

May 24, 2021

James P. Sheesley  
Assistant Executive Secretary  
Attn: Comments-RIN 3064-ZA14  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street NW  
Washington, DC 20429

Re: Request for Information on FDIC Official Sign and Advertising Requirements and Potential Technological Solutions;  
Comment Request (RIN 3064-ZA14)

Dear Madam or Sir:

Chelsea Groton Bank thanks you for your leadership and effort to modernize the FDIC official sign and advertising requirements, and for an opportunity to offer our feedback.

The FDIC's rules regarding sign and advertising requirements state that FDIC member banks must display the FDIC sign wherever insured deposits are normally received and use the official advertising statement when advertising products and services. The intent is to make consumers aware of which financial institutions have the benefit of FDIC insurance and which do not.

The requirement to display the official FDIC sign at all facilities, including at each place in which a deposit may be accepted, is outdated and does not allow banks the flexibility to continue to evolve and compete against nonbank competitors. Since the advertising rules were last significantly updated in 2006, the ways in which consumers interact with banks has expanded to include new technologies. Technological advancements have prompted financial institutions to change the ways in which they engage. Banking, and specifically deposit taking, now may be done via online banking, mobile banking, smart phone applications, digital wallets, and other tools. We can now accept deposits anywhere: at the teller line, via tablet in the lobby, or even off-site at a customer's place of business or home. During the pandemic, we offered concierge service through our drive through lanes where a Bank employee would accept deposits by walking out to a vehicle, going inside to conduct the transaction, and returning the receipt to the depositor in their vehicle.

Instead of signage at each deposit-taking station, a sign advertising FDIC membership at each entrance to a branch lobby and one at each deposit-taking ATM should be sufficient. Signage should only be required in spaces where funds would NOT be insured, such as in the office of a financial advisor.

In terms of advertising, particularly in a digital environment, such as on social media where profile pictures are cropped and compressed by each individual platform, it is impractical to include the official FDIC sign. Attempting to squeeze the required advertisement logo or statement into small-scale images does not serve the intent behind the advertising rules. Including "Member FDIC" in each of an insured institution's social media profiles should be sufficient, especially when posts, pictures, etc., are not related to deposits.

Member banks should only be required to include the FDIC logo or membership statement on advertisements or communications regarding deposits, similar to how the Equal Housing Lender requirements only apply to

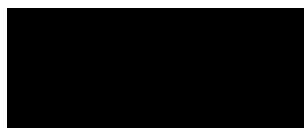
communications related to lending involving dwellings. For example, Chelsea Groton offers several lifestyle classes a week, such as cooking classes or book club meetings. The communications to customers about these events, whether via email or social media posts, contain strictly non-transactional information and do not reference bank products at all. These type of communications should be exempt from the advertising requirements.

In instances in which an FDIC member institution has a contractual relationship with a non-FDIC insured entity, such as a fintech, the non-insured entity should be prohibited from advertising the FDIC status of joint products. However, they should be able to state that they are partnered with an FDIC-insured institution, which would present an opportunity to inform consumers of the benefits of that partnership and FDIC membership.

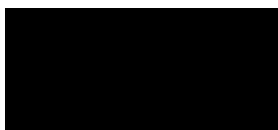
It seems that there is low consumer awareness about the benefits of using an FDIC-insured financial institution. We would suggest that the FDIC initiate a consumer awareness campaign extolling the benefits of FDIC-insured institutions and how to identify them. We urge the FDIC to develop an alternative method of identifying member institutions that better aligns with the way consumers engage with banks, especially through mobile and internet-based platforms. Possible solutions include a .fdic website domain or an indication via a bank's website security certificate that it is a member institution, or a registry of insured institutions, similar to the NMLS for licensed mortgage lenders.

We appreciate the opportunity to submit feedback on this request for information.

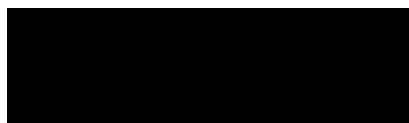
Respectfully Submitted,



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