FIRST CITIZENS BANK

100 WEST THIRD STREET
P. O. DRAWER 271
LUVERNE, ALABAMA 36049

24 HOUR CUSTOMER SERVICE
(334) 335-5506

TELEPHONE (334) 335-3346
Fax (334) 335-5810
www.fcbl.com

April 1, 2009

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

Via email: comments@fdic.gov

File Reference: **Assessments, RIN 3064-AD35**

Dear Mr. Feldman:

Community Banks in our view are being unfairly targeted in this discussion of a Special Assessment. Community Banks funded approximately ½ of the S&L bailout through the FICO assessment and we are now being asked to pay a 10-20 basis point Special Assessment to reimburse the fund for the losses it has incurred. This condition arose primarily from the losses from the "Too Big to Fail" banks, but also from the "Too Small to Save". Merrill Lynch brought in a huge deposit base, yet paid a one time assessment and was allowed to become fully insured. Simultaneously, the chartered large banks were allowed to do similarly, where as Community Banks have faithfully paid on their deposit base for years. Also, the "Too Big to Fail" banks have large foreign deposits that are insured, but they are not required to pay any premiums. They should be made to pay premiums on those deposits. The bases for the assessment should be on assets less tangible capital, not domestic deposits. Large banks will then be paying their equitable share. FDIC should be required to levy a systemic risk premium on "Too Big to Fail Banks" based on their increased risk to the system. I believe you would agree this is an equitable and balanced approach.

We are a sole branch, $88 million asset bank. With our current level on safety and soundness, our assessment will increase from $25,121.78 a year to a projected assessment in 2009 of $44,000.00. In view of a 20 bps formulation, we will be responsible for an additional $130,000.00 for this one time burdensome assessment.

In the past, our bank has absorbed as our cost of doing business the additional cost of the assessment factor in the interest rate and service charges levied on our customers. Due to the economy and the pressure on retained earnings, we will have to pass these assessment charges onto our customers. This additional cost could cause the consumer to re-think borrowing, which only compounds our economic posture in the country. In addition to the U.S. Taxpayer funded bailout, our customers will be penalized once again in their loan transactions with Community Banks passing on these escalating costs.

If the FDIC ultimately concludes to proceed with the unwarranted burden of this Special Assessment on Community Banks, it should be amortized over a period of years, because of mounting pressures on retained earnings.

In closing, I urge FDIC to comprehensively explore alternatives for funding the DIF, in lieu of the Special Assessment. Community Banks in this country did not cause this crisis, but will pay an immense price if this special assessment is imposed.

Thank you for this opportunity to approach you on this subject. I employ you to have empathy with our position.

Sincerely,

William W Petrey

William W. Petrey
President & CEO