

June 2, 2006

**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 Requirements for the Federal Home Loan Banks
RIN Number 3069-AB30
Docket Number 2006-03**

I am a member stockholder of the FHLBank Cincinnati and greatly value my investment in the FHLBank and the resulting services my institution is able to provide to my customers. I strongly feel the above referenced proposed rule is unnecessary and harmful to the FHLBank, my institution and my customers. I respectfully request that this proposed rule be withdrawn.

The FHLBank is a well capitalized, low-risk profile, triple-A rated financial institution. It would be detrimental to require the FHLBank to substantially limit dividends while building retained earnings, reduce excess stock held by members, and cease paying dividends in the form of additional shares of capital stock. Without adequate explanation or clear methodology, this rule puts the Cincinnati FHLBank in a position of lowering liquidity, reducing capital and lowering profitability. The results are going to be fewer products and services at higher costs for my bank.

Our institution is an active participant in the FHLBank's Affordable Housing Program and American Dream Homeownership Challenge program. It is greatly disappointing that

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the overall effect of this rule will reduce, or possibly eliminate, some of this funding and innovation for our lower-income customers. The FHLBank System is a model that works for and with our bank, our customers and our community.

Thank you.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Steve Trager".

Steve Trager

cc: Senator Mitch McConnell
Senator Jim Bunning
Congressman Geoff Davis