



**Bankers' Bank
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Member FDIC

October 26, 2009

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

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave., NW
Washington, DC 20551
Docket No.: OP-1369

Office of the Comptroller of the Currency
250 East Street, SW, Mail Stop 2-3
Washington, DC 20219
Docket ID: OCC-2009-0013

Re: Correspondent Concentration Risk Proposed Guidance

Dear Sirs/Madams:

Bankers' Bank of Kansas, N.A. (BBOK) is appreciative of this comment opportunity pertaining to the above referenced proposal. BBOK is also aware that the Bankers' Bank Council has submitted a recent comment letter regarding the same proposed guidance. As a member of this council, BBOK is supportive of the modifications and clarifications requested in this correspondence.

In particular, BBOK supports the council's observations (with our own additional commentary) as to the following concerns:

- **The restrictive nature of the proposed guidance as it relates to the associated Regulation F.** This is particularly true regarding the number and associated burden of additional benchmarks required for respondents in performing a heightened correspondent analysis.
- **Uniformity of guideline application.** A concern exists that the proposed guidance could be unfairly levied toward the bankers' bank community or other smaller scale correspondents. The bankers' bank model has seen a considerable rise in prominence over the last two decades by successfully serving the needs of community banks while not competing with them. The root of the concern is that the proposal could lead to a disruption of many well established and prudently managed correspondent relationships across the country.

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- **Uncertainty of Loan Participation Restrictions.** In this area, BBOK endorses the statement of the Bankers' Bank Council: "...this restriction appears inconsistent with correspondent bank concentrations and, furthermore, should be addressed at safety and soundness examinations under existing guidance."
- **Insufficient Comment Period.** BBOK believes that the comment period ending October 26, 2009 for guidelines proposed as recently as September 18, 2009 is insufficient to fully examine the impact of the guidelines, considering their potential magnitude. We respectfully request an extension of this period to allow additional research time.

Additionally, a concern exists that certain language in the guidance, such as the citing of a 5 percent liability threshold and/or the 25 percent of Tier 1 capital as suggested concentration benchmarks, could be variously interpreted in an examination setting to be definite caps in a banking relationship. The use of guidance in this regard is appreciated, but flexibility in such applications would be a necessity, and in a predominance of cases we believe existing guidance has proven sufficient.

If further discussion in any of these areas would be helpful, I would welcome the opportunity. Please contact me at 316-681-2265, or bschriefer@bbok.com for further clarification.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce Schriefer". The signature is written in a cursive, flowing style.

Bruce Schriefer
President/CEO