From: Fleming, Joleen [mailto:JFLEMING@firstcitizensnb.com]
Sent: Tuesday, March 10, 2009 11:51 AM
To: Comments
Subject: Assessments, RIN 3064-AD35

Dear FDIC,
Community banks are being unfairly penalized. Community banks didn't participate in the risky practice that led to the economic crisis yet we are being penalized by having to pay this onerous special assessment along with our regular assessments that are more then double those last year. The direct impact to First Citizens National Bank (FCNB) if the assessment is 20bp will be approximately $1,300,000 (if 10bp then $650,000) – which will reduce earnings by approximately 12% and capital by 1.4% (or 6% and 0.7%). Our premium was already going to be increase by over 100% - this change would increase our premium an additional 160% (or 80%)!

Community banking is the bright spot in this current economic storm, it is very unfortunate that community bankers are paying the price for others who made such terrible lending decisions.

There 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 instrument to the public or using the FDIC's authority to borrow from the banking industry. It would seem appropriate to thoroughly examine these alternatives with input from community bankers.

Sincerely,
Joleen Fleming
VP Retail Banking
First Citizens National Bank
2601 Fourth Street SW
Mason City, IA 50401