From: Paul Mello [mailto:pmello@solvaybank.com]
Sent: Monday, March 02, 2009 8:45 AM
To: Comments
Cc: Paul Mello; Paul and Sheila Mello < (avilion2@twcny.rr.com); Kevin Dattellas; Valerie Bartran; Donald Nickels; James Finochio
Subject: FDIC Special charge
Importance: High

To all those concerned:

I am the President & CEO of a $530 million bank in Syracuse, New York. We are well capitalized, very profitable, and did not take any TARP proceeds. We annually provide over $100 million in loans to a wide range of businesses, consumers and homeowners. We truly operate the way a main street bank should, safely and profitably, all with an focus on supporting the community in every way possible.

WE never issued a subprime mortgage, purchased private label CMOs or MBSs, or purchased FANNIE or FREDDIE preferred shares. Basically, we did what we were suppose to do.

This year we estimated that our FDIC insurance premiums were going to increase to $610 thousand, up approximately **$410 thousand** from 2008. While we were extremely disappointed that banks that operated very poorly, without prudent controls and with an eye for ever greater profits at the expense of everything else, were the source of the increase, we understood that all must share in the pain if this Country is going to move forward. However, the increases in premiums being proposed now will increase our costs another **$950 thousand**. This is not acceptable! Why should our Customers, Shareholders and Employees suffer further pain while other unsafe banking entities continue to be in existence with their executives still in control to run their insolvent companies! AT some point, someone will realize that these entities are too big to control and present such risk to our economic well being that keeping them intact will further compound mistakes.

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