

June 24, 2011

MEMORANDUM OF MEETING

FROM: Kymberly K. Copa
Senior Counsel, Legal Division

SUBJECT: Meeting with State Farm Bank Representatives

On June 23, 2011, the Vice Chairman and FDIC staff met with representatives of State Farm Bank, F.S.B.. Through this meeting, representatives of the Bank largely reiterated the comments made in its comment letter on the core and brokered deposits study mandated by section 1506 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The Bank is a subsidiary of State Farm Mutual Automobile Insurance Company. At this meeting, the Bank discussed how its business model operates and suggested changes to the FDIC's treatment of brokered deposits, consistent with its previous comment letter. Much of the discussion involved the characteristics of the deposits offered by State Farm agents and placed exclusively at State Farm Bank, which are currently classified as "brokered."

Attendees

| <u>Name</u> | <u>Representing</u> |
|-----------------------------------|---|
| Jerry Hawke | Arnold & Porter LLP (representing State Farm) |
| Patrick Doyle | Arnold & Porter LLP (representing State Farm) |
| Nancy Perkins | Arnold & Porter LLP (representing State Farm) |
| Vice Chairman Martin J. Gruenberg | FDIC |
| Barbara Ryan | FDIC |
| Kymberly Copa | FDIC |