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DEBORAH C. WRIGHT
Chairman & CEO

November 13, 2008

Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th St. N.W.
Washington, DC 20429

Re: RIN 3064-AD35-Notice of Proposed Rulemaking on Risk-Based Assessments

Dear Mr. Feldman:

I am the Chairman and CEO of Carver Federal Savings Bank, which has \$788 million in assets and 10 branch offices in New York City's inner city communities. On October 16th, 2008, the Federal Deposit Insurance Corporation's (FDIC) issued a notice of Proposed Rulemaking (the "Notice") proposing significant changes to its deposit insurance assessment regulation. The Notice invites interested parties to submit comments and, on behalf of Carver Federal Savings Bank, I welcome the opportunity to provide our views.

We have a concern that the proposal does not differentiate CDARS Reciprocal deposits from traditional brokered deposits and believe that there are factual differences to support the FDIC's exclusion of CDARS deposits from the definition of brokered deposit for purposes of the adjusted deposit ratio and the brokered deposit adjustment. Carver is in fact utilizing CDARS to attract larger deposits from our existing customers and to attract new customers including socially motivated entities.

The Certificate of Deposit Account Registry Service (CDARS) is a service that enables us to provide our customers with FDIC insured certificates of deposit through the CDARS network. When a customer places a large deposit with a Network Member, that bank uses CDARS to place the funds into CDs issued by other banks in the network. This occurs in increments of less than \$100,000 so that both principal and interest are eligible for complete FDIC protection. Other network members do the same thing with their customer's funds. Our bank relies on CDARS deposits as a stable source of core funding. CDARS is also the only route to larger deposits from socially motivated customers (foundations, corporations and government agencies). As over 80 percent of our deposits are reinvested in loans, these deposits are a critical part of our ability to expand lending in low and moderate income

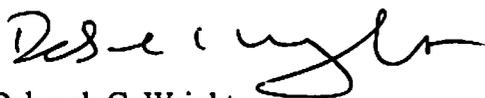
neighborhoods. This fact is compounded by the limited savings capacity in our neighborhoods. The federal cap on brokered deposits thereby limits our ability to grow.

As far as we can determine, the Notice does not provide any reason for categorizing CDARS deposits as brokered deposits, other than CDARS Reciprocal is reported as brokered deposits in call reports. It would be a simple matter for our bank to separately report its CDARS holdings if this would allow an exemption of CDARS Reciprocal from the brokered deposit definition.

In closing, we believe the FDIC should exclude CDARS deposits from the definition of brokered deposit for purposes of the adjusted deposit ratio and the brokered deposit adjustment. Further, we call on the FDIC to amend the definition of brokered deposits, as it is currently used in the Federal Deposit Insurance Act so that CDARS deposits are accurately categorized as the stable source of funding that they are.

We appreciate the opportunity to comment on the FDIC's proposed regulation.

Sincerely,



Deborah C. Wright
Chairman & CEO

CC: Sen. Hillary Rodham Clinton

476 Russell Senate Office Building
Washington, DC 20510

Sen. Charles Schumer

313 Hart Senate Office Building
Washington, DC 20510

Rep. Charles B. Rangel

2354 Rayburn House Office Building
Washington, DC 20515