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June 2, 2006

Federal Housing Finance Board
1625 Eye Street, NW
Washington, DC 20006

Attention: Public Comments
Excess Stock Restrictions and Retained Earnings Requirements for the
Federal Home Loan Banks
#3069-AB30

Dear Board Members,

I am writing to express my concern over the impact of the proposed capital rule on the Federal Home Loan Bank of Cincinnati and its ability to support its housing mission. I represents Farmers National Bank of Lebanon, Kentucky, a member of the FHLBank. We have partnered with the FHLBank through its Welcome Home Program to provide 24 residents of Marion County with \$989,213.00 in home loans over these past four years. These customers would probably not be in a home today if it were not for this grant program of FHLBank.

The FHLBank has demonstrated its commitment to affordable housing over and above its mandated Affordable Housing Program. This proposed regulation would seem likely to shrink the size of the FHLBank, reduce its profitability, increase costs to our institution, all to no apparent benefit. Why penalize the FHLBank members and our customers?

I strongly urge you to reconsider this restrictive regulation.

Sincerely,

A handwritten signature in black ink, appearing to read 'James W. Richardson', is written over a large, light-colored circular mark.

James W. Richardson
Executive Vice President
Senior Lending Officer, CFO