

From: Dick Behl <dbeh1@fmsbscotland.com>
Sent: Thursday, July 20, 2023 11:40 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:

I am writing regarding the FDIC's proposal to exempt community banks under \$5 billion from the special assessment that is needed to fund the deposit insurance fund due to losses incurred from the recent bank failures of SVB and SBNY. I am the President and CEO of The Farmers and Merchants State Bank, a \$35 million community bank located in Scotland, SD. We primarily provide agricultural loans and are the only bank with a physical branch presence in Scotland. I strongly support the FDIC's proposal to limit special assessments to the 113 largest banking organizations that hold large amounts of uninsured deposits.

The Farmers and Merchants State Bank operates much differently than the larger more complex banks that subject the deposit insurance fund to more risk. Our bank is not concentrated in uninsured deposits and operates with a safer and more sound business model. Special assessments, if applied to our bank, would negatively impact our bank's income. We would be forced to pass on higher assessment costs to our customers. It is important to our customers and our community that our bank's deposits remain available to invest into our community.

I would like to thank the FDIC for avoiding a one-size-fits-all approach to the special assessment, and exempting community banks from the special assessment. I would encourage the FDIC to finalize its rulemaking as proposed.

Thank You!

Dick D. Behl, President
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