

**From:** N Berkowitz [mailto:nbek@frontiernet.net]  
**Sent:** Thursday, September 21, 2006 2:55 PM  
**To:** Comments  
**Subject:** RIN number 3064-AD09

September 21, 2006

Mr. Robert E. Feldman  
Executive Secretary  
FDIC  
550 Seventeenth Street, NW  
Washington, DC 20429

Re: comments RIN No. 3064-AD09

Dear Mr. Feldman:

Federal Home Loan Bank advances should not be a factor in assessing FDIC premiums. These advances are predictable and are not volatile liabilities. Federal Home Loan Banks are stable and have a beneficial and predictable effect on members' business plans.

Discouraging the use of FHLB advances is contrary to the intent of Congress in establishing the Federal Home Loan Banks and through the Gramm-Leach-Bliley Act expanding small banks' access to advances.

This rule change would penalize FHLB members for using advances. The impact of this action would lessen their competitiveness and limit the availability of credit in the communities they serve. Access to capital is a critical issue, especially in rural areas. In addition, this rule change would impact the FHLB contribution to the development of affordable housing for low income persons. Again, another negative impact of this rule change.

Thank you very much for this opportunity to comment.

Sincerely,

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