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Sent: Tuesday, March 31, 2009 11:10 PM
To: Comments
Subject: Assessments, RIN 3064-AD35

To Whom It May Concern:

Thank you for the opportunity to comment on the proposed FDIC special assessment. The proposed special assessment from between 10 to 20 basis points will have a tremendous negative effect on our 2009 earnings to the tune of between 25% to 45% of our gross earnings. The proposed assessments will increase our 2009 FDIC Insurance premiums from between 600% and 1200% of our 2008 premiums. In the current environment where capital is so important and the need to have funds available to fund new loans is so critical a fresh look at the assessment process and allocation needs to be performed.

A more reasonable assessment would be to base premiums on assets less tangible capital, not domestic deposits, so large banks can pay their share. Also, a systemic risk premium should be assessed on large "too big to fail" banks. I encourage the FDIC to explore other alternatives, so the industry can fund the Deposit Insurance Fund over time.

Small to mid-size communities depend on their community bank to be an integral part of the community's success by active participation on local boards to facilitating economic development. For the most part community banks did not participate in the risky practices that led to the economic crisis, yet we are being penalized by having to pay this onerous special assessment on top of regular assessments that are more than double those of last year. The vast majority of community banks are well-capitalized, common-sense lenders that have been and want to continue to help in the economic recovery process in cities and towns across America. This special assessment will only hinder our ability to do so.

We want to pay our fair share; however, we ask that assessments be equitable across the board and be levied over a time period that has a minimal effect on our earnings.

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