



May 26, 2020

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

Dear Executive Secretary Feldman,

Ion Bank welcomes the opportunity to comment on the FDIC's proposed rulemaking regarding the effects of Paycheck Protection Program (PPP) Loans on deposit insurance assessments.

We had the privilege of serving our communities by providing PPP loans to over a thousand small businesses. At the time of this letter we have completed 1,440 loans totaling \$176 million. If these loans are included in our insurance assessment calculation, we will be penalized for this support. The PPP loans, authorized by the CARES Act, address the economic impacts of the pandemic. Banks are also being impacted by the pandemic and should not be penalized for providing this critical service to our small business customers.

We currently have enough deposits to fund our PPP lending and we do not foresee needing to borrow funds at 35 bps from the PPP Liquidity Facility (PPPLF). The proposed rule does not appear, therefore, to provide any assessment relief to banks like ours. The loans we have made are 100% guaranteed by the Small Business Administration; therefore, these loans are safe and should be excluded in the assessment calculation.

We suggest that the adjustment should be a quarterly average balance of all PPP loans to offset the assessment calculation.

On the question of additional data, the bank should not be required to segregate the PPP loans into an additional category and include them into C&I Loans. Since this is temporary program, providing a new category does not seem necessary.

Thank you for the consideration of these matter. We are pleased to provide service to the small business community.

Sincerely,



Ginger Y. Fennell
CRO & Treasurer