



FARMERS MUTUAL
OF TENNESSEE

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December 29, 2014

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

Re: Proposed Membership Rules for FHLB

Mr. Pollard:

Farmers Mutual of Tennessee has been a member of the FHLB of Cincinnati for ten years. During that time we have relied on the strength of the bank for safekeeping services, overnight deposits, and economic information to help improve and stabilize our company's financial strength. Our membership has directly benefited our policyholders by helping to keep our financial condition free of volatility in slow economic times or in periods of high loss expenditures. Our communities have also benefitted from the loans and investments made possible by the bank's lending practices and Affordable Housing Program.

We believe that a change in the rules for membership is unnecessary. The required ratio percentage of mortgages to assets is arbitrary and causes uncertainty as well as creates another regulatory burden. The system has worked well for the member institutions and their communities as evidenced by the wide range of loans and services the member institutions provide because of the strong positions of the FHLBs.

We respectfully request withdrawal or reconsideration of the proposed rules.

Sincerely,

Gordo Watson
President, Farmers Mutual of Tennessee