



May 26, 2020

Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation

RIN 3064-AF53

Please consider my comments in response to the FDIC proposal to mitigate the amount of extra assessments banks will pay for facilitating loans to small businesses under the SBA's Payroll Protection Plan (PPP).

Security Bank is a \$600 million community bank in Tulsa, Oklahoma. We operate with one banking office and have 54 employees. I am very proud of the way our team responded to the economic hardship of our community from the coronavirus pandemic. We have worked tirelessly to facilitate 600 PPP loans for approximately \$100 million. This is even more extraordinary considering that our staff has been working-from-home, in rotation, as part of our social distancing policy.


It is appropriate that the FDIC has acknowledged the additional strain to bank earnings from costs related to our increased asset size and issued a proposal to adjust the assessment calculation. However, to only measure the assessment adjustment for loans pledged to the Federal Reserve's PPPLF is not equitable.

As stated above, our loan portfolio has increased \$100 million from the PPP loans. We originally planned to set a maximum of \$35,000,000, but saw that the need from our local small businesses was beyond our projections. We continued to raise the bar until the demand was met.

We were able to provide these loans, in part, because we had adequate liquidity for funding. We have not needed to borrow from the PPPLF. This creates a disparity for our bank as compared to other banks; we all have been working very hard to support the federal initiative to provide lending assistance. However, banks who borrow funds under PPPLF to fulfill this obligation will be rewarded and we will not.

Please reconsider this effect of the proposal. Security Bank should not be penalized for robustly supporting the PPP program to support small businesses during the pandemic crisis.

Thank you for your consideration.


Dawne Stafford
President & CFO

