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***Submitted Electronically on [www.fhfa.gov](http://www.fhfa.gov)***

Andre D. Galeano  
Deputy Director, Division of Bank Regulation  
Federal Housing Finance Agency  
400 7th Street, SW  
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Washington, DC 20219

Re: Federal Home Loan Bank Membership Request for Input (February 2020)

Dear Deputy Director Galeano:

U.S. Bancorp, on behalf of its captive insurance subsidiary, Mississippi Valley Company (Mississippi Valley or MVC), appreciates the opportunity to comment on the request for input (RFI) issued by the Federal Housing Finance Agency (FHFA) regarding the agency's existing regulations on Federal Home Loan Bank (FHLB or FHLBank) membership. We appreciate the thoughtful questions that the FHFA has posed to ensure that the FHLBank system remains safe and sound, provides liquidity for housing finance through the housing and business cycle, and supports the FHLBanks' housing finance and community development mission.<sup>1</sup>

U.S. Bancorp has more than 70,000 employees and \$543 billion in assets as of March 31, 2020 and is the parent company of U.S. Bank National Association (U.S. Bank), the fifth-largest commercial bank in the United States. We strive to create products and services that are beneficial to our customers and that serve all members of our community. As a company, we understand our responsibility to revitalize neighborhoods, provide financial education, create employment opportunities, and support small business development and affordable housing. As part of this commitment, we have deployed meaningful community support through Mississippi Valley, currently a member of the FHLBank System.

We agree with the FHFA that rules applicable to FHLB members should be clear and consistently applied and that access to the Banks' low-cost advances should not jeopardize the FHLBank System's (System's) role as a key source of liquidity to support housing finance. We further support the goal of FHFA's current membership review to develop a set of principles and requirements of general applicability to address these and other concerns on a consistent basis.

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<sup>1</sup> Federal Home Loan Bank Membership Request for Input, at <https://www.fhfa.gov/Media/PublicAffairs/PublicAffairsDocuments/RFI-on-FHLBank-Membership.pdf>, (Feb. 2020).

Toward the fulfillment of these goals, we recommend the following actions:

- The FHFA should maintain rather than terminate the FHLB membership of Mississippi Valley Company because (A) it has furthered the housing and community development mission of the FHLBanks; and (B) it is subject to a robust prudential framework.<sup>2</sup>
- The FHFA should implement a rule by December 31, 2020, which either maintains existing captive insurance company memberships, including that of Mississippi Valley Company, or otherwise delays termination of such memberships.
- The FHFA should not make changes to eligibility requirements beyond those required by statute. Rather, the FHFA should relate any proposed changes regarding the nexus of members to the FHLBanks' public policy mission or safety and soundness requirements to a member's individual risk profile and its ability to access advances.

## I. Background

The 2016 Members of Federal Home Loan Banks final rule issued by the FHFA effectively banned captive insurance companies, including MVC, from FHLBank membership.<sup>3</sup> As a basis for the rule, the FHFA stated that such captive insurance companies were used principally by entities not themselves eligible for membership as conduits to gain access to FHLBank funding. More recently, the FHFA has encountered instances in which entities that are ineligible for membership have attempted to gain access to FHLBank advances through the use of conduit arrangements with affiliates that may themselves be eligible for membership.

In its September 2019 Housing Reform Plan, however, the U.S. Department of the Treasury indicated that the current regulatory restrictions on FHLBank membership may not be well-tailored to the housing and community development mission of the FHLBanks.<sup>4</sup> The Housing Reform Plan recommended, among other things, that the FHFA "revisit its rule excluding captive insurance companies from FHLBank membership in light of the continued evolution of the housing finance system."<sup>5</sup> The case of Mississippi Valley, as laid out below, demonstrates that, subject to robust safety and soundness requirements, the

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<sup>2</sup> As discussed below, the FHLB membership of Mississippi Valley Company will terminate in February 2021 as a result of the Members of Federal Home Loan Banks final rule issued by the FHFA in January 2016.

<sup>3</sup> Members of Home Loan Banks Final Rule, 81 Fed. Reg. 3246 (Jan. 20, 2016).

<sup>4</sup> U.S. Department of the Treasury, Housing Reform Plan Pursuant to the Presidential Memorandum Issued March 27, 2019 (Housing Reform Plan), accessible at <https://home.treasury.gov/system/files/136/Treasury-Housing-Finance-Reform-Plan.pdf>, p. 44 (Sept. 2019) ("With the continued evolution of the housing finance system, there might be some question as to whether the current statutory and regulatory restrictions on FHLBank membership continue to be well-tailored to the housing and community development mission of the FHLBanks. The collateral eligible to secure FHLBank advances is already limited by law to mortgage and other assets that generally have a close nexus to the FHLBanks' mission, such that broader membership eligibility should not necessarily detract from that mission. While there might be unique counterparty or other safety and soundness risks posed by advances to mortgage lenders that are not subject to comprehensive prudential regulation, those risks potentially could be managed through enhanced collateral haircuts, capital requirements, or other counterparty risk management practices (e.g., bankruptcy-remote funding structures)."

<sup>5</sup> *Ibid.*

FHFA can grant membership to and maintain the membership of captive insurance companies while preserving the housing finance and community development mission of the FHLBanks.

**II. The FHFA should maintain rather than terminate the FHLB membership of Mississippi Valley Company because (A) it has furthered the housing and community development mission of the FHLBanks; and (B) it is subject to a robust prudential framework.**

**A. The FHFA should maintain the FHLB membership of MVC because it has furthered the housing and community development mission of the FHLBanks.**

Mississippi Valley is not the type of captive insurance company whose lack of commitment to the mission of FHLB System the FHFA sought to address in its 2016 Members of Federal Home Loan Banks final rule: it does not represent the type of risk to the FHLB System that has caused the FHFA concern in the past or should cause the FHFA concern currently regarding the use of conduits. Mississippi Valley has not sought advances from FHLBanks solely to fund the operations of its affiliates; rather, the primary purpose of our membership has been to participate in affordable housing programs and other programs consistent with the mission of the FHFA.

Mississippi Valley's work with its affiliates has furthered the housing and community development mission of the FHLBank System. We have been a strong participant in affordable housing programs and especially active in obtaining community and economic development grants for nonprofits. Rather than acting as a conduit for non-eligible members to obtain access to FHLB advances, MVC has facilitated the housing development projects of a network of community development groups across the United States, which are closely connected with their communities and efficiently and effectively deploy the FHLBank development grants. For example:

- Over the course of its membership, Mississippi Valley has been awarded and administered rental and down payment assistance grants totaling **almost \$67 million, funding 7,686 affordable housing units**.
- From 2014-2018, MVC received and deployed \$310,000 for 10 nonprofits to invest in economic development initiatives across California, Arizona, and Nevada.
- Finally, leveraging its network of community organizations and the strength of its affiliate's balance sheet, Mississippi Valley has participated in the financing of mixed used housing developments such as shelters, veteran housing, and special needs housing in 13 states across multiple regions.

We believe these projects are exactly the types of activities the FHFA has encouraged FHLBanks to support in order to achieve their housing goals and the types of activities sorely needed in the current economic environment.<sup>6</sup>

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<sup>6</sup> See Affordable Housing Program Amendments Final Rule, 83 Fed. Reg. 61186 (Nov. 28, 2018); see *also*, Enterprise Duty to Serve Underserved Markets Final Rule, 81 Fed. Reg. 96242 (Dec. 29, 2016).

The FHFA's required membership termination date has caused uncertainty for our partners. Mississippi Valley has a strong network of contacts throughout the community, developed over years of relationship building. Despite the success of these relationships and the projects they have produced, under the current rule, MVC would no longer be able to participate in FHLB-sponsored community programs and investments at a critical time when housing has become increasingly less affordable and when our deep connections in the community are most needed. This is the opposite result of what the FHFA intended in terminating the membership across a category of members, i.e., reserving FHLB membership for those who would support the housing finance goals FHLBank System. Because of these reasons, and the reasons we discuss below, it is important that the FHFA move quickly on to address outstanding questions of FHLB membership.

Finally, unlike the conduits that the FHFA has described in its RFI, Mississippi Valley and its affiliate and strategic partner in community development activities, U.S. Bank, have been leaders in advancing the housing finance mission of the FHLBank System due to both corporate philosophy and regulatory obligations. Mississippi Valley's FHLB membership has been a key facet of U.S. Bancorp's overall community development mission, including the obligations of our subsidiary, U.S. Bank, under the Community Reinvestment Act (CRA)<sup>7</sup>. Our dedication to this mission is demonstrated by U.S. Bank's receipt of the highest rating of Outstanding from the Office of Comptroller of the Currency for its CRA activities during the period of 2012-2015. Each year, we commit billions of dollars towards community development funding and investment to support CRA purposes such as affordable housing, community services for low- and moderate-income individuals, revitalization/stabilization of low- and moderate-income areas, or promote economic development by financing small businesses or farms.<sup>8</sup> U.S. Bank also participates in a number of national, statewide, and local mortgage down payment and special assistance programs, to facilitate millions in assistance for borrowers. The grants that Mississippi Valley has obtained through its FHLB membership have been a critical source of funding for many of these efforts.

Because MVC activities have demonstrated an unwavering and successful commitment to the housing and community development mission of the FHLBanks, the FHFA should maintain the FHLB membership of MVC in a future FHLB membership rule.

**B. The FHFA should maintain the FHLB membership of MVC because its parent and affiliates are subject to stringent prudential requirements.**

Mississippi Valley does not represent the type of risk to the FHLB System that has caused the FHFA concern in the past or should cause the FHFA concern regarding the use of conduits because the parent and affiliates of MVC are subject to a consolidated supervisory regime of prudential regulation.

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<sup>7</sup> The Community Reinvestment Act encourages insured depository institutions to help meet the credit needs of the communities in which they are chartered, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of such institutions.

<sup>8</sup> Recent actions taken by the Office of the Comptroller of the Currency (OCC), as well as the current economic environment, serve to solidify the view of MVC and its partner, U.S. Bank, that involvement in their community as an important part of their activities. Indeed, the OCC recently updated the CRA framework for national banks in order to encourage national banks to lend, invest, and provide more services in the communities they serve, including low- and moderate-income neighborhoods across our country. This includes continuing investment and support of the residential housing market.

As noted above, Mississippi Valley Company is a wholly owned subsidiary of U.S. Bancorp, a multi-state financial holding company and bank holding company. The entire company, including its subsidiaries, is subject to a number of stringent prudential, capital, and consumer protection statutes and regulations enforced by a number of long-standing and experienced federal regulators.

The FHFA mentions in its RFI that,

“[a]n institution that is subject to a supervisory regime of prudential regulation is, other things being equal, more likely to be in a sound financial condition than one that is not, given the statutory regimes under which they operate and the incentives that their primary regulators (both banking and insurance) have to forestall the failure of the institutions they regulate. Similarly, by having ongoing access to the federal banking agencies’ assessments of their regulated entities’ financial condition, the FHLBanks can validate identified and increasing credit risk concerns or discover other risks at an earlier stage when they can take actions to strengthen the control of collateral.”

Indeed, U.S. Bancorp is subject to several prudential regulatory requirements which include enhanced prudential standards concerning risk management and governance as well as capital and liquidity risk management and a number of stringent, globally-applicable capital and liquidity rules which imposed strict requirements around the composition of capital and funding at banks and their controls and governance around them.<sup>9</sup> Furthermore, the Consumer Financial Protection Bureau has promulgated a number of regulations meant to strengthen residential mortgage origination and servicing processes. In short, where a captive insurance company such as MVC, or indeed any FHLB member, is part of a bank holding company structure subject to prudential supervision, the risk of that member’s activities to the FHLBanks is significantly mitigated.<sup>10</sup> Moreover, the parent and affiliates of MVC provide a source of strength and support not only to its operations but also to the community development activities of MVC.

Finally, as a backstop to this prudential regulation over MVC and its parent, the FHFA and FHLB have a number of authorities to oversee the activities of its members. The FHLBanks have a statutory right to receive from federal financial regulators any information that may be available relating to the condition of any member or applicant.<sup>11</sup> And the FHFA and FHLBanks, through their “subject to inspection and regulation” eligibility requirement, which applies to all applicants except non-depository CDFIs, also helps to ensure that after an FHLBank has admitted an applicant to membership, it will be able to extend credit to that institution on a safe and sound basis.<sup>12</sup>

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<sup>9</sup> These rules are mandates by the Dodd-Frank Wall Street Reform and Consumer Protection Act as well as regulations adopted by the federal banking regulators as a result of the Basel III international regulatory framework for banks.

<sup>10</sup> Moreover, as the FHFA notes in the RFI, “when an insured depository institution member fails, a FHLBank’s claims against that member are typically resolved expeditiously under well-understood receivership processes administered by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA).” This regime has been enhanced by the Title II resolution process under the Dodd-Frank Act in which the FDIC could resolve the entire holding company structure, not just the insured depository institution, under a similar set of rules and processes. U.S. Bancorp and Mississippi Valley are subject to these regimes as well.

<sup>11</sup> See 12 U.S.C. § 1442(a).

<sup>12</sup> See 12 U.S.C. § 1424 (a)(1)(B) and § 1263.6(a)(2) if, in the case of an insured depository institution or insurance company applicant, it is subject to inspection and regulation by its appropriate regulator.

Because MVC is part of a bank holding company which is, and whose subsidiaries are, subject to robust prudential regulation, and the FHFA and FHLBanks have additional authorities to supervise its activities, the FHFA should maintain the FHLB membership of MVC in a future FHLB membership rule.

**III. The FHFA should implement a rule by December 31, 2020, which either maintains existing captive insurance company memberships, including that of Mississippi Valley Company, or otherwise delays the termination of such memberships.**

Because Mississippi Valley continues to advance the mission of the FHLBank System and meets applicable safety and soundness requirements, the FHFA should implement a rule by December 31, 2020, allowing MVC to maintain its FHLB membership.

As demonstrated by the experience and community contributions of MVC noted above, the FHFA's broad, categorical approach to captive insurance companies would terminate membership for members such as Mississippi Valley which do not pose the type of risk the 2016 membership rule was meant to address and which further the FHFA's mission.

Under the FHFA statute, prospective FHLB members must meet a number of eligibility requirements. For example, applicants must demonstrate that they meet a financial condition requirement which is only applicable at the outset of membership and is not a continuous mandate. As noted above, the FHLBanks also have a "subject to inspection and regulation" eligibility requirement, which applies to all applicants except non-depository CDFIs, which helps to ensure that after a FHLBank has admitted an applicant to membership it will be able to extend credit to that institution on a safe and sound basis. Therefore, if the FHFA has concerns that current members, including MVC, will not continue to meet financial condition requirements, the FHFA has the ability to further inspect such members.

Therefore, the FHFA should revise its membership rule so that it would not terminate the membership of current captive insurance company members, including MVC, on February 19, 2021. Such a rule, if possible, should be finalized by December 31, 2020. This would give FHLBanks and affected members sufficient time to adjust processes and, in partnership with community sponsors, to prepare applications for affordable housing programs as well as down payment and other special assistance programs. Should the FHFA be unable to finalize a rule within this period, given time constraints during these uncertain and challenging times, at a minimum, the FHFA should delay the termination of current captive insurance company memberships until such time as it is able to finalize a rule maintaining these memberships. This would allow these members to participate in sorely needed affordable housing programs and down payment programs and would give members and community partners certainty regarding their ability to support such programs.

**IV. The FHFA should not make changes to eligibility requirements beyond those specified by statute. Rather, the FHFA should relate any proposed changes regarding the nexus of members to the FHLBanks' public policy mission or safety and soundness requirements to a member's individual risk profile and its ability to access advances.**

**A. The FHFA should not make any changes to eligibility requirements beyond those directed by statute.**

We agree that the FHFA's approach as laid out in the RFI should be "guided by the twin objectives of ensuring that the System remains safe and sound and able to provide liquidity for housing finance through the housing and business cycle and ensuring that all members have an appropriate nexus to the housing finance and community development mission of the FHLBanks." The FHFA, however, should not make any change to eligibility requirements beyond those directed by Congress in the Federal Home Loan Bank Act (FHLBank Act) as amended. The Congress has limited benefits of FHLBank membership to the types of financial institutions listed in section 4(a) of the FHLBank Act and prescribes several additional requirements during the application process, which it has modified over time. Imposing additional restrictions regarding membership categories or imposing additional tests for membership may run counter to Congressional intent and to the effective functioning of the FHLBank System. In addition, as discussed above, new, broad-based eligibility requirements could have the unintended consequence of terminating the membership of entities such as MVC that support the FHLB System's mission and pose minimal risk.

Because the regulatory scheme under which the FHLBanks operate is designed to ensure that advances can safely and soundly be made to members - i.e., to minimize the risk of loss on advances - it is appropriate for the FHFA and the FHLBanks to review requirements that govern a member's ability to access advances in order to ensure such activities are consistent with the FHLBank System's mission of providing liquidity to support housing finance and furthering affordable housing and community development. Review of these requirements may be needed at this time given the FHFA's concerns regarding the use of conduit arrangements.

**B. The FHFA should relate any proposed changes regarding the nexus of members to the FHLBanks' public policy mission to a member's individual risk profile and its ability to access advances.**

The FHFA and FHLBanks have a number of currently available tools to ensure the activities of FHLBank members have a sufficient nexus to the public policy mission of the FHLBanks, including restricting the ability of members to access advances based on the degree to which they are fulfilling that mission. Therefore, any changes the FHFA makes to connect its affordable housing and community development mission more closely to its members' activities should be in the context of access of members to advances (which are intended to support housing finance) rather than in the context of a membership rule.

Currently, a member may only borrow from an FHLB if it has eligible collateral to pledge, comprised of mission-related loans or mission-related assets. This allows member institutions a measure of flexibility in how they support housing finance while still ensuring a focus on the broader mission of the System.

Tying access to advances to the availability of eligible collateral is an effective way of ensuring adherence to the System's mission.

Imposing a test for membership tied to an ongoing commitment, however, potentially runs counter to Congressional intent and to the effective functioning of the System. During the process which resulted in its 2016 Membership Rule, the FHFA conducted a review of member commitment to housing finance and whether it should impose requirements for FHLB members to demonstrate compliance with existing housing finance-related requirements on an ongoing basis. The FHFA ultimately decided not to impose an ongoing commitment of members to the FHLB System's public policy mission in part because it believed that it had sufficient capability to monitor the activities and assets of members.<sup>13</sup>

The FHFA and FHLBanks and other stakeholders may be best served by conducting this conversation related to the degree to which members' activities support the System's public policy mission in the context of the FHFA's rule on the FHLBanks' Affordable Housing Program.<sup>14</sup> The final rule provides FHLBanks with flexibility in designing project scoring systems to address affordable housing needs in their districts within broader regulatory priorities. Because the exact contours of this important feature of the FHLBank System are still in flux, and will be different for each FHLB district, measurement of members' activities in this regard may be best accomplished as these new policies and programs are implemented.

**C. The FHFA should relate any proposed changes regarding safety and soundness requirements to a member's individual risk profile and its ability to access advances.**

We agree that subjecting all members to safety and soundness requirements (including financial condition requirements) reduces credit risk within the System and supports the FHLBanks' ability to access the global capital markets through all business cycles. Prudential regulation, coupled with the requirement to share reports of examination with the FHLBanks, provides valuable insight into the operations of the members, which also reduces credit risk in the System.

The FHFA has indicated that current regulations may not be sufficient to address its concerns that the structure of certain members and their activities, as well as their relationships with third parties, may present an outsized risk to the FHLBank System. Furthermore, the FHFA has expressed concerns that certain applicants for membership, such as captive insurance companies, and conduit arrangements with existing or prospective members may present specific risks to the FHLBank systems because they may not satisfy applicable financial condition requirements and are subject to a light regulatory burden.

Therefore, it is appropriate for the FHFA to consider the risks that each member poses to the System and to modify safety and soundness requirements accordingly. The FHFA, however, should not terminate a class of members that have qualified for membership under previously-existing membership eligibility rules. Rather, FHLBanks should evaluate each's member's access to and use of advances in light of the risk that member's poses to the FHLBank System. This approach would address both FHFA concerns

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<sup>13</sup> Members of Home Loan Banks Final Rule, 81 Fed. Reg. 3246, 3450 (Jan. 20, 2016).

<sup>14</sup> Affordable Housing Program Amendments Final Rule, *supra* note 6.



regarding risk to the System of particular members as well as the concerns of the U.S. Department of the Treasury that “the current regulatory restrictions on FHLBank membership may not be well-tailored to the housing and community development mission.”<sup>15</sup>

In considering modifications to safety and soundness requirements, the FHFA should be guided by the following principles:

- The requirements should consider evaluation of the member’s relationship with its parent or affiliates in the case of captive insurance companies or related parties in a conduit arrangement.
- Any new such requirements should either not apply to existing members already subject to, or be deemed satisfied by, an existing supervisory regime of prudential supervision.

In considering modifications to safety and soundness requirements, the FHFA should evaluate the parents and relevant affiliates of the member to determine the risk their activities through the member may pose to the system and whether they are subject to an existing supervisory regime of prudential regulation. It is necessary for the FHFA to understand that corporate structure and the activities of the member’s parent and affiliates to the extent that those activity impact FHLBs and to the extent the prospective member’s use of its FHLB (such as advances) is influenced by its affiliates.

In addition, the FHFA notes in the RFI that an institution subject to prudential regulation is “other things being equal, more likely to be in a sound financial condition than one that is not...”<sup>16</sup> The financial condition of FHLB members is important to the FHLBanks, because it is directly related to the credit risk a member poses to the individual FHLBank. As the FHFA has indicated, the imposition of enhanced collateral discounts, capital requirements, or other counterparty risk management practices may be needed for members who are not otherwise subject to a supervisory regime of prudential regulation that is meant to ensure a sound financial condition.<sup>17</sup>

If the FHFA decides to impose ongoing safety and soundness requirements, the agency should factor differences in prudential regulation and supervision into its regulation of member access and should allow these requirements to be met by the member itself or by the corporate entity of which the member is a part. For instance, the FHFA may have concerns about a member that is used solely as a conduit by a parent for obtaining advances, where the non-member has no nexus to the FHFA’s housing finance mission and is not otherwise subject to safety and soundness regulations. In contrast, the FHFA should have fewer concerns about a member, even a captive insurance company, which is part of a bank holding company subject to an array of prudential standards, as well as consumer protection standards, which apply not only to the legal entities of the corporate structure (such as the insurance subsidiary) but also apply to the loans and investments in affordable housing structures and whose affiliates have regulatory requirements (such as CRA) which are consistent with the housing finance mission of the FHFA.

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<sup>15</sup> Housing Reform Plan, *supra* note 4, at 44.

<sup>16</sup> Federal Home Loan Bank Membership Request for Input, *supra* note 1, at 8.

<sup>17</sup> Among the options the FHFA is considering to mitigate the risk of certain members such as restrictions on advances, collateral haircut requirements and additional requirements regarding the priority of secured interests. If the FHFA proposes any of these additional factors for FHLB membership consideration, they should also consider and not conflict with other prudential regulations and not apply to current members.

Therefore, the FHFA should not terminate membership of captive insurance companies that have qualified for membership under previously-existing eligibility rules and not exclude a category of otherwise eligible members. To address concerns regarding the structures of certain current members and relationships of future members in regard to their use of and contributions to the FHLBank System, a better approach would be to impose robust safety and soundness requirements in order to access System benefits, which would be deemed to be satisfied if the member or applicant were part of a corporate structure already subject to prudential regulation (such as a bank holding company). Because of the FHFA's current "subject to inspection and regulation" requirements,<sup>18</sup> compliance with such standards also could be part of the individual FHLBank's review of any application for advances. FHLBanks already have the authority to limit or deny a member's application for an advance if, based on the FHLBank's credit underwriting, it determines that it may not safely make an advance to the member.<sup>19</sup> Furthermore, each FHLB regularly reviews the credit, collateral, and recordkeeping of members that have received advances.<sup>20</sup>

## Conclusion

We continue to support the FHFA's efforts to clarify and apply its FHLBank membership rules consistently and ensure that access to the FHLBanks' low-cost advances do not jeopardize the System's role as a key source of liquidity to support housing finance. Such liquidity is especially important during in the current period when the U.S. financial system faces numerous challenges, including those in the affordable housing sector. We believe the FHFA should support the continued membership of those who participate in FHLBank programs and support the housing finance goals of the System. Rather than terminate and restrict the FHLB membership of otherwise eligible members, the FHFA should review its public policy mission and safety and soundness regulations and policies with regards to access to System advances.

We appreciate the opportunity to provide these comments in response to the RFI and thank the FHFA for its consideration of the suggestions contained in this letter. Should you have any questions or would like to discuss further, please do not hesitate to contact Jason Fincke in our Legal Regulatory Group at 612.965.6878 or [jason.fincke@usbank.com](mailto:jason.fincke@usbank.com).

Sincerely,



Zachary M. Boyers  
Chief Executive Officer, U.S. Bancorp Community Development Corporation  
o/b/o U.S. Bancorp and Mississippi Valley Company

cc: David H. Wright, Director of Regulatory Services

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<sup>18</sup> 12 U.S.C. §1424(a)(1)(B).

<sup>19</sup> See 12 U.S.C. § 1429; 12 CFR § 1266.4(a).

<sup>20</sup> See 12 CFR Part 1274.