



One Mission. Community Banks.

October 8, 2025

Jennifer M. Jones, Deputy Executive Secretary
Attention: Comments—RIN 3064-AG16
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

RE: Unsafe and Unsound Banking Practices: Matters Requiring Attention [RIN 3064-AG16]

Dear Ms. Jones:

The Community Bankers of Michigan on behalf of all banks in the state of Michigan strongly supports the FDIC's Notice of Proposed Rulemaking concerning Unsafe and Unsound Banking Practices: Matters Requiring Attention ("the Proposal" or "the Proposed Rule").

We believe that the lack of a federal statutory definition for the term "unsafe or unsound practice" has resulted in enforcement actions and supervisory criticisms for concerns not related to material financial risks. This would be remedied under the Proposed Rule, when coupled with the revised supervisory framework for the issuance of Matters Requiring Attention (MRAs). We applaud the Proposed Rule for also providing for custom tailoring of enforcement actions and MRAs. As a result of the Proposal, we would expect that finding an unsafe or unsound banking practice would become a much higher bar for community banks with assets of less than \$30 billion.

The establishment of uniform standards for examiners' communication of MRAs, taken in concert with the narrowed focus on only material financial risks, will greatly reduce the subjectivity of the current rules, while still providing the FDIC and DIF with the tools necessary to carry out their supervision efforts and statutory duties.

In summary, please list our support of the Proposed Rule 3064-AG16, and thank you for taking steps to deliver real relief to all community banks.

Respectfully submitted,

A black rectangular box redacting the signature of James R. North.

James R. North
President & CEO