
From: Kenny Holt [mailto:kholt@unionstbank.com]

Sent: Monday, March 09, 2009 12:23 PM

To: Comments

Cc: Amy Holt; 'Bryan Holt'; Chad Holt; Debbie Holt; 'Kent Holt'; 'Larry Nuss'; 'Randy Holt'; Susan Eldridge

Subject: Assessments RIN 3064-AD35

Dear Chairman Bair:

I am writing to urge you to look at other avenues to recapitalize the Deposit Insurance Fund, rather than a special assessment of 20 basis points. An assessment of this size will reduce our earnings this year significantly (somewhere between 15% - 25%). That coupled with increasing our loan loss reserve to prepare for losses that may be created by the economic downturn, we fully expect to our earning will be significantly lower this year and probably the next two years. I feel we are being unjustly penalized for the errors of others in our industry. An assessment of this size will severely hamper our ability to stimulate our local economy through both lending and spending money for equipment, improvements, etc. Lastly, I am sure that when our regulators come and our earnings are down we will be criticized and even possibly have our rating lowered because of the greed and corruption of others in "our" industry. I hope you will remember the "small community banks" when you make your decisions.

Yours truly,

Kenneth R. Holt

President

Union State Bank

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