BANK POLICY INSTITUTE

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Via Electronic Mail

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Re: *Building operational resilience: Impact tolerances for important business services*[1]

Ladies & Gentlemen:

The Bank Policy Institute[2] appreciates the opportunity to respond to the December 2019 consultation papers (the "Proposals") issued by the Prudential Regulatory Authority, Financial

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1 *See* Prudential Regulatory Authority, Consultation Paper 29/19, *Operational resilience: Impact tolerances for important business services* (Dec. 2019) ("PRA Proposal"); Financial Conduct Authority, Consultation Paper 19/32, *Building operational resilience: Impact tolerances for important business services and feedback to DP18/04* (Dec. 2019) ("FCA Proposal"); and Bank of England Consultation Papers on *Operational Resilience: Central Counterparties, Operational Resilience: Central Securities Depositories, and Operational Resilience: Recognised Payment System Operators and Specified Service Providers* (Dec. 2019).

2 The Bank Policy Institute is a nonpartisan public policy, research and advocacy group, representing the nation's leading banks and their customers. Our members include universal banks, regional banks and the major foreign banks doing business in the United States. Collectively, they employ almost 2 million Americans, make nearly half of the nation's small business loans, and are an engine for financial innovation and economic growth.

Conduct Authority, and Bank of England (the "U.K. Authorities") that would establish a U.K. regulatory framework intended to promote operational resilience through the use of impact tolerances for important business services and other related measures. Because our comments are largely conceptual in nature and apply equally to each of the PRA, FCA, and Bank of England consultation papers on this topic, this letter provides a single, collective set of comments on the package of Proposals as a whole, as well as certain individual aspects of each of the Proposals. Although our membership is comprised of universal banks, regional banks and the major foreign banks doing business in the United States, which have varying business models and presence in the United Kingdom, we have chosen to provide these comments on the Proposals both because of their importance to international policy development efforts in this area and because nearly all systemically important financial services sectors and activities are international in nature.

Operational resilience is an important priority for all participants in the global financial system, and an integral part of how banks and other financial institutions and market utilities ensure they can continue to serve customers, clients, and markets in the face of operational disruption. For this reason, we welcome international supervisory efforts to assess the existing operational resiliency of banks and other financial market participants, identify evolving best practices and opportunities for public/private coordination that support operational resilience, and establish consistent global standards for the promotion of operational resilience both within firms and across the financial system. To that end, the Proposals seek comment on a range of different potential tools and approaches by which both firms and supervisors might assess and improve operational resilience, which, together with other efforts being undertaken by the Basel Committee and other national supervisors, have helped to create a robust public policy debate concerning how best to assess and supervise operational resilience.

At the same time, however, we are concerned that the Proposals could establish a regulatory framework for operational resilience that is potentially more rigid and prescriptive than is appropriate. Given the highly dynamic environment in which banks and other market participants must develop, assess and improve their operational resilience, it is best suited to a regulatory framework that is outcomes-based in its focus and grants banks substantial flexibility and discretion in determining how best to achieve those outcomes. Certain aspects of the Proposals run the risk of undermining that necessary flexibility. For example, although "impact tolerances" may be a useful tool for assessing the operational resilience of many business functions or systems, they should not serve as an exclusive and uniform tool around which the operational resilience of all banks is judged; instead, they are best used in concert with existing measures and represent one input to a comprehensive program. Similarly, although focusing operational resilience efforts on "important business services" is crucial, it is equally important that firms have sufficient flexibility to tailor how they define and identify such services to reflect an integrated and holistic view of operational resilience across the firm, rather than be subject to standardized and granular definitional criteria that encourage, rather than eliminate, management silos and compartmentalization.

The response to the recent and ongoing COVID-19 pandemic confirmed the need for standards to provide flexibility and adaptability for financial institutions and also served to demonstrate the industry's operational resilience and cybersecurity readiness posture that protected customers and ensured the continual functioning of the global financial system. Despite the nearly unprecedented nature of the pandemic and its global scope, firms were successfully able to quickly implement new loan programs and facilitate government stimulus initiatives to support customers and the broader economy, while simultaneously dealing with the impact of the pandemic on society by implementing social distancing measures in retail branches and call centers, and shifting the majority of the workforce to a remote work environment. By leveraging existing processes and plans—such as business continuity planning ("BCP"), cybersecurity and technology resilience work—firms were able to quickly and efficiently adjust their operations to meet these new demands as the impacts of the pandemic continued to spread geographically. While firms are continuing to assess the lessons learned from their recent experience, their existing planning efforts and testing regimes provided a solid foundation from which to support needed adjustments in a timely fashion. Although the COVID-19 pandemic represents only one of many different types of potential disruptions for which banks must prepare, and its operational challenges were not sudden and abrupt in nature, banks response to the pandemic's operational challenges nonetheless demonstrates the value of existing processes and plans that can be flexibly leveraged when disruption inevitably occurs.

To the extent that they result in a very specific, formulaic and comprehensive set of requirements by which supervisors would assess banks' operational resilience, the Proposals run the risk of requiring banks to focus on producing and meeting a range of standardized metrics and tests, rather than identifying and addressing the wide range of decidedly *non*-standardized challenges and risks to operational resilience that arise over time. Indeed, the very reason that operational resilience is so challenging to achieve and assess—the fact that operational resilience cannot be reduced to simple numbers or homogeneous practices—is the same reason that the more prescriptive elements of the Proposals could hamper further enhancements to operational resilience in practice. Given these concerns, much of this letter seeks to identify specific aspects of the Proposals the effectiveness and appropriateness of which could be improved by taking a less granular and less prescriptive approach.

We also note that operational resilience is the subject of significant study and policymaking efforts globally, including ongoing work by the Basel Committee on Banking Supervision ("BCBS") at the international level and by supervisors in the United States and other jurisdictions, including the proposed *Principles for operational resilience* published for consultation by the BCBS on August 6, 2020.[3] Given the global scope of many banks and the markets and financial systems in which they operate, it is crucial that any supervisory standards for operational resilience be consistent and harmonized across different jurisdictions, including

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3 See Basel Committee on Banking Supervision, *Consultative Document: Principles for operational resilience* (Aug. 2020).

the U.K. For that reason, we strongly urge the U.K. Authorities not to finalize any specific standards until the Basel Committee has completed its pending work to establish international standards in this area.

I. Operational resilience is an important priority for both banks and other financial institutions, and banks have devoted significant efforts, both individually and through collaborative efforts of the public and private sectors, to understand, assess and improve operational resilience across the financial system.

Building and maintaining operational resilience has long been a priority for banks, given the importance of resilience to a bank's ability to continue to serve markets and customers notwithstanding operational disruption. For this reason, banks have long been at the forefront of larger corporate efforts to continuously enhance and improve their operational capabilities and readiness, including through BCP, operational risk management, and cybersecurity investment and innovation. This is not simply a matter of regulatory compliance; rather, it has been and remains good business and sound risk management for banks to focus and prioritize on building and sustaining their operational resilience in the face of potential disruption. Indeed, much of this past work enabled firms and the broader industry to continue to operate throughout the ongoing COVID-19 pandemic despite unforeseen interruptions to staffing, increased demands on technology systems, and disruptions to supply chains and outsourcing plans as countries instituted lockdowns and restricted the movement of essential employees. Notably, the challenges and threats against which banks must remain resilient are themselves highly dynamic and subject to constant change and evolution, such that resilience is best understood not as an obtainable "end state," but rather a process of continuous improvement and adaption to address threats to resilience as they are identified and evolve.

Reflecting this priority, and in addition to their individual efforts to enhance operational resilience, banks in recent years have undertaken a range of extensive and maturing collective efforts aimed at enhancing the operational resilience of both individual firms and the broader sector, often in partnership with the public sector. Such work has included exercises and programs to explore systemic risks of the global interconnected financial system, dedicated initiatives designed to identify, assess and prioritize risks to significant market segments (e.g. global wholesale payments), data vaulting standards to improve resiliency and recovery, and operational response groups to facilitate information sharing of cyber threat indicators across the nearly 7,000 global members of the financial industry's information sharing organization.[4]

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[4] This work includes, for example, (i) participation in the "Hamilton" series of exercises which, led by the Financial Services Information Sharing and Analysis Center ("FS-ISAC"), the Financial Services Sector Coordinating Council ("FSSCC") and the U.S. Treasury Department under the auspices of the U.S. Financial and Banking Information Infrastructure Committee ("FBIIC"), explore the systemic risks to the banking system from significant incidents such as a pandemic or destructive malware attack; (ii) formation and operation of Sheltered Harbor, a non-profit subsidiary of the U.S. Financial Services Information Sharing and Analysis Center ("FS-ISAC") devoted to coordinating the development of industry standards and

Importantly, the collaborative and multi-dimensional nature of these collective industry efforts reflect the inherent complexity of operational resilience in the context of the broader financial system in which firm-specific efforts are necessary, but not sufficient. Given the interconnected nature of the global financial system, operational resilience depends not only on banks' internal preparedness and capabilities, but also that of other key market participants, including both private and government-operated financial market utilities and other key nodes of the financial system. Operational resilience initiatives must therefore also recognize the unique roles that regulators, nonbank financial providers, insurers, and technology suppliers play alongside banks in ensuring stability across the financial sector and the broader economy. To that end, we laud the Proposals for their broad focus not only on banks, but also on financial market utilities, insurance providers, and other key market participants.

II. Standards for operational resilience should ensure financial institutions have the necessary flexibility and agility to achieve operational resilience.

A. Reflecting the dynamic nature of operational resilience efforts and the fact that appropriate operational resilience measures will vary by firm and sector over time, operational standards should be focused on outcomes.

Given the dynamic and multi-dimensional nature of potential disruptive threats, change and adaptability are fundamental to operational resilience as an outcome. An appropriately risk-based approach to operational resilience is likely to entail meaningfully different approaches across different types of firms and businesses, and specific and prescriptive standards are likely to become quickly outdated or irrelevant, resulting in a misallocation of resources and possibly diverting attention away from greater, emerging risks. For these reasons, as a supervisory matter, operational resilience appropriately requires a framework that is based on broad principles and assesses the extent to which a firm has built a program that is effective at identifying potential threats and promoting the firm's ability to recover from, and otherwise remain resilient in the face of, potential disruption.

We are concerned that the Proposals could, depending on how they are implemented, establish a regulatory and supervisory framework that goes well beyond core principles for operational resilience and instead codifies a series of specific and prescriptive mandates regarding the ways in which every bank's operational resilience program must be defined and operated—namely, a formulaic and standardized set of requirements dictating that specifically

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supporting infrastructure to help financial institutions back up critical account data on a nightly basis, and (iii) establishment of the Financial Systemic Analysis & Resilience Center ("FSARC"), which was created in 2016 by a consortium of financial services firms to develop a confidential risk register that reflects technological and operational threats that have the potential to cascade from one financial institution through the entire sector. Part of the FSARC's mission is to facilitate coordination among banks, the Department of Homeland Security, U.S. Treasury and the U.S. intelligence community to better identify, prioritize and defend critical infrastructure against an attack and support the operational resilience of the financial sector.

defined business functions meet specifically defined impact tolerances under particular types of scenarios. Simply put, operational resilience should not be reduced to a standardized test. Such an approach would likely discourage and disincentivize the kind of proactive, creative, and continually-adaptive management attention that effective operational resilience requires, since it would likely promote a "check-the-box" approach to supervisory assessment and bank compliance.

For this reason, and as described in further detail below, we believe that it is important that various aspects of the Proposals be refined so as to provide a more flexible and principles-based approach to establishing supervisory standards.

B. The Proposals should provide firms with sufficient flexibility to define and identify the "important business services" around which they build their operational resilience efforts.

The Proposals would consider as an "important business service" a service provided to an end user, the disruption of which could pose a risk to the firm's safety and soundness or the stability of the UK's financial system.[5] Firms would be required to consider not only the possible disruption to end users, but also the "chain of activities which make up the business service," in order to prioritize which sequences in the chain are most critical to operational resilience.[6] The FCA Proposal would also include a more detailed, technical definition that incorporates the likelihood of causing consumer harm upon disruption, the likelihood of causing market-wide harm, and the likelihood of causing threat to the firm itself when such harm could have knock-on effects harming consumers or market integrity.[7] We believe that this aspect of the Proposals raises several potential concerns, all of which could be better addressed by introducing greater flexibility and focusing on the adequacy and robustness of the *process* by which a firm identifies functions, systems, or services that would pose significant risks if disrupted.

First, we are concerned that the proposed definition of an "important business service" could be unnecessarily granular and burdensome in practice. The FCA Proposal, in particular, would require firms to assess and categorize points of disruption and possible users whom the disruption could impact,[8] and would also require firms to narrowly catalog their services, such as the dispensing of cash at an ATM.[9] This highly detailed approach to defining an "important

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5 Prudential Regulatory Authority, Consultation Paper 29/19, *Operational resilience: Impact tolerances for important business services* at 4–5, 29 (Dec. 2019).

6 *Id.* at 4.

7 Financial Conduct Authority, Consultation Paper 19/32, *Building operational resilience: Impact tolerances for important business services and feedback to DP18/04* at 12–13 (Dec. 2019).

8 *Id.* at 12.

9 *Id.*

business service" is likely to promote an inappropriately compartmentalized view of operational resilience. For instance, the FCA Proposal's example of access to cash through an ATM would require an undue focus on the channel through which cash is delivered rather than the end result that is most relevant from an operational resilience perspective—a consumer's continued access to needed cash or cash equivalents in the face of disruption. Furthermore, the "downstream" implications of a very granular approach to defining business services for other aspects of the framework—the assessment of its "importance," the calibration of related impact tolerances, the choice of stress testing approach, for example—would be significant and problematic. While banks have the ability to foresee certain known threats to operational resilience, they will be ill-positioned to analyze second- and third-order effects of novel, unpredictable threats if they are bound to detailed ex ante predictions of effects on end users. For that reason, firms should have significant flexibility in how, and at what level of granularity, they define important business services for operational resilience purposes in order to promote a more integrated and holistic view of operational resilience across the firm, at least in some areas. Any definition should capture the critical elements of important business services without imposing further requirements that may poorly reflect how a threat unfolds in real time. As we describe in more detail in Part IV below, standards in this area should therefore primarily focus on whether and how a firm identifies and differentiates functions, systems, or services the disruption of which would pose significant risks to financial stability or safety and soundness.

Second, the Proposals do not provide guidance on the key criterion for determining whether a business service is "important"—they simply refer to a service the disruption of which could pose "a risk" to financial stability, safety and soundness, or consumers, with no further elaboration.[10] Although we recognize that such risks are difficult to estimate with precision, important business services should generally reflect those the disruption of which would pose *significant* risks so as to ensure the appropriate prioritization and focus of operational resilience efforts within a firm. In this regard, we note that many banks have already, for purposes of their recovery and resolution planning ("RRP") work, put in place sophisticated approaches to identifying and mapping critical business services that must be maintained in either recovery or resolution. Although the goals of the RRP framework as they pertain to operational continuity are of course not identical, it may be highly useful for some banks to leverage any definitional criteria and related analysis they have put in place for RRP purposes when identifying and mapping "important business services" (or any successor concept thereto) for operational resilience purposes. For this reason, banks should be expressly permitted to leverage aspects of existing RRP or other resiliency analyses where it deems appropriate.

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10 *Id.* at 5.

C. Impact tolerances can serve as a useful operational resilience tool, but would be inappropriate if taken as a single, mandatory, and standardized measure of operational resilience in which banks are not granted appropriate flexibility and discretion in setting those impact tolerances.

The Proposals would evaluate banks chiefly on the impact tolerances they set, which are meant to "quantify the maximum level of disruption to an important business service," where such disruption would "pose a risk to either the firm's safety and soundness or financial stability . . . ."[11] These measures would be calibrated as a unified metric referencing a single disruption.[12]

We are concerned that the way in which the Proposals would require use of impact tolerances could, if banks are not given sufficient flexibility and discretion in setting those impact tolerances, promote a simplified and reductionist view of operational resilience that may be counterproductive in practice. Operational resilience should not become a compliance exercise; rather, banks should be encouraged to seek to build dynamic and multi-dimensional operational resilience programs that reflect and anticipate a variety of threats and potential sources of disruption. While the use of objective, standardized metrics is a valuable practice in certain areas of regulation, and the development and testing of impact tolerances may be a useful *indicative* tool by which firms assess the effectiveness of their resiliency efforts, impact tolerances may not be appropriate as a mandatory metric of "sufficient" operational resilience in all cases, and their use as such would not promote a complete or accurate picture of a bank's operational resilience. This is especially true given that impact tolerances and other potential measurement tools for operational resilience are relatively new and untested.

Furthermore, the use of impact tolerances as the core measure of compliance with supervisory expectations could, if implemented in a way that does not grant banks appropriate flexibility and discretion in setting those impact tolerances, create incentives that are in tension with the Proposals' policy aims, as doing so is likely to lead supervisors—and banks—to reduce complex operational challenges to standardized measures, and focus their operational resilience efforts on managing to those standardized measures. Such efforts would come at the cost of tailored, dynamic efforts capable of achieving operational resilience aims in a constantly changing environment.

Affording firms with appropriate flexibility to define and assess their resiliency objectives for various important business services would encourage broader, more integrated, and more coherent approaches for continuously monitoring and improving operational

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11 Prudential Regulatory Authority, Consultation Paper 29/19, *Operational resilience: Impact tolerances for important business services* at 6–7 (Dec. 2019).

12 Financial Conduct Authority, Consultation Paper 19/32, *Building operational resilience: Impact tolerances for important business services and feedback to DP18/04* at 7 (Dec. 2019).

resilience. Without such flexibility, the use of impact tolerances threatens to create incentives that undercut the Proposals' aims. Instituting uniform metrics as a mandatory measure could effectively encourage firms to adopt a "check-the-box"-type approach to their supervisory assessments. Instead, operational resilience frameworks should create strong incentives for firms to identify and implement the highest-impact changes. An effective way to create such incentives could come from a framework that is focused on assessing the appropriateness of a firm's operational resilience objectives and its efforts to meet them. Under such an approach, firms would be free to implement innovative methods of reaching the outcomes the Proposals seek to achieve.

Whatever approach is ultimately taken in implementing impact tolerances, it is equally important that any form of resiliency objective must account for both the level of benefit to financial stability and safety and soundness *and* the relative costs of remediation in the context of the firm's overall objectives. Ultimately, impact tolerances and other resiliency objectives should appropriately balance these two considerations, such that they are defined at levels that drive the allocation of resources towards resiliency improvements that provide the most effective and efficient returns to increased financial stability and resiliency.

III. More broadly, operational resilience standards should expressly permit banks to leverage existing frameworks such as RRP, operational risk management, BCP, and cybersecurity resilience in designing their own approach to, and meeting supervisory expectations for, operational resilience.

Operational resilience is not merely a standalone outcome, but more broadly reflects the appropriate integration and coordination of a range of related processes and controls, including operational risk management, BCP, RRP, and cybersecurity. Promoting and achieving operationally resilient outcomes globally for customers and market participants is best accomplished by closer collaboration and communication among firms and third parties, which could in fact be hindered by the creation of entirely new processes aimed solely at operational resilience. New operational resilience standards could, if not carefully harmonized with existing standards in related areas, create confusion and ambiguity both within and across firms and potentially undermine global harmonization and alignment of expectations across the supervisory jurisdictions that may oversee different parts of an internationally active bank. For these reasons, we believe it is extremely important that any standards for operational resilience be appropriately harmonized with existing supervisory guidance and internal bank frameworks (e.g., for operational risk management, BCP, and RRP) to avoid the risk that, in practice, operational resilience standards give rise to a new, "siloed" apparatus. Standards that encourage and facilitate an approach that allows firms, where they find it helpful, to coordinate and harness existing standards and frameworks will best support the cumulative goal of operationally resilient banks.

IV. Operational resilience standards should focus on financial stability and safety and soundness.

A. The operational resilience efforts of banks and supervisors should prioritize risks to financial stability and safety and soundness.

The Proposals would, collectively, require a firm to establish and meet impact tolerances calibrated to risks to financial stability, to safety and soundness, *and* to consumers. Although minimizing each of these risks are important goals, we are concerned that in many cases, impact tolerances calibrated to potential consumer harm are likely to function as the "lowest common denominator" and thus demand priority, which is at odds with the overwhelming importance of financial stability and firms' individual safety and soundness in the larger context of operational resilience. Indeed, the single most effective way to protect consumers from the negative effects of operational disruption is to require firms to prioritize and address disruptive threats that could otherwise pose significant risks to the broader financial system or the firm's own viability, the consequences of which to consumers would otherwise be substantial and systemic. Banks should be permitted to calibrate their operational resiliency programs to the relevant magnitude of potential types and severity of consumer harm that might result from disruption so as to encourage the appropriate allocation of resources and attention to improvements that provide more effective and efficient resiliency benefits.

B. Any standards should also carefully distinguish and differentiate between resilience at a sector level and resilience at a firm level.

Although the Proposals generally speak of operational resiliency risks to an individual firm and to the broader financial system in similar terms, and would apply the same supervisory expectations as concerns each, it is important to emphasize that these resiliency goals—and the means necessary to achieve them—vary in significant ways. Although firms can and should identify and assess operational resiliency risks to their own viability and safety and soundness, resilience at a sector or financial system level is inherently multi-dimensional, demanding a clear understanding across all relevant firms and the public sector of what is systemically important, and what outcomes are necessary. Resiliency at a sector or financial system level can be informed and supported by individual firm action, but ultimately must rest upon collective and collaborative decision-making and action by not only banks, but also regulators, nonbank financial providers, insurers, technology suppliers, and other key constituents and stakeholders across the financial system. Collaborative forums can and should serve as a primary means by which operational resilience at a sector and financial system is assessed and the actions that individual firms should take in furtherance of that resilience identified. International regulators can and should play an important role in convening key stakeholders and providing clarity in this area.

V. The Proposals should acknowledge the complementary importance of taking into account and prioritizing operational resilience efforts that prevent or limit disruption.

The Proposals are deliberately agnostic as to whether disruption is likely or possible, based on the wholly appropriate assumption that disruptions will occur from time to time.[13] While it is critically important that firms' operational resilience efforts take into account the possibility of disruption, true operational resilience reflects a holistic effort by banks to reduce not only the impact of disruption, but the probability of disruption as well. This is particularly true at the level of firm prioritization and resource allocation, where operational resilience is best served by banks carefully assessing and balancing both of these goals. Thus, for example, as a firm considers how best to allocate operational resilience resources, it *should* matter which types of disruptions or scenarios are more plausible than others. Similarly, it is entirely possible that there may be cases where a bank cannot meet its impact tolerance or other resilience objective for a particular service, system or function, yet its operational resilience is best supported by a focus on limiting the probability of disruption, rather than improving its ability to recover from that disruption. While we understand the Proposals' core focus on mitigating the impact of, and promoting recovery from, disruption, we believe it is important the Proposals also acknowledge that *prevention* of disruption is an important, complementary goal. Both prevention and recovery should be assessed and addressed holistically, with a view towards allocating firm resources and attention to investments and activities that provide the most efficient and effective benefits to the overall operational resilience of a firm.

VI. International coordination and consistency in standards for operational resilience is crucial in ensuring that global banks are subject to consistent and aligned regulatory or supervisory expectations in each jurisdiction in which they operate.

The U.K. Authorities' have served as a global thought leader in developing and articulating supervisory standards for operational resilience and are to be commended for initiating a robust global policy discussion on this important topic. We would welcome similar leadership in reaching a globally consistent approach to this important topic. Given the inherently cross-border character of the global banking system, it is neither feasible nor desirable for global banks to establish multiple operational and governance models across different jurisdictions—as a fundamental matter, operational resilience is inherently an enterprise-wide exercise. Ensuring that any standards are appropriately developed and harmonized at an international level would bolster market confidence, allow for better identification and mitigation of cross-border disruptions, and better position both firms and the industry more broadly to reduce risks. Doing so would also avoid the significant risk for potential fragmentation in standards across different jurisdictions, which would be particularly

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13 *See, e.g.*, Prudential Regulatory Authority, Consultation Paper 29/19, *Operational resilience: Impact tolerances for important business services* at 2 (Dec. 2019) ("The PRA's proposed approach to operational resilience is based on the assumption that, from time to time, disruptions will occur . . . .").

harmful in the context of systemic resilience because nearly all systemically important sectors and activities are international in nature.

Helpfully, and building upon the U.K. Authorities leadership in this area, the BCBS has undertaken extensive work to convene international supervisors to develop international standards for operational resilience, including the pending consultation on its proposed *Principles for operational resilience*. We strongly believe the BCBS should complete this pending work before individual national supervisors put into place final supervisory standards in this area, as that process is integral to fostering alignment and common understanding of objectives at the global level among policy and supervisory teams. Importantly this work will also help ensure the effective and efficient use of resources to support desired operational resilience improvements, as well as a global policy development process for operational resilience that is iterative, supported by continued dialogue among industry and regulators, and appropriately coordinated across international supervisors.

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If you have any questions, please contact the undersigned by phone at (202) 589-2437 or by email at chris.feeney@bpi.com.

Respectfully submitted,

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