

March 10, 2009

To Whom It May Concern:

I would like to comment on the FDIC's 20-basis-point special assessment to help recapitalize the Deposit Insurance Fund. As an officer of a small community bank I agree that the Deposit Insurance Fund must remain adequately funded, but I strongly disagree with the proposed plan as it will add to the problems facing banks and the nation's economy.

Our bank is a small 40 million dollar community bank located in Hope, Kansas; population of about 400. We are a rural community serving an area of approximately a 25 mile radius of Hope. Community banks like ours were not the cause of the economic crises as we did not participate in risky lending such as sub-prime loans, but now we are the ones being penalized by having to pay this 20 basis point special assessment on top of our regular assessments that have already doubled!

Like most community banks, we have continued to make loans in our community for homes, cars, business and agriculture. This special assessment will only hinder our ability to continue to fund those loan requests! It is estimated that a 20 basis point assessment would reduce our earnings by 17%!

I believe FDIC should consider other ways to fund the Deposit Insurance Fund. Forcing community banks to shoulder the burden for the big banks is not an equitable solution. If we must pay this special assessment accounting rules should be changed to allow banks to amortize the special assessment over a period of 5 to 7 years.

Please reconsider this proposed method of funding.

Linda M Riedy
Data Operations Officer
The First National Bank of Hope
P O Box 67
Hope KS 67451-0067