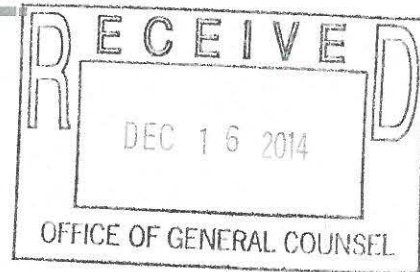




# FIRST STATE BANK AND TRUST COMPANY, INC

GORDON WALLER  
PRESIDENT/CEO

December 8, 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 and Request for Comments- 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 First State Bank & Trust Company, Inc. opposes this proposed rule.

I am Gordon Waller, President of First State Bank & Trust Company, Inc. Our institution provides lending across all of our community with a focus on all of the credit needs in our community. We are a community bank with approximately 120 employees in five offices located in Southeast Missouri. First State Bank and Trust Company was established in 1934 with a mission to serve the credit needs of our entire community which includes Pemiscot, Dunklin, Scott & Stoddard, New Madrid and Mississippi counties. Currently our bank has total assets of \$353,185,768.86. Pemiscot and Dunklin Counties are considered two of the poorest counties in the State of Missouri. Our loan portfolio is weighted primarily in ag loans and 1-4 family real estate.

FHLB has several programs that assist our bank in providing assistance to low to moderate income customers in our market areas.

Your agency's proposed rules could fundamentally change how, or even whether, a depository financial institution such as ours could remain a member of a FHLB Des Moines. This is enormously disturbing. We need to know that the FHLB Des Moines can provide funding on a moment's notice as it did in the recent financial crisis.

Because the proposals would harm FHLBank members and hurt housing, credit and economic growth, we ask that the FHFA withdraw the new membership rules contained in its September 12, 2014 Notice of Proposed Rulemaking and work with FHLB members to preserve the FHLBs as a reliable partner of its members that benefits local lending institutions, communities, housing, homeownership and the nation's economy.

I, Gordon Waller, strongly recommend that you withdraw the proposed rule. Thanks for taking our comments into consideration.

Sincerely,

Gordon Waller  
Vice Chairman/President/CEO  
First State Bank and Trust Co., Inc.