

**From:** Kenton Meier [mailto:kmeier@firststatebanksw.com]  
**Sent:** Tuesday, March 10, 2009 5:56 PM  
**To:** Comments  
**Subject:** FDIC Special Assessment

I am writing this due to the concern that a FDIC special assessment will have a negative impact on the bank that I am employed and own shares through our KSOP plan. Our 2009 earnings already have been squeezed due to the anticipated increase of the quarterly FDIC premium to 12 to 16 basis points. In 2008 our FDIC insurance premium was \$40,000 and we have budgeted \$140,000 for 2009. The amount budgeted for 2009 may be light \$20,000. Plus if we add another \$130,000 for the one time assessment at 10 basis points, we are looking at a FDIC insurance premium expense for 2009 of \$290,000. This is an increase of 625%. Not to many businesses can afford to have an expense increase at this amount. It definitely puts a burden on the bank to remain profitable and to continue to lend to our customers in our community.

We are a conservative bank and watch our expenses closely. Adding the burden of the increased FDIC premium (which is out of our control) makes us feel like our attempt to keep expenses in line is useless.

I understand that insurance covers all that are in the fund and that all should pay into the fund, but when we and the majority of other community banks did not cause the situation we are in, that we should not have to pay for the greed and incompetence of the to large to fail banks that risked the whole banking system with the decisions they made. It just doesn't seem fair that community banks may now be put at risk with having to use such a high percentage of our income on the FDIC assessments.

There should be a systemic-risk premium for the large banks to pay for the substantial risk of insuring these institutions.

Thank you for letting me comment on the FDIC special assessment.

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