Ms. Sheila Bair, Chairman
Federal Deposit Insurance Corporation
550 17th St. NW
Washington, DC 20429-9990

Dear Ms. Bair:

I appreciate your efforts in seeking remedies to the shortfall in the FDIC fund, and being so transparent in regard to the various alternative solutions. However, I feel that the proposed prepay of future assessments is awkward, to say the least, and too time consuming. For decades now we have been telling our banking customers that their deposits are insured by the FDIC and backed by the full faith and credit of the U.S. Government.

NOW IS THE TIME TO BORROW FROM THE U.S. TREASURY

Many of us, as commercial banks, have been much maligned by the present economic debacle. In many cases the American taxpayer does not discern the difference in financial institutions. Whether it is AIG, Lehman Brothers, Goldman Sachs, Countrywide, Merrill Lynch, Bear Stearns, Credit Unions, or even a check cashing facility, we are all summarily construed as banks. For commercial banks to borrow from the U.S. Treasury now, is in the public's mind almost a preconceived solution to the FDIC's fund shortfall. Except for a few pundits' remarks, the fallout should be minimal.

[Reminds me of the automobile manufacturers concern about filing bankruptcy and the conceived injurious consequences to their brand names. To date I have not heard or seen any severe fallout to General Motors or Chrysler products.]

Going forward I would like to encourage you to not only activate and draw down on your line of credit with the U.S. Treasury but also be proactive and;

1. Establish a procedure of determining bank assessments based on total assets minus tangible net worth (reference Rep. Luis Gutierrez (D-ILL) sponsored bill H.R. 2897).
2. Begin establishing a floor to a bank’s capital of at least 15%. The last time I reviewed Wells Fargo's tangible net worth, before it received TARP money, I found it was only 3.00% --- about the same as Goldman Sachs.
3. Begin analyzing commercial banks by the degree of their systematic risk and charge assessments accordingly. As you know Camel Ratings are inadequate in determining a financial institution's failure or a global meltdown.

Our industry needs to change, and hopefully the above steps would put us on firmer ground when we face the next financial crisis.

Respectfully,
J. R. Dickson
CEO/Cashier