

**From:** John Babcock [mailto:jebabcock@thebankofelkriver.com]  
**Sent:** Tuesday, March 03, 2009 1:07 PM  
**To:** Comments  
**Subject:** FDIC Special Assessment

FDIC Board:

I would like to respectfully express my sincere concern and displeasure with the recent FDIC decision to level a special assessment on all community banks at the levels suggested by the board of the FDIC last Friday. I strongly believe that the amount of the assessment and the timing of payments require further review by the board. I listened director John Reich and agreed with his dissenting opinion. I think that the special assessment could easily push some banks into serious trouble, beyond what the market is presenting them currently. Consolidation seems eminent if the assessment is carried out as presented. I find it hard to believe that the FDIC would favor doing anything that would risk consolidation in the industry and ultimately present a barrier to access to credit when the economy is so weak.

I am willing to support and increase but to have such a huge increase and have it due essentially all at once is a burden that will be very difficult for our bank and many of the banks in my trade area. I have spoken to many bankers and there is serious concern that the assessment will actually slow down lending by taking the money that the banks could use to lend in the community "out of the system". The assessment will simply slow the access of credit on "Main St USA". I know from listening to officials in Washington DC that slowing access to credit is not their desired outcome. I urge you to further review the special assessment.

Community banks are the most efficient economic engine for small business in this country and now when the economy needs a boost community banks should be positioning themselves to meet the market not turn away from it. We as community bankers should be positioning our banks to help boost our respective trade areas and ultimately the country out of recession.

Our bank is willing to participate in boosting the FDIC reserves but not in the fashion originally suggested.

I greatly appreciate you attention to this letter and hope you will reconsider the special assessment.

Respectfully,

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