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CWA
8/27/99

August 25, 1999

Cynthia L. Johnson
Director, Cash Mgmt Policy & Planning Div.
Financial Management Service, Room 420
401 14th Street, SW
Washington, D.C. 20227

Re: Response to proposed amendment to TT&L rate of interest

Dear Ms. Johnson:

We began participation in the TT&L Investment Program in order to achieve a spread on funds borrowed versus funds invested. When the interest rate paid in the program is 25 basis points less than the Fed Funds rate, we are able to achieve the 25 basis point spread on our note balances. Without the spread, our participation would probably not be continued.

However, there would be advantages to a program whereby the note balances would have a guaranteed term. Our interest in that program would be dependent on the rate of interest, the length of the term, ceilings, etc.

Our primary objective is to participate in borrowing and lending activities that ultimately profit our institution. If that objective is not achieved, other activities are merely overhead, and where possible, we strive to eliminate unnecessary overhead activities.

We hope this reply is responsive to your request. We will be happy to answer any questions you may have.

Sincerely,



Tommy B. Wessinger
Chairman and CEO

TBW/jc

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