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March 4, 2009

Federal Deposit Insurance Corporation
Ms. Sheila Bair, Chairman
550 17th Street, N. W.
Washington, D.C. 20459

Dear Chairman Bair:

The letter is to convey our outrage over your agency's proposed special assessment to all community banks to help pay for irresponsible banking practices by some of the nation's largest banks. The Citizens Bank of Chatsworth has been owned and operated by the Herr family since its beginning in 1903. We take great pride in the safe and sound manner in which the bank has operated for the last 106 years.

Situated in central Illinois, we are surrounded mostly by agricultural farmers and small businesses. As you can imagine, these customers are also experiencing tough economic times with increasing costs, less business opportunities, declining values and job losses. While we felt that 2009 would be a challenging year for both the bank and its customers, we were determined that we would have positive results at year end. However, the timing of this special assessment will have a huge adverse effect on our earnings. If implemented, banks should be allowed to write off the assessment over a period of time and not all in one year. The well-run commercial banks in this country should not be asked to bail out the fund when they did not contribute to the problem. The real culprits of this situation are those larger institutions that were operating under unsafe banking practices. The responsibility of replenishing the fund should be borne by those institutions whose excessive and reckless risk-taking has sent shock waves through our economy.

We urge you to take advantage of the US Treasury's line of credit as a means to bolster the FDIC Insurance Fund. The majority of citizens in this country realize the actions of a "few" financial institutions created this mess, not the entire industry, and they are confident that their deposits will continue to be insured. Premium assessments should be based on total foreign and domestic deposits, rather than domestic deposits only. If that formula was used, 90% of the \$15 billion needed for the fund would be borne by the larger banks. At the very least, a tiered rate should be assessed.

The future of all community banks hangs in the balance during this economic distress. Please reconsider your method of increasing the FDIC Insurance Fund. The small community banks cannot be held accountable for the actions of others. Thank you for your consideration of these comments.

Sincerely,

CITIZENS BANK OF CHATSWORTH

A handwritten signature in black ink that reads 'Priscilla A. Agner'. The signature is written in a cursive style and is positioned below the printed name.

Priscilla A. Agner, President