

From: Doug Parrott [mailto:dparrott@stbbanks.com]
Sent: Tuesday, March 03, 2009 8:35 AM
To: Comments
Subject: FDIC Insurance Premiums

I'm sure you've heard all about the "fairness" argument from all community banks all around the country so no reason to reiterate this. While we're out trying to do the "right thing" and be prudent, sound, and make the right decisions based on what is best for our bank and community, the large too big to fail banks are still out having the time of their lives, knowing full well that they won't be held accountable for their actions. If I make the incorrect decision concerning my bank and my stockholders, I not only risk my bank and employees, but city where our bank is chartered for the simple reason we would FAIL!

What I do agree with in your comments from the meeting was that these new assessments are needed to keep customer assurance high that their deposits are good, not only to hold off money for the institutions that are allowed to fail, but for the increase in FDIC Insurance Protection raised to \$250,000, which will benefit community banks going forward. What is NOT needed is the "equal" fair share of this assessment. That is just not right and we need to find a way going forward including this assessment to charge the major "to big to fail" banks a higher percentage premium. This assessment and the quarterly ones already being discussed will amount to over 20% of our net income in 2009, barring some unforeseen things such as loan losses not anticipated that might crop up. By doing this you are jeopardizing the community banks in a way that could be very detrimental to the safety of the 98% banks that you reported are in good standing and making money.

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