

Dear Colleague,

I am honored to be the new chairman of the ABA and believe my most important duty in this role is listening to you and bringing your issues forward. And as a fellow mutual banker, I have the extra privilege of using my time on the national stage to spread the good news about mutuality as well the shared regulatory and legislative burdens that mutuals face.

For as long as I've been involved in ABA I have been aware of the association's commitment to mutuals. That commitment came through loud and clear again at last week's Mutual Institutions Council meeting, held as part of the ABA Annual Convention.

We met to examine our issues and priorities for the coming year, including two bills that would support mutual institutions. One—**H.R. 1660, the Federal Savings Association Charter Flexibility Act**—would provide mutuals and other banks chartered under the Home Owners Loan Act with greater flexibility to better serve their customers and communities by allowing them to elect to receive the lending powers of national banks without changing their HOLA charters. The second bill—**H.R. 1661, Mutual Bank Capital Opportunity Act**— would provide mutuals with a new and much-needed investment tool to raise Tier 1 capital. ABA strongly supports both these bills and will be working to see them reintroduced and advanced in the next Congress.

Of course, some of our biggest challenges are not unique to mutual charters. We face issues like the proliferation of ill-fitting regulations that do not take into account a bank's risk profile, competition from tax-advantaged non-banks, prescriptive mortgage lending rules, the impact of fintech on the financial services industry, third-party vendor issues, cybersecurity, FASB's Current Expected Credit Loss standard and more. These business issues and legislative priorities are among the topics that will be highlighted during the **ABA Mutual Community Bank Forum and the ABA Government Relations Summit in Washington, D.C., March 19-22**. These twin events – for which registration is free -- are a perfect opportunity for us to share challenges and solutions, and to advocate for mutuals and the industry, so I hope you'll join me for them.

As always, please let me know what's on your mind, and the issues affecting your bank and your stakeholders. You can reach me directly at any time by emailing me at [dsavarese@capecodfive.com](mailto:dsavarese@capecodfive.com) or by calling (508) 430-0400.

Working together, we can—and must—champion mutuality on behalf of our customers and communities.

Kind regards,



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