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**From:** Jay Farr [mailto:JFarr@preferredbanktx.com]  
**Sent:** Monday, March 09, 2009 11:15 AM  
**To:** Comments  
**Subject:** 100 BP Assessment

To Whom It May Concern,

Preferred Bank, Houston, Tx. is a community bank that has been profitable during the downturn. We appreciate the proposed special assessment reduction to 100 BP. However, a 100 BP assessment, recognized in one (1) year, would adversely impact our earnings during a worsening economy, not to mention what it would do to marginally profitable Community Banks.

If there are no other options available to the fund, I support the IBAT proposal to spread the cost of the assessment over several years. I also strongly support the IBAT proposals that would bifurcate the regulatory system, imposing less of a burden on Community Banks, and the proposal that imposes a "systemic risk premium" on the "to big to fail" banks. The federal government has allowed these banks to reach the "to big to fail" status, and the smaller institutions will have to pay for it.

Sincerely,  
H. Jay Farr  
President and CEO  
Preferred Bank, Houston, Tx.