



STATE BANK & TRUST

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September 14, 2006

Robert E. Feldman  
Executive Secretary  
Attn: Comments  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street N. W.  
Washington, D. C. 20429

Dear Mr. Feldman

As president of our bank, a businessman in the community and a member of the Board of Directors of the Community Bankers Association of Alabama, I urge you to give strong consideration to the issues surrounding LLC applications because of the lasting adverse effects it will have on the national economy.

The barrier between Bank and Commerce has played an integral part of the safety and soundness of the banking system and in maintaining a healthy U S economy. This barrier has been reinforced by Congress and should continue to be reinforced.

Allowing a commercial or financial firm to operate on full-service nationwide FDIC insured bank, outside the framework established by Congress for the other owners of insured banks raised significant safety and soundness, creates an unlevelled competitive playing field and poses important questions concerning the Nations policy of maintaining the separation of Bank and Commerce.

**It is certain that risks posed by LLCs to safety and soundness or to the Deposit Insurance Fund differ based upon whether the owner is a financial or commercial entity and the commercial company will eventually cost the deposit fund billions as this was proved with the poor supervision of the S&L which resulted in commercial banking paying the price.**

Sincerely,

A handwritten signature in cursive script that reads "Harlon B. Farrar".

**Harlon B. Farrar  
President**

HBf/mlm