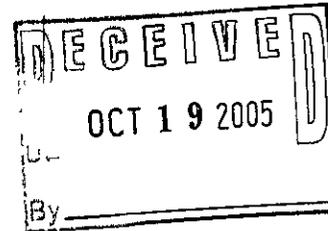


TAYLOR BANK

Calvin B Taylor Banking Company / P O Box 5, 24 N Main, Berlin, Maryland 21811 / 410-641-1700 / Member FDIC

October 12, 2005



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

Re: Reducing Regulatory Burden
Banking Operations; Directors, Officers and
Employees; Rules of Procedure

Dear Mr. Feldman.

We are pleased to submit comments on reducing regulatory burden relating to the above referenced regulations

- **Interest on demand deposits** – Remove the prohibition of payment of interest on demand deposits. This antiquated law makes banks uncompetitive. Banks should be given the right to pay interest at their discretion
- **Assessment of fees upon entrance to BIF** – The new entities that open with FDIC coverage, but have not paid into the fund, should pay a substantial entry fee. Those institutions are given an advantage over banks that have previously paid into the fund, especially banks as old as ours, that pre-date the FDIC. One example is American Express that advertises an insured money market account.
- **Directors, officers and employees** – Executive officers should be allowed to borrow more than the \$100,000 00 limit (other than a mortgage on a home) from their bank. This directs quality business away from the bank that knows this customer best. This regulation may reduce a banks profit.

We appreciate the opportunity to participate in this endeavor to reduce outdated, unnecessary and unduly burdensome regulatory requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Reese F. Cropper, Jr.", enclosed within a large, loopy oval scribble.

Reese F. Cropper, Jr.
Chairman & CEO

RFCJr/ses

Fdic reduce reg burden 5/rfc

- 100 20th Street, Ocean City, MD 21843 / 410-289-8171
- 14200 Coastal Hwy, Ocean City, MD 21842 / 410-250-1405
- 9105 Coastal Hwy, Ocean City, MD 21842 / 410-723-2044
- 10524 Old Ocean City Blvd, Berlin, MD 21811 / 410-641-1728
- 11103 Cathell Road, Ocean Pines, MD 21811 / 410-641-5111
- 2140 Old Snow Hill Road, Pocomoke, MD 21851 / 410-957-3200
- 108 West Market Street, Snow Hill, MD 21863 / 410-632-1700
- 9923 Golf Course Road, W Ocean City, MD 21842 / 410-213-1700
- 50 Atlantic Avenue, Ocean View, DE 19970 / 302-541-0500