



October 26, 2009

Robert E. Feldman, Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, DC 20429
VIA EMAIL: comments@fdic.gov

RE: Proposed Correspondent
Concentration Risk Guidance

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551
VIA EMAIL: regs.comments@federalreserve.gov

RE: Docket No. OP-1369

Office of the Comptroller of the Currency
250 East Street, S., Mail Stop 2-3
Washington, DC 20219
VIA EMAIL: regs.comments@occ.treas.gov

RE: Docket

Community Bankers' Bank submits this letter for consideration regarding the referenced subject. We are a member of the Bankers' Bank Council and further support the comment letter submitted by that organization.

Community Bankers' Bank has always believed that Regulation "F" offers financial institutions the proper guidance for managing correspondence concentration risks. Financial institutions that followed the suggested and required practices of this regulation would not experience over exposure to a correspondent and correspondents that did likewise would not experience an excessive funding concentration.

The referenced proposed guidance appears to be an attempt to amend Regulation "F" without following the usual notice and comment rulemaking process. Furthermore, it targets a selected group of correspondents and places additional burdens on these correspondents, as well as the financial institutions doing business with them.

We urge an extension of the comment period on this proposal due to the unique focus and magnitude of changes contained in it. Many of the suggested thresholds could be interpreted by examiners and bankers as firm limits creating unintended consequences.

We appreciate the concern and need for oversight for both correspondent concentration and funding exposure. This effort should be fair and equitable to all correspondents and not place additional burdens on community banks.

Thank you for the opportunity to comment on this matter.

Regards,

William H. McFaddin
President & CEO