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To: Comments
Subject: Special Assessment

I am opposed but an equally important point. Change the attitude and regulations about reserves for losses. When times are good you put away money for when times are bad. A fund of 1.15 or 1.25% is ridiculously low. Same goes for GAAP on loan loss reserves. Mark to market? How can you when you don't know what the future market is. Do not look at what the current market is. Even ants are smarter than us when it comes to putting away for worse times. We are no smarter than an ant.

Bring back RAP. Let us have reserves of 1.5%, 2.0% or more if that is our desire. Inaccurate representation of financial condition you say? What are footnotes for? People are smart enough to read footnotes and understand them. Readers and users of financial statements can see past history on loan loss and determine that an institution that sets aside reserves is PRUDENT – CONSERVATIVE. Now that will instill confidence in the public. Full faith and credit of the United States? What faith? People respect money, money set aside for bad times. Show them the money.

The FDIC needs to step up to the plate when times are good. You are cramming RISK ASSESSMENT down our throats when you cannot and have not set the example. Please improve your moral fiber on this subject.

Robert A Gaddis