First National Bank of Moody

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March 25, 2009

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

RE: Assessments RIN 3064-AD35

Dear Mr. Feldman,

As a community banker in a small town, I believe that the FDIC Board's proposal to impose a special assessment on all insured institutions of 20 basis points is unfair and penalizes the community banking industry for playing by the rules while rewarding those financial behemoths who either ignored the rules or had no rules or regulation in the first place. This special assessment will be an unbudgeted expense in excess of 10% of pre-tax income.

We did not participate in the risky practices that brought about the current economic crisis, yet the FDIC intends to punish us for the sins of others with a 20 basis point special assessment on top of quarterly premiums that are already doubled. Community banks are still paying for the bailout of the S&L Industry with quarterly assessments to pay for the FICO Bonds.

I believe that the FDIC should and must explore alternatives for funding the DIF including using its existing authority to borrow from the Treasury, issuing debt instruments to the public or using its authority to borrow from the banking industry. Funding in this manner will allow the industry to pay the cost of recapitalizing the DIF over time and not remove capital from the industry during a time of stress.

I also strongly urge the FDIC to calculate all future assessments based on total assets (less tangible capital) of insured institutions, not just domestic deposits, so that the banks that caused the current problems pay their fair share. A bank does not fail because of its deposits. A bank fails due to bad asset quality, and all forms of liabilities, not just deposits, fund bank assets. The amount of assets a bank holds is a more accurate gauge of an institutions risk to the DIF than the amount of its deposits.

I also urge the FDIC and Congress to support a systemic-risk premium to be paid by the "Too Big To Fail" institutions to cover the cost to the DIF and the substantial risk of insuring these financial giants.

As a small town community banker running a very well capitalized family owned community bank based on prudent lending and conservative principals, I am sick of paying the high costs of overregulation of community banks while being asked to compete against under regulated mega banks and unregulated financial behemoths. I am incensed that the FDIC would even consider a 20 basis point special assessment on our bank, our owners, and our community to pay for the risk and greed of the Too Big to Fail, Too Big to Regulate, and Too Greedy to Care.

I ask that you reconsider this special assessment and find an alternative for funding the immediate needs of the DIF and give the industry time to recapitalize the fund.

Yours truly

Glen Thurman
President

cc: Congressman Chet Edwards
2369 Rayburn Building
Washington, DC 20515

Senator Kay Bailey Hutchison
United States Senate
Washington DC 20510

Senator John Cornyn
United States Senate
Washington DC 20510