



March 10, 2009

Robert E. Feldman
Executive Secretary
Attention: Comments; FDIC
550 17th Street NW
Washington, D.C. 20429

Comments: 20-Basis Point Special Assessment

Community Bank Owatonna, 640 Bridge Street, Owatonna, Minnesota 55060 is opposed to the 20-Basis Point Special Assessment. This action will impact the earnings of the bank in excess of 35% of the Bank's net earnings in 2008. The Special Assessment will not allow us to continue to loan money into the community to stimulate our local economy. Community Bank Owatonna did not participate in the risky practices that led to the economic crisis, yet we are being penalized by this onerous special assessment on top of regular assessments that are more than double those of last year. Community Bank Owatonna as well as the vast majority of community banks are well capitalized and practice stay-at-home common-sense lending to help our local economies grow and prosper. This special assessment will worsen the economy in our community as well as communities throughout the country.

I urge you to consider more reasonable funding options, such as;

Reduce the special assessment and spread the cost of it over a long period of time. The assessment should also assess those who caused the problem (large corporate banks) a larger portion of the assessment. FDIC should also spread the recapitalization of the fund over a longer timeframe as well. No community bank should be required to send assessment dollars to sit in an account to earn interest dollars for the FDIC at the cost of their local economies failing.

Use the FDIC borrowing authority with Treasury if the fund needs resources in the short-run. This is the purpose of this fund and it remains an obligation of the banking industry. Moreover, it allows any cost to be spread over a long period of time.

"Member FDIC and This Community"

Use the revenue that the FDIC is collecting from the Temporary Liquidity Guarantee Program. There is considerable revenue from those banks that are issuing guaranteed debt to help support the FDIC at this critical time.

Making these modifications will ensure that the fund remains secure and will allow my bank to continue to lend in our community. I urge you to take these suggestions into consideration when the Board meets in April to finalize the special assessment rule.

Sincerely,

A handwritten signature in black ink that reads "Marlyn Zacharias". The signature is written in a cursive, flowing style.

Marlyn Zacharias
Board Member
Community Bank Owatonna

Cc: Senator Amy Klobuchar
302 Hart Senate Office Building
Washington, D.C. 20510

Representative Tim Walz
1722 Longworth House
Office Building
Washington, D.C. 20515