

March 4, 2009

To Whom It May Concern:

I am writing this letter as a response to the FDIC Restoration Plan and Emergency Special Assessment.

If the FDIC reserve needs additional funding in order to be maintained the matter needs to be addressed as quickly as possible. As a Banker, I understand the need for maintaining the public confidence in our deposit system. However it is the equity of the assessment process that I am questioning.

As a Banker I see what the recession is doing to our small communities. We see the impact that Wall Street's greed and inattention to detail has caused, in ways that Wall Street could not begin to know or understand. They talk about losing millions and my customers are talking about low interest rates on deposits and how they are going to make ends meet on a fixed income. We have depositor's who lived through the 30's and knew what could happen. They planned well for their retirement, but could not plan on recent national developments which forced interest rates to their lowest level ever. This assessment will have the greatest impact on them, as once again Banks will be force to review and adjust their interest rates down in order to survive. These developments will trickle down to all areas of our community impacting family farms and small community business for years to come.

It doesn't seem fair that the burden of bailing out the nation will fall squarely on the people who had the least part in causing the problems. Small community Banks and a majority of the American taxpayers did things by the book and it is those people who will bear the brunt of TARP, this ruling, and recent government legislative decisions.

I would suggest that other means of shoring up the FDIC reserves might be looked into. I understand that there are banks that received TARP funds that now wish to return them. Why, can't those funds be returned, (plus interest) and then directed to the FDIC reserve? What about using a special assessment on the largest "systemic risk" firms? Why can't the FDIC tap funding from the Treasury? We seem to have no problem handing out extra money to the large firms that impact Wall Street. It would seem to me that the American public deserves the same consideration these independent large companies are receiving.

While none of the suggestions will fix the problem. Together they could go a long way in easing the assessment rate for small banks and allow them to continue to serve their communities in the best way possible.

Sincerely,

Carol K Loschen
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