

From: Lou Ella Farler
Proposal: 1429 (RIN 7100-AD80) Reg LL & MM - Savings and Loan Holding Companies
Subject: Reg LL & MM Savings and Loan Holding Companies

Comments:

October 21, 2011

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington DC 20551

Re: Comment of Proposed Ruling on Section 239.8(d) of Regulation MM

Dear Ms. Johnson:

I appreciate the opportunity to comment on the proposed rule regarding the waiver of dividends to Mutual Holding Companies (MHCs).

I believe that it is within the fiduciary duties of the MHC to waive dividends on the MHC shares. These shares represent no investment in the company, whereas I have made an actual investment, both monetarily and otherwise.

The suggestion that insiders, including the ESOP, should not receive dividends is unfair. Banking has been my life for over 35 years. My ESOP is part of what I am depending on when I retire. I have made many sacrifices and have worked very hard to get to where I am today.

Congress, with the Dodd-Frank Act, intended for MHCs to be able to continue to waive dividends. Most MHCs, including ours, converted to this form of ownership because the dividend waiver was available.

It is my sincere hope that the Board will reconsider its proposal and conform to the intent of Dodd-Frank.

Sincerely,

Lou Ella R. Farler
First Federal Savings and Loan Association