BANK OF KENOSHA
LOCAL SERVICE. LOCAL SOLUTIONS

(262) 657-BANK (2265)

September 13, 2006

Robert E. Feldman, Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
500 17th Street SW
Washington, D.C. 20429

Re: Deposit Insurance Assessments 12 CFR Part 327, RIN 3064-AD09

Dear Executive Secretary Feldman:

As a state-chartered bank organized in the second quarter of 2000, Banks of Wisconsin would fall into the FDIC's recent definition of a de novo bank and thus be subject to its proposed assessment rule, which may result in higher assessments for banks such as ours. I urge you to reconsider the blanket determination of assessments based upon non-quantitative factors, such as the bank's age. This seems to be a departure from the FDIC's philosophy, whereby insurance assessments are based upon each bank's individual risk of failure. While a bank's age could contribute to the likelihood of failure, there are certainly more appropriate factors on which to base such risk estimates and the resulting assessments. An example would be the CAMELS ratings, which are going to be used by your agency in all cases outside of your defined "de novo" bank category.

Truthfully, I do not have statistical proof of the following statement, but I would suggest that de novo banks are less likely to fail due to the increased scrutiny placed upon them by multiple regulators, as well as the recent increased capital contribution requirements. It would seem that a consistent, quantified approach in determining the assessment for each bank would be considered as more fair and would appropriately assess banks based upon their individual, identifiable risks.

I along with many other community bankers would ask the FDIC to reconsider the random application of these assessment calculations, as it will penalize many healthy institutions, and will contribute to an unfair advantage provided to those banks not considered as de novo. Thank you for your reconsideration.

Sincerely,

W. Thomas Carls
Executive Vice President

Cc: Jim Cheesen, American Bankers Association

Main Office:
5117 Green Bay Road, Kenosha, WI 53144
P.O. Box 548, Kenosha, WI 53141-0548
Fax: (262) 653-1018

South Office:
8056 39th Avenue
P.O. Box 548, Kenosha, WI 53142
Fax: (262) 925-0220

West Office:
7201 120th Avenue, Suite 6
Kenosha, WI 53142
Fax: (262) 857-2223