



L. Douglas Higgins  
President and CEO

July 5, 2006

Mr. Ronald A. Rosenfeld, Chairman  
Federal Housing Finance Board  
1625 Eye St., N.W.  
Washington, D.C. 20006  
ATTENTION: Public Comments

Dear Mr. Rosenfeld:

As the president of a small but rapidly growing community bank that fills the needs of hundreds of small businesses and thousands of individuals in our community, I am very concerned about the proposed retained earnings requirement for the Federal Home Loan Bank. We use the Atlanta FHLB as a means of match-funding long-term fixed rate loans. This is an important need for small banks that have trouble attracting other long-term funding sources. FHLB advances allow us to offer our customers financing without the interest-rate risk of floating rates and without us having to take that risk.

I am concerned the proposed retained earning requirement will increase the cost of funding to my bank and in turn my customers without adding any significant increase in the financial strength to the already sound Atlanta FHLB.

I appreciate the opportunity to comment on this proposed legislation. If you have any questions of me or would like further comments, please give me a call.

Sincerely,



L. Douglas Higgins  
President & CEO