

WAINWRIGHT BANK

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Jan A. Miller
President/CEO

June 12, 2008

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

Re: Covered Bond Policy Statement - Request for Comments

Dear Mr. Feldman:

I am responding to your request for comments regarding the FDIC Covered Bond Policy Statement. While the majority of the statement attempts to clarify the FDIC's treatment of covered bonds in a conservatorship or receivership, I am deeply concerned about the inclusion of "secured liabilities" (without definition) and their impact on the Bank's insurance assessment rate.

Without definition, one might assume that "secured liabilities" would include Federal Home Loan Bank advances. Penalizing banks for using FHLB advances or placing a cap on those advances would be extremely detrimental to Community Banks. We rely on advances as a source of liquidity and stable funding for residential lending and community development activity. Wainwright Bank and Trust Company has a well-earned reputation for providing financing for non-profit and affordable housing. We are located in a very low deposit growth area. Therefore, we rely on FHLB advances to support this loan activity. If we are capped on those advances or other secured liabilities or penalized for using them through increased insurance premiums, it would have a detrimental impact on many worthwhile community development projects.

It is more appropriate to continue to assess deposit insurance premiums based on the Bank's actual risk profile as measured by the CAMELS ratings. To increase a bank's insurance premium due to the level of secured liabilities could penalize an otherwise undeserving institution. It seems to me that it would make much more sense to analyze the quality of the assets those liabilities support. In fact, this is a major component of our Safety and Soundness examination. The professional examination staffs of the supervisory agencies are better suited in determining a bank's risk profile, rather than an inflexible formula imposed on all banks, regardless of risk profile.

Thank you for allowing me to respond to your interim policy statement. If you have any questions, don't hesitate to call me.

Sincerely,



Jan A. Miller
President and Chief Executive Officer