

From: Larry D. Pickett <lpickett@peoplesbanknet.com>
Sent: Wednesday, May 27, 2020 9:17 PM
To: Comments
Subject: [EXTERNAL MESSAGE] RIN 3064-AF53

Good evening Mr. Feldman,

The reason for my note is concern over the potential for an increased FDIC assessment related to the temporary balance sheet leverage related to the Payroll Protection Program loans settled for the bank during April and May. Our concern is that while the PPP loans should help our clients and other small business owners retain their employees, it comes without risk to the bank and to the deposit system, but has the potential to increase our deposit insurance costs. In PeoplesBank situation, we estimate the insurance risk to be \$80,000 per quarter while the loans remain on our books. As you aware, the spread on these loans is tight and it came at great expense to the bank in the form of time, effort and at the expense of other lines of business.

With the loans serving the purpose of protecting jobs and small businesses, we respectfully ask you to do what is in your power to see that it is excluded from the deposit insurance assessment calculation.

Thank you for all,
Larry Pickett
PeoplesBank

Larry Pickett
Executive Vice President, Chief Financial Officer

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