



July 6, 2006

Corporate Offices

Seven East Redwood St.

Baltimore, MD 21202

410.752.8313

www.mecu.com

Federal Housing Finance Board  
1625 Eye Street, NW  
Washington, DC 20006

Attn: Public Comments  
Federal Housing Finance Board  
Proposed Rule: Excess Stock Restrictions and Retained Earnings  
RIN Number 3069-AB30 – Docket Number 2006-3

Dear Members of the Board:

Our relationship with FHLBank Atlanta is a valued one. It is imperative to ensure a financially strong Federal Home Loan Bank System as it directly impacts the consistent value of membership of the cooperative owners. While we agree and emphatically support the need for safe operation, sound manner and adequate capitalization for all Federal Home Loan Banks, it is vital that proposed rules do not jeopardize these needs.

Bert J. Hash Jr

President & CEO

The proposed rule appears to take a “one-size-fits-all” approach. Individual risk profiles of the twelve (12) FHL Banks are not taken into account. It is also unlikely that the proposed rule will improve the safety and soundness of the Federal Home Loan Bank System. It adversely affects the ability of financial institutions to serve its members in providing a much needed, necessary, cost effective and readily available funding source. Unintentional impact on availability of funds, dividends and the generic application of retained earnings formula become a reality.

Our experience with FHLBank Atlanta has been stellar. We therefore find the proposed rule unnecessary as the institution is well capitalized, exceeds its current regulatory capital requirements, financially sound and committed to serving its members well.

We ask you to re-consider and re-examine this “one-size-fits-all” approach. We appreciate the benefits that our relationship with you affords. It allows us to reach and optimally serve our members. We ask you to withdraw the proposed rule or modify it to eliminate any and all adverse affects.

Thank you for your consideration.

Sincerely,

  
Bert J. Hash Jr.  
President and Chief Executive Officer