



www.bankoflittlerock.com

March 26, 2009

Mr. Robert E. Feldman
Executive Secretary
Attn: Comments
Federal Deposit Insurance Corporation
550 17th St., NW
Washington, DC 20429

Re: Assessments, RIN 3064-AD35

Dear Mr. Feldman:

I want to add my voice to the chorus objecting to the increase in FDIC assessments on the banking industry. I fully accept banking's responsibility to maintain an adequate FDIC Deposit Insurance Fund (DIF); but I have at least a couple of problems with the current plans.

First, is the fairness doctrine. Community banks in particular are being unfairly penalized with these assessments, especially the special assessment of either ten or 20 basis points. When I mention fairness I am addressing two issues: systemic risk banks and regulatory failures. By and large community banks did not participate in the risky practices that led to the present economic crises, but we are now having to pay for the sins of others. The risks and resulting problems of big banks did not come from their main line banking activities. The other issue is that too many of the recent bank failures seem to be at least complicated by regulatory failures to enforce safe and sound banking practices on a timely basis, again not of our doing.

Second, is the counter productive nature of the amount and timing of the assessments. While I realize that it can be politically difficult to slowly build up the deposit insurance fund during good times in order to be prepared for the bad times, that practice certainly would have reflected good long term management. Instead, we are now in a tough economic period and banks are being required to double the most recent assessment level plus a special assessment, sort of like kicking the banks when they are down. If our bank makes its profit plan for 2009, which seems more and more unlikely in this economy, we will have paid FDIC assessments equal to about a third of our net profits. This certainly limits our ability to lend more money and help in the economic recovery process.

Mr. Robert E. Feldman
March 26, 2009
Page Two

I hope the FDIC will:

1. Consider alternatives for re-filling the DIF and use debt in the sort run to give the banking industry time to recapitalize the fund;
2. Implement a systemic risk premium for large "too big to fail" banks;
3. Base future assessments on total assets not domestic deposits since asset size seems to be a better gauge of risk;
4. Not impose a special assessment at this time in order to not unnecessarily punish and restrict the best working part of the commercial banking system.

Thank you for your consideration.

Sincerely,

BANK OF LITTLE ROCK



George G. Worthen
President

GGW:cs