



May 27, 2022

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments-RIN (3064-ZA32)
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Re: Principles for Climate-related Financial Risk Management for Large Financial Institutions (RIN (3064-ZA32))

Dear Mr. Sheesley:

My name is Randy Whitehead, President and CEO of PeoplesTrust Bank in Hamilton, Alabama. I am writing to provide comments regarding the FDIC's statement of principles for climate-related financial risk management for large financial institutions. I suspect that should these proposed requirements be placed upon larger institutions it will only be a matter of time before smaller institutions will have similar requirements.

I submit to you that the risk of ever-increasing regulation and the related expense, creates a much greater risk to rural community banks than does climate change risk. As you know the tremendous expense involved in complying with this regulation would be a huge burden on small community banks. The banks which are the financial lifeblood of rural towns and communities are either being consolidated into larger institutions or are closing branches in small towns partially due to the ever-increasing cost of regulation, leaving the people of these communities with the only option of driving many miles to participate in the banking system.



Our small City of Hamilton, Alabama has a branch of a major nationwide banking institution. While that institution is pleased to operate here and offer a myriad of checking accounts which provide that institution with low-cost deposits to be utilized around the country, local individuals and small businesses find it difficult to obtain loans at that institution. My point, obviously, is that without small, local community banks, people in rural communities are going to be greatly harmed and unable to participate in the financial system.

Climate change is ultimately “weather” which fluctuates and cycles over time within a fairly narrow range. As high school students in the 1970’s we observed that the climate scientists of the time were predicting that the earth was entering into the next “ice age”. How wise would it have been to commit millions and billions of dollars over the course of the past 50 years preparing for the risk associated with another ice age?

We operate a branch in Hackleburg, Alabama, a small town that was almost totally destroyed in the tornado outbreak of April 27, 2011. We were able to work with our customers in the aftermath of that disaster and in the years since the tornado the town has become better and stronger. Having witnessed the devastation personally, I can attest that no amount of risk management would have reduced the damage done by the F-5 tornado that day. In addition, many of our customers, operated heavy equipment (fueled by diesel and gasoline) to clear the debris from the destruction and help residents get on with their lives.

While I am pleased that this proposal is currently limited to banks of \$100 billion or more in total assets, I also know that many times, limited application regulations are ultimately applied to all banking institutions. I respectfully request that the FDIC refrain from implementing climate related risk management requirements that will ultimately do serious financial damage to the residents of the rural communities we serve.

Sincerely,



Randy Whitehead
President and CEO

Cc: Alabama Senator Richard Shelby
Alabama Senator Tommy Tuberville
Alabama House of Representatives Member Robert Aderholt