



Federal Deposit Insurance Corporation

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Legal Division

September 29, 2011

TO: The Executive Secretary Section
FDIC Legal Division

FROM: Daniel Lonergan, Counsel
Legal Division

SUBJECT: Meeting with Center on Executive Compensation and other interested parties to discuss Incentive-based Compensation Arrangements NPR, RIN 3064-AD56

On February 7, 2011, the FDIC approved proposed rules (“NPR”) to implement section 956 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. This interagency document was subsequently formally approved by the other Agency-participants (the Board of Governors of the Federal Reserve, the Office of the Comptroller of the Currency, the Securities and Exchange Commission, the National Credit Union Administration, and the Federal Housing Finance Agency) and the Notice of Proposed Rulemaking was proposed jointly in the Federal Register. 76 Fed. Reg. 21170 (April 14, 2011). Public comment was solicited until May 31, 2011.

The proposed rule would require the reporting of incentive-based compensation by a covered financial institution and prohibit incentive-based compensation arrangements that provide excessive compensation or that could expose the institution to inappropriate risks.

On September 22, 2011, representatives from the Center on Executive Compensation, the Center for Capital Markets Competitiveness (U.S. Chamber of Commerce), the Investment Company Institute, the Investment Adviser Association, and the Private Equity Growth Capital Council, met for approximately one hour with members of FDIC staff. These representatives, who were familiar with the NPR and had filed comments with the FDIC or the other Agencies who jointly published the April 2011 proposal, sought to reiterate the comments they had previously submitted to the Agencies.

Generally, participants addressed the issues raised in their comment letters, expressed their concerns with respect to the scope of the proposed rule, and offered to answer questions that staff might have on executive compensation generally, or on the specific concerns raised by the members of their respective organizations.

Participants:

Timothy J. Bartl
Jason Mulvihill
Jennifer S. Choi
Robert C. Grohowski
Kevin Wells

George Parkerson
Daniel Lonergan
Rodney Ray

Center on Executive Compensation
Private Equity Growth Capital Council
Investment Adviser Association
Investment Company Institute
Center for Capital Markets Competitiveness

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