FHLBank
PITTSBURGH

John R. Price
President,
Chief Executive Officer

October 23, 2006

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

ATTENTION: Public Comments

RE: Federal Housing Finance Board
Notice: Examination Rating System for the Federal Home Loan Banks
and the Office of Finance
Docket Number 2006-N-05

To Whom It May Concern:

Thank you for the opportunity to provide comments with regard to the above captioned notice.

It is always helpful to FHLBank Pittsburgh to receive guidance from the Federal Housing Finance Board ("Finance Board") on how it administers the regulation and supervision of the Federal Home Loan Banks ("FHLBanks"). To this end, the sharing of and the ability to comment on the rating system is very beneficial. FHLBank Pittsburgh encourages the Finance Board to go even further in this direction and suggests that the Finance Board follow the practices of other federal banking regulatory agencies by developing and sharing its examination manual with the FHLBanks.

In regard to the proposed rating system, the FHLBank System may be better served by just adopting the rating system and standards adopted by the Federal Financial Institutions Examination Council ("FFIEC"). The components of the FFIEC rating system (CAMELS) can be applied to the FHLBanks even though the magnitude of some of the components will be different than for a federally insured financial institution. Using the FFIEC rating system would assist the Boards of Directors at the FHLBanks in their understanding of the approach used by the Finance Board as most of the Directors work under the FFIEC standard at their own institutions. Adopting the FFIEC rating system would also assist the FHLBank System in recruiting experienced examiners from other federal banking regulation agencies.

Thank you again for the opportunity to comment.

Sincerely,

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