

From: Michael Hinkle [mailto:mhinkle@csbchx.com]  
Sent: Wednesday, October 28, 2009 3:36 PM  
To: Comments  
Cc: lsp@csbchx.com  
Subject: FDIC Proposed Prepaid Assessment Plan:

To Whom It May Concern:

I am writing to comment on the FDIC's Proposed Prepaid Assessment Plan.

Charlevoix State Bank operates in a highly seasonal environment. Our deposit levels at the end of the third quarter are consistently higher than our annual average deposit level. This is due to our "summer resort" oriented economy and the tax collection activities of municipal depositors. If the proposed assessment is based on a "snapshot" of deposits for the third quarter rather than an annual average, Charlevoix State Bank will be unfairly penalized for the seasonal economy it operates in.

I understand the assessment will eventually be used up based on actual levels of deposits over the next three years, but no bank should have to bear a disproportionate share of this non-earning asset burden because it operates in a seasonal economy. Nor should a bank benefit from the assessment occurring during a period of low deposit levels do to seasonality (as I suspect some southern banks may).

Utilizing an annual average of deposits is the only "FAIR" way to calculate a prepaid assessment amount.

Thank you for your consideration. Mike Hinkle

Michael R. Hinkle, President & CEO  
Charlevoix State Bank  
mhinkle@csbchx.com