

**From:** Michael Pretorius [mailto:mpretorius@grantcostatebank.com]

**Sent:** Wednesday, March 04, 2009 8:38 AM

**To:** Comments

**Cc:** info@icba.org

**Subject:** Assessment

Ms. Bair et al,

I'm writing on behalf of Grant County State Bank, Swayzee, IN, population some 1500, and proudly provide banking to our community in the finest All American spirit. While a mere \$65M total assets, 2009 represents our 70<sup>th</sup> anniversary partnering with our customers. By all measurements, including a February completed FDIC Examination, the Bank remains sound, generates reasonable Shareholder return and is accomplished with minimal asset quality risk. In short, our Bank is truly representative of the vast majority of community banking operations. Having said this, given the magnitude of financial hardship being imposed through these various additional assessments was unable to sleep last night, and while I don't have a clue to the solution of your 'reserve ratio' dilemma, feel compelled this morning to share the following;

Confident many comments the FDIC receives will encourage revisiting such items as bringing more fairness to the premium assessment calculation, draw funding from the Treasury, or promote Congress to enact legislation allowing a material assessment on the largest 'systemic risk' operations. However, plead that you also consider the increased FDIC assessment strategy places our Bank at a distinct disadvantage related to local non FDIC insured credit unions. Not only are these credit unions not burdened with the proposed assessment financial burden, placing us at a distinct competitive disadvantage, credit unions are aggressively and presumably successfully marketing the fact they are NOT FDIC insured. Suspect this uneven competitive financial arena is not unique to our community, but is playing out across America.

Compelled to make one final comment, Grant County State Bank is proud of its' traditional common sense banking approach, and find Chairman Bairs' comment of assessment justification based upon community banks being "in over their head", as both offensive and untrue, as the February FDIC Examination concluded.