



No.: 2000-27
Date: June 2, 2000

FEDERAL HOUSING FINANCE BOARD

Amendment to Resolution 2000-11 Authority to Issue Federal Home Loan Bank Consolidated Obligations

WHEREAS, section 11(c) of the Federal Home Loan Bank Act (Act) (12 U.S.C. 1431(c)) authorizes the Federal Housing Finance Board (Finance Board) to issue consolidated Federal Home Loan Bank (Bank) obligations (COs); and

WHEREAS, section 2B(b)(1) of the Act (12 U.S.C. 1422b(b)(1)) authorizes the Finance Board to delegate ministerial functions, including issuing COs, to the Office of Finance, a joint office of the Federal Home Loan Banks (12 U.S.C. 1422b(b)(2)); and

WHEREAS, the Finance Board adopted Resolution Number 2000-11, dated February 23, 2000, delegating to the OF authority to issue COs pursuant to the Finance Board's authority under section 11 of the Act; and

WHEREAS, the Finance Board has on this date adopted a final rule that, among other things, sets a leverage limit for each Bank expressed as a ratio of total assets to capital that supercedes all prior leverage limits;

NOW, THEREFORE, IT IS RESOLVED that Resolution Number 2000-11, dated February 23, 2000, is amended as follows:

1. Section 2.a. is deleted in its entirety and replaced with a new section 2.a. to read as follows:

COs are offered for sale only to the extent that their issuance will not cause a Bank's financial leverage to exceed the maximum allowed by 12 C.F.R. § 966.3(a). If a Bank's financial leverage exceeds the maximum allowed by regulation, that Bank may participate in COs only to the extent necessary to refund maturing or called COs;

2. Section 2.b. is amended to read as follows:

The OF shall establish procedures with the Banks that require each Bank to provide daily reports to OF whenever that Bank's assets exceed 24 times its total capital;

3. Section 2.c. is amended to read as follows:

The Banks shall continue to perform according to the provisions of Resolution Number 92-751, dated December 21, 1992; and

4. Section 2.d. is amended to read as follows:

For these purposes, capital stock, retained earnings, and assets shall be determined based upon the most current financial information available to the OF as of the CO trade date.

5. Section 3 is deleted in its entirety, and sections 4, 5 and 6 are renumbered as sections 3, 4 and 5, respectively.

By the Board of Directors of the
Federal Housing Finance Board:

/s/ Bruce A. Morrison

Bruce A. Morrison, Chairman