



J. D. Porter
CEO/Chairman

March 4, 2009

Federal Deposit Insurance Corporation
Attn: Sheila Bair, Chairman
Washington, CD 20429

RE: Special FDIC Assessment on Bank Deposits

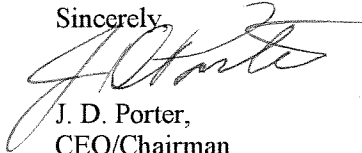
Dear Chairman Bair:

I have no argument with you in recognizing the importance of the FDIC insurance fund for the protection of depositors and consumer confidence (particularly if you leave the \$250,000 limit intact); however, it seems to me that there has been some shortsightedness on the part of the FDIC in realizing that the insurance fund has been disappearing at a very rapid rate over the past two years. The insurance pool was sufficiently funded two years ago, and now is in a serious crisis. Most of this problem has arisen from (what I consider) the larger Banks, over \$1 billion. We are a small Bank, \$62 million total, for which an assessment of 20 basis points at one time is a devastating expense. When the federal government is bailing out such banks as CitiCorp and BOA, the small, healthy community banks are expected to fund the FDIC insurance pool. On the special assessment, I believe that the large international banks should be assessed on their total international and domestic deposits or assets, as opposed to just their domestic deposits. Unless I am mistaken, the total deposits of those large international banks are covered with FDIC insurance, but they are only paying a premium on the domestic deposits. This is not fair to other banks.

Another point I would like to make is that a major expense is being imposed in one quarter of the year. If this is the only acceptable way to fund the insurance pool and we have five to seven years to do so, then surely we could have more time to pay the special assessment than one quarter.

Finally, in closing, small banks have been overburdened with regulation, which is supposed to be for all banks, large and small. We do not have the assets or manpower to meet some of these requirements. The powers that be do not seem to understand the difference between small community banks and large city banks. What you are basically stating is that although we have not caused this problem, we are expected to pay for it. This is blatantly unfair, the blame and the resulting remedy should be placed with the banks that caused of the problem.

Sincerely,



J. D. Porter,
CEO/Chairman

JDP/dlb

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