

No. : 91-194
Date: June 13, 1991

FEDERAL HOUSING FINANCE BOARD

Discontinuance of the Consolidated Securities Fund

WHEREAS, the Consolidated Securities Fund ("CSF") was established in 1972 to provide a centralized facility for the management of the investments of the Federal Home Loan Banks ("Banks"); and

WHEREAS, the objective of the CSF was to realize economies of scale and earn a greater return than individual Banks could produce; and

WHEREAS, the results of and participation in the CSF has not met the original expectations; and

WHEREAS, each Bank has developed an independent investment capability; and

WHEREAS, the Office of Finance has reviewed the role of the CSF and recommended that it not be retained in its present form; and

WHEREAS, the Presidents of the Banks have voted unanimously to discontinue the CSF.

NOW, THEREFORE, RESOLVED, that the Consolidated Securities Fund will be discontinued based on a plan of dissolution developed by the District Banks Directorate and the assets of the CSF will be redistributed to the Banks pursuant to the formula for contributions to the CSF.

By the Federal Housing Finance Board



Daniel F. Evans, Jr., Chairman