

From: Carnahan, Pam [mailto:pcarnahan@franklinfederal.com]
Sent: Tuesday, May 10, 2005 2:44 PM
To: Comments
Subject: lettertofdic.doc

May 9, 2005

Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

Attention: Comments/LegalESS

RE: Community Reinvestment
RIN number 3064-AC89

Dear Sir:

Franklin Federal Savings and Loan Association is pleased to comment in support of the federal banking agencies' proposal to define a small institution for Community Reinvestment Act purposes as an institution with less than \$1 billion in assets. We believe this change will provide much needed regulatory burden relief for community banks and thrifts. Community bankers, such as ourselves, would prefer to use our available resources to serve the community directly through our lending and investments as opposed to using them for data collection and documentation to "prove" that community needs are indeed being met. Allowing community banks and thrifts to invest more time, more financial resources, and more human capital directly in the community will help those who need it most.

Franklin Federal takes compliance with the Community Reinvestment Act very seriously; we strongly believe that CRA is not only the right thing to do but also the right business thing to do. As community bankers, we strive to work with our customers to provide the mortgage loan products and services that best meet their credit needs, and we do not believe community banks and thrifts need a complicated examination process to demonstrate compliance with the Community Reinvestment Act.

We appreciate your efforts to help community banks and thrifts solve the conflict that sometimes arises in trying to comply with a regulation and yet meet the needs of their communities. Serving the needs of our community is why we are in business. We strongly urge you to amend the definition of a small institution for CRA purposes to be an institution with less than \$1 billion in assets, regardless of whether the institution is part of a holding company. This is a good step, and we strongly support your proposal. Thank you for the opportunity to comment on this proposal.

Sincerely,
FRANKLIN FEDERAL SAVINGS AND LOAN ASSOCIATION OF RICHMOND
Richard T. Wheeler, Jr.
President and Chief Executive Officer