

From: BONNIE GEORGE [mailto:BONNIE.GEORGE@COMMERCEBANK.COM]
Sent: Saturday, March 14, 2009 10:07 AM
To: Comments
Subject: Opposition to RIN 3064 AD35: Proposed FDIC Special Assessment pursuant to 12 CFR Part 327

Executive Secretary Feldman:

I am writing this letter in response to the special assessment of 20 basis points that the FDIC is ruling on. This assessment would mean that my bank, Commerce Bank NA, would have to write a check for \$26,000,000. This equates to \$134,000 for my small branch located in California, Missouri.

We are a branch that supports our small community and strives to help our customers by making wise loan decisions and giving them the best return on their deposit dollars. I am proud to work for Commerce Bank and proud to say that Commerce Bank is the largest bank in the United States who did not accept any TARP funds.

I think this speaks to how solid and conservative of a bank Commerce is and while I support the FDIC vision of having a strong financial secure fund, I believe that to force our hand to help bail out the system is unfair and wrong. Are we really about penalizing folks that are doing everything right? If so, then what will happen next?

Commerce Bank is in a good position as an employer, and also as a bank that can help folks through these times. By unfairly punishing our bank and others like us how is this going to help the economy?

I would think that more reasonable options would be to reduce the special assessment and spread the cost of it over a long period of time. Use a convertible debt option whereby the FDIC could convert debt borrowed from the banking industry into capital to offset losses if it needs the funds. Use the FDIC's 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. It also allows any cost to be spread over a long period of time. Also, use the revenue 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.

Sincerely,

BONNIE GEORGE
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