



TELEPHONE (419) 562-8350
FAX (419) 562-7372
VOICE-MAIL EXTENSION 199

401 S. Sandusky Avenue
P.O. Box 568
Bucyrus, Ohio 44820

DONALD R. STONE
President

July 3, 2006

Federal Housing Finance Board
1625 Eye Street N W
Washington, DC 20006

Re: Public Comments
Federal Housing Finance Board Proposed Rule:
Excess Stock Restrictions and Retained Earning Requirements for
Federal Home Loan Banks

Dear Madam and Sirs:

Being a member of the Federal Home Loan Bank (FHLB-C) of Cincinnati for several years, we have read with great interest the proposed revisions to the capital regulations as made by the Federal Housing Finance Board.

We believe that our membership in the FHLB-C provides the bank and its customers with many benefits related to affordable housing. However, after reading through the letter dated April 28, 2006, that was sent to you by the chairman of the FHLB-C, we believe some of those benefits would be severally diminished, or in some cases, completely eliminated.

We concur with the assessment and findings of the aforementioned letter and conclude that the proposed changes will have a negative impact on our continuing participation in FHLB-C programs.

Currently, we believe there are adequate regulations in place to address the Finance Board's concerns, and we urge you to withdraw the proposed revisions as they relate to the FHLB-C.

Thank you for your time and consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Donald R. Stone', is written over a horizontal line.

Donald R. Stone
President & CEO

/ks

cc: David H. Hehman, President
Federal Home Loan Bank of Cincinnati
221 E. 4th St, Suite 1000
Cincinnati, OH 45202

EXPECT A
Difference