



# NORTH SHORE BANK

[www.northshorebank.com](http://www.northshorebank.com)

James F. McKenna  
President and  
Chief Executive Officer

November 17, 2008

Mr. Robert E. Feldman, Executive Secretary  
Attention: Comments, Docket No. RIN 3064-AD35  
Federal Deposit Insurance Corporation  
550 17th Street NW  
Washington D.C. 20429

RE: Assessments; Establishment of FDIC Restoration Plan; Docket No. RIN 3064-AD35

Dear Mr. Feldman:

North Shore Bank is a mutual federal savings bank with over \$1.7 billion in assets. It has been in business for over 85 years and operates out of 43 locations in Eastern Wisconsin and Northern Illinois.

As a long-time member of and payer into the FDIC, we share the goal of a strong and stable deposit insurance system. Our primary concern with the proposal is the adjustment of the assessment for secured liabilities, specifically Federal Home Loan Bank advances. While we understand the rationale for the position, we strongly urge the FDIC to exclude such advances from the assessment base. The proposal would effectively severely penalize those institutions utilizing a stable, reliable source of funding from a government-sponsored system and reduce liquidity and credit availability in the market. Your proposal runs counter to the general government goal of promoting liquidity and credit. Removing FHLB advances from the assessment base in your proposal will help to ensure stable funding and credit availability when it is needed most.

Very truly,

James F. McKenna  
President and Chief Executive Officer

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