

URGENT! A message announcing the potential FDIC assessment on our community bank interrupted my work day at a community bank this week. Upon reading the message, I immediately understood the urgency and knew that it was my responsibility to take action on this issue.

I enjoy my employment at a community bank. The hours are reasonable, the commute short, and, most importantly, I feel as if my position is a service to the community. Our bank is privately owned and conservatively managed, holding fast to safe and sound banking principles. I work hard to achieve customer satisfaction and expense reduction, which ultimately results in profitability and stability.

During the Freddie Mac/Fannie Mae debacle last year, our management team held a bank-wide meeting to help employees understand why the loss on a supposedly sound investment would have a detrimental impact on bank earnings. That announcement was closely followed by a pledge to continue the bank's commitment to customer service and sound management, while remaining a great place to work. Demonstrating just how much our management cares about employees, they graciously excluded that loss when considering employee bonuses for this year.

In past months, I have watched the news carefully as some banks have failed, and large banks who have taken great risks have been bailed out by the government. Most disturbing were the reports of lavish spending in the wake of the bailouts. My faith in the system has been shaken.

Now, as our small bank is facing a potential special assessment of more than \$600,000, I must ask the FDIC how we are expected to pay that expense. Management has already cut expenses and apologetically eliminated raises for this year. We work hard to sell our services and manage our interest margins. Every day, our loan officers participate in a balancing act between allowing their neighbors to stay in homes on which payments are late or reducing the bank's risk by foreclosing. Unlike large corporations, even complete elimination of our travel and entertainment expenses would come nowhere near the level required to offset even a small portion of this assessment.

In that regard, I am respectfully requesting that the FDIC seriously reconsider this assessment. While maintaining a strong insurance fund may be necessary, I urge the FDIC to consider other sources of funding. Allowing community banks to retain more capital will result in freeing up money for lending purposes. In turn, community banks will have the ability to lend to the individuals and small businesses that have the potential to rebuild this economy from the ground up.

I will remain a proud employee of a community bank, but it is essential that the FDIC take immediate action to allow banks like mine to remain strong.

Sincerely,