

DECISION MEMORANDUM OF THE BOARD OF DIRECTORS ACTING  
WITHOUT A QUORUM

Date: April 11, 1994  
No. 94-DM- 11

ISSUE: The board of directors of the FHLBank of Des Moines has requested the Finance Board approve a base salary increase, retroactive to January 1, 1994 for FHLBank President Thurman C. Connell, approve the implementation of a BEP sponsored by the FHLBank of Des Moines and act on the 1993 incentive compensation award submitted for FHLBank President Connell.

Factors Considered:

The Des Moines Bank board of directors has terminated the partial annuity-based life insurance BEP and President Connell has waived any and all rights to benefits under the policy (adopted February 20, 1992).

The BEP adopted on January 20, 1994 is consistent with BEPs adopted and implemented by other FHLBanks.

Authorization for implementation is consistent with previous action taken by the Finance Board with regard to other FHLBank sponsored BEPs.

(All FHLBank sponsored BEPs will be subject to any BEP guidelines adopted by the Finance Board pending its review on this subject.)

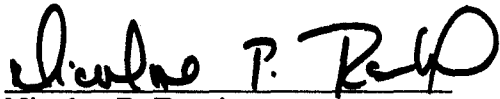
The request for a base salary increase for President Connell is in compliance with the merit increase guidelines approved by the Finance Board in November of 1993.

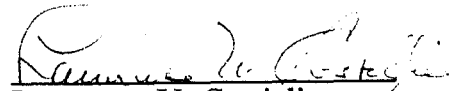
Approval would be consistent with action taken by the Finance Board in December of 1993 with regard to other FHLBank Presidents' 1994 base salaries.

1993 FHLBank Presidents' incentive compensation awards are expected to be submitted to the Finance Board in April, 1994. Incentive compensation award recommendations by district boards shall be reviewed in accordance with guidelines set forth in the FHLBank Presidents' Compensation Plan.

Decisions:

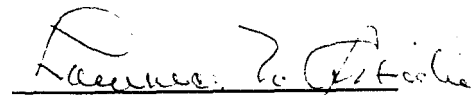
1. Authorize the FHLBank of Des Moines to implement the BEP adopted by the Des Moines board of directors. (Des Moines board of directors resolution NO. 4 B- 1076.)

  
Nicolas P. Retsinas

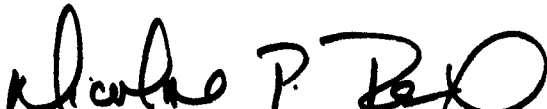
  
Lawrence U. Costiglio

2. Approve a \$10,000 or 4.65 percent increase to President Connell's base salary to \$225,000 from the current \$215,000, retroactive to January 1, 1994. (Des Moines board of directors resolution No. 4 B-1081.)

  
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3. Defer action with regard to the preliminary 1993 incentive compensation award, recommended by the FHLBank of Des Moines board of directors. (Des Moines board of directors resolution No. 4 B-1079.)

  
Nicolas P. Retsinas

  
Lawrence U. Costiglio