

From: Pamela DeCeault [mailto:pdeceault@kilgorenbank.com]
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I have been a community banker in Texas for over 30 years. As such, I suffered through the crisis of the 1980's. In Texas, many banks failed. Those community bankers who "came out the other side" did so with increased conservatism, prudence, and reliance on sound banking principles. Consequently, we have NOT contributed to the absurd and ridiculous banking practices that have led to the sad state of affairs in the financial industry. Quite the contrary – community banks have continued to lend in this economic climate and will be a driving force in getting this country out of the mess we find ourselves in today.

Nevertheless, it seems that all banks are being painted with the same broad brush. TO ASSESS COMMUNITY BANKS WITH AN ONEROUS ADDITIONAL FDIC ASSESSMENT IS COUNTER PRODUCTIVE. We are the ones lending to our local community and continuing to grease the wheels of economic activity! Do not punish us for the excess of others with a burdensome assessment which will be especially painful for small community banks who face shrinking net interest margins (due in large part to federal policy that has resulted in such a low interest rate environment that there is no where left to go with our money to earn a decent return). This, coupled with what I am certain will be increased regulatory oversight and increased costs to banks – including additional loan loss provisions – will have extremely adverse consequences on community banks. Staff cuts will be very likely if earnings continue to decline, thus contributing to a higher unemployment rate.

Community banks are for the most part well run, well capitalized, conservative, profitable, and pose a minimal risk to the banking system and the FDIC fund. It is extremely unfair and short-sighted to make us bear a burden of bailing out those institutions that participated in unsound lending practices and reaped the rewards.

I am STRONGLY OPPOSED to any additional FDIC assessment on the community banking industry.



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