

DECISION MEMORANDUM OF THE FINANCE BOARD

ACTING WITHOUT A QUORUM

Date: October 20, 1994

No. 94-DM-41

ISSUE:

Appointment of two Federal Home Loan Bank presidents to serve one-year terms on the Financing Corporation Directorate commencing November 10, 1994 and ending November 9, 1995.

FACTORS CONSIDERED:

Subsection 21(b) of the the Federal Home Loan Bank Act (Act), (12 U.S.C. § 1441(b)), provides that the Federal Housing Finance Board (Board) shall select two members from among the presidents of the Federal Home Loan Banks (FHLBanks) to serve one-year terms on the Financing Corporation Directorate (FICO).

Also at subsection 21(b), the Act prescribes that no FHLBank president may be appointed for an additional term until such time as the presidents of each of the other FHLBanks have served as many terms on the FICO directorate as the president of such FHLBank.

The initial rotation cycle of the twelve FHLBanks to be represented on the FICO directorate was completed on November 9, 1993. The new rotation cycle began on November 10, 1993 with the appointment of the FHLBank presidents from Indianapolis and Chicago. Their current terms of appointment will expire on November 9, 1994.

Since the Board has the discretion to determine the order of serving on the FICO directorate, the Board has considered the selection of the two new members of the directorate from among the ten remaining FHLBanks based on: (1) individuals who have yet to serve on the FICO directorate; and (2) selection determined by seniority.

DECISION:

To appoint Michael A. Jessee, President of the FHLBank of Boston, as a member of the FICO directorate for a term commencing November 10, 1994 and ending November 9, 1995; and to appoint Thurman C. Connell, President of the FHLBank of Des Moines, as a member of the FICO directorate for a term commencing November 10, 1994 and ending November 9, 1995.


Nicolas P. Retsinas


Lawrence U. Costiglio