



July 7, 2006

Federal Housing Finance Board
1625 Eye Street NW
Washington, DC 20006
Attention: Public Comments

Dear Federal Housing Finance Board:

We in the Community Bank arena would be negatively impacted by the proposed rule: Excess Stock Restrictions and Retained Earnings Requirements for the FHLB banks. RIN Number 3069-AB30; Docket Number 2006-03. Please don't go forward with the rule as proposed.

Our FHLB system is very important to our community and our bank. We depend on the FHLB for liquidity, long term funding and community reinvestment opportunity. We oppose the rule to build retained earnings, limit excess stock and stop paying dividends in stock.

We urge your Board not to go forward with the rule as proposed.

Sincerely,

A handwritten signature in black ink, appearing to read "Ralph Henson".

Ralph Henson
Executive Vice President
First Citizens National Bank