

From: David Kepler [mailto:dkepler@greenvillefederal.com]
Sent: Wednesday, April 01, 2009 3:16 PM
To: Comments
Subject: Opposition to RIN 3064-AD35: Proposed FDIC Special Assessment pursuant to 12 CFR Part 327

David Kepler
President & CEO
Greenville Federal
690 Wagner Ave
Greenville, OH 45331-2649

April 1, 2009

Robert E. Feldman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Robert Feldman:

First I want to emphasize that I fully support the view of the FDIC that we need a strong, financial secure fund in order to maintain the confidence depositors have in the system. However, how this is done is very important to Greenville Federal and my community.

Just last Saturday I had a couple in their 80s in my office concerned about whether in their words, "was the government going to take over Greenville Federal." After I explained to them, we had not taken any government funds because we had a strong capital position and we had not been told we were on a list to be taken over, the discussion then turned to FDIC insurance. Needless to say, their parents had talked a lot about the depression and what happened to many banks. They decided to renew their maturing certificate of deposit after I assured them that no one had lost any FDIC insured deposit in any bank.

We are also dealing with a deepening recession, accounting rules that overstate economic losses and unfairly reduce capital, regulatory pressure to classify assets that continue to perform, and a significant increase in regular quarterly FDIC premiums.

Each of these is a big challenge on its own - but collectively, they are a nightmare.

I have estimated the cost to be approximately \$180,00 for this special assessment. This cost is so high that it is a disincentive to raise new deposits. Fewer deposits will hinder our ability to lend.

I urge you to consider more reasonable funding options, such as;

- Using the FDIC's borrowing authority with Treasury if the fund needs resources in the short-run. This is the purpose of this fund and it remains an obligation of the banking industry. Moreover, it allows any cost to be spread over a long period of time.
- Using an equity investment option where banks would provide a capital injection for FDIC, which would count as an asset for banks and not an

expense;

Making these modifications will ensure that the fund remains secure and will allow my bank to continue to lend in our community. I urge you to take these suggestions into consideration when the Board meets in April to finalize the special assessment rule.

Sincerely,
David
937-548-4158
President & CEO
Greenville Federal