

No.: 91-590.2  
Date: November 27, 1991

FEDERAL HOUSING FINANCE BOARD

Temporary Requirement for Finance Board Approval of Term Property  
and Employment Contracts

WHEREAS, the Federal Housing Finance Board ("the Finance Board") has formed a System Efficiencies Task Force to improve operating efficiencies within the Bank System;

WHEREAS, leases of real and personal property, employment contracts, and contracts with independent contractors may affect current and future Bank System expenses and could prejudice decisions by the System Efficiencies Task Force;

WHEREAS, contracts of a certain term, amount, or subject matter may have a greater impact on Bank System expenses and System Efficiencies Task Force decisions than others;

WHEREAS, Finance Board Resolution 91-507 calls for the approval of certain contracts whose term exceeds one year, and the Finance Board wishes to modify that and certain other terms for policy reasons;

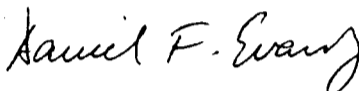
NOW, THEREFORE, BE IT RESOLVED, that, effective immediately:

- (1) Finance Board Resolution 91-507 is hereby rescinded; and
- (2) Finance Board approval is required for each of the following:
  - (a) the execution or renewal of any FHLBank lease of real or personal property, including equipment leases, if the original or renewal lease term exceeds three years or the total contract amount exceeds \$500,000; Provided that, in no case may the term of any original lease, or any extension or renewal of that lease, extend beyond December 31, 1994 without Finance Board approval;

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- (b) The execution or renewal of any FHLBank employment contract if any provision of such contract is intended to provide the employee with a "golden parachute", a "tin parachute", or any other monetary or severance arrangement beyond that provided for actual work performed, other than early retirement or voluntary severance programs; and
- (c) The execution or renewal of any FHLBank contract with an independent contractor for a term in excess of three years.

By the Federal Housing Finance Board



Daniel F. Evans, Jr., Chairman