

Sent: Thursday, March 26, 2009 2:43 PM
To: Comments
Cc: specter@senate.gov; casey@senate.gov
Subject: Assessments, RIN 3064-AD35

March 26, 2009
103 Rana Lane
Gibsonia, PA 15044

Mr. Robert E. Feldman
Executive Secretary
Attention: Comments, Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D. C. 20429

Re: Interim Rule on "Assessments" (RIN 3064-AD35)

Dear Mr. Feldman:

As an employee of Brentwood Bank, a community bank in the South Hills of Pittsburgh, Pennsylvania, I am writing to express my disappointment in the FDIC Board's proposal to impose a special assessment on all institutions as of June 30, 2009.

Our community bank and all community banks will be unfairly penalized when we did not participate in the risky practices that led to the economic crisis. We are being penalized by having to pay this onerous special assessment on top of regular assessments that have already more than doubled over those of last year. The special assessment of 10 or 20 basis points could cost Brentwood Bank up to \$660,000. This increased assessment would be 20% of our earnings and would reduce our bank's lending capacity by over \$6 million!

As an alternative to the special assessment, I propose:

- The FDIC thoroughly explore all alternatives for funding the DIF in lieu of the special assessment; such as, using the FDIC's current authority to borrow from the Treasury; issuing debt instruments to the public; or using its authority to borrow from the banking industry.
- Any special assessments should be based on total assets (minus tangible capital), not total domestic deposits, so that the banks that caused the problems pay their fair share.
- Accounting rules should be changed to allow banks to amortize the special assessment over a period of years.
- Large banks should be assessed a systemic-risk premium to pay for the substantial risk inherent to their operations.

Again, I urge the FDIC to thoroughly explore all alternatives for funding the DIF in lieu of the special assessment. Failing large banks will have access to TARP money to pay the premium. While on the other hand, community banks will have to pay the premium without TARP resulting in a reduced ability to lend. Community banks, such as mine, and the communities we serve will pay a hefty price if this special assessment is imposed.

Sincerely,

Brentwood Bank
411 McMurray Rd.
Bethel Park, PA 15102

Cc: Senator Arlen Specter
Senator Robert P. Casey, Jr.
Representative Jason Altmire