

From: Harmony F. Bryan <HBryan@woodsborobank.com>
Sent: Friday, July 21, 2023 9:15 AM
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 regarding the FDIC's proposal to exempt community banks under \$5 billion from the special assessment.

I am the President and CEO of Woodsboro Bank, headquartered in Woodsboro, MD, serving Frederick and surrounding counties. Woodsboro Bank is a \$405 million community bank established in 1899. We work with individuals and business owners with relationships that span generations. Furthermore, each year the bank supports a wide variety of philanthropic, cultural, and charitable organizations through our banks talent and treasure for the betterment of the community.

It is my position that Community banks should not be required to pay any special assessments for systematic risk determination given to Silicon Valley Bank (SVB) and Signature Bank of New York (SBNY). While those banks as well as many regional and national banks are overly reliant on uninsured deposits as a funding source, Woodsboro bank operates a safer and sounder business model by not relying on overly concentrated uninsured deposits. We know our depositors and are far more reliant on the savings of families and operating balances of small business. We are similar to thousands of community banks across the country. Given our difference to larger banks, we should not be responsible for subsidizing the outsized risk larger banks pose to the financial system.

If special assessments are applied to community banks, drastic measures may need to take place such as the potential for higher assessment costs to customers to offset the increased expense. It is important to our customers that the banks deposits remain available to invest and redeploy into the local community and not serve as a backstop for the riskier practices of large banks such as SVB and SBNY.

I applaud the FDIC's decision to exempt community banks with fewer than \$5 billion in assets from paying any special assessment for the large bank failures of SVB and SBNY, and I encourage the FDIC to finalize its rule as proposed.

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

Respectfully,

Steve Heine



Stephen K. Heine
President/Chief Executive Officer

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“Things may come to those who wait, but only the things left by those who hustle” – Abraham Lincoln