



Oconee State Bank

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March 10, 2009

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

Re: Assessments, RIN 3064-AD35

Dear Mr. Feldman:

Oconee State Bank for the first time in its forty-nine years of serving our community here in Watkinsville, Georgia, we posted a loss in an effort to get out ahead of the deterioration in our loans to our customers in the building industry. We have always been active in real estate lending for the last thirty years. This downturn in our nation's economy has had a negative impact as you are well aware of.

Customers last year stopped borrowing. Our gross interest revenues dropped from \$22,523,795 to \$16,283,955 for 2008. We plowed over \$6,000,000 in to reserves while suspending our dividends to our shareholders. We have cut expenses, cut staff, paid no bonuses and held pay increases to our frontline staff to a 1.5% cost of living increase.

Our hope for 2009 was to return to profitability. So far, this year, we are not seeing any increased demand from our customers for new loans. We are willing to lend, but there is no demand. And, I can not say I much blame them since there is a risk of job losses.

We knew that the insurance assessment was going to rise and had taken it into account in preparing our budget for 2009. This announcement from the FDIC about this special assessment will wipe out any chance of making a profit.

This is not the time to "pile on" especially the smaller banks in this country. Oconee State Bank did not participate in making sub-prime loans; we had prudent underwriting standards for our loans to the building industry. But, we have been impacted negatively because of the general downturn in the market.

"The Bank of Friendly Service"

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We feel that it would be more appropriate to allow small banks to spread this cost out over a much longer time period. We are not trying to avoid our responsibility, but we are trying to remain a viable partner to our community.

We would appreciate any consideration in softening the blow of any special assessment.

Thank you very much.

A handwritten signature in black ink, appearing to read "B. Amrey Harden". The signature is fluid and cursive, with a long horizontal stroke at the end.

B. Amrey Harden
President and CEO

cc The Honorable Senator Saxby Chambliss
 The Honorable Senator Johnny Isakson
 The Honorable Representative Paul Broun