



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

February 17, 2017

Mr. Thomas S. Riggs
Managing Director
Goldman Sachs Group, Inc.
200 West Street,
New York, New York 10282

Dear Mr. Riggs:

This letter responds to your request on behalf of The Goldman Sachs Group, Inc., New York, New York, and its subsidiaries and affiliates (collectively, "Goldman Sachs") for relief from two sets of passivity commitments that Goldman Sachs provided to the Board in connection with its retention of interests in (1) SKBHC Holdings LLC ("SKBHC"); and (2) Atlantic Capital Bancshares, Inc. ("Atlantic Capital"). You requested complete relief from the commitments.

Goldman Sachs provided passivity commitments in June 2010, in connection with its application, under sections 4(c)(8) and 4(j) of the Bank Holding Company Act ("BHC Act"), to retain its interest in SKBHC, which controlled Starbuck Bancshares, Inc. ("Starbuck") and its subsidiary AmericanWest Bank. Goldman Sachs also provided passivity commitments in September 2010, in connection with its application pursuant to section 3(a)(3) of the BHC Act to retain its interest in Atlantic Capital. Goldman Sachs noted that Banner Corporation ("Banner") acquired Starbuck and AmericanWest Bank and represented that SKBHC is no longer an operating entity. Additionally, Goldman Sachs represented that it owns approximately [REDACTED] percent of the common stock of Banner and [REDACTED] percent of the common stock of Atlantic Capital, both as of February 1, 2017.

Goldman Sachs has represented that it does not have an employee or a representative that is also employed by Banner or Atlantic Capital or that serves on the board of directors of either institution; and does not have a continuing right to appoint a representative to the board of directors of Banner or Atlantic Capital. Goldman Sachs has also represented that, to the best of its knowledge, it does not have any existing or contemplated business relationships with Banner or Atlantic Capital or their affiliates;

does not have any formal or informal agreements with Banner or Atlantic Capital and their affiliates relating to management or policies of either institution; and does not have any formal or informal agreements with other investors in Banner or Atlantic Capital related to its investments in Banner and Atlantic Capital. Finally, Goldman Sachs has represented that it will not exercise or attempt to exercise a controlling influence over Banner or Atlantic Capital without prior approval from the Board.

Based on all the facts of record, the Director of the Division of Supervision and Regulation, acting pursuant to authority delegated by the Board under section 265.7(a)(2) of the Board's Rules Regarding Delegation of Authority (12 CFR 265.7(a)(2)), and after consulting with the General Counsel, has approved your request for relief from the passivity commitments provided in connection with the retention of interests in SKBHC and Atlantic Capital. This action is based on the representations and commitments set forth in all of your communications and in correspondences related to your request, including the representations discussed above. Any change in the facts presented could result in a different conclusion and should be reported to Board staff immediately. This determination should not be construed as granting relief from any other conditions or commitments to which Goldman Sachs may be subject. Moreover, Goldman Sachs may not acquire control of either SKBHC or Atlantic Capital, within the meaning of the BHC Act, without the prior approval of the Board.

Very truly yours,



Margaret McCloskey Shanks
Deputy Secretary of the Board