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March 3, 2009

Robert E. Feldman  
Executive Secretary  
Attention: Comments Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20429

RE: Comment of Special Assessment

Dear FDIC:

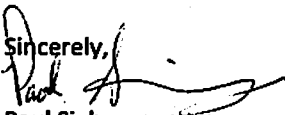
I acknowledge that the reserves of the insurance fund need to be replenished. As a surviving, profitable, non-CPP participating community bank I dislike having to contribute more because of the errors of others. But I also understand this is the way insurance works.

May I suggest that instead of an immediate "lump sum", the assessment be amortized over seven years? If a short fall comes you use the line of credit that has been made available to you by the Treasury. I do understand that you have concerns using this line because of "public confidence". But I contend the public already paints the FDIC with the broad brush of "government" and part of the bailout. I personally don't think using the highly publicized, large increased line of credit already approved is more damaging to the FDIC or banking system than seeing more bank failures and closures every Friday evening.

Since I am commenting, Congressman Barney Frank has repeatedly called for Congress to permanently increase the FDIC insurance limit to \$250,000. How is this to be funded? Banks are having problems keeping the current level funded; they won't be able to fund the increase. This permanent increase would be nice; it would have to be paid for by someone else, not the banks.

During this financial crisis, another observation is, where has the FDIC been? It seems to me it should be in the middle of it, provide confidence to the American people, waving the flag of the strength of all FDIC insured banks. How no insured depositor has ever lost money! How it has provided stability to banks for the past 75 years and all the good things you do. "John Q Public" needs to hear that. Out here in Middle America our public doesn't hear that from you, the provider. They only hear about it from us, the community banks, you are choosing to penalize.

Thank you for providing me the opportunity to comment on this proposal that I feel is a poorly timed tax on community banks.

Sincerely,  
  
Paul Siebenmorgen  
President / CEO