

September 18, 2006

Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 Seventeenth Street N.W.
Washington, D.C.

Re: Commentary on the Proposal to amend Regulations for Risk-Based
Premiums on July 24, 2006. RIN 3064-AD09

Dear Mr. Feldman:

I have read the FDIC proposal regarding the assignment of Risk-Based Premiums. I am troubled by some of the statements included in this notice and I am concerned that there is a potential for a harmful public perception for “de novo” banks who are less than seven years old.

If I have correctly interpreted the notice, banks who are less than seven years old are to be assessed a higher premium than those banks who have been open longer, with no consideration given to the de novos performance. My Bank, The Bank of Venice, opened in January 2003. As I am certain you know, a “de novo bank” goes through a pre-opening exam, a six month exam, and an annual exam for a period of three years. In our case, the examinations were alternately performed by the FDIC and the State of Florida and our Board of Directors was very pleased with the results. The Bank was profitable in less than two years, our total risk-based capital ratio is in excess of 18%, we have competed very well with the banks in our area, and I believe that we are a very valuable asset to our community.

One of the statements in the notice was that there is a higher rate of failure with “de novo” institutions that are less than seven years old. Perhaps that statement was true many years ago but I feel that because of higher capital requirements and examination frequency by bank regulators and directors CPA audits, this may not be true today. In fact, I am advised by one of our trade associations that there were no bank failures in banks chartered in the last seven years.

Finally, I am concerned that if the public were to perceive that a bank less than seven years old is not as safe as one which is older, which is implied in the comments, that the potential of great harm to the “de novo” bank could occur.

The Bank of Venice does not desire any special treatment from the FDIC. We are simply asking that our performance be given consideration as well as our age. We feel that a de novo bank be judged on the same rating scale as all other banks.

Thank you for allowing us the opportunity to comment on this proposal.

Very truly yours,

David F. Voigt
Chairman & CEO