

From: E. James Burnsed [mailto:jimmy.burnsed@bryanbank.com]  
Sent: Wednesday, April 01, 2009 4:47 PM  
To: Comments  
Subject: Opposition to RIN 3064-AD35: Proposed FDIC Special Assessment pursuant to 12 CFR Part 327

E. James Burnsed  
Chairman & CEO  
Bryan Bank & Trust  
9971 Ford Ave  
Richmond Hill, GA 31324-3909

April 1, 2009

Robert E. Feldman  
Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429

Dear Robert Feldman:

I appreciate the opportunity to comment on the FDIC's interim rule that would impose a special assessment of 20 basis points in the second quarter.

I have serious concerns about this proposal, but first wanted to emphasize that I fully support the view of the FDIC that we need a strong, financial secure fund in order to maintain the confidence depositors have in the system. However, how this is done is very important to my bank and my community.

The special assessment is a significant and unexpected cost to my bank that will devastate earnings.

We are already dealing with a deepening recession, accounting rules that overstate economic losses and unfairly reduce capital, regulatory pressure to classify assets that continue to perform, and a significant increase in regular quarterly FDIC premiums.

The reduction in earnings will make it harder to build capital when it is needed the most.

Given the impact that the proposed assessment will have on my bank and my community, I strongly urge you to consider alternatives that would reduce our burden and provide the FDIC the funding its needs in the short term.

I urge you to consider more reasonable funding options, such as;

- Using a FICO approach to issue bonds and invest the proceeds into the insurance fund, similar to what was done in the late 1980s to pay for the costs of failures back then;
- Eliminating or significantly reducing the special assessment and spread the cost of it over a long period of time. The FDIC should spread out the recapitalization of the fund over a longer timeframe as well; and
- Eliminating or significantly reducing the special assessment and spread the cost of it over a long period of time. The FDIC should spread out the

recapitalization of the fund over a longer timeframe as well; and

- Using the FDIC's borrowing authority with Treasury if the fund needs resources in the short-run. This is the purpose of this fund and it remains an obligation of the banking industry. Moreover, it allows any cost to be spread over a long period of time.

Making these modifications will ensure that the fund remains secure and will allow my bank to continue to lend in our community. I urge you to take these suggestions into consideration when the Board meets in April to finalize the special assessment rule.

Sincerely,

E. James Burnsed  
912 756 0201  
Chairman & CEO  
Bryan Bank & Trust