

# 1st NAVY BANK

NAVAL AIR STATION  
PENSACOLA, FLORIDA 32508  
(850) 453-3411 / 1-800-874-3121

OFFICE OF THE PRESIDENT

March 12, 2009

Robert Feldman  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> St NW  
Washington, DC 20429

Dear Mr. Feldman;

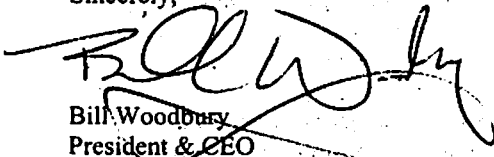
The proposed special assessment is a crippling blow for First Navy Bank and for all small community banks that have been the very backbone of the financial industry. We have always been conservative in our investment and lending policies and should not be forced to shoulder the burden for those institutions that have had little regard for safe, sound banking practices.

First Navy Bank is safe, sound and well-capitalized. Since 1973 we have served our active and retired military community with reasonable priced services and we will continue to do so. We have not accepted any governmental handouts nor do we need or want any TARP funds. We have never participated in any sub-prime lending and we did not engage in investments with unnecessary risks for the sake of speculative profits. We have invested only in U.S. Treasuries since 1973. We did not contribute to or play any part in the poor management and decisions made by the "too big to fail banks" that caused this problem and therefore should not be forced to pay.

This assessment will be a major hardship for banks that did not contribute to the difficult problems the banking industry is facing. The 20 basis point assessment would leave First Navy Bank with a \$100,000 blow. First Navy Bank should not be forced to pay for the situation created by the greed of the big Wall Street investment banks. Common sense says that these banks that received the bailout money caused by greed and poor management, should be charged and made to pay the assessment from government funds they received.

FDIC should utilize the line of credit available through the Treasury to strengthen the deposit insurance fund and allow the safe and sound community banks to continue good investment and lending policies. Hammering the community banks with this assessment should be carefully reevaluated to estimate the consequences this burden will impose in helping the economy recover.

Sincerely,

  
Bill Woodbury  
President & CEO

