From: Willie Baker [mailto:Willie.Baker@hertbaker.com]
Sent: Tuesday, March 10, 2009 3:42 PM
To: Comments
Subject: Assessments, RIN 3064-AD35

I am Chairman of First Bank & Trust Co of Perry Ok, a $120,000,000 community owned bank in a town of 5500 people.
We are adamantly opposed to the assessments, as it will cost our bank/stockholders roughly $200,000 off the bottom line, as well as for all of the reasons set forth below:

- *Community banks are being unfairly penalized.* ***WE didn't participate in the risky practices that led to the economic crisis, yet are being penalized by having to pay this onerous special assessment on top of regular assessments that are more than double those of last year. The community banking industry is the bright spot in this current economic storm. The vast majority of community banks are well-capitalized, common-sense lenders that have been and want to continue to help in the economic recovery process in cities and towns throughout America. This special assessment will only hinder our ability to do so.***

- *The special assessment should be based on total assets (minus tangible capital), not total domestic deposits, so that banks that caused the problems pay a bigger share.* ***We support broadening the assessment base to include total assets (minus tangible capital). Since large banks hold a proportionately larger share of total banking assets than total domestic deposits, large banks would shoulder more of their fair share of the special assessment if the assessment base was broadened to include total assets.***

- *Accounting rules should be changed.* ***We support a change in the accounting rules to allow banks the opportunity to amortize the special assessment over a period of years.***

- *Systemic-risk premium for the large banks.* ***We a systemic-risk premium for the large, "systemically important" banks. This premium should be large enough to pay for the substantial risk of insuring these institutions. We also urge the FDIC to consider the assistance provided systemically important institutions in determining the special assessment.***

- *Failing large banks will have access to TARP money to pay for the premium. I****it's unfair that so many of the large banks have received tens of billions of dollars of TARP money and will have the ability to use these taxpayer funds to pay this premium.***

- *The FDIC should explore all alternatives for funding the DIF in lieu of the special assessment.* ***Tthere are many alternatives to funding the DIF in lieu of imposing a special assessment, including using its existing authority to borrow from the Treasury, issuing debt instruments to the public or using its authority***

to borrow from the banking industry. All of these alternatives should be thoroughly examined with community bank input.