

November 10, 2008

Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street Northwest
Washington, DC 20429



SUBJECT: RIN 3064-AD35 – Notice of Proposed Rulemaking and Request for Comment Deposit Insurance Assessment Rates-Secured Liabilities

Dear Mr. Feldman:

Thank you for the opportunity to comment on the proposed amendment to 12 CFR 327, specifically relating to the proposal for an increase in deposit premiums on institutions that use secured liabilities.

Fidelity Bank is a locally owned institution with our roots in the communities that we serve. We currently have assets of \$1.7 billion, and 25 branch locations serving both Kansas and Oklahoma. Fidelity Bank has historically relied on FHLBank advances not only to augment our deposit funding sources, and thus expand our ability to meet the credit needs of our customers, but also to manage the interest rate risk of our balance sheet through liability extension and matched funding.

We have found that FHLBank advances are a useful and important source of liquidity, particularly when the environment is as uncertain as is currently the case. The assessment of an insurance premium on FHLBank advances would cause us to consider other more volatile, less reliable sources of funding most likely at increased expense. Additionally, the increased cost of this reliable source of funding could have the unintended result of decreasing our lending presence at a time when other federal initiatives have been taken to encourage credit expansion.

Another unintended consequence of penalizing the use of FHLBank advances would be to adversely impact the operations of the FHLB, whose investors are the very ones that use them. A reduction in FHLBank earnings will cause them to reduce their participation in Affordable Housing Programs and also diminish the value of their member banks' investment at a time when enough pressure exists on banks' investment portfolios.

I believe that penalizing institutions that rely on secured debt to augment their funding needs would disrupt the current business model of many healthy institutions at a time when other challenges to maintaining a healthy profile are great.

For these reasons we request that the FDIC withdraw the Proposed Rule and delay increasing assessments rates and any system overhaul until the end of 2009, at which time all parties will have a better picture of the success of other federal intervention tactics. Thank you for the opportunity to comment on the proposed amendment.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce Wingers".

Bruce Wingers
EVP/Chief Financial Officer