

To: Comments
Re: RIN 3064-AD35
Proposed FDIC Special Assessment

March 30, 2009

Sheila Bair, Chairman
Federal Deposit Insurance Corporation
550 17th Street
Washington, DC 20459

Dear Chairman Bair:

CB&S Bank (formerly Citizens Bank) strongly opposes the interim rule (RIN 3064-AD35) imposing a 20 basis point special assessment.

Our family-owned bank did not contribute to the problem that the interim rule seeks to address. Throughout our 103 year history, CB&S Bank has maintained safe and sound practices and has never deviated from our conservative underwriting standards and management philosophy. We weathered the great depression without the benefit of FDIC insurance and not one CB&S depositor lost a single penny. We are a valued and respected corporate citizen of the communities we serve and plan to remain so for the foreseeable future.

Penalizing CB&S and our fellow community banks with a special assessment will punish our earnings and reduce our ability to lend at a time when the banking system desperately needs liquidity. And forcing us to accrue the entire assessment over the last two quarters of this year exacerbates the problem.

Basing FDIC premiums solely on domestic deposits assesses community banks disproportionately. The money center banks, with their world-wide assets, created the problem through aggressive investments in high-risk instruments. Premiums based upon total assets would place the burden on those big banks where it rightfully belongs.

On behalf of CB&S Bank, our Directors, officers, employees and customers, please reconsider the interim rule. Other, and better, options are available to FDIC.

Sincerely,

Dennis Upchurch
President & CEO
CB&S Bank
Russellville, Alabama