

September 13, 2011

Mr. Jason Tepperman
Director
Small Business Lending Fund
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Dear Mr. Tepperman:

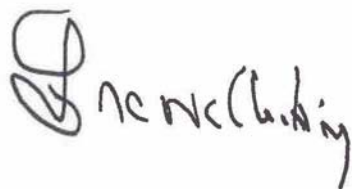
Thank you for your diligent efforts and work in administering the Small Business Lending Fund (SBLF). As you know, the American Bankers Association (ABA) supported the formation of this program, and we did so out of our strong belief that community banks play a major role in meeting the needs of small businesses and participating in the creation of jobs in America.

At the outset of the program we recognized that the success of the SBLF would depend in part on whether those banks that can benefit the most would be allowed to participate. We were particularly eager to see viable banks that are located in the hardest-hit parts of this country—where economic growth is most needed—be allowed to enroll in the SBLF. These banks in economically challenged areas are the ones likely to have the greatest impact in using these funds to help finance small businesses in their communities.

Since its inception a large number of banks submitted applications to participate in the SBLF. This significant showing is a clear demonstration that community banks throughout the country are committed to promoting small businesses in their communities. With any government program there is an understanding that not all institutions that apply may be approved. Given the importance that Congress attached to this program as an instrument for enhancing the resources available for economic growth, we are concerned that many banks that submitted applications at the outset of the program have only recently been given notice of rejections. Moreover, these rejections offered very little, if any, detail on the reasons for their application denials or opportunity to address issues raised so that they ultimately could qualify. We strongly encourage Treasury, in concert with the respective federal banking regulators, to take advantage of the time remaining before the program expires to optimize banker participation, including providing a more detailed explanation of the Treasury's concerns and how banks might address those concerns and be able to participate in this initiative. We are eager that the SBLF not fall short of achieving its potential.

Thank you in advance for your attention to this matter. We look forward to hearing from you.

Sincerely,



Frank Keating