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January 6, 2015

Alfred M. Pollard, Esq., General Counsel
Attention: Comments/RIN 2590-AA37
Federal Housing Finance Agency, Fourth Floor
400 Seventh Street, S.W.
Washington DC 20024

**RE: Notice of Proposed Rulemaking and Request for Comments – Members of Federal Home Loan Banks
(RIN 2590-AA39)**

Dear Mr. Pollard:

On behalf of The Muncy Bank and Trust Company, I am writing to express my concerns about the notice of proposed rulemaking. While we appreciate your apparent desire to provide for a strong Federal Home Loan Bank System that supports housing, we believe the rule undermines the goal of the proposal.

As a community bank, it's tough enough to do business already. This rule would add uncertainty of going over and this being subject to the 10 percent test. This seems like an arbitrary and unnecessary imposition of regulation that will affect our strategic business decisions.

Simply put, I don't want to have to think about the potential of losing my FHLBank membership as I make business decisions and deal with the numerous existing and changing regulations and risks I have to manage. I run my institution to be safe, profitable and useful to my customers – not to meet an arbitrary test.

The government should be looking for ways to help the economy, not impose a rule that could restrict the flow of credit to communities across America.

Based on our belief that the proposals could harm FHLBank members and generally weaken a System that has worked well for more than 80 years, we ask that the FHFA reconsider the September 12, 2014 Notice of Proposed Rulemaking.

Respectfully,

Daniel C. Berninger

President & Chief Executive Officer
The Muncy Bank and Trust Company
Two North Main Street
Muncy Pennsylvania 17756