



July 29, 2009

Robert E. Feldman
Attn: Comments
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Re: RIN #3064-AD37

Dear Mr. Robert E Feldman;

This letter is in regards to comments on the possible extension of the Transaction Account Guarantee Program (TAG). We believe that an additional twelve month extension to the TAG program is needed. Depositors are still leary of non-bank investments and are looking for the safety of insured depository institutions (IDIs). The variability of the economy is still reality to many individuals and municipalities. Extending the TAG program would encourage depositors to continue to feel safe with their deposits. Allowing for the extension until December 31, 2010 would assist depositors to get through this unusual economic environment. It would also give the IDIs a reasonable amount of time to implement an exit strategy on the TAG program.

The FDIC-guarantee for NOW accounts should retain the current rate ceiling of 0.50 percent. Actions to lower this rate would give depositors a reason to look elsewhere; possibly at riskier investment options. This would provide an acceptable rate of return to investors while keeping the cost of deposits relatively low for IDIs. Keeping the rate at 0.50% would leave room for unforeseen changes in short term interest rates (Fed Fund futures currently show the Fed Fund Target Rate to increase to 0.50% by March of 2010).

The TAG fees should not be raised to 25 basis points at this time. Additional costs may cause banks to opt out of this program. Increasing TAG fees puts additional burden on banks' earnings in an already challenging banking environment. We would be supportive of a risk-based methodology for fees if the program is extended beyond 2010.

Thank you for the opportunity to comment on this important topic for depositors and banks.

Sincerely,

A handwritten signature in black ink that reads 'Tom Papenthien'.

Tom Papenthien, CFA
Executive Vice President