



CYNTHIA L. BLANKENSHIP  
*Chairman*  
R. MICHAEL MENZIES  
*Chairman-Elect*  
JAMES D. MACPHEE  
*Vice Chairman*  
LARRY W. WINUM  
*Treasurer*  
WILLIAM C. ROSACKER  
*Secretary*  
TERRY J. JORDE  
*Immediate Past Chairman*

CAMDEN R. FINE  
President and CEO

April 3, 2009

Mr. Robert E. Feldman  
Executive Secretary  
Attention: Comments  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington, DC 20429

Submitted via email

Re: RIN #3064-AD37

Amendment of the Temporary Liquidity Guarantee Program to Extend the Debt Guarantee Program and to Impose a Surcharge on Assessments for Certain Debt Issued on or after April 1, 2009

Dear Mr. Feldman:

The Independent Community Bankers of America (ICBA)<sup>1</sup> appreciates the opportunity to comment on the Federal Deposit Insurance Corporation (FDIC) Interim Rule amending the Temporary Liquidity Guarantee Program (TLGP) to:

- extend the period of time insured depository institutions participating in the Debt Guarantee Program can issue FDIC-guaranteed senior unsecured debt from June 30, 2009 to October 31, 2009;
- require other participating entities that have not issued FDIC-guaranteed senior unsecured debt by April 1, 2009 to apply to the FDIC for approval to participate in the extended Debt Guarantee Program;
- impose surcharges on certain debt issued on or after April 1, 2009, and deposit any surcharges into the Deposit Insurance Fund; and
- establish a process for participating entities to apply to issue non-FDIC guaranteed debt during the extension period.

---

<sup>1</sup> *The Independent Community Bankers of America represents nearly 5,000 community banks of all sizes and charter types throughout the United States and is dedicated exclusively to representing the interests of the community banking industry and the communities and customers we serve. ICBA aggregates the power of its members to provide a voice for community banking interests in Washington, resources to enhance community bank education and marketability, and profitability options to help community banks compete in an ever-changing marketplace.*

*With nearly 5,000 members, representing more than 20,000 locations nationwide and employing over 300,000 Americans, ICBA members hold \$1 trillion in assets, \$800 billion in deposits, and \$700 billion in loans to consumers, small businesses and the agricultural community. For more information, visit ICBA's website at [www.icba.org](http://www.icba.org).*

ICBA continues to support the FDIC's efforts to restore the credit markets and preserve confidence in our nation's banking system and economy. Very few community banks, in contrast to larger institutions, issue senior unsecured debt or participate in the Debt Guarantee Program.

The health of the Deposit Insurance Fund (DIF) is of extreme importance to community banks, particularly given the DIF's current reserve ratio and the looming special assessment recently announced by the FDIC. We appreciate the FDIC exploring various alternatives for funding the DIF in lieu of a special assessment.

ICBA strongly commends and fully supports the FDIC imposing a surcharge on FDIC-guaranteed debt meeting certain parameters and depositing any surcharges into the DIF. ICBA believes it is appropriate for these surcharges to offset the Debt Guarantee Program's potential cost to the DIF since all institutions will bear the costs of any excess TLGP losses. Additionally, all institutions will welcome the resulting decrease in the special assessment.

ICBA appreciates the opportunity to offer comments on the TLGP Interim Rule. If you have any questions or would like additional information, please contact the undersigned by email at [viveca.ware@icba.org](mailto:viveca.ware@icba.org) or telephone at (202)659-8111.

Regards,

/s/

Viveca Ware  
Senior Vice President  
Payments and Technology Policy