From: Kevin Miller [mailto:kevin.miller@profilebank.com]
Sent: Tuesday, March 17, 2009 1:43 PM
To: Comments
Subject: RIN # 3064-AD35

Dear Sir / Madam,

Our Bank is a $160 million community savings bank, regulated by the OTS. We have the fortune of significant capital, minimal delinquincies based on a conservative lending practice, extending more than 102 years.

I would first like to opine that this Bank does not agree with the special assessments of 20bp on all community banks, to cover for the operational sins of a relatively few regional and national banks. The increase in the quarterly assessments has already significantly impacted our financial performance. Moreover, it is truly unfortunate that a hollow accounting rule such as mark-to-market accounting be allowed to continue to needlessly strip otherwise healthy banks of their strong capital reserves...and exacerbate the issue of insufficient deposit fund reserves.

However, assuming that the special assessment will stand, we would like to understand why it would be incorrect to treat the payment of that assessment as a "prepaid expense". Certainly such an expenditure meets the basic criteria of accrual accounting. While the assessment /cash/ is payable in 2009, the "benefit" to the fund and its banks is clearly over the/ period of the restoration plan/. To record the special assessment in 2009 as a current period expense would be a misstatement of current earnings and the period benefited; especially given the comment in the ruling that the FDIC does not anticipate the need for additional special assessments beyond the quarterly increases and 20bp special assessments.

Your response would be greatly appreciated.

Sincerely,
Kevin Miller

Kevin D. Miller, CPA
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