

Sent: Wednesday, April 01, 2009 4:08 PM
To: Comments
Subject: Opposition to RIN 3064-AD35: Proposed FDIC Special Assessment pursuant to 12 CFR Part 327

Casey Moltrum
Vice President
West Coast Bank
500 E Broadway, Suite 100
Vancouver, WA 98660-3322

April 1, 2009

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

Dear Robert Feldman:

I appreciate the opportunity to comment on the FDIC's interim rule that would impose a special assessment of 20 basis points in the second quarter.

The special assessment is a significant and unexpected cost to my bank that will devastate earnings.

We are already 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.

The special assessment is completely at odds with my bank's efforts to help my community rebuild from this economic downturn.

The cost is so high that it is a disincentive to raise new deposits. Fewer deposits will hinder our ability to lend.

The reduction in earnings will make it harder to build capital when it is needed the most.

We will also be forced to look at ways to lower the cost of other expenses, which may limit our ability to sponsor community activities or make charitable donations - something that we have done year after year.

The implications for this significant FDIC charge will impact every corner of my community. It is patently unfair and harmful to burden a healthy bank like mine that is best positioned to help the economy recover.

Given the impact that the proposed assessment will have on my bank and my community, I strongly urge you to consider alternatives that would reduce our burden and provide the FDIC the funding its needs in the short term.

Sincerely,
Casey Moltrum
Vice President
West Coast Bank