

From: Jimmy Rasmussen [mailto:jrasmussen@htbna.com]
Sent: Friday, March 13, 2009 11:05 AM
To: Finance
Subject: Assessments RIN 3064-AD35

Jimmy Rasmussen
1801 45th Street
Galveston, TX 77550-6542

March 13, 2009

Chair Sheila C. Bair
550 17th St., N.W.
MB-6028
Washington, DC 20429

Dear Chair Bair:

March 13, 2009

Sheila Blair
Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, D.C.

Re: Assessments, RIN 3064-AD35

Dear Ms. Blair:

I am writing to express my great displeasure for the proposed one-time assessment to restore the FDIC insurance fund. In today's economy and especially on the Gulf Coast of Texas where Hurricane Ike ravaged our market only six months ago, my customers are counting on HomeTown Bank to offer recovery loans and a safe haven for their savings and insurance proceeds. Paying additional fees to a government agency will only hinder our response to those in need and reduce our charitable contributions.

While national headlines declared that banks were not lending money, our community bank loaned over \$20 million in the fourth quarter of 2008 to help our customers put their lives back together after Ike. Many of those loans were made at a reduced interest rate to help our customers get started on repairs while waiting on their insurance proceeds or a response from SBA or FEMA. In fact, HomeTown Bank made over \$69 million in loans in 2008, the highest total in our forty-three year history. Based on our current deposits, a 20 basis point assessment would cost us approximately \$550,000 and an additional 10 basis points would bring the total to \$840,000. The most disturbing part of this proposed assessment is that while our borrowing capacity is reduced by the amount of the fee, the mega-banks are simply giving back some of their TARP funds to cover their expense. HomeTown Bank declined TARP money.

I urge you to find a better alternative to replenishing this very important insurance fund. Please give consideration to other options such as drawing on your line of credit, issuing debt instruments, or changing the assessment base from deposits to assets. Whatever the cost might be to community banks, please consider giving us the opportunity to spread

any additional expense over a multi-year period.

Thank you for your consideration.

Sincerely,

Jimmy Rasmussen
President & CEO
HomeTown Bank, N.A.
Galveston, TX

Cc: Congressman Ron Paul
Senator Kay Bailey Hutchison
Senator John Cornyn

Sincerely,

Jimmy Rasmussen
409-763-1271