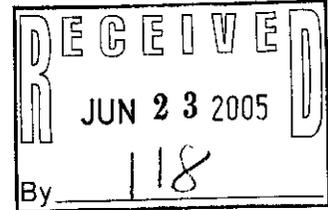


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June 14, 2005

Mr. Robert E. Feldman, Executive Secretary  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

Subject: Docket Number OP-1227

Dear Mr. Feldman:

The Interagency Proposal on the Classification of Commercial Credit Exposures is inappropriate for nearly all Iowa state chartered commercial banks. While it is possible to implement this classification scheme in all sizes of institutions, the benefit for small and medium size institutions seems negligible. Loan officers, senior credit administrators, and senior bank managers are very familiar with classified credits in small and medium sized institutions and are able to analyze both the borrower and collateral using the current system. Iowa Division of Banking examiners discuss classified credits with loan officers and bank managers and have a consistent record of accurately identifying loss exposure.

I urge the Agencies to refrain from implementing this proposal. If it is implemented, I urge the Agencies to restrict it to large complex banking organizations. Small and medium sized institutions already bear an excessive amount of regulatory burden imposed by inappropriate and irrelevant federal regulation. There is no valid reason to impose a new commercial loan classification system on small and medium sized banks.

Sincerely,

  
Morris F. Neighbor  
Chairman of the Board

MFN/mkg

Main Bank  
1240 3th Ave  
Manon, IA 52502  
319 377 4891

Collins Road Square  
1380 Twist Town Rd  
Manon, IA 52502  
319 373 0512

Lindale Mall  
4444 1st Ave NE  
Cedar Rapids, IA 52402  
319 595 0201

Edgewood Plaza Mall  
399 Edgewood Rd NW  
Cedar Rapids, IA 52405  
319 390 2534

Van Buren Village  
2755 Edgewood Rd SW  
Cedar Rapids, IA 52404  
319 654 0446

Hiawatha Office  
175 Center Point Rd  
Hiawatha, IA 52233  
319 378 1245

Alburnett Office  
117 North Main Ave  
Alburnett, IA 52202  
319 842 2211