

From: Neil Dauby <neil.dauby@germanamerican.com>
Sent: Monday, July 17, 2023 1:58 PM
To: Comments
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 regards to the FDIC's request for comment on the "Proposed Rulemaking on Special Assessment Pursuant to Systemic Risk Determination".

I am the CEO of German American Bank headquartered in Jasper, Indiana. We are a \$6 billion community bank serving rural and small MSA markets throughout Southern Indiana and Central Kentucky. Our bank has less than 21% of uninsured / uncollateralized deposits with little to no concentrations. Based on this we strongly believe that community banks such as German American Bank should not be required to pay any special assessment for the systemic risk determination given to SVB and SBNY. Our deposit/funding risk profile and business model are vastly different from those larger and riskier institutions. Community banks should not be responsible for subsidizing the outsized risk that these larger banks pose to the financial system.

Shifting this burden to community banks would obviously have a negative impact to our earnings that would require measures to help offset this cost... much of which could have a negative impact to our customer base. It is critical that we maintain a healthy deposit base to invest and redeploy back into our communities and not serve as a bailout for the irresponsible practices of larger and riskier institutions such as SVB and SBNY.

We do appreciate FDIC's approach that avoids a one-size-fits-all special assessment by excluding the first \$5 billion of uninsured deposits in the assessment calculations. We feel these limits to be a fair and equitable solution to the Systemic Risk Determination and support the finalization of the rulemaking as proposed.

We thank you for the opportunity to submit our comments on the proposal and weigh in on this critical rule that will have a significant impact on our customers and communities.

Neil

D. Neil Dauby

German American

Chairman and Chief Executive Officer

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