

FARMERS & MERCHANTS BANK

111 WEST CLAYTON STREET
P.O. BOX 278
BALDWIN, MISSISSIPPI 38824

MEMBER
FDIC

662-
365-1200
720-4546

March 25, 2009

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

RE: Assessments, RIN 3064-AD35

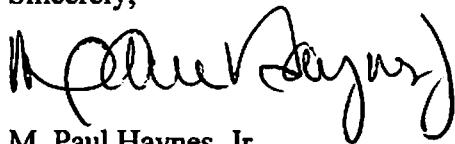
Dear Mr. Feldman:

I am writing on behalf of our community bank of \$190,000,000 and asking for your special consideration of reduction of the proposed assessment. This levy would represent a 10 fold increase in cost for FDIC assessment and would be crippling to community banks in this difficult environment. We have continued to lend money to buy automobiles and homes during this recession; however, the assessment could potentially stymie our ability to accommodate our customers.

Examiners have repeatedly warned banks about the danger of concentrations and yet large banks and nonbanking institutions have in recent years taken tremendous risks and suffered losses that cannot be supported by community banks such as ours. Your consideration in properly determining the risk of large institutions and assessing them accordingly would be greatly appreciated on Main Street.

Thank you for your best efforts in these challenging times.

Sincerely,



M. Paul Haynes, Jr.
Chairman & CEO

MPH:chb

Cc: Senator Thad Cochran, Senator Roger Wicker, Representative Travis Childers
Representative Benny Thompson, Representative Charles W. Pickering, Jr.,
Representative Gene Taylor