

---

**From:** John Puffer (Pilot Bank) [mailto:JPuffer@pilotbank.com]  
**Sent:** Thursday, April 02, 2009 7:17 PM  
**To:** Comments  
**Subject:** Assessments, RIN 3064-AD35

Ladies and Gentlemen:

Our board of directors and I are very concerned about the proposed special assessment on domestic deposits as of June 30, 2009. Our concerns fall into two categories: the impact of the special assessment on our bank and the impact on the banking industry and its customers.

The impact on our bank is very significant. We, like most Florida banks, have been dealing with a very challenging economic environment. After very significant losses in 2008 we were able to budget a modest profit for 2009. The proposed special assessment will eliminate approximately 95% of that profit. If the special assessment is imposed, any unanticipated loan issues will immediately put us into a loss position. Under these circumstances, it is not feasible to initiate new loan business.

Perhaps of even greater significance, the proposed special assessment is particularly egregious in its unfairness to community banks and their customers. The unfairness arises because the special assessment does not consider the more favorable risk profile of community banks does not recognize the source of the anticipated losses incurred by the fund and measures the special assessment on domestic deposits rather than total assets which have a more direct correlation to risk incurred. In short, the companies that incur the greatest risk have not been required to pay and will not be required to pay in a special assessment a premium that accurately reflects the risk to the insurer. No other insurance product is available that treats all insureds as having the same risk profile. This is the equivalent of charging the same life insurance premium to a 400 pound person with a history of heart disease and diabetes as a fit person with no negative medical history.

The special assessment will directly impact the millions of community bank customers for whom community banks are the primary source of credit. By definition, the special assessment will reduce capital. Capital is the fuel that powers the lending engine. Simply put a reduction in capital equals a reduction in lending capacity to the tens of millions of individuals and small businesses served by community banks. This is not the way to cure a recession.

Thank you for your consideration of my comments. Please do not hesitate to contact me if you have any questions.

Sincerely,

*John W. Puffer, III*  
John W. Puffer, III  
Can-Do Banker  
Chairman and President  
Pilot Bank  
2901 E. Fowler Avenue

Tampa, Florida 33612