

No.: 91- 632

Date: December 17, 1991

FEDERAL HOUSING FINANCE BOARD

Approval of a Benefit Equalization Plan for the
Federal Home Loan Bank of Seattle

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 toward the FHLBanks; and

WHEREAS, the FHLBank of Seattle has heretofore adopted for its eligible employees the comprehensive retirement program of the Financial Institutions Retirement Fund (the Fund), a defined benefit plan and trust which is qualified and tax-exempt under Sections 401(a) and 501(a) of the Internal Revenue Code of 1986, as amended, or any successor thereto (the Code); and

WHEREAS, the Code generally has imposed certain limitations on the amount of benefits payable to employees under qualified and tax-exempt defined benefit plans and consequently, the benefits which some employees of the FHLBank of Seattle would otherwise be entitled to receive from the Fund under its retirement program will be reduced by reason of such limitations; and

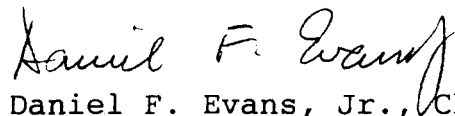
WHEREAS, the FHLBank of Seattle Board of Directors has determined that it is in the best interest of the FHLBank of Seattle to adopt a nonqualified benefit equalization plan to provide James R. Faulstich, FHLBank President of Seattle, with those benefits which would have been payable by the Fund but for the limitations imposed by the Code;

NOW, THEREFORE, BE IT RESOLVED, that the Benefit Equalization Plan (Plan) for the FHLBank of Seattle, incorporated herein by reference, is hereby approved; and

BE IT FURTHER RESOLVED, that the FHLBank of Seattle shall appoint members of an Administrative Committee of said Plan, to serve at the pleasure of the FHLBank of Seattle Board of Directors to carry out the purpose and intent of the foregoing resolution and that such appointed members shall not, at the same time, be Members of the Plan; and

FURTHER RESOLVED, that the FHLBank of Seattle is authorized to include any costs or expenses incurred as a result of approving the above referenced Plan, on an annual basis, in its annual Operating Budget.

By the Federal Housing Finance Board

A handwritten signature in cursive script that reads "Daniel F. Evans, Jr." The signature is written in dark ink and is positioned above the printed name.

Daniel F. Evans, Jr., Chairman