Exchange Act of 1934 and are set forth in 12 C.F.R. Part 240.15c3-1. While regulation of a broker-dealer normally focuses on compliance with the investor protection provisions of the securities laws, the consolidated supervised entity structure focuses on the capital adequacy and risk management practices of holding companies. The option to be regulated as a CSE is available *only* to certain highly capitalized companies. Effectively, a CSE registrant must maintain tentative net capital of $5 billion. In addition, each company must:

- Provide information about the financial and operational condition of the ultimate holding company, including capital, liquidity and risk exposure information
- Implement and document a comprehensive, group-wide management system for identifying, measuring, and managing market, credit, liquidity, legal, and operational risk
- Consent to SEC examination of the ultimate holding company and all material affiliates
- Compute on a monthly basis group-wide allowable capital and allowances for market, credit, and operational risk in accordance with the standards adopted by the Basel Committee on Banking Supervision.

Eligible holding companies provide information to the SEC on a monthly, quarterly and annual basis. SEC oversight involves both on-site examinations and ongoing communications with consolidated supervised entities.

Consolidated supervised entity regulation was established, in part, to allow firms that do business in the European Union to comply with the requirement of the EU's "Financial Conglomerates Directive." That Directive requires that firms doing business in the EU must have a consolidated holding company supervisor equivalent to that applicable for their European counterparts. The EU has expressly recognized holding company supervision by the SEC, the Federal Reserve, and the OTS as satisfying this requirement.

Under the CSE framework, the SEC supervises qualified broker-dealers, their holding companies, and affiliates on a consolidated basis, focusing on the financial and operational status of the entity as a whole. The goal is two-fold: first, to reduce the possibility that some problem within the holding company and/or an unregulated affiliate could endanger regulated entities; and second, to reduce any potential systemic threat to the capital markets as a whole.

In reviewing a CSE application, the SEC staff assesses the firm's financial position, the adequacy of the firm's internal risk management controls, and the mathematical models the firm will use for internal risk management and regulatory capital purposes. The staff also conducts on-site reviews to verify the accuracy of the information included in the application, and to assess the adequacy of the implementation of the firm's internal risk management policies and procedures.

Following approval, the SEC staff reviews monthly, quarterly, and annual filings containing financial, risk management, and operations data on the CSE registrant. These reports include consolidating financials (which show inter-company transactions not included in the preparation of consolidated financial statements) and risk reports substantially similar to those provided to the firm's senior managers. At least monthly, the holding company files a capital calculation made on a consolidated, group-wide basis consistent with Basel standards.

Additionally, the SEC staff meets at least monthly with senior risk managers and financial controllers at the holding company level to review their risk analytics packages. The SEC staff focuses on the performance of the risk measurement infrastructure, including statistical models; risk governance issues, including modifications to and violations of risk limits; and the management of outsized risk exposures. On a quarterly basis, the SEC meets with senior managers to review financial results, the management of the firm's balance sheet, and, in particular, balance sheet liquidity. They also meet with the internal audit department to discuss audit findings and reports that may bear on financial,

operational, and risk controls. These regular discussions are augmented by focused work on risk management, regulatory capital, and financial reporting issues. Finally, in conjunction with the staff of relevant self-regulatory organizations, SEC staff also conducts examinations of the books and records of the registered broker-dealer and material affiliates that are not subject to supervision by a principal regulator.

The first CSE applicant was approved by the SEC on December 23, 2004 and four additional applicants were approved between March and November 2005. Each of these was subsequently recognized as providing consolidated supervision "equivalent" to that required under the EU's Financial Conglomerates Directive. The EU decision is a clear statement that the framework is a solid success.

There is no justification for refusing to recognize the SEC as a consolidated regulator. SIFMA strongly urges the FDIC to rectify this error by amending § 354.2(c) to add companies registered by the SEC as "consolidated supervised entities" to the list of companies that are exempt from the FDIC holding company oversight programs described in the regulation. In addition, we suggest changing the term "Federal Consolidated Bank Supervisor" throughout the Rule to "Federal Consolidated Supervision".

§ 354.4(c)—This subsection will prohibit a holding company from engaging directly or indirectly in non-financial activities. SIFMA urges the deletion of this section unless specifically authorized by new legislation since it would functionally repeal the current exemption for industrial bank parent companies in the Bank Holding Company Act. Taking any such action is beyond the FDIC's authority absent a change in the law itself. In addition to the lack of any legal authority to restrict an industrial bank holding company from engaging in diversified activities, there are no demonstrable safety and soundness issues that justify barring control of an industrial bank by an entity engaged in non-financial activities.

As drafted, the Rule will bar *any* commercial activity − a far more onerous prohibition than any legislative proposals pending before Congress. Many SIFMA members hold investments in commercial companies. Although this Rule would not affect current industrial bank subsidiary owners, it would, in effect, block other SIFMA members from organizing their own banks and competing equally with firms that already have industrial bank subsidiaries.

The subsection will also have a chilling effect on the operations of current industrial bank members who face the risk of the Rule being extended to all industrial bank holding companies in the future. Parent companies will become reluctant to develop new products and services through their banks or become

reliant on their banks if there is a risk they might have to close or divest their banks under a possible extension of the Rule's applicability.

§ 354.4(d)—This section will require each industrial bank parent company that is not otherwise exempt to submit reports to the FDIC regarding the parent's "systems for monitoring and controlling financial and operating risks." SIFMA believes this section will duplicate regulation of companies already subject to consolidated regulation by the SEC. Although recognizing the CSE framework will resolve our concerns with duplicative reporting, SIFMA still recommends the deletion of this requirement. The FDIC currently has the authority to request information about a parent's financial and operating risks to the extent they are relevant to the bank. Beyond that, we are concerned about requiring large and diversified corporate groups to report information about the financial and operating risks relating to business activities the FDIC does not have the expertise to oversee and which may be functionally irrelevant to the bank.

§ 354.4(g)—This subsection will limit holding company representation on the bank's board to 25 percent of the bank's directors. The current informal standard requires a majority of the bank's directors to be independent. SIFMA recommends formalizing the current standard and not replacing it with the 25 percent limit. The majority standard has worked well and we are not aware of any problems that have arisen that would justify such a change. Indeed, there are many reasons why it is desirable to allow a minority of a bank's directors to be connected to a holding company. The parent typically provides all of the bank's capital, a large percentage or even all of its business, and its most valued asset − its name. A holding company has a natural and legitimate interest in overseeing its subsidiary bank's operations *and* a fiduciary responsibility to its shareholders to do so. A holding company is not merely a passive sponsor of its bank; it has a vested interest in the bank's reputation and a substantial economic stake.

For a corporate parent to invest in a bank that will operate independently, it must have trust and confidence in the bank's board and management, and it must know that the bank will add value to its franchise. Experience has shown that many successful banks have a deep relationship with the parent even though they operate as independent entities within a corporate group. This strong liaison is the result of allowing key representatives of the parent to sit on the bank's board. Inside directors play critical roles in bridging the relationship between the bank and its affiliates. They ensure that the parent and affiliates understand the bank's role, requirements, and limitations. Similarly, they communicate to the parent whether the bank is well managed and cognizant of its responsibilities to the corporate group. Independence is critical, but isolation may well constrain the development of the bank and, in some cases, result in the bank's closure (or termination of plans to organize a bank).

Controlling shareholders—Regulation of controlling shareholders of the holding company is not addressed extensively in the Rule. We recommend adding some additional provisions relating to controlling shareholders.

In the financial services industry where "capital is king," access to capital should be a primary consideration in the development of regulatory policies. Large holding companies rely extensively on institutional investors for new capital. Typically, an institutional investor will consider an investment only if it is above a minimum size and does not expose the investor to added regulation. Investing in a large bank holding company meets these standards because a sizeable investment will still be well below the threshold where the investor would be deemed a control party. At the other end of the spectrum, a community bank typically relies more on individual investors to raise capital. The level of investment below the control threshold for a community bank is usually too small to attract institutional investors but is within the reach of many individuals.

A medium-sized company can be caught in the middle, too large to raise substantial amounts of capital from individuals, but too small for most institutional investors. This limited access to capital is partly responsible for the decline in the number of medium-sized banks in the United States over the past few years. Although this is not an issue for the SIFMA member-owned banks, it is for the SIFMA members that help independent medium-sized banks raise capital.

In helping raise capital for medium-sized banks, SIFMA members have found many interested institutional investors who were ultimately unwilling to invest because the minimum investment required would make them a control party subject to regulation by the bank's regulators, thereby violating their investment policies. There is no good policy reason to discourage these investors from investing in a medium-sized holding company or bank. These institutional investors − which include some of the nation's leading mutual fund, retirement, and venture capital funds − are responsible professional investors who are already regulated under the securities laws. They understandably do not wish to subject themselves to the complication of another layer of detailed requirements if they become a control party under the banking laws.

Medium-sized banks need better access to capital from institutional investors to organize new banks and expand existing banks. Subjecting the investor to regulatory oversight if it acquires more than 10 percent of the holding company's shares is a challenge for banks of that size. This could be partially addressed by providing an exemption or limited regulation for investors that are regulated as investment funds or financial advisors under the securities laws up to 25 percent of the holding company's total voting shares. Such a policy would be consistent with existing law and would be a significant increase over the current 10 percent limit imposed by rules and guidelines imposing a presumption of control. Moreover, the exemption would not present a substantial risk to the

bank since it would apply only to professional investors and not to entities seeking to control the bank's business or to build links between it and other businesses in which they invest.

SIFMA believes it is important not to impose activity restrictions on investors. Most of the limited number of institutional investors that might be willing to invest above the control threshold cannot do so because they hold diversified investments including commercial companies. The number of institutional investors that only invest in banks represents a miniscule portion of the capital available in today's capital markets. Barring all diversified institutional investors from holding shares in a bank or its holding company would cut off a critical source of capital to all banks, particularly considering the lack of any substantive risk.

Responses to Specific Questions in Supplementary Rule Information

1. ***Should there be uniform deadlines for resolving specific problems in an industrial bank together with mandatory divestiture or closure of the bank if the deadline passes?***

Permitting a discretionary cure period is prudent and reasonable for all requirements, particularly if a violation arises inadvertently and poses minimal or no risk to the safety and soundness of the bank. This is the standard generally used for the bank itself. Imposing inflexible standards on a holding company may result in more harm to both the holding company and the bank than would be warranted in most circumstances, particularly when the penalty would be divestiture of the bank. Divestiture would result in a loss of some or all of the holding company's investment in the bank and probably result in closure of the bank as well. Such extreme consequences could be justified only if the safety of the bank were seriously threatened. The period to cure a problem should provide for the ability to take prompt, strong, necessary actions to address a serious issue, but also to allow for a longer period to resolve less serious problems or to implement solutions that might take longer than a specific term would allow.

The 180-day cure deadline imposed on certain Financial Holding Company problems illustrates the potential difficulties with uniform fixed deadlines. The cure deadline applies to capital impairment, poor management rating, and below satisfactory CRA rating at the subsidiary bank. The bank regulators will be working at the bank level and could be near a resolution when the cure period expires. It could take longer than 180 days to complete resolution if the holding company must perform a new securities offering to raise new capital for the bank. In addition, it may not be feasible to conduct a nationwide search for a new CEO or management team in less than 180 days. The bank understandably wants to find the best qualified person, who must then

have sufficient time to leave his/her current position, take over the troubled bank, and make substantial progress to resolve its problems sufficient to warrant raising the management rating. Implementing new CRA programs could easily take longer than 180 days, particularly if the bank develops a strategic plan. Time must be allowed to conduct a new examination within that period to confirm that a new rating is warranted. These constraints are potentially unworkable and are themselves a significant threat to the safety and soundness of the bank. Regulators should be able to weigh the seriousness of a violation, the efforts undertaken by the bank and its parent to cure the problem, and the likelihood of a successful resolution in determining whether further sanctions are needed.

2. *Should the FDIC require divestiture of an industrial bank subsidiary under certain circumstances?*

SIFMA does not believe industrial bank risk factors warrant any additional FDIC authority. Requiring divestiture of a bank is an extreme action that would be necessary only in rare and unusual circumstances that directly threaten the safety and soundness of the bank. A more effective authority in such circumstances is the ability to take possession of the bank, a power many state banking commissioners have over their state chartered institutions if it becomes necessary to protect the bank from a serious risk.

A regulator dealing with one or more significant problems at a bank must continuously assess the ability and willingness of the bank’s owner(s) and management to resolve the problem on their own. If they can, it is clearly appropriate to allow them to do so. If they cannot or will not, regulators should take action as soon as possible to implement other solutions. Many state banking commissioners can take possession of any bank chartered by their state at any time simply by posting a notice on the bank premises. After taking possession, the state commissioner can sell or merge the bank, close it, or turn it over to the FDIC as receiver. It would be prudent for the FDIC to ensure that state regulators have this authority and can use it expeditiously if needed.

The sections of the Bank Holding Company Act cited in this question relate to the divestiture of a bank that is a going concern from a company engaging in activities that are not authorized for a bank holding company. We do not believe the FDIC has the authority to require divestiture of an industrial bank solely because of activities occurring outside the bank unless those activities threaten the safety and soundness of the bank. Attempting to impose activity restrictions on industrial bank affiliates that do not pose a safety and soundness risk to the bank would effectively repeal existing law, something only Congress has the authority to do.

3. *Should the FDIC allow a commercial company a period of time to divest or terminate its commercial activities or subsidiaries if it applies now for deposit insurance for a new industrial bank?*

As stated in the prior question, this presumes that the FDIC can prohibit the parent of an industrial bank from engaging in otherwise legitimate commercial activities permitted by existing law. Apart from issues of safety and soundness, such restrictions conflict with the Bank Holding Company Act's exemption for industrial bank parent companies and affiliates and are beyond the FDIC's authority.

4. *Should the Rule further define "services essential to the operations of the industrial bank" for purposes of Section 354.5(e)?*

We believe this is unnecessary. It is unlikely that a general list could anticipate or adequately define what is essential in every instance. A service that is essential in one case may be only marginally important in another. The FDIC and state regulators already closely regulate all interactions between a bank and its affiliates even if they are not deemed "essential." Continuing that practice should be sufficient to ensure that all affiliate relationships and transactions are conducted appropriately.

5. *Should the FDIC require an agreement to allow examination of all bank affiliates?*

The Rule as drafted is reasonable in providing for the FDIC to examine holding companies and affiliates for compliance with the Federal Deposit Insurance Act or other laws administered by the FDIC. The FDIC already has the authority to require companies that control a bank to provide information and submit to examination. The FDIC exercises this authority now to the extent it believes necessary and appropriate to understand the condition of the parent and the sufficiency of the services it provides to the bank. To our knowledge, the FDIC has never requested information from or sought to conduct an examination of a bank's parent or affiliate where the parent or affiliate did not cooperate fully.

SIFMA has concerns about an agreement authorizing the FDIC to examine any affiliate if it leads to unnecessary regulatory burdens on affiliates that have no connection to the bank other than common ownership. This concern increases if the Rule is expanded to cover existing industrial banks. For example, some industrial banks have hundreds of affiliates, many of which are based in foreign countries. The U.S. bank may have no dealings with any of those affiliates. Audits of affiliates in foreign nations may be prepared under different accounting rules and written in other languages. The activities of the affiliates may be wholly outside the expertise of bank examiners. Requiring those affiliates to be examined by U.S. bank examiners or to provide annual

audits prepared under U.S. accounting standards would be burdensome and unjustified. The exception would be if a particular affiliate engages in transactions with the U.S. bank or is engaging in activities that could impair the safety and soundness of the bank or the financial integrity of the holding company.

We believe no change is needed from the current practice that allows the FDIC to decide what information it needs and examinations it should conduct to properly supervise the bank. The regulation should not require anything more than is pertinent to the bank.

6. *Recordkeeping requirements on parents and non bank affiliates.*

See answer to preceding question.

7. *Should the Rule include provisions similar to those limiting the authority of the Federal Reserve over securities and insurance affiliates of a financial holding company?*

The FDIC must weigh the regulatory burden of imposing concurrent authority over affiliates subject to primary regulation by another regulator against the possible benefit. SIFMA believes it would clearly be undesirable for the FDIC to duplicate the regulatory oversight of a securities or insurance affiliate by its primary regulator. The FDIC should defer to the securities and insurance regulators to the extent they provide the same oversight and obtain the same information as the FDIC would if it directly regulated that entity. The FDIC should be sure that the other regulator can and will share its information with the FDIC if it is pertinent to the FDIC's oversight of the bank. It would also seem prudent for the FDIC to reserve the authority to ask for additional information and conduct examinations if the information is necessary for the FDIC to properly regulate the bank, such as examining servicing operations provided to a bank by an affiliate.

Like the standards for functional regulation of securities and insurance affiliates in a financial holding company group, SIFMA believes the FDIC should defer to the primary regulators of securities and insurance affiliates with regard to capital requirements and other standards. As stated in greater detail below, capital and other requirements vary depending on the business in which a company engages. Bank capital requirements are appropriate for a bank, not a securities or insurance company, which may need less or more capital to be considered sound. That determination is best made by regulators that know securities or insurance companies.

The same holds true for affiliates that engage in other activities such as retailing or manufacturing. The FDIC is simply not qualified to comprehensively regulate business activities other than banking.

8. ***Should the SEC be recognized as a consolidated federal regulator?***

Absolutely. The term "Federal Consolidated Bank Supervision" should be changed to "Federal Consolidated Supervisor" explicitly including the SEC's CSE framework. As detailed above, the SEC has developed an internationally recognized consolidated regulatory system equivalent to the standards for a consolidated regulator developed by the European Union, the Financial Services Authority in Britain, and the Federal Reserve in the United States Failing to recognize the SEC as a consolidated regulator would be arbitrary and capricious, and potentially threaten the international operations of many of the leading U.S.-based financial services providers.

9. ***Should the FDIC impose minimum capital requirements similar to those imposed by the Federal Reserve on bank holding companies?***

SIFMA opposes establishing a minimum capital requirement for all parent companies of industrial banks. Minimum capital requirements should be a function of the business mix of the entity in question. While the FDIC has expertise with respect to the capital requirements necessary for banking, it does not have expertise with respect to the capital requirements necessary to support other kinds of activities. Moreover, i is unreasonable for the regulator of a bank subsidiary of a much larger diversified holding company to intrude into the basic management of the holding company when the bank regulator does not have the expertise to understand the parent's overall business structure.

Today, the FDIC considers each holding company's ability to support its subsidiary bank on a case-by-case basis. As a result, industrial banks currently hold significantly more capital than traditional banks. When the FDIC sees weakness at a parent company it often requires higher capitalization levels in the bank to compensate. In most instances, the parent companies of industrial banks offer a stronger source of capital than a bank holding company. The existing governing structure is adequate and does not need to be changed.

10. ***What should the FDIC do if Congress passes no legislation affecting industrial banks before the moratorium expires?***

The FDIC is responsible for administering the laws Congress has enacted, not those it may pass at some point in the indeterminate future. Congress enacted a law in 1987 that specifically exempts holding companies of industrial banks from the Bank Holding Company Act (except the tying provisions). This remains the law of the land. Until Congress amends or repeals this law, it is the FDIC's responsibility to process applications for new banks and acquisition of existing banks by companies with the requisite resources, expertise and integrity

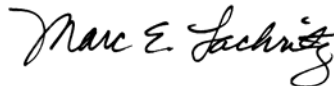
to successfully operate a bank even if they are also engaged in non-banking activities.

Some SIFMA members already own banks and have found that their banks add significant value to their business. SIFMA members that do not currently own banks should have the option to own a bank in the future if they decide it is necessary to compete effectively in today's financial services marketplace. We strongly oppose any action by the FDIC that will block the ability of any SIFMA member to organize a bank subsidiary if it is fully qualified to own and control a bank and if its ownership is expressly authorized by federal law.

There are no safety and soundness issues that weigh against the continuing development of industrial banks by SIFMA's members. By all objective measures, industrial banks, including those owned by entities engaged in commercial activities, are among the strongest banks insured by the FDIC today. There is no legitimate policy reason to restrain the activities of some of the strongest and safest banks in the United States, and we will continue to oppose any such proposals.

We appreciate the opportunity to submit these comments.

Very truly yours,



Marc E. Lackritz
President and CEO