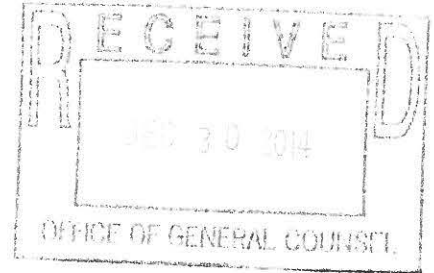


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December 15, 2014

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

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

Dear Mr. Pollard:

I appreciate the opportunity to submit this comment on the proposed rule.


I write as a former chairman of the board of the Federal Home Loan Bank of Boston on which I served from 1998 to 2008 and as former president and CEO of East Boston Savings Bank in Massachusetts. In these two leadership positions in the financial services industry, I experienced firsthand the important role that the FHLBanks play in providing liquidity to member financial institutions nationwide. East Boston Savings Bank was and continues to be an active FHLB Boston member, relying on its wholesale funding and frequently tapping the Affordable Housing Program to finance much needed affordable housing in the neighborhoods of East Boston, Massachusetts, and surrounding communities. I also saw how important FHLB Boston was to members large and small during the financial crisis. Had it not been for the Bank's reliable, easily accessible, cost-effective advances, many institutions would not have been able to continue to serve their customers without missing a beat. Instead, these members demonstrated that the negative images presented in the press regarding "the banks" did not apply to most.

During the financial crisis, advances balances at the FHLB Boston grew to unprecedented levels – from \$37 billion at year-end 2006 to more than \$55 billion at year-end 2007. Policies that would unnecessarily restrict access to FHLBank

funding, such as the proposed membership rule, would have had serious consequences on the region had they been in effect during that crisis. It would be a disservice to the community banking industry and their customers to create uncertainty with respect to access to FHLBank funding. I understand that most FHLB Boston members meet the requirements set forth in the proposed rule, but balance-sheet strategies vary with the economy. To add another requirement for institutions that have served individuals, families, and communities and helped them buy homes and meet other financing needs is not in the best interest of this nation. I am concerned about the long-term negative implications of the proposed rule

For these reasons, I request that the proposed rule be withdrawn.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert F. Verdonck".

Robert F. Verdonck