FINANCIAL STABILITY BOARD

Sound Practices for Responsible Adoption of Artificial Intelligence (AI): Consultation report

Response to Consultation

Community Trust Bancorp, Inc

1. **Do you agree with the benefits and risks of AI adoption by financial institutions described in this report? Are there any substantive benefits or risks not covered?**

   Yes

2. **Are the sound practices sufficiently comprehensive and clear to enable financial institutions' responsible AI adoption?**

   Yes

3. **Do the sound practices strike an appropriate balance between managing risks relating to all forms of AI, and addressing some of the risks relating to emerging and new complex forms of AI, such as GenAI and agentic AI?**

   Yes

4. **Are the sound practices sufficiently flexible to accommodate and address newer types of AI and responsible adoption over time?**

   Yes

5. **Do the case studies in this report sufficiently highlight how different types of financial institutions can benefit from responsible AI adoption? Are there additional case studies for inclusion in the report? If so, please provide such case studies, particularly for nonbanks.**

   Yes. One team member noted that additional cases should include examples of failures. Often, we can learn what to avoid or how the risks can be managed better from examples where others have failed.

6. **Do the case studies in this report provide actionable insights for financial institutions in their responsible AI adoption?**

   Yes

7. **Are the definitions in the glossary clear and aligned with industry sound practices, including recent developments in AI?**

   Yes

8. **Are there any comments you would like to make on this report? Please fill in.**