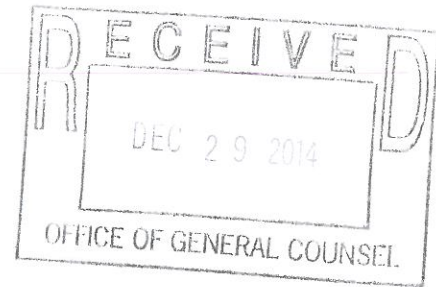


December 18, 2014

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



Re: Notice of Proposed Rulemaking and Request for Comments – Members of Federal Home Loan Banks (RIN 2590-AA39)

Dear Mr. Pollard:

The Federal Housing Finance Agency has requested comments on a notice of proposed rulemaking on Federal Home Loan Bank membership requirements. As a director of MountainOne Financial Partners in Williamstown, Massachusetts and as a member of the board of directors of the FHLB Boston, I appreciate the opportunity to submit this comment on the proposed rule.

As proposed by the FHFA, ongoing compliance with membership requirements would impose additional regulatory burdens on FHLBank members and add an element of uncertainty to FHLBank membership. Members would be required to manage their balance sheets to make certain they have ample assets to meet the proposed membership requirements to ensure access to FHLBank funding products. In short, the proposal would effectively mandate a member's asset allocation.

I wish to emphasize how important reliable access to FHLB Boston is to all of its financial institution members. MountainOne had more than \$138 million in advances outstanding as of September 30. The proposed rule, while not affecting us today, would cause us great concern about the long term reliability of FHLB advances. This would be a risk to our bank since we rely on the FHLB Boston to help us manage interest-rate risk and provide just-in-time liquidity access.

In addition to supplying products to meet its members' liquidity needs, the FHLBanks are an important source of funding for low- and moderate-income housing throughout the country. The Affordable Housing Program is funded by 10 percent of each FHLBank's net profits annually. Massachusetts-based FHLB Boston members have been awarded nearly \$200 million in total subsidies and subsidized advances to create or preserve more than 14,785 affordable rental and ownership units. These numbers are critical to the largely rural area of Western Massachusetts, with its older housing stock. The adverse impact the proposed rule would have on the FHLB Boston's ability to grow and even maintain existing levels of advances would directly lead to reduced funding of the AHP, and in turn, fewer safe, decent and affordable housing options for Massachusetts communities.

The FHLBank's cooperative structure works because it is dependent on a diverse membership. Limiting that membership with the changes proposed in the rule would weaken that structure

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and will affect the ability of the FHLB Boston to reliably and safely serve its membership.

This business model has been a success for more than 80 years and must stay strong and stable so that the financial recovery can continue.

Lastly, in my role as a director of the FHLB Boston, I am particularly proud of the time and effort the Bank has spent over the years ensuring that our member's regulator is well-informed and educated about the Bank. I am very concerned that the proposed rule would create more uncertainty and unnecessary concern on the part of the regulators.

For these reasons, I request that the proposed rule be withdrawn. Thank you for the opportunity to submit a comment.

Sincerely,

A handwritten signature in cursive script, appearing to read "Stephen G. Crowe".

Stephen G. Crowe
Director, MountainOne Financial Partners
Director, FHLB Boston Board