



THE FINANCIAL SERVICES ROUNDTABLE
Financing America's Economy



January 31, 2013

Mr. Robert deV. Frierson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue,
NW Washington, DC 20551

Re: Request for Extension of Comment Deadline with respect to Proposed Rules
Implementing Sections 165 and 166 of the Dodd-Frank Act for Foreign Banking
Organizations and Foreign Nonbank Financial Companies (Docket No. 1438; RIN
7100 AD 86)

Ladies and Gentlemen:

The undersigned trade associations¹ collectively represent foreign banking organizations (“FBOs”), U.S.-headquartered banks, securities firms, investment companies, asset managers and other financial institutions accounting for a substantial majority of banking and financial assets in the United States. We respectfully request that the Board of Governors of the Federal Reserve System (the “Board”) extend the deadline for comments on its notice of proposed rulemaking implementing the enhanced prudential standards and early remediation requirements mandated by Sections 165 and 166 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”) for FBOs and foreign nonbank financial companies (the “Proposed Rules”) to May 30, 2013.

The Proposed Rules are intended to be broadly consistent with the separate, but closely related, rules proposed by the Board in December 2011 implementing Sections 165 and 166 for large U.S. bank holding companies and nonbank financial companies supervised by the Board (the “December 2011 Proposal”). They do not reflect potential modifications that may be made to the December 2011 Proposal in response to those comments, and comments on the Proposed Rules will help inform the Board’s consideration of how the Dodd-Frank Act’s enhanced prudential standards should be applied differently to FBOs.² Accordingly, the Proposed Rules have profound implications for both FBOs and U.S. bank holding companies.

¹ Information about the signatories is set forth in the Annex to this letter.

² See 77 Fed. Reg. at 76632 (Dec. 28, 2012).

The Proposed Rules are wide-ranging in scope, touching upon virtually every major area of prudential regulation, including risk-based capital and leverage requirements, liquidity standards, risk management, single-counterparty credit limits and stress-test requirements. They also are in important ways novel in their application, calling for far-reaching and unprecedented structural changes and introducing a totally new early remediation regime. Further, they have a very significant cross-border dimension and present potentially very profound implications for home-host country supervisory relationships. Their breadth and complexity call for both extensive analysis of the various individual requirements and the interrelationships among them and careful assessment of the extent to which they create an effective and cohesive framework for enhanced prudential supervision that is consistent with the Dodd-Frank Act and avoids unintended consequences. Moreover, due consideration must be given to the interaction of the Proposed Rules with other international financial reform initiatives, including in particular implementation of the Basel III Accord, as well as tax laws of close to 10 different jurisdictions. Finally, we anticipate that the evaluation of certain areas of the Proposed Rules (for example, the proposed liquidity and single-counterparty credit limit requirements) will constitute a very significant analytical exercise. This entire process is requiring an extensive commitment of time and personnel at a time when our members are also actively dealing with other significant implementation challenges under the Dodd- Frank Act, including especially those presented under Title VII.

Our members strongly support the creation of an integrated set of requirements that would both (i) reduce the potential of failure of systemically important companies and minimize damage to the financial system and the broader economy in the event of such a failure and (ii) avoid unduly inhibiting the ability of the U.S. banking system to support economic growth and job creation. To that end, our members are actively engaged in a careful review and analysis of the Proposed Rules and are working together diligently to prepare comments on the proposal. In light of the scope and complexity of the Proposed Rules, however, we are concerned that the existing deadline for comments does not provide sufficient time to perform the level of analysis that this crucial proposal merits, or to achieve an adequate understanding of the implications and potential consequences of the Proposed Rules.

We are appreciative of the thorough and thoughtful analysis that the Board has conducted in developing the Proposed Rules and its commitment to seek meaningful input. That process, however, has necessarily resulted in Proposed Rules of extraordinary complexity, with 306 pages of text and 103 questions.

As a result of the tremendous breadth, complexity, potential interrelationships and importance of the Proposed Rules, we respectfully request that the Board extend the deadline for comments on the Proposed Rules for 60 days to May 30, 2013. Our goal is to develop carefully considered and well- informed comment letters that will be constructive for the Board's rule-making process, and we believe the additional time requested is necessary to accomplish that goal.

Mr. Robert deV. Frierson
January 31, 2013

If you have any questions, please contact Richard Coffman, General Counsel, Institute of International Bankers, at 646-213-1149 or by email at rcoffman@iib.org.

Very truly yours,



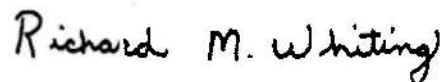
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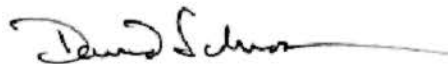
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A handwritten signature in blue ink, appearing to read "Ken Bentsen", is centered on the page.

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Annex

Institute of International Bankers

The Institute of International Bankers (IIB) is the only national association devoted exclusively to representing and advancing the interests of the international banking community in the United States. Its membership is comprised of internationally headquartered banking and financial institutions from 38 countries around the world. The IIB's mission is to help resolve the many special legislative, regulatory, tax and compliance issues confronting internationally headquartered institutions that engage in banking, securities and other financial activities in the United States. Through its advocacy efforts the IIB seeks results that are consistent with the U.S. policy of national treatment and appropriately limit the extraterritorial application of U.S. laws to the global operations of its member institutions.

American Bankers Association

The American Bankers Association represents banks of all sizes and charters and is the voice for the nation's \$14 trillion banking industry and its 2 million employees. Learn more at www.aba.com.

The Clearing House Association

Established in 1853, The Clearing House is the oldest banking association and payments company in the United States. It is owned by the world's largest commercial banks, which collectively employ over 2 million people and hold more than half of all U.S. deposits. The Clearing House Association L.L.C. is a nonpartisan advocacy organization representing – through regulatory comment letters, amicus briefs and white papers – the interests of its owner banks on a variety of issues. Its affiliate, The Clearing House Payments Company L.L.C., provides payment, clearing and settlement services to its member banks and other financial institutions, clearing almost \$2 trillion daily and representing nearly half of the automated clearing-house, funds transfer, and check-image payments made in the U.S. See The Clearing House's web page at www.theclearinghouse.org.

The Financial Services Roundtable

The Financial Services Roundtable represents 100 integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO.

Roundtable member companies provide fuel for America's economic engine, accounting directly for \$98.4 trillion in managed assets, \$1.1 trillion in revenue, and 2.4 million jobs.

Institute of International Finance

The Institute of International Finance (IIF) is a global association of more than 470 financial institutions. Its mission is to support the financial industry in the prudent management of risks, including sovereign risk; the development of sound industry practices and standards; and the advocacy of regulatory, financial and economic policies that are in the broad interests of its members and global financial stability. Within its membership the IIF counts leading global banks, insurers, pension funds, asset managers and sovereign wealth funds, as well as leading law firms and consultancies. www.iif.com

Securities Industry and Financial Markets Association

The Securities Industry and Financial Markets Association (SIFMA) brings together the shared interests of hundreds of securities firms, banks and asset managers. SIFMA's mission is to support a strong financial industry, investor opportunity, capital formation, job creation and economic growth, while building trust and confidence in the financial markets. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>