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OF  
December 31, 2013

The Honorable Ben Bernanke  
Chairman  
The Federal Reserve Board  
20th and Constitution Avenue Northwest  
Washington, D.C. 20551

Dear Chairman Bernanke:

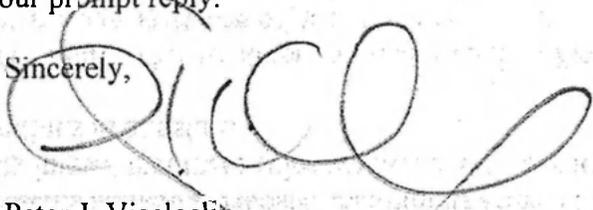
I am writing to you about an urgent issue regarding the treatment of Trust Preferred Securities (TruPS) in the recently finalized regulations implementing the "Volcker Rule." Since the release of these rules, it is my understanding that the industry has been in touch with you directly to underscore the urgency of the matter and its impact. Furthermore, associations representing all 50 states, including Indiana, wrote to you on December 17<sup>th</sup> to ask for your immediate relief from the rules that would require accounting practices that "could subject many banks to imminent financial losses."

As a Member of Congress who represents numerous Hoosier institutions affected by these rules, I wish to reiterate the devastating impact that these rules would have on consumer lending and the health of the financial institutions in our state.

According to the most recent data, the unfavorable treatment of TruPS could affect as many as 275 institutions nationwide with the median asset size of just over \$690 million. In Indiana alone, 16 institutions could face nearly \$60 million in losses if these rules are left unchanged. The total losses around the country would affect many small and community-based lending institutions that are the lifeblood of many of our communities.

I appreciate that the rule-making process is very complex. However, regulators must correct this issue before the end of the year. In implementing the Dodd-Frank Act, regulators have taken careful precautions to recognize the measured treatment of TruPS given their importance to these institutions and their ability to lend. Therefore, I ask that you address this issue as soon as possible and I appreciate your prompt reply.

Sincerely,

  
Peter J. Visclosky  
Member of Congress

PJV:jb