

Board of Governors of the Federal Reserve System  
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Washington, DC 20551  
United States  
[www.federalreserve.gov](http://www.federalreserve.gov)

Chris Barnard

20 May 2021

**- Docket No. OP-1743  
- Request for Information and Comment on Financial Institutions' Use of Artificial  
Intelligence, Including Machine Learning**

Dear Ann E. Misback.

Thank you for giving us the opportunity to comment on Financial Institutions' Use of Artificial Intelligence, Including Machine Learning.

The agencies (Board of Governors of the Federal Reserve System, Bureau of Consumer Financial Protection, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency) are gathering information and comments on financial institutions' use of artificial intelligence (AI), including machine learning (ML). The purpose of this request for information (RFI) is to understand respondents' views on the use of AI by financial institutions in their provision of services to customers and for other business or operational purposes; appropriate governance, risk management, and controls over AI; and any challenges in developing, adopting, and managing AI. The RFI also solicits respondents' views on the use of AI in financial services to assist in determining whether any clarifications from the agencies would be helpful for financial institutions' use of AI in a safe and sound manner and in compliance with applicable laws and regulations, including those related to consumer protection.

I agree with Governor Lael Brainard that "AI presents promise and pitfalls" and support that the Federal Reserve "is committed to supporting banks' efforts to develop and use AI responsibly to promote a safe, fair, and transparent financial services marketplace." Finally I accept that to ensure that society benefits from the application of AI to financial services, the

Please note that the comments expressed herein are solely my personal views

Federal Reserve “must understand the potential benefits and risks, and make clear our expectations for how the risks can be managed effectively by banks.”<sup>1</sup>

I would recommend that some more thought should be given to entities’ use of artificial intelligence (bots, robots, algorithms) to industrialize and automate the collection of public and semi-public information, including product pricing and quotes, as this goes into an anti-trust grey zone. A balance needs to be struck between promoting fair competition for the benefit of customers, mass collection of data, impeding competitor access to data and protecting intellectual property and technical capability.

Yours sincerely

C.R.B.

Chris Barnard

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<sup>1</sup> Speech Supporting Responsible Use of AI and Equitable Outcomes in Financial Services, Governor Lael Brainard, available at: <https://www.federalreserve.gov/newsevents/speech/brainard20210112a.htm>