



FARMERS SAVINGS BANK

COLESBURG • ELKPORT/GARBER • STRAWBERRY POINT • ARLINGTON • AURORA

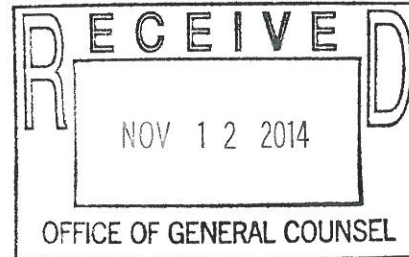
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November 1, 2014

Alfred M. Pollard, General Counsel
Attention: Comments/RIN 2590-AA39
Federal Housing Finance Agency
400 Seventh Street SW
Washington, D.C. 20024



Re: Notice of Proposed Rulemaking (Comments)
As a members of the FHLBanks (RIN 2590-AA39)

Dear Mr. Pollard:

I am writing to express my concerns about the notice of proposed rulemaking regarding membership eligibility in Federal Home Loan Bank (FHLBanks) put forward by the Federal Housing Finance Agency (FHFA). The proposed rule includes significant and unnecessary changes to long-standing membership rules for the FHLBank system. The proposed changes are inconsistent with Congressional intent and the Federal Home Loan Bank Act (FHLBank Act). For these reasons Farmers Savings Bank opposes this proposed rule.

I, Mark E. White, President & CEO of Farmers Savings Bank, Colesburg Iowa fails to understand your rational. The government has made residential lending so onerous and downright impossible to understand and complete correctly, 25% of financial institutions have exited the market. More onerous changes are coming and more banks will exit the market. The secondary market has gobbled up the rest of the market. What's left for us to go after but subprime mortgages? Residential first mortgages have been part of our bread and butter in the past and the government has cut our throat. We push so hard to help our local communities and keep our communities growing and thriving and the government does nothing but make more rules to make it impossible to function. I'm sorry, but less government intervention is for the best.

What has ever become of free enterprise? The last time the FDIC was here, we were ask what our goals were? Answer: "To get to the point we are 100% capitalized so we don't fall under all the governments burdensome regulations! We just want to be allowed to run a bank using common sense. As long as we treat our customers the way we would want to be treated, we will be successful. We screw over one customer and the word spreads. It won't be long and we won't have any customers left!

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We don't need a million rules to understand we are in a service industry. We really only need one common sense rule: If we offer the best service around, we will be the most successful around. A little courtesy and common sense goes a long way!

The FHLB has a 15/15 program and other strategies to help us mitigate interest rate risk, but unless we do exactly what your new rules state, we could be out. We would like to use some of those strategies for commercial and agricultural lending, but unless we succumb to making below market rate loans for Res. Lending, we'll probably get thrown out. How is that fair?

Burdensome, Burdensome, Burdensome!!!

I know I'm starting to ramble, but again, please understand, less is better. Please stop squeezing out the small guy with your overly burdensome rules!!!

I'm sorry, but your ideas are simply bad. Clinton said every American should have the opportunity to own a house. He moved the bar too far in one direction. Then, when it all blew up, the government pushed the bar so far in the other direction that no one could qualify for a residential loan any more. Can you please QUIT MESSING WITH THE SYSTEM! It isn't broke. It doesn't need fixing. We are primarily an agricultural bank. The new governmental rules are already forcing banks across the nation out of the residential lending market and you want to restrict our ability to use the program for commercial and agricultural purposes also? As we are hearing over and over in the pre-election advertisements "Your ideas are simply wrong for small banks!!".

Thanks for listening.

A handwritten signature in blue ink that reads "Mark E. White Pers. & CEO". The signature is cursive and somewhat stylized.

Mark E. White, Pers. & CEO
Farmers Savings Bank,
Colesburg, Elkport/Garber, Strawberry Point, Aurora and Arlington, Iowa