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**Sent:** Tuesday, March 29, 2005 3:17 PM  
**To:** Comments  
**Subject:** RIN 3064-AC89

To the FDIC:

As a former OCC examiner and currently the Compliance and CRA Officer at a \$400 million community bank in Orlando, Florida, I support the CRA proposal to raise the large bank threshold from \$250 million to \$1 billion. Additionally, it is a good idea to allow community development credit for lending in underserved or distressed rural areas even when they technically are not designated as low or moderate income communities.

However, I do **not** support adding a new category of "intermediate small banks" which will be subject to a special form of CRA examination. Instead of simplification or regulatory relief, the proposal results in making CRA much more complicated and increases in compliance burden.

Under the proposed "intermediate small bank" rules, a "satisfactory" CRA rating would require a satisfactory grade on BOTH the old small bank lending test AND on the new community development test. Currently, a small bank can pass CRA on lending performance and for all practical purposes a large bank can do so also. Therefore, it is not equitable that an "intermediate small bank" be required to pass both lending and community development tests.

The proposed "flexible" community development test lists criteria that are so vague that no one can forecast with any confidence specifically what a bank will need to obtain a satisfactory rating. These rules provide NO guidance for banks and whether a bank passes the test is purely subjective on the part of the examiners. There is no indication as to what kind of documentation will be deemed adequate or how much will be enough to obtain a satisfactory rating.

The compliance burden for "intermediate small banks" would cost much in terms of time, talent and money. These resources would be better utilized elsewhere.

To raise the large bank threshold from \$250 million to \$1 billion would provide true regulatory relief for community banks. Your consideration in making this a reality would be greatly appreciated.

Sincerely,

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*The key to compliance success is to learn to do something right, then do it right every time.*