

**From:** Joye Hunt [mailto:joye.hunt@pbkbank.com]  
**Sent:** Monday, May 08, 2006 11:56 AM  
**To:** 'comments@fhfb.gov'  
**Subject:** proposed rule to limit dividends paid by FHLB Cincinnati  
**Importance:** High

We are writing to voice our opinion regarding the proposed rule to limit the dividends to be paid on stock owned by the FHLB-Cincinnati, to reduce the excess stock held by members, and cease paying dividends in the form of additional shares of capital stock.

We are opposed to this proposed rule for several reasons. For our bank, we have a significant investment in the FHLB-Cincinnati. We have allowed ourselves to invest in FHLB-Cincinnati for several reasons--one of which is the return on our investment. We have looked at owning this stock as an investment. If the dividends are reduced, the amount of stock we are allowed to own is reduced, and the payment of dividends in the form of additional shares of capital stock ceases, then we will be forced to look at whether we really want to be members and participate in the FHLB. We really need our membership in the FHLB for liquidity purposes and for the purpose of making fixed rate loans.

If this proposed rule passes, this will have a very detrimental effect on us and our banking business.

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