

THE BANC FUNDS COMPANY, L.L.C.

July 14, 2009

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

RE: RIN 3064-AD47  
Comment to the Proposed Statement of Policy on  
Qualifications for Failed Bank Acquisitions

Dear Mr. Feldman:

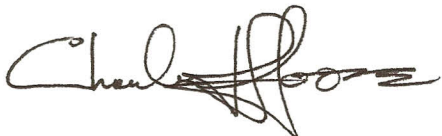
The Banc Funds are a group of funds that invest exclusively in U.S.-based subregional financial service companies. Since 1986, we have invested primarily in small depository institutions known as community banks. We have limited our investments to 9.9% ownership of any individual bank or thrift, and we have exercised no control over any of those companies. We have neither sought nor accepted board seats, management roles, special voting covenants, veto control over management actions, solicited proxies, or joined a voting group. We enjoy a constructive, supportive relationship with our investee banks. We invest through our limited partnerships, not through siloed vehicles. We think it is an important distinction to note that the pool of bank investors in the United States is not homogeneous, and the pool of private equity investors is not homogeneous.

If the FDIC proceeds with a set of qualifications or standards for investors to make Failed Bank Acquisitions ("Qualifications"), we would request that you include a brightline test delineating which investors will be subject to the Qualifications and associated responsibilities. We would further suggest that that test be whether or not an investor owns more than 9.9% of the failed institution, and that you not make these unrelated, minority investors with less than 9.9% ownership subject to the Qualifications.

THE BANC FUNDS COMPANY, L.L.C.

The proposed Qualifications would be very onerous for us. We are not a large investor with a large staff, but we have made dozens of investments over the years in banks where we owned between 5-9% of the company. We and other investors owning less than 9.9% would have our ability to invest capital eliminated without the 9.9% safe harbor.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Charles J. Moore". The signature is stylized with a large initial "C" and a long, sweeping underline.

Charles J. Moore  
President