



RE: RIN 2590-AA39

To whom it may concern,

On behalf of North Middlesex Savings Bank I am writing this letter to voice our concerns regarding the FHFA's proposed rule regarding membership in the Federal Home Loan Bank (FHLB) system. I also want to convey our continued need and support of the FHLB as a valued resource which allows us to provide banking services to our local communities.

North Middlesex Savings Bank (NMSB) is a mutual savings bank established in 1885. We currently have seven branches serving what we refer to as the Nashoba Valley region of North Central Massachusetts. Our total assets are currently approximately \$370 million. As of this writing, we have roughly \$29 million in advances from the Federal Home Loan Bank of Boston.

The FHLB has been a dependable source of liquidity since its inception, and one we have been able to count on despite some turbulent financial times, both locally and nationally. We are unaware of any other resource, not even the Federal Reserve, which has been as dependable as the FHLB. Beyond this liquidity, the FHLB's ability to provide advances of varying terms and rate structures has allowed us to mitigate much of the risk inherent in the business of banking. These sophisticated treasury services are very difficult for a smaller institution like ours to do on our own. This is doubtlessly good for our company, our customers, and our community.

With regard to the proposed rulemaking pertaining to membership, we are very concerned that this is an example of regulatory "overreach" which has no identifiable benefit. The FHLB system as we know it is working. In fact, I would argue that it is working as effectively in carrying out its mission as any quasi-government agency could be. Congress should work to preserve the integrity of this exemplary system. We feel the proposed changes, which come from the FHFA – a regulator acting beyond the scope of its role – are inappropriate and unnecessary. Thank you for your consideration.

Sincerely,



Walter J. Dwyer, IV
President & CEO
North Middlesex Savings Bank