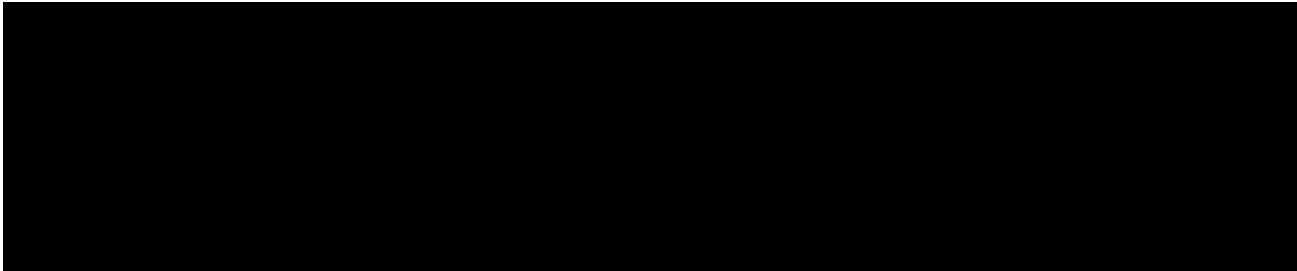


From: [ASHTON ADCOCK](#)
To: [Comments](#)
Cc: [PAGE GILL](#); [PRICE BONEY](#)
Subject: [EXTERNAL MESSAGE] noencrypt. August 23, 2024 Unsafe and Unsound Banking Practices: Brokered Deposits Restrictions; Comment Request (RIN 3064-AF99)
Date: Thursday, November 14, 2024 12:39:09 PM



Mr. James P. Sheesley
Assistant Executive Secretary
Attention: Comments—RIN 3064-AF99
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Mr. Sheesley:

I am the Chairman/CEO of Merchants and Farmers Bank located in Dumas, Arkansas. I have serious concerns about the Proposed Rule relating to the definition of Brokered Deposits to include third party placement deposits. These placement services are vital to a community bank attracting large business, consumer, and non-profit customer deposits. Limiting the ability to obtain insurance for such deposits due to brokered deposit thresholds will result in the moving of deposits to “to big to fail” banks.

Community banks provide most of small consumer/business/farm loans in there communities throughout the U.S.. The Proposed Rule will add to our existing challenges to fund loans to our customers. Liquidity management is a top priority for most community banks and third-party sources of funding have been invaluable, particularly for seasonal farm related lending.

We have utilized two third party funding sources for several years for seasonal loan needs. The funds have been stable and generally less expensive than available sources at FHLB or the Federal Reserve.

Please do not adopt the Proposed Rule which will result in unintended consequences of reducing community bank access to liquidity funding sources and our ability to attract large depositors.

Sincerely,



Chairman/CEO

Merchants and Farmers Bank
501-443-6533

501-443-6535 fax

870-377-1237 cell

