



Box Number 47009
Gardena, California
90247-6809

310-808-4000
800-633-2848
FAX: 310-808-9697

March 2, 2022

The Honorable Sandra L. Thompson, Director
Federal Housing Finance Agency
400 Seventh Street SW
Washington, DC 20024

Re: Comprehensive Review of the Federal Home Loan Bank System

Dear Director Thompson:

On behalf of the more than 70,000 member-owners who have entrusted more than \$1.6 billion in assets to Northrop Grumman Federal Credit Union (Credit Union), we appreciate the opportunity to comment on the comprehensive review of the Federal Home Loan Bank System (FHLB). The Credit Union has 27 branches in 10 states serving its member-owners primarily working for Northrop Grumman Corporation and the Los Angeles County Metropolitan Transportation Authority (known as LA Metro) which is the primary public transportation agency in Los Angeles County.

The Credit Union started in 1946 by Northrop Aircraft Company to serve its employees in Hawthorne, California. As Northrop Aircraft Company grew and expanded into Northrop Grumman Corporation, the Credit Union grew to serve the NGC employees around the United States. As a full-service financial cooperative, the Credit Union provides deposit products, mortgage and home equity loans in addition to many consumer loan products and access to investment services.

Meeting the financial services needs of its members, the Credit Union must have outside sources of liquidity. The Credit Union is proud of its partnership with the FHLB-San Francisco to use its originated mortgages (not sold into the secondary market) to secure liquidity funding to meet the member-owners' increasing needs for purchase and refinance mortgages in addition to home equity products in their specific communities. Those communities include Southern California; Central Florida; the DC Beltway (Maryland and Virginia); Chandler, Arizona; Lake Charles, Louisiana, and the central Utah communities surrounding the Great Salt Lake, among others.

Without the source of liquidity provided by the FHLB, the Credit Union would be limited in its ability to continue to provide mortgage and home equity loans for our members who are bus drivers, factory workers, engineers and office workers who do their part to keep the American economy strong and moving.

Thank you for the opportunity to express our appreciation for the work the FHLB does for credit unions and other community lenders meeting the financial needs of everyday Americans in our communities throughout the United States.

If you have any questions or if I can be of any additional service, please feel free to contact me at 310-808-4011.

Sincerely,

Greg Badovinac
Chief Compliance Officer