



**James H. Powell**  
*Chairman and CEO*

March 10, 2009

Mr. Robert E. Feldman, Executive Secretary  
ATTENTION: Comments  
Federal Deposit Insurance Corporation  
550 - 17th Street, N.W.  
Washington, D.C. 20429

Dear Mr. Feldman:

REFERENCE: "Assessments, RIN 3064-AD35"

Thank you for the opportunity to comment upon the recent announcement by the FDIC of a Special Assessment of twenty basis points per \$100 of deposits and the more recent change to propose that the Assessment be reduced to ten basis points per \$100 of deposits, provided certain conditions are met.

We believe that FDIC insurance is critical to our deposit customers, especially in the current economic environment where trust in the banking system, and indeed in our government, has been seriously harmed by the recent events on Wall Street. The increase in the per account coverage to \$250,000 some weeks ago has been the single most beneficial change we have seen coming from the many efforts of government and others to stabilize the financial system. We would very much like to see that coverage limit of \$250,000 per account stay in place.

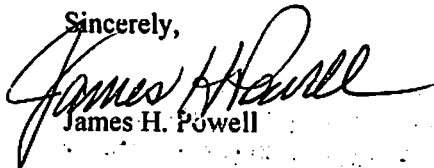
We recognize that the FDIC fund must be kept at a reasonable level to cover anticipated and future losses and that the fund is currently below such levels. Indeed, if any of the systemic risk banks had been allowed to fail, the fund would no doubt have been wiped out several times over.

The current proposed Assessment of ten basis points would place a serious burden on our bank since we are struggling in this rate environment and this asset quality environment to maintain our profitability. Adding another \$120,000+ to the cost side could mean the elimination of additional jobs, or could certainly result in increasing the pricing on loans to offset this extra expense. We do appreciate the thought given to extending the time period for the replenishment of the fund and would encourage that the Special Assessment amount be ramped up from an even lower level. We also support having the large institutions take a larger share of the replenishment since they have played a large part in creating this dilemma.

Going forward, we would strongly recommend a comprehensive analysis be done of the banking regulatory system to determine a rationale for a more reasonable approach to funding the FDIC system.

Thank you again for the opportunity to comment.

Sincerely,



James H. Powell

CC: Mr. Steve Bridges  
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