

May 17, 2006

Re: Federal Housing Finance Board: Excess Stock Restrictions and Retained Earnings Requirements for the Federal Home Loan Banks. RIN Number 3069-AB30. Docket Number 2006-03.

I urge you to carefully consider the proposed changes which would have a negative impact to the members and the customers they serve. Our \$170 million bank relies heavily on FHLB advances and has significant funds invested in their stock. The income from that is important to our viability. Please consider the following:
Stock dividends are important to members and should not be eliminated. There is no justification in doing so.

The 1% limit on excess stock is too low and doesn't allow adequate liquidity.

Limiting dividends to 50% of net income is too drastic. Any change should be phased in.

Dividends paid should not be tied to a specific quarter's earnings.

Thank you for considering these comments.

Sincerely, Dale L Leighty
Chm. CEO
First National Bank of Las Animas Colorado