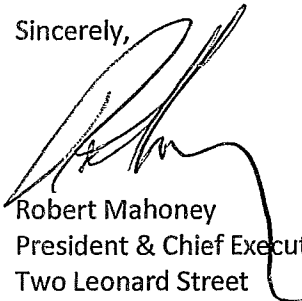


While we understand the methodology and the wisdom of using proxies for risk, sometimes proxies create unintended outcomes. According to the American Bankers Association, we are the most extraordinary example they have seen of that unintended outcome.

These additional costs if implemented would curtail or eliminate new investments, staff additions and our local philanthropy. We understand that upwards of 90% of the Banks less than \$10B would see a reduction in their costs and we believe it unfair, with our profile, that our FDIC expense would double. Actually FDIC insurance will become our 3rd largest expense line after salaries and data processing costs. I encourage you or your team to reach out to me directly to discuss this serious matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Mahoney', with a long, sweeping underline that extends to the right and then loops back down.

Robert Mahoney
President & Chief Executive Officer, Belmont Savings Bank
Two Leonard Street
Belmont, MA 02478
617-484-0628

cc: Michael Leonard, FDIC, Boston Office