

From: Rory Makler [mailto:rmakler@fnbstaunton.com]
Sent: Tuesday, March 03, 2009 6:27 PM
To: Comments
Cc: Gina Lotter
Subject: FDIC assessment

Dear Chairman Bair,

Your commentary the other night with Jim Cramer was enlightening to many people that are trying to figure out what is currently happening in all of the various markets that make the USA what it is. I do question why Freddie and Fannie will be forced to approve loans with loan to values of 105%. Is that not an integral part of our current problems? Bad lending by BIG banks not small community banks was the beginning of this horrible cycle that we are in.

Are you struggling in this troubled economy? Has your investments declined in value? Do you wonder where your money went? How about where the government is finding these TRILLIONS of dollars that are being dolled out to irresponsible companies and large banks that did not use prudent work ethics? If you remember the "Shell Game" that was done on street corners across the U.S., speed and misdirection was used to confuse the "Mark". Al think that the American taxpayers are now the "Mark". Today it seems as though a similar game is being done with our legislators concerning new bills and governmental responsibility.

The spending of taxpayer dollars should be closely scrutinized when being given to private industry. Unfortunately, personal financial management has not been seen in many cases, especially by the government. The missing funds, misuse of funds, outrageous salaries, huge bonuses and luxury purchases are indicative of the example that the government has shown through spending with reckless abandon and little or no accountability. "We the people" elected the government officials by vote and it is our responsibility to let our government officials know of our concerns and our wishes.

We now are advised that the FDIC will be charging our SMALL bank a "ONE TIME ASSESSMENT" to help shore up the FDIC coverage. This fee is over \$600,000. Where I live, that is HUGE NUMBER. Where has all of the money gone that had been paid in previously? I really would be afraid of the answer as it probably is another instance of the government spending funds to find out why a plant leans towards the sun or some other ridiculous waste of our money.

What assurance do we have that this "ONE TIME ASSESSMENT" will be just that? What happens later this year or next year if more banks fail and the FDIC fund is again strained? Will there then be a "SUPER ONE TIME ASSESSMENT" that will further strain our good banks' profit structure? Our employees have already been advised that no raises will be given until this financial disaster is over. These are good employees and good people that deal with family bills on a daily basis. To add this additional expense could cause more banks to have financial difficulty and therefore further the need for additional FDIC coverage. Where does this end? How many times can the powers to be come to our well and expect us to take it on the chin and smile.

President Obama is currently trying to bail out poorly run companies by borrowing the money. You cannot borrow your way out of debt.

The time has come for all government agencies to take a breathe and see the long term effects that will occur to small banks and our employees and towns. We did not cause the problem but we are certainly paying to fix it.

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