



DARRELL R. GOTTSCHALK  
President/CEO

# FIRST FEDERAL Savings and Loan

*Serving the Region . . .  
For the Mutual Benefit of Us All*

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

Dear Mr. Feldman:

I would like to comment on the proposed 20 basis point FDIC assessment, which would be collected September 30, 2009.

First Federal is a small financial institution in a rural area. We are committed to serving our community and our customers. The proposed 20 basis point assessment would have a very negative impact on our earnings, especially, when we are operating on smaller margins and an uncertain future with the current economy. While we are trying to operate in a more efficient manner, the 20 basis point assessment, along with the increased FDIC insurance premium effective April 1<sup>st</sup>, will possibly eliminate our earnings for the year.

We are fortunate to have adequate capital at this time, but how many institutions will become insolvent because of the 20 basis point assessment. Any institutions closed will add to the problem rather than part of the solution.

I feel the FDIC should consider accessing the line of credit the FDIC has with the Treasury or issue long term bonds backed by the FDIC, which could be repaid over an extended period of time. This would have a much less severe impact on the immediate earnings of financial institutions and would have a further negative impact on the economy.

I would, also, like to support H.R. 1349, which would create a new Federal Accounting Oversight Board. I feel the strict adherence to market to market accounting has greatly exaggerated the current economic crisis.

I appreciate you considering my comments, which I feel would be beneficial to financial institutions who did not create the problem.

Thank you for your consideration.

Sincerely,

Darrell R. Gottschalk,  
President/CEO

DRG/kkl

CC:

U.S. Senator Sam Brownback  
U.S. Senator Pat Roberts  
U.S. House Representative Jerry Moran