From: Greg Shaver [mailto:gregs@thecitizensbank.net]
Sent: Friday, March 06, 2009 10:47 AM
To: Comments
Subject: Assessments, RIN 3064-AD35

Board of Directors of the FDIC:

I was shocked by your initial decision to burden community banks with the deficit in the DIF triggered by a few large banks who are deemed 'too big to fail.' How many community banks will fail in order to "pay for the sins" of the large banks? I do not see this assessment as an equitable solution to the problem.

In my career of community banking spanning over 30 years, we have had to play by the rules. We do not take undue risks. We do not promote products or services that are harmful to the consumer. Our conservative values and prudent practices allow us to be there when our community needs us.

The Community Banks are capable of dragging this country out of our economic turmoil, and they are doing all they can to give Main Street and rural America a hand up. However, the assessment decision is punishing the only institutions that can pull us out of this hole.

Scaling back the assessment is a good first step, and we are very grateful to Chairman Bair and the FDIC for being responsive to our concerns, but more needs to be done. Reducing the assessment will lessen the impact of this expense burden, but the burden remains, and additional alternatives should be considered by the FDIC board.

We appreciate OTS Chairman John Reich, who echoed our sentiments, by saying it's unfair to charge community banks for problems created mostly by the largest banks.
To rebuild the Deposit Insurance Fund (DIF), we would like to see the FDIC change the structure of the assessment base and levy a systemic risk premium on the too-big-to-fail institutions that helped trigger the problems that led to the fund being depleted. Our suggestions include the following:

- **The assessment should be based on bank assets, not just domestic deposits**
- **Accounting rules should be changed**
- **Systemic risk premium should be levied on large banks**

We support legislative provisions in the House that increase the FDIC's line of credit at the Treasury to further demonstrate that the full faith and credit of the United States backs insured deposits. We would like the FDIC to find alternative ways to rebuild the DIF, and urge that any new proposals set forth not ask common-sense community bankers to shoulder a disproportionate share of the burden so that they can continue to serve their customers in cities and towns throughout America

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