



March 21, 2011

VIA: CERTIFIED MAIL

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

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RECEIVED  
EXECUTIVE SECRETARY

RE: Part 330 – Deposit Insurance Education

Dear Mr. Feldman:

We respectfully submit this comment letter in response to an invitation to comment on proposed rule requiring certain bank staff to complete deposit insurance coverage training based on Standard Maximum Deposit Insurance Amount (SMDIA). The proposed rule includes three requirements: (1) computer based training for all employees with authority to open new accounts and/or respond to customer questions about deposit coverage within 30 days of employment, 60 days of the effective date of the final rule, and annually thereafter, (2) staff must ask whether the customer has other relationships with the institution and whether the aggregate deposits may exceed the SMDIA, and require staff to provide the customer with a copy of the FDIC's *Deposit Insurance Summary* publication if the deposits exceed the SMDIA, and (3) provide a link to the FDIC Electronic Deposit Insurance Estimator (EDIE) on their Web sites.

The institution has no concerns with regards to the first and third requirements; however, concerns are noted with regards to the requirement of bank staff to inquire about the customer's relationships, and in the subsequent providing of the FDIC's *Deposit Insurance Summary* publication. Our concerns are based on the enforcement and policing of this requirement, which would at a minimum require additional disclosures be signed by the customer attesting that they received the publication and provided information as to the location of the EDIE. Additional concerns, not addressed by the proposed rule, would be required monitoring of customer accounts for the purposes of informing customers that their related

account balances are subject to exceed the SMDIA and any additional disclosure requirement that would need to be performed. It is deemed that this would pose undue hardship and potential liability exposure onto financial institutions resulting from customer misconception that the financial institution is making recommendations for the structuring of their accounts to maximize insurance coverage.

As an alternative proposal to the second requirement, we propose that the FDIC's *Deposit Insurance Summary* publication be required to be provided to all customers at account opening regardless of amount and/or other relationships, and that regulators provide "specific" or "recommended" language for account opening disclosures to ensure compliance.

Thank you for the opportunity to comment on the proposed rule. If you have any questions or concerns, please feel free to contact us at 919-938-3101.

Sincerely,

A handwritten signature in cursive script that reads "Marilyn W. Logan".

Marilyn W. Logan  
Audit/Compliance Officer

cc: Harold T. Keen, CEO  
Earl W. Worley Jr., COO/EVP