

May 5, 2006

The proposed Excess Capital Stock/Retained Earnings Rule would deteriorate the value of FHLBank membership to our bank.

It would increase the cost of doing business with FHLB Cincinnati because of reduced liquidity. It would also reduce the availability of services and offerings by our local FHLB. It would also create a tax event on the excess stock to be redeemed.

Future earnings will be affected by the non payment of stock dividends.

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