

From: Robert W. Chappell [mailto:lovcrwc@epix.net]
Sent: Thursday, March 26, 2009 7:26 PM
To: Comments
Subject: Opposition to RIN 3064-AD35: Proposed FDIC Special Assessment pursuant to 12 CFR Part 327

Robert W. Chappell
Director
First Citizens National Bank, Mansfield, PA
Enterprise Road, P.O. Box 156
Rome, PA 18837-0156

March 26, 2009

Robert E. Feldman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Robert Feldman:

I serve as a Director for Citizens Financial Services which operates First Citizens National Bank headquartered in Mansfield, PA.

We are a locally owned and controlled community bank. We do not deal in the subprime loan market. Our growth and earnings are driven by providing fair products and quality service to our communities in a responsible way.

The special assessment is completely unfair and at odds with our bank's efforts to help the community rebuild from this economic downturn. The cost is so high that it is a disincentive to raise new deposits. Fewer deposits will hinder our ability to lend. The reduction in earnings will make it harder to build capital when it is needed the most.

Our bank did not elect to participate in the TARP program due to our strong capital position. The intent of the program was to provide affordable capital to those who needed it. We did not. The special assessment will now have a negative impact on our capital. It makes no sense to make funds available to improve a bank's capital position then turn around and demand return of the same.

Given the impact that the proposed assessment will have on our bank and community, I strongly urge you to consider alternatives that would reduce our burden and provide the FDIC the funding it needs in the short term.

If you wish to discuss this matter further, please feel free to contact me. Thank you for your consideration.

Sincerely,

Robert W. Chappell
570-247-2382
Director
First Citizens National Bank, Mansfield, PA