



Wednesday, December 10, 2014

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



RE: RIN 2590-AA39.

Notice of Proposed Rulemaking and Request for Comments, Members of Federal Home Loan Banks.

Dear Mr. Pollard:

As a member of the FHLBank of Cincinnati, I am writing to express my opposition to the Federal Housing Finance Agency's (FHFA) proposed membership rule. My federally insured credit union, with assets of \$231 million, is subject to the most stringent mortgage-to-assets ratio test of 10 percent, as well as the broader one percent ratio test, as proposed in this rule.

The ongoing asset tests fail to recognize the many ways in which members support housing finance including pledging mission-assets to borrow advances, originating or selling mortgages into the secondary market, and investing in low-income housing and community investment with the FHLBank's Affordable Housing Program and other targeted investment programs.

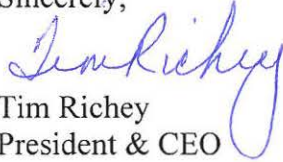
My credit union relies upon the FHLBank for access to liquidity, balance sheet management and general funding to better serve our credit union members. If the rule were enacted as proposed, our credit union would not pass the 10 percent ratio requirement. Membership termination is too harsh a penalty for non-compliance especially when collateral requirements are already in place to ensure secured lending and a connection to housing finance.

In 1989 Congress acted to include commercial banks and credit unions as members of the FHLBanks. For nearly 25 years, credit unions have been able to access reliable, low cost FHLBank funds helping to reduce lending costs for our members. This rule runs counter to Congressional intent regarding equal access to FHLBank programs to serve credit unions'

cooperative membership whether through home ownership, small business loans, affordable auto loans or other credit needs.

The proposed rule appears to undercut FHLBank membership and Congressional intent without identifying a safety and soundness concern. Please do not put my credit union at risk of membership termination. I respectfully request that the FHFA reconsider or withdraw the proposed rule.

Sincerely,



Tim Richey  
President & CEO