From: Wade Gort [mailto:Wade.Gort@epremierbank.com]
Sent: Tuesday, March 31, 2009 9:12 AM
To: Comments
Subject: Special Assessment/Legacy Loan Program

Dear Chairman Bair and the FDIC Board:

Your proposed special assessment of .20 on our deposit base as of June 30th is an unfair and unwarranted tax on community banks. Our bank has been able to maintain strong capital and profits so we actually can probably afford to pay it unlike many of our peers. I understand you are trying to comply with current law to bring the DIF fund to the minimum level of 1.25% of insured deposits. Maybe you should be working with congress to amend the current law or ask for forbearance in these turbulent times instead of taxing the industry when we can least afford it. It would also seem that more than doubling the FDIC coverage from $100,000 to $250,000 had to contribute to the reduction in the fund ratio along with giving bank charters to about anyone who asked for one over the past 5 months. Since we are experiencing times not seen or felt since the Great Depression it would seem to me that extraordinary measures to be used to keep our community banking sector healthy. It would appear that we maybe the only shining star left when all the dust settles. I agree with your stance of not wanting to take tax payer dollars to support our industry but why not bond your needs and have the whole industry make bond payments over the next 10-15 years instead of trying the build the reserve back over a short period of time.

Second, I am not happy with the FDIC's participation in the Legacy Loan Program. Our bank will not have any loans or securities that we will need to "dump" into this new program. I feel it is totally inappropriate for the FDIC to take on risk and suffer losses on this Legacy Loan Program that our bank would then need to pay additional assessments or increase premiums for something that the FDIC should not have been involved with. I understand the need to free-up the credit markets but given time that will happen anyway. If a bank has a "bad" asset they should suffer the loss on that asset or hold it until they can sell it. I question if this program will work. It would appear that the private investors will only get involved if there is substantial return available to them. Obviously, one man's gain is another man's loss. I don't see how the institutions with these bad assets will be able to sell these assets and survive the additional loss needed to market the asset to a new investor so that the new investor will make a good return. I hope the program works but I believe any and all losses should be born by the original owner, the private investor, and the US Treasury since they are the ones going to profit if there is any and not the FDIC and their insured financial institutions.

Sincerely,

Wade Gort
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