November 6, 2008

VIA EMAIL: comments@fdic.gov

Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington DC 204429

RE: RN#3064-AD37 (Temporary Liquidity Guarantee Program)

Dear Mr. Feldman:

Thank you for the opportunity to further respond to the TLG Program Interim Rule. TIB is the nation's largest bankers' bank serving over 1400 community banks nationwide. TIB purchases over $3 billion in fed funds daily from community banks and provides intra-bank liquidity facilities totaling $3.4 billion. TIB is considered by its customer banks as an important banking intermediary providing community banks with access to larger markets, liquidity facilities, and specialized services through local, privately held ownership. On the behalf of our customer banks, and all 8,000 community banks, please give my responses your thoughtful consideration.

1. Should the FDIC charge different premium rates for federal funds and/or other short-term borrowings versus longer term borrowings? If so, why? What should be the criteria for determining which borrowings qualify for rates and what should be the rate differential.

   Yes. TIB believes a rate of 10bps is commensurate with the level of risk and more consistent with other FDIC guarantee treatment. Community bank fed fund transactions are an extension of a community bank's demand deposit account and should be treated accordingly. Monies are swept into the fed funds account for the express purpose of the payment of interest. Based on FDIC current guidelines, bank balances held in demand deposits qualify for the transaction guarantee provision all during the day, and then by virtue of the fed funds sweep, the transaction converts to the higher risk level overnight. I believe the fed funds transaction, or reclassification process, poses no additional risk compared to the intraday balances held.

2. Should banks be allowed to issue guaranteed debt in an amount equal to the bank's cap plus its holding company's cap, so long as the total guaranteed debt issued by the bank and its holding company does not exceed their combined cap? If so, why? And how could this process be managed to assure, among other things, that the entities together do not exceed their combined cap?

   Yes. Banks and bank holding companies should be allowed to combine caps for best overall execution and value. A bank holding company is responsible for being a source of strength and locating the best possible deal for its subsidiary or subsidiaries, and the combine guarantee supports this process.

3. Should the FDIC establish an alternative guarantee cap, e.g., a percentage of total liabilities, or an average of outstanding senior unsecured debt over some period to time, for those eligible entities that had no or de minimis amounts of senior unsecured debt outstanding on September 30, 2008? Is so, what should that alternative be, and why?

   Yes. Most community banks did not have fed funds purchase outstanding as of the cut off date, nor did they have significant senior unsecured debt outstanding. In the interest of fairness, community banks should have the ability to have both fed funds purchased and senior unsecured debt guarantees available to them at pre-established levels without the cumbersome and informal conditions available to them today.

Again, your thoughtful consideration is greatly appreciated. Please contact me at 972.650.6025 or morourke@mybankersbank.com if you need further clarification.

Sincerely,

Michael O'Rourke

Michael O'Rourke
President and CEO