

From: J. Donald Steele Jr [mailto:jsteele@norrybank.com]
Sent: Wednesday, March 04, 2009 10:01 AM
To: Comments
Subject: Special

To Whom It May Concern:

I am writing about the proposed special assessment of 20 basis points that would be measured as of June 30 and payable on September 30. Our bank is currently performing in a satisfactory manner, however our margins are tight. This assessment would be more than 15% of our projected pretax income for the year. While the government is trying to improve the economy these are funds that are needed to expand our bank and grow our capital to better deal with the issues that might confront us if the economy does not begin to improve.

As an alternative, I believe that a separate government entity should be formed to provide funds to the FDIC through the issuance of bonds. These bonds could then be repaid from future assessments as the FICO bonds are currently handled. This would allow the funds to come to the FDIC but over a longer period of time. I am not suggesting that these be long term bonds, but rather that they be repaid in 5-10 years. This would reduce the impact on the banks and help us better serve our communities in this time of need.

Thank you for your consideration.

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