

From: [Curtis Armor](#)
To: [Comments](#)
Subject: [REDACTED] RIN 3064-AF2099
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To Whom it May Concern:

November 20, 2024

My name is Curtis Armor, Sr Vice President and Director with Shamrock Bank, NA headquartered in Coalgate, Oklahoma. I am writing today to express my serious concerns regarding the FDIC's proposed rule relating to Unsafe and Unsound Banking Practices: Brokered Deposit Restrictions (the "Proposed Rule). As drafted the Proposed Rule will harm community banks ability to serve their communities and their customers. The FDIC should withdraw this proposal immediately.

Shamrock Bank is a \$470 million community bank headquartered in rural Oklahoma. We currently serve 8 communities in Oklahoma. Five of our locations are in communities of less than 3,000 people. In order for our bank to survive and thrive, we have to be able to use alternate funding sources when needed.

With the growth of internet banking and non bank deposit taking entities, it is becoming much harder to fund the bank operations thru classic core deposits. Banks like ours need to be able to utilize alternate sources of funding as needed to manage cost of funds, Asset / Liability management and at times to add optionality on the banks side of the transaction. Banks that choose to partner with or utilize third party relationships to access diverse sources of funding, manage cost and maximize deposit insurance coverage or provide other services for customers should not be penalized for the use of "brokered deposits".

I am further very concerned of the continued restrictions on alternate sources of funding that banks appear to be seeing from regulators. Banks are hearing that the Federal Home Loan Banks may be restricting funding, the Fed has ended the Term Funding Facility, now what appears to be restrictions or at least burdens added by the use of brokered deposits. Many of us can see how any liquidity crisis in the system could be exacerbated by the lack of alternate funding sources at the time we will need them the most.

Reclassification of these deposits will impose additional costs and restrictions on community banks, including higher deposit insurance premiums, possible downgrade of CAMELS rating and additional regulatory burden.

Rescinding PPE applications and notices that the FDIC previously granted to third parties and/or partner IDIs under the 2020 rules will materially disrupt and in some cases, effectively cease partnerships and arrangements the FDIC now considers "risky" without the FDIC carrying its burden of identifying specific problems at specific institutions and taking enforcement actions against

specific banks and third parties. If the FDIC believes a specific bank and/or its third party pose unnecessary risks, it should follow its supervisory process with respect to that specific institution and that specific third party. This should not be done by a punitive approach affecting most banks. We pray that you withdraw the proposed changes immediately.

Respectfully,

Curtis Armor
Sr. Vice President & Director
Shamrock Bank, NA



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Shamrock Bank, NA



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