May 8, 2017

Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Request for Comment on Possible Changes to Industry Guide 3 (Statistical Disclosure by Bank Holding Companies)
File Number S7-02-17

Dear Ladies and Gentlemen:

The Independent Community Bankers of America (ICBA)[1] appreciates the opportunity to provide comment on the Securities and Exchange Commission (SEC) request for comment on possible changes to the disclosures required by Industry Guide 3, *Statistical Disclosure by Bank Holding Companies*. (Guide 3). We believe that the SEC's review of the disclosures required by Regulation S-X and Guide 3 is long overdue and has the potential to provide significant streamlining of the presentation of statistical data in SEC filings. Stakeholders in the financial reporting and disclosure process including the preparers and consumers of the financial data have long been confused by the duplicative nature of the content found in the financial statement footnotes and Management's Discussion and Analysis (MD&A). The SEC should use this review of Guide 3 as an opportunity to streamline the presentation of financial information in SEC filings by reducing duplicative disclosures across sections of the filing and integrating financial statements with the MD&A to provide a more readable and understandable filing. The SEC should also provide an appropriate exemption to ensure that smaller bank holding

[1] The Independent Community Bankers of America®, the nation's voice for more than 5,800 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services. With 52,000 locations nationwide, community banks employ 760,000 Americans, hold \$4.7 trillion in assets, \$3.7 trillion in deposits, and \$3.2 trillion in loans to consumers, small businesses, and the agricultural community. For more information, visit ICBA's website at www.icba.org.

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companies are not required to face the same regulatory burdens that are more appropriate and more easily absorbed by their larger counterparts.

Certainly, the agency will agree with reviewers of financial statement filings data that redundancy exists throughout financial disclosures when issuers are forced to disclose the same information in different sections of a filing. This is complicated by the view that the MD&A should stand alone from the financial statements even though both the MD&A and footnotes serve to educate the reader about the same information in many instances. In some cases, the figures being presented may be the same but the time periods required are different. A prime example of this time reporting mismatch exists in the fair value presentation of certain financial instruments, where the MD&A requires an additional year of data when compared to the presentation in the financial statement footnotes. Another example specific to banks is the Guide 3 request for loan information spanning five years where Regulation S-X only requires two years of presentation. Sometimes the reporting differences include reporting thresholds in otherwise similar reporting requirements. Specific to banks, the reporting thresholds for disclosing information about large time deposits vary greatly from $250,000 in Regulation S-X to $100,000 in Guide 3. One must logically ask why different thresholds should be used in separate sections of the document to present vital information about the same financial instruments.

Such discrepancies serve to confuse the reader without adding any substantive value to the discussion. These disclosures should be amended so that they appear once in the filing with applicable cross referencing where needed to guide the financial statement user to the discussion. While the information is generally sourced from the same reporting repository in the preparer's financial reporting architecture, these duplicative but inconsistent tabular presentations are barriers to easily and efficiently reviewing figures thus limiting the effectiveness of the overall filing.

The SEC should also take steps to ensure that small bank holding companies are not overburdened with Guide 3 reporting requirements that may only be beneficial to stakeholders of larger bank holding companies with more complex balance sheets. The bank holding companies and their subsidiary insured depository institutions are subject to extensive call reporting requirements by multiple bank regulators on a quarterly basis that provide publicly available statistical information on various metrics of the institution's asset and liability quality, earnings, and capitalization. Repeating this information in Guide 3 disclosures adds additional reporting requirements to small bank holding companies without improving on what these institutions are currently required to disclose in their call reports. We therefore recommend that the SEC Guide 3 disclosures should be limited to those bank holding companies subject to SEC reporting that have total consolidated assets greater than $10 billion.

ICBA appreciates the opportunity to comment on the SEC's request for Guide 3 comments. If you have any questions or would like additional information, please do not hesitate to contact James Kendrick at [redacted].

Sincerely,

/s/

James Kendrick
First Vice President, Accounting and Capital Policy

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