



**THE EDON STATE BANK COMPANY  
OF EDON, OHIO**

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March 2, 2009

Ms. Sheila Bair,  
Chairman,  
Federal Deposit Insurance Corporation  
Washington, D.C.

Dear Ms. Bair:

Analysis of the September 2008 Call Reports for banks with assets between 50 and 100 million dollars (1,593 banks) shows 328 (20.59%) had an ROA that is negative. Unless a sharp turn has occurred since then, the proposed \$.20/\$100 of deposits special assessment due in September will in all probability, cause many more bank failures, thus causing a further substantial increase in the deterioration of the Federal Deposit Insurance Fund.

The nineteen (19) banks currently receiving, or are about to receive, TARP funding from the federal government will be receiving taxpayer money to pay their special assessments. Well-capitalized banks such as ours, will experience a huge net income (after tax) decrease. Our well-capitalized bank's net income (after tax) will decrease by 14.693%.

The proposed special assessment, if enacted, is grossly unfair to well-capitalized, small, well-run, community banks and the banking industry as a whole. It is, also, not in the best interest of the American people or improving either the stability of this nation's banking system or the economy.

Those who throw caution to the winds are doomed to reap the whirlwind. Whatever proposal is finally enacted regarding any assessment increase should be closely analyzed for producing unintended negative consequences.

Very truly yours,

Estel Wyrick, Jr.  
President & CEO

J. G. Toner  
Chairman of the Board