

**From:** Michael Doue <mdoue@esbks.com>  
**Sent:** Thursday, July 13, 2023 10:14 AM  
**To:** Comments  
**Subject:** [EXTERNAL MESSAGE] May 22, 2023 - Special Assessments Pursuant to Systemic Risk Determination - Notice of Proposed Rulemaking; Comment Request (RIN 3064-AF93)

Mr. James P. Sheesley  
Assistant Executive Secretary  
Attention: Comments—RIN 3064-AF93  
Federal Deposit Insurance Corporation  
550 17th Street NW  
Washington, DC 20429  
Dear Mr. Sheesley:

I am submitting this letter in response to the FDIC's request for comment on special assessments following the systemic risk determinations announced after the failures of Silicon Valley Bank (SVB) and Signature Bank (SBNY).

I am a member of the Board of Directors and Vice President and Compliance Officer of Exchange State Bank, a \$90 million community bank with locations in St. Paul, Girard, and Columbus, Kansas. We are located in rural areas in the Southeast corner of the state in Neosho, Crawford, and Cherokee Counties and primarily provide residential and agricultural loans.

Exchange State Bank operates as a small community bank that operates a vastly different model than that of the failed banks. While both of these large, risky banks were reliant on uninsured deposits as a funding source, our community bank is not concentrated in uninsured deposit and operates a safer and sound business model.

Applying these special assessments to Exchange State Bank would negatively impact the bank's income and we could be forced to pass on the higher assessment costs to our customers or take other drastic measures to offset this increased expense.

It is important that our customers deposits remain available to invest and redeploy into our local communities – not being used as a bailout for the reckless practices of large banks like SVB and SBNY.

I applaud and strongly support the FDIC's decision to exempt community banks with fewer than \$5 billion in assets from paying any special assessment for the large bank failures of SVB and SBNY, and I encourage the FDIC to finalize its rule as proposed.

Thank you for the opportunity to submit my comments on the proposed amendment. I appreciate the FDIC avoiding a one-size-fits-all approach to the special assessment and exempting small community banks like Exchange State Bank from the special assessment.

Cordially,

Michael J. Doue  
Vice President



**Michael J. Doue**

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