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MEMORANDUM

March 30, 2021

To Our Clients and Friends

Re: Agencies Request Information on Use of Artificial Intelligence

The Comptroller of the Currency, the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Consumer Financial Protection Bureau, and the National Credit Union Administration are requesting information and comments on the use of artificial intelligence (AI), including machine learning, by financial institutions. Comments must be received by May 30, 2021.

The agencies state that AI has the potential to offer improved efficiency, enhanced performance, and cost reduction for financial institutions, and benefits to consumers and businesses. The purpose of the agencies' request is to understand the views of financial institutions on their use of AI in providing services or for operational purposes. The agencies ask for information on financial institutions' risk management practices related to the use of AI, barriers or challenges facing financial institutions when developing, adopting, and managing AI, and benefits to financial institutions and their customers from the use of AI. They also request comment whether agency clarification would be helpful to ensure financial institutions use AI in a safe and sound manner and in compliance with applicable laws, including those related to consumer protection.

A copy of the request is available on our website at
<http://schwartzandballen.com/news.html>.

For more information, please call Gilbert Schwartz, Robert Ballen, Heidi Wicker, or Victor Razon at (202) 776-0700.