

VIRGINIA BANKERS ASSOCIATION

Bruce T. Whitehurst
President & CEO
Virginia Bankers Association
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October 24, 2018

Via Agency Website: <http://www.FDIC.gov/regulations/laws/federal/>

Robert E. Feldman, Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, D.C. 20429

Re: Comments Regarding FDIC NPR RIN 3064 – AE89

Dear Mr. Feldman:

We appreciate the opportunity to comment on the Federal Deposit Insurance Corporation's (FDIC) notice of proposed rulemaking on the Limited Exception for a Capped Amount of Reciprocal Deposits from Treatment as Brokered Deposits RIN 3064 – AE89.

The Virginia Bankers Association ("VBA") represents banks of all sizes and charters and has served as the organized voice for Virginia's \$615 billion banking industry, and its 70 thousand employees since 1893. We commend the FDIC in its efforts to align the Agency's regulations with the changes to Section 29 of the Federal Deposit Insurance Act made by Section 202 of the Economic, Regulatory Relief and Consumer Protection Act. The VBA supports allowing FDIC-insured institutions, under certain circumstances, to exempt certain amounts of reciprocal deposits from treatment as brokered deposits. A significant majority of the VBA's members are banks with less than \$1.0 billion in assets, and this change will benefit small community banks by increasing the accessibility of deposits. We look forward to the second part of this rulemaking which will address brokered deposits more generally.

If you have any questions, please feel free to contact me at 804-819-4701 or bwhitehurst@vabankers.org.

Sincerely,

A solid black rectangular box used to redact the signature of Bruce T. Whitehurst.

Bruce T. Whitehurst
President & CEO