

From: Patricia Clausen [mailto:Patricia.Clausen@NSCOMBANK.COM]  
Sent: Tuesday, March 17, 2009 11:56 AM  
To: Comments  
Subject: Assessments RIN 3064-AD35

Gentlemen:

There is plenty of blame to go around as to the cause of this economic disaster and we are all experiencing severe tremors in the after quake.

I am the President/CEO of a \$500 million community bank in northern Illinois. Our assessments have increased from \$343,000 paid in 2008 to a budget of \$640,000 based on the new assessment factors. The additional special assessment will have a huge impact on the earnings and capital strength of the bank. The increase in fees this year for FDIC insurance with a 10% special assessment is 210%. This can hardly be absorb by banks with asset size of less than \$2 Billion within a 6 month time frame. The Special Assessment will further impact the over capital structure of all banks.

Much of the TARP money has been disbursed to large publically traded banks. The infrastructure of the too big to fail banks has caused much of the financial panic in the market place accelerating concern for the banking sector. In light of the fact that most of the approved TARP funds have gone to the large bank and they are the same banks that have created the Systemic risk and equitable distribution of these premiums based on asset size is much more appropriate. It will also help preserve the capital position at the community bank level, the very banks that are still lending and assisting the communities in many ways.

For the last 17 months we have taken many action steps to reduce expenses and preserve capital. Our employees and management staff have not received an incentive bonus for the last 2 years (and by the way, our incentive plan always had a maximum, a claw back and paid only if an improvement in net income was attained). In March of 2008 we ceased future dividends. The employees did not receive a match or profit sharing contribution for 2008. I am sure that you can understand my frustration following regulations, making good sound business decisions and yet at the very top of the house they continue operate and have an extreme impact cost to all tax payers.

I am quite sure that you have heard these comments repeatedly but I believe our government is sending a message to all community bankers and the public that they just don't care about the smaller banks. Even Sheila Bair responded about the lack of concern for community in her 60 Minute interview. So how safe can my depositors and shareholders be.

Sincerely,  
P. A. Clausen