

Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429  
United States  
[www.fdic.gov](http://www.fdic.gov)

Chris Barnard

27 February 2018

**- Proposed Statement of Policy for Participation in the Conduct of the Affairs of an Insured Depository Institution by Persons Who Have Been Convicted or Have Entered a Pretrial Diversion or Similar Program for Certain Offenses Pursuant to Section 19 of the Federal Deposit Insurance Act**

Dear Sir.

Thank you for giving us the opportunity to comment on your notice of Proposed Statement of Policy for Participation in the Conduct of the Affairs of an Insured Depository Institution by Persons Who Have Been Convicted or Have Entered a Pretrial Diversion or Similar Program for Certain Offenses Pursuant to Section 19 of the Federal Deposit Insurance Act.

You are seeking to update your Statement of Policy (SOP), which is issued pursuant to Section 19 of the Federal Deposit Insurance Act (FDI Act) (Section 19). Section 19 prohibits, without the prior written consent of the FDIC, any person from participating in banking who has been convicted of a crime of dishonesty or breach of trust or money laundering, or who has entered a pretrial diversion or similar program in connection with the prosecution for such an offense. Based upon its experience with the application of the SOP since 1998, the FDIC is now proposing to revise and issue an updated SOP and rescind the current SOP. Notably, the FDIC is proposing to expand its current de minimis exception to encompass insufficient funds checks of aggregate moderate value; small dollar, simple theft; and isolated, minor offenses committed by young adults. These changes are intended to reduce regulatory burden by decreasing the number of covered offenses that will require an application, while ensuring that insured institutions are not subject to risk by convicted persons.

I fully support the proposed changes, which will expand the de minimis criteria to cover relatively minor crimes that pose little risk to the integrity of Section 19. This will reduce cost and regulatory burden without loss of amenity in any other area.

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

Yours faithfully

A solid black rectangular box used to redact the signature of Chris Barnard.

Chris Barnard