
From: David Lindsey [mailto:jamesl@firststatebank.com]
Sent: Monday, March 09, 2009 5:58 PM
To: Comments
Cc: 'sscurlock@ibat.org'; Jim Lindsey
Subject: FDIC Assessment

To Whom It May Concern:

I am writing in regards to the proposed 20bp assessment on all insured deposits that the FDIC has recently proposed. As a lender for a small community bank in Texas, I am concerned about the effect this payment would have on Texas community banks. Although I was glad to hear that the assessment may be cut in half should the FDIC's borrowing authority increase, I still feel that this payment would be punishing community banks for the mistakes and poor practices of the larger lenders. Community banks, by in large, have not made the approval and underwriting mistakes that has led to many of the problems facing the banking industry as well as the economy as a whole. While we are aware of the current financial crisis, our bank continues to make every effort to know our customers, be thorough in our underwriting, and make good loans that will be profitable for the bank and beneficial to our customers. Our bank had a profitable 2008 and we believe that 2009 will be profitable as well. It is my belief that community banks, if allowed to operate and thrive, will be at the forefront of leading the country out of it's current economic crisis. With that in mind, imposing the 20bp or even 10bp assessment will hurt the profitability of banks that have operated, and will continue to operate the right way. As decisions are made regarding the banking industry as a whole, please remember that there is a vast difference between smaller community banks and financial institutions deemed "to big to fail". At this time, it would be wise to review the decisions that cast a wide net on the whole industry and see where regulations that help some insitutions may hurt others. It is vital, especially during the current economic situation, to allow the banking industry to serve customers in the best possible way. For larger banks and financial institutions, this has meant billions in government bail out money. For most community banks, it is simply a request to "stay out of the way" and let us continue to make good loans and serve our customers without the additional cost of paying for the mistakes of others. Please keep this in mind as the FDIC proposal is being considered. Thank you for your time.

David Lindsey
Assistant Vice President
First State Bank
Terrell, TX
972-551-2490