
From: Dave Hansing [mailto:dhansing@peoplesbankdirect.com]
Sent: Friday, March 06, 2009 10:25 AM
To: Comments
Subject: RIN 3064-AD65 FDIC

Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street
Washington, D.C. 20429

Dear Mr. Feldman,

"Community banks did not contribute to the economic and financial crisis and should not bear a disproportionate burden of replenishing the FDIC fund." This is a direct quote from hundreds of CBAI members and other community bankers across the nation.

To assess those of us who look at and scrutinize the assets we purchase for the folly of the Mega Banks is unjust to say the least. Irresponsible is more like it. And of course by increasing our assessment, you will end up criticizing the small banks at their next examinations for lowered earnings!

I've been in banking for 40 years and have seen time and time again the Mega Banks dive into the "latest" greed driven investment, like lemmings following each other over the cliff. Years ago they all "invested" in the Country loans and when that went bad they charged off their bad investments. Then they invested in the Barge loans, again "overinvesting" and charging off again. Then it was the REITS and with the same result. Then Energy and Oil and they charged off some more...remember Continental Illinois National Bank...\$40 billion down the tubes..."to big to fail". And 10 years later they just couldn't help themselves and overinvested in Commercial Real Estate and again charged off. Remember Citi-Bank in crisis then (Citigroup closed at \$1.02 yesterday down from a high of \$55), which caused the creation of the ignored 12 CFR 365 of December 31, 1992, shame on you, until the same regulation was revived in December 6, 2006 labeled as a "final guidance". What was that all about after 14 years of consciously ignoring an enacted regulation?

Are you beginning to see a pattern with the Mega Banks? The reoccurring banking crisis is not caused by the Community Banks, it never has been and now we have the worse Mega Bank crisis, thanks partly to the continuing regulatory inaction at many levels, and you want to tax the non-participants. Tax the participants only...they have plenty of tax payer money thanks to the many bailouts. Taxing Community Bank is incompetence in an attempt to shore up contingencies that are Mega Bank caused. When a casualty insurance company suffers a loss for hurricane destruction in Florida they don't raise the premiums of customers in Illinois, they raise the premiums of those who wish to live in harms way. That makes sense. What you are doing does not!

Sincerely,

David A. Hansing

Senior Vice President

Peoples Bank of Kankakee County

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PS Roger O'Neil says it all below:

NBC Nightly News last week featured a story on the role of community banks in revitalizing the economy. The report notes that the nation's more than 8,000 community banks are not in financial trouble because they are conservative, common-sense lenders. "Community bankers like to say they know their customers by name, whereas at a big bank you're just a number," said NBC reporter Roger O'Neil. "It's been suggested that rather than tongue-lashing the nation's big bankers who made bad decisions, Congress should start listening to small bankers with good ideas."