FirstBank

February 9, 2024

VIA EMAIL
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429
Attention: James P. Sheesley, Assistant Executive Secretary
comments@FDIC.gov (subject line: RIN 3064–AF94)

RE: Notice of Proposed Rulemaking and Issuance of Guidelines: Guidelines Establishing Standards for Corporate Governance and Risk Management for Covered Institutions with Total Consolidated Assets of $10 Billion or More; RIN 3064–AF94

Ladies and Gentlemen:

FirstBank appreciates the opportunity to submit this letter in response to the request of the Federal Deposit Insurance Corporation (the "***FDIC***") for comment on its notice of proposed rulemaking and issuance of guidelines establishing standards for corporate governance and risk management for covered institutions with total consolidated assets of $10 billion or more (the "***Proposed Guidelines***"), published in the Federal Register on October 11, 2023.

FirstBank is headquartered in Nashville, Tennessee, with approximately $13 billion in total assets. We are also a member of the Mid-Size Bank Coalition of America (the "***MBCA***"), a non-partisan organization of more than 100 banks, each with total assets between $10 billion to $100 billion. The MBCA recently submitted a detailed comment letter on the Proposed Guidelines, and we fully support the positions taken by the MBCA in its letter.

As described in detail in the MBCA's comment letter, the Proposed Guidelines are flawed in multiple respects. FirstBank is particularly concerned that the Proposed Guidelines would create a new fiduciary standard for directors that conflicts with our state's laws. We are also concerned with the burdensome cost to comply with the Proposed Guidelines, particularly for smaller and mid-sized banks, and we support the recommendation of the MBCA to raise the asset threshold of the Proposed Guidelines to cover banks with average total consolidated assets greater than $50 billion. Additionally, we urge the agency to modify the Proposed Guidelines to focus on the board's responsibility for the oversight of management, rather than on ensuring outcomes.

If the Proposed Guidelines are adopted, we additionally urge the FDIC to provide an appropriate transitional period where banks are given at least one year from publication to achieve full compliance. If implemented as proposed, the guidelines will be effective immediately for covered banks, with no transition period to achieve compliance. Immediate adherence would impose an unfair burden and unrealistic expectations for covered banks. A transition period to achieve compliance will be especially critical for small institutions with fewer resources.

Finally, if adopted, examiner training should be enhanced and a required priority before examiners can be expected to appropriately supervise compliance with the Proposed Guidelines. Adequate training for examination teams is critical for adequate and consistent application of a new regulation.

We appreciate the opportunity to comment on the Proposed Guidelines and respectfully request that the FDIC consider these observations, as well as the commentary of other mid-sized and smaller financial institutions.

Respectfully submitted,

Beth W. Sims
General Counsel and Corporate Secretary