

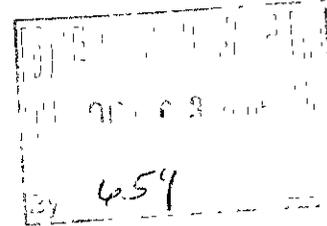


BONHAM STATE BANK

"Exceeding expectations...
Building lifetime partnerships"

September 19, 2006

Robert E Feldman,
Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429



Dear Mr. Feldman,

I am writing in regard to the new proposed regulations and guidelines to implement the red flag identity theft guidelines in Section 14 the Fair and Accurate Credit Transactions Act (FACT Act).

Our institution feel that this proposed rule will have a detrimental impact upon small to medium community banks. We have implemented policies and procedures to meet the current regulations of the FACT Act, but to meet the requirements under this proposed rule will require this group of banks to incur additional costs in systems, procedures and personnel. Our bank has established risk based policies and procedures to meet the current BSA/Anti-Money Laundering, Customer Identification Program, and Privacy Programs and we feel that these programs address many of the requirements of this propose rule. Bonham State Bank is committed and takes the necessary steps to protect our customers from identity theft. We know the importance of this effort and will continue to work with our customers to protect their privacy and personal information.

Thank you for the opportunity to address these proposed rules.

Sincerely,

Allen Sanderson
President

BONHAM STATE BANK

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