

Fulton Financial Corporation

JAMES E. SHREINER
SENIOR EXECUTIVE VICE PRESIDENT

July 30, 2009

Via E-Mail to: Comments@FDIC.gov

Mr. Robert E. Feldman, Executive Secretary
Federal Deposit Insurance Corporation
550 17th St. NW.
Washington, DC 20429
Attn: Comments

RE: 12 C.F.R. Part 370 – RIN 3064-AD37
Transaction Account Guarantee Program

Dear Mr. Feldman:

I am Senior Executive Vice President of Fulton Financial Corporation (“Fulton”), a financial holding company headquartered in Lancaster, Pennsylvania (NASDAQ: FULT). Fulton has ten depository institution subsidiaries, operating more than 265 branch offices in Delaware, Maryland, New Jersey, Pennsylvania and Virginia through the following affiliates: Fulton Bank, Lancaster, PA; Swineford National Bank, Middleburg, PA; Lafayette Ambassador Bank, Easton, PA; FNB Bank, N.A., Danville, PA; Hagerstown Trust Company, Hagerstown, MD; Delaware National Bank, Georgetown, DE; The Bank, Woodbury, NJ; The Peoples Bank of Elkton, Elkton, MD; Skylands Community Bank, Hackettstown, NJ and The Columbia Bank, Columbia, MD (collectively, the “Banks”). In this letter, Fulton and the Banks will be collectively referred to as Fulton.

Fulton appreciates the opportunity to comment regarding the proposed alternatives for the orderly phase-out of the Transaction Account Guarantee Program (TAG). Initially, we want to express our appreciation for the quick and decisive action that the FDIC took during the fall of 2008 to sustain consumer and business confidence in the banking system by extending unlimited insurance coverage to non-interest bearing checking accounts. We believe this was a critically important step in helping us and the industry retain much needed core funding so vital to making loans available to credit-worthy borrowers in the communities we serve in the mid-Atlantic region of our country.

Thankfully, much has changed for the better in the financial services industry since this additional coverage was made available to depositors. Normalcy has returned to the markets and the level of fear regarding the safety of deposited funds has decreased considerably. We are fortunate to have a sound capital foundation and strong balance sheet that we believe the public

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Page 2 of 2

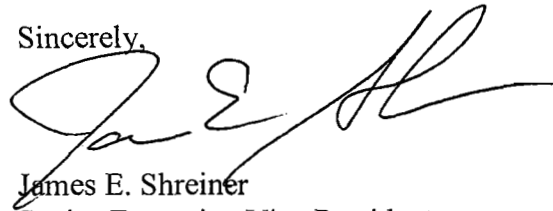
recognizes and appreciates. In fact, we have experienced strong deposit growth in each of the preceding three quarters.

As a result of these improved business conditions, Fulton encourages the FDIC to make no changes whatsoever to the current provisions of the TAG program (Alternative A), thus allowing FDIC deposit insurance coverage to return to current regulatory levels as of December 31, 2009. Frankly, we do not see significant benefit to extending TAG coverage for an additional six months. More importantly, we do not feel that there would be an exodus of consumer and business core deposit balances from Fulton if the program were not extended.

Moreover, we are of the opinion that weaker banks that may urge extension of the TAG provision in order to shore up customer deposit balances, do so at the expense of safer, more risk-averse financial institutions.

Again, Fulton appreciates your careful consideration of this issue and urges you to allow the TAG program to expire on the date originally established, December 31, 2009.

Sincerely,

A handwritten signature in black ink, appearing to read 'James E. Shreiner', written over the printed name.

James E. Shreiner
Senior Executive Vice President
Fulton Financial Corporation