

Please note that the comments expressed herein are solely my personal views

Federal Deposit Insurance Corporation
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<http://www.fdic.gov>

Chris Barnard

19 August 2014

- 12 CFR Parts 325; RIN 3064-AE18
- Annual Stress Test

Dear Sir.

Thank you for giving us the opportunity to comment on your proposed rule on the Annual Stress Test.

You are proposing to revise your rules regarding the annual stress testing requirements for state non-member banks and state savings associations with total consolidated assets of more than \$10 billion (covered banks). Your regulations, which implement section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), requires covered banks to conduct annual stress tests and report the results of such stress test to the FDIC and the Board of Governors of the Federal Reserve System (Board) and publicly disclose a summary of the results of the required stress tests. You propose to modify the “as-of” dates for financial data (that covered banks will use to perform their stress tests) as well as the reporting dates and public disclosure dates of the annual stress tests for both \$10 billion to \$50 billion covered banks and \$50 billion covered banks. The proposed revisions would become effective January 1, 2016.

I support these proposals that change the “as-of” date for financial data by three months to 31 December, and the consonant changes in reporting and public disclosure deadlines. This will alleviate covered banks’ resource burdens during the main reporting season and would allow for a complete year of financial data in performing the annual stress tests. You propose that these changes would become effective January 1, 2016; I would rather propose an effective date of January 1, 2015 in order to accelerate the benefits to covered banks accordingly.

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The proposed deadline for the FDIC to distribute the scenarios for the annual stress tests would be by February 15. I would recommend that this deadline should be brought forward to January 15, allowing still enough time for the FDIC to appropriately prepare and calibrate the scenarios to market, but providing more time for covered banks to utilise the scenario sets in their preparatory work and for the stress testing. This would be reasonable in my experience.

Yours faithfully

C.R.B.

Chris Barnard