

From: The First National Bank of Eagle Lake, Sam Kana

Subject: Reg D, Q, & DD

Comments:

Paying interest on business checking accounts will significantly hurt our \$92 million Community Bank. Over 27% of our deposits are non-interest bearing checking accounts. This current cost advantage, offsets the economies of scale received by the regional banks, and adds value to our franchise. We continue to absorb the continuing cost of additional regulations, and wonder when the added expenses will slow. Numerous small banks are being forced into selling out as a direct result of regulatory changes. This proposal will eliminate competition.

Sam Kana
The First National Bank of Eagle Lake