

# *The Bank of South Carolina*

August 20, 2025

Mr. James P. Sheesley  
Assistant Executive Secretary  
Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429

## **Re: Comments on Proposed Rule Regarding FDICIA Audit and Reporting Requirements**

Dear Mr. Sheesley:

On behalf of The Bank of South Carolina, a community bank with approximately \$575 million in total assets, I strongly support the FDIC's proposed changes to the FDICIA audit and reporting thresholds.

The proposed adjustments will provide meaningful and much-needed regulatory relief to community banks such as ours while maintaining the appropriate level of oversight for larger institutions that pose greater systemic risk to the Deposit Insurance Fund. Importantly, the changes also reduce duplicative HUD audit requirements for banks that originate FHA-insured loans, creating dual benefits that ease compliance costs without weakening regulatory safeguards.

For banks with \$500 million to \$1 billion in assets that originate FHA-insured loans, the proposed adjustments are especially impactful. The dual relief would cut compliance costs - over \$10,000 annually in our case - allowing more resources to be directed toward lending, housing finance, and community investment.

We respectfully urge the FDIC to finalize the proposed rule and provide timely implementation of these threshold adjustments.

Thank you for the opportunity to comment on this important matter.

Sincerely,



Eugene H. Walpole, IV  
President & CEO