

**From:** Sam Kana [mailto:skana@fnbeaglelake.com]  
**Sent:** Wednesday, March 04, 2009 6:49 PM  
**To:** Comments  
**Cc:** sscurlock@ibat.org  
**Subject:** Assessments, Rin 3064-AD35

Gentlemen,

The proposed "special assessment" will do significant harm to the small to medium sized community banks in this country. Our bank, a \$105M community bank in Texas, has not engaged in any of the activities of the "too big to fail" banks; such as sub prime lending, derivatives trading, hedging, lending for large property developments, or even the purchases of private label mortgage backed securities.

We loan locally; primarily for agriculture production, and small business. In order to do so, we must maintain a significant amount of liquidity for the large swings in the seasonal volume of our loan portfolio. Additionally, the lack of liquidity has been the primary reason for a substantial number of the bank failures. Thus, the actions by the Fed in lowering rates, and funding needs of the troubled institutions, have compressed our net interest margins to limited profitability. This has limited our ability to retain earnings for capital growth in a time where good loan demand is just walking in the door due to the big and regional banks ceasing lending.

Community banks and small business are the lifelines of our economy. Due to minimal leverage in both industries, small banks and businesses are our best hope for the economic viability of our country.

The proposed total assessments, will equate to over 85% of our 2009 budgeted earnings. The First National Bank of Eagle Lake is an integral part of our rural community of 3,800 people. We have done everything right...maintained asset quality and liquidity where others quest for profits have driven them to the point of not being economically viable.

My question is why can we not assess those most responsible for the problems....the large banks through assessments on asset size, and the troubled banks by forcing them to raise additional capital because of assessment costs?

Community banks paid the additional assessment costs of the Savings & Loan failures (our competition), and now we are being told to pay for the clean up mess caused by the large banks and finance companies (our competition again). Can we not have more time to fund this cost?

When will our regulatory authorities understand that they continue to crush the only viable financial institutions capable of getting the economy back on it's feet?

Greed of the large financial companies has destroyed the economy. Socialism and destroying our only hope, will not rebuild it.

Thank you for your consideration,

Sam Kana  
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