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Member **FDIC**

May 25, 2005

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By

Mr. Robert E. Feldman
Executive Secretary
Attn: Comments, FDIC
550 17th Street, NW
Washington, DC 20429

Dear Mr. Feldman:

I am writing to ask you to reconsider FDIC proposition with regard to changes in loan classification.

As I understand, these changes will create a completely new style to which appears to be overly cautious, labor intensive, and completely unnecessary.

The regulation all bankers face is becoming a quagmire. This affects all sizes. We happen to operate a smaller community bank that began in 1997 and have worked extremely hard at meeting regulatory requirements to adequately reserve for our loan portfolio. We worked hard to achieve a 1.18% provision and an approximate 1.15 ROA.

A complete overhaul of the classification system seems out of touch with our nation's current bank performances and what bank boards and staff should be concerned with, at this time. Please consider the following list of issues we believe are critical to the questions at hand.

1.) Over the years banks and regulators have developed clear and mutually understandable guidelines and interpretations for those loans classified special mention, substandard and doubtful.

2.) The FIL proposes a two-dimensional-based framework for defining new classifications. However, sufficient information and details are not included to support a reasonable judgment decision regarding their derivation or applicability.

3.) Also, there is no explanation for a need to change these classification ratings that have been in effect since 1933. These classification standards have served both the banking and regulatory industries well during some of the most troubling bank crisis in the financial history of this country.

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4.) Obviously, new classification ratings can and will lead to miss-interpretations between banks and regulatory staff. This will only result in a breakdown in communications and good working relationships that both sides have spent years trying to develop.

5.) This will impose a relationship on smaller banks that do not have the expertise or staff to make this proposed transition without considerable loss of time and resources.

6.) Lastly, this clearly represents a scenario in which change is not good. It must be understood that time proven practices represent Best Practices.

I believe I speak for many community bankers working very hard to meet all the reams of current regulatory issues and what we are really here to do, serve the public and serve our shareholders.

Please reconsider this proposal. I would be happy to discuss this with you at your convenience.

Sincerely,

Dave Morton
President and CEO
Community First Bank

cc: Community First Bank Board of Directors
Billy Carroll, VP, CFB Credit Administration
Bunny Adcock, Arkansas Bank Commissioner