

June 7, 2006

I have reviewed the proposed regulation and believe it would have serious adverse effects on our bank. If Stock dividends are limited the return on our investments would be reduced severely. The prohibition of stock dividends would limit our ability to benefit from our income on investment in FHLB. The issue should be studied by it's members and if it is believed that this is a good option there should be a phase in period.

The above proposals would have serious consequences on the participation by members in the MPF and MPP programs. As I have said above the proposed rule should be withdrawn so that the capital issues can be studied with membership input.

Thank you for accepting my comments.

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