

From: Cesar Gonzalez [mailto:cesargonzalez@elsastatebank.com]

Sent: Tuesday, October 27, 2009 2:42 PM

To: Comments

Cc: bheitz@heritagerockbuilding.com

Subject: Prepaid Assessments, Proposed Rule-AD49

Gentlemen:

As a small community bank located in the Rio Grande Valley, we appreciate the opportunity to comment on the proposed rule.

We believe that the proposed one-time prepayment of FDIC premiums by the insured depositories is significantly less severe than one or more of the alternatives discussed in the proposed rule. We therefore support its adoption by the FDIC.

In your final consideration of this proposed rule, we respectfully request that you consider permitting an annual adjustment of a bank's prepaid assessment based on actual deposit growth or decline and on a bank's then existing ratings. This would result in rewarding banks that improve their condition and would also more accurately reflect a bank's current condition.

We also strongly encourage the FDIC to carefully consider the need to act quickly in addressing requests for exception under the proposed pre-payment rule. We believe that the proposed rule, when implemented, will cause significant liquidity problems for numerous financial institutions. Exceptions granted for these institutions will assist the overall recovery of the banking industry.

We appreciate your consideration of these comments.

Cesar Gonzalez

President/CEO

Elsa State Bank

Phone: (956) 487-3634

Fax: (956) 488-1680