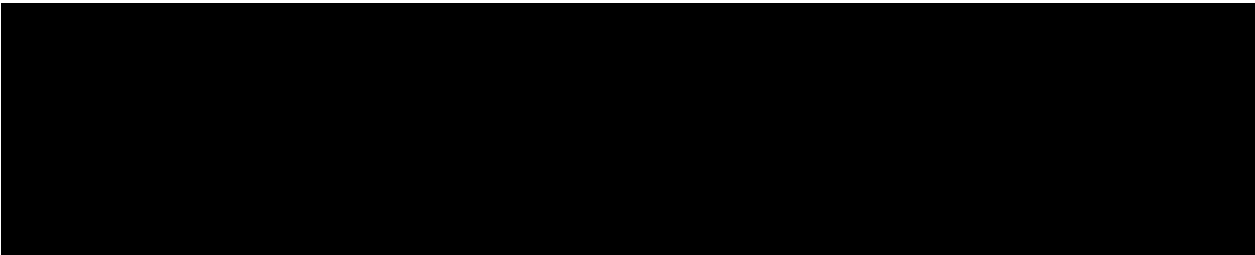


From: [Dan Broering - Main - President/CEO](#)
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] August 23, 2024 Unsafe and Unsound Banking Practices: Brokered Deposits Restrictions; Comment Request (RIN 3064-AF99)
Date: Wednesday, November 13, 2024 1:56:26 PM



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 President & CEO of The Peoples Bank Co., a rural community bank located in Coldwater, Ohio. I am writing to express my concerns regarding the FDIC's proposed rule relating to Unsafe and Unsound Banking Practices: Brokered Deposits Restrictions (the "Proposed Rule"). If this proposal is finalized as drafted, the Proposed Rule will harm both community banks and our customers. I am asking the FDIC to reconsider and withdraw this proposal.

Our community bank has been around since 1905, providing banking services to our area businesses, farmers, and rural consumers. We help small businesses get started, creating stable and valuable jobs. We give the farmers operating loans and farm mortgages to construct buildings and purchase farmland. We are a full-service community bank and the only commercial bank in our town. We are the number one provider of mortgage loans in our county.

One of today's challenges is attracting and maintaining core deposits to fund the bank's lending activities. Community banks are faced with escalating technology costs and competition from the country's biggest banks. Larger banks can be seen as "too large to fail" and attract local deposits intended for smaller institutions during periods of financial stress. Community banks that desire to partner with or utilize third party relationships to access diverse funding sources, manage costs, and maximize FDIC deposit insurance coverage should not be penalized as accepting "brokered deposits."

Brokered Deposits Restrictions Impose Unnecessary Costs on Community Banks and Consumers

I am concerned the FDIC's proposal overlooks the need for community banks to have access to diverse funding sources. The FDIC should protect, **not limit**, community banks' ability to access liquidity and partner with third parties to offer customers cost-effective and

competitive deposit services. The proposed framework could harm community banks' abilities to manage liquidity and maximize deposit insurance protections for their customers. The proposal ignores the realities of modern banking by recategorizing massive volumes of stable, sticky deposits as brokered.

Third party partnerships where fees are exchanged

I am concerned the FDIC is proposing that a third party will be a "deposit broker" in instances where the third party simply receives a fee for their services related to the placement of deposits – a condition of doing business that captures virtually all third party relationships related to deposit placement, even those that don't pose traditional brokered deposit "hot money" risks. The proposal's sweeping criteria for determining "deposit brokers" will dramatically increase both the number of entities deemed "deposit brokers," and the volume of core deposits community banks must classify as brokered deposits, and will unintentionally increase liquidity risk for community banks.

I respectfully request the FDIC to reconsider and withdraw this proposal.

Thank you,

Daniel R. Broering
President/CEO
The Peoples Bank Co.

The Peoples Bank Co. protects and safeguards the privacy of our customers. For this reason we will never ask for personal information such as account numbers, social security numbers, passwords, PINs and the like via email. Likewise, you should never transmit this personal information via email. If you receive a message supposedly from The Peoples Bank Co. that asks for personal identifying information, do not respond to the message and immediately contact the bank at 419-678-2385.