

The Audit Committee of the Board of Directors of the Federal Home Loan Bank of Pittsburgh for 2005 was composed of five directors, one public interest and four industry directors. The members of the Audit Committee at year-end 2005 were H. Charles Maddy, III, Dennis S. Marlo, Frederick A. Marcell, Jr., David M. Applegate and Basil R. Battaglia.

The 2006 Audit Committee comprised of five directors, one public interest and four industry directors. Both the 2005 and 2006 Audit Committee members are independent, as defined by the Finance Board.

The Audit Committee oversees the FHLBank's financial reporting process; reviews compliance with laws, regulations, policies and procedures; and evaluates the adequacy of administrative, operating and internal accounting controls. The Audit Committee has adopted and is governed by a written charter, and has satisfied its responsibilities during 2005 in compliance with the charter. In fulfilling its responsibilities, the Audit Committee has reviewed and discussed the audited financial statements with management. The Audit Committee has discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards (SAS) No. 61 and SAS No. 90, *Audit Committee Communications*. The Audit Committee has also received the written disclosures and the letter from the independent auditors required by Independent Standards Board Standard No. 1, and has discussed with the auditors the auditor's independence.

Based on the review and discussion referred to above, the 2006 Audit Committee recommends to the Board of Directors that the financial statement be included in the FHLBank's Form 10 filed with the Securities and Exchange Commission.

THE AUDIT COMMITTEE

H. Charles Maddy, III, *Chair*
Dennis S. Marlo
Gerard M. Thomchick
Basil R. Battaglia
David W. Curtis