



## JEFFERSON BANK OF MISSOURI

January 9, 2015

Alfred M. Pollard, Esq., General Counsel  
Attention: Comments/RIN 2590-AA37  
Federal Housing Finance Agency, Fourth Floor  
400 Seventh Street, S.W.  
Washington, DC 20024

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

Dear Mr. Pollard:

On behalf of the Jefferson Bank of Missouri, I am writing to express my concerns regarding the notice of proposed rulemaking. While we appreciate your apparent desire to provide for a strong Federal Home Loan Bank System that supports housing, we believe the rule undermines the goal of the proposal.

The proposed regulation conflicts with concerns from financial regulators that financial institutions reduce holdings of long-term fixed rate mortgages by selling them in the secondary market. Although we currently have over 10% of our assets in home loans, this could change in the future as we originate new loans and sell them in the secondary market. For our liquidity planning we rely on the availability of our line of credit with the Federal Home Loan Bank. If for some reason we were disqualified from the program it could significantly affect our plan.

Based on our belief that the proposals could harm FHLBank members and generally weaken a System that has worked well for more than 80 years, we ask that the FHFA reconsider the September 12, 2014 Notice of Proposed Rulemaking.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Theroff", is written over a horizontal line.

Ken Theroff  
President/CEO

Jefferson Bank of Missouri