

From: Karen L. Hollister <khollister@brannenbanks.com>
Sent: Thursday, July 20, 2023 8:54 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:

As the President of Brannen Bank, an \$850 million community bank headquartered in Inverness, Citrus County, Florida, I am writing 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).

Brannen Bank supports 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.

These banks are very different from Brannen Bank. Our customer base is not concentrated in any industry, and we continue to experience deposit growth in 2023. We currently have \$0 in borrowed funds and have maintained a cash balance of over \$220 million, which represents approximately 26% of our assets. We operate a much safer and sound business model, with 20% of total deposits deemed uninsured as compared to 94% of SVB's and 90% of SBNY's uninsured deposits.

Brannen Bank has been in business for almost 100 years and navigated through a number of difficult market conditions. Our status as a local community bank allows our customers to have direct access to local bankers, decision makers, and executive leadership. Our deposits should remain available to invest and redeploy into our community, not serve as a backstop or bailout for the reckless practices of large banks like SVB and SBNY.

Thank you for avoiding the one-size-fits-all approach to the special assessment, and exempting community banks under \$5 billion. I encourage the FDIC to finalize its rule as proposed.

Sincerely,

G. MATT BRANNEN

PRESIDENT

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