

# Gothenburg State Bank & Trust Company

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March 24, 2009

Mr. Robert E. Feldman  
Executive Secretary  
Attention: Comments, Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

RE: RIN Number (3064-AD35)

Dear Mr. Feldman:

I am submitting this comment letter concerning the special assessment planned by the FDIC. I am a past chairman of the Nebraska Bankers Association and a current board member of the American Bankers Association. These connections give me a unique opportunity to visit with bankers across the State of Nebraska and across our nation. Like many bankers, I was shocked with the initial announcement of a proposed 20 basis point special assessment. Also, like most bankers, I applaud the efforts of the FDIC to lower this special assessment by increasing the borrowing limits with the Treasury Department, and also using funds derived from the Temporary Liquidity Guarantee Program. If all of these factors come together it is possible that this special assessment issue will not be a major financial hurdle for the banking industry. However, we must be mindful of the fact that all of these factors coming together at one time may simply not happen.

The strength and security that the FDIC fund provides to bank depositors must be viewed as the central and primary issue going forward. The FDIC fund and the security it provides is what distinguish banks from other financial providers. This is an absolute necessity for our industry to guarantee long term success. Without this fund depositors could clearly lose confidence in our system further deteriorating our financial strength and stability. I believe it is also important that the fund be restored to viable levels quickly. This again will show confidence and strength to bank customers.

Our bank is a family owned ag bank located in central Nebraska. We have enjoyed great success and presently have a high level of capital. Our success has allowed our bank to support all types of community economic development projects which have clearly made a difference in the long term success and stability of our community. Without a doubt a 20 basis point special assessment on top of a significantly increased annual assessment would hamper our ability to continue supporting certain efforts in our community at the level they need support. Would our bank survive a 20 basis point special assessment? Absolutely, and if that is what is deemed proper and necessary you have my pledge to write the check immediately. However, I believe

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that even for banks that are strong like our bank, it would be more beneficial to have this assessment spread over some period of time.

I once again applaud the efforts of the FDIC and the role you are playing during a difficult economic time for our industry and our nation. I believe the creative minds at the FDIC coupled with input from bankers across our country will come up with a plan that is workable. I hope this plan encompasses the concept of spreading the special assessment over a period of time and potentially using convertible debt as an option.

We must never forget the underlying reason for FDIC insurance. Therefore, the bottom line must be the strength and stability of the FDIC fund.

Sincerely,

A handwritten signature in cursive script that reads "Matthew H. Williams". The signature is written in black ink and is positioned above the typed name and title.

Matthew H. Williams  
President

MHW/rf