BancFirst

101 North Broadway
Post Office Box 26788
Oklahoma City, OK 73126-0788
Telephone (405) 270-1014
FAX: (405) 270-1099

DENNIS BRAND
Chief Executive Officer

February 17, 2010

Federal Deposit Insurance Corporation
Attn: Arthur J. Murton, Director
Division of Insurance and Research

Re: Employee Compensation (FIL-1-2010/January 14, 2010)
Advance Notice of Proposed Rule making

Dear Mr. Murton:

We, at BancFirst, support the FDIC's philosophy that "an employee compensation system should be successful in aligning employee performance with the long-term interests of the firm, and its stakeholders, including the FDIC. Also, compensation policies should not encourage excessive risk-taking and should be consistent with the safety and soundness of the organization." In that light, we have some broad comments and observations on your proposed features and aspects of the proposed rule for Employee Compensation.

1. A firm's compensation system is the responsibility of management with oversight by the Board and the Compensation Committee.

2. A compensation system should incorporate risk activities, yet be competitive to attract qualified employees. An employee's total compensation should include a deferred component which is earned over a multi-year period, 3 to 5 years if the cash bonus award exceeds say, 50% of base pay. Certain employees' or officers' total compensation should include a stock award component, which again would vest over a multi-year period.

3. While we agree with the FDIC's philosophy regarding prudent criteria and guidelines for a compensation system, we do not agree that a compensation system can be measured by ratios of compensation to some specified variable. The FDIC should evaluate a compensation program during its examination and assess if the program seems reasonable, and if the program is being adequately administered by management with Board/Compensation or Committee oversight. Any observations or comments should be made as part of management's evaluation.

4. We do not agree that it should be a requirement of the Compensation Committee to retain outside consultants. Our observation is that outside consultants have, in some instances, helped justify significant compensation programs and awards.

5. We do agree that the focus should be on the larger institutions as that is where there are more risk-based activities and more significant compensation programs and awards.

6. As to whether an adjustment should be made to the risk-based assessment of an institution whose compensation program did not contain prudent criteria and encourages excessive risk taking, we would refer you to items 1 and 3 above. If it is deemed that an institution's compensation programs were unsafe with unsound practices, then the rating of management should incorporate those observations in its evaluation and rating. If corrective action is not taken, say within six months, then a rate adjustment of 5 to 10 basis points might be assessed.

We believe it is the responsibility of management and the Board of Directors to implement prudent policies and programs of its financial institution, including its Employee Compensation system.

Thank you for the opportunity to comment on this proposed rule.

Sincerely,

Dennis Brand, CEO