

From: Lisa Oliver <loliver@mycapecodbank.com>
Sent: Thursday, July 13, 2023 4:01 PM
To: Comments
Cc: Gene Guill
Subject: [EXTERNAL MESSAGE] May 22, 2023 - Special Assessments Pursuant to Systemic Risk Determination - Notice of Proposed Rulemaking; Comment Request (RIN 3064-AF93)

Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF93
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am writing in support of the FDIC's proposal to exempt community banks under \$5 billion from the special assessment following the failures of SVB and SBNY.

I am the Chair, President and CEO of The Cooperative Bank of Cape, a 102 year old, \$1.5B mutual bank headquartered in Hyannis, Massachusetts and serving all 15 towns in Barnstable County. Our outreach and service to clients covers the entire 65-mile Cape Cod Peninsula through nine branches, ATMs, a call center and on-line and digital capabilities, as well as robust residential and commercial lending functions. Ours is a seasonal economy largely comprised of small businesses that support tourism and maritime centered activities; 85% of the estimated 8,000 business on the Cape have less than \$1MM in annual revenue. Pandemic in-migration increased our year-round population to more than 225,000 with an average age of 56, and the population can swell to nearly 1 million during the high season, summer months. The median home price, post pandemic is over \$700,000, and high real estate prices and limited inventory creates housing and homeownership challenges for current year-round residents as well as for those seeking to relocate to this sought after community. 90% of our residents are US born citizens and 2020 census data shows increasing diversity with a large representation from the Native American Wampanoag Tribe and well as Brazilian and Cape Verdean communities.

Our mission is simple: With genuine understanding of the people we serve, we invest in elevating the financial well-being and resilience of our community, which includes our customers, our employees, our neighborhoods and the non-profits serving our region. We do this through prudent, risk-managed processes to ensure regulatory expectations are met. Our end goal is to donate our excess earnings back to the 2,400+ non-profit organizations in the community.

What we **do not** do:

- Serve niche business or personal markets creating outsized concentration risk

- Leverage our balance sheet assets or liabilities in concentrated industries or to a small number of high balance accounts
- Deliver non-relationship financial services outside our market area of southeastern Massachusetts
- Take significant risk

Our board members and senior leaders regularly evaluate the strategic spends needed to provide competitive and effective financial services, while managing the ever escalating costs associated with cyber security threats, the demand for ease and speed of digital access, rising payroll and benefit outlays, facilities, network access and the regulatory and insurance costs of being an FDIC insured bank. Although we continuously work to manage to the most efficient operations possible, our straightforward banking model does not have the capacity to absorb an added insurance expense resulting from risky, larger bank business models.

I thank the FDIC for thoughtfully crafting this proposal which differentiates business models across the banking system. Small community banks are the bedrock of communities in which we live and work and I would encourage the FDIC to finalize the rule as proposed and reduce the financial burden to banks like The Cooperative Bank of Cape Cod.

Thank you for the opportunity to submit comments on the proposed special assessments.

Respectfully,

Lisa Oliver

cc: Gene Guill, Lead Director



Lisa Oliver
Chair of the Board, President and CEO

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