From: Pam Gregio [mailto:tracy@wvsbank.com]
Sent: Wednesday, October 21, 2009 11:41 AM
To: Comments
Cc: 'David J Bursic'; 'Jonathan Hoover'
Subject: Prepaid Assessments, Proposed Rule - AD49

October 21, 2009

Mr. Robert E. Feldman
Executive Secretary
Attention: Comments
Prepaid Assessments
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, DC 20429

RE: RIN: 3064-AD49

Dear Mr. Feldman:

I am writing to express my serious concerns with the Federal Deposit Insurance Corporation's (FDIC) Notice of Proposed Rulemaking (NPR), that would require insured depository institutions to prepay their quarterly risk-based assessments for the fourth quarter of 2009, and for all of 2010, 2011 and 2012, on December 30, 2009, along with each institution's risk-based deposit insurance assessment for the third quarter of 2009.

Chairman Sheila Bair and the Board of the FDIC have once again decided that it is the responsibility of the community banks to pay for the irresponsibility of the unregulated mortgage brokers and investment banks on Wall Street. For over 100 years, West View Savings Bank has observed conservative underwriting standards and exercised prudent decisions. The large banks have caused a restriction in lending, while we remain open for business to serve our community. The FDIC's previous demand for increased assessment rates and the imposition of the special assessment have already placed an enormous burden on the very institutions that have continued to shore up the nation's economy. The Prepaid Assessment requirement will cause a ripple effect through out the economy as banks are forced to raise fees and rates in an effort to raise the funds necessary to pay the FDIC's latest demand.

When earnings are already under pressure in the face of unprecedented challenges, why further obstruct earnings and potentially deplete capital? Why are community banks being punished for operating in a fiscally responsible manner? The FDIC should access their line-of-credit with the U.S. Treasury. That is its purpose of the line; the amount will compare small in scale to what the Treasury has already spent in the name of stimulus.

Our Bank's estimated prepaid assessment will total $1,086.331. Our quarterly expense will rise dramatically, partly due to the unreasonable assumption that our deposit base will experience a 5% annual growth rate through the end of 2012. How will our deposit base grow if the FDIC severely hampers our ability to grow? FDIC insurance expense will increase from last year's annual expense of $80,000 to $371,559 in 2012. This increase will hurt our customers; rates and fees that will have to be assessed. This increase will hurt our shareholders; it is greater than the annual dividend paid to them. This increase will hurt our employees; it is approximately 22% of our annual payroll expense.

As a community bank we are willing to do our "fair" share to contribute to recapitalizing the insurance fund for the good of our communities and country. The FDIC is using the recent trend in resolution methodologies of loss sharing, but how can this prepaid assessment proposal be viewed as equitable sharing? The majority of the loss sharing should not be borne by the well-capitalized, hard working community banks. How is that "fair"?

Sincerely,

/s/ Pamela M. Gregio

Pamela M. Gregio
Corporate Secretary
West View Savings Bank
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Pittsburgh, PA 15237