



# **PONY EXPRESS COMMUNITY BANK**

MEMBER FDIC

November 3, 2008

Mr. Robert Feldman  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street NW  
Washington, DC 20429

Re: Comments – RIN 3064-AD35

Dear Mr. Feldman:

Pony Express Community Bank is submitting the following comments regarding the calculation of the new "adjusted brokered deposit ratio" as introduced in the Notice of Proposed Rulemaking that will implement changes to deposit insurance assessments (RIN 3064-AD35). As stated, the FDIC proposes adopting the current definition of brokered deposits as stated in Section 29 of the Federal Deposit Insurance Act (U.S.C 1831f). The FDIC has however requested comment on whether so-called internet deposits or those deposits generated through a deposit listing service should be included in that calculation.

Our organization agrees with the FDIC's current position that a listing service or the internet is not a deposit broker, therefore should not be included in calculating the new adjusted brokered deposit ratio. Used in moderation, listing services can be a useful liquidity tool providing access to deposits at reasonable rates while not driving up the cost of existing, core deposits. At several banker meetings recently held with regulators, representatives of the various regulatory agencies have strongly encouraged bankers to establish and "test" a wide range of liquidity sources including listing services, Federal Home Loan Bank, Fed Discount Window and even deposit brokers.

If the FDIC's research and experience indicates that institutions with a large percentage of deposits generated utilizing a listing service are indicative of unsafe or unsound banking practices, we would encourage the adoption of a threshold wherein such deposits comprising less than x% of the balance sheet would continue to be considered core deposits while larger percentages would be categorized as a higher risk deposit. Such a practical approach would seem to accomplish FDIC's apparent goal of increasing insurance rates on institutions evidencing non-traditional and higher-risk banking activities while not punishing well-managed institutions that have accessed a variety of liquidity sources in keeping with fundamentally sound banking practices.

Thank you for allowing us to comment on the proposed changes to deposit insurance assessments.

Very truly yours,

Robert A. Means  
President