

MEMORANDUM

DATE: December 6, 2019

MEMORANDUM TO: The Board of Directors

FROM: Nicholas J. Podsiadly, General Counsel

Arleas Upton Kea, Deputy to the ~~Chairman and Chief Operating Officer~~

Doreen R. Eberley, Director, Division of Risk Management Supervision

Maureen E. Sweeney, Director, Division of Resolutions and Receiverships

SUBJECT: Rescission of Certain Statements of Policy

RECOMMENDATION AND SUMMARY:

Staff recommends that the Federal Deposit Insurance Corporation (FDIC) Board of Directors (the Board) authorize publication of the attached Notice of Rescission of Statements of Policy (Notice), with an effective date of December 31, 2019, in the *Federal Register*. The Notice identifies four FDIC-only Statements of Policy that staff believes should be rescinded because they are outdated.

The four FDIC-only Statements of Policy were identified through an initiative to identify regulations and guidance that may be outdated, duplicative, or inconsistent. As part of this process, the following four Statements of Policy were determined to be outdated and no longer necessary, given legislative and other changes since their publication in the *Federal Register*:

- *Applicability of the Glass-Steagall Act to the Securities Activities of Subsidiaries of Insured Nonmember Banks* (1982)
- *Treatment of Collateralized Letters of Credit After Appointment of the FDIC as Conservator or Receiver* (1995)
- *Treatment of Collateralized Put Obligations After Appointment of the FDIC As Conservator or Receiver* (1991)
- *Contracting with Firms that have Unresolved Audit Issues with the FDIC* (1997).¹

¹ The Statement of Policy on Contracting with Firms that have Unresolved Audit Issues with the FDIC was not adopted by the Board but is included in the Notice for completeness and on an elective basis.

On September 17, 2019, the Board approved publication of a Notice of Proposed Rescission, which was published in the *Federal Register* on September 30, 2019, with a 30-day comment period. The FDIC did not receive any comments on the Notice of Proposed Rescission during the comment period.

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