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May 26, 2006

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

Re: Public Comments
FHFB Proposed Rule: Excess Stock Restrictions and Retained Earnings
RIN Number 3069-AB30
Docket Number 2006-3

Dear Sirs:

My purpose in this letter is to express my unhappiness with the contemplated changes in the dividend policy for member companies allied with The Federal Home Loan Bank of Cincinnati.

I am the Chief Investment Officer at Westfield Insurance, a property and casualty company, located in northeast Ohio. Westfield is a relatively new member of the FHLB Cincinnati system, having gone through the membership process in the 2002-2003 time period. At the time of application an attractive tax free dividend (stock dividend) was, certainly, an inducement for membership.

I am dismayed that you now propose changing the rules after "the race has been run" via a system wide movement to not only curtail the dividend, but to make it taxable as well. I am aware that dividends and dividend policy are never assured. Nevertheless, most investors can express their displeasure with unfavorable dividend events by selling shares. I request that if you persist with your plan to alter the dividend policy, now set independently by the FHLB of Cincinnati, you should, concurrently, waive the protracted sale requirements (five years to liquidate) for member common stock.

Finally, I endorse the sentiments expressed by Mr. Bud Koch, Chair, Federal Home Loan Bank of Cincinnati in his April 28, 2006 letter to the Housing Finance Board. In his extensive comments Mr. Koch details the deleterious impact on the Cincinnati Bank should the contemplated dividend policy be adopted system wide.

Should you have questions, please do not hesitate to call me at 1-330-887-0437.

Respectfully,


John M. Haney
Chief Investment Officer

cc: Robert Joyce
Robert Krisowaty
John Warfel
Jon Park
Paul Imwalle