Form Letter A

As an employee of TIB, N.A., a nationally chartered bank and correspondent banking services provider for community banks across the country, I wish to provide this comment letter regarding RIN 3064-AF99 as it relates to the use of brokered deposits.

Based on our bank's service to community banks and our longstanding knowledge of their typical balance sheets, this proposed rule is misfocused and superfluous. Brokered deposits are not the source of risk. They are simply a helpful tool for many banks in need of funding. The true risk lies in the rapidity of growth. Growing any funding source too quickly can pose risk. We believe the FDIC already does a more than adequate job identifying and regulating this type of risk. The FDIC already requires detailed policies regarding the concentration limits for various asset categories, as well as stress testing. In addition, the FDIC already has the authority to place restrictions on troubled banks without the need to apply additional specific regulations to the use of brokered deposits. This is an arrow the FDIC already has in its quiver for those instances.

It is clear that at least a portion of the FDIC's concern arises from the fact that high-rate deposits tend to be more volatile as it pertains to remaining at any one particular bank. Again, the FDIC already has rules in place for limiting this activity. There is no need to add regulations that would be redundant or more restrictive to the vast majority of banks operating in a safe and sound manner and not experiencing any stress from utilizing brokered deposits responsibly.

I respectfully oppose the newly proposed rule RIN 3064-AF99 on the grounds that it unduly hampers the vast majority of responsibly-operating banks from potentially obtaining much-needed funding and that the FDIC already has the authority to regulate the use of such funds on a one-off basis, as needed in dealing with troubled banks.

Respectfully,