

From: Warren Laube <wlaube@gasb.bank>
Sent: Monday, July 10, 2023 3:32 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 submitting this letter in response to the FDIC's request for comment on special assessments following the systemic risk determinations announced after the failures of SVB and SBNY. I am the President and CEO of German American State Bank, a \$325 million community bank located in German Valley, Pecatonica and Winnebago, IL. We primarily provide agricultural and small business loans and are the only bank with a physical branch presence in German Valley and Pecatonica.

I strongly support the FDIC's proposal to limit special assessments to the 113 large banking organizations that hold large amounts of uninsured deposits. SVB and SBNY were reliant on uninsured deposits as a funding source (As of year-end 2022, approximately 94% of SVB's total deposits were uninsured, and 90% of SBNY's deposits were uninsured) German American State Bank is not overly concentrated in uninsured deposits and operates a safer and sound business model with less 10% of deposits uninsured.

Like many of the nation's small community banks, German American State Bank has a diverse deposit base made up of many small local depositors. We are an integral part of the local economy, reinvesting in and supporting main street business and local farms. The additional cost to bailout reckless banks like SVB and SBNY should be borne by those that will benefit the most, the large "too big to fail" banks.

Thank you for taking a pragmatic approach, avoiding a one-size-fits-all approach to the special assessment, and exempting community banks from the special assessment. I am encouraging the FDIC to finalize its rulemaking as proposed.

Respectfully,

Warren Laube

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