

**Bradley C. Davis**  
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**Mt. Pleasant, SC 29464**

April 2, 2009

Ms. Sheila Bair, Chairman  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20429

Re: Assessments, RIN 3064-AD35

Dear Chairman Bair,

I am writing as a shareholder and director of Peoples Bank, a Mendenhall, Mississippi member bank to protest the grossly unfair special assessment of 20 basis points that the FDIC Board of Directors passed and the informally proposed revised assessment of 10 basis points.

This assessment reduces the ability of well run banks like ours to provide the loan needs of our customers. Spread across the economy, this reduces our nations ability to recover from the current financial distress.

Aside from the damage to our economy in general and the economy at this point in history in particular, this assessment is unfair.

While FDIC Insurance covers all banks, the difference between the risk in well run community banks and the large national banks that currently pose systemic risk to our economy is immense.

Well run community banks like ours are being unfairly penalized. The FDICs regular assessment, while doubling this year (!), are adjusted somewhat for the risk of the institution. **Any special assessment should also be risk adjusted.**

All assessments should be based on Total Assets less Capital. This better apportions the amount of risk to the insurance fund as it currently operates. This would more fairly gauge the risk posed by a certain bank.

Banks that are deemed to pose a systemic risk to the economy should pay a premium reflective of that real risk. All of these banks have received TARP money to strengthen their capital which will help them cover the cost of this revised assessment structure which I propose. And they seem to have seemingly unlimited access to more if needed. They also have more revenue

streams (because of their size) to cover added assessments associated with added risk.

**It makes no logical sense to excessively penalize small, safe community banks with great camel ratings. If a special assessment is needed then it should be assessed at the same rate as the regular assessment. Favoring large powerful banks by issuing blanket assessments, regardless of their risk just continues the failed policies that put us in this situation.**

**Please reconsider your decision; any special assessment should reflect the real risk of the covered institutions.**

Respectfully yours,

By email -

Bradley C. Davis

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