

November 24, 2015

Doreen R. Eberley  
Director  
Division of Risk Management  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20429

Director Eberley:

In response to FIL-51-2015, titled “FDIC Seeking Comment on Frequently Asked Questions Regarding Identifying, Accepting, and Reporting Brokered Deposits” issued on November 13, 2015 (“FAQ”), FinPro, Inc. offers the following comments:

FinPro urges the FDIC to continue to understand and support the operations of Community Banks. It is well known that Community Banks, as part their commitment to their communities, regularly provide donations to nonprofit organizations throughout their assessment areas. Not surprisingly, these nonprofit organizations often publicly recognize the Community Banks that support their organizations and the communities they serve. Moreover, individuals who are aligned with these nonprofit entities often want to use financial institutions that support their organizations.

FinPro believes that such relationships generally fall well outside of the concept or concerns associated with brokered deposits. Nonetheless, the FAQ does not clarify this area and therefore raises concerns that such a relationship could trigger the brokered deposit definition. Therefore, FinPro asks that the FDIC further clarify the FAQ to exclude the following deposits from the definition of brokered deposits:

- Deposits received from a state licensed nonprofit organization (“Nonprofit”) or individuals who designate to the Community Bank that they are aligned to the Nonprofit, if:
  - 1) The Nonprofit is located within the Community Bank’s Assessment Area
  - 2) The individuals aligned with the Nonprofit live within the Community Bank’s Assessment Area
  - 3) There are no third parties that place deposits
  - 4) All individuals who are aligned with the Nonprofit individually open their own accounts
  - 5) Deposits are voluntary and no third party contracts exist
  - 6) Depositors who have aligned with the Nonprofit have the discretion to remove their “alignment” at any time
  - 7) Bank does not supply personal information to the Nonprofit

The FDIC, via its onsite examination presence or through coordination with its Federal and State colleagues, should monitor such deposits and have the authority to remove this brokered deposit exemption if unsafe or unsound practices are identified.

FinPro appreciates the FDIC's leadership with Community Banks and its willingness to accept comments to improve the FAQ. Please do not hesitate to contact either FinPro President Don Musso or me if you have any questions.

Sincerely,



Scott M. Polakoff  
Executive Vice President