Think
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March 30, 2009

Robert E. Feldman, Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

RE: Assessments, RIN 3064-AD35

Dear Mr. Feldman:

Minnesota's community banks remain deeply concerned about Washington's response to a banking crisis that is hardly attributable to our safe and fundamental practices. While we support the call to action, and are appreciative that you are working hard to find the best solutions, it is not in anyone's better interests to put increased pressure on banks that have, can and will move us past what ills us. We ask you to consider this as additional options are presented.

We are encouraged by the news of Senator Dodd's bill to increase the FDIC's credit line. It's your willingness to explore multiple options that can produce a far better outcome for all that need our banking system to flourish.

At Think Mutual Bank, our lending record is extraordinary. Our capital base is among the highest in the industry. Our business practices continue to be oriented to the communities we serve. Beyond lending, our record of philanthropy is higher than ever. It's this record of behavior that will move the economy forward. Any action by Congress or government agencies that represses our continued investment strategies will only cause the deeper problems to be deferred or worsened.

In addition to those issues presented, please consider the following:

- *Address those banks that have received TARP assistance separately. Accepting these funds for any purpose other than lending should be stopped. If not, the violators should be charged higher assessments.*

- *The special assessment should be based on total assets (minus tangible capital), not total domestic deposits, so that banks that caused the problems pay a bigger share.*

- *A systemic-risk premium for the large, "systemically important" banks. This premium should be large enough to pay for the substantial risk of insuring these institutions. Also urge the FDIC to consider the assistance provided systemically important institutions in determining the special assessment.*

Camden Fine of the ICBA has it right when he was recently quoted:

> *"During the fourth quarter of 2008, community banks had the largest percentage increase in lending across the industry. For every dollar paid in premium assessments, a community banks' ability to make loans and support economic recovery will be reduced at least eightfold." "Fortunately, the majority of our nation's more than 8,000 community banks remain safe, sound and secure. They are well-capitalized, well-managed and continue to serve their customers and their communities in cities and towns throughout our country. Community banks will continue to be the economic engines that pull Main Street America and this nation out of these very troubled economic times."*

Furthermore, Warren Buffet told CNBC about his concerns and guidance for President Obama:

> *"Fear is very contagious and I've never seen the consumer, or the Americans just generally, more fearful than this.'…If Obama has a single task before him, as the most celebrated communicator of his generation tasked with leading the economic recovery, it is to temper this rising contagion. Good speeches will not be enough. He will, over time, have to find a way to calm the markets, address the concerns of his responsible critics, and then use these successes to assure consumers everywhere that better days do, in fact, lie ahead, a claim that virtually every economist would endorse, though many disagree on the timing. Obama may be just the man for the job. (I can't really think of anyone else up to the task.) That is the hope, at least."*

As Chairman Bair told us in Phoenix on March 20, "*There are no quick fixes. But as recovery comes, and I know it will, America's community banks will provide the credit to make it happen*." Those who can solve the problem can't if they're treated like those who caused it. This is fundamental to our view and our record proves it works. Please consider our perspective. I appreciate your consideration and look forward to the FDIC's work and leadership on this critical issue facing our country.

Sincerely,

Paul Mackin
President & Chief Executive Officer
507.536.5707