

FDIC

Federal Deposit Insurance Corporation
Washington, DC 20428

Office of the Director
Division of Accounting and Corporate Services

February 20, 1992

Mr. Jerome H. Powell
Assistant Secretary, Domestic Finance
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Dear Mr. Powell:

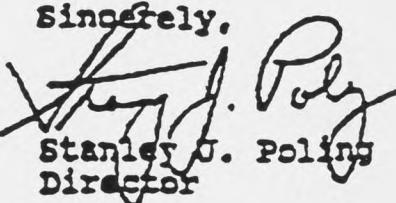
As of December 31, 1991, the Savings Association Insurance Fund (SAIF) is reporting a negative net worth of \$20,713,000 due to losses recognized from the failure of a financial institution for which the SAIF had a share of financial responsibility.

Section 11(a)(6)(F) of the Federal Deposit Insurance Act (12 U.S.C. 1821 (a)(6)(F)) states that the "Secretary of the Treasury shall pay to the Savings Association Insurance Fund, for each fiscal year ... [beginning October 1 of 1991 through 1999], any additional amount which may be necessary, as determined by the Corporation and the Secretary of the Treasury to ensure that such Fund has the minimum net worth referred to in [the table included as part of this provision] throughout each ... fiscal year [noted above]...." The minimum net worth prescribed in this section of the FDI Act for the fiscal year beginning October 1, 1991 (i.e., fiscal year 1992) is zero.

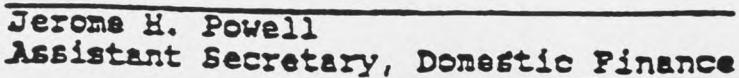
Section 11(a)(6)(J) of the FDI Act (12 U.S.C. 1821 (a)(6)(J)) states that "[t]here are authorized to be appropriated to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of this paragraph [subject to certain limitations]...."

Accordingly, we request that the Treasury acknowledge its obligation to fund the aforementioned SAIF net worth deficiency by signing the concurrence line below and returning this letter to me as soon as possible. Based on your concurrence, we will establish a receivable from the U.S. Treasury for \$20,713,000, which will bring the SAIF's fund balance to zero as required by law.

Sincerely,


Stanley J. Poling
Director

Concur:


Jerome H. Powell
Assistant Secretary, Domestic Finance