BB&T

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VIA ELECTRONIC MAIL

January 4, 2016

Robert E. Feldman
Executive Secretary
Attention: Comments, Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, DC 20429
Email: comments@fdic.gov

Re: Quarterly assessments of insured depository institutions for the Deposit Insurance Fund (RIN 3064–AE40)

Dear Mr. Feldman:

Branch Banking and Trust Company the affiliated bank of BB&T Corporation (collectively referred to as "BB&T") appreciates the opportunity to comment on the Notice of Proposed Rulemaking entitled Assessments ("NPR"), as published by the Federal Deposit Insurance Corporation ("FDIC"), on November 6, 2015. *See* 80 FR 68780. The Proposal consists of the imposition of a surcharge on the quarterly assessments of insured depository institutions with total consolidated assets of $10 billion or more. The surcharges would begin the calendar quarter after the reserve ratio of the Deposit Insurance Fund ("DIF") first reaches or exceeds 1.15 percent —the same time that lower regular deposit insurance assessment (regular assessment) rates take effect —and would continue for eight quarters, at which time the FDIC estimates that the reserve ratio would reach 1.35 percent. The surcharge would equal an annual rate of 4.5 basis points applied to the institution's assessment base (with certain adjustments). If the reserve ratio does not reach 1.35 percent by December 31, 2018, the FDIC would impose a shortfall assessment on insured depository institutions with total consolidated assets of $10 billion or more on March 31, 2019. Please accept this letter as BB&T's position regarding suggested regulatory action to be taken to ensure the DIF reaches the legally mandated level quickly, conservatively and in an easily executed manner.

As of September 30, 2015, BB&T is one of the largest financial services holding companies in the U.S. with $208.8 billion in assets and market capitalization of $27.8 billion. Based in Winston-Salem, N.C., the company operates 2,150 financial centers in 15 states and Washington, D.C., and offers a full range of consumer and commercial banking, securities brokerage, asset management, mortgage and insurance products and services. A Fortune 500 company, BB&T is consistently recognized for outstanding client satisfaction by the U.S. Small Business Administration, Greenwich Associates and others. More information about BB&T and its full line of products and services is available at www.bbt.com.

Discussion
BB&T reviewed the options outlined in the NPR and believes that rather than collecting assessments over eight quarters, the FDIC should collect the estimated $10 billion surcharge estimated under their proposed methodology in the quarter after the DIF reserve ratio first reaches or exceeds 1.15 percent.

We also recommend that the FDIC calculate the surcharge using a risk-based approach consistent with the requirement under 12 USC 1817(b)(1)(A&C) that requires that FDIC assessments be tied to risk. We believe this could be accomplished by establishing a multiple to be applied to the current assessment rate.

We believe these changes in the proposed surcharge methodology provide the following benefits:

- Immediately strengthens and protects the DIF should the economy turn down.
- Moves the DIF closer to the 1.35% required by Dodd-Frank.
- While it does not eliminate the possibility of a shortfall assessment, it reduces the likelihood, as the stronger DIF will generate higher earnings and reach the 1.35% sooner than the 8-quarter approach.
- Allows the investment community the ability to understand the impact of the surcharge assessment.
- A risk-based approach to the assessment is consistent with the current law and more appropriately allocates the cost based on risk to the DIF.

The FDIC expressed concern in the NPR that an assessment recognized immediately would reduce income materially for the quarter in which the liability is recognized. However, it is an explainable variance within the Call Report and other banking regulatory reports. In addition, a one-time assessment on all large banks would be accounted for by external analysts when comparing quarterly data in the quarter the one-time assessment is recognized.

Conclusion
In closing, while BB&T recognizes the FDIC's need to build the DIF to a legally mandated level, it does not feel that the proposed method in the NPR is the best solution. A one-time assessment of an amount slightly less than that needed to build the DIF to 1.35 percent would immediately strengthen the fund while also allowing institutions the benefit of interest earned on the DIF.

BB&T thanks you for your consideration of its commentary and appreciates the opportunity to provide its comments to the FDIC. If you should have any questions, please do not hesitate to contact me.

Sincerely,

Cindy B Powell

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