



DSG SUMMARY: OCC WHITE PAPER ON RESPONSIBLE INNOVATION IN THE FEDERAL BANKING SYSTEM

SUMMARY OF PUBLIC COMMENTS: SUPPORTING RESPONSIBLE INNOVATION IN THE FEDERAL BANKING SYSTEM: AN OCC PERSPECTIVE¹

TOPIC	SUB-TOPIC	VIEWPOINT	DESCRIPTION
Definition of Responsible Innovation (RI)	OCC's proposed definition ²	Supports	<ul style="list-style-type: none"> -Definition is broad and our activities fit into the definition. (BOKF)³ -Supports definition, but RI should include arrangements that improve efficiencies and enable national banks to reduce operational and other risks. (PNC)⁴ -Definition allows for adoption of new products and services, yet, existing regulatory regimes do not encourage innovation and adequately address associated risks. (Circle)⁵ -Proposed definition, supported by existing guidelines, adequately support banks' efforts to build and sustain strong risk management capabilities, and ensure positive outcomes for their customers – additional regulations or guidelines are unnecessary and a principles-based supervisory approach is better positioned to promote RI. (COne)⁶ -Definition holds promise for experimentation that will benefit customers and the industry. (ABA)⁷
		Alternatives or suggestions	<ul style="list-style-type: none"> -Definition should rely on principles-based regulation. (JABG)⁸ -Regulators must develop systems for monitoring performance of financial institutions to realize a consumer and community friendly definition. (NCRC)⁹ -Definition is broad and inclusive as a whole, but leaves room for ambiguity for today's business environment. Definition is unclear about the interpretation of "responsible," and "is aligned with the bank's overall business strategy" may limit the reach of innovation. There is a difference between modernizing and innovating, and there needs to be some better-defined construct of partnerships. (CFSI)¹⁰ -Definition seems to have the potential to inhibit development of new products, services, and markets. (OBL)¹¹ -Provided another definition of RI. (Dv01)¹²
Q1) Challenges	Community banks (CBs); medium-size banks; fintech companies	Resource constraints	<ul style="list-style-type: none"> -CBs lack the resources to invest in R&D and as a result often accept lower quality products or something produced for a global bank. On timing, CBs usually do not on-board until global banks and major clients are on-boarded. (R3)¹³ -CBs face resource problems. Regulators should consider efforts to improve inter-agency efficiencies that eliminates silo-based viewpoints. (FSR/BITS)¹⁴ -Development, implementation, and management of technology is associated with high fixed costs. CBs often lack the scale (to buy or build) to offer a full range of products and services. Larger banks are typically not interested in partnerships for shared access. Fintech appears to target lines of business in which CBs have struggled to complete. (AP)¹⁵ -Unlikely that most CBs would have the expertise or funding to develop their own software solution. (Mirador¹⁶; LTree¹⁷) -Limited resources for experimentation, expectations of third-party risk management, regulatory challenge of investments, and regulatory expectation that control infrastructure will be fully built out prior to small-scale implementation. (BOKF)
		Regulatory burdens	<ul style="list-style-type: none"> -Banks seeking to innovate face difficulty determining how to obtain regulatory permission or approval. OCC should create a centralized point of contact for these inquiries. Different regulatory approaches also create challenges to RI. (Chamber)¹⁸ -CBs face aging technology systems, increased regulatory requirements, and a lack of online presence. The pace of technology has grown exponentially making it difficult for CBs to invest in time to realize benefits. (CIT)¹⁹ -Regulatory costs are a significant barrier for CBs, and entities with less or no regulatory oversight as compared to traditional banks are very disruptive. There is a challenge of scale broader than economics, such as having talented employees and expertise required for sophisticated technology. (OBL) -Regulators must give CBs the flexibility to lead the path to common sense small dollar lending. (ICBA)²⁰ -Managing the disproportionate financial burden of regulatory compliance, and the capacity to staff risk and compliance personnel. (SAMT)²¹ -CBs face increased cyber risks and more complex vendor management. Also, existing bank resources have been stretched thin due to increased regulations (i.e. Dodd-Frank). OCC should realize that excessive regulations and a culture of risk avoidance at CBs have had a discouraging impact on their desire and ability to devote resources on new and innovative products. (GCB)²² -Limited resources for experimentation, expectations of third-party risk management, regulatory challenge of investments, and regulatory expectation that control infrastructure will be fully built out prior to small-scale implementation. (BOKF)



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		Other challenges	<ul style="list-style-type: none"> -Many CBs currently rely on third-parties for IT, but adoption of open industry standards enable CBs to take advantage of innovation from a broader range of suppliers. Adoption of cloud-based solutions will lower IT costs and drive a faster innovation cycle. (Oracle)²³ -CBs have lost significant market share to larger banks in delivering consumer credit – partnerships with technology firms may allow CBs to offer loans to customers at a lower cost of operations. (LC)²⁴ -OCC should focus on actively seeking to foster partnerships between CBs and innovators, streamline rules to address innovation, foster RegTech solutions that reduce costs, and expand safe harbors and consider a low-risk alternative regulatory regime. (JABG) -CBs are unlikely to get equal treatment and access to digital wallets as compared to larger financial institutions. (MAG/RILA)²⁵ -OCC should promote capital access to non-traditional bank firms. (Milken)²⁶
Q2) Facilitating Innovation	Large institutions & small/mid-size institutions	Avoid premature regulatory intervention; provide regulatory certainty	<ul style="list-style-type: none"> -OCC can facilitate RI by generally trusting the market to build appropriate solutions. During the development stages, regulations currently in place are adequate to manage risk and to encourage RI in fintech – premature regulatory intervention must not hinder innovation. (R3) -Policy should allow for the acceptance and controlled growth in innovation without stifling it, and to accommodate disruptive processes of innovation and harness the potential opportunities for positive change. (CBA)²⁷ -Clarity in rules and consistency in application will make it possible for firms to engage in targeted experimentation, rather than through a lens solely focused on immediate and obvious bank strategies. (FSR/BITS) -OCC should “facilitate” and not create new regulatory layers, find a way to interject regulatory feedback as part of new technology development, and continue to monitor industry developments. (OBL) -Innovation that takes both sound risk management and consumer focus will be most successful. Regulators should try to provide clear regulations and guidance – to avoid inconsistencies. (LTree) -Financial institutions of all sizes should be postured to realize efficiencies and cost benefits of business innovation – financial institutions need continued guidance on how to balance effective risk management with RI. OCC should ensure expertise is appropriately disseminated to institutions of all sizes by designating lead experts on RI to support bank supervision, and employ experts. (NACHA)²⁸
		Regulate nonbank innovators	<ul style="list-style-type: none"> -OCC could create a more level playing field with regulations on nonbank entities offering banking products. A clear direction on how banks can appropriately collaborate with nonbank technology companies will better facilitate RI. A review of old and outdated regulations will be beneficial. (GCB)
		Foster partnerships & regulatory coordination	<ul style="list-style-type: none"> -The need for partnership between financial services providers and regulators and an ongoing dialogue between them is critical. (OG)²⁹ -Clarify regulatory expectations and coordinate with other regulatory agencies. (LC) -Regulators should perceive partnership as a form of RI. It is critical that CBs have access to collaborative approaches to partnerships that pool the resources of numerous banks. (AP) -OCC should equally foster positive innovation from banks as well as third-parties that will partner with banks, particularly those institutions that generally do not have capabilities to build products on their own. (PEW)³⁰ -OCC should collaborate and coordinate with other regulatory agencies to ensure consistency in supervision, oversight, rulemaking, and guidance. A standardized submission process and clarity around timeframes would help financial innovators to provide the OCC with information and data needed to facilitate review, and a common point of contact would facilitate better dialogue on RI. (US Bank)³¹
		Promote open data access/ sharing	<ul style="list-style-type: none"> -Promote open data access and exchange standards ensuring efficiency and security, work with appropriate stakeholders to explore a rationalized national fintech framework, foster innovation through regulatory flexibility and constructive guidance, and increase legal certainty through additional guidance on bank/nonbank partnerships. Open data is important to support a new range of business models. (TPWG³²; ILPA) -The public should be given access to data about innovations, including information about the nature of the technology and who it impacts. (Coalition)³³



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		Other recommendations	<ul style="list-style-type: none"> -Engage with institutions on product concerns versus exiting the product, create an avenue for discussion of specific rules, and require a section in annual examination report describing areas the OCC supports. (BOKF) -Thoughtful structure is necessary to ensure value. For forums: create representation from institutions that want to participate, create specific areas of interest and topics, elect a lead for each area, and have members work spotting issues and proposing solutions. (CIT) -Creating a lightweight, limited-purpose federal charter for fintech firms that mirrors the regulatory environment of the U.K. (CoinC)³⁴ -Consider creating an office, task force, working group, or advisory committee as an ongoing venue for dialog to provide better regulatory certainty. Also, provide third-party providers with reliable no-action letters to encourage small and community banks to accept new technologies and processes. The Community Reinvestment Act (CRA) should also be updated to encourage further lending to small businesses. (Mirador) -OCC should charter a new advisory committee to foster debate and deliver insight. (Plaid)³⁵ -Ensure innovative products anticipate and mitigate risks in the design phase, and consider the risk of consumer harm in the equation. (SAMT)
	Marketplace Lending (MPL)	Recommendations	<ul style="list-style-type: none"> -OCC should establish a central registry for tilting MPL loans, and guidelines that require independent validation of all loans generated on MPL platforms. The independent validation regime should have the following attributes: complete validation, true independence, specificity, collateral protection, and on-going compliance validation. (GDL)³⁶ -Develop a regulatory bulletin setting out OCC's expectations for bank due diligence and ongoing monitoring of arrangements to purchase loans from a MPL or other technology-enabled platform, or to market and originate loans to the bank's customer through such a platform. Work with FFIEC to standardize expectations across multiple regulatory agencies for MPL platform arrangements. (LC) -Agencies should promulgate best practices regarding responsible lending practices where they lack statutory authority. (NCRC) -OCC should distinguish between RI benefiting consumers, businesses, and communities versus predatory innovation that can cause harm such as toxic residential mortgage-backed securities and collateralized debt obligations. (Coalition)
Q3) Enhanced Process	Monitoring & assessing innovation	Encourage communications	<ul style="list-style-type: none"> -OCC and other financial regulators should create an innovation task force to interface with the market and to encourage cross-agency works. OCC should pursue opportunities to work first hand with distributed ledger technology (DLT) and other new fintech companies. (R3) -Supports greater engagement with industry outside an examination cycle. (BOKF) -OCC should host an innovation forum, and the OCC and other regulators should adopt an objectives-based approach to applying regulatory standards and expectations. (MKT)³⁷ -OCC and other agencies should consider establishing advisory committees to monitor and assess innovations, and engage in dialogue on technology related matters. Also, OCC should establish a technology focused interagency working group with other agencies. (FSR/BITS) -Direct, clear lines of communication allowing for prompt decisions and consistent application should be the priority. (OBL) -Development of a central point of contact, communication, and engagement within OCC and across all other relevant agencies, to share ideas, assess proposals, develop more uniform guidance would benefit RI. (ILPA) -OCC should ensure that its innovation-oriented staff provide prompt responses to inquiries in a coordinating forum that provides expertise and facilitates rapid feedback on proposals or requests for clarity rather than serving a more formal approval function. (TCH) -OCC examiners should be encouraged to engage with technology companies that interact with banks. (Mirador) -OCC should communicate clear guidelines for how innovation will be monitored and assessed, and further recognize that companies likely will take somewhat unique approaches to innovation. Allow banks to pilot new products and services on a small scale. (US Bank)
		Other recommendations	<ul style="list-style-type: none"> -Concentrate on performance metrics and intervene in cases where market participants fail to meet them. (Oracle) -OCC should monitor emergence of new services or products arising from partnerships. Where feasible, adopt a permissible approach that distinguishes bank services versus nonbank fintech firms. (Coinbase)³⁸

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			<ul style="list-style-type: none"> -Take care to accurately segment the market in its analysis, conduct customer surveys to evaluate difference in customer experiences (traditional lender versus technology-based provider), and publish a white paper describing benefits. (LC) -OCC should extend its supervisory reach to other technology service providers to better understand new innovations and stay abreast of technological developments as they emerge. (NACHA) -Consider the scale of the adoption of the technology as part of the risk assessment process, identify mechanisms to uncover customer dissatisfaction or harm, create key messages translating to compliance objectives and goals, and consider hosting innovation outreach for specific topic areas. (SAMT) -OCC could review CRA guidelines for opportunities to encourage new innovation or current guidelines expanded to recognize product or service innovation. (GCB)
Q4) Centralized Office of Innovation (COI)	Facilitating open, timely, ongoing dialogue	Supports COI	<ul style="list-style-type: none"> -COI helps alleviate complexity of the existing patchwork deferral approaches and would provide a clear path for exploring RI. (Chamber) -COI should be open to discussions with service providers whose technology underpins new solutions. (MSFT)³⁹ -COI's purpose should be to enable answers to questions on monitoring and regulatory issues. (Oracle) -Supports COI for greater dialogue. COI could help if it facilitates dialogue between banks and nonbank innovators. (MKT; Mirador) -COI makes conversations more fluid and timely. Process should include the institution's examiner-in-charge to prevent miscommunication. (BOKF) -COI would better facilitate and standardize and streamline interactions with private sector entities. (FSR/BITS) -COI encourages idea sharing and collaboration. Smaller banks with limited resources can partner with larger banks to test innovations. (CIT) -Supports COI to cultivate an ongoing dialogue among fintech innovators – banks and nonbanks. COI should facilitate and expedite existing licensing and supervisory processes within OCC. (TCH)⁴⁰ -Appreciate the initiative to establish a COI and encourage the OCC to lead a cross-agency effort to rapidly set up a one-stop-shop U.S. fintech regulatory greenhouse that can facilitate safe pilot-type, small-scale innovation by banks and nonbanks. (Citi)⁴¹ -COI allows for quicker, more thorough, and thoughtful formulation of rationalized and streamlined policy. Focus should be industry engagement rather than enforcement. (ILPA) -OCC should create a COI charged with internally representing the interests of innovators and consumers who benefit from innovation. (Mercatus)⁴² -COI would provide a useful forum for all interested parties to incubate ideas and voice concerns. (Circle) -COI will be beneficial. We understand practical limitations on OCC's capacity to issue guidance in every case, but encourage OCC to identify categories of products and integrations into existing bank systems that do not entail high consumer risk or systemic risk, and allow eligibility for more rapid development with less scrutiny. (Coinbase) -COI would facilitate efficient cross-agency coordination and communications with industry. Interagency cooperation could provide regulatory clarity benefiting market participants. (CK)⁴³ -OCC should provide public access to data collected, while safeguarding information it considers proprietary – COI should provide the open access to data. COI should be transparent. (PEW) -COI can set the OCC apart to help ensure that all stakeholders have a clear point of contact and a way to vet ideas. (Plaid) -COI provides a single resource to ensure developments of innovative financial services is appropriate with existing and developing rules. OCC should educate examination staff at all levels of the agency about new approaches to supervisory oversight and fintech relationships. (NACHA) -A formalized COI provides a valuable point of contact and serves as a concentration of expertise. (LC) -COI should act as an innovation accelerator for regulatory thinking and educating communities about RI. This team should be physically segregated from the main flow of other work and look to issues with a fresh perspective. (JABG) -Supports COI as a central hub for communication and a resource of information, but prevent it from becoming a bureaucratic hurdle. (BAFT)⁴⁴

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			<ul style="list-style-type: none"> -The CFPB’s Project Catalyst and the U.K.’s Project Innovate could serve as possible models for COI. (Coalition) -The early success of the U.K.’s Project Innovate shows that a COI can promote consumer-friendly fintech innovation. The best approach for COI is to engage differently with banks of different sizes. (Ruben)⁴⁵ -Support COI to facilitate a more open, timely, and ongoing dialogue regarding RI. (MAG/RILA) -COI will better enable the OCC to track and respond to changes on a timely basis, and facilitate information sharing and continued dialogue. (US Bank) -COI will allow for the development of more expertise to build on different innovative financial products and services and allow for a more focused outreach to banks and nonbank innovators. (NBT)⁴⁶ -OCC should expand outreach to include fintech firms, expand parameters for safe consultations, consider the service level agreement to respond to a question, consider how to create clear pathways for different categories of innovation, and clarify roles between the OCC & CFPB. (SAMT) -COI creates a centralized decision maker and would provide some consistency in expectations and enforcement. A central point of contact would also develop a certain level of expertise. (Ripple⁴⁷; LTree) -COI creates a single point of reference allowing banks the ability to receive clear guidance on compliance requirements and resolve different interpretations by examiners in a timely and efficient manner. (GCB) -COI can be helpful to monitor innovation if it has a core consumer protection mission. (NCLC)⁴⁸
		Recommendations, suggestions, & concerns	<ul style="list-style-type: none"> -COI would reduce inconsistencies and inefficiencies, however, creation of a formal group is not necessary and should not be prioritized over the creation of a task force including market participants, innovators, and regulators (domestic and abroad). (R3) -OCC must be careful that COI does not become overly bureaucratic. (Chamber; CFSI; BAFT) -To be successful, COI must be adequately funded, coordinate with other agencies, and not add a bureaucratic layer. (FSR/BITS) -Supports COI, but it would be counterproductive if it served as an additional hurdle for companies seeking to bring innovation to market. (CBA; OBL) -COI should not result in new de facto or de jure licensing, notice, or approval requirements. (TCH) -Supports COI, but its scope, mandate, and internal structure needs to be clearly defined. A coordinated and streamlined process could provide regulatory clarity to both banks and nonbanks. (Milken) -OCC should remember that Innovation Hubs or COIs will not be suitable for all innovators. (IPWG) -If COI is implemented, be careful of not siloing the idea of innovation within the agency, the perception of additional levels of decision-makers, and the risk of detaching decision making from the field. (ABA) -COI should not impede the ability of regional examiners to communicate directly with banks under their supervision. Collaboration among regulatory agencies will create a uniform set of principles and expectations for CBs and reduce uncertainty. (NBT)
		Opposes COI	<ul style="list-style-type: none"> -As proposed, COI has potential to create additional layers of regulatory scrutiny of banks and their nonbank partners which could stifle innovation. A less formal approach is preferable. (MoFo)⁴⁹ -Idea of COI and making certain lead experts responsible for innovation is counterproductive. OCC should reconsider its view of centralized, command and control innovation. (Holly)⁵⁰
Q5) Guidance to Nonbanks	Expectations for bank interactions; partnerships with banks	Partnerships & third-party guidance	<ul style="list-style-type: none"> -Important for OCC to understand what partnerships are for and what nonbank innovators are developing for banks. OCC and nonbank innovators should maintain an open dialogue to evolve together. (R3) -OCC should publish public and informal guidance (i.e. third-party risk management, cybersecurity) encouraging smart and responsible bank partnerships consistent with safe and sound operations. (ILPA; NBT) -A principles-based articulation of the OCC’s expectation for banks’ interactions with nonbanks allows space for innovation and communication. (CK) -Encourage maintaining open dialogue and outreach to nonbanks and its bank partners. Also, let the nonbank sector understand OCC’s perception of risks

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			<p>associated with a certain technology and engage in dialogue to mitigate risks. (Coinbase)</p> <p>-OCC should provide guidance to third-party providers about internal requirements that banks will use to evaluate risk, and work directly with all regulatory bodies to ensure consistency with examinations and guidance. (NACHA)</p> <p>-Technological innovation enhances the need for effective oversight of third-party relationships, and there must be transparency and robust oversight with bank relationships and third-party vendors. (Coalition)</p> <p>-OCC should list required elements that all vendors would be expected to adhere to would give needed leverage to assure vendor management expectations are met. (GCB)</p> <p>-Bank partnerships should not be used to help fintech companies evade state law, and direct supervision of fintech companies and third-party providers are important. (NCLC)</p>
		Website	<p>-Develop a website dedicated to the Innovation Initiative, encourage interactions between banks and other entities for collaboration and partnerships, and partner with other agencies to coordinate communication of applicability of Gramm-Leach-Bliley Act and other applicable consumer protection laws, the Electronic Fund Transfer Act, and Regulation E. (FSR/BITS)</p> <p>-OCC should create a webpage (or distribute a periodic bulletin) listing the names of all regulated technology service providers. (BOIT)⁵¹</p> <p>-OCC should create a dedicated website with easy to read rules, searchable FAQs, and other resources for fintech companies. (US Bank)</p>
		Other recommendations	<p>-Not all companies associated with digital currencies and assets are money services businesses (MSBs); the MSB industry includes a number of industries, only two which involve digital currencies/ assets; these companies should not be treated as MSBs as they present different issues; and technology, policies, procedures, and controls of many of these companies meet or exceed traditional financial services companies. (Chamber)</p> <p>-OCC should be clear that they will look favorably on regulated firms that are trying new systems that meet regulatory requirements in a more efficient and innovative way. (MKT)</p> <p>-A clear set of regulatory expectations are needed to clarify some contentions involved with interactions, contractual terms and conditions. (BOKF)</p> <p>-Provide guidance and clear rules for how products are brought to market, without stifling innovation, as nonbank innovators do not have the same regulatory framework as banks. (CIT)</p> <p>-Creating a process and venue for ongoing dialog is most beneficial. (Mirador)</p> <p>-OCC should encourage ways to facilitate conversations between banks and fintech companies. (LendUp)⁵²</p> <p>-OCC should work directly with fintech, software, and other service providers earlier in advance of full product development – especially for facilitating access of data, network privacy, and security expectations. OCC should collaborate in developing guidance with other agencies (i.e. CFPB), and deliver guidance in outreach meetings. (OBL)</p> <p>-The U.S. Federal Reserve Faster Payments Task Force is an example of a forum which multiple system stakeholders have voluntarily coalesced around exploring solutions to bring faster and more secure payments to the U.S. OCC has the potential to play a similar stakeholder organization role with RI. (MAG/RILA)</p> <p>-Leverage and foster participation between trade associations and SROs, consider creating a set of guidelines on RI, and assess the ability to create a working group that includes trades from multiple disciplines. (SAMT)</p> <p>-OCC should at the very least continue to issue industry guidance via Bulletins where appropriate - supports the creation of a COI to hold regular meetings with innovators. (ETA)⁵³</p>
Q6) Strategic Planning Processes	Tools & resources to help community banks	Recommendations & concerns	<p>-OCC should organize and sponsor collaborative working relationships, education sessions, and other open and inclusive events to help highlight innovations. (R3)</p> <p>-Industry should share best practices. (BOKF)</p>

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			<ul style="list-style-type: none"> -Companies should strategically align innovation to business problems being solved and interact constantly until the innovation is ready for market. (CIT) -The small business, finance industry follows best practices centered on four principles: transparency, responsibility, fairness, and security. (SBFA)⁵⁴ -OCC should issue guidance that all national banks should specifically address technology innovation in their strategic planning, both unwise innovation and failure to innovate. (JABG) -Promoting common partnerships by the OCC will encourage adoption and encourage integration of innovation into banks strategic planning. (TPWG) -OCC should provide semi-regular bulletins that describe the behavior, needs, and challenges of small business owners and a public summary of the ecosystem in which SMEs and lenders interact. (Mirador) -OCC should consider workshops for CBs to provide education on emerging innovations and strategic planning. (NACHA) -OCC should create an environment conducive to RI and ensure a principles-based approach. (FSR/BITS) -OCC should provide tools and examples that management and bank boards might interject into their strategic planning process, but should not create another source of best practices that become expected. (OBL) -Provide key messages on OCC expectations for the Board, provide tools to educate nonbank participants, and provide guidelines that establish rules of engagement on RI. (SAMT) -OCC and banking regulators should work toward approving uniform standards as CBs are reluctant to make significant expenditures on systems or processes that are not standardized by industry. (GCB) -Concerned with practical implications of the OCC's view that a guiding principle of RI is integration of innovation into a bank's long-term strategic planning. Banks need the flexibility to invest time and funding in innovations that are not guaranteed to succeed in order to be competitive with nonbank companies. (TCH)
Q7) Guidance	Additional guidance	Additional guidance should be principles-based	<ul style="list-style-type: none"> -If the OCC determines new guidance is necessary, these regulations should focus on the highest area of risk and should be commensurate with actual risks. Laws should not impede innovation and should adapt as technology evolves, should be principles-based, consider safe harbors for innovations, and flexibility for companies to develop best practices. (Circle) -A principles-based regulatory approach is beneficial when testing new ideas and supporting an iterative approach to innovation. (TPWG) -RI must be pursued in concert with safety and soundness standards while upholding consumer protection principles. Issue new guidance or rules conservatively, focusing its attention on filling overt regulatory gaps. OCC should consult with stakeholders if additional guidance is needed, and the end result should be principles-based, language consistent, and technology-neutral. (FSR/BITS) -Principles-based/ broader guidance might allow for innovation to take place more quickly and allow banks to serve a broader range of customers. Guidelines should be applied with a tiered approach that adjusts for scale, size, and scope of transactions. (CFSI) -The regulatory environment best suited to promote RI must be similarly flexible and must continue to evolve in order to properly facilitate investment, education, experimentation, and development. (TCH) -Provide clarity to look favorably on regulated firms trying new systems that meet regulatory requirements and expectations. (MKT) -OCC should continue its forward thinking approach and avoid unintentional discouragement of foreclosure of innovation by deferring regulation. Highly prescriptive rules and regulations are inappropriate. Rules should be predictable, clear, and commensurate with the actual risks observed. (BAFT)
		Additional clarity/ guidance is needed	<ul style="list-style-type: none"> -Additional clarity around expectations of third-party contracts that reflect industry dynamics. (BOKF) -Additional guidance on proper risk checks, testing, and stress testing. (CIT) -Additional guidance could provide essential clarity as innovators work to understand regulatory and supervisory requirements. (Plaid) -OCC should provide better clarification of expectations along with consistent interpretation of guidance by examiners. (OBL) -OCC should consider issuing guidance on its expectations related to current and future innovative financial products and services to address how they can



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			<p>better serve the needs of low to moderate-income and under-banked communities. OCC should also provide guidance on how companies can work with the agency to pilot new products and services on a small scale. (US Bank)</p> <p>-Consider defining a self-assessment tool to evaluate a product on RI, identify top priorities for compliance areas of focus, and provide clarity on the examination expectations. (SAMT)</p> <p>-OCC should provide guidance on managing and implementing third-party oversight. (Citi)</p>
		Other recommendations	<p>-At this early stage, the most prudent approach for regulators is to “wait and encourage.” (R3)</p> <p>-OCC should work with other regulators to set firm yet clear product safety standards for small-dollar loans, and work with regulated banks to help them identify fast, safe, and low cost ways of automatically originating loans so consumers can get access to better, lower cost credit, faster. (PEW)</p> <p>-OCC should streamline initial due diligence process for all institutions wishing to do business with a third-party, and publish general and anonymized information following the examination of a third-party or vendor to help CBs facing a disproportionate burden in vetting vendors. (ICBA)</p> <p>-Impediments at many levels should be addressed to bring about mutual understanding and resolution when innovation is introduced. (GCB)</p> <p>-OCC should encourage banks to investigate and enter partnerships, where appropriate, with fintech innovators pursuant to which the banks would use their technology platforms to streamline and automate their loan application processes and expedite their underwriting processes. (ETA)</p>
	Revising existing guidance	Third-party guidance	<p>-Consider revising MOU on bank oversight of third-parties to help banks evaluate whether and how to integrate products offered. (Chamber)</p> <p>-Support review of existing regulatory framework and OCC’s intention to clarify expectations relating to risk management of third-party services. (MoFo)</p> <p>-OCC should update its guidance on third-party risk management and new product development. Regulatory concepts should be modernized to foster innovation. (ABA)</p> <p>-OCC should evaluate existing guidance on new product development and third-party risk management to institutionalizing innovation and a culture of change. (Plaid)</p> <p>-Third-party risk management guidance should be revised to legitimize the more rapid spread of recently proved innovation. (SCT)⁵⁵</p>
		Other recommendations	<p>-OCC should set clear expectations on when and how to engage the agency for initiatives that meet the RI definition. (BOKF)</p> <p>-Regulators must develop a consistent set of risk management principles for what many other industries and organizations consider a safe and secure cloud computing system. (CFSI)</p> <p>-Adopt an objectives-based approach to ensure regulatory interests are being addressed as new technologies are developed. (MKT)</p> <p>-OCC should engage in a dynamic fact-finding process to decide whether to update or revise existing regulations. OCC should undertake a full and comprehensive review of existing regulations that currently apply to fintech. (Mirador; SFIG⁵⁶)</p> <p>-The OCC should explore how to adapt the current regulatory regime to foster innovation by identifying policies and processes that need to change to support progress, through workshops, roundtables, and other events. (CBA)</p> <p>-Increased clarity on regulatory frameworks within which loans are originated and serviced by fintech firms, action to ensure appropriate borrower disclosures and protections are in place for small business lending, expanding the white paper on collaboration for CBs, and expanding the vendor management guidance to clarify when banks may rely on collaborative approaches. (AP)</p>
Q8) Forms of Outreach and Information Sharing	What is most effective	Innovative fairs, workshops, meetings, online platforms, etc.	<p>-Important to use a mix of approaches to foster open conversation – innovative fairs, white papers, information sharing. (R3)</p> <p>-Support industry meetings and innovation fairs. (BOKF; PNC; NBT)</p> <p>-Using social media and video casts to communicate and solicit ideas. (CIT)</p> <p>-Support innovation fairs and other less formal channels. Engaging bank and nonbank innovators will better equip the OCC to understand benefits and potential risks of innovation. (MoFo)</p> <p>-Workshops in different locations, seminars, and webinars. (ILPA)</p>

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TOPIC	SUB-TOPIC	VIEWPOINT	DESCRIPTION
			<ul style="list-style-type: none"> -COI should schedule regular formal meetings to discuss new opportunities for RI and OCC staff be actively involved in development and testing of new technologies. (MKT) -OCC should use FIN as a resource to host information sharing sessions in regions where technology companies are concentrated, and to share information and collaborate with other regulators. (FIN)⁵⁷ -Publishing reports and creating working groups. (Mirador) -Informal meetings are effective when parties engage in a frank and candid discussion of key challenges. Joint industry/ regulator workshops attended by banks and fintech firms are effective at identifying concerns not visible to one sector or another, to exchange views, and to lay a groundwork for subsequent adoption. (Coinbase) -Conferences and forums, partnership events with FSR’s Corporate Social Responsibility division, ask the Financial Services Information Sharing and Analysis Center and the ABA to serve as distribution channels, and connect innovators outside the traditional financial services sector. (FSR/BITS) -Situations allowing face-to-face dialog in a non-threatening way is most effective. (OBL) -Workshops and partnerships with organizations and financial institutions. (NACHA) -A shared forum, workshops, meetings, and innovator fairs with banks, nonbanks, and other stakeholders to discuss RI are effective. OCC should also provide resources and information through its website, and work with trade associations to facilitate communications. (US Bank) -OCC could utilize new technology by communicating with banks electronically (i.e. online chat, skype). (GCB)
		Other recommendations	<ul style="list-style-type: none"> -Maintaining a central point of contact, or other subject matter experts, within OCC to assist firms developing innovation would be helpful, and the OCC should consider establishing an office of research and conduct education forums and workshops. (Circle) -OCC could provide a learning center to facilitate innovation, maintaining a central resource allowing banks to watch trends and benefit from experiences of other institutions. (ABA) -Consider topic specific roundtables, establish a course to educate industry on rules, and factor inherent risk of financial products based on overall risk in the ecosystem. (SAMT) -To complement current OCC efforts, it could share best practices and promote CRA-eligible innovation on a more timely and regular basis. (Citi) -Regional forums of like-sized CBs facilitated by the OCC are very effective. (GCB) -Forms that afford an opportunity for banks, nonbanks, and regulators to hold substantive and meaningful discussions about the contributions each segment can make to augmenting development and availability of products for consumers and businesses. (ETA)
Q9) Other Considerations	Alternatives & suggestions	Regulatory coordination is needed	<ul style="list-style-type: none"> -Increased reporting burdens and reduction of fee structures led to reduction of innovation over time. Regulators should prioritize agency coordination to minimize inter-regulatory friction and maximize consistency. (Oracle) -Regulators must be in closer dialogue to achieve better results at the earlier stages of technological development. (MKT) -State and federal regulators should develop a more uniform regulatory environment and licensing approach for nonbank lenders. (Opportun)⁵⁸ -All financial services providers must protect consumers by ensuring a level playing field of regulation through uniform supervision and enforcement. All relevant policymakers must operate from the same game plan. (CBA) -OCC should consider in its innovation initiatives speed of technology trends, interagency coordination, permanent uncertainty from regulations, obsolescence of compliance and risk models, growth of the nonbank sector, and a national strategy of fintech leadership. (JABG) -The U.S. government should craft and adopt a DLT framework similar to the Framework for Global Electronic Commerce. The private sector should lead, governments should avoid undue restrictions, and where government involvement is needed it should be to support and enforce a predictable, minimalist, consistent, and simple legal environment. Also, governments should realize the unique qualities of the technology and innovation should be facilitated on a global basis. (BAFT)



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		Supports principles-based/ U.K. model on RI	<ul style="list-style-type: none"> -OCC should consider the UK model to encourage innovation (Innovation Hub). (Circle) -OCC framework should provide for issuance of plain, public guidance to describe precisely when a bank's adoption of a new technology, platform integration, or service relationship is/is not RI. Precise description is needed on aggravating risks. OCC should issue guidance to encourage banks to establish open APIs to allow third-parties to offer services to consenting bank customers through existing bank web/mobile platforms. (Coinbase) -Rules should be principles-based and flexible as exemplified in the U.K. (CoinC) -Regulators should worry about the security and protection of digitized data, the areas in which technology companies have demonstrated the expertise to innovate most effectively. The OCC should adopt technology-neutral standards, and not adopt standards that require one specific technological solution for security – as it will not keep pace with innovation. OCC should work with FIN and others to ensure further guidance or regulation that is principles-based and technology-neutral. (FIN) -Innovation is best fostered by a regulatory scheme with sufficient flexibility to adapt to new products and applications. (LTree)
		Encourage partnerships	<ul style="list-style-type: none"> -OCC should provide guidance on how to partner with nonbanks, ensure proper rules of engagement before taking innovation to market, and ensure regulators do not stifle innovation. (CIT) -The disaggregation of lending value chain due to fintech may work to benefit CBs, but partnership is required. Partnerships, if carefully structured and monitored, offer significant potential benefits - but require a high level of negotiation, structuring, diligence, and ongoing monitoring and can be challenging for CBs. (AP) -Encouraging partnerships with fintech firms should be a key priority. A more clearly defined relationship could help mitigate barriers to entry and leverage the strengths of both established financial institutions and growing technology startups. (Plaid)
		Other recommendations	<ul style="list-style-type: none"> -Fintech should not be the subject of regulatory oversight. Regulations should continue to target behaviors, entities, and markets under OCC jurisdiction. OCC should consider various ways to actively engage with the private sector, and consider the numerous benefits of new technologies. (R3) -OCC should consider the potential for blockchain technology in various areas of financial services in its approach to RI. (Chamber) -Industry engagements should include providing bank and nonbank innovators with access to OCC and other regulatory resources early in the innovation process – i.e. through office hours. (MoFo) -Federal policy should clearly define the separation between consumer and small business lending. (SBFA) -Innovation flourishes when markets are allowed to function and customers are allowed to choose products and services. (ABA) -OCC should continue to ask informed questions and make sure banks are doing their due diligence - and in a way not discouraging or slowing down progress. (OBL) -OCC should ensure that any steps it takes to clear up confusion caused by ambiguous laws and regulations. (PEW) -OCC should consider the importance of financial education and tools for consumers. (CK) -OCC should avoid a culture of a low risk tolerance for innovation, encourage a deliberate and extended vetting process that does not discourage innovation, address the need for awareness and education at the OCC, and encourage a test and learn approach to innovation. (US Bank) -OCC should educate on the key threats and goals of oversight, consider a tiered approach based on risk for categories of fintech service providers, and provide expectations for functionality and scale to enable pilots, but create clear guidelines for long-term examination obligations. (SAMT)
	Concerns	General concerns	<ul style="list-style-type: none"> -Concerned nonbank fintech firms generally are not subject to the same supervisory and regulatory framework, including capital, liquidity and regular information security, cybersecurity, and consumer compliance reviews as national banks. The OCC should recognize that R&D often occurs in the normal course of business. (PNC) -OCC should carefully study and understand the benefits and impacts of the online lending market, measure observable data to inform policy, and refrain from prematurely restricting new business models/products. (ILPA)

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TOPIC	SUB-TOPIC	VIEWPOINT	DESCRIPTION
			<ul style="list-style-type: none"> -Cultural and operational preconceptions must be adjusted to keep pace with changes in fintech and suggests a targeted experimentation with innovation. (FSR/BITS) -OCC should work to reduce barriers to make it easier for banks to open new branches, rather than focus mainly on making it easier for banks to rely on mobile and online technology to the detriment of branches and the communities that rely on them. (Coalition) -OCC should heavily scrutinize any efforts by EMVCo to play a role in bringing mobile payment innovations to the U.S. until the plastic chip card transition is fully carried out. (MAG/RILA) -OCC should keep in mind that lack of capacity for innovation is a risk; banks have limited resources to keep up with regulatory requirements. (BOKF) -OCC should acknowledge most financial innovation will initially arise outside the banking system, driven by technology firms and should adopt a framework encouraging banks to provide core banking services to lawfully-operating fintech firms. (Coinbase) -Regulators should ensure innovation does not result in a lack of transparency and accountability. The OCC must assess algorithms to ensure that the façade of neutrality and objectivity does not conceal underlying discriminatory outcomes resulting in disparate impact or fair lending violations. (Coalition)
	Fintech charter	Supports	<ul style="list-style-type: none"> -OCC should examine creating a fintech charter (license) to simplify regulatory compliance processes for nonbank actors. (Chamber; Circle) -Support OCC's interest in streamlining some of its licensing procedures or developing new procedures as they relate to tests or pilots. (ABA) -OCC should consider a charter structure to alleviate fintech firms' reliance on banks for payment system access, serve to centralize certain licensure obligations under a single, federal authority, and not require radical business changes to accommodate design of a conventional banking charter. (Coinbase) -Creating a lightweight, limited-purpose federal charter for fintech firms that mirrors the regulatory environment of the U.K. will best facilitate RI. (CoinC) -OCC should consider whether new charters for innovative companies that only offer a portion of traditional bank services are appropriate. (Mercatus) -A state-by-state regime restricts innovation by making licensing unnecessarily burdensome. The OCC should consider a comprehensive national license to ensure the competitiveness of the U.S. while balancing the need for a robust regulatory regime. (Ripple) -A national licensing regime promotes efficiency and innovation if regulatory approaches are harmonized at state/ federal levels to avoid unnecessary duplication of effort and high costs associated with a patchwork regulatory system. (Milken) -Fintech companies and other nonbank entities with the highest proposed rating should be allowed to acquire a national charter from the OCC. (NCRC) -The OCC should lead a national discussion to help determine a "passporting" charter system for financial technology innovators. (CFSI)
		Opposes	<ul style="list-style-type: none"> -Fintech companies should not be given a federal charter. (NCLC) -Concerned about a potential limited purpose federal bank charter designed for fintech companies - as it gives access to the banking system by avoiding state consumer protection laws, the laws CBs are subject to. Fintech bank charter could end up having all the advantages and benefits of a full service bank charter with limited supervision and regulation. (ICBA) -Opposed to limited purpose or special federal charter to fintech companies that would preempt state laws and regulations. A consumer-friendly complaint system should be available to enable consumers to file complaints about fintech companies or bank innovations. (Coalition)
P1) Support RI	COI; streamlining licensing procedures or developing new procedures	Recommendations	<ul style="list-style-type: none"> -OCC should consider becoming the leading agency for financial innovation in the U.S. and create an office of innovation to administer efforts. (Circle) -Supports COI to cultivate an ongoing dialogue among fintech innovators – banks and nonbanks. COI should facilitate and expedite existing licensing and supervisory processes within OCC. (TCH)
	Pilot programs for new products & services	Supports pilots	<ul style="list-style-type: none"> -OCC should consider a sandbox approach to regulation be developed and offered to RI. (Chamber; JABG; TPWG; OBL) -OCC should create a regulatory sandbox allowing entities subject to its jurisdiction to test new, innovative financial services without incurring all the normal regulatory consequences. (BAFT) -Pilots can be highly useful to assess benefits, costs, and efficacy of innovation on a small scale – OCC should ensure banks have flexibility to move forward with pilots that present limited risk and are structured to ensure compliance with applicable laws and regulations. (PNC)

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TOPIC	SUB-TOPIC	VIEWPOINT	DESCRIPTION
			<ul style="list-style-type: none"> -Create an innovation zone to allow firms to develop and test innovative solutions without fear of enforcement. (MKT) -Support pilot programs to test, refine, and adjust innovations. A pilot program allows for limited, controlled testing that would help protect consumers while fostering the environment needed for proper innovation. (ABA; Citi; US Bank; SAMT; ABA; D2D⁵⁹; CBA; NBT) -Provide a space for both banks and nonbanks to test or pilot new products and services in a limited setting prior to full rollout to educate OCC on risks and benefits to allow for better policies. (Milken) -OCC should collaborate with other regulators to create a safe place to test products within certain boundaries. (CFSI)
		Opposes pilots	<ul style="list-style-type: none"> -Closely supervised pilots are good to test the impact and effectiveness of innovations, but the risk of consumer harm is too great. OCC should not grant a safe harbor for pilot projects. (Coalition) -Appreciate the OCC's observation that any pilot projects to test new products would include appropriate limitations that would protect consumers and would not involve giving banks a safe harbor from consumer laws and regulations. (NCLC)
P2) Foster Internal Culture Receptive to RI	Payment Systems Policy Group; internal working group on marketplace lending; internal webpage for training employees	Supports	<ul style="list-style-type: none"> -Supports creating an internal culture and establishment of a central resource within the OCC to monitor developments and act as a lead expert. (PNC) -OCC should focus on culture change to embrace a balanced approach of supporting RI and addressing risk. (JABG) -Developing an expertise in examinations with innovation in mind can lead to examiners helping to promote RI. The OCC may want to consider how they are defining roles and responsibilities of the boards of banks – bank culture. (CFSI) -Supports establishment of additional internal working groups to better regulate innovation. Recommends creation of working groups in savings innovation and emerging technology solutions. (D2D)
		Opposes	<ul style="list-style-type: none"> -OCC should underscore importance of establishing the desired culture and clearly communicating guidance internally, as it could create a bias toward inaction – which can sometimes be riskier than action. (AP; ABA)
P3) Leverage Agency Experience and Expertise	Continued development of expertise on RI; designation of lead experts on RI; evaluation of resources to supervise innovation	Supports	<ul style="list-style-type: none"> -Supports leveraging existing expertise across the agency and encourages its designation of lead experts on innovation who could provide a better understanding of emerging technology approaches. (BAFT)
P4) Fair Access to Financial Services and Fair Treatment of Consumers	Guidance on addressing needs of low/moderate income individuals & communities; sharing success stories	Recommendations on the CRA	<ul style="list-style-type: none"> -Supports updating and providing clear guidance on how the OCC should view certain technologies in relation to the CRA. (FSR/BITS; Mirador) -Provided suggestions on guidance with regard to the CRA. (NAAHL)⁶⁰ -OCC should only promote activities that are innovative in the CRA context if they effectively promote financial inclusion to substantial number of low and moderate-income consumers in a responsible fashion. (NCRC) -Federal regulators should elevate their review and update the CRA to bring additional guidance and clarity as to what qualifies as community reinvestment and mobile environment. (CFSI) -OCC could review CRA guidelines for opportunities to encourage new innovation or current guidelines expanded to recognize product or service innovation. (GCB) -OCC should consider issuing guidance on its expectations related to products and services designed for low to moderate-income individuals and communities. (Citi)
P5) Safe and Sound Operations	How bank's identify & address risks resulting	General concerns	<ul style="list-style-type: none"> -A safety and soundness regime that discourages the entrepreneurship necessary to champion competitive innovation will disadvantage the banking sector compared to less-regulated and unsupervised nonbank competitors. (SCT)



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via Effective Risk Management	from emerging technology; OCC ability to understand & monitor emerging risks		-See Q7.
P6) Encourage All Banks to Integrate RI Into Strategic Planning	Consistency with bank corporate governance, business plan & risk appetite; realistic financial projections; adequate staff in number & expertise; technology support; consideration of all applicable risks; exit strategies	Recommendations	-As the OCC and regulators consider promoting innovative financial services based on the cloud, encourage adoption of a risk-based and proportionate approach to governance, particularly when considering obligations of the underlying technology provider. (MSFT) -Supports and notes that serendipitous or experimental innovation, properly scoped and piloted, can serve customers as well as banks. (ABA)
P7) Promote Ongoing Dialogue Through Formal Outreach	Forums, workshops & meetings to discuss RI; resources, information, & guidance on RI	Recommendations	-Supports promoting ongoing dialogue through formal outreach. (BAFT) -OCC should explore opportunities to allow eligible nonbank entities to provide services or to access information historically provided or made available only to banks. (Coinbase) -See Q8.
P8) Collaborate With Other Regulators	Establishing regular channels of communication; information sharing		-See Q3 & Q4.
	Avoiding inconsistent communications with supervised entities	Supports domestic collaboration/coordination	-Beneficial to hear a consistent message from relevant regulators. Consistency in expectations and messaging from the regulatory community is needed to ensure customers have comparable experiences and protections. (MoFo) -The OCC and other agencies should promote a common understanding and consistent application of laws, regulations, and guidance. (ABA) -Regulatory collaboration (state & federal) is fragmented and fintech firms are currently subject to uncertain, duplicative, and/or inconsistent laws in each jurisdiction, damaging innovation. Coordination among regulators will help reduce duplicative or inefficient regulations among different agencies. (Circle) -Formal collaboration with other regulators and standard setting bodies to establish a national regulation is crucial to ensure a solid and unified framework for modern technology. (Ripple) -OCC's regulatory infrastructure principles should be pursued under a joint agency venture with its own executive director and dedicated staff, an equitable joint agency funding mechanism, a culture of growing and sharing, input from academics, and a robust process for disseminating practices throughout government. (SCT) -OCC must consult with other agencies when considering difficult issues to ensure companies are offering responsible products serving community and consumer needs. (NCRC) -OCC should lead efforts to bring more effective coordination among regulators. (Mercatus) -OCC should work with regulators to create a common taxonomy to help regulators operate within a new tech focused landscape. (TPWG) -Encourage coordination with other federal and state regulators. (Coinbase) -Encourage open communications among regulators and between regulators and the entities they supervise to minimize inconsistent or duplicative

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			<p>application of laws, regulations, guidance, and supervisory decisions. (TCH)</p> <p>-Collaboration among regulatory agencies is important and has the potential to greatly increase the effectiveness of OCC's efforts while giving banks and innovators confidence and clarity. (CFSI)</p> <p>-Federal and state governments should rationalize the regulatory framework for the financial industry. Collaboration and consistency among regulators are key components of a framework supporting innovation. OCC should consider creating a one-stop shop for regulatory guidance and questions. (BAFT)</p>
		Supports international collaboration/coordination	<p>-Collaboration could reduce the time and cost placed on innovators and allow more resources be put on international competition. A passport model (used in Europe) should be adopted in the U.S. to improve efficiency. (COEPTIS)⁶¹</p> <p>-International coordination is essential for many new technologies to monitor and manage systemic risk. Regulators should establish international frameworks that are clear and predictable. (Ripple)</p> <p>-Regulators must remain competitive with foreign jurisdictions in terms of providing a favorable regulatory environment for innovation. (MKT)</p> <p>-Urges the OCC to extend cooperation to encompass state regulators and foreign regulators. (MSFT)</p> <p>-Working groups or COI should identify areas where OCC jurisdiction overlaps with other federal/ state regulators and offer recommendations (and no-action letter process) on how the OCC should work with these bodies to provide consistent and transparency communication and guidance. U.S. regulators must remain mindful of developments occurring internationally and apply lessons learned and adapt or modify workable initiatives into the U.S. system. (Milken)</p> <p>OCC should also take an international approach because benefits and risks extend across borders for many new technologies. (BAFT)</p>
Other Comments			<p>-Rebutted MAG/RILA's claims about MC's commitment to financial innovation (payment networks). (MC)⁶²</p> <p>-OCC should appoint a chief innovation officer. (JABG)</p> <p>-Regulatory objective must be to apply a comprehensive set of regulations to fintech companies and more traditional lenders so consumers and financial institutions can both thrive. (NCRC)</p> <p>-Political support is important for financial innovation. (TPWG)</p> <p>-OCC can promote RI in the federal banking system by providing direct financial investments, tax credits, early stage applied research, enabling legislation, and incentives. (Holly)</p> <p>-Regulators should encourage capital markets to embrace new technology that improves risk management and makes loan and bond reporting more efficient and accurate. Regulators should also encourage investors to compare loan performance across lenders. (Dv01)</p> <p>-OCC must take an affirmative position supporting the right of national banks to export interest rates under Section 85 of the National Bank Act and to confirm its position that exported interest rates are enforceable in the hands of a loan assignee even if that assignee is not a national bank. (NBT)</p> <p>-OCC should enforce the notice requirement in 12 USC 1867(c)(2), as written, to allow the OCC to review more promptly a financial institution's selection of new service providers, and the TSP examination report for any regulated technology service provider should be made available to any financial institution that in good faith is considering hiring that service provider. (BOIT)</p> <p>-Curtailing innovation via undue regulation motivated by fear is unwarranted. (Mercatus)</p>

¹ On March 31, 2016, the Office of the Comptroller of the Currency (OCC) [issued a white paper](#) to provide its perspective on the state of innovation in the financial services industry. OCC outlined its approach to developing a framework for identifying and evaluating financial innovation, and [solicited comments](#) on its white paper from the industry. As the comment period closed on May 31, 2016, Delta Strategy Group has summarized all of the comment letters that were submitted to the OCC with regard to the white paper. Please note that the OCC held a Forum on Responsible Innovation on June 23, 2016, and discussed the comments received on the white paper and on innovation in financial services.



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² OCC's proposed definition of RI: "The use of new or improved financial products, services, and processes to meet the evolving needs of consumers, businesses, and communities in a manner that is consistent with sound risk management and is aligned with the bank's overall business strategy."

³ [BOK](#)

⁴ [PNC](#)

⁵ [Circle](#)

⁶ [Capital One \(COne\)](#)

⁷ [American Bankers Association \(ABA\)](#)

⁸ [Jo Ann Barefoot Group \(JABG\)](#)

⁹ [National Community Reinvestment Coalition \(NCRC\)](#)

¹⁰ [Center for Financial Services Innovation \(CFSI\)](#)

¹¹ [Ohio Bankers League \(OBL\)](#)

¹² [Dv01](#)

¹³ [R3](#)

¹⁴ [Financial Services Roundtable/BITS \(FSR/BITS\)](#)

¹⁵ [Alliance Partners \(AP\)](#)

¹⁶ [Mirador](#)

¹⁷ [Lending Tree \(LTree\)](#)

¹⁸ [Chamber of Digital Commerce \(Chamber\)](#)

¹⁹ [CTI](#)

²⁰ [Independent Community Bankers of America \(ICBA\)](#)

²¹ [Shared Assessments \(SAMT\)](#)

²² [Gate City Bank \(GCB\)](#)

²³ [Oracle](#)

²⁴ [Lending Club \(LC\)](#)

²⁵ [Merchant Advisory Group, Retail Industry Leaders Association \(MAG/RILA\)](#)

²⁶ [Milken Institute \(Milken\)](#)

²⁷ [Consumer Bankers Association \(CBA\)](#)

²⁸ [NACHA - The Electronic Payments Association \(NACHA\)](#)

²⁹ [The Orogen Group \(OG\)](#)

³⁰ [Pew Charitable Trust \(PEW\)](#)

³¹ [US Bank](#)

³² [Transatlantic \(TPWG\)](#)

³³ [Woodstock Institute, the Mainstreet Alliance, California Reinvestment Coalition, and National People's Action \(Coalition\)](#)

³⁴ [Coin Center \(CoinC\)](#)

³⁵ [Plaid](#)

³⁶ [Global Debt Registry \(GDR\)](#)

³⁷ [Markit \(MKT\)](#)

³⁸ [Coinbase](#)

³⁹ [Microsoft \(MSFT\)](#)

⁴⁰ [The Clearing House \(TCH\)](#)

⁴¹ [Citi](#)

⁴² [Mercatus Center \(Mercatus\)](#)

⁴³ [Credit Karma \(CK\)](#)

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- 44 [Bankers Association for Finance and Trade \(BAFT\)](#)
- 45 [Andrew Ruben, Yale Law School \(Ruben\)](#)
- 46 [NBT Bank \(NBT\)](#)
- 47 [Ripple](#)
- 48 [National Consumer Law Center \(NCLC\)](#)
- 49 [Morrison & Foerster \(MoFo\)](#)
- 50 [Sandra Holly \(Holly\)](#)
- 51 [BankOnITUSA \(BOIT\)](#)
- 52 [LendUp](#)
- 53 [Electronic Transactions Association \(ETA\)](#)
- 54 [Small Business Finance Association \(SBFA\)](#)
- 55 [Smaart Consulting \(SCT\)](#)
- 56 [Structured Finance Industry Group \(SFIG\)](#)
- 57 [Financial Innovation Now \(FIN\): an alliance of technology companies including Amazon, Apple, Google, Intuit, and Paypal.](#)
- 58 [Opportun](#)
- 59 [Doorways to Dreams Fund \(D2D\)](#)
- 60 [National Association of Affordable Housing Lenders \(NAAHL\)](#)
- 61 [COEPTIS](#)
- 62 [MasterCard Worldwide \(MC\)](#)