



March 30, 2009

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

Re: 12 CFR Part 327; RIN 3064-AD35

Dear Mr. Feldman:

We have drafted this letter on behalf of Orange Savings Bank to comment on the FDIC's interim rule that proposes the imposition of a 20 basis point emergency special assessment effective June 30, 2009. We were quite frankly stunned that an assessment of this magnitude would be contemplated at a time when all banks are doing everything in their power to maintain profitability and build capital while establishing appropriate loan loss reserves and continuing to lend and invest in our communities. We feel confident that an assessment of this size will at a minimum result in significant job losses in our industry and potentially could lead to additional bank failures.

The impact to our projected earnings is over 20% and the year over year growth in premiums is nothing short of staggering given the lack of notice and inability to properly budget for what has become a very significant portion of our budgeted expenses. We strongly urge you to reconsider the options at your disposal to return this fund to an acceptable level. These options include, but are not limited to using your existing authority to borrow from the Treasury, issuing debt instruments to the public or using your authority to borrow from the banking industry. Utilizing these options would still result in an industry-funded solution, but the industry would be able to pay the cost of recapitalizing the fund over time.

All of these alternatives should be thoroughly examined before such an onerous assessment is levied on banks at the worst possible time.

We strongly urge the FDIC to take these suggestions into consideration when the Board meets in April to finalize the special assessment rule. We are confident you have already heard similar feedback from our peers and trade associations but cannot stress enough how important your position on this issue is to the future of our industry. Should you have any questions concerning our position or would like additional feedback please don't hesitate to contact either myself or our Board Chairman, Mr. Tommy Gunn.

Sincerely,



Stephen Lee
President & CEO



Tommy Gunn
Chairman of the Board