



Home Federal

SAVINGS AND LOAN ASSOCIATION of NILES

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Information Collection Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street, N.W.
Washington, DC 20552

February 7, 2003

RE: TFR Revisions, OMB No. 1550-0023

The purpose of this letter is to document our concern and objection regarding the Office of Thrift Supervision's (OTS) proposal to shorten the filing deadlines for the TFR, including Schedules HC and CMR.

The contention by the OTS that earlier filing dates should not "create a significant burden on the industry" is overly simplistic. Such a blanket statement fails to take into account the resource limitations of smaller OTS regulated institutions, especially those that are also publically traded companies. These publically traded companies also have Securities and Exchange Commission (SEC) reports (10-Q, 10-K, etc.) completion requirements overlapping the TFR and CMR filing deadlines. Furthermore, various shareholders communiqués, such as annual reports, proxy statements and press releases are also prepared within the aforementioned time frame. Often, the same staff that completes the TFR and CMR also completes the SEC reports and shareholder communiqués.

Larger institutions can more easily add staff or reassign existing staff to aid in the compilation and completion of the TFR and CMR. However, most smaller institutions do not have extra staff to reassign and would find hiring additional, experienced and relevantly educated staff for this capacity as cost prohibitive.

Many smaller institutions are also significantly involved in construction lending and the purchase of loans and loan participation interests. Such loans are often maintained off-line (manually) without the benefit and efficiency of an electronic data processing system. Compilation of these types of items for both TFR and CMR purposes is extremely time consuming.

Smaller institutions usually do not have in-house data processing systems and instead rely on data service providers. Such dependence can also lead to potential problems, because delays and problems experienced by the service providers are totally beyond the control of the institution.

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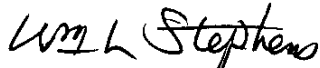


Additionally, smaller institutions are often totally dependent on third-party sources regarding the financial modeling and scenario analysis of certain financial instruments for CMR purposes. These instruments include collateralized mortgage obligations, U.S. Callable Agency Securities and FHLB Advances, among others. While such financial instruments may seem esoteric and not used by smaller institutions, the case is often to the contrary. The time involved for data collection and subsequent submission to third parties followed by their financial modeling for such financial instruments would be severely constrained under the new deadline proposals.


Lastly, many institutions, including those under the jurisdiction of the OTS, are also dependent on brokerage and investment firms to transmit information on securities values and other investment balances at the end of each month. These transmittals often take up to week or longer for the institution to receive, putting further constraints on an earlier TFR filing deadline.

Our counter proposal to TFR Revisions, OMB No. 1550-0023, is for OTS regulated institutions that have \$300 million in assets (or some other reasonably determined asset level) would be exempted from the new deadline proposals. If such a "tiered" reporting system is not acceptable, than reporting deadlines should be left at current time periods for the entire industry.

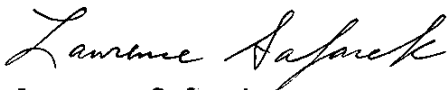
Sincerely,



William L. Stephens
President, CEO & Chairman



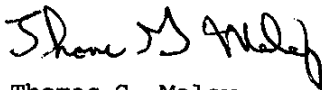
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