



January 16, 2014

VIA ELECTRONIC SUBMISSION

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

Re: Request for Extension of Public Comment Period on the Notice, “Resolution of Systemically Important Financial Institutions: The Single Point of Entry Strategy”

Dear Mr. Feldman:

The Securities Industry and Financial Markets Association, The Clearing House, American Bankers Association, Financial Services Roundtable, Institute of International Bankers, and Institute of International Finance (“the Associations”) hereby request an extension of the deadline for public comment on the Notice issued by the Federal Deposit Insurance Corporation (“FDIC”) describing its Single Point of Entry strategy to be used under Title II of the Dodd-Frank Act¹ (the “FDIC Notice”).² The Associations believe that, in the very near future, the Board of Governors of the Federal Reserve System (“FRB”) may issue one or more rulemaking proposals (“FRB Notice”) regarding issues that, as described in more detail below, overlap with or are very closely related to the issues described in the FDIC Notice. In order to provide robust and meaningful public comment on both the FDIC Notice and any closely related

¹ Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 1376 (July 21, 2010).

² See FDIC, Resolution of Systemically Important Financial Institutions: The Single Point of Entry Strategy, 78 Fed. Reg. 76,614 (Dec. 18, 2013).

FRB Notice, the Associations strongly believe they need to have the benefit of reviewing all such related notices together before commenting individually on any of them.

Accordingly, with respect to the current deadline for public comment on the FDIC Notice of February 18, 2014, the Associations request an extension to the *earlier* of (1) May 31, 2014, or (2) 60 days after publication of the FRB Notice in the Federal Register. This should provide adequate time to provide meaningful comment on both proposals, while at the same time not unduly delaying comment on the FDIC Notice in the event that issuance of the FRB Notice is substantially delayed.

There are a number of examples in the FDIC Notice of issues raised or questions asked that the Associations believe will also be addressed in the FRB Notice. For example, the FDIC Notice expressly discusses or requests comment on the following:

- “the amount of equity and unsecured debt at the holding company that would be needed to effectuate a SPOE resolution,” 78 Fed. Reg. at 76,623;
- “the types of [holding company] debt and what maturity structure would be optimal to effectuate a SPOE resolution,” *id.*;
- whether the amount of such equity and unsecured debt should be determined using the reference measure of risk-weighted assets or assets used to calculate the minimum leverage ratio, *id.*;
- “the appropriate pre-positioning of the proceeds from the holding company’s debt issuance” in subsidiaries, *id.*;
- the potential advantages and disadvantages of requiring a SIFI to operate in foreign jurisdictions through subsidiaries rather than branches, 78 Fed. Reg. at 76,623-24;
- cross-border cooperation issues, including the appropriate treatment of derivatives in cross-border resolutions, 78 Fed. Reg. 76,624; and
- the need to have operations conducted at subsidiaries, rather than at the holding company, 78 Fed. Reg. 76,623.

All of these are issues that may very well be addressed in the FRB Notice as well, with some likely to result in specific, detailed proposed requirements. As a result, the Associations strongly believe that commenting on them generically in the context of the FDIC proposal, without seeing any imminent FRB proposal, would not be nearly as productive as doing so in the context of very specific requirements that are separately proposed for comment in the FRB Notice.

As a result, the Associations seek extension of the deadline for comment on the FDIC Notice to allow enough time to comment meaningfully on both the FDIC Notice and the expected FRB Notice, having the benefit of both Notices in mind when commenting on each individually. At the same time, the Associations are mindful of the possibility of extended delay in publication of the FRB Notice, and therefore would propose to file their comments on the FDIC Notice after a reasonable extension of time, even if the FRB Notice has not been issued.

That is why the Associations are requesting an extension to the *earlier* of (1) May 31, 2014, or (2) 60 days after publication of the FRB Notice in the Federal Register.

Respectfully submitted,



Kenneth E. Bentsen, Jr.
Chief Executive Officer and President
Securities Industry and Financial Markets
Association



John Court
Managing Director and Senior Associate
General Counsel
The Clearing House Association



Wayne A. Abernathy
Executive Vice President, Financial Institutions
Policy and Regulatory Affairs
American Banker Association



Richard Foster
Vice President & Senior Counsel for Regulatory
and Legal Affairs
Financial Services Roundtable



Richard Coffman
General Counsel
Institute of International Bankers



David Schraa
Regulatory Counsel
Institute of International Finance