FEDERAL HOUSING FINANCE BOARD

Approval of Financing Corporation's
Administrative Expenses and Non-Administrative Expenses Budgets

WHEREAS, pursuant to Section 21(b)(7) of the Federal Home Loan Bank Act ("Act"), all administrative expenses of the Financing Corporation ("FICO") are to be paid by the Federal Home Loan Banks, each Bank being required to pay an amount to be determined by the Federal Housing Finance Board ("Finance Board") in accordance with Section 21(b)(7)(B) of the Act;
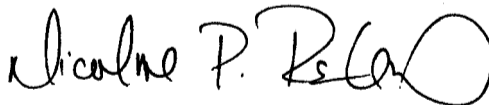
WHEREAS, pursuant to Section 21(F) of the Act, FICO, with the approval of the Board of Directors of the Federal Deposit Insurance Corporation, shall assess each Savings Association Insurance Fund member amounts necessary to fund anticipated interest payments, issuance costs and custodial fees on FICO obligations, within the limits set forth in the Act; and

WHEREAS, the Finance Board has considered FICO's administrative expenses and non-administrative expenses budgets in accordance with the provisions of the Act.

NOW THEREFORE, BE IT RESOLVED:

1.   That the Finance Board approves an administrative budget for the period commencing January 1, 1994, and ending December 31, 1994, of $18,250 for FICO. On a periodic basis, FICO is authorized to bill each Federal Home Loan Bank in advance for its proper slhare of FICO's budget for that period as determined in accordance with the Act.

2.   That the Finance Board approves a non-administrative budget for the period commencing January 1, 1994, and ending December 31, 1994, of $25,495 for FICO.

3.   That the approvals are subject to the following terms and conditions:

      0   That, no later than January 31, 1994, FICO shall submit to the Finance Board a written report and financial statements regarding actual-to-budget performance for 1993.

      0   That, FICO shall adhere to the 1994 administrative and non-administrative budgets approved by the Finance Board. FICO shall not exceed either budget without Finance Board approval.

By the Federal Housing Finance Board

Nicolas P. Retsinas