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Jan A. Miller
President/CEO

December 5, 2008

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

Re: RIN 3064-AD35
Notice of Proposed Rulemaking – Deposit Insurance Assessments

Dear Mr. Feldman:

I am pleased to submit comments regarding the Federal Deposit Insurance Corporation's proposed rule concerning deposit insurance assessments.

Wainwright Bank & Trust Company is a $1 billion community bank with 12 branches located throughout greater Boston. We have committed more than $700 million in financing socially responsible community development projects such as affordable and special needs housing, food banks, homeless shelters, HIV/AIDS services, environmental protection, breast cancer research and inner city schools. We have been fortunate to receive many national and international awards and are considered one of the country's leading socially progressive banks. This year we received our 9th Bank Enterprise Award from the Treasury's CDFI fund. We were recently awarded a $25 million allocation of New Markets Tax Credits. In addition, we recently received preliminary approval for $22 Million under the U.S. Department of Treasury TARP Capital Purchase Program.

We are strongly opposed to the proposal to charge higher premiums for secured liabilities in excess of 15% of domestic deposits. The definition of secured deposits includes Federal Home Loan Bank borrowings and repurchase agreements. The proposal states that banks that have high ratios of secured liabilities pose a greater risk to the Deposit Insurance Fund. We believe this approach is flawed, too simplistic and will have unintended consequences.

Chairman Sheila C. Barr, Congress and the current and incoming administration have all encouraged banks to increase their residential and commercial lending. At Wainwright we will have a record year of residential loan volume. This year we have taken advantage of opportunities in the marketplace to increase our loans by more than 27%. In addition, our commercial and community development lending has increased more than 20% year to date. We plan to leverage the New Markets Tax Credits and the TARP CPP Funds to continue to increase lending in those areas.

However, we are operating in a state that has seen less than 1.5% annual deposit growth in the past five years. We rely on FHLB advances and, to a lesser extent, repurchase agreements and brokered deposits to fund our loan growth. Access to FHLB advances allows us to enhance our liquidity and manage our interest rate risk. Community development loans often need 7 – 15 year fixed rates. It is impossible to attract 7-15 year deposits, so we match funds with FHLB advances. Penalizing Wainwright and similar banks for using advances to fund residential and community development loan growth is unfair and bad policy.

The banks that have failed or that add more risk to the Deposit Insurance Fund do not do so as a result of increased FHLB advances or brokered deposits. They fail due to the lending that the funding supports. Too often that is out of market construction loans. The FDIC already has a risk monitoring process in place, Safety and Soundness Examinations and CAMELS ratings.

My final point is on reciprocal deposit placement services such as CDARS. It is our belief that these deposits should be excluded from the definition of brokered deposits. These deposits have all the characteristics of classic core deposits and should be treated as such.

Once again, thank you for the opportunity to comment on these important issues.

Sincerely,

Jan A. Miller
President and Chief Executive Officer