

**SCHWARTZ & BALLEN LLP**  
1990 M STREET, N.W. • SUITE 500  
WASHINGTON, DC 20036-3465

(202) 776-0700

FACSIMILE  
(202) 776-0720

www.schwartzandballen.com

**M E M O R A N D U M**

August 12, 2005

To Our Clients and Friends

Re: Agencies' Request for Recommendations on Burden Reduction

The Comptroller of the Currency, Federal Reserve Board, Federal Deposit Insurance Corporation, and the Office of Thrift Supervision (the "Agencies") are requesting public comment to help identify unnecessary, outdated or unduly burdensome regulatory requirements that apply to banking operations, rules of procedure and directors, officers and employees. Comments are requested by November 9, 2005.

This is the Agencies' fifth request for comment on ways to reduce regulatory burden on depository institutions, as required by the Economic Growth and Regulatory Paperwork Reduction Act of 1996. The Agencies' notice contains a list of the 28 regulations that are under review. They include requirements such as:

- Prohibition of payment of interest on demand deposits
- Assessment of fees
- Golden parachute and indemnification programs
- Limits on extensions of credit to executive officers, directors and principal shareholders
- Employment contracts, compensation and pension plans
- Restrictions on transactions with officers, directors and others

Public comment is requested on:

- The need for statutory change
- The need and purpose of the existing regulations
- The general approach to current regulation and the flexibility of existing rules
- The effect of current regulations on competition

## **SCHWARTZ & BALLEEN LLP**

- The necessity and burden of reporting, recordkeeping, and disclosure requirements
- The consistency and redundancy of the requirements
- The clarity of regulations
- The burden imposed on small insured institutions

A copy of the proposal can be found on our web site at [http://www.schwartzandballen.com/whats\\_new.html](http://www.schwartzandballen.com/whats_new.html).

If you have any questions, please call Gilbert Schwartz, Robert Ballen or Tom Fox at (202) 776-0700.