

DECISION MEMORANDUM OF THE BOARD OF DIRECTORS ACTING
WITHOUT A QUORUM

Date: April 27, 1994
No.: 94-DM- 12

ISSUE: Approve 1993 Incentive Compensation Program awards for 11 FHLBank Presidents and the Managing Director of the Office of Finance.

FACTORS CONSIDERED:

The Finance Board, pursuant to 12 U.S.C. Section 1432 (Supp. I, 1989) approves the compensation for FHLBank Presidents.

The Finance Board approved, in December 1992, the 1993 Incentive Compensation Program (ICP) design and performance targets for System and individual FHLBank Plan criteria.

Each incentive award recommended for a FHLBank President and the Managing Director of the Office of Finance has been approved by each respective district board of directors.

1993 incentive awards were reviewed for compliance with the Finance Board approved ICP based on actual performance results for year ending 1993.

All ICP awards recommended by each FHLBank board of directors were in compliance with ICP guidelines, with the exceptions of the FHLBanks of Indianapolis and Des Moines.

The FHLBank of Indianapolis ICP award recommendation exceeded the allowable amount when calculated in accordance with the ICP, as a result of a request for an exception to be made on the profitability target and performance result.

The FHLBank of Des Moines ICP award recommendation was less than the allowable amount when calculated in accordance with the ICP, as a result of the Des Moines board using estimated target and performance result data, rather than final target and performance result data for the market presence criteria.

Having reviewed all the issues related to the FHLBanks of Indianapolis and Des Moines, Finance Board has determined that there are no substantive issues that substantiate an ICP award different than that as calculated in accordance with the ICP guidelines.

Finance Board staff has calculated all ICP awards in accordance with the ICP guidelines and recommends those ICP award amounts for approval.

Approval of the 1993 incentive awards recommended by Finance Board staff would be consistent with the approved 1993 ICP.

DECISIONS:

Approve 1993 ICP awards for the following FHLBank Presidents and Managing Director of the Office of Finance in the amounts indicated below.

1. FHLBank of Boston
FHLBank President: **Michael A. Jessee**
ICP Award Not To Exceed: **\$60,377**

2. FHLBank of New York
FHLBank President: **Alfred A. DelliBovi**
ICP Award Not To Exceed: **\$52,505**

3. FHLBank of Pittsburgh
FHLBank President: **James D. Roy**
ICP Award Not To Exceed: **\$74,714**

4. FHLBank of Atlanta
FHLBank President: **Robert E. Showfety**
ICP Award Not To Exceed: **\$59,916**

5. FHLBank of Cincinnati
FHLBank President: **Charles L. Thiemann**
ICP Award Not To Exceed: **\$71,797**

6. FHLBank of Indianapolis
FHLBank President: **Martin L. Heger**
ICP Award Not To Exceed: **\$39,395**

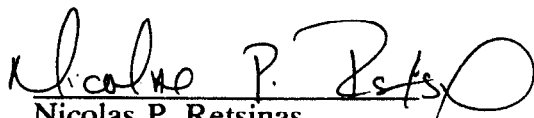
7. FHLBank of Chicago
FHLBank President: **Alex J. Pollock**
ICP Award Not To Exceed: **\$66,414**

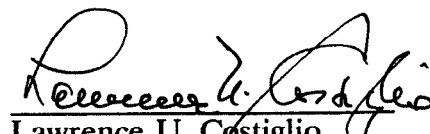
8. FHLBank of Des Moines
FHLBank President: **Thurman C. Connell**
ICP Award Not To Exceed: **\$50,849**

9. FHLBank of Topeka
FHLBank President: **Frank A. Lowman**
ICP Award Not To Exceed: **\$69,180**

10. FHLBank of San Francisco
FHLBank President: **Dean M. Schultz**
ICP Award Not To Exceed: **\$72,352**

11. FHLBank of Seattle
FHLBank President: **James R Fauistich**
ICP Award Not To Exceed: **\$79,398**
12. Office of Finance
Managing Director: **John K. Darr**
ICP Award Not To Exceed: **\$62,870**


Nicolas P. Retsinas


Lawrence U. Costiglio