

From: Noah Wilcox <Noah.Wilcox@wbanc.com>
Sent: Monday, July 10, 2023 11:41 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)

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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 to you today regarding the FDIC's proposal to exempt banks under \$5 Billion from the special assessment in the wake of recent large bank failures.

I am an owner and the CEO/Chairman of two community bank charters, Grand Rapids State Bank with assets of approximately \$250,000,000 and more than 108 years of service to Grand Rapids, Minnesota the northern part of the state and Minnesota Lakes Bank with assets of approximately \$143,000,000 with offices in the cities of Mound, Delano and Buffalo Minnesota.

I strongly support the FDIC's proposal to limit special assessments to the 113 large bank organizations with the highest concentration of uninsured deposits. As the FDIC has correctly concluded, in my view, these organization with the highest concentrations of uninsured deposits pose the most systemic risk to the banking system while also benefitting the most. This seems to me to be the very definition of moral hazard. Our community banks have very low uninsured deposit percentages and rely on core funding for our relationship based business model where we simply collect local deposits and make local loans. This business model, like that of many community banks, is vastly different from the business model of SVB, SBNY and many other systemically risky large financial institutions, thus no bank with less than \$5 Billion in assets should be subject to this or any other related type of special assessment. My community banks should never be forced to subsidize the risk taking by the nation's largest banks. It is important that the local deposits my community banks gather remain available for deployment in the local community, rather than be gathered up and used as a bailout to this systemically risky large banks.

I applaud the FDIC for avoiding a one size fits all approach in this recommendation and believe it is the best way to resolve the present issue at hand. Thank you for allowing comments on the proposal, and I hope you will consider my comments above.

NOAH W. WILCOX

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