

No.: 91- 565

Date: November 19, 1991

FEDERAL HOUSING FINANCE BOARD

Adoption of a Federal Home Loan Bank Presidents Compensation Plan

WHEREAS, section 12(a) of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1432(a)), makes the power of each Federal Home Loan Bank (FHLBank) to fix employee compensation subject to Federal Housing Finance Board (Finance Board) approval and Bank Act section 2B (12 U.S.C. 1422b(a)(1)) empowers the Finance Board to adopt such resolutions as necessary to carry out its duties towards the FHLBanks, and the Finance Board approves the salaries of FHLBank Presidents by annual resolution; and

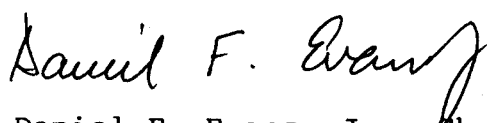
WHEREAS, in order to establish equity among compensation paid to FHLBank Presidents and to control costs within the System, and to induce performance and reward excellence, the Finance Board finds good cause to authorize a compensation plan, which includes an incentive pay plan, for the FHLBank presidents that has been developed in conjunction with an independent study performed by The Wyatt Company, participation by the FHLBank Chairmen and Vice-Chairmen of each of the FHLBanks and staff review.

NOW, THEREFORE, BE IT RESOLVED, that the Federal Home Loan Bank President's Compensation Plan, incorporated herein by reference, is hereby adopted for use by the FHLBanks for payment of compensation to the Presidents. All compensation plans for the FHLBank Presidents shall conform to said Plan, starting with the 1992 FHLBank compensation plans; and

BE IT FURTHER RESOLVED, that the Finance Board Director of Administration, in consultation with the Director of the District Banks Directorate, shall promulgate a Federal Home Loan Bank President's Compensation Plan document for the direction, guidance and reference of the FHLBank System; and

FURTHER RESOLVED, that the boards of directors of each FHLBank are authorized to include any direct costs or expenses incurred as a result of adopting the above referenced compensation plan, on an annual basis, in the annual Operating Budget of each FHLBank.

By the Federal Housing Finance Board



Daniel F. Evans, Jr., Chairman