

**Meeting Between Staff of the Federal Reserve Board
and Idaho, Oregon, and Washington State Bankers Association September 26, 2017**

Participants: Eric Belsky; James Clouse; Jon Hiratskua; Madelyn Marchessault; Yao-Chin Chao; Megan Drefchinski; Vandana Gupta; Anthony Cain; Dana Miller; and Chris Callanan (Federal Reserve Board)

Start Allen (Allen Trust Company); John Biestman (FHLB Des Moines); Kevin Christiansen (Oregon Bankers Association); Myriah Conyers (Sound Community Bank); Cara Coon (Umpqua Bank); Jennifer Cowell (FHLB Des Moines); John Evan (DL Evans); Lisa Furman (Heritage Bank); Daniel Heiner (Citizens Community Bank); John Jones (Washington Business Bank); Lori Kaliher (Oregon Bankers Association); Tom Kenney (Washington Federal); Joseph Kiley III (First Financial Northwest Bank); Ryan Killgore (U.S. Bank); Kevin LaCoste (U.S. Bank); Daniel LaCoste (U.S. Bank); Mark Lemmon (Bank of Eastern Oregon); Wayne Mannie (Columbia Bank); Timothy Martinez (Oregon Bankers Association); Daniel McDowell (Willamette Community Bank); Russell Milburn (People's Bank of Commerce); Natalie Miller (Lewis & Clark Bank); Allen Morrison (The Bank of Commerce); Amber Morrow (FHLB Des Moines); Linda Navarro (Oregon Bankers Association); Drew Ness (1st Security Bank of Washington); Gregory Newton (Bank of Cascades); Kelli Nielson (1st Security Bank of Washington); Tonja Nielson (Zions Bank); Gregory Oakes (Cashmere Valley Bank); Eric Pearson (Community First Bank); Elliot Pierce (Sound Community Bank); James Pishue (Washington Bankers Association); Bryan Ricker (Zions Bank); Elizabeth Schroeder (Washington Trust Bank); Lisa Schrunk (Willamette Valley Bank); Glen Simecek (Washington Bankers Association); Valita Speranzi (Washington Trust Bank); Jeffrey Sumpter (Leis & Clark Bank); Lori Tomasovic-Dizes (U.S. Bank); Brooke Turner (Washington Trust Bank); Nicholas Veroske (Premier Community Bank); Craig Wanichek (Summit Bank); Bradley Webster (Citizens Bank); Elizabeth Wilson (Washington Bankers Association); Trenton Wright (Idaho Bankers Association); Kenneth Zimmerman (Citizens Bank)

Summary: While it was noted that the Proposed Guidance on Supervisory Expectation for Boards of Directors (the "Proposal") relating to the principles of effective boards of directors only would apply to large financial institutions, several attendees expressed concern that supervisors might in practice view the Proposal as "best practices" for the industry as a whole and therefore may apply the Proposal to smaller institutions. Several attendees noted that many directors for smaller institutions come from the local community and have little banking experience. As such, they emphasized that the quality of management is usually the most important factor for the success of smaller institutions.