

From: Lynn Asensio [mailto:asensio@wesbanco.com]
Sent: Thursday, March 12, 2009 12:37 PM
To: Comments
Subject: Opposition to RIN 3064-AD35: Proposed FDIC Special Assessment pursuant to 12 CFR Part 327

Lynn Asensio
Regional President
WesBanco Bank, Inc.
5680 N Hamilton Rd.
Columbus, OH 43230-1324

March 12, 2009

Robert E. Feldman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Robert Feldman:

Ohio banks understand the importance of a strong deposit insurance fund, and want to work with the FCIC to recapitalize the fund as soon as possible, but a 20 basis point special assessment this year would be counterproductive to President Obama's economic recovery plan, will unnecessarily erode bank capital and will suck millions of lendable funds out of Ohio communities. As a whole, Ohio depository institutions made only 57 basis points on assets last year, and so far this year does not look like it will be any better. This special assessment is significant and will impact every corner of my community. It is unfair and harmful to burden a healthy bank like mine that is best positioned to help the economy recover. The drag on lending will be greater than it first appears and likely greater than any of your models. Many banks will inevitably make the decision to shrink the bank to lower the impact of this special assessment. There is one Ohio community bank that is already turning away new depositors. This will create a disincentive to lending, working at cross purposes with the President's stimulus package. Most banks in Ohio did not make subprime loans. Many of our challenges in 2009 will be more closely tied to our declining manufacturing economy. As a result our cost structure is already challenged, so any further cuts will come in the area of capital spending or even employees further slowing any recovery here in the Midwest. We urge you to consider other alternatives that would moderate the adverse impact of recapitalizing the fund. First, we suggest that the FDIC more actively use the line of credit at the US Treasury. The current environment is exactly the situation the line of credit was set up to address. Second, use a convertible debt option, whereby the FCIC could convert debt borrowed from the banking system into capital to offset losses if it needs the funds. This would allow me to write off the expense only when the funds are actually needed.

Sincerely,

Lynn W. Asensio
614 289-7960
Regional President
WesBanco Bank, Inc.