AMERICA'S MUTUAL BANKS
401 9TH STREET, NW, SUITE 1000, WASHINGTON, DC 20004

MUTUAL ALERT

Progress in Achieving Joint Collaboration to Obtain Agency Relief for New Alternatives for Mutual Capital Instruments

America's Mutual Banks (AMB), the American Bankers Association (ABA), and the Independent Community Bankers of America (ICBA) will meet with Federal banking agency heads, including the OCC and FDIC, in October to advance a consistent framework for Mutual Capital Instruments (MCI). Attached is a joint AMB, ABA, ICBA Statement of Core Principles which will be shared with the agencies in advance of the early October Forum on Community Banking hosted by Federal Reserve Board Vice Chair for Supervision, Mike Bowman.

Key highlights of the Statement are:

- Align CET1/Tier 1 capital treatment across all regulators.
- Create a level playing field for mutual banks, permit CRA-eligible investments, and streamline issuance.
- Promote MCIs as loss-absorbing, permanent Tier 1 capital with flexible dividend options.
- Support expansion, replace maturing debt, and encourage de novo mutual charters serving underserved areas.
- Harmonize with international cooperative models and prevent regulatory arbitrage.

We will continue to keep you apprised of our progress. Thank you for your support in achieving this important collaboration.

Douglas Faucette
America's Mutual Banks
202 220 6961 O
301 873 6195 C
401 9th Street, NW, Suite 1000
Washington D.C. 20004
dfaucette@troutman.com
www.americasmutualbanks.com