November 2, 2011

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

RE: Comment on 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, as in the opinion of our previous regulating body, it makes sense to waive dividends on the MHC shares. These shares represent no investment in the company, whereas I, at considerable sacrifice, took the risk of borrowing, cashing in insurance policies, and using retirement funds to invest in the company based on the rules as they were at the time. As a now -retired investor, I count heavily on dividends to supplement my retirement income. My decisions to invest and to retire were based on calculations based on the aforementioned approval of the dividend waiver. I ask how you or anyone else would feel to have the rules of your future income be changed detrimentally, especially when it is not a situation where the rules or my intentions were based on unfair, illegal, or greedy intentions.

As directors and as depositors of an MHC- subsidiary, I and my fellow directors committed to make significant investments before any of the depositors who were solicited. I believe our commitment is an important reason for the success of the offering.

Congress, with the Dodd-Frank Act, intended MHCs to be able to continue to waive dividends. Most MHCs, including ours, converted to this form of ownership because the dividend waiver is a counter-weight to the lack of a take-out premium that most MHCs experience with their stock.

Some of the reasons that not allowing dividend waivers would be detrimental to our MHCs business and its investors and customers are:

1. The MHC has no function and no ability to utilize dividends paid to it.
2. The MHC's receipt of dividends will result in unnecessary taxation.

3. This action would further damage the ability of bank stocks to attract investors in the future. The fiduciary duty to the mutual members is not served by damaging the value to the overall company.
4. Any requirement to obtain a depositor vote will be costly, time-consuming, and will result in mass confusion among the depositor members of the institution.

Thank you for your consideration in this matter. I hope that the end result will be one of logic, fairness, and honor, where the final decision will uphold the rules under which our MHC was created. I would welcome any response or questions you might have of myself or our company.

Danny A. Garland

Danny A. Garland
Director, First Federal Savings Bank of Frankfort, KY
Subsidiary of Kentucky First Federal Bank, MHC