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President and CEO

July 19, 2010

Mr. Kenneth R. Feinberg
Administrator
Gulf Coast Claims Facility
1455 Pennsylvania Ave, NW
Suite 390
Washington, DC 20004

Dear Mr. Feinberg:

I want to thank you for undertaking the critically important task of administering the Gulf Coast Claims Facility. The credibility you bring to this task is essential to its success and the future viability of the communities of the Gulf Coast. As you sort out the logistics of setting up the \$20 billion claims fund, I commend to you the community banks of the Gulf Coast and strongly recommend that you make exclusive use of these banks as depositories of the funds. Doing so would allow the funds to be used by these banks to invest in struggling communities as well as to pay claims. It would also enhance the integrity of the process and thereby make its success more likely.

The community banks of the Gulf Coast have deep roots in the communities that have been devastated by the oil spill. The health of these local institutions – many of which are struggling from the compounded impact of the recession and the oil spill, in addition to the lingering effects of Hurricanes Katrina and Rita – is vital to the recovery of the area. The funds of the Gulf Coast Claims Facility could bolster the health of these institutions, which in turn would strengthen the local economies.

The Federal Reserve and other federal bank regulators have urged banks along the Gulf Coast to work with borrowers affected by the oil spill by restructuring loans, waiving late payment charges, extending credit on favorable terms. The community banks of the Gulf Coast are willing and eager to do so. Their borrowers are friends and neighbors as well as customers, and the resources of the fund will help these banks to be more flexible with them. In this way, the fund could do double duty – paying claims to victims and at the same time helping to strengthen local community banks, which would result in new credit to area businesses and individuals.

Because the interests of community banks are intertwined with the communities they serve, their involvement would lend integrity to the process and strengthen public confidence. ICBA urges you to give serious consideration to this proposal, and stands ready to assist you with its implementation.

Thank you for your consideration.

Sincerely,

/s/

Camden R. Fine
President and CEO