



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 and Request for Comments – Members of the FHLB
(RIN 2590-AA39)

Dear Mr. Pollard:

I am writing to share my concerns regarding the proposal on membership eligibility in the Federal Home Loan Bank (FHLB) put forward for comment by the Federal Housing Finance Agency (FHFA). The proposal unnecessarily changes long-standing FHLB membership rules which may discourage mortgage origination among credit unions dependent upon FHLB funding to manage interest rate risk. This I believe is inconsistent with Congressional intent and the Federal Home Loan Bank Act. For these reasons Vantage Credit Union opposes this proposed rule.

I am Douglas Ruckman, Chief Financial Officer of Vantage. Our credit union provides consumer and mortgage lending services to 105,000 members residing in the St. Louis metropolitan area. FHLB membership provides borrowing options which allow us to manage interest rate risk and fund mortgage originations. Given the short duration of our depository base, primarily share and money market accounts, FHLB membership is one of the few sources of long-term fixed rate funding available to us. We are concerned that at some point in the future our credit union could fail the test. There have been periods in our history when home equity and mortgage loans comprised a majority of our portfolio. Likewise there have been periods when this was not the case. Expelling a credit union from FHLB membership simply because current portfolio balances have waned will only further diminish our ability to add long-term fixed rate mortgages to our portfolio. In doing so, this proposed rule inadvertently creates another barrier to home ownership by withdrawing funding from those institutions finding themselves in this situation due to interest rate risk, economic or regulatory changes.

Membership in the FHLB encourages home ownership by making available to credit unions affordable funding options for long-term mortgage lending. Any proposed membership rules should strive to encourage membership and thus incent additional lending and growth in home ownership.

Because the proposal will harm FHLB members and stifle housing Vantage Credit Union asks the FHFA to withdraw the new membership rules contained in its September 12, 2014 Notice of Proposed Rulemaking. Thank you for taking these comments into consideration.

Sincerely,

A handwritten signature in black ink that reads "Douglas Ruckman". The signature is written in a cursive, slightly slanted style.

Douglas Ruckman
EVP / CFO
Vantage Credit Union