

# The Farmers Bank

FARMERS TRUST & SAVINGS BANK

November 10, 2008

Robert E. Feldman  
Executive Secretary  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20429

RE: RIN 3064-AD35, Proposed FDIC Premium Increase

Dear Mr. Feldman,

I am writing in response to the Federal Deposit Insurance Corporation's (the "FDIC") request for comments on a proposal to increase deposit insurance premiums.

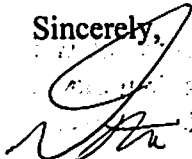
Our bank currently uses brokered deposits and currently stand at about 10% of overall deposits. We find these deposits useful and important source of liquidity. Often times, brokered deposits are a cost effective funding source and less expensive than local time CDs of the same maturity.

Brokered deposits are also an efficient method of getting deposits from where they are located to where they are needed. The group of individuals that favor these types of investments live in a few states, mainly Florida, Texas, Arizona, Nevada, and California.

I believe your 10% brokered deposit threshold is too low and should be set at at least 20% of overall deposits.

Thank you for letting us comment on the brokered deposit issue.

Sincerely,



David W. Woodcock  
President

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