



Number: 2005-20
Date: October 18, 2005

FEDERAL HOUSING FINANCE BOARD

Delegation of Authority to Amend the June 30, 2004 Written Agreement
with the Federal Home Loan Bank of Chicago

WHEREAS, section 2A(a)(3) of the Federal Home Loan Bank Act (Bank Act) (12 U.S.C. § 1422a(a)(3)) requires the Federal Housing Finance Board (Finance Board) to ensure that the Federal Home Loan Banks operate in a financially safe and sound manner;

WHEREAS, to ensure that the Federal Home Loan Bank of Chicago (Chicago Bank) continues to maintain its safe and sound condition, to operate in a prudential manner, and to meet or exceed all requirements of the Bank Act and Finance Board regulations and policies, the Board of Directors delegated to the Director of the Office of Supervision the authority to enter into a written agreement with the Chicago Bank that addressed specific regulatory, policy, and operational issues identified by the Office of Supervision, in accordance with section 2B(a)(5) of the Bank Act (12 U.S.C. § 1422b(a)(5));

WHEREAS, on June 30, 2004, the Director of the Office of Supervision entered into a written agreement (Agreement) with the Chicago Bank;

WHEREAS, in connection with a request from the Chicago Bank for Finance Board approval of a third-quarter dividend, the Chicago Bank and Finance Board have determined that certain amendments to the Agreement are appropriate; and

WHEREAS, the Director of the Office of Supervision has consulted with the members of the Board of Directors regarding the amendments to the Agreement.

NOW, THEREFORE, IT IS RESOLVED that the Board of Directors delegates to the Director of the Office of Supervision the authority to enter into Amendment No. 1 to the Agreement with the Chicago Bank on behalf of the Finance Board in substantially the same form as the Amendment presented to the Board of Directors as part of a notational voting package.

IT IS FURTHER RESOLVED that the Director of the Office of Supervision will periodically report to, and consult with, the Board of Directors concerning the Chicago Bank's progress in fulfilling the terms of the Agreement, as amended by Amendment No. 1.

By the Board of Directors of the
Federal Housing Finance Board

/s/ Ronald A. Rosenfeld

Ronald A. Rosenfeld
Chairman