



November 13, 2008

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

Dear Mr. Feldman:

On behalf of the Georgia Bankers Association, thank you for the opportunity to comment on the proposed interim rule for the Temporary Liquidity Guarantee Program (TLGP). Our members agree with the need for such actions and are thankful for your agency's issuing the rule based on the systemic risk determination.

Through encouraging liquidity in the banking system by guaranteeing newly issued senior unsecured debt of banks and bank holding companies and to fully insure non-interest bearing deposit transaction accounts, these positive steps toward addressing the credit crisis will hopefully have a positive impact toward consumer and customer confidence that have become imperative to the overall marketplace.

We would first like to note that federal funds are generally perceived by the market to have minimal credit risk. If many of our member banks pay the guarantee fee of 75 basis points, then the cost of these funds increases materially for protection on something that was not an issue before the Guarantee Program. The 75 basis point fee is considered excessive and might limit participation in the Guarantee Program. Our members feel that the FDIC should establish an alternative guarantee pricing structure, e.g., a percentage of total liabilities, or an average of outstanding senior unsecured debt. And, on behalf of many member banks, we are concerned about the applicability of the program to institutions with no outstanding debt at the September 30, 2008 stated time frame. Will the Federal Funds lines that banks have in place, but not currently utilized, be guaranteed? Our members that did not need these funds on September 30th of this year, but may need to utilize that option at a later date, would like to know that they have the same guarantee.

Secondly, there are a few comments with regard to the transaction account guarantee portion of the TLGP. This is an extremely important part of the TLGP for which our member banks are grateful for its implicit boost to the confidence of our commercial depositors. However, there are several transaction accounts that we feel deserve the same guarantee under this guarantee which include NOW accounts and IOLTA accounts. There have been numerous questions from depositors with regard to these accounts and applying the guarantee toward them as well would be a critical step toward boosting the overall customer confidence needed at this time.

The GBA is appreciative of the FDIC's efforts at this critical time in our nation's economic difficulties. We hope that our comments are helpful to you in determining the best possible program to assist the ailing market place. Please let me know if we may answer any other questions or be of further assistance.

Sincerely,

Joe Brannen
President