

From: Jennifer Eckert <Jennifer.Eckert@heartland.bank>
Sent: Friday, July 21, 2023 2:59 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 regarding the FDIC's proposal to exempt community banks under \$5 billion from the special assessment. I am the Senior Vice President and Chief Risk Officer for Heartland Bank, a \$1.8 billion community bank located in central Ohio and northern Kentucky. We are a commercial bank serving small and middle market businesses and mortgage banking services in the communities we serve. 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.

Heartland Bank operates a very different model than that of SVB or SBNY and does not rely on uninsured deposits as a funding source. Heartland Bank's deposits are made up of 68% insured deposits [REDACTED] [REDACTED]. As such, our bank should not be responsible for paying back the DIF for the risky behavior of these much larger financial institutions with riskier business models.

Special assessments would cause undue hardship to community banks as well as businesses and consumers through the higher fees that community banks would be forced to pass on to them. Heartland Bank is very involved in the communities where we are located and the majority of our lending is within our market areas. It is important to our customers that we are able to continue deploying our deposits into the local community.

Again, I thank the FDIC for avoiding a one-size-fits all approach to the special assessment and encourage the FDIC to finalize its rulemaking as proposed.

Thank you for allowing me to comment on the proposal.



Jennifer Eckert, CRCM

SVP, Chief Risk Officer

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