



December 16, 2008

Robert E. Feldman, Executive Secretary  
Federal Deposit Insurance Corporation  
Attention: Comments  
550 17th Street, NW.  
Washington, DC 20429

**RE: RIN 3064-AD35 – Brokered Deposits and CDARS**

Dear Mr. Feldman:

Johnson Financial Group, Inc. (“JFG”) is a \$5.6-billion financial holding company headquartered in Racine, Wisconsin, operating through several affiliated companies primarily in the states of Wisconsin and Arizona. Our product/service lines include banking, trust, and investment services (Johnson Bank), an insurance agency (Johnson Insurance Services, LLC), and branded brokerage and credit card services (with joint marketing partners).

I appreciate the opportunity to comment on the FDIC’s proposal to raise premiums in order to recapitalize the insurance fund and to change the risk-based premiums classification system. A strong FDIC insurance fund is important to maintaining depositor confidence and I support changes to the premium calculation that truly reflect the risk of loss to the FDIC.

As a healthy bank that had nothing to do with the current problems, I believe that the proposal should **remove the Certificate of Deposit Account Registry Service (CDARS) from inclusion in the brokered deposits ratio** as these deposits allow my bank to retain customers and keep funding local.

While I too am troubled that some recent failed or troubled banks have used brokered deposits to grow rapidly and fund risky assets, it is unfair to include CDARS deposits in with other, more volatile, forms of brokered deposits. We use CDARS to satisfy the needs of our depositors that want the surety of deposit insurance protection, but maintain the relationship, many of which are significant with our bank. CDARS allows us to meet that need and to keep the funding within our community. Without this, these

depositors are likely to withdraw money from our bank and spread it on their own or through brokers to banks that truly are higher risk and paying high interest rates. Moreover, some of our depositors will use the Internet to find high rates around the country – and these types of volatile deposits are not even covered by the proposed rule.

Thus, the FDIC should exclude CDARS from the calculation of brokered deposits. This method of funding is not risky and any concerns should be raised as part of the examination process – which is included in the premium calculation. It is patently unfair to penalize banks like mine that use these stable sources of funding.

Thank you for the opportunity to comment on this interim rule.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

John R. Topczewski  
Vice President/Corporate Compliance

JRT

c: Richard Hansen, President and CEO, Johnson Financial Group, Inc.  
Kurt Bauer, President and CEO, Wisconsin Bankers Association